



Province of the  
**EASTERN CAPE**  
EDUCATION

# **ANNUAL REPORT**

# **2023/24**

**vote 6**

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Province of the  
**EASTERN CAPE**  
EDUCATION



**GENERAL  
INFORMATION**

**PART A**

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## 1. LIST OF ABBREVIATIONS

Abbreviations	Description
AAC	Autism Alternative and Augmentative Communication
AET	Adult Education and Training
AIDS	Acquired Immune Deficiency Syndrome
AIP	Audit Improvement Plan
ASIDI	Accelerated School Infrastructure Delivery Initiative
CAPS	Curriculum and Assessment Policy Statements
CEM	Council of Education Ministers
CFO	Chief Financial Officer
CMC	Circuit Management Centre
COGTA	Department of Cooperative Governance and Traditional Affairs
CSLP	Circuit School Landscape Plans
DBE	Department of Basic Education
DDD	Data Driven District
DRPW	Department of Roads and Public Works
ECEAC	Eastern Cape Education Advisory Council
EAP	Environment Assessment Practitioners
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ECSECC	Eastern Cape Socio Economic Consultative Council
ECDoE	Eastern Cape Department of Education
EDO	Education Development Officers
EDD	Electronic Document Delivery System
EE	Employment Equity
EFMS	Education Facilities Management System
EGRA	Early Grade Reading Assessment
EIG	Education Infrastructure Grant
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
ESTP	Education System Transformation Plan
FET	Further Education and Training
FP	Foundation Phase
GEC	General Education Certificate
GET	General Education and Training
HEI	Higher Education Institution
HIV	Human Immune-Deficiency Virus
HOD	Head of Department
HR	Human Resources
HRD	Human Resources Development
ICT	Information and Communication Technology
IRM	Treasury Infrastructure Reporting Module
IA	Implementing Agent
ICU	Internal Control Unit
IT	Information Technology
IDMS	Infrastructure Delivery Management System
IPIP	Infrastructure Programme Implementation Plans
IPMP	Infrastructure Programme Management Plan
IQMS	Integrated Quality Management System
ISPFTED	Integrated Strategic Planning Framework for Teacher Education and Development
LAIS	Learner Attainment Improvement Strategy
LMS	Learning Management System
LTSM	Learners with Special Education Needs
LTSM	Learning and Teaching Support Materials
MEC	Member of Executive Council
MST	Mathematics, Science and Technology
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCS	National Curriculum Statement
NDP	National Development Plan
NEET	Not in Education Employment or Training
NEPA	National Education Policy Act

Abbreviations	Description
<b>NGO</b>	Non-Governmental Organisation
<b>NQF</b>	National Qualifications Framework
<b>NSC</b>	National Senior Certificate
<b>NSOI</b>	Non- Standardised Output Indicator
<b>NSNP</b>	National School Nutrition Programme
<b>OHS</b>	Occupational Health and Safety
<b>OSD</b>	Occupation Specific Dispensation
<b>PDP</b>	Provincial Development Plan
<b>PELRC</b>	Provincial Education Labour Relations Council
<b>PFMA</b>	Public Finance Management Act
<b>PID</b>	Profound Intellectual Disabilities
<b>PILIR</b>	Policy on Incapacity Leave and Ill-Health Retirement
<b>PIRLS</b>	Progress in International Reading Literacy Study
<b>PMDS</b>	Performance Management and Development System
<b>PI</b>	Performance Indicator
<b>PYEI</b>	Presidential Youth Employment Initiative
<b>PGCE</b>	Post Graduate Certificate in Education
<b>PPN</b>	Post Provisioning Norms
<b>PSU</b>	Programme Support Unit
<b>SACE</b>	South African Council for Educators
<b>SASAMS</b>	South African School Administration and Management System
<b>SASL</b>	South African Sign Language
<b>SEACMEQ</b>	Southern and Eastern African Consortium for Monitoring Educational Quality
<b>SAQA</b>	South African Qualifications Authority
<b>SASA</b>	South African Schools' Act
<b>SBA</b>	School Based Assessments
<b>SCM</b>	Supply Chain Management
<b>SDIP</b>	Service Delivery Improvement Plan
<b>SETA</b>	Sector Education and Training Authority
<b>SGB</b>	School Governing Body
<b>SDM</b>	Service Delivery Model
<b>SIAS</b>	Screening, Identification, Assessment and Support
<b>SID</b>	Severely Intellectually Disabled
<b>SITA</b>	State Information Technology Agency
<b>SOI</b>	Standardised Output Indicator
<b>SMT</b>	School Management Team
<b>TIMSS</b>	Trends in International Mathematics and Science Studies
<b>TICSA</b>	Teacher Internship Collaboration South Africa
<b>U-AMP</b>	User Asset Management Plan
<b>WSE</b>	Whole School Evaluation

## 2. FOREWORD BY THE MEC

The Eastern Cape Department of Education (ECDoE) presents with great pleasure the Annual Report for 2023/24 financial year. This is an account of how the Department has performed on the set targets outlined in the 2023/24 Annual Performance Plan. It equally accounts for achievements and persisting challenges that continually seek to characterize the system.

In the 2023 State of the Province Address (SOPA), the Honourable Premier, Oscar Mabuyane attested to the fact that the Eastern Cape education system was starting to function like a well-oiled machine. This assertion was based on the upward trajectory observed from 2019-2023, with the province performing from 76.4 % to 81.4 % in the NCS results. The same period has not been without challenges as there was once a decline in 2020 wherein the province achieved 68.0 due to the Covid-19 pandemic that engulfed the entire world.



**Mr. F.D. Gade**  
**Honorable MEC**

The performance in the year under review continued to be guided by the National Development Plan (NDP) and the Revised Medium-Term Strategic Framework (MTSF 2019-24) priorities as well as provincial imperatives contained in the Education Strategy Transformation Plan (ESTP). The Department aligned its operations with Outcomes identified by the 6th Administration, which are:

- Outcome 1 : A strong and solid foundation in literacy and numeracy
- Outcome 2 : 10-year-old learners enrolled in schools read for meaning
- Outcome 3 : Youths better prepared for further studies and the world of work beyond Grade 9.
- Outcome 4 : Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa.
- Outcome 5 : ICT integrated in the provision of quality basic education.
- Outcome 6 : Skills for a changing world
- Outcome 7 : A well-defined holistic integrated inclusive education support system
- Outcome 8 : Effective social protection and creation of school environment conducive to learning.
- Outcome 9 : Effective governance for quality basic education.
- Outcome 10 : School physical infrastructure and environment that inspires learners to learn and teachers to teach.

Notable progress has been made on the outcomes indicated above, and the Department can confidently report that, while it is not yet there in terms of meeting its targets, the situation has changed from what it was before 2019. Despite the challenges the Department faced in the year under review, numerous ECD centres were still registered and funded. Recognising the fragility of the young ones in these centres, the Department continues to be in collaboration with the Department of Social Development, Department of Health, and the Department of Home Affairs to meet their needs. The challenge of centres that do not meet the norms and standards was a thorn in the flesh of the Department, and as a result, a number of ECD children could not be accounted for. Through partnerships, advocacy campaigns will be conducted to ensure that centres are registered.

One of government's "five fundamental goals for the next decade" is that all children should be able to read for meaning by the time they reach the age of ten. The Department developed and implemented Eastern Cape Department of Education Reading Strategy and Campaign to improve reading that will be implemented over the next 8 years starting from 2022 to 2030. This concept document aims to outline the provisions of the Learning Campaign and Reading Strategy for Grades 1-9 (2022-2030) necessary to assist all stakeholders to get on board with the activities for the next 8 years. A number of Foundation teachers have been trained in Reading to ensure that they have the required methodology implement the Reading Strategy.

The ECDoE has recognised that the integration of ICT is key to improving learner outcomes. The Department continues to work collaboratively with the Office of the Premier on the rollout of broadband to schools. This initiative will go a long way in ensuring that the planned Digital Strategy of the Department is realized. As the schools are moving with the times in terms of ICT integration in teaching and learning, the virtual lessons and all the E-learning solutions will be implemented without fail when all schools have access to connectivity. Most importantly, the rural- urban divide in terms of technological advancements will be minimized.

The Department has maintained the targeted 17 Agricultural schools and has ensured that they are resourced. They are also compliant in terms of the CAPS requirements. In terms of the Maritime schools, one can observe that the province does not yet have fully functional Maritime schools but as an initiative, there are currently 5 schools that are offering Maritime subjects. It is in the plan of the Department to increase the number of these schools. The resourcing of these schools was a challenge, and a plan is in place to ensure that they are fully resourced. Technical Vocational Education has also been prioritised by the current administration and by the end of this financial year, the province has 69 Technical High schools.

It has been to the detriment of the Department to have a shortage of Therapists and Psychologists. However, by the end of the financial year, the Department is proud to report that 26 therapists have been appointed and this means that the Department has a total of 62 Specialists, who will service both Special and mainstream schools. Much focus was placed on responding to the achievement of Sustainable Development Goal (SDG) 4.5 which focused on the situational analysis of support provided to learners with barriers in full-service/mainstream schools. Capacity building activities to achieve these goals included advocacy and awareness on the following policies:

- Screening, Identification, Assessment and Support,
- Guidelines for Full-Service Schools
- The establishment of functional School-Based Support Teams

To promote access to school, the ECDoE in collaboration with the Department of Transport continues to provide Scholar Transport to learners who travel long distances to schools and learners in vulnerable and unsafe areas, however there are still shortfalls due to budget constraints. On a more positive side, since students from Quintiles 1-3 schools typically come from more underprivileged families and find themselves learning on empty stomachs, breakfast and lunch have been given for them. The Department also managed to fund learners in no-fee school at 100%, which was a struggle in the previous years due to financial constraints.

The Department has continued to provide basic services such as clean water, electricity, and sanitation in order to restore the dignity of our learners regardless of their background. 1598 schools were targeted to receive sanitation facilities under the Sanitation Appropriate for Education (SAFE) programme. Of these, 1337 received appropriate sanitation from 2019 to 2023. The Department also took a conscious decision to ensure that mud schools are eradicated. Though we are not yet there but noticeable strides have been made. As a province that is also prone to natural disasters, a plan has been made to maintain and refurbish schools that have been affected. It is also worth noting that there are currently 32 schools under construction. These are multi-year projects which will in the long run count towards the eradication of mud schools in the province.

Looking ahead, our focus will be on expanding digital learning initiatives to bridge the digital divide and ensure that all learners have quality education regardless of their location. The Department will strengthen partnerships to enhance resource mobilisation and educational outcomes. Experience has proven that the department cannot deliver on the mandate alone. The Department will continue to invest on teacher training and welfare to attract and retain high quality teachers. It will continue to be our commitment to foster a holistic education system that not only imparts academic knowledge but also promotes social, emotional, and physical well-being. Inclusive education will continue to be the priority of the Department and provision of proper infrastructure to restore the dignity of teachers and learners.

A concerted effort and collaboration with stakeholders will continue to be a prerequisite for achievement of the new priorities. The good lessons learnt, and the good performance will have to be sustained and in the same vein, mitigations be devised to deal with the challenges that compromised the performance of the Department. The Department has made strides in the implementation of the MTSF priorities, though not yet there in terms of achieving them. This will serve as a baseline for the 7th Administration.

In conclusion, I wish to extend my heartfelt gratitude to all educators, administrators, parents and learners for their unwavering dedication and resilience. The role that has been played by all the stakeholders in maintaining stability and promoting labour peace within the Department will forever be appreciated. It is very difficult for this sector to thrive where there is instability. We hope and pray for a stable political environment moving forward to be able to deliver on our mandate as expected. Together we are building a brighter future for our nation's children. Let us continue to strive for excellence and equity in education.



**Mr. F.D. Gade**  
**Honorable Member of the Executive Council (MEC)**  
**Department of Education**  
**Eastern Cape Province**  
**Date: 30 August 2024**

### 3. REPORT OF THE ACCOUNTING OFFICER

#### Overview of the operations of the Department

It is pleasing to present the overview of the 2023/24 Annual Report of the Department, reflecting on the progress on the commitments made in our 2023/24 Annual Performance Plan. During the year under review, the Department has achieved significant milestones, but in the same vein, faced various challenges, all of which have contributed to its growth and development. This report aims to demonstrate the commitment to transparency, accountability, and responsible stewardship of public resources.



**Ms S.A Maasdorp**  
**Acting Accounting Officer**

The Class of 2023 passed with 81.4 percent, a 4.1% increase over the Class of 2022's 77.3% pass rate. The improvement was not only in terms of quantity but also in quality as the number of Bachelor passes increased by 2.8 % from 36.8% in 2022 to 39.6% in 2023. In real terms, 37 898 of the 95 697 learners obtained a Bachelor pass in 2023 compared to 34 974 in 2022. District performance took a new turn in 2023, with 8 Districts performing above 80%, and the remaining 4 performing between 76% and 79%. Five more Districts, compared to 2022, joined the 80% benchmark. The top 5 performing District in 2023 were Alfred Nzo East (85,1%); Alfred Nzo West (84,2%); Chris Hani East (84,1%); Joe Gqabi (83,9%) with 12.2% improvement to 71,7% Nelson Mandela (83,1%). With this performance, the province is slowly getting closer to achieving Outcome 4, as enshrined in the Five-Year Strategic Plan, which requires the country to have youth leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa.

Our priority as the Department is to ensure that a strong and solid foundation in Literacy and Numeracy is laid. This can only be achieved when there are functional and registered ECD centres. Vangasali campaigns were conducted throughout the province to encourage registration of ECD Centres. Collaboration with private sector entities in registration drives made this possible e.g. Old Mutual Foundation. The challenge remains the high number of children that cannot be accounted for because they access ECD services from non-registered centres that do not comply to norms and standards. Pursuant to the new Early Childhood Maintenance (ECD) Grant projects, out of the 37 projects that were in the pipeline, 4 projects were completed during this financial year. Site handover for the construction of a new ECD Centre in line with the Grant Schedule was fulfilled as well. An amount of R3,067m of the budget was spent. It is hoped that in the coming financial year, more ECD centres will be constructed.

The Department remains committed to providing inclusive quality basic education to learners with special needs. In an effort to ensure that no learner is left behind, the Department has elevated the Bonke Ngabethu project to a High Impact Project. Furthermore, to maximise school access for all, the Department has handed over 10 buses which are 23 seaters. The 10 Special schools include Tsolo Special school, Thembisa, Ikwezi Lokusa (ORT Inland); Kuyasa (Sarah Baartman); Nompumalanga (Alfred Nzo East); Sive Cedarville (Alfred Nzo West); Zamokuhle Bizana (Alfred Nzo East); Khanyisa (Nelson Mandela Bay); Khanyisa Cala (Chris Hani East) and Antos (Joe Gqabi). 1965 learners, both Day and Hostel will benefit from this service.

The Department employed Nurses in Special Schools with hostels, to provide valuable services to learners. 26 Specialists and 120 support staff have also been appointed between December 2023 and February 2024. Since 2019, we have had 24 Special Schools that serve as Resource Centres, meaning that, not only Special schools' benefit from the services of Specialists but all the Public Ordinary schools around them. Throughout the period (2019 to date), the Department ensured that a maximum of 10 000 learners with special needs are placed in the 45 schools available in the province. Initiatives to support learners with special needs have been expanded, including specialised training for teachers and the provision of assistive devices. One of the crucial training courses was on Screening, Identification, Assessment and Support (SIAS) policy so that there is correct, identification, referrals by schools and subsequently, placement of learners with special needs.

To upscale e-learning, the Department procured 1773 laptops to be used in schools for teaching and learning. This was also an endeavour to increase the uptake of the internet from the broadband project. 3300 mobile routers were procured for schools that are yet to benefit from the broadband project and those that are not on the broadband master list. As the number of broadband beneficiaries increases, the mobile routers will be moved to the most-needy schools.

The Department managed to provide schools with resources i.e. textbooks, multi-media, and financial and human resources. Teachers were appointed, and these ranged from Funza Lushaka beneficiaries, NSFAS, Matthew Goniwe and Self-Funded teachers. Through Teacher Development programmes, teachers were capacitated in different subjects, and these were all SACE approved. This was in line with the Education System Transformation Plan whose Pillar One focusses on capacity building.

The Department pledges to continue consultation sessions with various stakeholders to influence the School Rationalisation and Realignment Programme. This will continue to help reshape and re-organise the education system in the Eastern Cape in order to provide quality education for each learner, a better teaching environment for teachers and a better future for our learners.

During the year under review, the Department was able to implement strategies that were focusing on avoiding the overspending of the budget vote, through monthly monitoring of spending of both Conditional Grants and Equitable Share budget. These strategies saw huge improvement of spending of conditional grants spending between ninety-nine per cent (99%) to hundred per cent (100%) of its budget, with only one conditional grant spending 98%. This is viewed as the greatest achievement for the Department compared to the previous years.

The Annual Recruitment Plan was approved during the second quarter of the financial year. As such, the Department made appointments where the most recommended candidates were internal, as a result, this encouraged the promotion of employees. The Department also focused on capacitating Districts. Workshops were held where district officials were taken through financial delegations, and assessment on readiness was successfully done to ascertain which districts had sufficient capacity to implement the delegations.

## Overview of the financial results of the Department:

### Departmental receipts

Departmental receipts	Estimate	2022/2023 Actual Amount Collected	(Over) /Under Collection	Estimate	2023/2024 Actual Amount Collected	(Over) /Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sales of goods and services other than capital assets	70,258	61,690	8,568	73,422	57,746	15,676
Fines, penalties and forfeits	134	3	131	140	72	68
Interest, dividends and rent on land	402	56	346	420	53	367
Sale of capital assets	-	6,167	(6,167)	-	-	-
Financial transactions in assets and liabilities	24,503	42,334	(17,831)	25,603	15,217	10,386
<b>Total</b>	<b>95,297</b>	<b>110,250</b>	<b>(14,953)</b>	<b>99,585</b>	<b>73,088</b>	<b>26,497</b>

The Department recorded a revenue collection of R73.088 million against the estimated revenue collection of R99.585 million, recording an under collection of R26,497 million.

The under collection is on Sale of goods and services other than capital assets due to revenue returns not received for in lieu of the boarding services offered by schools with Hostels. The cited reason is the issue of underfunding of the Hostel Norms and Standards, indicating that they use the funds for the needs and maintenance of the hostels.

In terms of financial transactions in assets and liabilities, the under collection emanates from decline in the recovery of debts emanating from officials who do not qualify for leave gratuity benefits and officials whose "debts" exceed the leave credits.

## Programme Expenditure

Programme Name	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration	2,878,227	2,846,435	31,792	2,732,391	2,648,301	84,090
2. Public Ordinary School Education	31,232,738	31,198,530	34,208	32,792,538	32,792,538	-
3. Independent School Subsidies	157,897	154,897	3,000	110,345	110,345	-
4. Public Special School Education	1,030,805	974,837	55,968	1,052,277	1,043,854	8,423
5. Early Childhood Development	965 867	837,168	128,699	1,001,716	977,563	24,153
6. Infrastructure Development	1,954,851	1,854,215	100,636	1,702,699	1,697,072	5,627
7. Examination & Education Related Services	1,475,621	1,421,933	53,688	1,798,328	1,777,802	20,526
<b>Total</b>	<b>39,696,006</b>	<b>39,288,014</b>	<b>407,992</b>	<b>41,190,294</b>	<b>41,047,475</b>	<b>142,819</b>

The Department had a final appropriation of R41.190 billion in the 2023/24 financial year. The Department spent R41.047 billion of the final appropriation. The Department has recorded an under expenditure of R142.819 million at year end.

### Programme 1

The underspending is mainly on the Compensation of Employees due to the time of fully implementing the approved Annual Recruitment Plan (ARP) from the date of advertisement to the assumption of duties by the respective successful candidates. It has also been identified that in some of the posts where assumption of duty has been done, the financial implications were below the anticipated due to internal appointments made. Upon completion of the recruitment processes, it became clear that most of the filled posts were filled through promotion of officials within the Department. This, therefore, resulted in further savings which were reserved for the filling of replacement posts which became vacant from the 3rd quarter of the financial year. However, the filling of replacement posts did not materialize as PCMT approval processes took longer than anticipated.

The underspending on Goods and Services emanates from the departmental internal controls exercised to balance the actual cash and the budget and therefore cost containment measures were enforced and stringent expenditure controls were tightened to ensure that there is no unauthorized expenditure recorded at year-end in the overall appropriation of the Department. The underspending was utilised to reduce the Unauthorised Expenditure incurred in prior years.

The underspending on Households is mainly due to payments that could not be processed at year end as the overall expenditure of this item was showing signs of potential over expenditure, especially in Public Ordinary Schools as a result, these funds were earmarked to curtail the identified over expenditure of the same item across all programmes.

The underspending on Machinery and Equipment emanates from the departmental cash constraints which forced the Department to tighten its expenditure controls to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the Department

### Programme 2

The programme spent 100 per cent of its appropriation.

### Programme 3

The programme spent 100 per cent of its appropriation.

### Programme 4

The underspending was mainly on machinery and equipment emanating from the austerity measures implemented to deal with cash constraints. This forced the Department to tighten its expenditure controls in order to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation.

**Programme 5**

The underspending largely emanates from the departmental internal controls exercised to balance the actual cash and the budget which therefore, cost containment measures were enforced, and stringent expenditure controls were tightened in order to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department. Therefore, the underspending was utilised to cover the bank overdraft of the department, due to cash constraints faced by the Department that affected the ability of the Department to honour contractual obligations, thus care had to be exercised before any payment can be made.

ECD Maintenance Grant underspent, however, the delivery of infrastructure has taken place, the invoices will form part of the accruals that will be settled in 2024/25 Financial Year, and an application for rollover of unspent funds will be submitted to Provincial Treasury.

The underspending on Non-Profit Institutions emanates from

- 1) the reconciliation process and verification of learners which resulted in a decreased number of subsidized learners and,
- 2) due to the transfer payment to 30 ECD centres which did not go through due dormant accounts.

The underspending on Machinery and Equipment was due to budget constraints which forced the Department to tighten its expenditure controls and prevent unauthorized expenditure at year end. The risk of exceeding the approved bank overdraft limit and care had to be exercised before any payment can be made.

**Programme 6**

The under expenditure is a result of delayed submission of invoices by Implementing Agents. A request for the rollover of unspent funds has been submitted to PT and post adjustments will be done within the grant from property payments to defray the over expenditure in buildings and other fixed structures.

**Programme 7**

The underspending in the division of the vote and on the main vote was due to cost containment measures implemented by the Department to cater for the amount surrendered to Provincial Revenue Fund underspent in 2022/23 financial year. This amount was aimed at reducing the bank overdraft and unauthorised expenditure in the year.

**Virements**

The Department effected changes at year end from savings realised under Compensation of Employees in Programme 1 and 4 due to time delays in the filling of posts, funds remaining under Goods and Services will be used to curtail excess expenditure which will be used to offset overspending in Programme 2 & 7 to augment excess expenditure under Agency and Support Services in Special Projects Sub Programme.

- Programme 1 (R 224 068 million)
- Programme 4 (R 67 974 million)
- Programme 5 (R 60 692 million)
- Programme 2 R 152 659 million
- Programme 7 R 200.075 million

**Roll Overs**

The application for rollover of 2023/24 unspent funds was made for the following Conditional Grants, amounting to R127.226 million. The details of the conditional grant roll over application are as follows:

The Maths, Science and Technology conditional grant spent R72.699 million or 99 percent of the adjusted allocation of R 73.896 million underspending by R1.197 million. The Grant had already committed R1.203 million before the end of the financial year. The underspending is due to changes in personnel managing the grant as well as delays in the procurement processes. Delays may be attributed to the late submission of invoices by the contracted service. There are invoices that relate to the provision of support to the 12 districts in terms of extra tuition classes. Which assisted in the improvement of the 2022 matric passing rate. The approval of the roll over will afford this grant to spend the current financial year's budget effectively on the activities planned for 2023/24 financial year.

The Learners with Severe to Profound Intellectual Disability (LSPID) grant spent R28.061 million or 86 percent of the adjusted allocation of R32.800 million underspending by R4.739 million. The commitments at the end of the 2022/23 financial year emanated mainly from school furniture and equipment amounting to R 1.106 million. The non-payment is due to delays in the submission of invoices by contracted service providers. The specialized nature of the goods procured contribute to the increased turnaround time as there is specific manufacturing guidelines based on the individual learner.

The Education Infrastructure Grant spent R1.854 billion or 95 percent of the adjusted allocation of R1.955 billion underspending by R100.619 million. The recovery plan was fully implemented in the previous financial year wherein there are invoices at hand amounting to R 102,406 million relating to the programme. There are also orders that still needs to be issued relating to the beautification programme under the recovery plan. The roll-over application will fully fund the recovery plan programme.

The Early Childhood Development Grant spent R189.217 million or 85 percent of the adjusted allocation of R223.332 million underspending by R34.155 million. The Rollover request is mainly under Transfers and Subsidies which emanate from stimulus funding meant to compensate 4085 ECD workers in ECD centres. The Grant also has commitments in Goods and Services under Consumable Stationery, Office and printing supplies for creation of files for centres and bulk printing of Service Level Agreements as well as Property Payments relating to the maintenance of ECD Centres. In terms of Payments for Capital Assets, the Grant had commitments for the procurement of Laptops for the ECD migrated staff at the Provincial office. The reason the funds were not spent in 2022/23 is due to delays in delivery of goods by the contracted service providers which also contributed to late submission of invoices.

#### **Approved Rollovers from 2022/23 to 2023/24 by Treasury – R109.224 million:**

##### **Approved Rollover**

##### **Programme 2: Public Ordinary Schools**

R996 thousand has been rolled over for Maths, Science and Technology (MST) for the payment of invoices relating to the provision of support to twelve (12) districts in respect of extra tuition classes, that contributed into the improvement of the 2022 matric pass outcomes.

##### **Programme 4: Public Special Schools**

R1.521 million has been rolled over for the Learners with Profound Intellectual Disabilities in respect of various specialised goods and services procured for the beneficiaries (special learners) in the special care centres.

##### **Programme 5: Early Childhood Development**

R6.621 million has been rolled over for the Early Childhood Development Grant in respect of the delivery of infrastructure maintenance invoices and transfer payment to 30 ECD centres which did not go through due dormant accounts

##### **Programme 6: Infrastructure Development**

R100.086 million has been rolled over for the Education Infrastructure Grant (EIG) in respect of commitments emanated from the late issuing of infrastructure orders for the continued implementation of various infrastructure related projects (fencing, modular classrooms, sanitation, maintenance etc.).

##### **Unauthorised, Fruitless and Wasteful Expenditure**

The Department incurred irregular expenditure of 973 thousand in the current financial year which relates to subsequent payments on multi-year contracts from Implementing Agents which was confirmed Irregular in prior years due to non-compliance with SCM regulations.

To curb irregular expenditure the Department have implemented preventative and detective control measures through strengthening of its internal control environment, records management, procurement and contracts management across Head Office and Districts Offices. The Department is enhancing its review and monitoring controls on Implementing Agents procurement and contract management processes for compliance with applicable laws and regulations.

##### **Strategic focus over the short to medium term period.**

The NDP's vision for 2030 is that South Africans should have access to training and education of the highest quality, characterised by significantly improved learning outcomes. Education then becomes an important instrument in equalising individuals' life chances, ensuring economic mobility and success and advancing our key goals of economic growth, employment creation, poverty eradication and the reduction of inequality.

Recognising the above, the Eastern Cape Department of Education (ECDOE) developed and adopted the 2016-2018 Education System Transformation Plan (ESTP), as an approach to assist the Department to accelerate the creation of an enabling environment within which the Department would be better able to achieve its vision "to provide learners with opportunities to become productive and responsible citizens through quality basic education". The ESTP was revised for implementation up to 2024. This ESTP dealt with backlogs, while building the capacity of the Provincial Department to perform at a required level in order to prevent the creation of new backlogs and ensure sustainability.

The Education System Transformation Plan aimed to achieve the following:

- Increased number of functional schools
- Rationalised and realigned small and unviable schools
- Fully Capacitated and Functional Districts and Head Office
- Social partners mobilised and rallied around the change agenda.
- Increased supply of appropriately trained educators
- Adherence to national funding norms
- Unqualified audit

### **Public Private Partnerships**

The Department currently does not have any Public-Private Partnership projects that meet the criteria for recognition as assets or liabilities to be reported on the Annual Financial Statements and Annual Performance Report as required by the Public Finance Management Act (PFMA). The Department has formed non-financially binding partnership initiatives with several organizations through signing of Memorandum of Understanding (MOUs) to support our schools and other programs of the Department.

### **Discontinued key activities / activities to be discontinued.**

There were no discontinued activities in the 2023/24 financial year.

### **New or proposed key activities.**

There were no new activities in the 2023/24 financial year.

### **Supply Chain Management**

There were no unsolicited bid proposals concluded for the year under review.

In addressing the findings raised by Auditor General and preventing recurrence of such findings, the SCM continuous to develop an Audit Improvement Plan (AIP) after the audit process, incorporating the recommendations of the Auditor General, hence the continuous improvement of the audit outcomes on Goods and Services. As part of this plan a post audit exercise was completed to prevent recurrence of repeat findings which remains in existence. In terms of the Auditor General's findings, the SCM Unit in the ECDOE improved from a qualification to an unqualified audit opinion on irregular expenditure and no Irregular Expenditure for Goods & Services was identified in the 23-24 financial year. The findings identified in the Auditor General report stem from Infrastructure Procurement through Implementing Agents which are being addressed to ensure a reduction of these findings with the ultimate aim to prevent further irregular expenditure.

The multi-disciplinary team consisting of SCM, ICU and Risk Management officials which was established in 2017 continues to conduct extensive auditing of all district and head office payment vouchers to assist in ensuring that SCM is audit ready.

**Gifts and Donations received in kind from non-related parties.**

Donation	Name of the Donor
38x Laptops and laptop bags 70x Branded notebooks 70x Branded pens and USBs	JENN
15x Laptops and laptop bags Backpack with promotional items	MTN
Total of R100, 000 Cash vouchers	Standard Bank
4x R10,000 Cash vouchers	Disability Economic Empowerment Trust
3x Cash voucher R10 000 each	SAICA
3x Tablets	
3x Laptop bags	
3x Notebooks, pens, flash disk	
20x Laptops 60x Trophies and 60 Certificates for the Top 60 Schools	ABSA
03x Laptops	Metropolitan
05x Tablets and Assortment of promotional items	Fundi Loans
10x Tablets 10x cellphones	Maths and Science Infinity
19x Tablets	BTKM
66x Travel Cases 66x Powerbanks	Old Mutual
10x Student Packs Backpack 10x Solar Rechargeable lights 10x Student's dictionaries 10x Notebooks 10x USBs and pens	MacMillan Education
02x Laptops 02x Laptop stands 05x Speakers 05x Powerbanks 05x Pens	PAGE
30 Cell phones 30 power banks	Vodacom
R5,000 Cash vouchers	Raptoscore
05x Diasries	Metropolitan

**Exemptions and deviations received from the national treasury.**

No deviations for goods and services were requested and recorded for the 2023/24 financial year.

**Events after the reporting date**

There was no event completed after the reporting date applicable for 2023/24 financial year.

**Other**

None

**Acknowledgement/s or appreciation**

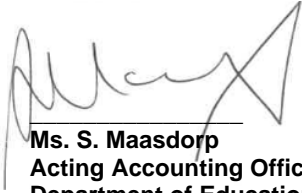
I would like to extend my appreciation to the Portfolio Committee, Office of the Premier, Provincial Treasury, DBE and the Audit Committee for their honesty and commitment on their oversight responsibility. Improved working relations with other government departments assisted in delivering on mandates that require their support. Their cooperation with the Senior Management and officials of the Department will forever be appreciated.

**Conclusion**

The Eastern Cape Department of Education commits to improve on areas that affected the performance in the year under review. The management will continue to evaluate the strategies implemented and learn good practices even from other provinces so as to strengthen curriculum delivery and achieve the target that has been set for the coming year.

### Approval and Sign Off

I, therefore, present to you the Annual Report of the Eastern Cape Department of Education for the 2023/24 financial year. It has been prepared in accordance with Section 40(1)(d) of the Public Finance Management Act, 1999 (Act No 1 of 1999), and Part IIIJ3 of the Public Service Regulations, 2001.



**Ms. S. Maasdorp**  
**Acting Accounting Officer**  
**Department of Education**  
**Date: 30 August 2024**

## 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 2024.

Yours faithfully



**Ms. S. Maasdorp**  
**Acting Accounting Officer**  
**Department of Education**  
**Date: 30 August 2024**

## 6. STRATEGIC OVERVIEW



### Vision

All learners provided with opportunities to become productive, responsible and competitive citizens through an inclusive quality basic education system.



### Mission

To achieve the vision, we will:

- Implement appropriate and relevant educational programmes through quality teaching and learning.
- Mobilise community and stakeholder support through participation.
- Institutionalise a culture of accountability at all levels of the Department.



### Values

- High performance Responsiveness
- Accountability
- Empathy
- Access
- Equity
- Integrity

## 7. LEGISLATIVE AND OTHER MANDATES

The following are the main legislative mandates under which Eastern Cape Department of Education operate:

### **The Constitution of the Republic of South Africa Act No. 108 of 1996**

The Constitution which is the supreme law of the Country confers to everyone, in terms of Section 29, a right to education (including basic and further education), which the state, through reasonable measures, must make progressively available and accessible; receive education in the official language or languages of their choice in public educational institutions where that education is reasonably practicable; establish and maintain at one's expense independent educational institutions.

### **Public Finance Management Act (PFMA) No. 1 of 1999**

To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments.

### **South African Schools Act (SASA) No. 84 of 1996**

To provide a uniform system for the organisation, governance and funding of schools. It promotes access, quality and democratic governance in the schooling system. It ensures that all learners have the right of access to quality education without discrimination and makes schooling compulsory for children aged seven (7) to fifteen (15) years or the ninth (9th) grade, whichever occurs first. It provides for two types of schools – independent schools and public schools. The provision in the Act for democratic school governance through School Governing Bodies (SGB) is now in place in all public schools countrywide. The school funding norms, outlined in SASA, prioritise redress and target poverty with regard to the allocation of funds for the public schooling system.

### **The Eastern Cape Schools Education Act (ECSEA) Act No. 1 of 1997**

This Provincial Act provides for a uniform education system for the organisation, governance and funding of Eastern Cape schools and makes provision for the specific educational needs of the province. It provides for the control of education in schools in the province and for other matters connected therewith.

### **The National Education Policy Act (NEPA) No. 27 of 1996**

The purpose of the act is to provide for the determination of national policy for educators, including the determination of policy on salaries and conditions of employment of educators. It was designed to inscribe in law policies, as well as the legislative and monitoring responsibilities of the Minister of Education, and to formalise relations between national and provincial authorities. It laid the foundation for the establishment of the Council of Education Ministers (CEM), as well as the Heads of Education Committee.

### **Employment of Educators Act (EEA) No. 76 of 1998**

To provide for the Employment of Educators by the State, for the regulations of the conditions of services, discipline, and retirement and discharge of educators and for matters connected.

### **Public Services Act No. 103 of 1994**

To provide for the organisation and administration of public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public services, and matters connected therewith.

### **South African Council of Educators Act No. 31 of 2000**

To provide for the continued existence of the South African Council for Educators; to provide anew for the functions of the said council; and to provide anew for the composition of the said council; and to provide for matters incidental thereto.

**Labour Relations Act & Basic Conditions of Employment Act No.75 of 1997**

These are the leading legislations in matters of labour. They give effect to section 27 and 23 (1) of the constitution. These legislations recognise the right to a fair labour practice and to comply with international standards of employment.

**Skills Development Act No 97 of 1998 & Skills Development levies Act No. 9 of 1999**

The purpose of these Acts is to provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce, to provide learnerships that lead to recognised occupational qualifications and regulate employment services. Skills Development levies Act No 9 of 1999 provides for the imposition of the levy with regard to improvement of work force skills where every employer is obliged to pay a skills development levy at a certain rate of percentage of the leviable amount.

**Occupational Health and Safety Act No. 85 of 1993**

The Occupational Health and Safety Act, no 85 of 1993 provides for the health and safety of persons at work as well as the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

**Preferential Procurement Policy Framework Act No. 5 of 2000**

The general conditions and procedures are subject to the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000), and the Preferential Procurement Regulations, 2001 and are applicable to all tenders, contracts and orders, unless otherwise decided by the Accounting Officer prior to the invitation of tenders. 8.6 Public Finance Management Act No 1 of 1999 and its Regulations Public Finance Management Act, no 1 of 1999 (as amended by Act 29 of 1999), deals with funding and spending of the state monies. The Act promotes the objective of good financial management in order to maximize delivery through the efficient and effective use of limited resources.

**Government Immovable Asset Management Act No 19 of 2007**

To provide for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department; and to provide for matters incidental thereto.

**South African Qualifications Authority (SAQA) Act, 1995 (Act 58 of 1995)**

The SAQA Act provides for the development and implementation of a National Qualifications Framework and for this purpose to establish the South African Qualifications Authority and to provide for matters connected therewith.

**Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000**

This Act gives effect to section 9 read with item 23 (1) of Schedule 6 of the Constitution, so as to prevent and prohibit unfair discrimination and harassment; to promote equality and eliminate unfair discrimination; to prevent and prohibit hate speech; and to provide for matters connected therewith.

**The Promotion of Administrative Justice Act [PAJA], 2000 (Act 3 of 2000)**

The PAJA Act gives effect to the right to administrative action that is lawful, reasonable, and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996 and to provide for matter incidental thereof. The Act applies to all administrative decisions of organs of state. Public Services Regulation promulgated in 2016 affects all operations of public sector in general and should be read in conjunction with the Act.

**Protection of Personal Information Act (POPIA) No 4 of 2013**

The Protection of Personal Information Act, no 4 of 2013 promotes the protection of personal information by public and private bodies. The Protection of Personal Information (POPI) Act has been signed into law by the President on 19 November and published in the Government Gazette Notice 37067 on 26 November 2013.

Once the Act is made effective, companies will be given a year's grace period to comply with the Act, unless this grace period is extended as allowed by the Act. Promotion of

#### **Access to Information Act No. 2 of 2000**

This Act applies to the exclusion of any provision of other legislation that- (a) prohibits or restricts the disclosure of a record of a public body or private body; and (b) is materially inconsistent with an object, or a specific provision, of this Act.

#### **Promotion of Administrative Justice Act No 3 of 2000**

The purpose of this Act is to promote fair administrative procedures on all actions that will adversely affect rights or legitimate expectations of any person.

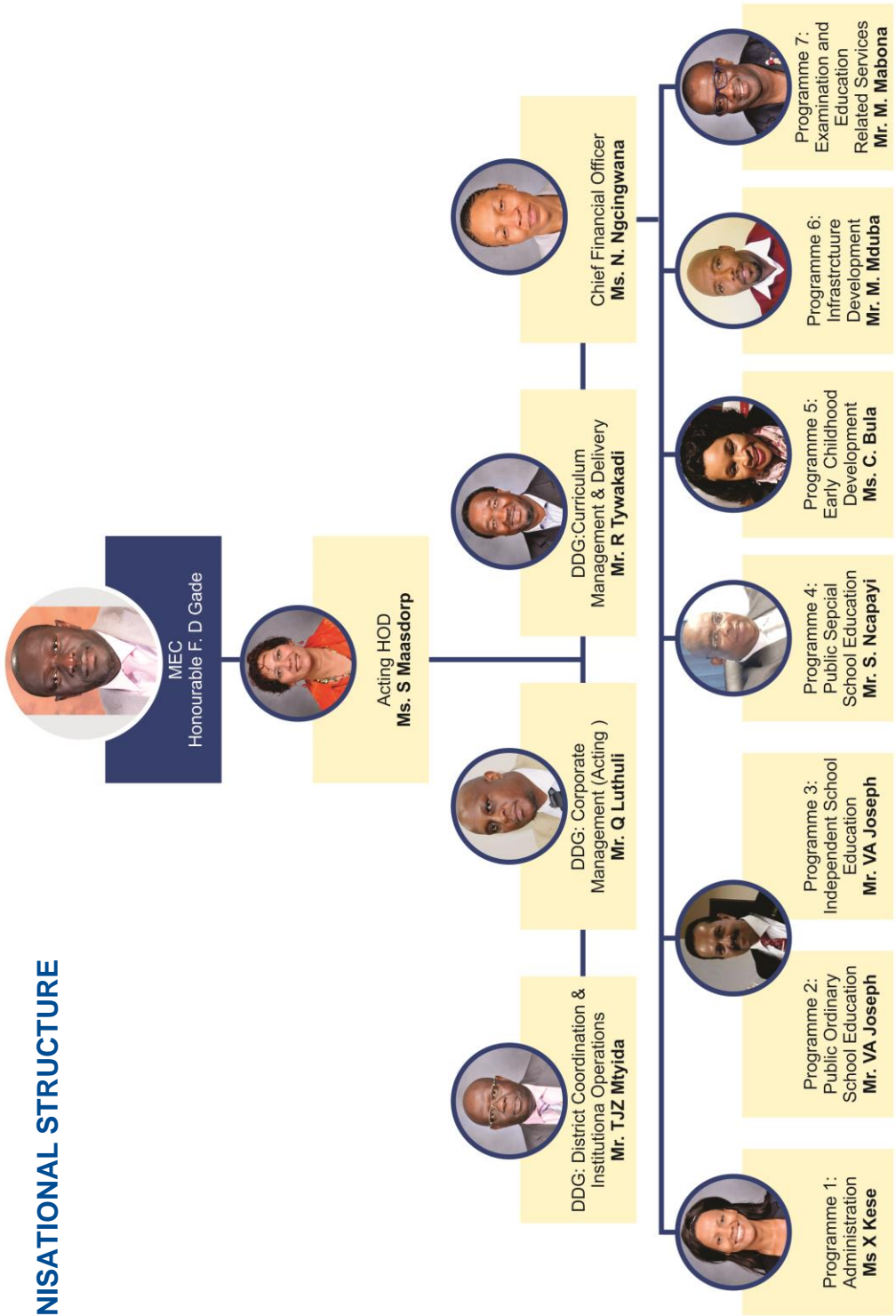
#### **The Use of Official Languages Act 12 of 2012**

The aim of the policy is to ensure the implementation of language policy and establishment of functioning National Language Unit by, national department, national public entity, and national public enterprise.

#### **Intellectual Property Rights from Publicly Financed Research and Development Act 51 of 2008**

To provide for more effective utilisation of intellectual property emanating from publicly financed research and development; to establish the National Intellectual Property Management Office and the Intellectual Property Fund; to provide for the establishment of offices of technology transfer at institutions; and to provide for matters connected therewith.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MINISTER/MEC

There are no entities reporting to the MEC.



Province of the  
**EASTERN CAPE**  
EDUCATION

**EASTERN CAPE  
PROVINCIAL  
PASS RATE**

**81.42%**

The Eastern Cape  
stands proud as the  
country's second most  
improved province.

*Congratulations*  
**YOU'VE DONE IT!!!!**

to all Matriculants Class of 2023  
you've done exceptionally well

**PERFORMANCE  
INFORMATION**

**PART B**

## 1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain 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 auditor's report.

Refer to part F from page 152 to 175.

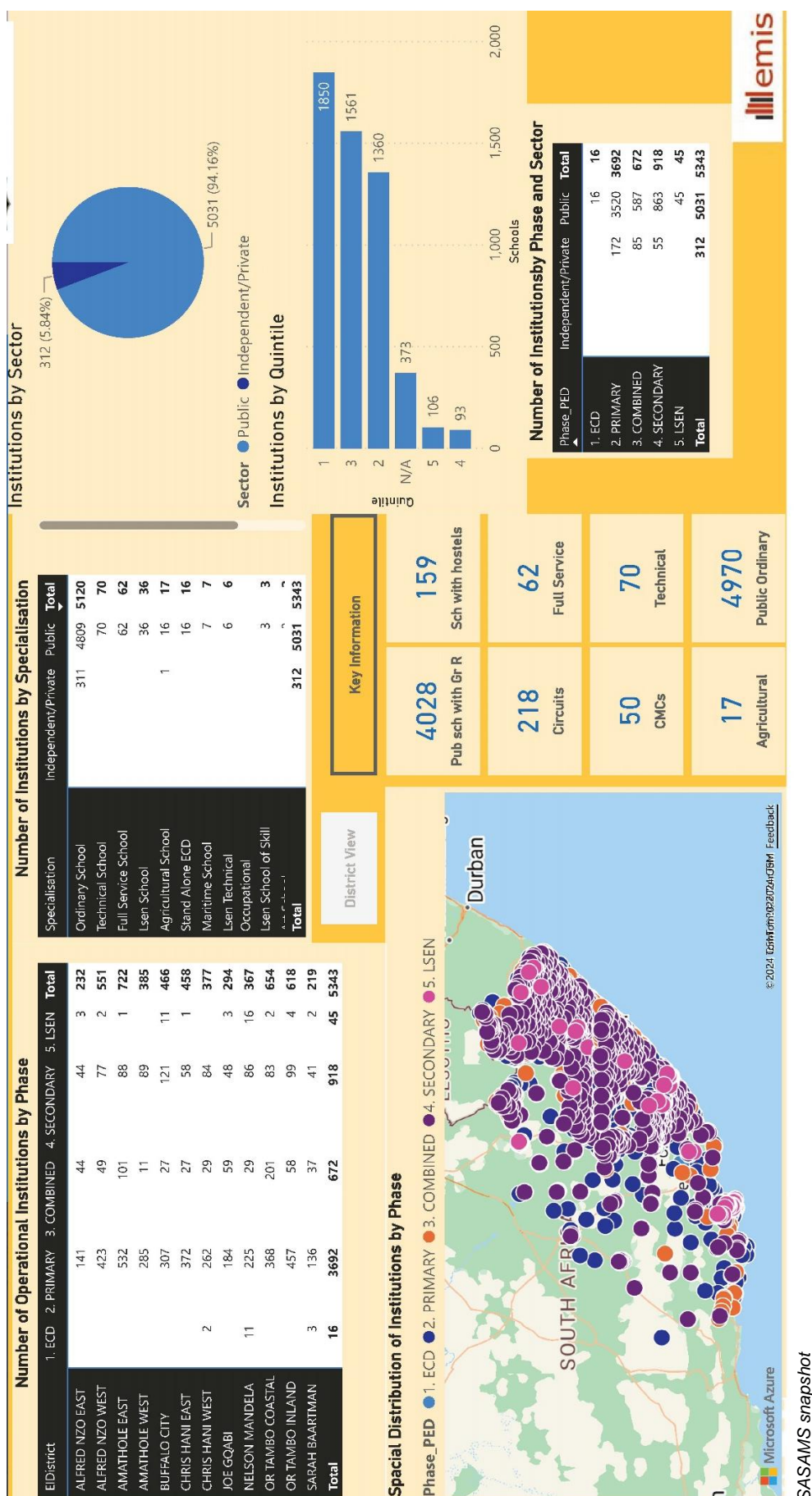
## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service Delivery Environment

The Eastern Cape Department of Education has a responsibility to ensure that there is maximum access to quality basic education and training which is provided to the citizens of this Province. This mandate is supported by the following service delivery outcomes:

- To improve the quality of teaching, learning and assessment within compulsory school-going phases.
- To improve all educational institutions and develop them into thriving centres of excellence.
- To strive to progressively provide access to further/higher education.
- The provision of adequate supply of the right quantity and quality of suitably qualified educators and practitioners; and
- The acquisition of the skills required to drive the curriculum, administration, social and psychological support programmes.

The National Development Plan (NDP) Vision 2030 highlights that districts have a responsibility to provide targeted support to improve practices within schools. This helps to ensure communication and information sharing with schools. Thus, on the Service Delivery Model, the Department has 50 Circuit Management Centres (CMC) 218 Circuits, to service all public schools in the province. The SASAMS snapshots below depict the service delivery environment.



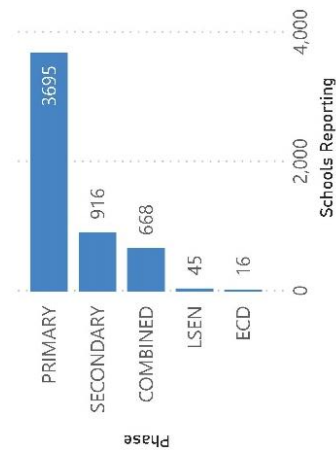
## Learner Enrolment by District and Grade

EIDistrict	Pre-Gr R	Gr R	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	Gr 9	Gr 10	Gr 11	Gr 12	Other	TOTAL	Total_R-12	Reporting Schools
ALFRED NZO EAST	0	7,309	8,047	7,768	7,786	8,437	8,209	7,975	8,445	8,876	8,152	9,945	10,023	8,112	299	109,383	109,383	
ALFRED NZO WEST	118	10,711	12,211	12,114	12,614	14,050	12,965	12,561	12,770	13,859	12,206	14,488	12,223	10,645	274	163,809	163,691	
AMATHOLE EAST	153	8,391	11,223	10,576	11,180	11,911	11,557	11,588	11,341	11,405	10,844	11,724	10,792	8,894	231	141,810	141,657	
AMATHOLE WEST	90	4,420	4,874	5,061	5,547	6,018	5,837	6,017	6,165	6,844	6,600	7,113	6,019	4,785	0	75,190	75,100	
BUFFALO CITY	240	11,203	14,872	14,747	15,948	16,534	16,186	16,551	16,565	17,768	16,920	19,491	15,869	12,192	902	205,988	205,748	
CHRIS HANI EAST	17	6,419	7,822	7,391	7,886	8,194	8,204	8,279	8,427	8,226	7,743	8,202	7,231	5,239	179	99,459	99,442	
CHRIS HANI WEST	233	7,214	8,636	8,278	8,791	9,078	8,904	8,896	9,064	10,236	8,988	10,101	8,579	5,893	0	112,891	112,658	
JOE GQABI	88	5,998	7,094	6,496	7,198	8,126	7,786	7,419	7,657	7,979	7,323	8,290	7,512	4,386	0	93,352	93,264	
NELSON MANDELA	970	13,302	19,075	18,773	19,416	20,102	19,509	19,698	20,206	21,487	20,708	22,037	17,811	13,303	304	246,701	245,731	
OR TAMBO COASTAL	6	16,514	19,522	18,750	19,566	21,341	20,675	20,374	21,520	20,689	19,269	22,631	19,451	13,970	357	254,635	254,629	
OR TAMBO INLAND	12	11,634	14,654	13,803	14,986	15,958	15,701	15,547	16,096	16,941	15,914	18,385	16,245	13,947	0	199,823	199,811	
SARAH BAARTMAN	319	6,368	9,077	7,789	8,202	8,875	8,220	8,282	8,380	9,565	7,729	8,885	6,005	4,316	172	102,184	101,865	
<b>Total</b>	<b>2,246</b>	<b>109,483</b>	<b>137,107</b>	<b>131,546</b>	<b>139,120</b>	<b>148,624</b>	<b>143,753</b>	<b>143,187</b>	<b>146,636</b>	<b>153,675</b>	<b>142,396</b>	<b>161,292</b>	<b>137,760</b>	<b>105,682</b>	<b>2718</b>	<b>1,805,225</b>	<b>1,802,979</b>	<b>5</b>

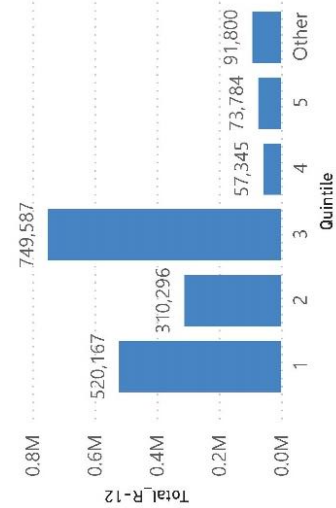
## Enrolment by Programme

1,609,424  
Prog\_273,630  
Prog\_310,509  
Prog\_4102,971  
Prog\_533.71  
Average LC Ratio33.68  
LER State29.02  
LE Ratio All204  
Sch size Median51,171  
State Educators5,906  
Admin Staff10,960  
SGB Educators3937  
Sch with Admin S...1711  
Schools < 1351128  
Schools < 100235  
Sec Schs > 1000135  
Prim Schs > 93073,203  
IDs not captured1,038,705  
LURITS Numbers17,389  
Invalid IDs769,574  
No Lurits

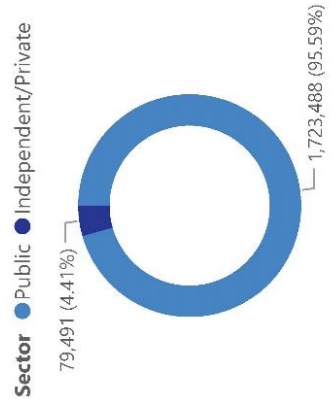
## Reporting Schools by Phase



## Learner Enrolment by Quintile



## Learner Enrolment by Sector



Wednesday, April 03, 2024

Earliest Extraction Date

## Academic Achievements

### District Performance

The performance of the Districts was promising in 2019 as 11 districts performed above 70% with one achieving 81,4%. Performance in 2020 declined as the country was engulfed in the Covid-19 pandemic. There were only 3 districts that achieved above 70%. Surprisingly, district performance took a new turn in 2021 with 9 districts performing above 70%. In 2023, the province experienced a quantum leap which placed it in the league of the 80s. Eight Districts performed above 80%, and the remaining 4 performing between 76% and 79%. Five more Districts, compared to 2022, joined the 80% benchmark. The top 5 performing Districts in 2023 were:

- Alfred Nzo East was number 1 at 85,1%, with 8.1% improvement to 77,0%
- Alfred Nzo West was number 2 at 84,2%, with 1.5% improvement to 82,7%
- Chris Hani East was number 3 at 84,1% with 4,5% improvement to 79,6%
- Joe Gqabi was number 4 at 83,9% with 12.2% improvement to 71,7%
- Nelson Mandela was number 5 at 83,1% with 2,7% improvement to 80,4%

Joe Gqabi was the most improved District at 12,2% improvement, followed by Chris Hani West at 8,9%, Alfred Nzo East at 8,1%, as well as OR Tambo Coastal at 7,2%. Worth noting are improvements in the following categories:

The number of schools performing at 60% and below has reduced from 131 to only 81, meaning that only 8.4% of our schools perform at 60% and below.

- The number of schools performing at 80% pass has increased from 202 to 216.
- The number of schools performing at 90% pass has increased from 236 to 307.
- The number of schools performing above 90% pass has increased from 233 to 254.

The table below illustrates the District performance and learner enrolment from 2019 to 2023:

Year	2019			2020			2021			2022			2023			Average over 5 years		
District Name	Wrote	Pass %	Rank	Wrote	Pass %	Rank	Wrote	Pass %	Rank	Wrote	Pass %	Rank	Wrote	Pass %	Rank	Wrote	Pass %	Rank
NELSON MANDELA METRO	8002	81.4	1	9366	75.6	1	11489	78.2	2	11914	80.4	3	11962	83.1	5	52733	79.8	1
BUFFALO CITY	7303	78.0	2	8301	73.6	2	10274	79.0	1	11095	81.5	2	11250	81.4	7	48223	79.0	2
ALFRED NZO WEST	6686	76.9	5	7738	67.9	5	8960	73.7	5	8551	83.0	1	9277	84.2	2	41212	77.4	3
ALFRED NZO EAST	3683	77.6	3	4449	68.2	4	6107	72.7	6	6228	76.7	8	6303	85.1	1	26770	76.5	4
AMATHOLE EAST	6381	76.7	6	6483	67.3	7	7622	74.4	4	8020	77.8	6	8290	82.5	6	36796	76.1	5
CHRIS HANI WEST	4007	75.4	9	4440	70.6	3	5852	71.9	8	5940	72.1	10	5631	80.9	8	25870	74.2	6
OR TAMBO INLAND	8052	76.0	8	8933	65.2	8	11265	70.3	9	12230	76.9	7	12653	79.6	9	53133	74.0	7
CHRIS HANI EAST	3585	71.9	11	4118	62.2	11	4971	69.5	10	4703	79.6	4	4865	84.1	3	22242	73.9	8
SARAH BAARTMAN	2580	73.0	10	2951	67.7	6	3614	72.1	7	3810	75.8	9	3805	76.6	12	16760	73.3	9
AMATHOLE WEST	3068	64.7	12	3058	63.2	10	3677	74.6	3	3994	78.3	5	4227	77.3	11	18024	72.4	10
JOE GQABI	3045	76.4	7	3781	61.5	12	5094	69.2	11	4840	71.7	11	4276	83.9	4	21036	72.4	11
OR TAMBO COASTAL	7016	77.2	4	9169	64.5	9	12953	66.9	12	13650	70.5	12	13158	78.4	10	55946	71.4	12
Province	63408	76.4	8	72787	68.0	5	91878	72.9	6	94975	77.2	7	95697	81.4	7	418745	75.5	6

District Bachelor pass rate has improved commendably. Only 5 of the 12 Districts performed below the Provincial average of 39,6% bachelor passes and 7 performed above 40%. Here is the rundown of the top performing Districts in Bachelor passes:

- Chris Hani East at 45.1% is the top with 3.8% improvement from 41.3%.
- BCM at 42.6% is second best albeit a decline of 1.5% to 43.5% in 2022.
- Alfred Nzo West is third at 42.2% with 1.7% improvement from 40.5%.
- Alfred Nzo East is fourth at 41.9% with improvement of 5.2% from 36.7%

The percentage of learners that obtained bachelor passes

Year	2019		2020		2021		2022		2023		Average over 5 years	
District Name	Bachelor %	Rank	Bachelor %	Rank	Bachelor %	Rank	Bachelor %	Rank	Bachelor %	Rank	Bachelor %	Rank
BUFFALO CITY	37.5	2	37.5	1	42.9	1	43.5	1	42.6	2	41.2	1
NELSON MANDELA METRO	39.2	1	37.0	2	39.2	2	38.2	5	41.0	6	39.0	2
OR TAMBO INLAND	33.0	3	29.7	5	34.9	5	38.4	4	40.5	7	35.9	3
CHRIS HANI EAST	29.5	10	27.3	8	31.1	9	41.4	2	45.1	1	35.4	4
ALFRED NZO WEST	28.7	11	27.9	7	33.9	6	40.9	3	42.3	3	35.3	5
AMATHOLE EAST	31.7	4	28.3	6	35.7	4	37.1	6	41.0	5	35.2	6
ALFRED NZO EAST	30.7	7	27.0	9	32.8	8	36.3	7	41.7	4	34.5	7
SARAH BAARTMAN	31.4	5	31.6	3	33.7	7	32.9	9	33.7	12	32.8	8
CHRIS HANI WEST	30.0	9	29.7	4	30.9	10	30.7	11	35.9	8	31.6	9
AMATHOLE WEST	21.7	12	25.8	10	35.9	3	35.9	8	34.4	11	31.4	10
OR TAMBO COASTAL	31.0	6	24.6	12	27.5	11	30.4	12	35.3	10	30.0	11
JOE GQABI	30.5	8	25.8	11	27.3	12	30.8	10	35.6	9	30.0	12
<b>Province</b>	<b>32.2</b>	<b>4</b>	<b>30.0</b>	<b>4</b>	<b>34.2</b>	<b>6</b>	<b>36.7</b>	<b>7</b>	<b>39.6</b>	<b>8</b>	<b>35.0</b>	<b>7</b>

### National Senior Certificate Results

The remarkable success in the NSC can be attributed to the dedication demonstrated by learners and teachers with the support of departmental officials and stakeholders. Despite all other challenges experienced in the process of delivering teaching and learning in the classroom, the Department recorded admirable matric results as follows:

- Class of 2023 obtained 81.4 per cent pass rate, representing a 4.1 per cent improvement from 77.3 per cent pass mark, registered in 2022. Comparatively to 76.5 per cent results obtained between 2019 - 2023, a notable shift of 4.9 per cent is recorded over the period.
- Congruent to exceptional results attained, there was fairly an increase of 2.8 per cent in the number of Bachelor passes from 36.8 per cent in 2022 to 39.6 per cent in 2023.
- Overall, the Eastern Cape Education Department demonstrated an outstanding matric performance for the year, ultimately placing the province virtually on par with Northwest and Western Cape, except a diminutive mark that separate the rankings between these provinces.
- Through Learner Attainment Improvement Strategy (LAIS), the Department implemented various interventions which yielded positive spin-offs in the education outcomes.

## 2.2 Service Delivery Improvement Plan

In accordance with Chapter 3 part III Public Service Regulations, 2016 and paragraphs 7.1.2 and 7.1.5 of the White Paper on the Transformation of Service Delivery (Batho Pele), 1997, the Executive Authority is required to ensure that his/her Department develop and Implement a Service Delivery Improvement Programme, as well as publishing an annual statement of the public service commitment, which depicts the departments service standards (Service Charter), therefore the provincial Executive Authorities are required to ensure their specific Departments Service delivery Improvement Programme are developed, covering a period of three years and which are submitted to Minister: Public Service and Administration through the Office of the Premier.

The 2023-2025 ECDoE SDIP embrace the Department's vision of creating a platform where "All learners provided with opportunities to become productive, responsible and competitive citizens through an inclusive quality basic education system"; supported through mission:

- Implement appropriate and relevant educational programmes through quality teaching and learning.
- Mobilise community and stakeholder support through participation; and
- Institutionalise a culture of accountability at all levels of the Department.

### Main Services and standards

Main services	Beneficiaries	Current Standard of Service	Desired Standard of Service	Actual Achievement
Increase the number of Grade 12 learners that are passing the NSC examinations.	Learners, Schools, CMC's, and Districts.	60%	100%	81.4%

### Batho Pele Arrangements with beneficiaries

Current/Actual Arrangements	Desired Information tools	Actual Achievements
Professional Standards – Public Servants:	<ul style="list-style-type: none"> <li>• Set by South African Council for Educators (SACE)</li> <li>• All enquiries be treated with care, fairness, respect, dignity and courtesy</li> </ul>	<ul style="list-style-type: none"> <li>• Set by South African Council for Educators (SACE)</li> <li>• All enquiries be treated with care, fairness, respect, dignity and courtesy</li> </ul>
Access Standards:	<ul style="list-style-type: none"> <li>• Social Media: ECDOE Sikuncede Njani Application</li> <li>• Toll Free Number: 080 12 12 570</li> <li>• ECDoE Call Centre</li> <li>• Steve Tshwete Complex, Zone 6, Zwelitsha</li> <li>• Private Bag X0032, Bhisho</li> <li>• All 12 District Offices located closer to schools.</li> <li>• Circuit Offices</li> <li>• Circuit Management Centres</li> <li>• Roadshows</li> <li>• District Visits</li> <li>• ECDOE Intranet</li> <li>• ECDOE Website: customer@ecdое.gov.za</li> </ul>	<ul style="list-style-type: none"> <li>• Social Media: ECDOE Sikuncede Njani Application</li> <li>• Toll Free Number: 080 12 12 570</li> <li>• ECDoE Call Centre</li> <li>• Steve Tshwete Complex, Zone 6, Zwelitsha</li> <li>• Private Bag X0032, Bhisho</li> <li>• All 12 District Offices located closer to schools.</li> <li>• Circuit Offices</li> <li>• Circuit Management Centres</li> <li>• Roadshows</li> <li>• District Visits</li> <li>• ECDOE Intranet</li> <li>• ECDOE Website: customer@ecdое.gov.za</li> </ul>
Information Standards:	<ul style="list-style-type: none"> <li>• Formal meeting with organised labour.</li> <li>• Roadshows</li> <li>• District Visits</li> <li>• Media (Television, Radio &amp; Print) Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Formal meeting with organised labour.</li> <li>• Roadshows</li> <li>• District Visits</li> <li>• Media (Television, Radio &amp; Print) Interviews</li> </ul>
Redress Standards:	Through direct contact, email, telephonically with management or supervisors at Head Office, District, Circuit Offices and schools.	Through direct contact, email, telephonically with management or supervisors at Head Office, District, Circuit Offices and schools

Current/Actual Arrangements	Desired Information tools	Actual Achievements
Consultation Standards:	<ul style="list-style-type: none"> <li>Formal meeting with organised labour.</li> <li>Roadshows</li> <li>District Visits</li> <li>SGB engagements</li> <li>Emails</li> <li>Public engagements</li> </ul>	<ul style="list-style-type: none"> <li>Formal meeting with organised labour.</li> <li>Roadshows</li> <li>District Visits</li> <li>SGB engagements</li> <li>Emails</li> <li>Public engagements</li> </ul>
Openness & Transparency Standards:	The programmes and projects of the Department are published in the Website, Radio, Television and Print Media	The programmes and projects of the Department are published in the Website, Radio, Television and Print Media
Service Standards	As prescribed in the Personnel Administration Measures (PAM) document and SACE requirements	As prescribed in the Personnel Administration Measures (PAM) document and SACE requirements
Value For Money	The appointment of School- based educators, provisioning of ICT, infrastructure and improved learner performance contribute to the realization of the Vision of the Department, which state that the Department is working in providing learners with opportunities to become productive and responsible citizens through quality basic education	The appointment of School- based educators, provisioning of ICT, infrastructure and improved learner performance contribute to the realization of the Vision of the Department, which state that the Department is working in providing learners with opportunities to become productive and responsible citizens through quality basic education

### Complaints Mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Customer Care:	Availability of customer service.	Complaints are attended to within 24hours by the responsive ECDoE Customer Care officials. Sikuncede Njani Application Toll-Free Number: 080 12 12 570 Email: customercare@ecdoe.gov.za

## 2.3 Organisational environment

The Eastern Cape Department of Education has been operating with an acting Accounting Officer since the departure of the previous Accounting Officer. In addition to the appointment of an acting Accounting officer, the following crucial senior management positions were filled in the year under review:

- Deputy Director General: Corporate Services.
- Chief Director: Human Resource Management and Development.
- Chief Director: Resource and School Administration.
- Director: School Administration.

The appointment of an acting Accounting Officer and the filling of these crucial posts has ensured that there is no leadership vacuum and the Department delivers on its strategic outcomes. The Department has started in earnest to utilise the new organisational structure on PERSAL by migrating all Head Office staff to the new organisational structure. This was preceded by placing all Departmental employees to the new organisational structure. However, it has not been easy to fully populate it with employees due to budgetary constraints, which leaves many unfilled positions at operational level. Currently, 97% of employees have been moved to the new structure.

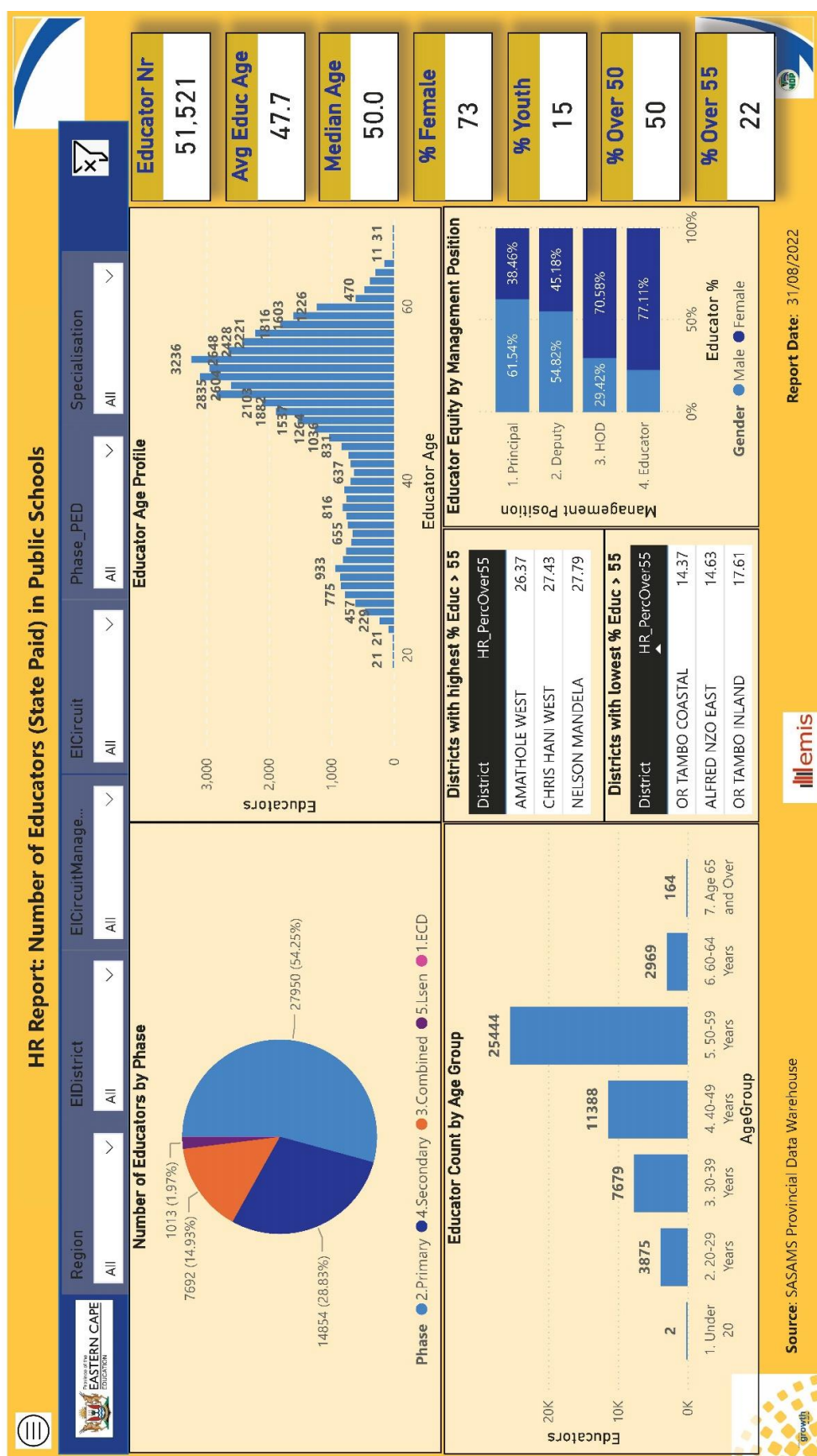
The Human Resource (HR) Strategy of the Department will continue to develop and lead its human capital to achieve organisational goals. This strategy is underpinned by ensuring that the societal objectives such as ethical and social needs, as well as the challenges faced by employees are addressed and resolved. Further to this, organisational objectives are strengthened by the efficient recruiting of staff and the provisioning of identified training and development to enhance service delivery. The operational and personnel objectives of the HR Strategy sought to maximise human resources through performance management systems that encouraged career development and the upliftment of individual skills. This provided the foundation for effective systematic career pathing and staff retention within the organisation that ensured continuity in expertise and the achievement of long-term goals.

The Department has two types of employees, namely, Educators and Public Servants. The total number of employees in the Department is 67 182 as at end March 2024, distributed as follows:

- Public school educators are 51,344
- Office Based Educators are 1,135
- ECD Practitioners are 2,396
- Public Servants are 8,431 of which 6,022 are in schools
- The total number of males is 19,605 versus 47,577 females.
- Abnormal and Periodical Appointed employees is 6,257 including 2396 ECD Practitioners.

The Department has started implementing the components of the National Teacher Policy Framework, despite facing significant challenges that led to the slow implementation of some of its components. However, the Department continues with the development of its human resources within the Human Resource Development (HRD) Strategy, referencing HR as its own independent domain. The following is an analysis of the situation in the detailed core areas of human resources.

The Department has made tangible efforts in the qualifying and training of teachers in education reform through the provisioning of training on the developed curricula, teaching and evaluation strategies and Educational Technology programmes within the framework of in-service teacher development. The Department created and accepted a comprehensive framework for hiring and preparing teachers, covering pre-service instruction, ongoing professional development for teachers, career paths, and time management. In addition, the Department is collaborating with organized labour to institutionalize and promote professional growth.



### Snapshot: Number of Educators in Eastern Cape Public Schools

While there is sufficient supply of qualified educators in most of the fields, there is difficulty in recruiting qualified educators for scarce skills such as Mathematics and Science. Representations have been made to National Department of Basic Education for the awarding of Funza Lushaka bursaries for this Province to target persons studying towards qualifications in the scarce subjects including Mathematics and Science as well as all other identified fields where the supply may not be sufficient. The moratorium on the filling of public service posts has also resulted in a high vacancy rate in support personnel. Highly skilled and experienced employees were lost through attrition and the posts could not be filled. Succession planning was therefore compromised. The extension of curriculum to cater for the skills of the changing world will further exacerbate the shortage of teachers. There has been introduction of Maritime Subjects and further piloting of Coding and Robotics. This will require adjustments in the curriculum offered in the Higher Institutions of Learning so that they produce teachers that are demanded by the system. Over and above this, the province, specifically in the areas of Sarah Baartman and Joe Gqabi, there is a dire need of Afrikaans and SeSotho teachers.

2023 AGE ANALYSIS	PRINC	DEP PRINC	HOD	PL 1	Grand Total
AGE : 20 - 29 YEARS		2	41	4035	4078
AGE : 30 - 39 YEARS	75	118	577	7886	8656
AGE : 40 - 49 YEARS	645	310	1205	7702	9862
AGE : 50 - 54 YEARS	1745	463	2030	9085	13323
AGE : 55 - 59 YEARS	1753	448	1946	7630	11777
AGE : 60 - 64 YEARS	472	144	494	2082	3192
AGE : 65 YEARS AND ABOVE	20	15	30	144	209
<b>Grand Total</b>	<b>4710</b>	<b>1500</b>	<b>6323</b>	<b>38564</b>	<b>51097</b>

Source: School Based Educator Persal Snapshot Age Analysis – (excl substitutes)

In February 2023, 55,7% of publicly employed teachers were aged 50 or older and will therefore retire in the next 10 years, representing an unprecedented demographic change. It is not an overstatement to say that the South African education system will rise, or fall based on how this challenge is dealt with. The biggest challenge that will be facing the Eastern Cape Department of Education in the coming years is the aging and retirement of educators. According to the study conducted in 2021 by Nic Spaul and Poppy Ntaka of Bill & Melinda Gates Foundation, EC was one of the provinces hit by a high retirement wave.

Limpopo, Eastern Cape and Mpumalanga had a peak at around 53 years of age in 2021, while Western Cape had a peak at around 55 years of age in 2021. This means that teachers, especially at primary school would be an endangered species and if no urgent interventions are made, the province would be found wanting. To circumvent this, the Department will continue to encourage the recruitment of Funza Lushaka bursary graduates into the system as this will have the additional advantage of dealing with the impact of our aging teaching cohort. Additional to Funza Lushaka, the Department will employ Matthew Goniwe bursary holders, NSFAS funded and Self-funded students.

DISTRICT	SCHOOL BASED EDUCATORS					SCHOOL BASED NON-TEACHING STAFF	SCHOOL BASED SUBSTITUTES	APPOINTMENTS ON SUSPENSE FILE (EXCL NOA 17 & 32)	APPOINTMENTS ON SUSPENSE FILE (NOA's 17 AND 32)
	PRINC	DEP PRINC	HOD	PL 1	Grand Total				
ALFRED NZO EAST	208	103	381	2293	2985	343	2	11	
ALFRED NZO WEST	517	113	597	3553	4780	522	8	17	
AMATHOLE EAST	648	84	501	3047	4280	459			
AMATHOLE WEST	316	41	247	1729	2333	393	5	2	
BUFFALO CITY MUNICIPALITY	375	185	684	4191	5435	762	16	24	
CHRIS HANI EAST	443	65	375	2398	3281	412		4	
CHRIS HANI WEST	338	83	397	2418	3236	568	6	18	1
JOE GQABI	252	83	339	2048	2722	321		12	5
NELSON MANDELA BAY	295	289	838	5037	6459	661	28	21	
O R TAMBO COASTAL	597	225	946	5615	7383	592	9	22	
O R TAMBO INLAND	538	143	722	4184	5587	777	5	4	
SARAH BAARTMAN	183	86	296	2051	2616	443	6	9	2
<b>Grand Total</b>	<b>4710</b>	<b>1500</b>	<b>6323</b>	<b>38564</b>	<b>51097</b>	<b>6253</b>	<b>85</b>	<b>144</b>	<b>8</b>

RANK	% FEMALE	TOTAL	FEMALE
PRINC	39%	4710	1838
DEP PRINC	47%	1500	701
HOD	71%	6323	4494
PL 1	76%	38564	29478
<b>TOTAL</b>	<b>71%</b>	<b>51097</b>	<b>36511</b>

School Based Head Count

## Teacher Development

The focus of teacher development programmes is to continuously improve the skills and capacity of educators that is in line with Integrated Strategic Planning Framework for Teacher Education and Development (ISPFTED 2011-2025) promotes more targeted, subject-specific teacher education and development that will improve teacher content knowledge. Goal 16 demands the improvement of professionalism, teaching skills, subject knowledge, and computer literacy of teachers throughout their careers. The key mandate of the Provincial Teacher Development Institute (PTDI) is to be a physical site for the co-ordination and delivery of national and provincial priority professional teacher development programmes. Similarly, District Teacher Development Centres) are delivery sites located in districts where teachers can receive needs-based training and access open resource materials for teaching, download curriculum and assessment policy statements and lesson plans.

The training will continue to focus on content, methodology, ICT content integration and ATP's. School Management Teams (SMTs) across the province will continue to receive leadership and management training and district officials will be further trained to improve professional and specialised support to educators at school level. The Department will ensure all educators benefit from e-skills programmes. It will advocate the use of ICT to support teacher collaboration and leveraging digital connectivity in supporting professional learning communities.

## 2.4 Key Policy Developments and Legislative Changes

There are key legislative changes occurred on the BELA Bill. The BELA Bill seeks to amend South African Schools Act of 1996 and Employment of Educators Act of 1998. The BELA Bill was adopted by parliament in 2023 and referred to National Council of Provinces (NCOP). Public hearings were held in order to share the proposed amendments to the Bill with the stakeholders in order for them to submit their inputs. When this is finally signed into law, subsequently, it will be fully implemented by the sector.

### 3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

MTSF PRIORITY				
Improved school readiness of children		Major Achievements		
Outcome 1	Outcome Indicator	Baseline	Five -year target	
A strong and solid foundation in literacy and numeracy	Proportion of 5-year-olds (Grade R) enrolled in educational institutions by 2024	87%	95%	<ul style="list-style-type: none"> <li>The province is currently at 87% of the five-year olds enrolled in educational institutions.</li> <li>Advocacy campaigns has improved awareness as more parents register their children in public schools offering Grade R classes.</li> <li>Improving qualifications for ECD practitioners through university study. The Department has 202 graduates that were funded in Rhodes University and North West University.</li> <li>CAPS training and inclusive education awareness supporting learners with learning barriers.</li> <li>Strategic partnerships with stakeholders outside government such as Old Mutual Education Fund, Cotlands, Lego Foundation has contributed in shaping curriculum implementation in schools.</li> <li>Improved resourcing of public schools offering Grade R to support learning.</li> <li>Quality curriculum coverage in schools offering Grade R.</li> </ul>
	Proportion of 4-year-olds (Grade RR) enrolled in educational institutions by 2024	New Indicator	35%	<ul style="list-style-type: none"> <li>As of 31 March 2024, there were 101 365 Pre-Grade R children accessing ECD services, which led to a 10.92% increase in enrolment from the 2022/23 financial year.</li> <li>Registration of Pre-Grade R centres improved by 12.7% since 2022/23.</li> <li>NCF (0-4) implementation, nutrition provision, and inclusive education awareness resulted in improved enrolment rates.</li> <li>Provision of subsidies for ECD centres increased the number of benefiting children.</li> <li>Improved access through partnerships with stakeholders outside government.</li> <li>Quality training in Higher Certificate: ECD - NQF Level 5 for Pre-Grade R practitioners.</li> </ul>

MTSF PRIORITY				
Outcome 2	Outcome Indicator	10-year-old learners in schools read for meaning		
		Baseline	5-year target	Major Achievements
10-year-old learners enrolled in publicly funded schools read for meaning	Percentage of learners achieving in Reading and Mathematics Learning outcomes in Grades 3 critical subjects reflected in the new Systemic Evaluation by 2024	52% Numeracy 51% Literacy	60%	<ul style="list-style-type: none"> <li>Coordinated the administration of Systemic Evaluation</li> <li>Monitored sampled schools for SE study.</li> <li>Extrapolated findings from preliminary results for SE study and shared them with stakeholders</li> </ul>
	Average score obtained by Grade 4 learners in PIRLS by 2024	290	300	<ul style="list-style-type: none"> <li>Coordinated the administration of PIRLS study.</li> <li>Monitored sampled schools for PIRLS study.</li> <li>Extrapolated findings from Preliminary results of PIRLS study and shared them with stakeholders.</li> </ul>
	Average score obtained by Grade 5 learners in TIMSS by 2023	343	400	<ul style="list-style-type: none"> <li>Coordinated the administration of TIMSS study.</li> <li>Monitored sampled schools for TIMSS study.</li> </ul>
	Number of schools implementing EGRA	1 100	3000	<ul style="list-style-type: none"> <li>In each term there is assessment is conducted that is checking fluency in reading.</li> <li>For the past 4 years, 1 800 schools implemented EGRA.</li> <li>In Term 1 of 2024 Academic Year, Baseline Assessment was administered in 600 schools.</li> </ul>
	Percentage of 10-year-olds (Grade 4) able to read for meaning	25%	35%	<ul style="list-style-type: none"> <li>Coordinated the administration of PIRLS study.</li> <li>Monitored sampled schools for PIRLS study.</li> <li>Extrapolated findings from Preliminary results of PIRLS study and shared them with stakeholders.</li> </ul>
	Number of schools provided with resources for Grades 1 to 3 in all LOLTs (indigenous languages, Big Books, flashcards, story books, alphabet friezes, posters, for example)	3000	4300	3 927 schools received Vula Bula books.
	Percentage of foundation phase educators trained on teaching reading	30%	70%	<p>For the past 4 years 6 156 teachers were trained on teaching reading which translates which translates to 48,5%.</p> <p>For the year under review 1 882 educators were trained on reading methodologies.</p>

MTSF PRIORITY						
Youths better prepared for further studies and the world of work beyond grade 9						
Outcome 3  Youths better prepared for further studies and the world of work beyond Grade 9	Outcome Indicator	Baseline	5-year target	Major Achievements		
	Percentage of learners achieving in reading and Mathematics learning outcomes in Grades 6 and 9 as assessed through the new Systemic Evaluation by 2024	Reading Mathematics	50% 50%	60% 60%	<ul style="list-style-type: none"><li>Coordinated the administration of Systemic Evaluation</li><li>Monitored sampled schools for SE study</li><li>Extrapolated findings from preliminary results for SE study and shared them with stakeholders</li></ul>	
	Average score obtained by Grade 6 learners according to the international SACMEQ by 2020	Reading Mathematics	444 449	500 510	<ul style="list-style-type: none"><li>Coordinated the administration of SEACMEQ study</li><li>Monitored sampled schools for SEACMEQ study</li></ul>	
	Percentage of learners in Grade 9 achieving in Mathematics and Science in TIMSS programmes by 2024	Mathematics Science	50% 50%	60% 60%	<ul style="list-style-type: none"><li>Coordinated the administration of TIMSS study</li><li>Monitored sampled schools for TIMSS study</li></ul>	

MTSF PRIORITY						
Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa				Major Achievements		
Outcome 4	Outcome Indicator	Baseline	5 -year target			
Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa.	Percentage of Grade 12 learners obtaining a Bachelor level pass in NSC by 2024	32.3%	40%	<ul style="list-style-type: none"><li>Managed to improve bachelor pass percentage consistently.</li><li>Fortnightly topic tests exposed learners to quality exam type questions and consequently improved quality responses were provided as per Chief Markers' Reports.</li></ul>		
	Percentage of Grade 12 learners obtaining 60% and above in Mathematics and Physical Science by 2024	Mathematics	14.3%	24%	<ul style="list-style-type: none"><li>Development of Maths Strategy to enhance implementation of recommendations made in Diagnostic and Chief Markers' Reports.</li><li>Accountability sessions held with all stakeholders responsible for Mathematics.</li></ul>	
		Physical Science	21.6%	32%	<ul style="list-style-type: none"><li>Development of Physical Sciences Strategy to enhance implementation of recommendations made in Diagnostic and Chief Markers' Reports.</li><li>Accountability sessions held with all stakeholders responsible for Maths and Physical Sciences</li></ul>	
		Number of historically disadvantaged schools that offer 'niche' subjects such as Engineering Technical Vocational, Technical Occupational, and computing subjects.	504	580	<ul style="list-style-type: none"><li>Advocacy campaigns to ensure increase in number of schools.</li><li>Appointment of a champion for Three Stream Model</li></ul>	
	Number of underperforming schools identified for intervention programmes.	199	100	<ul style="list-style-type: none"><li>Continued significant reduction of underperforming schools.</li><li>Enhanced accountability.</li></ul>		


MTSF PRIORITY				
Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa			Major Achievements	
Outcome 5	Outcome Indicator	Baseline	Five -year target	
ICT integrated in the provision of quality basic education	Percentage of public schools with connectivity and Wi-Fi	20%	100%	The Department has 64% of public schools with connectivity and Wi-Fi. Some schools have utilised the norms and standard allocation to connect, and the Department has also procured 3 300 mobile routers to connect the schools while waiting for the broadband rollout project to reach those schools.
	Percentage of public schools with digital instructional devices in classrooms (smart classrooms)	40%	100%	6% of the schools have been resourced between 2019 – 2023 – making 46% of schools resourced to date. These digital learning devices were done through different projects in the province and the roll out was in collaboration with some partnerships. Between the financial years 2022/23 and 2023/24, there was a roll-out to 349 schools and 285 schools were resourced through partnership donations.
	Percentage of educators in public schools with connected and loaded digital devices who can access appropriate curriculum content	80%	100%	In the 46% resourced schools, teachers can utilize the provided content for learners and even utilize the learner devices too.
	Percentage of learners in public schools with connected and loaded digital devices who can access appropriate curriculum content.	20%	50%	46% of the schools have been provided with curriculum digital content – an offline and online content option.
	Percentage of public schools that can be contacted electronically	80%	100%	100% of public schools can be contacted electronically.

MTSF PRIORITY				
Youths better prepared for further studies and the world of work beyond grade 9			Major Achievements	
Outcome 6	Outcome Indicator	Baseline	Five -year target	
Skills for a changing world	Number of fully functional agricultural public schools	17	Re-capitalise 17 existing Agricultural schools	<ul style="list-style-type: none"> <li>Establishment of a new agricultural school in Amathole East District (Dutywa) called Dr. V M Mkhosana Agricultural School which started operating in January 2024.</li> <li>Successfully introduced two external stakeholders, Wild Coast Foods and Lui Agri Pty Ltd into the Agricultural Schools space with projects launched in 2023/24 to develop the schools into food hubs and centres of excellence.</li> <li>Launched the 4<sup>th</sup> Cycle of the Sprouting Entrepreneurs Project in Joe Gqabi District with twenty (20) primary schools where sixty (60) teachers were trained in entrepreneurship education using established food gardens by a Facilitator from the Austrian Federal Ministry of Education, Science and Research.</li> <li>Resourced all the outstanding six (6) Agricultural Schools with capital items like broiler houses and layer houses and as a result all the seventeen (17) schools are now CAPS compliant, i.e. they all have a minimum of three production enterprises in both crop and livestock production.</li> <li>Refurbished other agricultural schools' existing structures like Palmerton's old vegetable tunnel, Moorosi's broiler house, Bengu's piggery house, and Arthur Mfebe's layer house.</li> <li>Resourced Phandulwazi with a new tractor to replace an old one, new dairy cows, sows and a boar, 500 point-of-lay chickens.</li> <li>Successfully transferred the agricultural schools' budget to their bank accounts for easier procurement of consumables by the schools themselves.</li> </ul>
	Number of fully functional maritime schools	4	Resource and extend the curriculum to include Maritime Studies in 6 Schools in the Port Elizabeth, Port Alfred and Humansdorp nodal points	<ul style="list-style-type: none"> <li>4 schools from NMB introduced maritime subjects in their curriculum</li> <li>Successfully ran Winter and Spring classes in partnership with SAIMI and Transnet.</li> <li>Provided schools with additional LTSM.</li> <li>Printed textbooks for learners using funds provided from programme 2.</li> </ul>
	Number of fully functional technical vocational high schools	7	40 schools currently offering technical subjects comply with the requirements of becoming full technical high schools as per guidelines	<ul style="list-style-type: none"> <li>17 schools introduced vocational subjects in grade 8 under the Three Streams Model pilot programme.</li> <li>Transferred funds to schools for PAT consumables.</li> <li>Through MSTCG provided tools and equipment for all three technical subject fields</li> </ul>

MTSF PRIORITY				
Outcome 7	A skilled and capable workforce to support an inclusive growth path		Major Achievements	
	Outcome Indicator	Baseline	Five - year target	
A well-defined holistic integrated inclusive education support system.	Percentage of functional school-based support teams in schools	60%	90%	30% of functional school-based support teams in schools. The Department revived and strengthened the SBS Ts as their functionality was affected by Covid-19 pandemic.
	Percentage of functional district-based support teams	60%	100%	60%: DBSTs were resuscitated and have been fully functional during the period under review.
	Percentage of individualised support plans developed for learners with barriers to learning	10%	70%	45% of individualised support plans were developed for learners with barriers to learning.
	Number of concessions and accommodations awarded	447	3000	<ul style="list-style-type: none"> <li>Concessions and accommodations were approved for 900 Grade 12 learners over the past 4 years.</li> <li>The Provincial Concessions Committee is operational seating once a year and as per the need.</li> <li>Concessions and accommodations considerations are considered across grades.</li> </ul>
	Number of learners with access to Assistive Devices and/or Technology	250	2000	400 mainstream schools. All learners in the special schools have access to assistive devices as per their budget allocation of R19m per year.
	Number of educators, officials and support trained on inclusive education	450	6759	2100: The two-year gap of Covid19 affected training and development of the educators. However, more training is planned for this financial year.
	Number of stakeholder engagements to support inclusive education agenda	10	40	4: Due to Covid19 some of the stakeholder meetings could not happen. The Department is planning to engage more stakeholders in this financial year.

MTSF PRIORITY				
Outcome 8	Outcome Indicator	Learners and educators feel respected, and learning improved by 2024		
		Baseline	Five -year target	Major Achievements
Effective social protection and creation of a safe school environment conducive to learning	Number of learners benefiting from the National School Nutrition Programme (NSNP)	1 657 275	1 650 000	<ul style="list-style-type: none"> <li>1 628 811 learners in 4 832 ordinary public primary, secondary, combined, and special schools were served a balanced nutritious meal on time.</li> <li>1 060 473 learners in 3 684 public primary and combined schools were fed breakfast and a main meal.</li> <li>Funds were transferred to 574 secondary schools to procure breakfast eating utensils in preparation for feeding breakfast</li> <li>12 661 Volunteer Food Handlers (VFHs) for 24 months in 4 832 schools to prepare breakfast and main meal for learners.</li> <li>Funds were transferred to 4 832 schools to procure protective clothes for 12 661 VFHs.</li> <li>Schools contracted two hundred and twenty-seven (227) SMMEs across the 12 districts.</li> <li>Secured partnership with Tiger Brands Foundation (TBF) who sponsor breakfast to 25 schools in two districts Buffalo City Metro (BCM) and Chris Hani West (CHW) since 2013.</li> <li>TBF also paid the Volunteer Food Handlers (an additional stipend of R650.00 to all the schools where they provide breakfast. During school holidays they provide learners with food parcels. TBF provides protective clothes for VFHs and eating utensils for learners, each learner gets a mug, spoon, bowl.</li> </ul>
	Number of schools with functional school safety committees (Junior Commissioners Peace Clubs, March, and Drill Programme, Teenage Against Drug Abuse)	1 760	2 500	<ul style="list-style-type: none"> <li>800 functional school safety committees</li> <li>The Department worked in collaboration with SAPS and Department Community Safety and Liaison to conduct awareness campaigns.</li> <li>The Department implemented a National School Safety Framework (NSSF) in collaboration with the Department of Community Safety and Liaison, the audit, establishment, and training of School Safety Committees was given priority in all schools and districts.</li> <li>These School Safety Committees were used to roll out the safety programmes at school level. The Department of Safety and Liaison also implemented programmes that benefitted schools.</li> </ul>
	Number of learners benefiting from scholar transport	85 139	110 000	<ul style="list-style-type: none"> <li>98 474 learners benefitted from scholar transport.</li> </ul>
	Percentage of learners provided with hostel facilities	10%	15%	<ul style="list-style-type: none"> <li>29876 learners are currently accommodated in 107 public ordinary school hostels across the province.</li> <li>10 000 of these learners are accommodated in Public Special schools.</li> <li>Hostels receive subsidy from the Department.</li> <li>One of the greatest achievements over the years has been the increase in budget. Prior 2020, the budget was below 50 million but during the period under review, it has increased to about 217 million with 200 million for catering and 17 million for daily resourcing.</li> </ul>
	Number of schools implementing school health and psychosocial support	925	3 500	<ul style="list-style-type: none"> <li>800 schools were provided with Learner Support Agents to ensure early identification of health and social barriers to effective teaching.</li> <li>49 Male Social Work Graduates were contracted in each CMC to address challenges faced</li> </ul>

MTSF PRIORITY				
Outcome 8		Learners and educators feel respected, and learning improved by 2024		
Outcome Indicator	Baseline	Five -year target	Major Achievements	
activities			by the boy-child including GBV, Bullying and Social Behaviour Change. <ul style="list-style-type: none"> <li>115 educators, 267 boys from Chris Hani East, Chris Hani West, ORT Coastal, ORT Inland and BCM, 15 Headmen from surrounding villages.</li> </ul>	

MTSF PRIORITY				
Outcome 9		Functional, Efficient and Integrated Government		
Outcome Indicator	Baseline	Five -year target	Major Achievements	
Clean audit - number of qualification areas.	3	0	The Department of Education has gradually improved the control environment over the past few financial years as a result the Department now only has 1 qualification area that was reported in the Auditor-General's report for the 2023/24 financial year on Immovable Tangible Capital Assets.	
Good governance for quality basic education			Even with this qualification, there are significant improvements that have been realized by the Department and the detail on how the department has addressed significant Internal Control deficiencies is detailed below: <div> <div>Capital Work-In-Progress - Unqualified</div> <div>Prior Period Error Note - Unqualified</div> <div>Ready for Use - Cost - Unqualified</div> <div>Ready for Use - Fair Value - Qualified</div> </div>  All the above areas were <b>qualified</b> in the 2022/23. The auditors expressed great satisfaction with the strides the department has made in addressing the qualification and urged that recommendations be fully implemented.	

MTSF PRIORITY				
Outcome 9	Functional, Efficient and Integrated Government		Major Achievements	
	Outcome Indicator	Baseline	Five -year target	
	Number of small and unviable schools rationalised	783	1 902	<ul style="list-style-type: none"> <li>Approval received from Hon. MEC to retract Section 33 SASA notices for closure of six (6) schools in 2023/24 SRRP target whose Learner Enrolment Figures increased above 20% as per policy directive.</li> <li>One hundred and seventy-six (176) school files received where Stakeholders were engaged with District Directors' recommendations for the Hon. MEC to take decision.</li> <li>Approval received from Hon. MEC to publish on Government Gazette five hundred and three (503) schools with the following action breakdown:               <ul style="list-style-type: none"> <li>(i) Closures: Eighty-six (86)</li> <li>(ii) Mergers: One hundred and fourteen (114)</li> <li>(iii) Realignment : Three hundred and three (303)</li> </ul> </li> </ul>
	Number of integrated and operational districts	12	12	All 12 Districts are fully operational.
	Number of partnerships agreements established (signed MOUs, MoAs, and SLAs)	37	40	<ul style="list-style-type: none"> <li>05 Strategic Partners that are contracted by DoH attended a Boys Camp held at Mbhashe Village Lodge on the 18-20 May 2023.</li> <li>ISHP PROVINCIAL AND DISTRICT TASK TEAMS</li> <li>Resuscitation of the Provincial ISHP Task Team (DoE, DSD and DoH) which culminated in the development of Learner Pregnancy Strategy/ Indaba in OR Tambo Coastal and, Alfred Nzo East and West as well as establishment of District ISHP Task Teams with clear roles and responsibilities.</li> </ul> <p>Through partnerships with Beyond Zero and EDC, Educators, SMTs and SGBs in Alfred Nzo East, West, Buffalo City, Nelson Mandela Bay and OR Tambo Coastal were trained on Comprehensive Sexuality Education (CSE) as well as implementing of Life Orientation Scripted Lesson Plans (SLPs) for Grades 4-12. This augmented the educators' content on LO and is CAPS compliant as well as age and grade appropriate.</p> <p>The Department in partnership with Bumb' INGOMSO (BI) in providing SRHR and Behaviour Change in 111 Secondary Schools in Amathole East and West as well as Buffalo City Metro District. Peer Mentors were placed in all Schools that benefit from the BI and ECDoE and paid stipend by BI.</p>

Outcome 9	Outcome Indicator	MTSF PRIORITY Functional, Efficient and Integrated Government			Major Achievements
		Baseline	Five -year target		
					<p>Through the Ikwelo Lethu partnership, debates on Gender Stereotypes were conducted in 67 primary schools in Amathole East and West as well as Buffalo City Districts. A manual for the establishment of Debating Clubs was used.</p> <p>Partnership with MIET AFRIKA through UNICEF is in place in Lusikisiki and Flagstaff CMCs of the OR Tambo Coastal District. Services rendered in schools include SRHR for 30 Secondary Schools and 60 feeder primary schools are capacitated on Menstrual Hygiene Management</p>

Outcome 10	Outcome Indicator	MTSF PRIORITY Infrastructure Delivery		Major Achievements
		Baseline	Five -year target	
School physical infrastructure and environment that inspires learners to learn and educators to teach	Number of schools that reach minimum uniform physical infrastructure norms and standards.	59%	65%	Since 2019/20, the Department, DBE and private donors have built 104 schools in the province under the ASIDI programme. This initiative has increased the number of schools meeting the minimum uniform physical infrastructure norms and standards set by the Department to 61%, significantly improving the learning environment for thousands of students.
	Number of additional learners provided with hostel facilities	18 210	20 090	<ul style="list-style-type: none"> <li>29876 are currently accommodated in 56 hostels across the province. 10 000 of these learners are accommodated in Public Special schools.</li> <li>Hostels receive subsidy from the Department. Additional learners will be accommodated at Nsokotha High School Hostel that is due for completion in 2024.</li> <li>One of the greatest achievements over the years has been the increase in budget. Prior 2020, the budget was below 50 million but during the period under review, it has increased to about 217 million with 200 million for catering and 17 million for daily resourcing.</li> </ul>
	Percentage of approved maintenance plans in all public schools	New Indicator	100%	The Department could not establish and monitor the development of maintenance plans by schools; however, 1600 schools will be supported in 2024/25.
	Percentage of refurbished structures into technical vocational schools	New indicator	100%	No structure was refurbished into a technical vocational school in 2023/24 however three schools are under the planning for refurbishment into technical workshops

## 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### 4.1 Programme 1: Administration

#### Purpose

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

#### Sub-Programmes

Sub-Programmes	Purpose
Office of the MEC	To provide for the functioning of the office of the Member of the Executive Council (MEC) for education.
Corporate Services	To provide management services that are not education specific for the education system and to make limited provision for, and maintenance of accommodation.
Education Management	To provide education management services for the education system.
Human Resource Development	To provide human resource development for office-based staff.
Education Management Information System	To provide education management information in accordance with the National Education Information Policy.
Conditional Grant	To provide for projects under Programme 1 specified by the Department of basic education and funded by conditional grant

#### Programme Outcomes

Outcome
ICT integrated in the provision of quality basic education
Good governance for quality basic education

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

Programme:1 Administration									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2021/22	2022/23	2023/24	2023/24			
ICT integrated in the provision of quality basic education.	School administration and Management system implemented	<b>SOI 101</b> Number of public schools that use the South African Schools Administration and Management Systems (SA-SAMS) or any alternative electronic solution to provide data	5096	5 094	5 020	5 045	25	Target Achieved. There were delays in the implementation of the School Rationalization and Realignment Programme and engagements with communities and all stakeholders are ongoing.	
	Effective School Communication system implemented	<b>SOI 102</b> Number of public schools that can be contacted electronically (e-mail)	5 098	5 094	5 020	5 045	25	Target Achieved. There were delays in the implementation of the School Rationalization and Realignment Programme and engagements with communities and all stakeholders are ongoing..	
	Optimal distribution of financial, physical and human resources across the system	<b>SOI 103</b> Percentage of education expenditure going towards non-personnel items.	19.7%	23%	20%	16%	4%	Target Achieved. Due to Departmental cash constraints which forced the Department to tighten its expenditure controls on goods and services and machinery and equipment in order to ensure that there is no unauthorized expenditure recorded at year end. Over and above this the Department did not receive additional budget to cover CoE wage increase and thus 16% was allocated to service delivery instead of 20%	
Good governance for quality education	District provided with targeted support to improve school performance	<b>NSOI 104</b> Percentage of schools visited at least twice a year by District officials for monitoring and support purposes.	49.7%	56.8%	60%	74.3%	14.3%	Target Achieved. District officials gave more support to most of the schools particularly the FET underperforming schools and their feeder schools.	

Programme:1 Administration									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2021/22	2022/23	2023/24	2023/24			
ICT integrated in the provision of quality basic education	Effective School Communication system implemented	<b>NSOI 105</b> Percentage of schools having access to information through (a) Connectivity (other than broadband); and (b) Broadband	6%	37%	30%	64%	34%	Target Achieved. Schools used the norms and standards allocation for connectivity and the Department has also procured mobile routers for schools that were not yet benefiting from broadband	
			6%	12%	35%	34%	-1%	Target not achieved. There was a delay in the rollout by SITA	
Good governance for quality education	Work opportunities created for young graduates	<b>NSOI 106:</b> Number of qualified Grade R-12 educators aged 30 and below, entering the public service as educators for the first time during the financial year.	1004	994	350	1172	822	Target Achieved. • The Department prioritized the recruitment and appointment of a young qualified teachers. • Appointment of young ECD practitioners that qualified as teachers in the foundation phase of Primary Schools also contributed to this achievement.	

### Linking performance with budgets

The programme has spent R2.646 billion of the adjusted appropriation of R2.730 billion in 2023/24 financial year, underspending its budget by R84.090 million.

The underspending is due to delay by PCMT approval processes which took longer than anticipated while the Annual Recruitment Plan (ARP) process required it much time from advertisement to the assumption of duties by the respective successful candidates and not all the posts were advertised due to time constraint. Therefore, the vacated posts that were left due to promotional appointments could not be replaced because of the delays

The underspending on non-personnel emanates from the departmental internal controls exercised to balance the actual cash and the budget and therefore cost containment measures were enforced and stringent expenditure controls were tightened to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department. The underspending was utilized to reduce the Unauthorized Expenditure incurred in prior years.

The underspending on Households is mainly due to payments which could not be processed by year end as the overall expenditure of this item was showing signs of potential over expenditure especially in Public Ordinary Schools as a result, these funds were earmarked to curtail the identified over expenditure of the same item.

### Sub-programme expenditure

Sub- Programme Name	Final Appropriation R'000	2022/2023 Actual Expenditure R'000	Over/Under Expenditure R'000	Final Appropriation R'000	2023/2024 Actual Expenditure R'000	Over/Under Expenditure R'000
1.1 Office of the MEC	17 298	17 288	10	16 646	12 920	3 726
1.2 Corporate Services	1 536 441	1 523 577	12 864	1 283 012	1 243 826	39 186
1.3 Education Management	1 227 951	1 212 048	15 903	1 355 123	1 326 420	28 703
1.4 Human Resource Development	11 982	11 828	154	16 211	10 791	5 420
1.5 Education Management Information Systems (EMIS)	84 555	81 694	2 861	61 399	54 344	7 055
1.6 Conditional Grants	-	-	-	-	-	-
<b>Total</b>	<b>2 878 227</b>	<b>2 846 435</b>	<b>31 792</b>	<b>2,732,391</b>	<b>2,648,301</b>	<b>84 090</b>

### Strategy to overcome areas of underperformance.

Output Indicator	Strategy to overcome under-performance
NSOI 105 Percentage of schools having access to information through (a) Connectivity (other than broadband); and (b) Broadband	To continue providing mobile routers as an alternative for schools whilst waiting for the Broadband.

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable.

## 4.2 Programme 2: Public Ordinary School Education

### Purpose:

To provide overall management of, and support to, the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other relevant policies

### Sub-Programmes:

Sub-Programme	Sub-Programme Purpose
Public Primary Schools	To provide Public Primary Ordinary Schools with resources required for quality education in Grades 1 to 7.
Public Secondary Schools	To provide Public Secondary Ordinary Schools with resources required for quality education in Grades 8 to 12.
Human Resource Development	To provide services required for the professional development of Educators and Non-Educators in Public Ordinary Schools.
School Sport, Culture and Media Services	To provide departmentally managed sporting, cultural and heritage activities in Public Ordinary Schools.
Conditional Grant School	To provide for projects specified by the Department of Basic Education and funded by conditional grants:

### Programme Outcomes

Outcomes
10-year-old learners enrolled in publicly funded schools read for meaning
ICT integrated in the provision of quality basic education
Youths better prepared for further studies and the world of work beyond Grade 9
Skills for a changing world
A well-defined holistic integrated inclusive education support system

Programme-Sub-Programme: 2 Public Ordinary School Education									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual	Reasons for deviations	
			2021/22	2022/23	2023/24	2023/24			
10-year-old learners enrolled in publicly funded schools read for meaning	Multi-media resources provided to school and learners	<b>SOI 201:</b> Number of schools provided with multi-media resources	4 389	4 365	4 200	4 555	355	Target Achieved. Schools conducted their needs analysis and 4555 schools ordered and received their multi-media resources in all grades	
	Learners in No-Fee Public Ordinary Schools in line with the National Norms and Standards for school funding	<b>SOI 202:</b> Number of learners in public ordinary schools benefiting from the No Fee School Policy	1 523 082	1 518 616	1 521 833	1 494 471	-27 362	Target not achieved. Learner dropouts had a significant impact on the fluctuating performance of this indicator.	
	Funza Lushaka graduates placed.	<b>SOI 203:</b> Number of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	70%	7%	340	70	-270	Target not achieved. Misalignment between the indicator description on academic year versus financial year. Placement of bursary holders placed after six months of placement are not counted as part of the performance resulting in Placements made after June of every year are not considered as actual performance. This is causing gross underreporting as it is not the true reflection of the Department's performance on this key policy priority	
	Learners in schools that are funded at a minimum level	<b>SOI 204:</b> Percentage of learners in schools that are funded at a minimum level.	59%	0%	100%	100%	100%	Target Achieved.	
Good governance for quality education									

Programme-Sub-Programme: 2 Public Ordinary School Education									
Outcome	Output	Output Indicator	Audited Actual Performance			Annual Target		Actual Achievement	Deviation from planned target to Actual Achievement
			2021/22	2022/23	2023/24	2021/22	2022/23		
Skills for a changing world	Capacitated foundation phase teachers on reading methodology	<b>SOI 205:</b> Number of foundation phase teachers trained in reading methodology	New	New	3000			1 882	-1 118
	Capacitated foundation phase teachers in numeracy content and methodology	<b>SOI 206:</b> Number of foundation phase teachers trained in Numeracy content and methodology	New	New	5 200			993	-4 207
	Capacitated teachers in Mathematics content and methodology	<b>SOI 207:</b> Number of teachers trained in Mathematics content and methodology	1 092	522	5 200			1 085	-4 115
	Capacitated teachers in language content and methodology	<b>SOI 208:</b> Numbers of educators trained in Literacy/ Language content and methodology	1 210	761	5 200			1 409	-3 791
A well-defined holistic integrated inclusive education support system	Capacitated teachers on inclusive education	<b>NSOI 209:</b> Number of educators with training on inclusion	100	423	500			165	-335
Good governance for quality education	Schools with filled posts as per Post Provisioning Norms (PPN).	<b>NSOI 210:</b> Percentage of schools where allocated teaching posts are all filled	60.6%	61%	80%			60.6%	-19.4%
10-year-old learners	Provision of adequate LTSM to Public	<b>NSOI 211:</b> Percentage of learners with	78%	75.6%	80%			95.11%	15.11%
									Target achieved. Schools completed their

Targets not achieved.

- Training of same educators on different topics as ECDOE ensured all required topics are covered.
- There is a need to strengthen participation rates from teachers and some of the reasons include conflicts in scheduling.

Target not achieved.

- Slow movement and / or retention of additional educators in schools
- Budgetary Constraints and Budget Cuts in COE
- Delays in issuing and filling vacant bulletin posts

Programme-Sub-Programme: 2 Public Ordinary School Education									
Outcome	Output	Output Indicator	Audited Actual Performance			Actual Achievement		Deviation from planned target to Actual	Reasons for deviations
			2021/22	2022/23	2023/24 Target	2023/24			
enrolled in publicly funded schools read for meaning.	Ordinary Schools	English First Additional Language (EFAL) and Mathematics textbooks in Grades 3, 6, 9 and 12							retrievals in December 2023. Publishers delivered all the Mathematics and EFAL textbooks and schools received their textbooks.
	Schools producing a minimum set of management document as per required standard	<b>NSOI 212:</b> Percentage of schools producing a minimum set of management document at a required standard	53.01%	62%	62%	50%	-12%		Target not achieved. The Department to strengthen coordination of reporting mechanisms in districts as the Department monitors and supports all schools in the province

### Linking performance with budgets

The programme has spent 100 per cent of its appropriation for 2023/24 financial year. The Programme has managed spent within the allocated budget although there are numerous cost pressure affecting the programme. The programme has underspent on NSNP grant by R16.5 million.

### Sub-programme expenditure

Sub- Programme Name	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
2.1 Public Primary Level	10 293 470	10 293 470	-	10 868 575	10 856 028	12 547
2.2 Public Secondary Level	19 186 224	19 160 696	25 528	20 019 146	20 043 996	(24 850)
2.3 Human Resource Development	113 745	108 390	5 355	106 377	105 858	519
2.4 School Sport, Culture and Media Services	27 214	22 991	4 223	37 523	36 858	665
2.5 Conditional Grants	1 612 085	1 612 983	(898)	1 760 917	1 749 798	11 119
<b>Total</b>	<b>31 232 738</b>	<b>31 198 530</b>	<b>34 208</b>	<b>32 792 538</b>	<b>32 792 538</b>	<b>0</b>

### Strategy to overcome areas of underperformance.

Output Indicator	Strategy to overcome under-performance
<b>SOI 203:</b> Number of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	This SOI will not form part of the 24/25 APP, and it will be amended so that the placement is not limited to six months after completion of their studies.
<b>SOI 205:</b> Number of foundation phase teachers trained in reading methodology	<ul style="list-style-type: none"> <li>• <b>Peer Collaboration:</b> Facilitate opportunities for peer collaboration and sharing of best practices among teachers. Peer learning networks, mentoring programs, and collaborative projects can enhance the impact of training and promote a culture of continuous improvement.</li> <li>• <b>Monitoring and Feedback:</b> Implement robust monitoring and evaluation mechanisms to track progress, assess the impact of training programs, and gather feedback from participants. Use data-driven insights to make informed decisions, identify areas for improvement, and adjust training strategies as needed.</li> </ul>
<b>SOI 206:</b> Number of foundation phase teachers trained in Numeracy content methodology	
<b>SOI 207:</b> Number of teachers trained in Mathematics content and methodology	
<b>SOI 208:</b> Numbers of educators trained in Literacy/ Language content and methodology	
<b>NSOI 209:</b> Number of educators with training on inclusion	
<b>NSOI 210:</b> Percentage of schools where allocated teaching posts are all filled	<ul style="list-style-type: none"> <li>• Additional Educators being identified and placed in substantive vacant posts.</li> <li>• Circular issued on Filling of vacant substantive posts.</li> <li>• Bulletins in process of being filled</li> </ul>
<b>NSOI 212:</b> Percentage of schools producing a minimum set of management document at a required standard	<ul style="list-style-type: none"> <li>• The Directorate has planned to mediate School Management Functionality tools to Circuit Managers by June 2024 in order to cascade these to their respective schools</li> <li>• Circuit managers and provincial office will conduct school monitoring and support visits quarterly to determine the availability of Basic Management documents in schools</li> </ul>

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable

### 4.3 Programme 3: Independent School Education

#### Purpose

To support independent schools in accordance with the South African Schools Act, 1996 (Act No. 84 of 1996).

#### Sub-Programme

Sub Programme	Purpose
Primary Phase	To support independent schools in Grades 1 to 7 levels.
Secondary Phase	To support independent schools in Grades 8 to 12 levels.

#### Programme Outcomes

Outcomes
Good governance, effective administration, partnerships, effective planning, monitoring and evaluation for quality Basic Education

Outcome	Output	Programme/sub-Programme:3 Independent school subsidies						Reasons for deviations
		Output Indicator	Audited Actual Performance	2021/22	2022/23	Planned Annual Target	2023/24	
Good governance, effective administration, partnerships, effective planning, monitoring and evaluation for quality Basic Education	Number of innovations developed and implemented to support good governance, effective administration; and improve teaching and learning.	<b>NSOI 301</b> Percentage of registered independent schools receiving subsidies	42%	47%	41.3%	40%	-1.3%	Target not Achieved. Target could not be met due to five secondary schools that did not qualify as they performed below 2022 average pass rate.
		<b>NSOI 302</b> Number of learners subsidized at registered independent schools.	42 651	43 000	44 598	42 440	-2 158	Target Not Achieved Target could not be met due to five secondary schools that did not qualify as they performed below 2022 average pass rate.

Outcome	Output	Output Indicator	Programme/sub-Programme:3 Independent school subsidies				Reasons for deviations
			Audited Actual Performance	Planned Annual Target	2023/24 Actual Achievement	Deviation from planned target to Actual Achievement	
		<b>NSOI 303</b> Percentage of registered independent schools visited for monitoring and support	8.4%	60%	63%	3%	Target Achieved. There is consistent effort by district officials in monitoring and support.

### Linking performance with budgets

The programme spent 100 per cent of its appropriation for 2023/24 financial year.

### Sub-programme expenditure

Sub- Programme Name	2022/2023		2023/2024		(Over)/Under Expenditure R'000
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	
3.1 Primary Level	96 922	95 894	1 028	74 703	76 569 (1 866)
3.2 Secondary Level	60 975	59 003	1 972	35 642	33 776 1 866
<b>Total</b>	<b>157 897</b>	<b>154 897</b>	<b>3 000</b>	<b>110 345</b>	<b>-</b>

### Strategy to overcome areas of underperformance.

Output Indicator		Strategy to overcome under-performance
<b>NSOI 301</b> Percentage of registered independent schools receiving subsidies	Gradual budget increase by lobbying for more funds from both National and Provincial Treasury	
<b>NSOI 302</b> Number of learners subsidized at registered independent schools.		

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable.

## 4.4 Programme 4: Public Special School Education

### Purpose

To provide compulsory public education in special schools in accordance with the South African Schools Act No. 84 of 1996 (as amended) and the White Paper 6 on special education. It is also to build an Inclusive Education and Training System.

### Sub-Programmes

Sub-Programmes	Purpose
Schools	To provide specific public special schools with resources (including E-learning and Inclusive Education).
Human Resource Development	To provide Departmental services for the development of educators and non-educators in public special schools (including Inclusive education).
School Sport, Culture and Media Services	To provide for Departmentally managed sporting, cultural and reading activities in public special schools (including Inclusive education) and required additional staff.
Conditional Grants	To provide for projects under Programme 4 specified by the Department of Basic Education and funded by conditional grants (including Inclusive education).

### Programme Outcomes

Outcomes
Well-defined holistic integrated inclusive education support system.

Programme / Sub-Programme: 4 Public Special School Education											
Outcome	Output	Output Indicator	Audited Actual Performance		2021/22	2022/23	Planned Annual Target	2023/24	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for deviations
A well-defined holistic integrated inclusive education support system	Number of concessions and accommodations awarded.	<b>SOI. 401</b> Number of learners in Public special schools.	29 895	10 100	10 100	10 100	10 357	257	Target Achieved. <ul style="list-style-type: none"><li>An improvement in the implementation of SIAS</li><li>Processes contributed to timeous identification and placement of learners in Special Schools.</li><li>There was an oversubscription of learner placement in Special Schools instead of the provisioning of support in mainstream schools</li></ul>		
	Number of educators trained in inclusion.	<b>SOI. 402</b> Number of therapists/specialist staff in public special schools,	46	74	46	43	-3	Target not Achieved. Therapist and Psychologists are extremely scarce skills and the Department of Education continuously struggle to employ and/or retain the services of the number of therapist and psychologist as per the target set. Only 26 of the 28 posts for therapist were filled as no applications were received for two special schools. The 26 therapists and psychologists have commenced duty in January 2024.			
	Percentage of individualised support plans developed for learners with barriers to learning in public special schools.	<b>NSOI. 403</b> Percentage of public special schools serving as Resource Centers.	53%	52%	53%	53%	53%	-	Target Achieved		

### Linking performance with budgets

The programme spent R1.044 billion of the adjusted appropriation of R1.052 billion for 2023/24 financial year. The programme has underspent by R8.423 million. The underspending emanates from the austerity measures implemented by the department to deal with cash constraints the department is faced with, and which forced the department to tighten its expenditure controls in order to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department.

### Sub-programme expenditure

Sub- Programme Name	2022/2023			2023/2024		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under Expenditure R'000
4.1. Schools	983 738	936 795	46 943	1 008 347	999 876	8 471
4.2. Human Resource Development	6 347	2 881	3 466	5 257	5 257	-
4.3. School sport, culture and media services	7 920	7 101	819	8 082	8 081	1
4.4. Conditional Grants	32 800	28 061	4 739	30 591	30 640	(49)
<b>Total</b>	<b>1 030 805</b>	<b>974 837</b>	<b>55 968</b>	<b>1 052 277</b>	<b>1 043 854</b>	<b>8 423</b>

### Strategy to overcome areas of underperformance

Output Indicator	Strategy to overcome under-performance
<b>SOI. 402</b> Number of therapists/specialist staff in public special schools,	<ul style="list-style-type: none"> <li>The Department has planned to advertise a number of posts in 2024/25 to meet this target.</li> <li>The Department will continuously open up recruitment include Head Hunting</li> <li>LSPID Grant will be used to appoint specialists.</li> </ul>

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable.

## 4.5 Programme 5: Early Childhood Development

### Purpose

Early Childhood Development is a policy priority which was conceptualised in the Education White Paper 5 on Early Childhood Education (May 2001) and highlighted in the National Development Plan as critical in laying a strong foundation towards breaking the cycle of inequality and poverty.

### Sub-Programmes

Sub-Programmes	Purpose
Grade R in Public Schools	To provide specific public ordinary schools with resources required for Grade R.
Grade R in Early Childhood Development centers	To support Grade R level at Early Childhood Development centres.
Pre-Grade R Training	To provide training and payment of stipends of Pre-Grade R Practitioners/Educators.
Human Resource Development	To provide Departmental services for the development of practitioners and non-educators at public schools and ECD centres.
Conditional Grants	To provide for projects under Programme 5 specified by the Department of Basic Education and funded by Conditional Grants.

### Programme Outcomes

Outcomes
Improving the foundational skills of literacy and numeracy
Improved access to quality early learning

Programme/ Sub-Programme: 5 Early Childhood Development									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual	Reasons for deviations	
			2021/22	2022/23					
A strong and solid foundation in literacy and numeracy	Grade R learners accessing public, community and private sites	<b>SOI 501</b> Number of public schools that offer Grade R	4 107	4 043	4 000	4 021	21	Target Achieved. Delays in the implementation of school Rationalization and Realignment Program.	
	Children accessing registered ECD services	<b>SOI 502</b> Number of children accessing registered ECD services	New	New	142 000	101 365	-40 635	Target Not Achieved. Some children are attending unregistered ECD centres and are not accounted for.	
	Registration of ECD centres	<b>SOI 503</b> Number of fully registered ECD centres	New	New	390	340	-50	Target Not Achieved. Slow submission of registration forms and poor connectivity affect the opportunity of a seamless registration process.	
	Professionalisation of ECD Practitioners	<b>NSOI 504</b> Number of Grade educators/ practitioners with NQF level 6 and above qualification	1435	1 418	1 400	785	-615	Target Not Achieved. Qualified practitioners leave Grade R for the main-stream or are affected by natural attrition and death.	

### Linking performance with budgets

The programme has spent R 978 million of the adjusted appropriation of R1.002 billion in 2023/24. The programme has underspent its budget by R24.153 million.

**Goods and Services** – The underspending on non-personnel emanates from the departmental internal controls exercised to balance the actual cash and the budget and therefore cost containment measures were enforced, and stringent expenditure controls were tightened to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department. The underspending was utilized to reduce the Unauthorized Expenditure incurred in prior years. The ECD maintenance grant underspent, however, the delivery of infrastructure has taken place, the invoices will form part of the accruals that will be settled in 2024/25 Financial Year, and an application for rollover of unspent funds will be submitted to Provincial Treasury.

**Non-Profit Institutions** – The underspending emanates from 1) the reconciliation process and verification of learners which resulted in fewer subsidized learners and 2) due to the transfer payment to 30 ECD centres which did not go through due dormant accounts. **Machinery and Equipment** - The underspending is due to departmental budget constraints which forced the department to tighten its expenditure controls to ensure that department does not incur unauthorized expenditure at year end. The risk of exceeding the approved bank overdraft limit and care had to be exercised before any payment can be made.

### Sub-programme expenditure

Sub- Programme Name	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
5.1. Grade R in Public Schools	489 344	433 700	55 644	548 747	529 443	19 304
5.2. Grade R in ECD centres	-	-	-	-	-	-
5.3. Pre-Grade R in ECD centres	250 172	214 649	35 523	239 175	241 403	(2 228)
5.4. Human Resource Development	3 019	-	3 019	3 100	860	2 240
5.5. Conditional Grants	223 332	188 818	34 514	210 694	205 857	4 837
<b>Total</b>	<b>965 867</b>	<b>837 168</b>	<b>128 699</b>	<b>1 001 716</b>	<b>977 563</b>	<b>24 153</b>

### Strategy to overcome areas of underperformance.

Output Indicator	Strategy to overcome under-performance
<b>SOI 502:</b> Number of children accessing registered ECD services	Support and strengthen the registration massification programme so that more centres can be formally registered, which will significantly increase the number of children accessing registered ECD services.
<b>SOI 503:</b> Number of fully registered ECD centres	Supporting unregistered centres to meet the norms and standards for registration.
<b>NSOI 504:</b> Practitioners with NQF Level 6 and above qualification.	Qualifications should be verified for authenticity.

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions.

Not Applicable

## 4.6 Programme 6: Infrastructure Development

### Purpose

To provide and maintain infrastructure facilities for schools and non-schools.

### Sub-Programmes

Sub-Programmes	Purpose
Administration	To provide goods and services required for the office infrastructure development and maintenance.
Public Ordinary Schools	To provide goods and services required for public ordinary schools (mainstream and full-service schools) infrastructure development and maintenance.
Special Schools	To provide goods and services required for special school's infrastructure development and maintenance.
Early Childhood Development	To provide goods and services required for the early childhood development infrastructure development and maintenance.
Early Childhood Development (Pre-Grade R)	To provide maintenance services required for the Early Childhood Development Centres operated by the registered Non-Profit Organisations (NPO's).

### Programme Outcomes

Outcomes
School physical infrastructure and environment that inspires learners to learn and educators to teach
All schools meet the statutory safety standards resulting in safer schools,

Programme/Sub-programme: 6 Infrastructure Development									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2021/22	2022/23					
School physical infrastructure and environment that inspires learners to learn and educators to teach	Provision of water infrastructure	<b>SOI 601</b> Number of public schools provided with water infrastructure	26	30	280	264	-16	Target not achieved. Poor performance by contracted SMMs in general and community strike action under the Water Tanks Provision Programme resulted in lower output for indicator	
	Provision of electricity infrastructure	<b>SOI 602</b> Number of public schools provided with electricity infrastructure	22	16	20	15	-5	Target not achieved. <ul style="list-style-type: none"> <li>Series of terminations of under-performing contractors led to delayed completions.</li> <li>Underperformance of SMMs doing work packages within DPWI projects.</li> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Contractors experienced cash flow problems which negatively affected completion of projects</li> </ul>	
	Provision of sanitation facilities	<b>SOI 603</b> Number of public schools supplied with sanitation facilities	24	19	50	50	-	Target Achieved.	
	Provision of boarding facilities	<b>SOI. 604</b> Number of schools provided with new or additional boarding facilities.	0	1	1	0	-1	Target not achieved. Delayed completion of Nisokotha SSS hostel due to labour payment dispute and community strike regarding the location of borehole	
	School maintenance project completed	<b>SOI 605</b> Number of schools where scheduled maintenance projects were completed	10	40	90	43	-147	Target Not Achieved. Chronic delays with implementation of 116 minor maintenance projects due to procurement strategy that resulted in disengagement of professional service providers which led to delayed payment of service providers and work stoppages in other sites	
School physical infrastructure and	Increase the proportion of	<b>NSOI. 606</b> Number of new schools	10	6	17	8	-9	Target not achieved. <ul style="list-style-type: none"> <li>Contractual delays due to approvals of</li> </ul>	

Programme/Sub-programme: 6 Infrastructure Development									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2021/22	2022/23					
environment that inspires learners to learn and educators to teach.	schools which reach minimum physical infrastructure norms and standards.	that have reached completion (includes replacement schools).							extensions of time with cost as a result of work stoppage from prior years • Underperformance of SMMEs doing work packages within DPWI projects.
		<b>NSOI. 607</b> Number of new schools under construction (includes replacement schools).)	35	37	45	32	-13	• Target not achieved. • Slow progress in the procurement and appointment of contractors by implementing agents • 13 projects could not be handed over to contractors due to risk of overcommitment. • The infrastructure budget was cut by approximately R100m during the financial year resulting in lower output.	
		<b>NSOI. 608</b> Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools).	42	13	31	19	-12	Target not achieved. Contractual delays with appointed contractor led to completion contractors being appointed by CDC that also had performance issues. However, these issues have been resolved and projects are progressing on sites	
	Provisions of additional classrooms	<b>NSOI. 609</b> Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools).	384	439	325	360	35	Target Achieved. Additional classrooms were achieved in the period under review due to early practical completions on projects	
All schools meet the statutory safety standards resulting in safer outcomes	Specialist rooms built in public schools	<b>NSOI. 610</b> Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools).	41	29	43	27	-16	Target not Achieved. • Series of terminations of underperforming contractors led to delayed completions. • Underperformance of SMMEs doing work packages within DPWI projects. • Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years	

Programme/Sub-programme: 6 Infrastructure Development									
Programme/ Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2021/22	2022/23					
									Contractors experienced cash flow problems which negatively affected completion of projects

### Linking performance with budgets

The programme has spent R1.697 billion of the final appropriation of R1.703 billion in 2023/24. The programme has underspent its budget by R5.627 million.

The under expenditure is because of delayed submission of invoice by the Implementing Agents. A request for the rollover of unspent funds has been submitted to Provincial Treasury and post adjustment has been done from Property payments to defray the over expenditure in buildings and other fixed structures.

### Sub-programme expenditure

Sub- Programme Name	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
6.1. Administration	382 018	387 403	(5 385)	492 632	310 376	182 256
6.2. Public Ordinary Schools	1 421 490	1 335 666	85 824	1 134 805	1 283 711	(148 906)
6.3. Special Schools	79 410	79 393	17	46 057	54 054	(7 997)
6.4. Early Childhood Development	71 933	51 753	20 180	29 205	48 931	(19 726)
<b>Total</b>	<b>1 954 851</b>	<b>1 854 215</b>	<b>100 636</b>	<b>1 702 699</b>	<b>1 697 072</b>	<b>5 627</b>

### Strategy to overcome areas of underperformance.

Output Indicator	Strategy to overcome under-performance
<b>SOI 601</b> Number of public schools provided with water infrastructure	<p>Improve monitoring through the attendance of monthly progress, technical and executive reporting meeting at district level</p> <p>Attendance of infrastructure oversight meetings chaired by departmental leadership on expenditure and audit issues</p> <p>Re-establishment of District Reporting Forum to track performance of implementing agents and resolution of work defaults</p>
<b>SOI 602</b> Number of public schools provided with electricity infrastructure	
<b>SOI. 604</b> Number of schools provided with new or additional boarding facilities	
<b>SOI 605</b> Number of schools where scheduled maintenance projects were completed	
<b>NSOI 606</b> Number of new schools that have reached completion (includes replacement schools)	
<b>NSOI 607</b> Number of new schools under construction (includes replacement schools)	
<b>NSOI 608</b> Number of Grade R classrooms built	
<b>NSOI 610</b> Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools)	

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable.

## 4.7 Programme 7: Examinations and Education Related Services

### Purpose

To provide education institutions as a whole with support.

### Sub-Programmes

Sub-Programmes	Purpose
Payments to SETA	To provide employee HRD in accordance with the Skills Development Act.
Professional Services	To provide educators and learners in schools with Departmentally managed support services.
External Examinations	To provide for Departmentally Managed Examination services and Assessment Services.
Special Projects	To provide for special Departmentally managed intervention projects in the education system as a whole.
Conditional Grants	To provide for projects specified by the Department of Basic Education that are applicable to more than one programme and funded from conditional grants.

### Programme Outcomes

Outcome
Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa.

Outcome	Output	Output Indicator	Programme/Sub-programme:7 Examination and Education Related Services					Reasons for deviations
			Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	
Youth leaving the schooling system more prepared to contribute towards prosperous and equitable South Africa	Grade 12 learners passing the National Senior Certificate	<b>SOI 701</b> Percentage of learners who passed National Senior Certificate (NSC)	73%	77.3%	80%	81.4%	1.4%	Target Achieved. The positive variance resulted from the intensive implementation of the LAIS Programmes.
	Improve grade 12 learner bachelor pass level passes	<b>SOI 702</b> Percentage of Grade 12 learners passing at the bachelor pass level	34%	36.8%	41%	39.6%	-1.4%	Target not Achieved. Reduction in the sample of SBA moderated districts led to regressed SBA statcal moderation report compared to the previous years, resulting to downward adjustment of marks.
	Improve grade 12 learner performance in Mathematics	<b>SOI. 703</b> Percentage of Grade 12 learners achieving 60% and above Mathematics.	16%	8.8%	23%	12.3%	-10.7%	Target not Achieved. Underperformance of learners on topics that carry high marks such as Euclidean Geometry, Probability, Calculus, and functions and Graphs.
	Improve grade 12 learner performance in Physical Science	<b>SOI 704</b> Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	21.2%	12.4%	28%	14.1%	-13.9	Target Not Achieved. Underperformance of learners on topics that carry high marks such as Photoelectric Effect, Electrostatics, Acids and Bases, Galvanic, Electrolytic Cells and Rates of Reaction.
	Improve secondary school NSC pass rate	<b>SOI 705</b> Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	715	811	800	872	72	Target Achieved. Enhanced accountability across the system.

### Linking performance with budgets

The programme has spent R1.778 billion of the adjusted appropriation of R1.798 billion in 2023/24 financial year. The programme has underspent its budget by R 20.526 million.

The underspending emanates from the departmental internal controls exercised to balance the actual cash and the budget which therefore, cost containment measures were enforced, and stringent expenditure controls were tightened in order to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department. Therefore, the underspending was utilised to cover the bank overdraft of the department due to cash constraints faced by the Department that affected the ability of the Department to honour contractual obligations, thus care had to be exercised before any payment can be made.

### Sub-programme expenditure

Sub- Programme Name	Final Appropriation R'000	2022/2023 Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	2023/2024 Actual Expenditure R'000	(Over)/Under Expenditure R'000
7.1 Payments to SETA	68 360	68 360	-	71 365	71 365	-
7.2 Professional Services	8 488	2 786	5 702	16 975	15 889	1 086
7.3 External Examination	910 823	862 981	47 842	496 810	490 938	5 872
7.4 Special Projects	441 053	441 153	(100)	1 171 189	1 154 925	16 264
7.5 Conditional Grants	46 897	46 653	244	41 989	44 685	(2 696)
<b>Total</b>	<b>1 475 621</b>	<b>1 421 933</b>	<b>53 688</b>	<b>1 798 328</b>	<b>1 777 802</b>	<b>20 526</b>

### Strategy to overcome areas of underperformance.

Output Indicator	Strategy to overcome under-performance
<b>SOI 702</b> Percentage of Grade 12 learners passing at the bachelor pass level	<ul style="list-style-type: none"> <li>Encourage schools to administer, mark and analyse Mock Examination in June, Sept and October.</li> <li>Organize 2024 Trial Exam papers from other provinces and use them as practice exam papers.</li> <li>Revision will focus on individual topics and assessment focus on all difficult levels of assessment.</li> </ul>
<b>SOI. 703</b> Percentage of Grade 12 learners achieving 60% and above Mathematics.	<ul style="list-style-type: none"> <li>Organize study camps or incubation classes for highfliers.</li> <li>Organize cluster competitions to inculcate a culture of healthy competition.</li> <li>Expose highfliers to questions of high assessment levels.</li> </ul>
<b>SOI 704</b> Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	<ul style="list-style-type: none"> <li>Organize study camps or incubation classes for highfliers.</li> <li>Organize cluster competitions to inculcate a culture of healthy competition.</li> <li>Expose highfliers to questions of high assessment levels.</li> </ul>

### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable.

## 5. TRANSFER PAYMENTS

### 5.1 Transfer payments to public entities.

Not Applicable.

### 5.2 Transfer payments to all organisations other than public entities.

The table below reflects the transfer payments made for the period 1 April 2023 to 31 March 2024

Name of the transferee	Purpose of which the funds were used	Amount budgeted for (R'000)	Amount Transferred (R'000)	Reasons why funds were not transferred
Administration	Exit Benefits for Individual Personnel	57 761	46 945	Underspending is due to leave gratuity cases that were not finalized as at end of the financial year.
Public Ordinary Schools Level	Norms and Standards for funding to Public Ordinary Schools	1 234 000	1 252 185	-
	National School Nutrition Programme	1 599 028	1 595 884	-
	Exit Benefits for Individual Personnel	293 930	294 116	Overspending is due to payment of exit benefit backlogs in respect of beneficiaries.
Independent Schools Subsidies	Subsidy to qualifying Independent Schools	110 345	110 345	-
Public Special Schools	Norms and Standards to Public Special Schools	144 879	142 373	-
	Exit Benefits for Individual Personnel	2 642	8 249	Overspent due to payment of leave gratuities backlogs in respect of beneficiaries.
Early Childhood Development	Subsidy to ECD centres	438 047	431 952	37 Centres had dormant accounts
	Exit Benefits for Individual Personnel	-	45	-
Infrastructure Development	Exit Benefits for Individual Personnel	-	81	-
Payments to SETA	Training and Development	71 365	71 365	-
External Examinations	Payments to Marking Centres for Exam purposes.	61 220	61 220	-
Special Projects	MEC Top achievers	15 781	15 718	-

### 5.3 Transfer payments budgeted for but not made.

Not Applicable

## 6. CONDITIONAL GRANTS

### 6.1 Conditional grants and earmarked funds paid

Not Applicable.

### 6.2 Conditional grants and earmarked funds received

#### Conditional Grant 1: Mathematics, Science and Technology (MST) Conditional Grant.

Department who transferred the grant	Department of Basic Education
Purpose of the grant	<ul style="list-style-type: none"> <li>To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements (CAPS) for the improvement of Mathematics, Sciences and Technology teaching and learning in selected public schools.</li> <li>To improve the achievement of learner participation and success rates, teacher demand, supply, utilisation, development and support, school resourcing and partnerships, consistent with targets set in the Action Plan 2019 and the National Development Plan.</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>Purchase Information, Communication &amp; Technology with 35%, an amount of about R16 186 492.</li> <li>Procure Workshop Equipment &amp; Machinery with 15% (R7 141 099.50) for 31 Technical schools.</li> <li>Procure Laboratories equipment and consumables with 15% (R7 141 099.50).</li> <li>Coordinate and conduct Learner Support with 14% (R6 665 026.20).</li> <li>Conduct professional development and pedagogical content trainings for teachers (Teacher Support) with 15% (R7 141 099.50).</li> <li>Grant Administration – R 476 0730.</li> <li>Cuban support – R 2 856 439.80</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>56 Schools were supplied with information, communication and technology (ICT) resources such as laptops, tablets and software at an amount of R15 340 732.</li> <li>32 Technical schools were supplied with workshop equipment, tools and machinery for Technology to support curriculum and practical teaching methodology at FET level at an amount of R10 930 176.</li> <li>95 schools were supplied with consumables and subject related apparatus to support curriculum and practical teaching methodology at FET level, and 65 GET schools supplied with Coding and Robotics equipment at an amount of R6 787 796.</li> <li>9630 learners were funded to participate in Maths and Science Olympiads including coaching and revision camps to improve learner preparedness for the NSC examinations spending utilising R6 235 363 of the allocated budget.</li> <li>1356 were trained during 2023/24 financial period spending a total amount of R6 364 113.</li> <li>R 552 017 was spent towards Grant Administration.</li> <li>And lastly, R1 097 444 was utilised towards Cuban Support programme and their remuneration.</li> </ul>
Amount per amended DORA	R 48 603 million
Amount received (R'000)	R 48 603 million
Reasons if amount as per DORA was not received	Not applicable
Amount spent by the Department (R'000)	R 48 565 million
Reasons for the funds unspent by the entity	Not Applicable.
Reasons for deviations on performance	Due to high demand on ICT equipment, Coding & Robotics and Workshop Equipment & Machinery at schools, there was a slightly more spending on these performance indicator items which had to be prioritized although not deviating from the framework.
Measures taken to improve performance	Even though needs analysis will be done, strict adherence to the framework outputs so that the expenditure in all the performance indicators is as per the stipulated percentages.

**Monitoring mechanism by the receiving department**

A reporting template obtainable from DBE as a transferring centre and sent to schools on managing what has been delivered by the grant and the progress in utilising these and their impact thereof. We monitor the schools on quarterly basis based on the developed template. Principal's meetings are being held to assist schools, and on how to manage MST conditional grant in their schools.

**Conditional Grant 2: Early Childhood Development**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	<ul style="list-style-type: none"> <li>To increase the number of poor children accessing subsidized ECD programmes.</li> <li>To support ECD providers delivering an ECD programmes to meet basic health and safety requirements for registration.</li> <li>To pilot the construction of new low cost ECD centres</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>Number of children eligible for the subsidy as agreed in the Service Level Agreements (SLA) – 87 000</li> <li>Number of all children attending registered ECD services in fully registered services – 5 000</li> <li>Number of all children attending ECD services in conditionally registered services – 137 000</li> <li>Number of children that benefit from the subsidy component of the conditional grant in fully registered services – 2 500.</li> <li>Number of children that benefit from the subsidy component of the conditional grant in conditionally registered services – 41 106.</li> <li>Number of days subsidised for centre-based programmes – 264.</li> <li>Number of children benefiting from the subsidy in registered non-centre based ECD programmes - 500</li> <li>Number of ECD Practitioners and other staff employed in registered ECD services benefiting from the conditional grant – 1 725</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>87 015 Number of children eligible for the subsidy as agreed in the Service Level Agreements (SLA).</li> <li>4 783 children attending registered ECD services in fully registered services.</li> <li>97 086 children attending ECD services in conditionally registered services.</li> <li>1 422 children that benefited from the subsidy component of the conditional grant in fully registered services.</li> <li>41 987 children that benefited from the subsidy component of the conditional grant in conditionally registered services.</li> <li>264 days subsidised for centre-based programmes.</li> <li>515 children benefiting from the subsidy in registered non-centre based ECD programmes.</li> <li>2 400 ECD Practitioners and other staff employed in registered ECD services benefiting from the conditional grant.</li> </ul>
<b>Amount per amended DORA</b>	R 210 694 million
<b>Amount received (R'000)</b>	R 210 694 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R 205 871 million
<b>Reasons for the funds unspent by the entity</b>	<p>The underspending on this grant is due to the resignation of the Construction Manager and 3 Admin Clerks, the reconciliation and verification of learners which has resulted in the decrease in numbers of children subsidized, and the transfer payment of 37 ECD centres which did not go through due to dormant bank accounts.</p> <p>The grant has also underspent on ECD maintenance component wherein services were received, and this expenditure will be the first charge in the next financial year.</p>
<b>Reasons for deviations on performance</b>	<p>Centres do not reach full registration due to them not meeting full norms and standards.</p> <p>Children are attending unregistered ECD centres and are not counted.</p>
<b>Measures taken to improve performance.</b>	Strengthen working relations with external stakeholders to fast-track registration processes.
<b>Monitoring mechanism by the receiving department</b>	<ul style="list-style-type: none"> <li>Accountability sessions and monthly reporting</li> <li>On site- face to face monitoring</li> </ul>

**Conditional Grant 3: National School Nutrition Programme**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	To provide nutritious meals to targeted learners on time Number of schools in Quintiles 1-3 Public Primary and Secondary schools as well as targeted special schools that are provided with a nutritious meal on every school day.
<b>Expected outputs of the grant</b>	To enhance learning capacity and promote access to education. 5 064 schools that prepare nutritious meals for learners (projected data) 1,677,847 learners benefitting from the provision of a nutritious meal (projected data)
<b>Actual outputs achieved</b>	For the 2023/2024 period performance for the National School Nutrition Programme is as follows: <ul style="list-style-type: none"> <li>• Number of Main Meal Beneficiaries: 1 628 811</li> <li>• Number of Volunteer Food Handlers appointed: 12 661</li> <li>• Number of Breakfast Beneficiaries: 1 060 473</li> <li>• Number of Processed Protein Livers Beneficiaries: 167 402</li> </ul>
<b>Amount per amended DORA</b>	R 1 647 454 million
<b>Amount received (R'000)</b>	R 1 647 454 million
<b>Reasons if amount as per DORA was not received</b>	Not Applicable.
<b>Amount spent by the department (R'000)</b>	R 1 630 945 million
<b>Reasons for the funds unspent by the entity</b>	The underspending emanates from the non-payment of the photocopy machines which could not be processed due to the delays in procurement processes in terms of contracting a new service provider and the printing of NSNP manuals and VFH standardized guidelines that could not be paid at year end due to invoices not yet received.
<b>Reasons for deviations on performance</b>	<ul style="list-style-type: none"> <li>• Several invoices have been submitted to payments for processing which totaled the available budget:</li> <li>• CD LD&amp;SSS Accountability meeting</li> <li>• NSNP ECDOE/DBE/FUEL session</li> <li>• Accommodation for seconded officials.</li> <li>• ISHP – deworming and HPV District Monitoring</li> </ul>
<b>Measures taken to improve performance</b>	The Directorate will engage finance (Budget, SCM and Payments) to correct the anomalies and prepare more efficiently to avoid future challenges.
<b>Monitoring mechanism by the receiving department</b>	Monitoring, Reporting and Responding Visits were conducted by District NSNP Monitors during the 2023/2024 Financial year.

**Conditional Grant 4: EPWP Grants - Social Sector Incentive Grant**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	<ul style="list-style-type: none"> <li>To incentivise Provincial Social Sector Department identified in 2014 Social Sector EPWP log frame.</li> <li>To increase work opportunities by focusing on the strengthening and expansion of Social Sector programmes that have employment potential.</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>Increased number of EPWP Participants receiving stipends from the Grant.</li> <li>964 Full Time Equivalents (FTE's) to be created.</li> <li>Number of work opportunities to be created through the EPWP.</li> <li>Number of people with disabilities or special needs to be employed.</li> <li>Number of accredited training programmes to be conducted.</li> <li>Number of people to be employed.</li> </ul>
<b>Actual outputs achieved</b>	1595 job work opportunities created
<b>Amount per amended DORA</b>	R 61 698 million
<b>Amount received (R'000)</b>	R 61 698 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R 66 701 million
<b>Reasons for the funds unspent by the entity</b>	Not Applicable .
<b>Reasons for deviations on performance</b>	Over expenditure of R 5 003 million in COE is caused by capturing of EPWP participants using wrong codes.
<b>Measures taken to improve performance</b>	Monthly reconciliation and journals are to be Implemented by HRD, salaries and HRA to rectify the expenditure.
<b>Monitoring mechanism by the receiving department</b>	<p>The following mechanism was carried out by the department:</p> <ol style="list-style-type: none"> <li>1. Fincom reports</li> <li>2. Narrative and Evaluation Report</li> <li>3. Quarterly Reports</li> </ol>

**Conditional Grant 5: EPWP Grants - Integrated Incentive Grant**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	Aims to support national building through involving young people in delivery of crucial government services and through this to enable these young people to acquire and apply skills and values to access economic opportunities upon completion of the programme and to continue to engage with community activities and social processes.
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Number of Full Time Equivalents (FTE's) employed.</li> <li>• Number of youths to be employed.</li> <li>• Number of women to be employed.</li> <li>• Number of disabled people to be employed.</li> <li>• Number of people to be trained in various skills.</li> <li>• Community empowerment and development.</li> </ul>
<b>Actual outputs achieved</b>	52 Jobs Created
<b>Amount per amended DORA</b>	R 3 162 million
<b>Amount received (R'000)</b>	R 3 162 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R3 595 million
<b>Reasons for the funds unspent by the entity</b>	Not applicable
<b>Reasons for deviations on performance</b>	Over expenditure of R433 000.00 in COE is caused by capturing of EPWP participants on Persal using wrong codes
<b>Measures taken to improve performance</b>	Monthly reconciliation and journals are to be implemented by HRD, salaries and HRA to rectify the expenditure.
<b>Monitoring mechanism by the receiving department</b>	<p>The following mechanism was carried out by the department:</p> <ol style="list-style-type: none"> <li>1. FINCOM reports</li> <li>2. Narrative and Evaluation Report</li> <li>3. Quarterly Reports</li> </ol>

**Conditional Grant 6: Infrastructure Grant**

<b>Department who transferred the grant</b>	Department of Basic Education	
<b>Purpose of the grant</b>	<ul style="list-style-type: none"> <li>To help construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation</li> <li>To address achievement of the targets set out in the minimum norms and standards for school infrastructure.</li> <li>To address damages to infrastructure</li> <li>To enhance capacity to deliver infrastructure in education</li> </ul>	
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided.</li> <li>Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material.</li> <li>Number of new and existing schools maintained.</li> <li>Number of work opportunities created.</li> <li>Number of new special schools provided, and existing special and full-service schools upgraded and maintained.</li> <li>Number of schools where contracts focused on the development and upgrading of potable water supply and safe sanitation have reached practical completion.</li> <li>Volume of water supplied through trucking (with details of which schools were supplied on what dates)</li> <li>Number of schools provided with sanitisation materials and equipment (with quantities specified)</li> </ul>	
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>SOI 601: 264 public ordinary schools were provided with water infrastructure.</li> <li>SOI 602: 15 public schools were provided with electricity infrastructure.</li> <li>SOI 603: 51 public schools were supplied with sanitation facilities.</li> <li>SOI 604: (0) No school was provided with new or additional boarding facilities.</li> <li>SOI 605: 43 schools received scheduled maintenance projects were completed.</li> <li>NSOI 606: 8 new schools that have reached completion (includes replacement schools).</li> <li>NSOI 607: 32 new schools are under construction (includes replacement schools).</li> <li>NSOI 608: 19 new Grade R classrooms were built or provided (includes those in new, existing and replacement schools).</li> <li>NSOI 609: 360 additional classrooms were built in, or provided for, in existing public schools (includes new and replacement schools).</li> <li>NSOI 610: 27 additional specialist rooms were built in public schools (includes specialist rooms built in new and replacement schools).</li> </ul>	
<b>Amount per amended DORA</b>	R1 702 699	
<b>Amount received (R'000)</b>	R1 702 699	
<b>Reasons if amount as per DORA was not received</b>	Not applicable	
<b>Amount spent by the Department (R'000)</b>	R1 697 072 million	
<b>Reasons for the funds unspent by the entity</b>	The unspent funds amount to R 5 627 million, these relate to Amatola Water invoices that could not be paid at year end due to system challenges that led to delays in processing invoices for payment. Roll-over application has been requested for these funds	
<b>Reasons for deviations on performance</b>	<b>SOI 601</b> Number of public schools provided with water infrastructure	Poor performance by contracted SMMEs in general and community strike action under the Water Tanks Provision Programme resulted in lower output for indicator

Measures taken to improve performance	<b>SOI 602</b> Number of public schools provided with electricity infrastructure	<ul style="list-style-type: none"> <li>Series of terminations of under-performing contractors led to delayed completions.</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Contractors experienced cash flow problems which negatively affected completion of projects</li> </ul>
	<b>SOI. 604</b> Number of schools provided with new or additional boarding facilities.	Delayed completion of Ntsokotha SSS hostel due to labour payment dispute and community strike regarding the location of borehole
	<b>SOI 605</b> Number of schools where scheduled maintenance projects were completed	Chronic delays with implementation of 116 minor maintenance projects due to procurement strategy that resulted in disengagement of professional service providers which led to delayed payment of service providers and work stoppages in other sites
	<b>NSOI. 606</b> Number of new schools that have reached completion (includes replacement schools).	<ul style="list-style-type: none"> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> </ul>
	<b>NSOI. 607</b> Number of new schools under construction (includes replacement schools.)	<ul style="list-style-type: none"> <li>Slow progress in the procurement and appointment of contractors by implementing agents</li> <li>13 projects could not be handed over to contractors due to risk of overcommitment.</li> <li>The infrastructure budget was cut by approximately R100m during the financial year resulting in lower output.</li> </ul>
	<b>NSOI. 608</b> Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools).	Contractual delays with appointed contractor led to completion contractors being appointed by CDC that also had performance issues. However, these issues have been resolved and projects are progressing on sites
	<b>NSOI. 609</b> Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools).	Additional classrooms were achieved in the period under review due to early practical completions on projects
	<b>NSOI. 610</b> Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools).	<ul style="list-style-type: none"> <li>Series of terminations of under-performing contractors led to delayed completions.</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Contractors experienced cash flow problems which negatively affected completion of projects</li> </ul>
		<ul style="list-style-type: none"> <li>Introduction of decentralised procurement system to Districts to improve delivery.</li> <li>The involvement of consultation with local SMMEs through stakeholder facilitators from DoE to explain procurement processes and how communities can position themselves to benefit from projects that come into their areas.</li> <li>Appointment of replacement contractors where terminations occurred.</li> <li>The handover of projects to contractor where procurement process was successful in the new financial year.</li> </ul>

**Monitoring mechanism by the receiving department**

- Monthly Executive Reporting Meetings with Implementing Agents
- Education Facilities Management System
- Infrastructure Reporting Model
- Site visits by Clerks of Works and Works Inspectors
- Contract management by appointed Professional Service Providers

**Conditional Grant 7: Learners with Severe to Profound Intellectual Disability Grant**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	To ensure learners with severe to profound intellectual access quality public funded education and support.
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>Recruiting specialised human resources to support the implementation of the learning programme and provide psycho-therapeutic intervention to LSPID in special care centres and schools.</li> <li>Developing and maintaining a database of LSPID and targeted special care centres.</li> <li>Providing outreach services, which includes facilitating the implementation of the learning programme and providing therapeutic services and learning and teaching support materials (LTSM) to targeted special care centres and schools.</li> <li>Training of team members, caregivers, teachers and officials on the implementation of</li> <li>Profound Intellectual Disability (LPID); and accredited training for care givers</li> <li>Monitoring and supporting the implementation of the activities of the conditional grant, including the implementation of the Learning Programme for LPID.</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>26 officials are permanently employed to service the special care centres as per the grant output.</li> <li>68 special care centres were serviced including one special school.</li> <li>Therapeutic support services were provided to 350 learners.</li> <li>76 care givers were enrolled for ECD level 4 accredited training.</li> <li>281 PID benefited from the learning program and report cards were issued to</li> <li>530 learners were cognitively assessed to determine their level of functioning.</li> <li>Learner teacher support material was procured for special care centres as well as material to support learners enrolled for SID.</li> </ul>
<b>Amount per amended DORA</b>	R 30 591 million
<b>Amount received (R'000)</b>	R 30 591 million
<b>Reasons if amount as per DORA was not received</b>	All the tranches were paid
<b>Amount spent by the Department (R'000)</b>	R 30 661 million
<b>Reasons for the funds unspent by the entity</b>	Not Applicable.
<b>Reasons for deviations on performance</b>	Not Applicable.
<b>Measures taken to improve performance</b>	Involve districts in the monitoring of the grant.
<b>Monitoring mechanism by the receiving department</b>	Online monitoring through share point, quarterly reports, Annual reports.

**Conditional Grant 8: HIV/AIDS Grant**

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	<p>To support South Africa's HIV prevention strategy by:-</p> <ul style="list-style-type: none"> <li>• Providing comprehensive sexuality education and information on access to sexual and reproductive health services to learners.</li> <li>• Supporting the provision of employee health and wellness programmes for educators</li> <li>• To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners, educators and support staff.</li> <li>• To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls.</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• 500 educators trained to implement comprehensive sexuality education and TB prevention programmes for learners to be able to protect themselves from HIV and TB and the associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in areas with a high burden of HIV and TB infections.</li> <li>• 500 school management teams and school governing bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that comprehensive sexuality education and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health and TB services. A provision for training will also address multiple sexual partnerships among boys and learner pregnancy prevention.</li> <li>• Co-curricular activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services implemented in secondary schools including a focus on prevention of alcohol, drug use and learner pregnancy, targeting 1000 learners. Priority will be in schools located in high priority areas. Co-curricular activities in primary schools will focus on raising awareness of social issues and vulnerabilities, such as how to report abuse and support affected learners.</li> <li>• Care and support programmes implemented to reach 12 000 learners and 800 educators. Expand the appointment of Learner Support Agents to 800 to support vulnerable learners prioritising primary schools, using the care and support for teaching, and learning framework.</li> <li>• 18 500 copies of curriculum and assessment policy statement compliant material, including material for learners with barriers to learning, printed and distributed to schools. Printing of the school policy pack will be prioritised over learner teacher support material to ensure that all schools have a copy of the Department of Basic Education's (DBE) National Policy on HIV, STIs and TB for learners, educators, support staff and officials in all primary and secondary schools in the basic education sector; and the DBE Policy on the Prevention and Management of Learner Pregnancy (Learner Pregnancy Policy)</li> <li>• Host advocacy and social mobilisation events with 55 000 learners, educators and school community members on the DBE National Policy on HIV, STIs and TB; and the DBE Learner Pregnancy Policy to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services, including a focus on key risk behaviours, such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls, multiple concurrent sexual partnerships, power relations, respect for girls and other issues that compel negative behaviour amongst boys, as well as to advocate for the Integrated School Health Programme including provision of sexual and reproductive health services such as contraception, STIs, pregnancy and HIV testing, condom distribution and information on safe circumcision in secondary schools</li> <li>• 800 schools will be reached through monitoring and support visits</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• 147 Educators trained to implement comprehensive sexuality education through partnerships with Beyond Zero and EDC/DREAMS in Alfred Nzo East, Alfred Nzo West and Buffalo City Metro Districts.</li> <li>• 20 816 Learners and educators as well as 781 school community</li> </ul>

	<p>members were reached through advocacy sessions on HIV, TB and STI risk factors.</p> <ul style="list-style-type: none"> <li>• 60 Soul Buddyz Clubs were established in OR Tambo Coastal and Nelson Mandela Districts through partnership with Beyond Zero. 3 628 Learners were reached through curriculum learner pregnancy programmes and 2 562 learners were trained on drug and substance prevention programmes.</li> <li>• 800 Learner Support Agents (LSAs) were placed in schools and they identified and supported 23 644 Orphans and Vulnerable Children (OVCs).</li> <li>• 17 115 Sets of caps compliant, age and grade appropriate LTSM were distributed to schools</li> <li>• 833 Schools were monitored and supported by Provincial and District personnel.</li> </ul>
Amount per amended DORA	R 41 989 million
Amount received (R'000)	R 41 989 million
Reasons if amount as per DORA was not received	Not applicable
Amount spent by the department (R'000)	R44 685 million
Reasons for the funds unspent by the entity	Not applicable
Reasons for deviations on performance	Mid-term budget review resulting in reduction in the initial allocation of R45 077 million.
Measures taken to improve performance	<p>Activities that could not be implemented in 2023/24 to be prioritised in 2024/25 Business Plan Activities.</p> <ul style="list-style-type: none"> <li>• Monitoring of programme implementation and performance by Districts and Province.</li> <li>• Monthly and quarterly performance and financial reports submitted to the transferring officer.</li> <li>• Provincial and National evaluation of grant performance conducted at the end of each financial year.</li> </ul>
Monitoring mechanism by the receiving department	

## 7. DONOR FUNDS

Not applicable.

### 7.1 Donor Funds Received

Not Applicable.

## 8. CAPITAL INVESTMENT

### 8.1 Capital investment, maintenance, and asset management plan.

Infrastructure projects	Final Appropriation R'000	2022/23 Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	2023/24 Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	69,583	69,583	-	41,876	18,193	23,683
Existing infrastructure assets	1 577 137	1 492 080	85 057	1 396 883	1 400 373	(3 490)
- Upgrades and additions	1,064,770	1,064,770	-	700,130	915,062	(214,932)
- Rehabilitation, renovations and refurbishments	184,059	163,510	20,549	117,197	107,682	9,515
- Maintenance and repairs	328 308	263 800	64 508	579,556	377,629	201,927
Non-Infrastructure	304,704	290,022	14,682	263,940	278,506	(14,556)
Infrastructure transfer	3,427	2,530	897	-	-	-
Current	-	3	(3)	-	-	-
Capital	3,427	2,527	900	-	-	-
<b>Total</b>	<b>1,954,851</b>	<b>1,854,215</b>	<b>100,636</b>	<b>1,702,699</b>	<b>1,697,072</b>	<b>5,627</b>

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

While only two out of the ten SOI & NSOI targets were successfully achieved in the year under review, significant advancements were observed across all investment areas during the Department's 2023/24 financial year. This progress can be attributed to the normalization and continuity of the infrastructure program, resulting in the resumption of the majority of construction projects initiated in the preceding financial year.

The prompt disbursement of direct tranche payments to implementing agents facilitated the expedited payment of service providers and effectively addressed historical challenges associated with delayed payments. Despite these achievements, enhancements in the oversight of implementing agents have necessitated concrete adjustments in certain targets, as it became evident that completions would not be attained within the stipulated timelines. Adjustment figures were submitted; however, they were not incorporated in time, consequently leading to the Department reporting underachievement in the NSOI & SOIs.

The infrastructure-asset management plan once again garnered commendable ratings during moderation sessions with the Provincial Treasury, achieving a remarkable 96% success rate, equivalent to 23 out of 24 indicators. However, this progress has been overshadowed by outstanding condition assessments, which have been earmarked for inclusion in the budget for the 2024/25 financial year. To address this issue comprehensively, a broad-based consultative process will be initiated to formulate a unified 'One Plan' for infrastructure within the Department.

**Infrastructure projects which have been completed in the current year.**

Achievements	Planned	Actual	Reasons for variance
SOI 601 Number of public schools provided with water infrastructure	280	264	Poor performance by contracted SMMEs in general and community strike action under the Water Tanks Provision Programme resulted in lower output for indicator
SOI 602 Number of public schools provided with electricity infrastructure	20	15	<ul style="list-style-type: none"> <li>Series of terminations of under-performing contractors led to delayed completions.</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Contractors experienced cash flow problems which negatively affected completion of projects</li> </ul>
SOI 603 Number of public schools supplied with sanitation facilities	50	50	Target achieved.
SOI. 604 Number of schools provided with new or additional boarding facilities.	1	0	Delayed completion of Ntsokotha SSS hostel due to labour payment dispute and community strike regarding the location of borehole
SOI 605 Number of schools where scheduled maintenance projects were completed	90	43	Chronic delays with implementation of 116 minor maintenance projects due to procurement strategy that resulted in disengagement of professional service providers which led to delayed payment of service providers and work stoppages in other sites
NSOI. 606 Number of new schools that have reached completion (includes replacement schools).	17	8	<ul style="list-style-type: none"> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> </ul>
NSOI. 607 Number of new schools under construction (includes replacement schools). (includes replacement schools)	45	32	<ul style="list-style-type: none"> <li>Slow progress in the procurement and appointment of contractors by implementing agents</li> <li>13 projects could not be handed over to contractors due to risk of overcommitment.</li> <li>The infrastructure budget was cut by approximately R100m during the financial year resulting in lower output.</li> </ul>
NSOI. 608 Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools).	31	19	Contractual delays with appointed contractor led to completion contractors being appointed by CDC that also had performance issues. However, these issue have been resolved and projects are progressing on sites
NSOI. 609 Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools).	325	360	Additional classrooms were achieved in the period under review due to early practical completions on projects
NSOI. 610 Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools).	43	27	<ul style="list-style-type: none"> <li>Series of terminations of under-performing contractors led to delayed completions.</li> <li>Underperformance of SMMEs doing work packages within DPWI projects.</li> <li>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years</li> <li>Contractors experienced cash flow problems which negatively affected completion of projects</li> </ul>

### Plans to close or down-grade any current facilities.

In pursuit of satisfying the requirements of the Services Plan, the Department has undertaken a technically, rigorous, and scientific process by applying spatially referenced analytical techniques and using disaggregated demographic analysis and projection enrolment analysis at circuit level to develop long-term integrated, sustainable comprehensive institutional landscape plans termed Circuit School Landscape Plans (CSLPs).

The purpose of the exercise is to transform education circuits from having an “irrational” distribution of schools and school types and levels, or school landscape, to a rational distribution of schools or school landscape. Rational in terms of school population and distribution, local population and socio-economic dynamics, educational requirements, financial and service delivery efficiency, and effectiveness.

The following are the key focus areas of the plan:

- To reduce the number of small and unviable schools through re-alignment, mergers, incorporations, and closures.
- To create efficient and effective schooling landscape system at both primary and secondary schools.
- To achieve enrolment densification by increasing average enrolments to be nearer the national average of 504 learners in most of our schools and enable adequate resourcing of schools.

In contextualising the CSLPs, it is important to note its broad implication on all facet of the departmental operations which are currently being considered and configured to align the new institutional landscape such as:

- Teacher provisioning.
- Curriculum outlay - 3 stream model mapping.
- School specialisation.
- Scholar transport provisioning.
- Learner hostel accommodation.
- Infrastructure provisioning.
- Financial resourcing; etc.
- To provide scholar transport and hostels based on reliable data sets and GIS information and demographic analysis.

Whilst the endorsement of the 220 CSLPs by circuit and district management were achieved in May 2018, the broad consultative processes, which are underpinned by the establishment of institutional structures such as the Provincial School Rationalisation and Realignment Steering Committee (SRRASCOM) and District-level Rationalisation and Realignment Coordinating Committees (DRRCC), are continuing unabatedly to cost and schedule the different interventions required.

### Progress made on the maintenance of infrastructure.

School maintenance remains a massive challenge. The Department allocated a substantial portion of the 2023/24 budget to maintenance and renovation / rehabilitation projects as shown in the table below:

Nature of Investment	Indicative Budget 2023/24	%
Maintenance and repairs	392,493,659	23%
Rehabilitation, renovations, and refurbishment	89,576,797	5%
Non-Infrastructure	318,800,420	19%
New infrastructure assets	30,561,076	2%
Upgrades and additions	887,335,668	52%
Grand Total	1,718,767,620	100%

Despite the magnitude of this allocation, the conditions of the EIG framework have been amended to insist that 60% of the EIG is allocated to maintenance. This will in turn impact on the Department's ability to address the backlog in basic services.

The situation is further compounded by the extent to which the maintenance portion of the Norms & Standards funding directly to schools has been reduced. Prior to Covid it was in the order of R600m per annum followed by severe cuts in 2022 where this amount was only R58m. This situation was completely turned around in April 2023 when it was announced that an additional R872.5 million had been made available to fund at the National Norms and Standards target for 2023/2024.

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

The above will not impact on expenditure in the forthcoming MTEF, as the challenges associated with the impact of the Covid-19 related budget cuts have finally been resolved. The risk of under-expenditure has thus virtually been eliminated, barring any future misfortune.

However, the magnitude of funding required versus the current backlogs is an insurmountable challenge. The facilities backlog is in the order of R80bn while the condition (maintenance) backlog is in the order of R 8bn; the annual infrastructure budget only amounts to R1,8bn per annum. R8-10bn would be required annually if these backlogs were to be eliminated in the next 10 years.

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

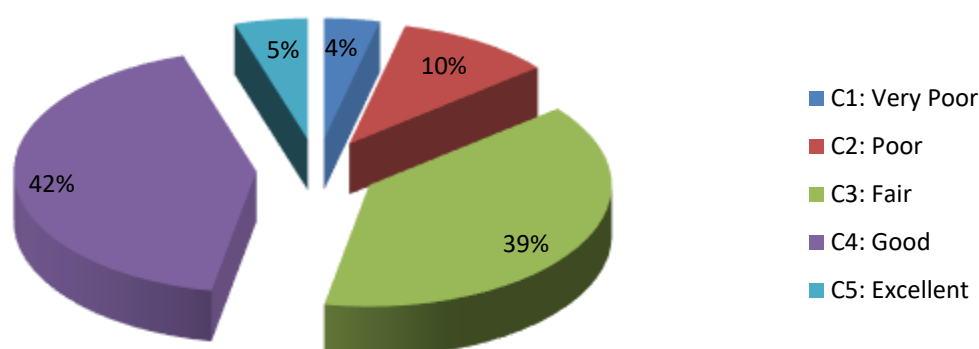
Operational schools closed through rationalization.

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

The updating of condition assessments has been on hold for a number of years due to the over-commitment of funds on active projects. However, in the latter half of the 2023/24 financial year the Department commissioned an assessment of the first phase of updating the condition assessments on its Property Register. These were planned for 1 430 schools, but never implemented due to the budget cuts

### The current state of the Department's capital assets

The condition of the Department's fixed assets, based on the earlier assessments, is shown graphically below:



Condition status	General description	Rating
Excellent	No effect on service capability. No risk. Repair cost less than 2,5% of replacement cost.	C5
Good	Probability of risk to health and safety or property is slight. Low cost implications. Repair cost 2,5% – 6,4% of replacement cost.	C4
Fair	Risk index: Frequent inconvenience to operations. Some risk to health and safety or property. Medium cost implications. Repair cost 6,4% - 21,6% of replacement cost	C3
Poor	Risk index: Many disruptions to service capability, some risk to health and safety or property. High-cost implication. Repair cost 21,6% - 50% of replacement cost.	C2
Very poor	Risk index: Accommodation is unusable, immediate high risk to security, health and safety or property. Significant cost impact. Repair cost greater than 50% of replacement cost, should be replaced.	C1

The Department acknowledges that, to maintain the value of its physical assets, it needs to budget sufficient funds for this purpose. Industry norms indicate that an annual budget of at least 2% of the replacement value of the building should be made available for its maintenance. This would imply an annual maintenance budget requirement of almost R1,35bn, which is the same order of magnitude as the entire infrastructure budget.

Though the rolling budget cuts of the maintenance allocation to schools from R600m in 2019 all the way to R58m in 2022 was highly regrettable, the additional R872.5 million made available to fund at the National Norms and Standards target for 2023/2024 in 2023 was a welcome relief for Eastern Cape schools.

#### **Major maintenance projects that have been undertaken during the period under review.**

There were no major projects maintenance projects undertaken.

#### **Progress made in addressing the maintenance backlog during the period under review.**

As indicated in the foregoing sections the condition of the Department's facilities is currently not up to standard, and the Department has not been able to allocate sufficient funding to address this adequately, given the magnitude of the EIG. Furthermore, the Equitable Share allocation for maintenance (via the N&S funding) saw an additional allocation of R872.5 million which was a welcome relief for Eastern Cape schools that endured severe budget cuts from R600m in 2019 to as low as only R58m post Covid.

The EIG conditions state that 60% of the EIG needs to be spent on maintenance going forward. This will certainly improve the current condition of schools but will still be insufficient to catch up the backlog and meet ongoing industry standards.



Province of the  
**EASTERN CAPE**  
EDUCATION



**GOVERNANCE**

**PART C**

## 1. INTRODUCTION

The Department is committed to upholding the principles of good governance in pursuing its mandate of providing quality education to all learners in the province. The Department also encourages participatory governance through the establishment of governance structures such as School Governing Bodies.

The Department understands and observes the principles of accountability, transparency, and responsiveness in its internal and external engagement. Responses to all external oversight institutions such as the National and Provincial Legislatures, the Department of Basic Education, the Premier's Office, Provincial Treasury and Auditor-General are accorded the seriousness they deserve. Risk management, prevention of fraud and corruption and measures to minimize conflict of interest are constantly reviewed to promote clean governance, effectiveness and efficiency within the organization.

## 2. RISK MANAGEMENT

Enterprise Risk and Integrity Management assisted the organisation in promoting business continuity and handling risk issues. The goal of the Risk Management Strategy and Policy Framework adopted by the office of Enterprise Risk and Integrity Management was to ensure the effectiveness of risk management as a crucial component of reducing departmental risk and aligning with good corporate governance principles. Therefore, effective risk management assisted the Department to meet high performance, service delivery goals, and minimize potential resource losses. This led to efficient systems for accountability and responsibility, improved performance, and adherence to rules and laws, preventing reputational harm. Additional key benefits include:

- Aligning risk appetite and strategy.
- Enhancing risk response decisions.
- Ensuring proper financial and asset management.
- Increasing probability of achieving objectives and planned target.

The RMC was established by the Department and consists of one external member (the RMC's chair) and one member from a Departmental Audit Committee (AC). The Department adopted a Risk Management Implementation Plan approved by the Chairperson of Risk Management Committee (RMC) and HoD and reviewed annually. The Implementation Plan guided the Department on risk management matters and facilitated the execution of risk management planned activities. Risk Assessments were conducted, and implementation of action plans were monitored. All the identified risks both strategic and operational were presented quarterly in the RMC meeting.

The Audit Committee further monitored the implementation of action plans that were meant to reduce recognized risks. The opinions of the Audit Committee were independent, effective, and efficient regarding the risk management system. Both the RMC and the AC assisted the Department in identifying risks and steps taken to mitigate them. Both committees constantly reviewed risk assessments to spot new and substantial concerns within the organization. They further analysed the success of the mitigation techniques used to reduce the Department's material risk.

## 3. FRAUD AND CORRUPTION

The Department has whistle blowing policy in place with the contact numbers to disclose the suspected fraud and corruption in the Department without fears to the whistle-blower. The cases are reported by the whistle-blowers via National Anti-corruption Hotline (NACH) to Public Service Commission and PSC refer the case to the HOD for investigation. Some cases are reported as WALK-IN (direct reporting to the departmental customer care/via the office of the HOD or the cases are reported directly to the office of the Director ER&IM. Reported cases are then captured on Case register then later allocated to the investigators for investigation based on availability of resources.

## 4. MINIMISING CONFLICT OF INTEREST

The Department received preliminary data on the Conflict of Interest (COI) report from Provincial Treasury (PT) on a quarterly basis. The Department's HR Unit analysed and verified the data received and send the verified data back to Provincial Treasury.

Upon receipt of verified data from PT, the Department perform the following functions:

- Verify whether they are falling in the following categories, exam assistants, interns, contract workers, etc. which is exempted and may trade with the State.
- Contact Suppliers telephonically requesting to provide consent to the Department to deregister them from the CSD.
- Request PT to deregister those Suppliers who agreed to be deregistered from the CSD.
- Identify those officials who resigned from the company and are awaiting deregistration of CIPC process.

- Those officials who could not be traced are being referred to Labour Relations to contact them as they are the custodians of employees.
- Officials who are in conflicted (did business with government) are subjected to consequence management through further investigations conducted by Risk Management and disciplinary actions through Labour Relations.

It must be noted that there are no conflicted officials detected from the reports of PT for the 2023/24 financial year. To minimize conflict of interest is to address the root cause of barring government officials from registering on the Centralized Supplier database.

## 5. CODE OF CONDUCT

The Department is using different codes of conduct because of two pieces of legislation that regulate employment relations.

1. Employment of Educators Act -section17 and 18 together with schedule 2 of the same Act.
2. Public Service Act is in PSCBC Resolution No 1 of 2003.
3. SMS members – SMS Handbook Chapter 7 read with PSCBC Resolution 1 of 2003.

Both Codes of conduct are adhered to by the Department at all material times and as such the Department is consistent in applying the rule to all its employees.

Process followed once there is breach of code:

The Presiding Officer together with the employer representative is appointed to initiate a formal disciplinary hearing. The employee in breach of Code is served with the Notice of Disciplinary hearing. In the Notice charges preferred against the employee will be clearly defined with a date and a venue for the hearing.

The employee will be afforded the following rights:

- To be represented by a union official or a shop steward/ fellow employee.
- To cross examine the witness/es of the employer,
- To state his side of the story,
- If found guilty to appeal the sanction (Not Applicable to SMS members).
- Employee Relations and Advocacy directorate will keep the information in a file and on PERSAL.

The office of the Enterprise Risk and Integrity Management has adopted Ethics Policy which is reviewed annually and approved by the Head of Department. The main purpose of the policy is to promote good ethical behaviour in Public Service in the quest to achieve service excellence and desist from corruption or any unprofessional conduct.

The policy promotes the following:

- Outline process of remunerative work outside the public service
- Prohibits rendering of business by employees with state organs
- Promote declaration of gifts
- Prohibits conflict of interest and post-public employment
- Advocacy of the departmental code of conduct
- Promotes financial disclosure and lifestyle audit.

The office has established Ethics Committee chaired in the office of the Head of Department and it seats quarterly. It reports all its activities to the Office of the Premier

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Employee Health & Wellness Strategic Framework (EHWSF) for the Public Service was approved and launched for implementation in 2008. In 2009 the following EHW policies were developed and implemented from April 2010:

- Safety, Health, Environment, Risk and Quality (SHERQ) Management policy
- The EHWSF will need to be reviewed in line with new developments, NSP 2023-2028
- The programme is reporting to the OTP and account to DPSA on annual basis and sometimes, physical audit is done. The last audit by DPSA was done in November 2023.

## 7. PORTFOLIO COMMITTEES

Date	Matters raised	Resolutions
11 May 2023	Presentation of Overviews	<ul style="list-style-type: none"> <li>The MEC tabled the Political Overview</li> <li>Acting HOD tabled the administrative overview.</li> <li>The CFO tabled the financial overview.</li> </ul>
	Presentation of programmes	The programmes were presented by Programme Managers.
21 June 2023	Consideration of the responses to the January school visits and preparation of the July school visits	Portfolio Committee Members requested the Department to release senior officials to accompany the members to the school visits.
23 June 2023	Presentation of the school readiness report for the opening of schools.	<ul style="list-style-type: none"> <li>The Portfolio Committee on Education conducted follow – up visits to the schools that were visited in January 2023.</li> <li>The Committee took a decision to focus only on schools where there was an improvement regarding the implementation of House Resolutions as it would be a futile exercise for the Committee to visit schools where the Department had not done anything.</li> </ul>
02 November 2023	Presentation of Overviews.	<ul style="list-style-type: none"> <li>The MEC tabled the Political Overview</li> <li>Acting HOD tabled the administrative overview.</li> <li>The CFO tabled the financial overview.</li> </ul>
24 November 2023	Consideration of Annual Report.	The programmes were presented by Programme Managers.
28 November 2023	Consideration of Annual Report and Financial Oversight Report.	The programmes were presented by Programme Managers.

## 8. SCOPA RESOLUTIONS

RES	SUBJECT	SCOPA RESOLUTIONS	RESPONSE BY THE DEPARTMENT	RESOLVED (Yes/No)
a)	The current standing and performance of the Department is a cause for concern, there is a need for urgent intervention as the situation threatens the liquidity of the province.	The Office of the Premier and the affected Members of the Executive Council must discuss possible interventions that could be implemented in the Department of Education.	The Executive Council (EXCO) resolved for the establishment of the working groups (from DOE, OTP & ECPT) through Section 18-2-g intervention. The objective is to provide conventional support in various identified intervention areas ranging from Finance (budget & accruals), HR, SCM etc.	In Progress
b)	Accumulated irregular expenditure for previous years is not addressed fully by the Department, there is a slow pace in addressing this finding which shows a lack of prompt investigations.	Accounting Officers must take proactive steps to prevent irregular expenditure as required by section 38 (1) (a) of the PFMA, they must be prompt in conducting investigations of alleged misconduct as required by Treasury Regulations 4.1.	The Department has been in the past addressing the accumulated irregular expenditure as part of the Audit Improvement Plan and good governance. However, capacity has been increased in the Internal Control unit to ensure that investigations of irregular expenditure are better addressed. In 2023/24, the Department had an Irregular Expenditure balance of R1. 847 billion, an amount of R340.450 million has been approved by Provincial Treasury for Condonation and removal in the 2023/24 Financial Year. The Department is still sitting with a balance of R1.507 million. The Department is having ongoing work sessions with Provincial Treasury to fast-track and address the Condonation submissions made in the past and the implementation of consequence management.	In Progress
c)	Departments continue to fail to comply with regulations regarding procurement processes and contract management. This is evidenced by an increase in material irregularities especially with infrastructure projects, flouting of procurement processes is susceptible to fraud.	Accounting Officers must provide a conducive environment to ensure compliance with regulations as flouting of these processes is susceptible to fraud, disciplinary steps must always be taken timeously against officials who fail to comply with laws and regulations.	Of the 13 Material Irregularities (MIs) raised by AGSA from the 2019/20 financial year, 7 of the MIs related to Infrastructure, whereby to date the Department has managed to resolve 6 of the 7 Infrastructure MIs. The MIs raised were relating to interest paid due to late payments and extension of time claims. The requisite Portfolio of Evidence that proves that the Department has addressed the Material Irregularities the Department is attaching the 6 determinations that have been received from the Auditor-General concurring with the Department that it has applied all the necessary steps to avert such Material Irregularities.	In Progress
d)	The Committee found that	Accounting Officers must encourage the	To capacitate the Infrastructure Unit, the	In Progress

RES	SUBJECT	SCOPA RESOLUTIONS	RESPONSE BY THE DEPARTMENT	RESOLVED (Yes/No)
	the Department lacks project infrastructure management and contract monitoring.	appointment of people with technical skills when it comes to infrastructure or constant capacitation for those who have a responsibility of monitoring projects and contracts with clear guidelines according to laws and regulations.	Department appointed 7 posts which included, a Chief Quantity Surveyor, Chief Engineer, Chief Town Planner, 2 Architects, an Assistant Director Property Management and SCM Deputy Director to assist on infrastructure procurement. To enhance contracts management, technical meetings and expenditure and procurement meetings are held with all Implementing Agents for monitoring projects and contracts.	
e)	The Committee found that audit intervention plans compiled by the Department are ineffective, not implemented and monitored and only cover findings by the Auditor-General for that particular year under review.	Audit improvement plans must be based on the whole environment of the department and not just on audit findings by the Auditor-General, risk management unit in the Department should assist in identifying potential risks that may emerge.	The recommendation by the Committee is noted with appreciation. The Audit improvement plan for 2024/2025 will include action plans to address audit findings raised in the audit report, management report and potential & key risks identified by the Internal Controls Unit, Risk Management Unit and Internal Audit Unit.	In Progress
f)	The Department is slow in the implementation of internal, audit committees, Auditor-General recommendations, and Standing Committees on Public Accounts Resolutions.	The Committee should be provided with a report on the implementation of audit intervention plans as well as recommendations by the internal audit, audit committee, and Auditor General. Continuous monitoring and implementation of measures that are put in place must be adhered to by the department.	At all material times year-on-year after management has inputted into the Audit Intervention Plan (AIP) the document is presented to the Internal Audit Unit to ensure that the document finds expression with the overall strategic goals of the Department. Internal Audit reviews the document to obtain reasonable assurance that indeed the AIP addresses the control and management defects identified by both the Auditor General and the Internal Audit unit. The Audit Control unit undertakes a monthly reporting exercise and subsequently reports to the Office of the CFO and where compliance has not been achieved the relevant unit is called in to cure the defect. Thus, said the AIP document becomes a living document throughout the year.	In Progress
g)	Stagnation in audit outcomes and slow- improvement in the internal control environment of the department is still a challenge.	The Accounting officers must ensure adherence to processes that are put in place, implementation of preventative measures, continuous monitoring by the management of the Department, and constant improvement to the internal control environment.	The Department started the Annual Improvement Plan (AIP) which commenced after the audit process. The AIP is completed in conjunction with Provincial Treasury (PT). Meetings are held weekly and are chaired by the Head of the Department. The attendance of all managers is compulsory. Progress on the AIP is submitted to PT monthly. Bi-lateral meetings are also held between the PT	In Progress

RES	SUBJECT	SCOPA RESOLUTIONS	RESPONSE BY THE DEPARTMENT	RESOLVED (Yes/No)
h)	Late submission of audit information by implementing agents contributes negatively to the audit outcomes of departments, and there is no consequence management for implementing agents.	The Department of Public Works and Provincial Treasury must work together with accounting officers to amend the Service level agreements with implementing agents and synchronize their reporting requirements with those of the Treasury. This will ensure that performance information is received as stipulated in the contract.	<p>team and the infrastructure team regarding the completeness of the various identified registers on which the progress is being monitored and reported.</p> <p>In addition to the above, the CFO also has bilateral with the infrastructure team on the progress of the completion of the various registers, and as a result of these meetings, further engagements have been instituted with the CFOs of the Implementing Agents which meetings had also resulted in the A/HOD to join these..</p> <p>The Department acknowledges the findings. The Department is in the process of revising its Service Delivery Agreement (SDA) with all the Principal Implementing Agents (PIA) to strengthen Education Facilities Management System (EFMS) and reporting compliance, as well as consequence management.</p> <p>To date a revised SDA has been drafted and shared with the PIAs for their comment, before finalization, and currently with Legal Services and sign-off and implementation. The master SDA will then replace all existing SDAs.</p> <p>A copy of the draft SDA is attached hereto as PoE.</p> <p>To date forums and meetings are held with Implementing Agents on the expectations for reporting requirements on compliance and performance through the Expenditure and Procurement Plan monitoring meetings held weekly and Infrastructure Audit Improvement Plan.</p>	In Progress

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Immovable Tangible Capital Assets was scoped in, in the 2017-18 financial year and has received a qualified audit opinion from the Auditor-General. The main paragraphs are Capital Work-In-Progress, Completed Assets and Section 42 Transfers.	2017-18	The Department has adopted a two-fold approach on disclosing its Immovable Tangible Capital Assets which is a combination of Cost and Fair Value. A methodology detailing the process has been developed in 2021-22 financial year that is currently being audited by the Auditor-General to ascertain whether we have reasonably disclosed all our assets.

## 10. INTERNAL CONTROL UNIT

It is worth mentioning that for the financial period 2023/2024 the Internal Control environment of the Department has heightened up as far as its control appetite is concerned. This heightened environment saw the Department improving on its financial performance as well as reporting, though there's still room for growth as far as this area is concerned this is underpinned by the realisation that controls consist of ongoing tasks as well as activities, it is a means to an end, not an end in itself. The Unit had engaged itself on an advocacy trail ensuring that it preached the gospel of implementing preventive controls as means of curbing any eventualities within its business processes. The Unit has for the financial year 2023/2024 focused itself on two aspects of the Internal Control namely.

### Operations Objectives

It has ensured that operations objectives are met by means of reviewing & verifying 100% of all payment documents for both Compensation of Employees as well as Goods & services. The unit played a critical role in the payment of NSC Examination related payments for both June & December examinations for 2023/2024. The unit also curbed any incurring of new Irregular Expenditure for the financial year and review which saw the Provincial Treasury condoning an amount of R340 450 178.75

### Compliance Objectives

The Unit using internal checklist which are geared in ensuring that all various programmes of the Department adhere to the legislative environments applicable to their space has ensured that all documents reviewed for payments are compliant.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

Section 38(1)(a)(ii) of the Public Finance Management Act 1 of 1999 (PFMA) and Treasury regulation (T.R) 3.1. 8 requires the establishment of a system of internal audit under the direction of the Audit Committee. The Department's Internal Audit function provides management with independent, objective assurance and consulting services on the effectiveness of governance, risk management and internal control processes. These are intended to add value, continuously improve the operations of the Department, and enable the achievement of its objectives.

The internal audit function evaluates risk exposures relating to the Department's governance, operations, and information systems regarding the:

1. Reliability and integrity of financial and operational information.
2. Effectiveness and efficiency of operations and programs.
3. Safeguarding of assets; and
4. Compliance with laws, regulations, policies, procedures, and contracts.

The nature of work conducted by Internal Audit encompasses assurance and consulting reviews:

Assurance reviews entail the internal audit team's objective assessment of evidence to provide an independent opinion or conclusions regarding the Department's operations, functions, processes and systems. The nature and scope of the assurance engagements are determined by the internal audit function and approved by the Audit Committee in the Annual Internal Audit Plan.

Consulting reviews are advisory in nature and are generally performed at the specific request of the Audit Committee, the Head of Department or management. The nature and scope of the consulting engagements are subject to agreement with the engagement client and approval by the Audit Committee.

Of the 31 audits planned for the year, 17 were completed, and 2 were in progress and 12 were de-prioritised and an amendment of the Audit Plan was submitted and approved by the Audit Committee.

The post of the Chief Audit Executive (CAE) and the Chief Risk Officer (CRO) are already included in the next batch of posts to be approved and advertised by the department as the department is waiting for their approval from the Office of the Premier.

**Details of the audits are outlined in the table below:**

NO.	PROJECT NAME	NATURE OF WORK	STATUS
1	Annual Financial Statements Review	Assurance	Completed
2	Annual Report Review	Assurance	Completed
3	Employee Verification - AGSA Collaboration	Assurance	Completed
4	Capped Leave Review	Assurance	Completed
5	Immovable Assets Review	Assurance	Completed
6	Special Schools Review	Assurance	Completed
7	Risk Management	Assurance	Completed
8	Governance	Assurance	Completed
9	Fraud & Corruption	Assurance	Completed
10	Transfer Payments	Assurance	Completed
11	Effectiveness of Circuit Managers	Assurance	Completed
12	Q2 Interim Financial Statements review	Assurance	Completed
13	Q2 Performance Information Review	Assurance	Completed
14	Review of Audit Improvement Plan (Adequacy)	Assurance	Completed
15	PFMA Compliance	Assurance	Completed
16	Subsistence and Travel Review	Assurance	Completed
17	SCM	Assurance	Fieldwork/Repotting
18	ICT Audit	Assurance	Completed
19	Follow up Audits	Assurance	Reporting

The audit committee is an independent governance structure whose function is to provide an oversight role on the system of internal control risk management and governance. The audit committee operates in terms of the approved Audit Committee Charter which follows the PFMA and Treasury Regulations.

The Audit Committee provides an oversight role on the effectiveness of internal audit, audit progress, financial reporting, risk management and internal control processes.

The table below discloses relevant information on the audit committee members:

Name	Qualifictaions	Internal or External	If Internal, position in the Department	Date Appointed	Date Resigned	No. Of Meetings attended
Justin Emslie (Chairperson)	CA(SA)	External	N/A	01/01/2021	31/12/2023	5
Singa Ngqwala	B Com Honours	External	N/A	01/01/2021	31/12/2023	5
Fungai Mushohwe	CA(SA)	External	N/A	01/01/2021	31/12/2023	5
Zamela Kiviet	ACIS	External	N/A	01/01/2021	31/12/2023	5

Name	Qualifictaions	Internal or External	If Internal, position in the Department	Date Appointed	Date Resigned	No. Of Meetings attended
T Zakuza (Chairperson)	CA(SA), CIA	External	N/A	01/01/2024	N/A	2
Mduduzi Zakwe	CA(SA), PhD, CBCI, MBA	External	N/A	01/01/2024	N/A	2
Faith Kobo	MBA	External	N/A	01/01/2024		2
Zamela Kiviet	ACIS	External	N/A	01/01/2024	N/A	2
V Nomlomo	PhD, M.Phil, M Ed	External	N/A	01/01/2024	23/04/2024	

## 12. AUDIT COMMITTEE REPORT

The Audit Committee is pleased to present its report for the financial year ended 31 March 2024.

### Audit Committee Responsibility

The Audit Committee confirms that it has complied with its responsibilities in terms of Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.8 and that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities contained in the Audit Committee Charter.

### The Effectiveness of Internal Control

Our review of the findings of Internal Audit work, which was based on the risks identified, revealed significant internal control deficiencies which were raised with management during the year. These significant findings related to finance and performance areas including Transfer Payments, Immovable Assets, PFMA Compliance, Effectiveness of Circuit Managers Supply Chain Management, the Audit Improvement Plan, Review of Capped Leave, Review of the Annual Financial Statements, and the Review of the Annual Report. Internal Audit completed a total of 19 activities and audits including mandatory and risk-based audits. The planning however extended to a greater number of risk-based audits that were not completed during the year. Several of these remained in progress at year end and have been taken into consideration for the ensuing plan. Internal audit did not operate at full capacity throughout the year with limitations on staffing and budget. The unit completed two assignments on behalf of the Auditor General of South Africa (AGSA), and we thank the AGSA for this opportunity. The unit also undertook skills training and acted as secretariat to the Audit Committee.

### In-year Management and Monthly/Quarterly Report

The department reports monthly and quarterly to the Provincial Treasury in terms of the PFMA requirements.

### Risk Management

The audit committee requested quarterly reporting on risk management through that unit and the risk committee chair. The reports received highlighted progress addressing strategic and operational risks and identification of emerging risks.

Throughout the year the committee expressed concern on the functioning of risk management and the risk committee structures within the Department. It was evident that these structures were not functioning as expected, providing limited assurance through sub-optimal efficiencies.

The committee has not been satisfied with the resourcing of risk management as we believe it is not adequate for a department the size of Education and it remains a committee recommendation that the unit be further capacitated and that systems be set in place to enhance effectiveness and communication.

### Evaluation of Financial Statements and Performance reporting

The committee reviewed the annual financial statements and reporting on predetermined objectives for the 2023/2024-year end. Through this process the committee:

- Reviewed explanations for significant fluctuations compared to previous year and variances between the financial statements and budgeted amounts.
- Reviewed any new or proposed legislation that may have an impact on policies, the financial statements, and the related disclosures.
- Reviewed the findings of Internal Audit on their review of the Annual Financial Statement reporting.
- Reviewed the adequacy, reliability, and completeness of supporting information to these financial statements.

Based on our review the committee concluded that the financial statements and performance report should be timeously submitted to the AGSA for auditing as required by the PFMA. This was to maintain compliance with the reporting timeframes and correction of prior year risks and qualification areas continue to be a challenge despite progress made in these areas,

## Compliance with laws and regulations

The department continued to incur unauthorised expenditure in contravention of the PFMA and its Regulations. The contributors are highlighted in the notes to the Appropriation Statement in the financial statements.

As reported in the financial statements the department continues to report irregular and fruitless and wasteful expenditure.

The financial statements were not free from error or misstatements, leading to an audit qualification as reported by the AGSA.

## Auditor General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year. We are satisfied that progress has been made against issues raised except for the following:

- Immovable assets and capital work in progress has not been adequately resolved and the department is to continue implementing recommendations to resolve these reporting issues.

The Audit Committee concurs with and accepts the conclusions of the AGSA on the annual financial statements. The audited annual financial statements should be accepted and read together with the report of the Auditor-General.

The Audit Committee wishes to express its sincere appreciation to the Honourable MEC, the Accounting Officer, Management, Internal Audit, Provincial Treasury and the AGSA for their co-operation in enabling the Committee to fulfil its responsibilities.



**Mr. T. Zakuza CA(SA), CIA**  
**Chairperson of the Audit Committee**  
**Eastern Cape Department of Education**

**B-BBEE COMPLIANCE PERFORMANCE INFORMATION**

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	<ul style="list-style-type: none"> <li>The B-BBEE certificate levels 1-8 has been repealed with the introduction of the new PPR of 2022 of which all departments/ institutions had to review their SCM policies in line with the specific goals as contemplated in section 2(1)(d) of the Act with specific reference to the HDI goals including the Reconstruction and Development Programme (RDP) before any procurement can commenced. The policy was reviewed on the 16 January 2022, resulting in no B-BBEE certificates were considered during the 2022-23 financial year to date.</li> <li>The MEC's office has established PPP Unit in his office at a Senior Management level who is in a process of developing criteria into partnerships with the private sectors.</li> </ul>
Developing and implementing a preferential procurement policy?	Yes	
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	Yes	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	



Province of the  
**EASTERN CAPE**  
EDUCATION



**HUMAN RESOURCES  
MANAGEMENT**

**PART D**

## 1. INTRODUCTION

The Eastern Cape Department of Education has a responsibility to ensure that there is maximum access to quality basic education and training which is provided to the citizens of this Province. This mandate is supported by the following service delivery outcomes:

- To improve the quality of teaching, learning and assessment within compulsory school-going phases.
- To improve all educational institutions and develop them into thriving centres of excellence.
- To strive to progressively provide access to further/higher education.
- The provision of adequate supply of the right quantity and quality of suitably qualified educators and practitioners; and
- The acquisition of the skills required to drive the curriculum, administration, social and psychological support programmes.

## 2. OVERVIEW OF HUMAN RESOURCES

The Department has two types of employees, namely, educators and public servants. The employment of these employees is based on the Organisational Structure that came to effect on the 1 April 2020. The number of employees in the Department is 67,182 as at end March 2024 both post based and non-post based. The distribution of these employees is as follows:

- Public school educators are 51,344
- Office Based Educators are 1,135
- ECD Practitioners are 2,396
- Public Servants are 8,431 of which 6,022 are in schools
- The total number of males is 19,605 versus 47,577 females.
- Abnormal and Periodical Appointed employees is 6,257 including 2396 ECD Practitioners.

Teacher development programmes were effective, as shown by the improvement in the grade 12 results. The improvement in grade 12 results may also be attributed to the recruitment of educators who are adept in their subjects they are teaching as well as managers in schools who lead by example. In the dynamic world of education, the workforce of the Department does not respond to some of the needs of the sector. There are gaps in the current workforce, such that there are subjects (e.g., Afrikaans, Technical Mathematics, Technical Science, etc.) that the Department finds difficult to get educators for. The Department is planning to engage Higher Education Institutions (HEI) to discuss areas of needs by the Department so that programmes offered by HEI respond to the needs of the sector. The Department will continue offering bursaries in line with the needs of the sector as agreed to with the HEI.

Human Resource Development plays a key role in the improvement of service delivery in the Department by investing in the skills of current employees as well potential employees. HRD refers to employee training, career development, performance development, mentoring, coaching and all other developmental needs that might be required by employees. Therefore, the HRD is responsible for Skills Development, Performance Management Development System (PMDS) and Quality Management System (QMS).

HRD introduced more focused skills development programmes to ensure that the training implemented are addressing the skills needs of employees per their Key performance Areas (KPA's). Even though the Department had to prioritise training for its officials also managed to keep to the provinces mandate of ensuring that the unemployed youths are also provided with opportunities such as work experience and skills development

The Department has been unable to fill some of the critical Senior Management positions due to budgetary constraints. This has resulted in the Department appointing employees on acting capacity in the SMS positions, because these positions cannot be left unoccupied as they drive the strategic direction of the Department.

### 3. HUMAN RESOURCES OVERSIGHT STATISTICS

#### 3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands.

**Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024.**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	2 648 301	2 056 927	10 709	0	78%	368
Public Ordinary School Education	32 792 538	27 747 646	107 352	0	85%	448
Independent School Subsidies	110 345	0	0	0	0%	0
Public Special School Education	1 043 854	830 273	5 217	0	80%	408
Early Childhood Development	977 563	452 310	6 037	0	46%	138
Infrastructure Development	1 697 072	35 334	0	0	2%	599
Examination and Education Related Services	1 777 802	281 905	105 331	0	16%	7
<b>Total</b>	<b>41 047 475</b>	<b>31 404 395</b>	<b>234 646</b>	<b>0</b>	<b>77%</b>	<b>281</b>

**Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024.**

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee
Lower skilled (Levels 1-2)	70,401	0.21%	366	192,352
Skilled (level 3-5)	1,274,806	3.89%	4,671	272,919
Highly skilled production (levels 6-8)	21,224,913	64.74%	43,606	486,743
Highly skilled supervision (levels 9-12)	8,569,832	26.14%	12,153	705,162
Senior and Top management (levels 13-16)	84,009	0.26%	63	1,333,476
Contract Other	8,321	0.03%	14	594,357
Periodical Remuneration	35,934	0.11%	3,172	11,328
Abnormal Appointment	1,451,681	4.43%	43,700	33,219
<b>Total</b>	<b>32,719,897</b>	<b>99.81%</b>	<b>107,745</b>	<b>303,679</b>

**Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024.**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Pr1:Administration	1,707,102	77.00	16,296	0.70	61,592	2.80	109,258	4.90
Pr2:Pub Ordin Sch Edu	22,795,897	80.70	209	0.00	944,331	3.30	1,510,272	5.30
Pr4:Pub Spec Sch Educ	657,846	78.70	2,772	0.30	33,300	4.00	57,985	6.90
Pr6:Adult Basic Edu & Train	43	100.00	0	0.00	0	0.00	0	0.00
Pr7:Early Childhood Development	431,833	95.60	0	0.00	2,505	0.60	3,449	0.80
Pr8: Infrastructure: Conditional Grants	29,529	76.10	0	0.00	1,286	3.30	1,574	4.10
Pr9: Aux & Assoc Services	57,531	5.80	1,326	0.10	1,430	0.10	2,504	0.30
<b>Total</b>	<b>25,679,781</b>	<b>78.30</b>	<b>20,603</b>	<b>0.10</b>	<b>1,044,444</b>	<b>3.20</b>	<b>1,685,042</b>	<b>5.10</b>

**Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024.**

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	53,087	75.40	43	0.10	5,446	7.70	5,136	7.30
Skilled (level 3-5)	962,061	75.40	7,946	0.60	77,973	6.10	106,385	8.30
Highly skilled production (levels 6-8)	17,168,415	80.80	7,076	0.00	742,293	3.50	1,208,097	5.70
Highly skilled supervision (levels 9-12)	6,975,727	81.10	5,537	0.10	217,257	2.50	364,810	4.20
Senior management (level 13-16)	74,081	83.50	0	0.00	1,474	1.70	593	0.70
Contract Other	8,276	99.50	0	0.00	0	0.00	20	0.20
Periodical Remuneration	35,934	94.10	0	0.00	0	0.00	0	0.00
Abnormal Appointment	402,200	27.70	0	0.00	0	0.00	0	0.00
<b>Total</b>	<b>25,679,781</b>	<b>78.30</b>	<b>20,602</b>	<b>0.10</b>	<b>1,044,443</b>	<b>3.20</b>	<b>1,685,041</b>	<b>5.10</b>

### 3.2 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations.

**Table 3.2.1 Employment and vacancies by programme as on 31 March 2024.**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PR1: ADMINISTRATION	11,192	3,330	70.20	256
PR2: PUB ORDIN SCH EDU	63,489	55,048	13.30	2,730
PR4: PUB SPEC SCH EDUC	2,951	2,024	31.40	52
PR6: ADULT BASIC EDU & TRAIN	1	0	100.00	0
PR7: EARLY CHILDHOOD DEVELOPMENT	1,040	398	61.70	141
PR8: INFRASTRUCTURE: CONDITIONAL GRANTS	62	59	4.80	1
PR9: AUX & ASSOC SERVICES	60	60	0.00	59
<b>Total</b>	<b>78,795</b>	<b>60,919</b>	<b>22.70</b>	<b>3,239</b>

**Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024.**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	1,907	426	77.70	46
Skilled (3-5)	12,341	4,671	62.20	288
Highly skilled production (6-8)	48,450	43,606	10.00	2,543
Highly skilled supervision (9-12)	16,003	12,153	24.10	360
Senior management (13-16)	94	63	33.00	2
<b>Total</b>	<b>78,795</b>	<b>60,919</b>	<b>22.70</b>	<b>3,239</b>

**Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024.**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	66	66	0.00	14
Agriculture Related, Permanent	1	1	0.00	0
All Artisans In The Building Metal Machinery Etc., Permanent	3	3	0.00	0
Architects Town And Traffic Planners, Permanent	9	9	0.00	0
Audiologist, Permanent	1	1	0.00	0
Auxiliary And Related Workers, Permanent	52	52	0.00	0
Building And Other Property Caretakers, Permanent	45	45	0.00	1
Bus And Heavy Vehicle Drivers, Permanent	1	1	0.00	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	1,347	1,347	0.00	122
Client Inform Clerks(Switchb Receipt Inform Clerks), Permanent	4	4	0.00	4
Compositors Typesetters & Related Printing Workers, Permanent	1	1	0.00	0
Computer System Designers And Analysts., Permanent	12	12	0.00	0
Diplomats, Permanent	1	1	0.00	1
Engineers And Related Professionals, Permanent	3	3	0.00	0
Farming Forestry Advisors And Farm Managers, Permanent	33	33	0.00	3
Finance And Economics Related, Permanent	57	57	0.00	5
Financial And Related Professionals, Permanent	118	118	0.00	6
Financial Clerks And Credit Controllers, Permanent	319	319	0.00	12
Food Services Aids And Waiters, Permanent	185	185	0.00	4
Geologists Geophysicists Hydrologists & Relat Prof, Permanent	1	1	0.00	0
Head Of Department/Chief Executive Officer, Permanent	6	6	0.00	0
Household And Laundry Workers, Permanent	528	528	0.00	16
Household Food And Laundry Services Related, Permanent	16	16	0.00	0
Housekeepers Laundry And Related Workers, Permanent	12	12	0.00	0
Human Resources & Organisat Developm & Relate Prof, Permanent	28	28	0.00	2
Human Resources Clerks, Permanent	220	220	0.00	11
Human Resources Related, Permanent	90	90	0.00	4
Inspectors Of Apprentices Works And Vehicles, Permanent	21	21	0.00	1
Legal Related, Permanent	4	4	0.00	0
Library Mail And Related Clerks, Permanent	94	94	0.00	4
Light Vehicle Drivers, Permanent	114	114	0.00	4
Logistical Support Personnel, Permanent	33	33	0.00	2
Material-Recording And Transport Clerks, Permanent	129	129	0.00	26
Messengers Porters And Deliverers, Permanent	6	6	0.00	0
Motor Vehicle Drivers, Permanent	1	1	0.00	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Not Available, Permanent	17,922	46	99.70	15
Nursing Assistants, Permanent	8	8	0.00	0
Occupational Therapy*, Permanent	14	14	0.00	0
Other Administrat & Related Clerks And Organisers, Permanent	3,803	3,803	0.00	156
Other Administrative Policy And Related Officers, Permanent	220	220	0.00	35
Other Information Technology Personnel., Permanent	17	17	0.00	6
Other Occupations, Permanent	45,784	45,784	0.00	2,733
Physiotherapy, Permanent	3	3	0.00	1
Professional Nurse, Permanent	1	1	0.00	0
Quantity Surveyors & Rela Prof Not Class Elsewhere, Permanent	2	2	0.00	0
Rank: Departmental Head, Permanent	801	801	0.00	0
Rank: Deputy Principal, Permanent	194	194	0.00	0
Rank: Principal P1, Permanent	19	19	0.00	0
Rank: Principal P2, Permanent	126	126	0.00	0
Rank: Principal P3, Permanent	45	45	0.00	0
Rank: Principal S1, Permanent	2	2	0.00	0
Rank: Teacher, Permanent	5,541	5,541	0.00	1
Risk Management And Security Services, Permanent	12	12	0.00	0
Secretaries & Other Keyboard Operating Clerks, Permanent	109	109	0.00	37
Security Guards, Permanent	277	277	0.00	2
Security Officers, Permanent	192	192	0.00	6
Senior Managers, Permanent	61	61	0.00	3
Social Sciences Supplementary Workers, Permanent	39	39	0.00	5
Social Work and Related Professionals, Permanent	12	12	0.00	0
Speech Therapist, Permanent	1	1	0.00	0
Speech Therapy and Audiology, Permanent	3	3	0.00	0
Staff Nurses and Pupil Nurses, Permanent	13	13	0.00	0
Supply Chain Manager, Permanent	1	1	0.00	0
Trade Labourers, Permanent	1	1	0.00	0
Youth Workers, Permanent	11	11	0.00	1
<b>Total</b>	<b>78,795</b>	<b>60,919</b>	<b>22.70</b>	<b>3,239</b>

### 3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

**Table 3.3.1 SMS post information as on 31 March 2024**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	1	0	0%	1	100%
Salary Level 15	3	4	133%	-1	-33%
Salary Level 14	17	12	71%	5	29%
Salary Level 13	68	46	68%	22	32%
<b>Total</b>	<b>90</b>	<b>63</b>	<b>70%</b>	<b>27</b>	<b>30%</b>

**Table 3.3.2 SMS post information as on 30 September 2023.**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	1	0	0%	1	100%
Salary Level 15	3	3	100%	0	0%
Salary Level 14	17	11	65%	6	35%
Salary Level 13	68	47	69%	21	31%
<b>Total</b>	<b>90</b>	<b>62</b>	<b>69%</b>	<b>28</b>	<b>31%</b>

**Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024**

SMS Level	Advertising		Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	1
Salary Level 15	1	1	1	0
Salary Level 14	3	3	3	0
Salary Level 13	5	5	5	3
<b>Total</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>3</b>

**Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024.**

<b>Reasons for vacancies not advertised within six months</b>
The Department of Public Service and Administration issued a directive on reprioritisation of posts due to funding constraint in the public service. Therefore, all government were require to re-evaluate their approved ARPs and ensure alignment with the directive hence the Department was unable to fill all its critical posts within 6 months period.
<b>Reasons for vacancies not filled within twelve months</b>
All ARP approved posts are still within the 12 months period. Moreover, the vacant post of HOD was advertised and process are centralised at the Office of the Premier. The Office of the Premier seconded Dr Nuku to act as Head of Department and passed on the 23 <sup>rd</sup> of January 2024.
<b>Notes</b>
<ul style="list-style-type: none"><li>In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.</li></ul>
<b><u>Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 and 31 March 2024</u></b>
<b>Reasons for vacancies not advertised within six months</b>
No disciplinary action taken
<b>Reasons for vacancies not filled within six months</b>
Three Director posts are being re-advertised in the new financial year

<b>Notes</b>
<ul style="list-style-type: none"><li>In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of Department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.</li></ul>

### 3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024**

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded Number	% of posts evaluated	Posts downgraded Number	% of posts evaluated
Lower Skilled (Levels 1-2)	724	0	0	0	0	0	0
Skilled (Levels 3-5)	2666	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	1238	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	2787	0	0	0	0	0	0
Senior Management Service Band A	64	0	0	0	0	0	0
Senior Management Service Band B	16	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
<b>Total</b>	<b>7500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

**Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employees with a disability					0

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

**Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				
Total number of employees whose salaries exceeded the level determined by job evaluation				None
Percentage of total employed				0

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

**Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024**

	Gender	African	Asian	Coloured	White	Total
Female		0	0	0	0	0
Male		0	0	0	0	0
Total		0	0	0	0	0
Employees with a disability		0	0	0	0	0

#### Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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### 3.5 Employment Changes

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

**Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024**

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the Department	Turnover rate
Lower skilled ( Levels 1-2)	796	1	15	1.90
Skilled (Levels3-5)	9,600	106	202	2.10
Highly skilled production (Levels 6-8)	87,346	4,467	3,407	3.90
Highly skilled supervision (Levels 9-12)	23,498	57	1,102	4.70
Senior Management Service Bands A	88	7	5	5.70
Senior Management Service Bands B	22	0	1	4.50
Senior Management Service Bands C	6	0	0	0.00
Senior Management Service Bands D	4	0	1	25.00
Other	1,450	0	659	45.40
<b>Total</b>	<b>122,810</b>	<b>4,638</b>	<b>5,392</b>	<b>4.40</b>

**Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024**

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	142	6	12	8.50
Agriculture Related Permanent	0	1	0	0.00
All Artisans In The Building Metal Machinery Etc. Permanent	8	0	1	12.50
Architects Town and Traffic Planners Permanent	16	2	0	0.00
Auxiliary and Related Workers Permanent	104	0	0	0.00
Building and Other Property Caretakers Permanent	94	0	1	1.10
Bus and Heavy Vehicle Drivers Permanent	2	0	0	0.00
Cleaners In Offices Workshops Hospitals Etc. Permanent	2,914	25	110	3.80
Clerical Suppleme.Workers Not Elsewhere Classified Permanent	0	2	0	0.00
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	14	0	0	0.00
Communication and Marketing Manager Permanent	0	1	0	0.00
Community Development Workers Permanent	2	0	1	50.00
Compositors Typesetters & Related Printing Workers Permanent	2	0	0	0.00
Computer System Designers and Analysts. Permanent	16	0	1	6.30
Diplomats Permanent	2	0	0	0.00

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Engineers and Related Professionals Permanent	4	2	2	50.00
Farming Forestry Advisors and Farm Managers Permanent	60	0	0	0.00
Finance And Economics Related Permanent	106	2	4	3.80
Financial and Related Professionals Permanent	152	1	6	3.90
Financial Clerks and Credit Controllers Permanent	768	1	12	1.60
Food Services Aids and Waiters Permanent	376	4	8	2.10
Geologists Geophysicists Hydrologists & Relat Prof Permanent	2	0	0	0.00
Head Of Department/Chief Executive Officer Permanent	4	0	1	25.00
Household and Laundry Workers Permanent	1,028	21	21	2.00
Household Food and Laundry Services Related Permanent	20	5	0	0.00
Housekeepers Laundry and Related Workers Permanent	22	2	0	0.00
Human Resources & Organisat Developm & Relate Prof Permanent	82	0	5	6.10
Human Resources Clerks Permanent	560	0	15	2.70
Human Resources Related Permanent	142	9	4	2.80
Inspectors Of Apprentices Works and Vehicles Permanent	50	0	3	6.00
Laundry Worker (General) Permanent	0	1	0	0.00
Legal Related Permanent	6	1	0	0.00
Library Mail and Related Clerks Permanent	180	0	2	1.10
Light Vehicle Driver Permanent	0	1	0	0.00
Light Vehicle Drivers Permanent	222	3	4	1.80
Logistical Support Personnel Permanent	74	1	4	5.40
Managers Not Elsewhere Classified Permanent	0	1	0	0.00
Material-Recording and Transport Clerks Permanent	432	1	26	6.00
Messengers Permanent	0	2	0	0.00
Messengers Porters and Deliverers Permanent	10	0	0	0.00
Motor Vehicle Drivers Permanent	0	1	0	0.00
Not Available Permanent	28	0	0	0.00
Nursing Assistants Permanent	16	0	0	0.00
Occupational Therapist Permanent	0	2	0	0.00
Occupational Therapy* Permanent	18	2	0	0.00
Office Cleaner Permanent	0	11	0	0.00
Other Administrat & Related Clerks and Organisers Permanent	7,544	5	74	1.00
Other Administrative Policy and Related Officers Permanent	456	1	12	2.60
Other Information Technology Personnel. Permanent	36	0	0	0.00
Other Occupations Permanent	92,092	4,503	5,031	5.50
Physiotherapy Permanent	6	0	0	0.00
Professional Nurse Permanent	2	0	0	0.00

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Quantity Surveyors & Relat Prof Not Class Elsewhere Permanent	4	1	0	0.00
Rank: Departmental Head Permanent	1,624	0	0	0.00
Rank: Deputy Principal Permanent	418	0	0	0.00
Rank: Principal P1 Permanent	46	0	0	0.00
Rank: Principal P2 Permanent	254	0	0	0.00
Rank: Principal P3 Permanent	94	0	0	0.00
Rank: Principal S1 Permanent	6	0	0	0.00
Rank: Teacher Permanent	10,998	0	0	0.00
Risk Management and Security Services Permanent	28	0	0	0.00
Secretaries & Other Keyboard Operating Clerks Permanent	264	6	4	1.50
Security Guards Permanent	586	0	15	2.60
Security Officers Permanent	400	1	4	1.00
Senior Managers Permanent	114	7	5	4.40
Social Sciences Supplementary Workers Permanent	86	0	0	0.00
Social Work and Related Professionals Permanent	18	0	2	11.10
Speech Therapy and Audiology Permanent	6	0	0	0.00
Staff Nurses and Pupil Nurses Permanent	26	0	0	0.00
Supply Chain Manager Permanent	0	1	0	0.00
Technic& Associate Techn.Occupations Nt Classified Permanent	0	2	0	0.00
Trade Labourers Permanent	2	0	1	50.00
Youth Workers Permanent	22	0	1	4.50
<b>Total</b>	<b>122,810</b>	<b>4,638</b>	<b>5,392</b>	<b>4.40</b>

#### Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
  - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - in respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the department.

**Table 3.5.3 Reasons why staff left the Department for the period 1 April 2023 and 31 March 2024**

Termination Type	Number	% of Total Resignations
Death	319.00	5.9
Resignation	578.00	10.7
Expiry of contract	2 725.00	50.5
Dismissal – operational changes	0	0.0
Dismissal – misconduct	33.00	0.6
Dismissal – inefficiency	0	0.0
Discharged due to ill-health	56.00	1.0
Retirement	1 679.00	31.1
Transfer to other Public Service Departments	0	0.0
Other	2.00	0
<b>Total</b>	<b>5 392.00</b>	
<b>Total number of employees who left as a % of total employment</b>	<b>8.9%</b>	<b>100</b>

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024**

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	142	9	6.30	37	26.10
All Artisans In The Building Metal Machinery Etc.	8	0	0.00	2	25.00
Architects Town and Traffic Planners	16	1	6.30	1	6.30
Auxiliary and Related Workers	104	0	0.00	13	12.50
Building and Other Property Caretakers	94	0	0.00	13	13.80
Bus and Heavy Vehicle Drivers	2	0	0.00	2	100.00
Cleaners In Offices Workshops Hospitals Etc.	2,914	0	0.00	620	21.30
Client Inform Clerks(Switchb Receipt Inform Clerks)	14	0	0.00	0	0.00
Community Development Workers	2	0	0.00	2	100.00
Compositors Typesetters & Related Printing Workers	2	0	0.00	1	50.00
Computer System Designers and Analysts.	16	1	6.30	1	6.30
Diplomats	2	0	0.00	0	0.00
Earth Moving and Related Plant Operators	0	0	0.00	1	0.00
Engineers and Related Professionals	4	0	0.00	0	0.00
Farm Hands and Labourers	0	0	0.00	3	0.00
Farming Forestry Advisors and Farm Managers	60	0	0.00	11	18.30
Finance and Economics Related	106	6	5.70	35	33.00

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Financial and Related Professionals	152	6	3.90	47	30.90
Financial Clerks and Credit Controllers	768	0	0.00	128	16.70
Food Services Aids and Waiters	376	0	0.00	94	25.00
General Legal Administration & Rel. Professionals	0	0	0.00	1	0.00
Geologists Geophysicists Hydrologists & Relat Prof	2	0	0.00	1	50.00
Head Of Department/Chief Executive Officer	4	0	0.00	0	0.00
Household and Laundry Workers	1,028	2	0.20	297	28.90
Household Food and Laundry Services Related	20	0	0.00	7	35.00
Housekeepers Laundry and Related Workers	22	0	0.00	8	36.40
Human Resources & Organisat Developm & Relate Prof	82	1	1.20	9	11.00
Human Resources Clerks	560	0	0.00	156	27.90
Human Resources Related	142	13	9.20	32	22.50
Inspectors Of Apprentices Works and Vehicles	50	0	0.00	9	18.00
Legal Related	6	0	0.00	2	33.30
Library Mail and Related Clerks	180	1	0.60	28	15.60
Light Vehicle Drivers	222	0	0.00	42	18.90
Logistical Support Personnel	74	0	0.00	9	12.20
Material-Recording and Transport Clerks	432	1	0.20	113	26.20
Messengers Porters and Deliverers	10	0	0.00	6	60.00
Not Available	28	0	0.00	0	0.00
Nursing Assistants	16	0	0.00	5	31.30
Occupational Therapy*	18	0	0.00	5	27.80
Other Administrat & Related Clerks and Organisers	7,544	0	0.00	1,684	22.30
Other Administrative Policy and Related Officers	456	1	0.20	61	13.40
Other Information Technology Personnel.	36	0	0.00	10	27.80
Other Occupations	92,092	1,048	1.10	44,200	48.00
Physiotherapy	6	0	0.00	2	33.30
Professional Nurse	2	0	0.00	2	100.00
Quantity Surveyors & Rela Prof Not Class Elsewhere	4	1	25.00	0	0.00
Rank: Departmental Head	1,624	0	0.00	0	0.00
Rank: Deputy Principal	418	0	0.00	0	0.00
Rank: Principal P1	46	0	0.00	0	0.00
Rank: Principal P2	254	0	0.00	0	0.00
Rank: Principal P3	94	0	0.00	0	0.00
Rank: Principal S1	6	0	0.00	0	0.00
Rank: Teacher	10,998	0	0.00	0	0.00

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Risk Management and Security Services	28	1	3.60	0	0.00
Secretaries & Other Keyboard Operating Clerks	264	0	0.00	30	11.40
Security Guards	586	0	0.00	139	23.70
Security Officers	400	0	0.00	59	14.80
Senior Managers	114	5	4.40	21	18.40
Social Sciences Supplementary Workers	86	0	0.00	6	7.00
Social Work and Related Professionals	18	0	0.00	16	88.90
Speech Therapy and Audiology	6	0	0.00	1	16.70
Staff Nurses and Pupil Nurses	26	0	0.00	10	38.50
Trade Labourers	2	0	0.00	0	0.00
Youth Workers	22	0	0.00	1	4.50
<b>Total</b>	<b>122,810</b>	<b>1,097</b>	<b>0.90</b>	<b>47,983</b>	<b>39.10</b>

**Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024**

Salary Band	Employees 1 April 2023	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled ( Levels 1-2)	796	0	0.00	249	31.30
Skilled (Levels 3-5)	9,600	3	0.00	2,759	28.70
Highly skilled production (Levels 6-8)	87,346	392	0.40	34,201	39.20
Highly skilled supervision (Levels 9-12)	23,498	696	3.00	10,753	45.80
Senior Management (Level 13-16)	120	6	5.00	21	17.50
Other	1,450	0	0.00	0	0.00
<b>Total</b>	<b>122,810</b>	<b>1,097</b>	<b>0.90</b>	<b>47,983</b>	<b>39.10</b>

### 3.6 Employment Equity

**Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2024**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	36	4	1	1	25	4	0	0	71
Professionals	13,491	1,109	46	664	32,639	2,510	137	2,218	52,814
Technicians and associate professionals	101	14	1	2	213	11	0	12	354
Clerks	989	29	0	6	3,042	182	2	105	4,355
Service and sales workers	318	29	0	1	82	9	0	0	439
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	15	0	0	0	10	0	0	0	25
Plant and machine operators and assemblers	70	7	0	4	1	2	0	0	84
Labourers and Related Elementary occupations	997	149	0	13	1,383	177	0	58	2,777
<b>Total</b>	<b>16,017</b>	<b>1,341</b>	<b>48</b>	<b>691</b>	<b>37,395</b>	<b>2,895</b>	<b>139</b>	<b>2,393</b>	<b>60,919</b>
<b>Employees with disabilities</b>	46	8	0	1	50	3	0	7	115

**Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	1	1	0	0	5
Senior Management	31	3	1	1	18	3	1	0	58
Professionally qualified and experienced specialists and mid-management	4,367	486	26	226	6,058	518	55	417	12,153
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9,723	646	21	430	28,692	2,127	82	1,885	43,606
Semi-skilled and discretionary decision making	1,734	180	0	30	2,431	215	0	81	4,671
Unskilled and defined decision making	159	26	0	4	195	31	1	10	426
<b>Total</b>	<b>16,017</b>	<b>1,341</b>	<b>48</b>	<b>691</b>	<b>37,395</b>	<b>2,895</b>	<b>139</b>	<b>2,393</b>	<b>60,919</b>

**Table 3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	6	0	0	0	7
Professionally qualified and experienced specialists and mid-management supervisors, foreman and superintendents	28	0	0	2	26	0	0	1	57
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1,230	100	0	58	2,459	373	4	243	4,467
Semi-skilled and discretionary decision making	38	12	0	4	40	9	0	3	106
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
<b>Total</b>	<b>1,298</b>	<b>112</b>	<b>0</b>	<b>64</b>	<b>2,531</b>	<b>382</b>	<b>4</b>	<b>247</b>	<b>4,638</b>
<b>Employees with disabilities</b>	5	1	0	0	2	1	0	0	9

**Table 3.6.4 Promotions for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	2
Senior Management	13	2	1	7	2	0	0	0	25
Professionally qualified and experienced specialists and mid-management	3,996	436	27	216	5,809	497	51	417	11,449
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7,165	472	22	324	23,464	1,565	78	1,503	34,593
Semi-skilled and discretionary decision making	922	71	0	19	1,605	97	0	48	2,762
Unskilled and defined decision making	92	15	0	3	119	19	0	1	249
<b>Total</b>	<b>12,188</b>	<b>996</b>	<b>50</b>	<b>562</b>	<b>31,005</b>	<b>2,181</b>	<b>129</b>	<b>1,969</b>	<b>49,080</b>
<b>Employees with disabilities</b>	32	9	0	2	35	1	0	0	79

**Table 3.6.5 Terminations for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	1	0	0	1
Senior Management	0	0	0	0	0	6	0	0	6
Professionally qualified and experienced specialists and mid-management	317	54	4	29	577	45	3	73	1,102
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	842	72	2	38	1,954	294	3	202	3,407
Semi-skilled and discretionary decision making	91	11	0	3	77	15	0	5	202
Unskilled and defined decision making	14	2	0	0	658	0	0	0	674
<b>Total</b>	<b>1,264</b>	<b>139</b>	<b>6</b>	<b>70</b>	<b>3,273</b>	<b>354</b>	<b>6</b>	<b>280</b>	<b>5,392</b>
Employees with Disabilities	3	2	0	2	5	0	0	0	12

**Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024**

Disciplinary action	Male			Female			Total		
	African	Coloured	Indian	White	African	Coloured		Indian	White
Assault		9	0	0	0	3	0	0	12
Corporal Punishment		8	0	0	0	4	0	0	12
Failed to carry out instruction		4	4	0	0	1	0	0	10
Sexual related Misconduct		15	2	0	0	2	0	0	20
Other		22	3	0	0	10	0	0	35
TOTAL		58	9	0	0	20	0	0	89

**Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024**

Occupational category	Male			Female			Total			
	African	Coloured	Indian	White	African	Coloured		Indian	White	
Legislators, senior officials and managers	165		17	01	04	257	10	0	09	463
Professionals	2710		145	06	49	4766	217	09	107	8009
Technicians and associate professionals	0		0	0	0	0	0	0	0	0
Clerks	466		14	0	01	1080	60	0	24	1645
Service and sales workers	0		0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0		0	0	0	0	0	0	0	0
Craft and related trades workers	0		0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0		0	0	0	0	0	0	0	0
Elementary occupations	14		0	0	0	11	0	0	0	25
Total	3355		176	07	54	6114	287	09	140	10142
Employees with disabilities	03		0	0	0	16	0	0	0	25

### 3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

**Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 July 2023**

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0
Salary Level 16	1	0	1	100
Salary Level 15	3	4	4	100
Salary Level 14	17	13	13	100
Salary Level 13	68	43	43	100
<b>Total</b>	<b>90</b>	<b>60</b>	<b>60</b>	<b>100</b>

#### Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2023.

**Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 July 2023**

Reasons
All SMS members contracted in 2023/24

#### Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 July 2023**

Reasons
Not applicable

#### Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

### 3.8 Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

**Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	1	15,971	0.0%	28	27,920
Female	0	37,345	0.0%	0	0
<b>Asian</b>					
Male	0	48	0.0%	0	0
Female	0	139	0.0%	0	0
<b>Coloured</b>					
Male	0	1,333	0.0%	0	0
Female	2	2,892	0.1%	64	31,865
<b>White</b>					
Male	0	690	0.0%	0	0
Female	0	2,386	0.0%	0	0
<b>Total</b>	<b>3</b>	<b>60,919</b>	<b>0.0%</b>	<b>92</b>	<b>30,550</b>

**Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024**

Salary band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower Skilled (Levels 1-2)	0	426	0.0%	0	0	0.00%
Skilled (level 3-5)	0	4,671	0.0%	0	0	0.00%
Highly skilled production (level 6-8)	3	43,606	0.0%	92	30,550	0.00%
Highly skilled supervision (level 9-12)	0	12,153	0.0%	0	0	0.00%
<b>Total</b>	<b>3</b>	<b>60,856</b>	<b>0.0%</b>	<b>92</b>	<b>30,550</b>	<b>0.00%</b>

**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024**

Critical occupation	Number of beneficiaries	Beneficiary Profile Number of employees	% of total within occupation	Total Cost (R'000)	Cost Average cost per employee
Financial Clerks and Credit Controllers	0	319	0.00%	0	0
Household Food and Laundry Services Related	0	16	0.00%	0	0
Rank: Principal P3	0	45	0.00%	0	0
Human Resources Clerks	0	220	0.00%	0	0
Security Officers	0	192	0.00%	0	0
Household and Laundry Workers	0	528	0.00%	0	0
Geologists Geophysicists Hydrologists & Relat Prof	0	1	0.00%	0	0
Messengers Porters and Deliverers	0	6	0.00%	0	0
Human Resources & Organisat Developm & Relate Prof	0	28	0.00%	0	0
All Artisans In The Building Metal Machinery Etc.	0	3	0.00%	0	0
Risk Management and Security Services	0	12	0.00%	0	0
Finance and Economics Related	0	57	0.00%	0	0
Logistical Support Personnel	0	33	0.00%	0	0
Occupational Therapy*	0	12	0.00%	0	0
Other Administrat & Related Clerks and Organisers	0	3,803	0.00%	0	0
Housekeepers Laundry and Related Workers	0	12	0.00%	0	0
Auxiliary and Related Workers	0	52	0.00%	0	0
Other Occupations	3	45,784	0.01%	92	30,550
Legal Related	0	4	0.00%	0	0
Light Vehicle Driver	0	1	0.00%	0	0
Financial and Related Professionals	0	118	0.00%	0	0
Rank: Principal S1	0	2	0.00%	0	0
Building and Other Property Caretakers	0	45	0.00%	0	0
Not Available	0	46	0.00%	0	0
Rank: Teacher	0	5,541	0.00%	0	0
Diplomats	0	1	0.00%	0	0
Architects Town and Traffic Planners	0	9	0.00%	0	0
Social Sciences Supplementary Workers	0	39	0.00%	0	0
Administrative Related	0	66	0.00%	0	0
Rank: Principal P2	0	126	0.00%	0	0
Secretaries & Other Keyboard Operating Clerks	0	109	0.00%	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	1,347	0.00%	0	0

Critical occupation	Number of beneficiaries	Beneficiary Profile Number of employees	% of total within occupation	Total Cost (R'000)	Cost Average cost per employee
Library Mail and Related Clerks	0	94	0.00%	0	0
Rank: Principal P1	0	19	0.00%	0	0
Human Resources Related	0	90	0.00%	0	0
Rank: Deputy Principal	0	194	0.00%	0	0
Head Of Department/Chief Executive Officer	0	6	0.00%	0	0
Trade Labourers	0	1	0.00%	0	0
Physiotherapy	0	3	0.00%	0	0
Social Work and Related Professionals	0	12	0.00%	0	0
Supply Chain Manager	0	1	0.00%	0	0
Material-Recording and Transport Clerks	0	129	0.00%	0	0
Youth Workers	0	11	0.00%	0	0
Compositors Typesetters & Related Printing Workers	0	1	0.00%	0	0
Other Administrative Policy and Related Officers	0	220	0.00%	0	0
Inspectors Of Apprentices Works and Vehicles	0	21	0.00%	0	0
Professional Nurse	0	1	0.00%	0	0
Bus and Heavy Vehicle Drivers	0	1	0.00%	0	0
Senior Managers	0	61	0.00%	0	0
Audiologist	0	1	0.00%	0	0
Farming Forestry Advisors and Farm Managers	0	33	0.00%	0	0
Client Inform Clerks(Switchb Receipt Inform Clerks)	0	4	0.00%	0	0
Speech Therapy and Audiology	0	3	0.00%	0	0
Computer System Designers and Analysts.	0	12	0.00%	0	0
Engineers And Related Professionals	0	3	0.00%	0	0
Rank: Departmental Head	0	801	0.00%	0	0
Other Information Technology Personnel.	0	17	0.00%	0	0
Light Vehicle Drivers	0	113	0.00%	0	0
Speech Therapist	0	1	0.00%	0	0
Motor Vehicle Drivers	0	1	0.00%	0	0
Occupational Therapist	0	2	0.00%	0	0
Security Guards	0	277	0.00%	0	0
Food Services Aids and Waiters	0	185	0.00%	0	0
Nursing Assistants	0	8	0.00%	0	0
Quantity Surveyors & Rela Prof Not Class Elsewhere	0	2	0.00%	0	0
Agriculture Related	0	1	0.00%	0	0

Critical occupation		Beneficiary Profile		Cost	
Staff Nurses and Pupil Nurses		Number of beneficiaries	Number of employees	% of total within occupation	Average cost per employee
		0	13	0.00%	0
<b>Total</b>		<b>3</b>	<b>60,919</b>	<b>0.00%</b>	<b>30,550</b>

#### Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
  - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - in respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees;

**Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024**

Beneficiary Profile			Cost		
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Band A	0	46	0	0	0
Band B	0	12	0	0	0
Band C	0	4	0	0	0
Band D	0	1	0	0	0
<b>Total</b>	<b>0</b>	<b>63</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3.9 Foreign Workers

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

**Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024**

Salary band	01-Apr-23		31-Mar-24		Change	
	Number	% of total	Number	% of total	Number	% Change
Skilled (Lev. 3-5)	0	0.0	0	0	0	0
Highly skilled production (Lev. 6-8)	37	74.0	0	0	- 37.00	-74
Highly skilled supervision (Lev. 9-12)	5	10.0	0	0	- 5.00	-10
Senior Management (level 13-16)	0	0.0	0	0	0.00	0
Other	8	16.0	0	0	- 8.00	-16
<b>Total</b>	<b>50</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>- 50.00</b>	<b>-100</b>

**Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024**

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Other Occupation	48	96	0	0	-48	-96
Professionals and Managers	2	4	0	0	-2	-4
<b>Total</b>	<b>50</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>-50</b>	<b>-100</b>

### 3.10 Leave utilisation

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

**Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2023**

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	666	74.9%	112	0.5%	6	431
Skilled (levels 3-5)	10,582	83.7%	1,656	7.0%	6	9,974
Highly skilled production (levels 6-8)	110,767	81.0%	17,386	73.6%	6	196,113
Highly skilled supervision (levels 9-12)	29,724	84.4%	4,439	18.8%	7	80,322
Top and Senior management (levels 13-16)	115	91.3%	18	0.1%	6	561
<b>Total</b>	<b>151,854</b>	<b>81.8%</b>	<b>23,611</b>	<b>100%</b>	<b>6</b>	<b>287,401</b>

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023**

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	233	100	4	0.3	58	142
Skilled (Levels 3-5)	3,552	100	41	3.1	87	3,207
Highly skilled production (Levels 6-8)	77,751	99.9	972	73.5	80	140,651
Highly skilled supervision (Levels 9-12)	25,472	100	306	23.1	83	67,500
Senior management (Levels 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>107,008</b>	<b>99.9</b>	<b>1,323</b>	<b>100</b>	<b>81</b>	<b>211,500</b>

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

**Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	2,356	164	14
Skilled Levels 3-5)	29,565	2,082	14
Highly skilled production (Levels 6-8)	47,666	2,339	20
Highly skilled supervision (Levels 9-12)	28,400	1,414	20
Senior management (Levels 13-16)	995	52	19
<b>Total</b>	<b>108,981</b>	<b>6,051</b>	<b>18</b>

**Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023**

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	65
Skilled Levels 3-5)	15	2	8	62
Highly skilled production (Levels 6-8)	561	130	4	59
Highly skilled supervision (Levels 9-12)	488	117	4	72
Senior management (Levels 13-16)	0	0	0	84
<b>Total</b>	<b>1,064</b>	<b>249</b>	<b>4</b>	<b>66</b>

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

**Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2023/24 due to non-utilisation of leave for the previous cycle	236,573	1,538	154,818
Capped leave payouts on termination of service for 2023/24	225,992	1,453	155,535
Current leave payout on termination of service for 2023/24	8,438	270	31,252
<b>Total</b>	<b>705,433</b>	<b>3,261</b>	<b>340,605</b>

### 3.11 HIV/AIDS & Health Promotion Programmes

**Table 3.11.1 Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<ul style="list-style-type: none"> <li>Field workers (Head Office and District Based Itinerant Employees who are often compelled to work away from their workstation and families while visiting districts and schools for a number of days in a week and sometimes for consecutive weeks</li> <li>The Departmental Drivers who are travelling within and sometimes outside the province and are away from their families for days and sometimes for weeks.</li> <li>Educators who are forced by redeployment and the rationalisation of schools to move closer to their new worksites.</li> <li>Exposure on COVID-19 by educators and office-based employees.</li> </ul>	<ul style="list-style-type: none"> <li>Distribution of condoms for prevention of sexual transmitted infections and other disease.</li> <li>Health promotion messages and education sessions on risk behaviour change.</li> <li>Early detection of HIV infection through quarterly Health Testing Services to enable employees to have a regular check-up of their HIV.</li> <li>Facilitating access to treatment (where necessary), care and support for infected employees and affected families.</li> <li>Counselling to assist acceptance and adherence to treatment.</li> <li>Intensifying education on managing HIV so that it does not impede employee productivity.</li> <li>Sensitising managers on reasonable accommodation (physically and emotionally) of employees who are infected.</li> <li>Personal Protective Equipment (sanitisers, running water, soap, face masks and thermometers) are made available to prevent the spread of corona virus.</li> </ul>

**Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Yes Mr. Ntsikelelo Vazi Director- Employee Wellness Services
2. Does the Department have a dedicated unit, or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		The Directorate: Employee Wellness Services. The Directorate has 7 employees as follows: - 1 Director, 1 Assistant Director, 3 Wellness Practitioners, 1 Admin Clerk, and one Intern with Social Work Qualifications. 7 Districts placed employees as practitioners,  Budget allocated to EWS. • R1000 000.00 has been allocated for Programme 2 implementation • R1000 000.00 for Programme 1
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Yes. The Department is implementing an Integrated Employee Health and Wellness Programme modelled along the DPSA Strategic Framework for Employee Health and Wellness in the Public Service.  The key elements of this programme are the following: • HIV, STI and TB Management • Health and Productivity Management • Safety, Health, Environment, Risk and Quality Management • Wellness Management

Question	Yes	No	Details, if yes
4. Has the Department established (a) committee(s) as contemplated in Part VI E:5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Yes . See table below
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		It's under review.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Yes <ul style="list-style-type: none"> <li>Upholding the confidentiality principle throughout the access to treatment, care, and support process</li> <li>Ensuring anonymity during our HTS sessions placing no emphasis at all on the names of participants and putting all emphasis on statistics</li> <li>Identification of infected employees is protected during the referral process (names are kept strictly confidential by referring specialist only)</li> </ul>
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		Yes <ul style="list-style-type: none"> <li>Every quarter in all districts Health Testing Services are provided and the Department have provided more than 65 HCT opportunities across the province.</li> <li>Employees do not make use of the opportunity to know their status for early detection and access to treatment, the attrition.</li> <li>Employees who disclosed their status were assisted to access counselling and treatment with the support of their Medical Aids</li> </ul>
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<ul style="list-style-type: none"> <li>Quarterly Statistical reports indicating new infections and services utilisation.</li> <li>Follow up the work attendance of employees who have disclosed their status and are on treatment with a view to negotiating reasonable accommodation with the supervisors for those who need that.</li> </ul>

Name	Telephone	Credentials	Email
<b>DESIGNATED SENIOR MANAGER</b>			
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N Falo	0406084113	Wellness Practitioner	ntombizandile.falo@ecdoe.gov.za
SG Kiva	0406084507	SHERQ Practitioner	somila.kiva@ecdoe.gov.za
BG. Makongolo	0406084699	HIV AIDS & TB / HPM Practitioner	bongiwe.makongolo@ecdoe.gov.za
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Ms. Makayi, N	0406393229	SADTU	kngayeka@sadtu.co.za
<b>OTHER DEPARTMENTAL UNITS</b>			
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Ms. Kupa, N	0406084550	SPU	nobuhle.kupa@ecdoe.gov.za
Mr. A Mbambo	0406084298	HRA	andile.mbambo@ecdoe.gov.za
<b>DISTRICT REPRESENTATIVES</b>			
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Hlongwana	0764142557	ORTI	Pxhlongwana@gmail.com
Mdolo	0781589822	ORTC	Ntembi.mdolo@gmail.com
Matiwane	0676612282	Sarah Baartman	Sandiswa.Matiwane@ecdoe.gov.za

### 3.12 Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2023 and 31 March 2024**

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024**

Outcomes of disciplinary hearings	Number	% of total
Corrective Counselling	1	7,7%
Final Written Warning	5	38,5%
Fine	3	23,1%
No Outcome	1	7,7%
Suspended Without Payment	3	23,1%
<b>Total</b>	<b>13</b>	<b>100%</b>

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024**

Type of misconduct	Number	% Of total
Assault/assaulted another employee	12	13,5%
Contravened the Act	4	4,5%
Corporal Punishment	12	13,5%
Absenteeism	1	1,1%
Dishonesty	2	2,2%
Failed to carry out a lawful order	10	11,2%
Acted in a improper manner	2	2,2%
Fraud regarding examinations	1	1,1%
Financial mismanagement	10	11,2%
Insolent behaviour	1	1,1%
Misuse of govt property	1	1,1%
Falsification of records	1	1,1%
Rape(a learner)	3	3,4%
Sexual related misconduct	17	19,1%
Prejudice	2	2,2%
Other	10	11,2%
<b>Total</b>	<b>89</b>	<b>100%</b>

**Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024**

Grievances	Number	% of Total
Number of grievances resolved	34	43.6
Number of grievances not resolved	44	56.4
<b>Total number of grievances lodged</b>	<b>78</b>	<b>100</b>

**Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024**

Disputes	Number	% of Total
Number of disputes upheld	17	11.6
Number of disputes dismissed	21	14.3
Number of disputes pending	109	74.1
<b>Total number of disputes lodged</b>	<b>147</b>	<b>100</b>

**Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024**

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

**Table 3.12.7 Precautionary suspensions for the period 1 April 2023 and 31 March 2024**

Number of people suspended	42
Number of people who's suspension exceeded 30 days	34
Average number of days suspended	+/- 100days
<b>Cost of suspension(R'000)</b>	<b>R 2 177 288.15</b>

### 3.13 Skills development

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

**Table 3.13.1 Training needs identified for the period 1 April 2023 and 31 March 2024**

Occupational category	Gender	Number of employees as at April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	732	N/A	21	06	27
	Male	602				
Professionals	Female	37193	N/A	16	30	46
	Male	151131				
Technicians and associate professionals	Female	250	N/ A	N/A	N/A	0
	Male	128				
Clerks	Female	3435	N/A	15	06	21
	Male	1050				
Service and sales workers	Female	85	N/ A	N/A	N/A	0
	Male	368				
Skilled agriculture and fishery workers	Female	0	N/ A	N/A	N/A	0
	Male	0				
Craft and related trades workers	Female	10	N/ A	N/A	N/A	0
	Male	20				
Plant and machine operators and assemblers	Female	3	N/ A	N/A	N/A	0
	Male	80				
Elementary occupations	Female	2371	N/ A	02	N/A	02
	Male	1215				
Sub Total	Female	43376	N/ A	N/A	N/A	0
	Male	18029				
Total		61405	N/A	54	42	96

**Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024**

Occupational category	Gender	Number of employees as at April 2023		Learnerships	Training provided within the reporting period		Total
					Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	732		N/A	15	05	20
	Male	602					
Professionals	Female	37193		N/A	17	29	46
	Male	151131					
Technicians and associate professionals	Female	250		N/A	N/A	N/A	0
	Male	128					
Clerks	Female	3435		N/A	13	07	20
	Male	1050					
Service and sales workers	Female	85		N/A	N/A	N/A	0
	Male	368					
Skilled agriculture and fishery workers	Female	0		N/A	N/A	N/A	0
	Male	0					
Craft and related trades workers	Female	10		N/A	N/A	N/A	0
	Male	20					
Plant and machine operators and assemblers	Female	3		N/A	N/A	N/A	0
	Male	80					
Elementary occupations	Female	2371		N/A	02	N/A	02
	Male	1215					
Sub Total	Female	43376		N/A	N/A	N/A	0
	Male	18029					
<b>Total</b>		<b>61405</b>		<b>N/A</b>	<b>47</b>	<b>41</b>	<b>88</b>

**NB:** The number for Managers reported includes all levels of Management from Assistant Managers to Head of Department

The Department provided training to 19032 beneficiaries in the 2023/24 financial. Skills development beneficiaries include youth who were participating in various unemployed youth programmes implemented by the department. The number reported in the table is 10142, which is below the actual number trained. This is because the table provided does not accommodate reporting of other training interventions which are not from the occupational categories provided in the table. These occupations that are not accommodated in the table are the ECD practitioners which has a total of 5402 beneficiaries and unemployed youth which has a total of 3488 beneficiaries.

The following occupations were not included in the above table but benefitted from the Skills Levy Budget:

- ECD Practitioners: IT, Mathematics Euclidean Geometry, ECD Development, Early Identification ESS, Emergent Numeracy, Measurement Training, ECD Learnership.

The following Bursary Programmes are offered for ECD Practitioners:

- Diploma: Grade R Teaching, B. ED: Foundation Phase, FETC: ECD- NQF Level 4, Higher Certificate: ECD NQF Level 5
- Unemployed Youth: Records Management, ICT, First- Aid, Hygiene & Cleaning Services, UIF Online Training, EPWP-RS System Training, Investigative & Presiding Skills, Introduction to Asset Management, Caring for Vulnerable Children, New Venture Creation, Entrepreneurship Training, Security Services, Handyman Training, Financial Management, Home- Care Practice Skills.

The following bursary programs were also offered for the unemployed youth:

- MEC Top Achievers Bursary offered in various qualifications, Military Veteran Dependants Bursary, Funza Lushaka B. ED Bursary, Mathew Goniwe B. ED Bursary, Mathew Goniwe PGCE Bursary.

### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

**Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024**

Nature of injury on duty		Number	% of total
Awards		6	23
Injury on Duty		20	77
Fatal		0	0
<b>Total</b>		<b>26</b>	<b>100</b>

### 3.15 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a Department against remuneration received from any source:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- The execution of a specific task which is of a technical or intellectual nature but excludes an employee of a department.

**Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024**

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
Mazars Internal Audit outsource	1	36 months – with 24 months extension contract expiring 31 July 2023	R24 932 771.00
BTKM (Infrastructures support)	1	36 months – with 24 months extension contract expiring 31 July 2024	R250 451 965.00
<b>Total number of projects</b>	None	<b>Total duration Work days</b> N/A	<b>Total contract value in Rand</b> N/A

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Improve audit outcomes	100%	100%	None
Financial data analysis	100%	100%	None
Records management and archiving	100%	100%	None

**Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024**

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	N/A	N/A	N/A

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	N/A	N/A	N/A

### 3.16 Severance Packages

**Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2023 and 31 March 2024.**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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# PFMA COMPLIANCE REPORT

## PART E

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

### 1.1 Irregular expenditure

#### a) Reconciliation of irregular expenditure

Description	2022/2023 R'000	2023/2024 R'000
Opening balance	1 837 847	1 846 577
Adjustment to opening balance	-	-
Opening balance as restated	1 837 847	1 846 577
Add: Irregular expenditure confirmed	8 730	973
Less: Irregular expenditure condoned	-	(340 450)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable <sup>1</sup>	-	-
Less: Irregular expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>1 846 577</b>	<b>1 507 100</b>

The Department incurred irregular expenditure of R 973 thousand as a result of subsequent payments on prior multi-year contracts identified as irregular expenditure in prior period in the 2015/16 financial year. These contracts were declared irregular expenditure due to non-compliance with the Treasury Regulations on procurement procedures. The Department is in the process of performing determination tests to ascertain the responsible officials on all prior year contracts of R1 507 billion in line with National Treasury Compliance and Reporting Framework to apply for condonations.

#### Reconciling notes

Description	2022/2023 R'000	2023/2024 R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	-
Irregular expenditure for the current year	8 730	973
<b>Total</b>	<b>8 730</b>	<b>973</b>

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

Description <sup>2</sup>	2022/2023 R'000	2023/2024 R'000
Irregular expenditure under assessment	560 925	218 537
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
<b>Total</b>	<b>560 925</b>	<b>218 537</b>

The Department disclosed Irregular expenditure under assessment of R218 537 million where assessments could not be completed in the 2023/2024 financial year to establish whether these contracts were irregular expenditure in line with National Treasury Compliance and Reporting Framework Instruction No 4 of 2022/2023 to address completeness of irregular expenditure.

<sup>1</sup> Transfer to receivables

<sup>2</sup> Group similar items.

## c) Details of irregular expenditure condoned.

Description	2022/2023 R'000	2023/2024 R'000
Transfer payments without the approval of Head of Department	-	254 692
IDT Deviations made without the approval of HOD		51 992
Appointment of a service provider through Transversal Contract		33 766
<b>Total</b>	-	<b>340 450</b>

## d) Details of irregular expenditure removed - (not condoned)

Description	2022/2023 R'000	2023/2024 R'000
Irregular expenditure NOT condoned and removed	-	-
<b>Total</b>	-	-

## e) Details of irregular expenditure recoverable

Description	2022/2023 R'000	2023/2024 R'000
Irregular expenditure recoverable	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

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

Description	2022/2023 R'000	2023/2024 R'000
Irregular expenditure written off	-	-
<b>Total</b>	-	-

## 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	2022/2023 R'000	2023/2024 R'000
DPWI -subsequent payment on prior year contracts	8 369	973
IDT -subsequent payment on prior year contracts	361	-
<b>Total</b>	<b>8 730</b>	<b>973</b>

The Department incurred irregular expenditure due to non-compliance on procurement processes on goods and services through Implementing Agents because of inter-institutional arrangement between Eastern Cape Department of Public Works and Infrastructure (DPWI), on behalf of the Eastern Cape Department of Education. The Department is still in the process of performing determination tests in terms of National Treasury Compliance and Reporting Framework to seek Provincial Treasury for condonations.

- 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)<sup>3</sup>

Description	2022/2023 <sup>4</sup> R'000	2023/2024 R'000
None	-	-
<b>Total</b>	-	-

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

Disciplinary steps taken

## 1.2 Fruitless and wasteful expenditure

- a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023 R'000	2023/2024 R'000
Opening balance	216 354	240 632
Adjustment to opening balance	-	-
Opening balance as restated	216 354	240 632
Add: Fruitless and wasteful expenditure confirmed	24 278	1 506
Less: Fruitless and wasteful expenditure recoverable <sup>5</sup>	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>240 632</b>	<b>242 138</b>

### Reconciling notes

Description	2022/2023 R'000	2023/24 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	24 278	1 506
<b>Total</b>	<b>24 278</b>	<b>1 506</b>

<sup>3</sup> Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

<sup>4</sup> Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.

<sup>5</sup> Transfer to receivables

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

Description <sup>6</sup>	2022/2023	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**c) Details of fruitless and wasteful expenditure recoverable**

Description	2022/2023	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

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

Description	2022/2023	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

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

Disciplinary steps taken
<b>Total</b>

*Include discussion here where deemed relevant.*

<sup>6</sup> Group similar items

### 1.3 Unauthorised expenditure

#### a) Reconciliation of unauthorised expenditure

Description	2022/2023	2023/2024
	R'000	R'000
Opening balance	2 488 403	1 932 092
Adjustment to opening balance	-	-
Opening balance as restated	2 488 403	-
Add: unauthorised expenditure confirmed		-
Less: unauthorised expenditure approved with funding	(287 028)	-
Less: unauthorised expenditure approved without funding	(269 283)	(124 024)
Less: unauthorised expenditure recoverable <sup>7</sup>	-	-
Less: unauthorised not recoverable and written off <sup>8</sup>	-	-
<b>Closing balance</b>	<b>1 932 092</b>	<b>1 808 068</b>

*Include discussion here where deemed relevant.*

#### Reconciling notes

Description	2022/2023	2023/2024
	R'000	R'000
Unauthorised expenditure that was under assessment	2 488 403	1 808 068
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
<b>Total</b>	<b>2 488 403</b>	<b>1 808 068</b>

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

Description <sup>9</sup>	2022/2023	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Include discussion here where deemed relevant.*

<sup>7</sup> Transfer to receivables

<sup>8</sup> This amount may only be written off against available savings

<sup>9</sup> Group similar items

#### 1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) & (iii)<sup>10</sup>

##### a) Details of material losses through criminal conduct

Material losses through criminal conduct	2022/2023	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

##### b) Details of other material losses

Nature of other material losses	2022/2023	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant and criminal or disciplinary steps taken by the institution.*

##### c) Other material losses recoverable

Nature of losses	2022/2023	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

<sup>10</sup> Information related to material losses must be disclosed in the annual financial statements.

**d) Other material losses not recoverable and written off**

Nature of losses	2022/2023	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**a) Other material losses not recoverable and written off**

Nature of losses	2022/2023	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value R'000
Valid invoices received	96 341	R8 209 billion
Invoices paid <b>within</b> 30 days or agreed period	94 893	R7 832 billion
Invoices paid <b>after</b> 30 days or agreed period	1 448	R377 Million
Invoices older than 30 days or agreed period ( <b>unpaid and without dispute</b> )	1 139	R502 Million
Invoices older than 30 days or agreed period ( <b>unpaid and in dispute</b> )	NIL	NIL

*Include reasons for the late and or non-payment of invoices, including reasons that the invoices are in dispute, where applicable.*

Valid invoices received for 2023/24 financial year includes implementing agents.

Invoices not paid for older than 30 days were declared on the accruals at the end of financial year.

### 3. SUPPLY CHAIN MANAGEMENT

#### 3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
None	N/A	N/A	N/A	N/A
<b>Total</b>				

#### 3.2 Contract variations and expansions – Infrastructure

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Value of previous contract expansion/s or variation/s R'000		Value of current contract expansion or variation R'000
				Original contract value R'000	Value of previous contract expansion/s or variation/s R'000	
Urgent procurement for emergency repairs and rehabilitation of Unathi Secondary School	Zibele Construction	Time related P&G's	ECDOE Disaster 21/22-021	1 864 015,45	12 712,70	1 876 728,15
Urgent procurement for emergency repairs and rehabilitation of Unathi Secondary School	Zibele Construction	Omission of provisional sums of electrical installations at R164 000.00 and add new winning quotation of R408 492.20	ECDOE Disaster 21/22-021	1 864 015,45	281 683,53	2 145 698,98
Urgent procurement for emergency repairs and rehabilitation to Winterberg Agricultural High School	Alexander Construction	Omission of provisional sums of plumbing installations at R165 000.00 and add a new winning quotation of R489 455.45 provisional amount adjustment	ECDOE Disaster 21/22-009	3 758 144,80	373 123,77	4 131 268,57
Urgent procurement for emergency repairs and rehabilitation to Zimisele Junior Secondary School	Selly's Development Traders	Change of scope occasioned by increase in the earthworks and concrete	ECDOE Disaster 21/22-030	3 450 000,00	298 589,54	3 748 589,54
Urgent procurement for emergency repairs and rehabilitation to Moshi Primary School	Delevex 302 cc	Extension of time No 1	ECDOE Disaster 21/22-052	3 953 108,90	0,00	3 953 108,90
Urgent procurement for emergency repairs and rehabilitation to Inyibiba Public Secondary School	Mtalido's Construction	Extension of time No 1	ECDOE Disaster 21/22-010	11 818 506,04	0,00	11 818 506,04
Urgent procurement for emergency repairs and rehabilitation to Winterberg Agricultural High School	Alexander Construction	Extension of time due to strike which affected the manufacturing of roof sheeting	ECDOE Disaster 21/22-009	3 758 144,80	0,00	3 758 144,80

Project description	Name of supplier	Contract modification type (Expansion or Variation)		Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s R'000	Value of current contract expansion or variation R'000
Urgent procurement of a contractor for the provision of temporary classrooms at Mzamowethu Primary School	Tygerella (Pty) Ltd	Extension of time due to strike which affected the manufacturing of roof sheeting		PRM ECDOE: EM -20/21-004	5 785 369,40	0,00	5 785 369,40
Urgent procurement of a contractor for the provision of temporary classrooms at Mzamowethu Primary School	Tygerella (Pty) Ltd	Extension of time due to design change. (SGB requested repositioning of classrooms, Engineer had to prepare working drawings)		PRM ECDOE: EM -20/21-004	5 785 369,40	0,00	5 785 369,40
Urgent procurement of a contractor for the provision of temporary classrooms at Mzamowethu Primary School	Tygerella (Pty) Ltd	Extension of time no 5 with cost due to grade 12 exams		PRM ECDOE: EM -20/21-004	5 785 369,40	0,00	5 785 369,40
Urgent procurement of a contractor for the provision of temporary classrooms at Mbanyana Junior Secondary School	Imivuzo Trading	Omission of provisional sums of electrical installations at R176 000.00 and add a new winning quotation of R132 584.82		ECDOE Disaster 21/22-005	2 334 869,15	(49 927,46)	2 284 941,69
Urgent procurement of a contractor for the provision of temporary classrooms at Mthonyameni Senior Primary School	Mikuwo Construction	Change in scope of work: omission of repairs and renovations to three (3) mud structures, to two (2) new prefabricated classrooms.		ECDOE Disaster 21/22-026	4 050 677,05	(4 197,50)	4 046 479,55
Urgent procurement of a contractor for the provision of temporary classrooms at Nompandolo Primary School	Siyakha Isizwe Trading	Omission of provisional sums of electrical installations at R115 000.00 and add a new winning quotation of R86 595.00		ECDOE Disaster 21/22-056	4 232 282,90	(32 665,75)	4 199 617,15
Urgent procurement for emergency repairs and additions at Dudumayo Senior Secondary School	Elona Themba Construction	Omission of the ablation as Mvula Trust already built them on a separate contract		PRM ECDOE: EM -20/21-003	11 132 335,80	(1 805 720,80)	9 326 615,00
Appointment of contractors for Joe Gqabi Senior Secondary School for the erection of 15 prefabricated classrooms	Mvezo Civils	Addition of site works		RFQ No: 2022/07/596	707 250,00	718 770,65	1 426 020,65
<b>Total</b>					<b>70 279 458,54</b>	<b>(207 631,32)</b>	<b>70 071 827,22</b>



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**PART F**

## REPORT OF THE AUDITOR-GENERAL

### Report on the audit of the financial statements

#### Qualified opinion

1. I have audited the financial statements of the Eastern Cape Department of Education set out on pages 175 to 241, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and the possible effects of the matters described in the basis for qualified opinion section of the audit report, the financial statements present fairly, in all material respects, the financial position of the Eastern Cape Department of Education as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) as prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa No 1 of 1999 (PFMA), and the Division of Revenue Act of South Africa No 5 of 2023 (Dora).

#### Basis for qualified opinion

##### Immovable tangible capital assets

3. The department did not appropriately account for immovable tangible capital assets in accordance with MCS 11, *Capital assets*. Immovable tangible capital assets were not valued correctly due to the incorrect application of their methodology for measuring assets at fair value. Furthermore, I was unable to obtain sufficient appropriate audit evidence that immovable tangible capital assets were properly accounted for due to the status of accounting records. I was unable to confirm the immovable tangible capital assets by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the immovable tangible capital assets, stated at R13 billion (2022-23: R12 billion) in note 29 and 29.1 to the financial statements.

#### Context for opinion

4. 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.
5. I am independent of the department 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.

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

**Emphasis of matter**

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

**Bank overdraft**

8. As disclosed in note 13 to the financial statements, the department was in an overdraft position of R1,3 billion (2022-23: R1,2 billion) as at 31 March 2024.

### Contingent liabilities

9. As disclosed in note 17.1 to the financial statements, the department has disclosed contingent liabilities of R918,5 million as at 31 March 2024. The outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

### Other matter

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Unaudited supplementary information

11. The supplementary information set out on pages 234 to 241 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly we do not express an opinion on them.

### Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DORA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department'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 department 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

14. 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.
15. 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 page 174, forms part of our auditor's report.

## REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

16. 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 programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024, for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Public ordinary school education	50 - 54	To provide overall management of, and support to, the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other relevant policies.
Early childhood development	60 - 62	Early Childhood Development is a policy priority which was conceptualized in the Education White Paper 5 on Early Childhood Education (May 2001) and highlighted in the National Development Plan as critical in laying a strong foundation towards breaking the cycle of inequality and poverty.
Infrastructure development	63 - 67	To provide and maintain infrastructure facilities for schools and non-schools.

18. I evaluated the reported performance information for the selected programmes 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 the department's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the department'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.
20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
21. The material findings on the reported performance information for the selected programmes are as follows:

#### Public ordinary school education

##### **SOI 203: Number of Funza Lushaka bursary holders placed within six months upon completion of studies or upon confirmation that the bursar has completed studies**

22. An achievement of 70 was reported against a target of 340. However, some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.
23. Furthermore, underachievement was reported against the related planned target together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

##### **NSOI 209: Number of educators with training on inclusion**

24. An achievement of 165 was reported against a target of 500. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.
25. Furthermore, underachievement was reported against the related planned target together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

##### **NSOI 211: Percentage of learners with English First Additional Language (EFAL) and Mathematics textbooks in Grades 3, 6, 9 and 12**

26. An achievement of 95.11% was reported against a target of 80%. However, some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

#### Various indicators

27. Based on the audit evidence, the actual achievements for the following indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the reported achievement was not reliable for determining if the target had been achieved.
28. Furthermore, under-achievements were reported against the related planned targets together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons:

Indicator	Target	Reported achievement
SOI 207: Number of teachers trained in mathematics content and methodology	5 200	1 085
SOI:208 Number of educators trained in literacy/language content and methodology	5 200	1 409
NSOI 210: Percentage of schools where allocated teaching posts are all filled	80%	60.6%

#### Missing indicators

29. The department is responsible for 10-year-old learners enrolled in publicly funded schools read for meaning in terms of the Medium-Term Strategic Framework (MTSF). However, indicators to measure performance on this objective were omitted from the approved planning documents.
30. Consequently, the achievement of this objective was not planned or accounted for, which is likely to result in it not being delivered. It further undermines the transparency and accountability on the progress towards achievement of the MTSF.

Indicator	Reasons provided by department for non-inclusion
Lesson plans for home language literacy in Grades 1-3 have been developed in all languages	The indicator was not included in 2023/24 Annual Performance Plan (APP) as Provincial Education Department's (PEDs) could not reach an agreement and therefore was not concluded for standardization.  Curriculum Assessment Policy Statements (CAPS) which is the current policy guiding teaching, learning and assessment demands that teachers utilize Annual Teaching Plans (ATPs) and emphasizes lesson preparation rather than a lesson plan.
All schools implement Early	The Early Grade Reading Assessments (EGRA) are implemented at District

Indicator	Reasons provided by department for non-inclusion
Grade Reading Assessment to support reading at required level by Grade 3	<p>level and Districts included EGRA in their 2023/24 annual operational plans. However, this is still a pilot Programme and will be implemented in full when the sector is ready.</p> <p>This indicator has been included in the Head Office 2024/25 annual operational plan on 600 sampled schools for piloting.</p>
Coding and Robotics curriculum implemented	<p>The Coding and Robotics CAPS was only approved in February 2024 for full scale implementation in 2025 by all schools nationwide and this was the mandate of Department of Basic Education (DBE) not curriculum branch in the province. Meanwhile, the province piloted Coding and Robotics in 186 primary schools. This indicator has been included in the Programme of Action which is a statutory document tracked by the Office of the Premier on a quarterly basis.</p>

### Various indicators

31. Under-achievements and/or overachievements were reported against the related planned targets together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons:

Indicator	Target	Reported achievement	Reported reason
SOI 201: Number of schools provided with multi-media resources	4 200	4 555	Target achieved Schools conducted their needs analysis and 4555 schools ordered and received their multi-media resources in all grades.
SOI 202: Number of learners in public ordinary schools benefiting from the No-Fee School Policy	1 521 833	1 494 471	Target not achieved Learner dropouts had a significant impact on the fluctuating performance of this indicator.
SOI 205: Number of foundation phase teachers trained in reading methodology	3 000	1 882	Target not achieved Training of same educators on different topics as Eastern Cape Department of Education (ECDOE) ensured all required topics are covered. There is a need to strengthen participation rates from teachers and some of the reasons include conflicts in scheduling.
SOI 206: Number of foundation phase teachers trained in Numeracy content and methodology	5 200	993	

32. The reason for under-achievements and/or overachievements for the reported performance against the planned targets in the annual performance report were generic and not specific to the deviation of the performance indicator for the following indicators:

Indicator	Target	Reported achievement	Deviation
SOI 202: Number of learners in public ordinary schools benefiting from the No- Fee School Policy	1 521 833	1 494 471	27 362
SOI 205: Number of foundation phase teachers trained in reading methodology	3 000	1 882	1 118
SOI 206: Number of foundation phase teachers trained in Numeracy content and Methodology	5 200	993	4 207
NSOI 207: Number of teachers trained in Mathematics content and methodology	5 200	1 085	4 115
NSOI 208: Numbers of educators trained in Literacy/ Language content and methodology	5 200	1 409	3 791

Indicator	Target	Reported achievement	Deviation
NSOI 209: Number of educators with training on inclusion	500	165	335

### Early childhood development (ECD)

#### SOI 502: Number of children accessing registered ECD programmes.

33. An achievement of 101 365 was reported against a target of 142 000. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially more than reported. Consequently, it is likely that the achievement against the target was better than reported.
34. Furthermore, underachievement was reported against the related planned target together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

#### SOI 501: Number of public schools that offer Grade R

35. An achievement of 4021 was reported against a target of 4000. The reason reported for the overachievement was delays in the implementation of school rationalization and realignment program. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons. However, adequate supporting evidence was not provided for auditing.

### Missing indicators

36. The department is responsible for improved school-readiness of children and increased access to quality ECD services and support in terms of the MTSF. However, indicators to measure performance on this objective were omitted from the approved planning documents. Consequently, the achievement of this objective was not planned or accounted for, which is likely to result in it not being delivered. It further undermines the transparency and accountability on the progress towards achievement of the MTSF.

Indicator	Reason provided by department for non-inclusion
School readiness assessment system	The EGRA system is still a pilot programme with 50 schools per district. It will only be fully operational once the Sector is ready. Districts have therefore included this indicator in their 2023-24 annual operational plans.
Operationalise an ECD Education Management Information System (EMIS)	This indicator is a competence of the DBE not of the PED.

### Various indicators

37. The reason for underachievement and/or overachievements for the reported performance against the planned targets in the annual performance report were generic and not specific to the deviation of the performance indicator for the following indicators:

Indicator	Target	Reported achievement	Deviation
SOI 501: Number of public schools that offer Grade R	4 000	4 021	21
SOI 502: Number of children accessing registered ECD services	142 000	101 365	40 635

### Infrastructure development

38. Based on the audit evidence, the actual achievements for indicators listed below did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially misstated. Furthermore, under achievements were reported against the related planned targets together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

Indicator	Target	Reported achievement	Reported reason
SOI 602: Number of public schools provided with electricity infrastructure	20	15	Target not achieved Series of terminations of underperforming contractors led to delayed completions. Underperformance of Small Medium and Micro Enterprise (SMMEs)

Indicator	Target	Reported achievement	Reported reason
			<p>doing work packages within Department of Public Works and Infrastructure (DPWI) projects.</p> <p>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years.</p> <p>Contractors experienced cash flow problems which negatively affected completion of projects.</p>
SOI 605: Number of schools where scheduled maintenance projects were completed	90	43	<p>Target Not Achieved</p> <p>Chronic delays with implementation of 116 minor maintenance projects due to procurement strategy that resulted in disengagement of professional service providers which led to delayed payment of service providers and work stoppages in other sites.</p>
NSOI 606: Number of new schools that have reached completion (Includes replacement schools)	17	8	<p>Target not achieved</p> <p>Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years.</p> <p>Underperformance of Small Medium and Micro Enterprises (SMMEs) doing work packages within DPWI projects.</p>
NSOI 607: Number of new schools under construction (Includes replacement schools)	45	32	<p>Target not achieved</p> <p>Slow progress in the procurement and appointment of contractors by implementing agents.</p> <p>13 projects could not be handed over to contractors due to risk of overcommitment.</p> <p>The infrastructure budget was cut by approximately R100m during the financial year resulting in lower output.</p>

39. Under-achievements were reported against the related planned targets together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

Indicator	Target	Reported achievement	Reported reason
SOI 604: Number of schools to be provided with new or additional boarding facilities	1	0	Target not achieved Delayed completion of Ntsokotha SSS hostel due to labour payment dispute and community strike regarding the location of borehole.
NSOI. 610: Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools)	43	27	Target not Achieved Series of terminations of underperforming contractors led to delayed completions. Underperformance of SMMEs doing work packages within DPWI projects. Contractual delays due to approvals of extensions of time with cost as a result of work stoppage from prior years. Contractors experienced cash flow problems which negatively affected completion of projects.

40. Based on the audit evidence, the actual achievements for indicators listed below did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially misstated. Consequently, I could not confirm the reliability of the reported achievement:

Indicator	Target	Reported achievement
SOI 601: Number of public schools provided with water infrastructure	280	264
SOI 603: Number of public schools supplied with sanitation facilities	50	50
NSOI 609: Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools)	325	360

**NSOI 608: Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools)**

41. An achievement of 19 was reported against a target of 31 but the audit evidence showed the actual achievement to be 21. The achievement against the target was better than reported. Furthermore, under

achievement was reported against the related planned target together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

#### Other matters

42. I draw attention to the matters below.

#### Achievement of planned targets

43. The annual performance report includes information on reported achievements against planned targets and provides explanations for over or under achievements. This information should be considered in the context of the material findings on the reported performance information.

44. The tables that follow provide information on the achievement of planned targets and list the key service delivery 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 50 to 67.

#### Public ordinary school education

Targets achieved: 20%		
Budget spent 100%		
Key service delivery indicator not achieved	Planned target	Reported achievement
SOI 202: Number of learners in public ordinary schools benefiting from the No Fee School Policy	1 521 833	1 494 471
SOI 203: Number of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	340	70
SOI 205: Number of foundation phase teachers trained in reading methodology	3 000	1 882
SOI 206: Number of foundation phase teachers trained in Numeracy content and methodology	5 200	993
SOI 207: Number of teachers trained in Mathematics content and methodology	5 200	1 085
SOI 208: Numbers of educators trained in Literacy/ Language content and methodology	5 200	1 409
NSOI 209: Number of educators with training on inclusion	500	165
NSOI 210: Percentage of schools where allocated teaching posts are all filled	80%	60,6%

### Early childhood development

Targets achieved: 50%		
Budget spent: 97.6%		
Key service delivery indicator not achieved	Planned target	Reported achievement
SOI 502: Number of children accessing registered ECD services	142 000	101 365

### Infrastructure development

Targets achieved: 20%		
Budget spent: 99.7%		
Key service delivery indicator not achieved	Planned target	Reported achievement
SOI 601: Number of public schools provided with water infrastructure	280	264
SOI 602: Number of public schools provided with electricity infrastructure	20	15
SOI 604: Number of schools to be provided with new or additional boarding facilities	1	0
SOI 605: Number of schools where scheduled maintenance projects were completed	90	43
NSOI 606: Number of new schools that have reached completion (Includes replacement schools)	17	8
NSOI 607: Number of new schools under construction (Includes replacement schools)	45	32
NSOI 608: Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools)	31	19
NSOI 610: Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools)	43	27

### Material misstatements

45. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for public ordinary schools, early childhood development and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

### Report on compliance with legislation

46. 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 officer is responsible for the department's compliance with legislation.
47. 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.
48. 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 department, 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.
49. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Annual Financial Statements

50. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework or supported by full and proper records as required by section 40(1)(a) of the PFMA. Some material misstatements on disclosures identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

### Strategic planning and performance management

51. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery, as required by public service regulation 25(1)(e)(i) and (iii).
52. Quarterly reports were not submitted, discussed or presented to the executive authority, as required by treasury regulation 5.3.1.

### Asset management

53. Proper control systems were not in place at the department to ensure the safeguarding and maintenance of assets, as required by section 38(1)(d) of the PFMA.

**Expenditure management**

54. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.
55. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain management legislation.
56. I was unable to obtain sufficient appropriate audit evidence that the resources of the department were utilised economically, as required by section 38(1)(b) of the PFMA.

**Transfer of funds**

57. I was unable to obtain sufficient appropriate audit evidence that appropriate measures were maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by section 38(1)(j) of the PFMA and treasury regulation 8.4.1.

**Consequence management**

58. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.
59. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.
60. I was unable to obtain sufficient appropriate audit evidence that investigations were conducted into all allegations of financial misconduct committed by officials, as required by treasury regulation 4.1.1.

**Other information in the annual report**

61. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
62. My opinion on the financial statements, the report on the audit of the annual performance report and the report on 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.

63. 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 programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
64. When I do receive and read the other information I have not received, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### Internal control deficiencies

65. 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.
66. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
67. Management's lack of due diligence over the recording and review of information for immovable tangible capital assets in the asset registers and disclosure in the financial statements has resulted in the repeated material misstatements reported.
68. There is lack of quality controls over the performance reporting system throughout the year to ensure that the performance reporting is reliable and supported by underlying records.
69. The financial and performance units at the department do not work effectively, leading to inconsistencies on the financial and performance information reported.
70. The department lacks oversight regarding compliance with pertinent laws and regulations, as well as inadequate consequence management. This is evidenced by the fact that the majority of cases concerning historical irregular, fruitless, and wasteful expenditure, as well as financial misconduct and allegations against officials, remain unresolved, resulting in a recurring findings in the audit report. Internal controls around the payment processes at the department are inadequate, this is coupled by poor record management at the department.

#### Material irregularities

71. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

## Status of previously reported material irregularities

### Payments made for services not rendered

72. Payments were made for school furniture refurbishment services that were not delivered, as effective internal controls were not in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. The payments were made between the year ended 31 March 2019 and the year ended 31 March 2020. The non-compliance resulted in a material financial loss of R3,4 million.
73. I notified the accounting officer of the material irregularity on 15 October 2020 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter and found that two departmental officials were responsible. Disciplinary processes for the responsible employees were finalised, where one of the employees was exonerated and the other found guilty.
74. The matter was also reported to the South African Police Services and the Mthatha Commercial Crimes Unit on 1 December 2020.
75. The department has instituted proceedings to recover the monies lost as per the letter dated 16 March 2022 addressed to the State attorney from the legal representative of the department.
76. The supplier filled an intention to defend the matter in court papers on 16 February 2023 and a counter claim on the case was filed by the supplier on 12 April 2023.
77. The department is at the discovery stages of the matter, whereby both parties will discover documentation intended to be used at the trial stage. Once pleadings are closed, the State Attorney will apply for a trial date for the matter to be heard.
78. Based on the considerations above, the actions that were taken were adequate to resolve the material irregularity.

### Payment for goods not delivered

79. Payment was made for school furniture manufacture and delivery services that were not rendered, as effective internal controls were not in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. The payment was made on 29 December 2020. The non-compliance resulted in a material financial loss of R1,5 million.
80. I notified the accounting officer of the material irregularity on 21 July 2021 and invited him to make a written submission on the actions taken.
81. The accounting officer instituted an investigation into the matter and found that a departmental official was responsible. Final charges were drawn up and signed by the head of department on 27 July 2022 and charges were issued to the employee on 28 July 2022.

82. The matter was also reported to the SAPS on 22 March 2022. The department has instituted proceedings to recover the money lost as per the letter dated 23 May 2022. The letter of demand was sent to the supplier on the same date.
83. Draft charges were sent to the affected employee on 25 May 2022 and the employee was afforded an opportunity to defend.
84. Final charges signed by the accounting officer on 27 July 2022 were sent to the affected employee on 28 July 2022.
85. The department concluded the disciplinary case on alleged misconduct levelled against the departmental official in October 2023, and the employee was not found guilty.
86. On 22 November 2022, the charges against the supplier were heard in court whereby, a default judgement was made against the supplier and ordered by the court to pay R1,5 million to the department.
87. The supplier immediately applied for a rescission of the November 2022 default judgement, this was argued in the Makhanda high court and judgement was handed down once again in favour of the department on the 14 April 2023.
88. The supplier further appealed the decision handed down on 14 April 2023, and the application for rescission of this decision was heard on 23 July 2024 at the Makhanda high court, whereby judgement was reserved.
89. The department has indicated its intention to proceed with the letter of demand and summons against the supplier as soon as the appeals process is finalised.
90. Based on the considerations above, the actions that were taken were adequate to resolve the material irregularity.

#### Presidential youth employment initiative (PYEI) fund

91. The department employees received funds from the saving of School Governing Body (SGB) and government subsidized independent schools' posts allocation, while also being paid as employees in the service of the department. The payments were made between the December 2020 to March 2021. The non-compliance resulted in a material financial loss of R1,5 million.
92. I notified the accounting officer of the material irregularity on 1 October 2021 and invited them to make a written submission on the actions that will be taken to address the matter.
93. An investigation into the matter by the departmental investigation committee was initiated during the 2021-22 financial year and concluded on 31 March 2023. The investigation conducted by the department

had revealed that the funds were not utilised for their intended purpose. The department sent letters instructing the schools to reimburse funds as they were not used for its intended purposes. The process was done through the district offices to start the process of recovery. Districts are engaging with SGBs, recommendations will be processed as and when they are received from districts.

94. The investigation report together with supporting documentation was submitted on 23 July 2024 and is being assessed to determine whether recovery processes are in place and remedies have been implemented.
95. A follow up will be made in the next financial year on the progress of the material irregularity.

### **Material irregularities identified during the audit**

#### **Payments of employees after termination 2021/22 financial year**

96. The department did not have effective internal controls in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. This resulted in payments of R1,8 million being made to employees after their employment with the department was terminated leading to salary expenditure made in vain. This amount has been included in the staff debtors disclosed in the 2021-22 financial year. The non-compliance resulted in a material financial loss of R1,8 million.
97. I notified the accounting officer of the material irregularity on 2 September 2022 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter and the investigation was still in progress during the current year under review.
98. For other termination cases, the department revised the processes to reduce the turnaround time of authorisation and centralised all functions to human resources during the year under review. This includes the approval of terminations, which was previously done by the finance department. In strengthening the department's controls, all salaries relating to abscondment cases will be frozen while the cases are still ongoing.
99. All salaries of deceased employees are programmatically frozen by National Treasury on registration of death at the National Department of Home Affairs. The database of deceased employees is then shared with the department for follow ups on source documents and ultimate termination on PERSAL.
100. The department has conducted a diagnostics study on its business processes with a view to strengthen control measures and improve business efficiency.
101. All the districts have been cautioned about the material irregularity and been sensitised to process terminations timeously to avoid financial losses. Late terminations will be recovered from the Government Pension Fund and salary reversals will be implemented in all such cases.
102. A follow up will be made in the next financial year on the progress of the material irregularity.

#### **Payments of employees after termination 2022/23 financial year**

103. The department did not have effective internal controls in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. This resulted in payments of R12,7 million being made to employees after their employment with the department was terminated leading to salary expenditure made in vain. This amount has been included in the staff debtors disclosed in the 2022-23 financial year. The non-compliance resulted in a material financial loss of R12,7 million during the previous financial year.
104. I notified the accounting officer of the material irregularity on 4 August 2023 and invited him to make a written submission on the actions taken. During the previous financial year, the accounting officer instituted an investigation into the matter and the investigation is still in the current financial year under review.
105. For other termination cases, the department has revised the processes to reduce the turnaround time of authorisation by centralising all functions to Human Resources during the year under review. This includes the approval of terminations, which was previously done by the Department of Finance. In strengthening the department's controls, all salaries relating to abscondment cases will be frozen while the case is still ongoing.
106. All salaries of deceased employees are programmatically frozen by National Treasury on registration of death at the National department of Home Affairs. A database of deceased employees is then shared with the department for follow ups on source documents and ultimate termination on PERSAL.
107. In the previous financial year, the department conducted a diagnostics study on its business processes with a view to strengthen control measures and improve business efficiency.
108. During the previous financial year, all the districts have been cautioned about the material irregularity and been sensitised to process terminations timeously to avoid financial losses. Late terminations will be recovered from the Government Pension Fund and salary reversals will be implemented in all such cases.
109. A follow up will be made in the next financial year on the progress of the material irregularity.

#### Unused Microsoft licenses subscriptions

110. The department did not comply with section 38 (1)(b) of the PFMA, which requires the accounting officer of an institution to be responsible for the effective, efficient, economical, and transparent use of resources of the department.
111. The department made payments for Microsoft licenses that were underutilised. This resulted in fruitless and wasteful expenditure amounting to R5,6 million in the previous financial year and non-compliance with the requirements of section 38 (1)(b) of the PFMA. The non-compliance has resulted in a material financial loss for the Eastern Cape Department of Education as the licenses have been prepaid and the amount is not recoverable from the supplier due to a contractual agreement. It is likely to result in further

financial losses if the department continues to pay for licenses that are not being used during the current and the next financial year, since this is a 3-year contract.

112. I notified the accounting officer of the material irregularity on 17 July 2023 and invited him to make a written submission on the actions taken.

113. During the current financial year, management submitted their proposed actions in terms of the unused Microsoft licences material irregularity, that are currently being tracked.

114. The department will implement the below listed controls to ensure licenses purchased are being utilised and monitored by November 2024:

Assess the human resource capacity to ensure that monitoring is done effectively.

Plan and quantify possible areas of service delivery where the department can benefit from the services of the Licensing Service Provider (LSP). Negotiate with the LSP and agree that certain work is to be done as a trade-off to recover the financial loss incurred by the department.

Draft an informed basis to be used, to establish software license quantities to be procured.

Develop a baseline to determine an acceptable maximum allowable deviation from the procured license quantities.

Draft a license usage policy that is approved by management and ensure that monitoring and reporting on Microsoft licenses is performed consistently.

Ensure that ICT Governance structures are functional within the department to manage and monitor all ICT projects.

115. A follow up will be made in the next financial year on the progress of the material irregularity.

*Auditor-General*

East London

31 July 2024



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 ISAs, 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 department'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 department'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 department 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 department 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 officer 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 officer 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:

<b>Legislation</b>	<b>Sections or regulations</b>
Division of revenue act	Section 11 Section 12 Section 16
Public Finance Management Act 1 of 1999 (PFMA)	Section 1 Section 38 Section 49 Section 45
Preferential Procurement Regulations of 2022 (PPR)	Regulation 2 Regulation 4 Regulation 5 Regulation 6 Regulation 7 Regulation 8 Regulation 9 Regulation 10



Province of the  
**EASTERN CAPE**  
EDUCATION



# ANNUAL FINANCIAL STATEMENTS

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

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**EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
APPROPRIATION STATEMENT  
for the year ended 31 March 2024**

Programme	Appropriation per programme							2022/23	
	2023/24							Expenditure as % of final budget	Final Budget
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	R'000		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Programme</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>
1. ADMINISTRATION	2,954,385		(224,068)	2,730,317	2,646,227	84,090	2,876,141	96.9%	2,844,349
2. PUBLIC ORDINARY SCHOOL EDUCATION	32,639,879		152,659	32,792,538	32,792,538	-	31,232,738	100.0%	31,198,530
3. INDEPENDENT SCHOOL SUBSIDIES	110,345		-	110,345	110,345	-	157,897	100.0%	154,897
4. PUBLIC SPECIAL SCHOOL EDUCATION	1,120,251		(67,974)	1,052,277	1,043,854	8,423	1,030,805	99.2%	974,837
5. EARLY CHILDHOOD DEVELOPMENT	1,062,408		(60,692)	1,001,716	977,563	24,153	965,867	97.6%	837,168
6. INFRASTRUCTURE DEVELOPMENT	1,702,699		-	1,702,699	1,697,072	5,627	1,954,851	99.7%	1,854,215
7. EXAMINATION AND EDUCATION RELATED SERVICES	1,598,253		200,075	1,798,328	1,777,802	20,526	1,475,621	98.9%	1,421,933
<b>Subtotal</b>	<b>41,188,220</b>		-	<b>41,188,220</b>	<b>41,045,401</b>	<b>142,819</b>	<b>39,693,920</b>	<b>99.7%</b>	<b>39,285,928</b>
Statutory Appropriation	2,074		-	2,074	2,074	-	2,086	100%	2,086
Members' remuneration	2,074		-	2,074	2,074	-	2,086	100%	2,086
<b>TOTAL</b>	<b>41,190,294</b>		-	<b>41,190,294</b>	<b>41,047,475</b>	<b>142,819</b>	<b>39,696,006</b>	<b>99.7%</b>	<b>39,288,014</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

	2023/24			2022/23	
	Final Budget R'000	Actual Expenditure R'000		Final Budget R'000	Actual Expenditure R'000
<b>TOTAL (brought forward)</b>					
Reconciliation with statement of financial performance	41,190,294	41,047,475	142,819	39,696,006	39,285,014
ADD					
Departmental receipts				14,953	
Actual amounts per statement of financial performance (Total revenue)	41,190,294			39,710,959	
ADD					
Prior year unauthorised expenditure approved without funding		124,024			269,283
Actual amounts per statement of financial performance (Total expenditure)		41,171,499			39,557,297

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Appropriation per economic classification									
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	2023/24			Expenditure as % of final budget %	2022/23	
				Final Budget R'000	Actual Expenditure R'000	Variance R'000		Final Budget R'000	Actual expenditure R'000
<b>Economic classification</b>									
Current payments	36,110,345	(126,644)	(107,893)	35,875,808	35,965,222	(89,414)	100.2%	35,177,307	34,868,360
Compensation of employees	31,439,427	(4,121)	9,115	31,444,421	31,404,395	40,026	99.9%	30,372,132	30,287,110
Goods and services	4,670,918	(122,697)	(117,008)	4,431,213	4,559,321	(128,108)	102.9%	4,805,175	4,581,250
<b>Transfers and subsidies</b>	3,979,848	(58,743)	107,893	4,028,998	4,030,478	(1,480)	100.0%	3,136,150	3,075,029
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	71,365	-	-	71,365	71,365	-	100.0%	68,360	68,360
Higher education institutions	15,781	-	-	15,781	15,718	63	99.6%	15,113	15,110
Non-profit institutions	3,615,769	(58,743)	30,493	3,587,519	3,593,959	(6,440)	100.2%	2,815,388	2,746,985
Households	276,933	-	77,400	354,333	349,436	4,897	98.6%	237,289	244,574
<b>Payments for capital assets</b>	1,100,101	185,387	-	1,285,488	1,051,775	233,713	81%	1,382,549	1,344,624
Buildings and other fixed structures	1,032,020	182,787	-	1,214,807	1,020,470	194,337	84.0%	1,318,412	1,297,863

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Appropriation per economic classification						
2023/24						2022/23
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000
					Expenditure as % of final budget %	
Machinery and equipment	66,431	4,000	-	70,431	30,895	39,536
Software and other Intangible assets	1,650	(1,400)	-	250	410	(160)
<b>Total</b>	<b>41,190,294</b>	<b>-</b>	<b>-</b>	<b>41,190,294</b>	<b>41,047,475</b>	<b>142,819</b>
					<b>99.7%</b>	<b>39,696,006</b>
						<b>46,762</b>
					<b>164.0%</b>	<b>-</b>
						<b>39,288,014</b>

Statutory appropriation per economic classification						
2023/24						2022/23
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000
					Expenditure as % of final budget %	
Economic classification						
Current payments	2,074	-	-	2,074	2,074	-
Compensation of employees	2,074	-	-	2,074	2,074	-
Payments for financial assets						
<b>Total</b>	<b>2,074</b>	<b>-</b>	<b>-</b>	<b>2,074</b>	<b>2,074</b>	<b>-</b>
					<b>100.0%</b>	<b>2,086</b>
					<b>100.0%</b>	<b>2,086</b>
						<b>2,086</b>
					<b>100.0%</b>	<b>2,086</b>

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 1: ADMINISTRATION									
	Approved Budget R'000	Shifting of Funds R'000	2023/24				2022/23		
			Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. OFFICE OF THE MEC	15,338	-	(766)	14,572	10,846	3,726	74.4%	15,212	15,202
2. CORPORATE SERVICES	1,480,788	7,440	(205,216)	1,283,012	1,243,826	39,186	96.9%	1,536,441	1,523,577
3. EDUCATION MANAGEMENT	1,355,063	60		1,355,123	1,326,420	28,703	97.9%	1,227,951	1,212,048
4. HUMAN RESOURCE DEVELOPMENT	16,211	-	-	16,211	10,791	5,420	66.6%	11,982	11,828
5. EDUCATION MANAGEMENT INFORMATION SYSTEMS(EMIS)	86,985	(7,500)	(18,086)	61,399	54,344	7,055	88.5%	84,555	81,694
Total for sub programmes	2,954,385	-	(224,068)	2,730,317	2,646,227	84,090	96.9%	2,876,141	2,844,349
Economic classification									
Current payments	2,878,329	-	(224,068)	2,654,261	2,591,057	63,204	97.6%	2,763,309	2,761,058
Compensation of employees	2,302,479	-	(204,068)	2,098,411	2,054,853	43,558	97.9%	2,074,282	2,074,282
Goods and services	575,850	-	(20,000)	555,850	536,204	19,646	96.5%	689,027	686,776
Interest and rent on land									
Transfers and subsidies	57,761	-	-	57,761	46,945	10,816	81.3%	62,871	44,325
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	57,761	-	-	57,761	46,945	10,816	81.3%	62,871	44,325

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 1: ADMINISTRATION									
	Approved Budget R'000	Shifting of Funds R'000	2023/24				Expenditure as % of final Budget %	2022/23	
			Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000		Final Budget R'000	Actual expenditure R'000
Payments for capital assets	18,295	-	-	18,295	8,225	10,070	45.0%	49,961	38,966
Machinery and equipment	18,295	-	-	18,295	7,815	10,480	42.7%	48,425	38,966
Software and other Intangible assets		-	-	-	410	(410)	-	1,536	-
<b>Total</b>	<b>2,954,385</b>	<b>-</b>	<b>(224,068)</b>	<b>2,730,317</b>	<b>2,646,227</b>	<b>84,090</b>	<b>96.9%</b>	<b>2,876,141</b>	<b>2,844,349</b>

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 2: PUBLIC ORDINARY SCHOOL EDUCATION									
2023/24							2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. PUBLIC PRIMARY LEVEL	11,511,084	(655,659)	13,150	10,868,575	10,856,028	12,547	99.9%	10,293,470	10,293,470
2. PUBLIC SECONDARY LEVEL	19,198,397	653,468	167,281	20,019,146	20,043,996	(24,850)	100.1%	19,186,224	19,160,696
3. HUMAN RESOURCE DEVELOPMENT	134,637	(3,900)	(24,360)	106,377	105,858	519	99.5%	113,745	108,390
4. SCHOOL SPORT, CULTURE AND MEDIA SERVICES	34,844	6,091	(3,412)	37,523	36,858	665	98.2%	27,214	22,991
5. CONDITIONAL GRANTS	1,760,917	-	-	1,760,917	1,749,798	11,119	99.4%	1,612,085	1,612,983
Total for sub programmes	32,639,879	-	152,659	32,792,538	32,792,538	-	100.0%	31,232,738	31,198,530
Economic classification									
Current payments	29,531,098	59,633	62,759	29,653,490	29,642,499	10,991	100.0%	29,008,174	28,971,642
Compensation of employees	27,541,432	10	206,980	27,748,422	27,747,646	776	100.0%	26,757,394	26,726,799
Goods and services	1,989,666	59,623	(144,221)	1,905,068	1,894,853	10,215	99.5%	2,250,780	2,244,843
Transfers and subsidies	3,095,801	(58,743)	89,900	3,126,958	3,142,185	(15,227)	100.5%	2,223,458	2,225,975
Non-profit institutions	2,879,271	(58,743)	12,500	2,833,028	2,848,069	(15,041)	100.5%	2,026,968	2,029,487
Households	216,530		77,400	293,930	294,116	(186)	100.1%	196,490	196,488

EASTERN CAPE DEPARTMENT OF EDUCATION  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 2: PUBLIC ORDINARY SCHOOL EDUCATION									
2023/24							2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual expenditure R'000
Payments for capital assets	12,980	(890)	-	12,090	7,854	4,236	65.0%	1,106	913
Buildings and other fixed structures	3,467	510	-	3,977	4,143	(166)	104.2%	-	-
Machinery and equipment	7,863	-	-	7,863	3,711	4,152	47.2%	1,106	913
Software and other intangible assets	1,650	(1,400)	-	250	-	250	-	-	-
<b>Total</b>	<b>32,639,879</b>	<b>-</b>	<b>152,659</b>	<b>32,792,538</b>	<b>32,792,538</b>	<b>-</b>	<b>100.0%</b>	<b>31,232,738</b>	<b>31,198,530</b>

Programme 3: INDEPENDENT SCHOOL SUBSIDIES									
2023/24							2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. PRIMARY LEVEL	74,703	-	-	74,703	76,569	(1,866)	102.5%	96,922	95,894
2. SECONDARY LEVEL	35,642	-	-	35,642	33,776	1,866	94.8%	60,975	59,003
<b>Total for sub programmes</b>	<b>110,345</b>	<b>-</b>	<b>-</b>	<b>110,345</b>	<b>110,345</b>	<b>-</b>	<b>100.0%</b>	<b>157,897</b>	<b>154,897</b>
Economic classification									
Transfers and subsidies	110,345	-	-	110,345	110,345	-	100.0%	157,897	154,897
Non-profit institutions	110,345	-	-	110,345	110,345	-	100.0%	157,897	154,897
<b>Total</b>	<b>110,345</b>	<b>-</b>	<b>-</b>	<b>110,345</b>	<b>110,345</b>	<b>-</b>	<b>100.0%</b>	<b>157,897</b>	<b>154,897</b>

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 4: PUBLIC SPECIAL SCHOOL EDUCATION									
2023/24					2022/23				
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. SCHOOLS	1,072,064	-	(63,717)	1,008,347	999,876	8,471	99.2%	983,738	936,795
2. HUMAN RESOURCE DEVELOPMENT SCHOOL SPORT, CULTURE AND MEDIA	7,858	-	(2,601)	5,257	5,257	-	100.0%	6,347	2,881
3. SERVICES	9,738	-	(1,656)	8,082	8,081	1	100.0%	7,920	7,101
4. CONDITIONAL GRANTS	30,591	-	-	30,591	30,640	(49)	100.2%	32,800	28061
Total for sub programmes	1,120,251	-	(67,974)	1,052,277	1,043,854	8,423	99.2%	1,030,805	974,837
Economic classification									
Current payments	960,097	-	(67,974)	892,123	892,262	(139)	100.0%	876,012	825,605
Compensation of employees	889,396	(4,131)	(55,297)	829,968	830,273	(305)	100.0%	801,485	776,423
Goods and services	70,701	4,131	(12,677)	62,155	61,989	166	99.7%	74,527	49,182
Transfers and subsidies	147,521	-	-	147,521	150,622	(3,101)	102.1%	152,002	148,765
Non-profit institutions	144,879	-	-	144,879	142,373	2,506	98.3%	148,221	144,984
Households	2,642	-	-	2,642	8,249	(5,607)	312.2%	3,781	3,781
Payments for capital	12,633	-	-	12,633	970	11,663	7.7%	2,791	467

EASTERN CAPE DEPARTMENT OF EDUCATION  
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Programme 4: PUBLIC SPECIAL SCHOOL EDUCATION									
2023/24							2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
assets									
Machinery and equipment	12,633	-	-	12,633	970	11,663	7.7%	2,791	467
<b>Total</b>	<b>1,120,251</b>		<b>(67,974)</b>	<b>1,052,277</b>	<b>1,043,854</b>	<b>8,423</b>	<b>99.2%</b>	<b>1,030,805</b>	<b>974,837</b>

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 5: EARLY CHILDHOOD DEVELOPMENT									
2023/24								2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. GRADE R IN PUBLIC SCHOOLS	600,000	-	(51,253)	548,747	529,443	19,304	96.5%	489,344	433,700
2. PRE-GRADE R IN CHILDHOOD DEVELOPMENT CENTRES	248,614	-	(9,439)	239,175	241,403	(2,228)	100.9%	250,172	214,649
3. HUMAN RESOURCE DEVELOPMENT	3,100	-	-	3,100	860	2,240	27.7%	3,019	-
4. CONDITIONAL GRANTS	210,694	-	-	210,694	205,857	4,837	97.7%	223,332	188,818
Total for sub programmes	1,062,408	-	(60,692)	1,001,716	977,563	24,153	97.6%	965,867	837,168
Economic classification									
Current payments	619,816	-	(58,685)	561,131	545,252	15,879	97.2%	553,469	464,773
Compensation of employees	452,683	-	-	452,683	452,310	373	99.9%	447,332	408,783
Goods and services	167,133	-	(58,685)	108,448	92,917	15,531	85.7%	106,137	55,990
Transfers and subsidies	440,054	-	(2,007)	438,047	431,997	6,050	98.6%	411,237	372,395
Non-profit institutions	440,054	-	(2,007)	438,047	431,952	6,095	98.6%	437,090	372,395
Households	-	-	-	-	45	(45)	-	(25,853)	-
Payments for capital assets	2,538	-	-	2,538	314	2,224	12.4%	1,161	-
Machinery and equipment	2,538	-	-	2,538	339	2,199	13.4%	898	-
Software and other Intangible assets	-	-	-	-	-	-	-	263	-
Total	1,062,408	-	(60,692)	1,001,716	977,563	24,153	97.6%	965,867	837,168

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
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Programme 6: INFRASTRUCTURE DEVELOPMENT									
	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. ADMINISTRATION	488,632	4,000	-	492,632	310,376	182,256	63.0%	382,018	387,403
2. PUBLIC ORDINARY SCHOOLS	1,117,124	17,681	-	1,134,805	1,283,711	(148,905)	113.1%	1,421,490	1,335,666
3. SPECIAL SCHOOLS	67,738	(21,681)	-	46,057	54,054	(7,997)	117.4%	79,410	79,393
4. EARLY CHILDHOOD DEVELOPMENT	29,205	-	-	29,205	48,931	(19,726)	167.5%	71,933	51,753
Total for sub programmes	1,702,699	-	-	1,702,699	1,697,072	5,628	99.7%	1,954,851	1,854,215
Economic classification									
Current payments	674,146	(186,277)	-	487,869	678,554	(166,075)	139.1%	633,012	553,822
Compensation of employees	31,361	-	-	31,361	35,334	(3,973)	112.7%	31,929	33,761
Goods and services	642,785	(186,451)	-	456,334	641,714	(160,770)	140.6%	601,083	520,061
Interest and rent on land									
Transfers and subsidies	-	-	-	-	-	-	-	-	3
Non-profit institutions	-	-	-	-	81	(81)	-	-	23
Households	-	-	-	-	-	-	-	-	(20)
Payments for capital assets	1,028,553	186,277	-	1,214,830	1,018,437	196,393	83.8%	1,321,839	1,300,390
Buildings and other fixed structures	1,028,553	182,277	-	1,210,830	1,016,327	194,503	83.9%	1,318,412	1,297,863
Machinery and equipment		4,000	-	4,000	2,110	1,890	52.8%	3,427	2,527
Total	1,702,699	-	-	1,702,699	1,697,072	5,627	99.7%	1,954,851	1,854,215

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2024

Programme 7: EXAMINATIONS AND EDUCATION RELATED SERVICES									
2023/24							2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Budget %	Final Budget R'000	Actual expenditure R'000
Sub programme									
1. PAYMENTS TO SETA	71,365	-	-	71,365	71,365	-	100.0%	68,360	68,360
2. PROFESSIONAL SERVICES	33,975	(17,000)	-	16,975	15,889	1,086	93.6	8,488	2,786
3. EXTERNAL EXAMINATIONS	422,332	(7,022)	81,500	496,810	490,938	5,872	98.8	441,053	441,153
4. SPECIAL PROJECTS	1,028,592	24,022	118,575	1,171,189	1,154,925	16,264	98.6%	910,823	862,981
5. CONDITIONAL GRANTS	41,989			41,989	44,685	(2,696)	106.4%	46,897	46,653
Total for sub programmes	1,598,253	-	200,075	1,798,328	1,777,802	20,526	98.9%	1,475,621	1,421,933
Economic classification									
Current payments	1,444,785	-	180,075	1,624,860	1,613,524	11,336	99.3%	1,341,245	1,289,374
Compensation of employees	220,002	-	61,500	281,502	281,905	(403)	100.1%	257,624	264,976
Goods and services	1,224,783	-	118,575	1,343,358	1,331,619	11,739	99.1%	1,083,621	1,024,398
Transfers and subsidies	128,366	-	20,000	148,366	148,303	63	100.0%	128,685	128,670
Departmental agencies and accounts	71,365	-	-	71,365	71,365	-	100.0%	68,360	68,360
Higher education institutions	15,781	-	-	15,781	15,718	63	99.6%	15,113	15,110
Non-profit institutions	41,220	-	20,000	61,220	61,220	-	100.0%	45,212	45,200
Payments for capital assets	25,102	-	-	25,102	15,975	9,127	63.6%	5,691	3,889
Machinery and equipment	25,102	-	-	25,102	17,861	7,241	71.2%	5,691	3,889
Total	1,598,253	-	200,075	1,798,328	1,777,802	20,526	98.9%	1,475,621	1,421,933

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE APPROPRIATION STATEMENT**  
as at 31 March 2024

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

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

**3. Detail on payments for financial assets**

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

**4.1 Per programme**

Programme	Final Budget	Actual	Variance	Variance as a % of Final Budget
	R'000	Expenditure R'000		%
ADMINISTRATION	2,732,391	2,648,301	84,090	3%
PUBLIC ORDINARY SCHOOL EDUCATION	32,792,538	32,792,538	0	0%
INDEPENDENT SCHOOL SUBSIDIES	110,345	110,345	0	0%
PUBLIC SPECIAL SCHOOL EDUCATION	1,052,277	1,043,854	8,423	1%
EARLY CHILDHOOD DEVELOPMENT	1,001,716	977,563	24,153	2%
INFRASTRUCTURE DEVELOPMENT	1,702,699	1,697,072	5,627	0%
EXAMINATION AND EDUCATION RELATED SERVICES	1,798,328	1,777,802	20,526	1%
<b>PROGRAMME 1: ADMINISTRATION</b>	<b>2,732,391</b>	<b>2,648,301</b>	<b>84,090</b>	<b>3%</b>

**Explanation of variance:**

*The underspending is mainly on the Compensation of Employees due to the time of fully implementing the approved Annual Recruitment Plan (ARP) from the date of advertisement to the assumption of duties by the respective successful candidates. It has also been identified that in some of the posts where assumption of duty has been done, the financial implications were below the anticipated due to internal appointments made. Upon completion of the recruitment processes, it became clear that most of the filled posts were filled through promotion of officials within the Department. This, therefore, resulted in further savings which were reserved for the filling of replacement posts which became vacant from the 3rd quarter of the financial year. However, the filling of replacement posts did not materialize as PCMT approval processes took longer than anticipated.*

*The underspending on Goods and Services emanates from the departmental internal controls exercised to balance the actual cash and the budget and therefore cost containment measures were enforced and stringent expenditure controls were tightened to ensure that there is no unauthorized expenditure recorded at year-end in the overall appropriation of the department. The underspending was utilised to reduce the Unauthorised Expenditure incurred in prior years.*

*The underspending on Households is mainly due to payments that could not be processed at year end as the overall expenditure of this item was showing signs of potential over expenditure, especially in Public Ordinary Schools as a result, these funds were earmarked to curtail the identified over expenditure of the same item across all programmes.*

*The underspending on Machinery and Equipment emanates from the departmental cash constraints which forced the department to tighten its expenditure controls to ensure that there is no unauthorized expenditure recorded at year end in the overall appropriation of the department*

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
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**NOTES TO THE APPROPRIATION STATEMENT**  
as at 31 March 2024

Programme	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION	32,792,538	32,792,538	0	0%
PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES	110,345	110,345	0	0%
PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION	1,052,277	1,043,854	8,423	1%
PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT	1,001,716	977,563	24,153	2%
PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT	1,702,699	1,697,072	5,62	0%
PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES	<u>1,798,328</u>	<u>1,777,802</u>	<u>20,526</u>	<u>1%</u>
<b>TOTAL FOR VOTE</b>	<b>41,190,294</b>	<b>41,047,475</b>	<b>142,819</b>	<b>0.3%</b>

*The underspending in the division of the vote and on the main vote was due to cost containment measures implemented by the Department to cater for the amount surrendered to Provincial Revenue Fund underspent by the department in 2022/23 financial year. This amount was aimed at reducing the bank overdraft and unauthorised expenditure in the year.*

#### 4.2 Per economic classification

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
<b>Current payments</b>				
Compensation of employees	31,444,421	31,404,395	40,026	0.1%
Goods and services	4,431,213	4,559,321	(128,108)	(2.9%)
Interest and rent on land	174	1,506	(1,332)	(765.5%)
<b>Transfers and subsidies</b>				
Departmental agencies and accounts	71,365	71,365	0	0.0%
Higher education institutions	15,781	15,718	63	0.4%
Non-profit institutions	3,587,519	3,593,959	(6,440)	(0.2)
Households	354,333	349,436	4,897	1.4%
<b>Payments for capital assets</b>				
Buildings and other fixed structures	1,214,807	1,051,775	233,713	19.0%
Machinery and equipment	70,431	30,895	39,536	56.1%
Intangible assets	250	410	(160)	(64)

**Explanation of variance: Compensation of Employees:**

*The underspending is due to time taken to fully implement the approved ARP (from advertisement to the assumption of duty by the respective successful candidates). It has also been identified that in some of the posts where assumption of duty has been done, the financial implications were below anticipated due to internal appointments. Upon completion of the recruitment processes, it became clear that most of the filled posts were filled through promotion of officials within the Department. This therefore resulted to further savings*

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE APPROPRIATION STATEMENT**  
as at 31 March 2024

which were reserved for the filling of replacement posts which became vacant from the 3rd quarter of the financial year. However, this did not materialize as PCMT approval processes took longer than anticipated.

**Goods and Services:**

The overspending on Goods and Services is due to the payment of 2022/23 financial year accruals and payables that became the first charge of the 2023/24 budget, whilst the Department had plans in place to ensure service delivery in the 2023/24 financial year.

**Transfers and Subsidies:**

The underspending on Households is mainly after the reprioritisation of funds to cater for the overspending that was identified for leave gratuity, however there were still documents that could not be processed at year end as verification processes were still underway. The payment of exit benefits still remain a priority for the next financial year

**Buildings and Other Fixed Structures:**

The underspending was due to projects that were implemented under the maintenance and repairs items that were under goods and services instead of capital, hence the recorded underspending in capital assets to cater for spending in goods and services.

**Machinery and Equipment:**

The department in managing the risk of overspending deferred the acquisition of laptops and office furniture to the next financial year in order to curtail the financial pressures that were identified in programme 2 and programme 7. The underspending is due to cash constraints which necessitated the department to implement strict expenditure controls in an endeavour to manage the available cash in order to avoid unauthorized expenditure at year end.

#### 4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
Education Infrastructure Grant	1,702,699	1,697,072	5,627	0.3%
HIV and Aids (Life Skills Education)	41,989	44,685	(2,696)	(6.4%)
Learners With Profound Intellectual Disabilities Grant	30,591	30,661	(70)	0%
Maths, Science and Technology Grant	48,603	48,565	38	0.1%
National School Nutrition Programme Grant	1,647,454	1,630,945	16,509	1.0%
Early Childhood Development Grant	210,694	205,871	4,823	2%
Extended Public Works Programme Integrated Grant for provinces	3,162	3,595	(433)	(13.7%)
Social sector expanded Public Works Programme Incentive grant Grant for provinces	61,698	66,701	(5,003)	(8.1%)

**Education Infrastructure Grant (EIG)** – The underspending is due to non-payment of invoices that could not be processed at year end due to a verification process that took longer than anticipated and will be the first charge in the 2024/25 financial year.

**HIV and Aids (Life Skills Education)** - The overspending is due to the approved expenditure of stipends which had to be paid for the month of March. The grant had to implement the budget cut of R3 088 million imposed during the budget adjustment estimates, which resulted in stipends not being afforded for the last month of the financial year.

EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
**NOTES TO THE APPROPRIATION STATEMENT**  
as at 31 March 2024

**National School Nutrition Programme (NSNP) Grant** – The underspending emanates from the non-payment of the photocopy machines which could not be processed due to the delays in procurement processes in terms of contracting a new service provider and the printing of NSNP manual and VFH standardized guidelines that could not be paid at year end due to invoices not yet received.

**Social Sector Expanded Public Works Programme Incentive Grant for Provinces** - The overspending was due to compensation of employees expenditure. The grant had to implement the budget cut of R4,763 million imposed during the budget adjustment estimates, which was not afforded by the Department.

**Early Childhood Development Grant** – The underspending on this grant is due to the resignation of the Construction Manager and 3 Admin Clerks, the reconciliation and verification of learners which has resulted in the decrease in numbers of children subsidized, and the transfer payment of 37 ECD centres which did not go through due to dormant bank accounts. The grant has also underspent on ECD maintenance component wherein services were received and this expenditure will be the first charge in the next financial year.

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
as at 31 March 2024

	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>REVENUE</b>			
Annual appropriation	1	41,188,220	39,693,920
Statutory appropriation	2	2,074	2,086
Departmental revenue	3	-	14,953
<b>TOTAL REVENUE</b>		<b>41,190,294</b>	<b>39,710,959</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>		<b>35,965,222</b>	<b>34,870,305</b>
Compensation of employees	4	31,404,395	30,287,109
Goods and services	5	4,559,321	4,581,252
Interest and rent on land	6	1,506	1,944
<b>Transfers and subsidies</b>		<b>4,030,478</b>	<b>3,075,031</b>
Transfers and subsidies	7	4,030,478	3,075,031
<b>Expenditure for capital assets</b>	8	<b>1,051,775</b>	<b>1,342,678</b>
Tangible assets		1,051,365	1,342,678
Intangible assets		410	-
Unauthorised expenditure approved without funding		124,024	269,283
<b>TOTAL EXPENDITURE</b>		<b>41,171,499</b>	<b>39,557,297</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>18,795</b>	<b>153,662</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		<b>18,795</b>	<b>138,709</b>
Conditional grants		18,795	138,709
Departmental revenue and NRF receipts	11	-	14,953
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>18,795</b>	<b>153,662</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2024

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>ASSETS</b>			
<b>Current assets</b>		<b>56,876</b>	<b>39,611</b>
Receivables	9	56,876	39,611
<b>Non-current assets</b>		<b>199,514</b>	<b>187,757</b>
Receivables	9	199,514	187,757
<b>TOTAL ASSETS</b>		<b>256,390</b>	<b>227,368</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>2,019,275</b>	<b>2,118,890</b>
Voted funds to be surrendered to the Revenue Fund	10	671,503	793,716
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	6,723	20,510
Bank overdraft	12	1,274,778	1,226,641
Payables	13	66,271	78,023
<b>TOTAL LIABILITIES</b>		<b>2,019,275</b>	<b>2,118,890</b>
<b>NET ASSETS</b>		<b>(1,762,885)</b>	<b>(1,891,522)</b>
<b>Represented by:</b>			
Recoverable revenue		45,183	40,570
Unauthorised expenditure		(1,808,068)	(1,932,092)
<b>TOTAL</b>		<b>(1,762,885)</b>	<b>(1,891,522)</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF CHANGES IN NET ASSETS**  
as at 31 March 2024

	2023/24	2022/23
Note	R'000	R'000
<b>Recoverable revenue</b>		
Opening balance	40,570	29,300
Transfers:	<b>4,613</b>	<b>11,270</b>
Debts revised	(910)	(749)
Debts recovered (included in departmental revenue)	(7,698)	(5,860)
Debts raised	13,221	17,879
Closing balance	<b>45,183</b>	<b>40,570</b>
<b>Unauthorised expenditure</b>		
Opening balance	(1,932,092)	(2,488,403)
Unauthorised expenditure - current year	-	-
Less: Amounts approved by Parliament/Legislature with funding	-	287,028
Less: Amounts approved by Parliament/Legislature without funding and derecognised	124,024	269,283
Current	124,024	269,283
Closing Balance	(1,808,068)	(1,932,092)
<b>TOTAL</b>	<b>(1,762,885)</b>	<b>(1,891,522)</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**CASH FLOW STATEMENT**  
as at 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>41,263,382</b>	<b>39,800,089</b>
Annual appropriation funds received	1.1	41,188,220	39,693,920
Statutory appropriation funds received	2	2,074	2,086
Departmental revenue received	3	73,035	104,027
Interest received	3.3	53	56
Net (increase)/decrease in net working capital		(29,017)	53,058
Surrendered to Revenue Fund		(227,884)	(427,046)
Current payments		(35,963,716)	(35,137,644)
Interest paid	6	(1,506)	(1,944)
Transfers and subsidies paid		(4,030,478)	(3,075,031)
<b>Net cash flow available from operating activities</b>	<b>14</b>	<b>1,010,781</b>	<b>1,211,482</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(1,051,775)	(1,342,678)
Proceeds from sale of capital assets	3.4	-	6,167
(Increase)/decrease in non-current receivables		(11,757)	(64,981)
<b>Net cash flow available from investing activities</b>		<b>(1,063 532)</b>	<b>(1,401,492)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		4,613	567,581
<b>Net cash flows from financing activities</b>		<b>4,613</b>	<b>567,581</b>
Net increase/(decrease) in cash and cash equivalents		(48,137)	377,571
Cash and cash equivalents at beginning of period		(1,226,641)	(1,604,212)
<b>Cash and cash equivalents at end of period</b>	<b>15</b>	<b>(1,274,779)</b>	<b>(1,226,641)</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

## **PART A: ACCOUNTING POLICIES**

### **Summary of significant accounting policies**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

<b>1.</b>	<b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2.</b>	<b>Going concern</b> The financial statements have been prepared on a going concern basis.
<b>3.</b>	<b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
<b>4.</b>	<b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
<b>5.</b>	<b>Foreign currency translation</b> Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
<b>6.</b>	<b>Comparative information</b>
<b>6.1</b>	<b>Prior period comparative information</b> Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
<b>6.2</b>	<b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
<b>7.</b>	<b>Revenue</b>
<b>7.1</b>	<b>Appropriated funds</b> Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
<b>7.2</b>	<b>Departmental revenue</b> Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2024**

<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
<b>8.</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p> <p>Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.</p>
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>cost, being the fair value of the asset; or</li> <li>the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul> <p><b>OR</b></p> <p>Finance lease assets acquired at the commencement of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>the fair value of the leased asset; or if lower,</li> <li>the present value of the minimum lease payments.</li> </ul>
<b>9.</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>10.</b>	<b>Prepayments and advances</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2024**

	Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
<b>11.</b>	<b>Loans and receivables</b> Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
<b>12.</b>	<b>Financial assets</b>
<b>12.1</b>	<b>Financial assets (not covered elsewhere)</b> A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
<b>12.2</b>	<b>Impairment of financial assets</b> Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
<b>13.</b>	<b>Payables</b> Payables recognised in the statement of financial position are recognised at cost.
<b>14.</b>	<b>Capital assets</b>
<b>14.1</b>	<b>Immovable capital assets</b> Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
<b>14.2</b>	<b>Movable capital assets</b> Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
<b>14.3</b>	<b>Intangible capital assets</b> Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

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<b>14.4</b>	<p><b>Project costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>15.</b>	<b>Provisions and contingents</b>
<b>15.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>15.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>15.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>15.4</b>	<p><b>Capital commitments</b></p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
<b>16.</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of</p> <ul style="list-style-type: none"> <li>unauthorised expenditure that was under assessment in the previous financial year;</li> <li>unauthorised expenditure relating to previous financial year and identified in the current year; and</li> <li>Unauthorised incurred in the current year.</li> </ul>
<b>17.</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:</p> <ul style="list-style-type: none"> <li>fruitless and wasteful expenditure that was under assessment in the previous financial year;</li> <li>fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and</li> <li>fruitless and wasteful expenditure incurred in the current year.</li> </ul>
<b>18.</b>	<p><b>Irregular expenditure</b></p> <p>Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts</p>

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	confirmed and comprises of: irregular expenditure that was under assessment in the previous financial year; irregular expenditure relating to previous financial year and identified in the current year; and irregular expenditure incurred in the current year.
<b>19.</b>	<b>Changes in accounting policies, estimates and errors</b> Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
<b>20.</b>	<b>Events after the reporting date</b> Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
<b>21.</b>	<b>Principal-Agent arrangements</b> The department is party to a principal-agent arrangement for all Infrastructure related projects. In terms of the arrangement the department is the principal and is responsible for directing the Eastern Cape Department of Public Works and other Implementing Agents to undertake transactions relating to infrastructure projects through the memorandum of understanding. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
<b>22.</b>	<b>Recoverable revenue</b> Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
<b>23.</b>	<b>Related party transactions</b> Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
<b>24.</b>	<b>Inventories</b> At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
<b>25.</b>	<b>Employee benefits</b> The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

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## 1. Annual Appropriation

### 1.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2023/24			2022/23		
	Final Budget R'000	Actual Funds Received R'000	Funds not requested / not received R'000	Final Budget R'000	Appropriation Received R'000	Funds not requested / not received R'000
<b>Programmes</b>						
ADMINISTRATION	2,730,317	2,730,317	-	2,748,141	2,748,141	-
PUBLIC ORDINARY SCHOOL EDUCATION	32,792,538	32,792,538	-	31,232,738	31,232,738	-
INDEPENDENT SCHOOL EDUCATION	110,345	110,345	-	157,897	157,897	-
PUBLIC SPECIAL SCHOOL EDUCATION	1,052,277	1,052,277	-	1,030,805	1,030,805	-
EARLY CHILDHOOD DEVELOPMENT INFRASTRUCTURE DEVELOPMENT	1,001,716	1,001,716	-	970,867	970,867	-
EXAMINATION AND EDUCATION RELATED SERVICES	1,798,328	1,798,328	-	1,954,851	1,954,851	-
				1,598,621	1,598,621	-
<b>Total</b>	<b>41,188,220</b>	<b>41,188,220</b>	<b>-</b>	<b>39,693,920</b>	<b>39,693,920</b>	<b>-</b>

### 1.2. Conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total grants received	31	3,746,890	3,869,965
Provincial grants included in total grants received		3,746,890	3,869,965

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## 2. Statutory Appropriation

	2023/24 R'000	2022/23 R'000
Members' remuneration	2,074	2,086
<b>Total</b>	<b>2,074</b>	<b>2,086</b>
Actual Statutory Appropriation received	2,074	2,086

## 3. Departmental revenue

	2023/24 R'000	2022/23 R'000
Sales of goods and services other than capital assets	57,746	61,690
Fines, penalties and forfeits	72	3
Interest, dividends and rent on land	53	56
Sales of capital assets	-	6,167
Transactions in financial assets and liabilities	15,217	42,334
<b>Total revenue collected</b>	<b>73,088</b>	<b>110,250</b>
Less: Own revenue included in appropriation	73,088	95,297
<b>Total</b>	<b>-</b>	<b>14,953</b>

## 3.1. Sales of goods and services other than capital assets

	2023/24 R'000	2022/23 R'000
Sales of goods and services produced by the department	57,746	61,690
Sales by market establishment	3	1
Other sales	57,743	61,689
<b>Total</b>	<b>57,746</b>	<b>61,690</b>

## 3.2. Fines, penalties and forfeits

	2023/24 R'000	2022/23 R'000
Fines	72	3
<b>Total</b>	<b>72</b>	<b>3</b>

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**3.3. Interest, dividends and rent on land**

	Note	2023/24 R'000	2022/23 R'000
Interest			
Total	3	53	56
		53	56

**3.4. Sales of capital assets**

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets			
Machinery and equipment		-	6,167
Total	3	-	6,167

**3.5. Transactions in financial assets and liabilities**

	Note	2023/24 R'000	2022/23 R'000
Receivables		-	5,799
Other receipts including Recoverable Revenue		15,217	36,535
Total	3	15,217	42,334

**3.5.1. Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)**

	Note	2023/24 R'000	2022/23 R'000
Various companies	Annex 1H	1,286	4,945
Total gifts, donations and sponsorships received in kind		1,286	4,945

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**3.6. Cash received not recognised (not included in the main note or sub note) – 2023/24**

Name of entity	Amount received		Amount paid to the revenue fund		Balance
	R'000		R'000		R'000
Disability Empowerment Trust	40		-		40
SAICA	30		-		30
Raptocore	15		-		15
Cochrane	150		-		150
Falcon Security	10		-		10
Palm Stationery	15		-		15
Standard Bank	100		-		100
<b>Total</b>	<b>360</b>		<b>-</b>		<b>360</b>

**3.6.1 Cash received not recognised (not included in the main note or sub note) – 2022/23**

Name of entity	Amount received		Amount paid to the revenue fund		Balance
	R'000		R'000		R'000
SAICA	20		-		20
IDC	45		-		45
STANDARD BANK	50		-		50
<b>Total</b>	<b>115</b>		<b>-</b>		<b>115</b>

**4. Compensation of employees**

**4.1. Salaries and wages**

	2023/24		2022/23	
Note	R'000		R'000	
Basic salary	22,802,646		21,501,793	
Performance award	9,142		10,075	
Service based	82,987		83,009	
Compensative/circumstantial	390,365		404,308	
Periodic payments	14,200		8,485	
Other non-pensionable allowances	3,445,960		3,935,638	
<b>Total</b>	<b>26,745,300</b>		<b>25,943,308</b>	

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#### 4.2. Social contributions

	2023/24 R'000	2022/23 R'000
<b>Employer contributions</b>		
Pension	2,928,078	2,707,523
Medical	1,707,651	1,614,705
UIF	13,748	11,508
Bargaining council	2,097	2,385
Official unions and associations	6,783	6,420
Insurance	738	1,260
<b>Total</b>	<b>4,659,095</b>	<b>4,343,801</b>
<b>Total compensation of employees</b>	<b>31,404,395</b>	<b>30,287,109</b>
 Average number of employees	 <b>63,321</b>	 <b>65,404</b>

#### 5. Goods and services

	2023/24 R'000	2022/23 R'000
<b>Administrative fees</b>	12	-
Advertising	10,896	8,517
Minor assets	63	764
Bursaries (employees)	39,113	62,491
Catering	37,659	20,187
Communication	60,121	388,589
Computer services	243,150	472,275
Consultants: Business and advisory services	4,339	27,456
Infrastructure and planning services	232,325	250,961
Legal services	24,643	26,205
Contractors	2,635	1,375
Agency and support / outsourced services	1,643,986	1,474,914
Audit cost – external	29,158	29,557
Inventories	1,013,776	754,250
Consumables	46,433	48,389
Operating leases	37,530	25,228
Property payments	537,726	553,444
Rental and hiring	3,037	19

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	Note	2023/24 R'000	2022/23 R'000
Transport provided as part of the departmental activities		32,088	14,810
Travel and subsistence	5.7	174,442	126,351
Venues and facilities		3,696	2,574
Training and development		234,737	169,884
Other operating expenditure	5.8	147,756	123,012
<b>Total</b>		<b>4,559,321</b>	<b>4,581,252</b>

**Variance explanations-**

**Bursaries:** The expenditure decreased due to reclassification of budget to Training and development

**Transport Provided Dept Activity:** Increase in expenditure is due to payment of accruals for school enrichment programmes and In School Sport activities as well as the transportation of learners for MST incubation camps, expose, science fairs that were paid in the 2023/24 financial year.

**Rental and hiring:** The increase in expenditure is due to hiring of halls for external examination candidates due to the increase in external matric candidates.

**Contractors : expenditure** increased due to payment for transportation and relocation of CRMC equipment

**Consult: Business & Advisory Serv :** The decline is due to observation of the cost containment measures as outlined by PT and NT.

**Communication :** The decline in expenditure is due to a once-off payment of an accrual for high value contract for airline and data which was settled in 2022/23.  
**Inventory:** Increase in budget allocation during 2023/24 main budget

**5.1. Minor assets**

	Note	2023/24 R'000	2022/23 R'000
<b>Tangible capital assets</b>		63	764
Machinery and equipment		63	764
<b>Total</b>	5	<b>63</b>	<b>764</b>

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<b>5.2. Computer services</b>			
SITA computer services	Note	2023/24 R'000	2022/23 R'000
External computer service providers		75,683	9,135
<b>Total</b>	5	167,467	463,140
		<b>243,150</b>	<b>472,275</b>
<b>5.3. Audit cost - external</b>			
Regularity audits	Note	2023/24 R'000	2022/23 R'000
Investigations		26,179	27,446
Computer audits		747	
<b>Total</b>	5	2,232	2,111
		<b>29,158</b>	<b>29,557</b>
<b>5.4. Inventories</b>			
Learning, teaching and support material	Note	2023/24 R'000	2022/23 R'000
Other supplies	5.4.1	674,966	651,967
<b>Total</b>	5.4.2	338,810	102,283
		<b>1,013,776</b>	<b>754,250</b>
There was an increase in the budget allocation during 2023/24 main budget.			
<b>5.4.1. Other supplies</b>			
Assets for distribution	Note	2023/24 R'000	2022/23 R'000
School furniture		338,810	102,283
Machinery and equipment		246,747	102,283
<b>Total</b>	5.4.2	92,063	-
		<b>338,810</b>	<b>102,283</b>

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*There's a significant increase in School furniture and Machinery and equipment due to a Departmental plan to resource schools with furniture and machinery and equipment to advance teaching and learning at school level.*

### 5.5. Consumables

	Note	2023/24 R'000	2022/23 R'000
Consumable supplies		34,381	40,357
Uniform and clothing		1,446	1,532
Household supplies		4,873	2,913
Building material and supplies		-	2
IT consumables		407	36
Other consumables		27,655	35,874
Stationery, printing and office supplies		12,052	8,032
<b>Total</b>	5	<b>46,433</b>	<b>48,389</b>

### 5.6. Property payments

	Note	2023/24 R'000	2022/23 R'000
Property management fees		10,361	201,904
Property maintenance and repairs		412,953	85,337
Other		114,412	266,203
<b>Total</b>	5	<b>537,726</b>	<b>553,444</b>

### 5.7. Travel and subsidies

	Note	2023/24 R'000	2022/23 R'000
Local		174,442	126,351
<b>Total</b>	5	<b>174,442</b>	<b>126,351</b>

### 5.8. Other operating expenditure

	Note	2023/24 R'000	2022/23 R'000
Professional bodies, membership and subscription fees		-	51
Resettlement costs		11,190	4,138
Other		136,566	118,823
<b>Total</b>	5	<b>147,756</b>	<b>123,012</b>

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## 6. Interest and rent on land

	2023/24 R'000	2022/23 R'000
Interest paid	1,506	1,944
<b>Total</b>	<b>1,506</b>	<b>1,944</b>

*This interest is due to late payments to Implementing Agents*

## 7. Transfers and subsidies

	2023/24 R'000	2022/23 R'000
Departmental agencies and accounts	71,365	68,360
Higher education institutions	15,718	15,110
Non-profit institutions	3,593,958	2,746,965
Households	349,437	244,596
<b>Total</b>	<b>4,030,478</b>	<b>3,075,031</b>

## 8. Expenditure for capital assets

	2023/24 R'000	2022/23 R'000
<b>Tangible capital assets</b>	<b>1,051,365</b>	<b>1,342,678</b>
Buildings and other fixed structures	1,020,470	1,295,916
Machinery and equipment	30,895	46,762
<b>Intangible capital assets</b>	<b>410</b>	<b>-</b>
Software	410	-
<b>Total</b>	<b>1,051,775</b>	<b>1,342,678</b>

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**8.1. Analysis of funds utilised to acquire capital assets - Current year**

Name of entity	2023/24	
	Voted funds R'000	Aid assistance R'000
<b>Tangible capital assets</b>	<b>1,051,365</b>	<b>-</b>
Buildings and other fixed structures	1,020,470	-
Machinery and equipment	30,895	-
<b>Intangible capital assets</b>		
Software	410	-
<b>Total</b>	<b>1,051,775</b>	<b>-</b>
		<b>1,076,384</b>

**8.2. Analysis of funds utilised to acquire capital assets – 2022/23**

Name of entity	2022/23	
	Voted funds R'000	Aid assistance R'000
<b>Tangible capital assets</b>	<b>1,342,678</b>	<b>-</b>
Buildings and other fixed structures	1,295,916	-
Machinery and equipment	46,762	-
<b>Total</b>	<b>1,342,678</b>	<b>-</b>
		<b>1,342,678</b>

**8.3. Finance lease expenditure included in Expenditure for capital assets**

Name of entity	2023/24	
	Note	R'000
<b>Tangible capital assets</b>		
Buildings and other fixed structures	-	-
Machinery and equipment	2,935	41,441
<b>Total</b>	<b>2,935</b>	<b>41,441</b>

The budget was decentralised to Districts and there was a delay in reconciliation of GFMS invoices. The outstanding amount has been declared as accruals and will be paid in the 2024/25 financial year.

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## 9. Prepayments and advances

### 9.1 Prepayments (expensed)

	2023/24				
	Amount as at 1 April 2023 R'000	Less: Amounts expensed in current year R'000	Add / Less: Other R'000	Add Current year prepayments R'000	Amount as at 31 March 2024 R'000
Capital assets	-	(726 368)	-	726 368	-
<b>Total</b>	-	<b>(726 368)</b>	-	<b>726 368</b>	-

## 10. Receivables

	2023/24			2022/23		
	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Staff debt	34,339	195,209	229,548	25,667	187,757	213,424
Other receivables	22,537	4,305	26,842	13,944	-	13,944
<b>Total</b>	<b>56,876</b>	<b>199,514</b>	<b>256,390</b>	<b>39,611</b>	<b>187,757</b>	<b>227,368</b>

### 10.1. Staff debt

	2023/24 R'000	2022/23 R'000
Debt Account	91,282	82,306
Medical Aid	60	40
Salary Reversal	123,425	117,111
Bargain council	26	-
Official Union	6	-
Deduction Disallowance	3,090	2,847
Tax Debt	11,393	10,950
Dishonoured Cheques	8	68
Insurance deduction	-	101
Pension fund	258	-
<b>Total</b>	<b>229,548</b>	<b>213,424</b>

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**10.2. Other receivables-**

	2023/24 R'000	2022/23 R'000
Receipt control account	6	8
Debit order exception	19,152	9,365
Receipt deposit	61	25
Debit order control	4,305	4,319
Unpaid BAS EBT control	-	223
Debit order erroneous	6	4
Disallowance: Supplier	3,312	-
<b>Total</b>	<b>26,842</b>	<b>13,944</b>

**10.3. Impairment of receivables**

	2023/24 R'000	2022/23 R'000
Estimate of impairment of receivables	134,631	127,067
<b>Total</b>	<b>134,631</b>	<b>127,067</b>

*The impairment is for receivables for which there is an indication that it should be impaired, otherwise, an impairment for all receivables that are older than three years is recognised. This methodology is informed by the Prescription Act 68 of 1969 (which prescribes that the claims are extinguished after a period of 3 years where no acknowledgment has been made).*

**11. Voted funds to be surrendered to the Revenue Fund**

	2023/24 R'000	2022/23 R'000
Opening balance	793,716	987,511
Prior period error	-	-
As restated	793,716	987,511
Transferred from statement of financial performance (as restated)	18,796	138,709
Add: Unauthorised expenditure for the current year	-	-
Paid during the year	(141,009)	(332,504)
<b>Closing balance</b>	<b>671,503</b>	<b>793,716</b>

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**11.1. Reconciliation on unspent conditional grants**

	2023/24 R'000	2022/23 R'000
Total conditional grants received	3,746,890	3,869,965
Total conditional grants spent	(3,728,094)	(3,731,256)
Unspent conditional grants to be surrendered	18,796	138,709
<b>Due by the Provincial Revenue Fund</b>	<b>18,796</b>	<b>138,709</b>

**12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	2023/24 R'000	2022/23 R'000
Opening balance	20,510	4,802
Prior period error	-	-
As restated	20,510	4,802
Transferred from statement of financial performance (as restated)	-	14,953
Own revenue included in appropriation	73,088	95,297
Paid during the year	(86,875)	(94,542)
<b>Closing balance</b>	<b>6,723</b>	<b>20,510</b>

**13. Bank overdraft**

	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General account	1,274,779	1,226,641
<b>Total</b>	<b>1,274,779</b>	<b>1,226,641</b>

**14. Payables - current**

	2023/24 R'000	2022/23 R'000
Clearing accounts	41,700	53,470
Other payables	24,571	24,553
<b>Total</b>	<b>66,271</b>	<b>78,023</b>

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**14.1 Clearing accounts**

Description	Note	2023/24 R'000	2022/23 R'000
Sal ACB Recalls: CA		11,977	12,231
Sal Garnishee		1,080	1,008
Pension Recoverable		1,467	5,764
Sal: Pension Fund		-	589
Sal Income Tax		17,789	24,994
Bargaining Council		-	38
GEHS refunds		9,384	8,668
Sal Official Unions		-	12
Sal UIF		-	164
Insurance Deductions		3	1
<b>Total</b>		<b>41,700</b>	<b>53,470</b>

**14.2 Other payables**

Description	Note	2023/24 R'000	2022/23 R'000
Unpaid BAS EBT control		18	-
SARS repayment		24,551	24,551
Prepayment Dom: Capital Asset: CA		2	2
<b>Total</b>		<b>24,571</b>	<b>24,553</b>

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**15. Net cash flow available from operating activities**

	2023/24	2022/23
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	18,795	153,662
Add back non-cash/cash movements not deemed operating activities	991,986	1,057,820
(Increase)/decrease in receivables	(17,265)	27,315
Increase/(decrease) in payables – current	(11,752)	25,743
Proceeds from sale of capital assets	-	(6,167)
Expenditure on capital assets	1,051,775	1,342,678
Surrenders to Revenue Fund	(227,884)	(427,046)
Own revenue included in appropriation	73,088	95,297
Other non- cash items	124,024	-
<b>Net cash flow generated by operating activities</b>	<b>1,010,781</b>	<b>1,211,482</b>

**16. Reconciliation of cash and cash equivalents for cash flow purposes**

	2023/24	2022/23
	R'000	R'000
Consolidated Paymaster General account	(1,274,779)	(1,226,641)
<b>Total</b>	<b>(1,274,779)</b>	<b>(1,226,641)</b>

**17. Contingent liabilities and contingent assets**

**17.1 Contingent liabilities**

Liable to	Nature	2023/24	2022/23
		R'000	R'000
Housing loan guarantees	Employees	24,614	28,781
Claims against the department	Annex 2A	893,564	241,105
Intergovernmental payables (unconfirmed balances)	Annex 2B	320	728
<b>Total</b>	Annex 4	<b>918,498</b>	<b>270,614</b>

**State guarantees** – These are guarantees made by the department to various financial institutions against which employees make home loans. These become liabilities to the department only in the event that employee defaults on their bank obligations.

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**Claims against the department** - These are legal claims made against the Department, which are still pending court rulings. The department entered into a contract amounting to R565,288 million to procure Learner Teacher Support Material for 3 years and this matter was referred to the courts of Law. The contract period has since come to an end without being concluded by the courts, thus an increase in 2023/24 financial year.

## 17.2 Contingent assets

Nature of contingent asset	Note	2023/24 R'000	2022/23 R'000
Unconfirmed receivables	Annex 3	13,627	21,322
<b>Total</b>		<b>13,627</b>	<b>21,322</b>

## 18. Capital commitments

	Note	2023/24 R'000	2022/23 R'000
Buildings and other fixed structures		2,195,863	1,597,299
<b>Total</b>		<b>2,195,863</b>	<b>1,597,299</b>

## 19. Accruals and payables not recognised

### 19.1 Accruals

	Note	2023/24		Total
		30 Days	30+ Days	
		R'000	R'000	R'000
<b>Listed by economic classification</b>				
Goods and services		20,165	95,675	115,840
Transfers and subsidies		-	225,530	225,530
Capital assets		44,500	33,155	77,655
<b>Total</b>		<b>64,665</b>	<b>354,360</b>	<b>419,025</b>

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Listed by programme level	Note	2023/24 R'000	2022/23 R'000
ADMINISTRATION		58,500	66,498
PUBLIC ORDINARY SCHOOL EDUCATION		282,870	209,220
EARLY CHILDHOOD DEVELOPMENT		-	3,477
INFRASTRUCTURE DEVELOPMENT		77,655	91,907
EXAMINATION AND EDUCATION RELATED SERVICES		-	3,649
		<b>419,025</b>	<b>374,751</b>

## 19.2 Payables not recognised

Listed by economic classification	Note	2023/24 30 Days R'000	2023/24 30+ Days R'000	Total R'000
Goods and services		123,970	139,088	263,058
Capital assets		7,583	37,585	45,168
<b>Total</b>		<b>131,553</b>	<b>176,673</b>	<b>308,226</b>

Listed by programme level	Note	2023/24 R'000	2022/23 R'000
ADMINISTRATION		88,310	22,220
PUBLIC ORDINARY SCHOOL EDUCATION		139,818	313,488
PUBLIC SPECIAL SCHOOL EDUCATION		16,640	2,919
EARLY CHILDHOOD DEVELOPMENT		3,187	-
INFRASTRUCTURE DEVELOPMENT		45,168	77,270
EXAMINATION AND EDUCATION RELATED SERVICES		15,103	3
<b>Total</b>		<b>308,226</b>	<b>415,901</b>

**Included in the above totals are the following:**

Confirmed balances with other departments	2023/24 R'000	2022/23 R'000
Confirmed balances with other government entities	68,433	38,290
<b>Total</b>	<b>31,362</b>	<b>69,652</b>

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## 20. Employee benefits

	2023/24 R'000	2022/23 R'000
	Note	
Leave entitlement	396,064	373,667
Service bonus	997,410	920,934
Capped leave	1,992,323	2,174,321
Other	70,277	66,425
<b>Total</b>	<b>3,456,074</b>	<b>3,535,347</b>

	Note	2023/24 R'000	2022/23 R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with other departments	Annex 4	472	2,542
<b>Total</b>		<b>472</b>	<b>2,542</b>

## 21. Lease commitments

### 21.1. Operating leases

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2023/24			
Not later than 1 year	14,628	-	14,628
Later than 1 year and not later than 5 years	25,883	-	25,883
<b>Total lease commitments</b>	<b>40,511</b>	<b>-</b>	<b>40,511</b>

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2022/23			
Not later than 1 year	14,677	-	14,677
Later than 1 year and not later than 5 years	37,987	-	37,987
<b>Total lease commitments</b>	<b>52,664</b>	<b>-</b>	<b>52,664</b>

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**21.2. Finance leases \*\***  
**2023/24**

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	14,514	14,514
Later than 1 year and not later than 5 years	-	31,757	31,757
<b>Total lease commitments</b>	-	<b>46,271</b>	<b>46,271</b>
	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	517,990	517,990
Later than 1 year and not later than 5 years	-	12,401	12,401
<b>Total lease commitments</b>	-	<b>530,391</b>	<b>530,391</b>

**22. Unauthorised, Irregular and Fruitless and wasteful expenditure**

	2023/24 R'000	2022/23 R'000
Unauthorised expenditure - current year	-	-
Irregular expenditure - current year	973	8,730
Fruitless and wasteful expenditure - current year	1,506	24,278
<b>Total</b>	<b>2,479</b>	<b>33,008</b>

**23. Related party transactions**

	2023/24 R'000	2022/23 R'000
<b>Payments made</b>		
Goods and services	58	8,434
<b>Total</b>	<b>58</b>	<b>8,434</b>

The goods and services payments were to the following company: ASENZENI SECURITY & PROJECTS

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Year end balances arising from revenue/payments	2023/24 R'000	2022/23 R'000
Payables to related parties	58,014	26,068
<b>Total</b>	<b>58,014</b>	<b>26,068</b>

Note

*The payables at year end relate to amounts owed to Provincial departments.*

In-kind goods and services (provided)/received	2023/24 R'000	2022/23 R'000
Rentals of buildings by Department of Public Works	13,551	23,177
Payment of Municipal services paid by Department of Public Works	528	630
<b>Total</b>	<b>14,079</b>	<b>23,807</b>

Note

## 24. Key management personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (provide detail below)	2,074	2,086
Officials:		
Level 15 & 16	5,346	5,579
Level 14	16,657	15,868
Level 13	67,563	60,080
Family members of key management personnel	21,986	31,905
<b>Total</b>	<b>113,626</b>	<b>115,518</b>

## 25. Provisions

	2023/24 R'000	2022/23 R'000
Long Service Awards	38,629	59,931
<b>Total</b>	<b>38,629</b>	<b>59,931</b>

Note

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**25.1. Reconciliation of movement in provisions – 2023/24**

	2023/24			
	Long Service Awards	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	59,931	-	-	59,931
Increase in provision	38,629	-	-	38,629
Settlement of provision	(59,931)	-	-	(59,931)
<b>Closing balance</b>	<b>38,629</b>	<b>-</b>	<b>-</b>	<b>38,629</b>

**Reconciliation of movement in provisions – 2022/23**

	2022/23			
	Long Service Awards	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	101,594	-	-	101,594
Increase in provision	59,931	-	-	59,931
Settlement of provision	(101,594)	-	-	(101,594)
<b>Closing balance</b>	<b>59,931</b>	<b>-</b>	<b>-</b>	<b>59,931</b>

**26. Non-adjusting events after reporting date**

There were no adjusting events at the time of reporting.

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## 27. Movable Tangible Capital Assets

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
Opening balance	Value adjustments	Additions	Disposals	Closing balance	
R'000	R'000	R'000	R'000	R'000	
<b>MACHINERY AND EQUIPMENT</b>					
Transport assets	182,001	-	13,040	195,552	
Computer equipment	58,200	606	-	58,806	
Furniture and office equipment	63,757	20,604	12,802	71,560	
Other machinery and equipment	45,042	-	47	45,540	
	15,002	-	191	21,646	
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>182,001</b>	<b>-</b>	<b>13,040</b>	<b>197,552</b>	

### 27.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

2022/23					
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	179,006	2,995	-	-	182,001
Transport assets	58,200	-	-	-	58,200
Computer equipment	61,344	2,413	-	-	63,757
Furniture and office equipment	44,520	522	-	-	45,042
Other machinery and equipment	14,942	60	-	-	15,002
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>179,006</b>	<b>2,995</b>	<b>-</b>	<b>-</b>	<b>182,001</b>

#### Prior period error

#### Nature of prior period error

Relating to 2022/23

Asset additions not disclosed

#### Total prior period errors

	2023/24 R'000
	2,995
	<b>2,995</b>

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## 27.2. Minor assets

### MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	-	97,401	97,401
Value adjustments	-	-	-
Additions	-	63	63
Disposals	-	(1,852)	(1,852)
<b>Total Minor assets</b>	<b>-</b>	<b>95,612</b>	<b>95,612</b>

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	3,076	3,076
Number of minor assets at cost	-	59,044	59,044
<b>Total number of minor assets</b>	<b>-</b>	<b>62,120</b>	<b>62,120</b>

### MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	-	29,990	29,990
Prior Period error	-	65,213	65,213
Additions	-	2,198	2,198
<b>Total Minor assets</b>	<b>-</b>	<b>97,401</b>	<b>97,401</b>

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	15	15
Number of minor assets at cost	-	15,140	15,140
<b>Total number of minor assets</b>	<b>-</b>	<b>61,884</b>	<b>61,884</b>

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**27.3. Movable tangible capital assets written off**

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024**

	Machinery and equipment	Total
	R'000	R'000
Assets written off	507	507
Total movable assets written off	507-	507

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023**

	Machinery and equipment	Total
	R'000	R'000
Assets written off	-	-
Total movable assets written off	-	-

**28. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023/24**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	11,078	410	-	11,488
TOTAL INTANGIBLE CAPITAL ASSETS	11,078	410	-	11,488

**28.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022/23**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	11,078	-	-	-	11,078
TOTAL INTANGIBLE CAPITAL ASSETS	11,078	-	-	-	11,078

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## 29. Immovable Tangible Capital Assets

### MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Non-residential building	11,988,511	1,321,814	(266,999)	13,043,326
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>11,988,511</b>	<b>1,321,814</b>	<b>(266,999)</b>	<b>13,043,326</b>

*There are 721 assets that are under revision totalling to R3.815 billion. This is mainly as a result of the department having insufficient documentation to support the scope and the value of the old Infrastructure projects. The department could not successfully manage to complete the verification of these infrastructure projects to enable correct recognition and measurement at year-end.*

### 29.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>					
Dwellings					
Non-residential buildings	14,077,674	(3,224,119)	1,344,295	(209,339)	11,988,511
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	14,077,674	(3,224,119)	1,344,295	(209,339)	11,988,511

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**29.1.1. Prior period error****Nature of prior period error**

Relating to 2021/22 (affecting the opening balance)  
Ready for use assets- 2021/22 closing balance disclosure incorrect transfer  
Ready for use assets 2022/23 opening balance (2021/22 closing balance restatement)

Note

2022/23  
R'000  
(3,224,119)  
(1,000,198)  
(2,223,921)

**Relating to 2022/23**

Additional Assets that reached practical completion in 2022/23  
Fair value adjustments including escalations  
Ready for use assets 2022/23 additional expenditure and disposals  
**Total prior period errors**

1,456,045  
1,073,092  
240,396  
142,557  
**(1,768,074)**

**29.2. IMMOVABLE TANGIBLE CAPITAL ASSETS: CAPITAL WORK-IN-PROGRESS****CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024**

	2023/24		
	Opening balance 1 April 2023	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated
	R'000	R'000	R'000
Buildings and other fixed structures	1,946,652	867,872	(719,812)
<b>Total</b>	<b>1,946,652</b>	<b>867,872</b>	<b>(719,812)</b>
			<b>2,094,712</b>

Note  
Annex 7

Closing balance  
31 March 2024

R'000  
2,094,712

*Included in the balance as at 31 March 2024 are 11 assets that were constructed by the Office of The Premier (OTP). These projects are not updated on EFMS as the supporting documentation has been requested by the SIU and was still in their possession on the date of reporting. None of the balances relating to these Office of the Premier (OTP) projects could be verified.*

**Payables not recognised relating to Capital WIP**

Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress

2023/24  
R'000

2022/23  
R'000

12,551  
**12,551**

28,392  
**28,392**

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**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023**

	2022/23				
	Opening balance 1 April 2022	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	2,312,392	(125,533)	530,019	(770,225)	1,946,652
	2,312,392	(125,533)	530,019	(770,225)	1,946,652

Note

During the year under review, the Department realised that the closing balance of the capital work-in-progress in 2021/22, i.e., opening balance for 2022/23 was overstated as a result of a number of projects which had reached practical completion stage prior to year-end but were not reclassified and transferred out to be reported as part of the completed, ready for use register as well as numerous duplicated projects. The resultant adjusted opening balance of 2022/23 thus amounted to R2.187 billion once all the corrections were processed.

It was noted that the closing balance for 2021/22 was incorrectly transferred on the annual financial statement resulting in an error on the face of the annual financial statement of R0.649million, which has been corrected. Furthermore, the total capital expenditure in the 2022/23 financial year amounted to R1.295 billion, of that R530,019 million related to capital work-in-progress that had not reached practical completion at year end.

### 30. Principal-agent arrangements

**Department acting as the principal**

	2023/24 R'000	2022/23 R'000
Eastern Cape Department of Public Works and Infrastructure	299,469	539,176
Development Bank of South Africa	40,778	104,574
Eastern Cape Development Corporation	-	624
Independent Development Trust	318,855	288,050
Office of the Premier	-	572
The Mvula Trust	50,094	11,048
Coega Development Corporation	190,074	255,073
Amathole Water Board	59,233	22,502
<b>Total</b>	<b>958,503</b>	<b>1,221,619</b>

Note

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The department uses the above mentioned entities as implementing agents to facilitate infrastructure related projects.

There has been no changes in the contracts of these implementing agents from the prior year. These are specialists that are used due to capacitation issues of the Department. It is also a more cost effective as a result of economies of scale. Fees paid to these implementing agents are included in the above amounts, totalling R 58 285m, and are can be broken down as follows:

AWB - R2,462m, CDC - R29,729m, DBSA - R2,032m, IDT - R17 563m, TMT - R6,499m. No fees are paid to ECDPWI

The liabilities to the implementing agents relate to accruals and payables amount to R112,492m and can be broken down as follows

AWB - R19,050m, CDC - R5,227m, DBSA - R18,927m, IDT - R50,643m, TMT – R72,242m, ECDPWI - R11,404m.

No payments were made to Office of the Premier and Eastern Cape Development Corporation in the 2023/24 financial year as the implementing agents do not have active projects. Only projects at close out have been allocated to facilitate the finalisation of those projects.

There are no cost implications for the principal, should the principal agent agreement be terminated. If an agent is not performing, the projects are transferred to another agent.

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### 31. Prior period errors

Amount before error	Prior period error R'000	Restated amount R'000	correction R'000
<b>30.1 Correction of prior period errors</b>			
<b>Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)</b>			
Capital work-in-progress - 2021/22 closing balance disclosure incorrect transfer	2,312,392	(661)	2,311,731
Capital work-in-progress - 2021/22 closing balance disclosure incorrect capturing	2,311,731	12	2,311,743
Capital work-in-progress - 2022/23 opening balance (2021/22 closing balance restatement)	2,311,743	(124,884)	2,186,859
Capital work-in-progress - 2022/23 current year expenditure Movement	1,336,760	(806,741)	530,019
Capital work-in-progress - 2022/23 transfers to ready for use	(1,143,418)	373,193	(770,225)
Assets-ready for use correction	14,077,674	(3,224,119)	10,857,555
<b>Net effect</b>	<b>21,206,882</b>	<b>(3,783,200)</b>	<b>17,423,682</b>

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### 32. STATEMENT OF CONDITIONAL GRANTS RECEIVED

Name of grant	2023/24							SPENT				2022/23	
	GRANT ALLOCATION												
	Division of Revenue Act / Provincial grants										% of available funds spent by department	Division of Revenue Act / Provincial grants	Amount spent by department
	R'000	Roll overs	Adjustments	DORA	Other	Total Available	Amount received by department	Amount spent by department	Under- / (Overspending)	%	R'000	R'000	R'000
Maths, Science, and Technology Grant	53,793	996	-	-	(6,186)	48,603	48,603	48,565		38	99.9%	73,896	72,699
Education Infrastructure Grant	1,829,305	100,086	-	-	(226,692)	1,702,699	1,702,699	1,697,072		5,628	99.7%	1,954,851	1,854,232
HIV & Aids	45,077	-	-	-	(3,088)	41,989	41,989	44,685		(2,696)	106.4%	46,897	46,653
National School Nutrition Programme	1,647,454	-	-	-	-	1,647,454	1,647,454	1,630,945		16,509	99.0%	1,494,648	1,495,454
Extended Public Works (Soc. Sector)	66,461	-	-	-	(4,763)	61,698	61,698	66,701		(5,003)	108.1%	40,050	41,434
Extended Public Works Integrated Programme	3,162	-	-	-	-	3,162	3,162	3,595		(433)	113.7%	3,491	3,396
Learner Profound Intel Disability Grant	29,070	1,521	-	-	-	30,591	30,591	30,661		(70)	100.2%	32,800	28,061
Early Childhood Development Grant	210,524	6,621	-	-	(6,451)	210,694	210,694	205,871		4,823	97.7%	223,332	189,217
TOTAL	3,884,846	109,224	-	-	(247,180)	3,746,890	3,746,890	3,728,095		18,795	99.5%	3,869,965	3,731,146

### 33. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

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**ANNEXURE 1A****STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

Departmental Agency or Account	2023/24					2022/23	
	TRANSFER ALLOCATION			TRANSFER		Final Budget R'000	Actual transfer R'000
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000		
Payment to SETA	71,365	-	-	71,365	71,365	68,360	68,360
<b>TOTAL</b>	<b>71,365</b>	<b>-</b>	<b>-</b>	<b>71,365</b>	<b>71,365</b>	<b>68,360</b>	<b>68,360</b>

**ANNEXURE 1B****STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

Higher Education Institution	2023/24					2022/23	
	TRANSFER ALLOCATION			TRANSFER		Final Budget R'000	Actual transfer R'000
	Adjusted Budget R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000		
Payment to Higher Institutions	15,781	-	-	15,781	15,718	15,113	15,110
<b>TOTAL</b>	<b>15,781</b>	<b>-</b>	<b>-</b>	<b>15,781</b>	<b>15,718</b>	<b>15,113</b>	<b>15,110</b>

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### ANNEXURE 1C

#### STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	2023/24					2022/23	
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget R'000	Actual transfer R'000
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000	% of available funds transferred %	
<b>Transfers</b>							
Section 20 and 21 schools	2,908,127	-	-	2,908,127	2,848,069	97.9%	2,026,968
Independent Schools	110,345	-	-	110,345	110,345	100.0%	157,897
Special Schools	142,588	-	-	142,588	142,373	99.8%	148,221
ECD Sites	440,054	-	-	440,054	431,951	98.2%	437,090
Marking Centres	41,220	-	-	41,220	61,220	148.5%	45,212
<b>TOTAL</b>	<b>3,642,334</b>	<b>-</b>	<b>-</b>	<b>3,642,334</b>	<b>3,593,958</b>	<b>98.7%</b>	<b>2,815,388</b>
							<b>2,746,965</b>

### ANNEXURE 1D

#### STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2023/24					2022/23	
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget R'000	Actual transfer R'000
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000	% of available funds transferred %	
<b>Transfers</b>							
Leave Gratuities	189,933	-	-	189,933	349,437	184%	216,928
<b>TOTAL</b>	<b>189,933</b>	<b>-</b>	<b>-</b>	<b>189,933</b>	<b>349,437</b>	<b>184%</b>	<b>244,596</b>

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**ANNEXURE 1E**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2023/24		2022/23	
	R'000		R'000	
<b>Received in cash (DONATIONS)</b>				
Disability Empowerment Trust				
SAICA		40		-
Raptoscore		30		20
Cochrane		15		-
Falcon Security		150		-
Palm Stationery		10		-
Industrial Development Cooperation		15		-
Standard bank		-		45
<b>Subtotal</b>		100		50
		<b>360</b>		<b>115</b>
<b>Received in kind (DONATIONS)</b>				
ETDP SETA (21 Bursaries)		630		-
Oxford university Press		-		4
MTN		-		130
Maths & Science infinity		10		50
BTM		-		216
Kasipu consulting		-		119
Mr Hoboyi		-		432
Samara Foundation		-		1,200
ECGB with gambling foundation		-		1,189
Fundi Loans (Tablets)		-		-
Niddle (PTY) LTD		10		-
Metropolitan (Laptops and Diaries)		-		1,605
SASOL (Vehicle)		30		-
Metropolitan		606		-
<b>Subtotal</b>		30		-
<b>TOTAL</b>		<b>1,286</b>		<b>4,945</b>
		<b>1,646</b>		<b>5,060</b>

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**ANNEXURE 2A**

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2024- LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2023	Guarantees draw downs during the year	Guarantees repayments/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2024	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2023
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing		5,813		1,042		4,771	-	-
Nedbank	Housing		42				42	-	-
Nedbank Limited	Housing		7,294		887		6,407	-	-
Firststrand Bank	Housing		2,019		170		1,849	-	-
Nedbank 2	Housing		133		20		113	-	-
Meeg Bank	Housing		75		23		52	-	-
ABSA	Housing		216		4		212	-	-
Unique Finance	Housing		356		80		276	-	-
People Bank	Housing		2,899		435		2,464	-	-
Nedbank LTD (NBS)	Housing		3,984		839		3,145	-	-
FNB	Housing		642		22		620	-	-
Old Mut	Housing		3,202		583		2,619	-	-
United	Housing		13		-		13	-	-
TNBS Mutual Bank	Housing		267		36		231	-	-
Hlano Fin Servi	Housing		12		-		12	-	-
Ithala Limited	Housing		111		-		111	-	-
Hous. Dev. BOARD	Housing		12		-		12	-	-
BOE Bank Limited	Housing		48		26		22	-	-
SA Home Loans	Housing		1,643		-		1,643	-	-
<b>TOTAL</b>			<b>28,781</b>		<b>4,167</b>		<b>24,614</b>		

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## ANNEXURE 2B

### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Legal claims against the department	241,105	216,540	129,369	-	328,276
Supplier Claims	-	565,288	-	-	565,288
<b>TOTAL</b>	<b>241,105</b>	<b>781,828</b>	<b>129,369</b>	<b>-</b>	<b>893,564</b>

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**ANNEXURE 3****CLAIMS RECOVERABLE**

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end	
	31/03/2024		31/03/2023		31/03/2024		31/03/2023	
	R'000	R'000	R'000	R'000	R'000	R'000	Receipt date up to six (6) working days after year end	Amount R'000
<b>Department</b>								
Education KZN		2,298		2,062	2,298	2,062	-	-
Education Northern Cape		41		41	41	41	-	-
Education Western Cape		302		1,064	302	1,064	-	-
Education Gauteng		1,849		1,194	1,849	1,194	-	-
Education National		37		37	37	37	-	-
Education Mpumalanga		763		782	763	782	-	-
Education Limpopo		160		319	160	319	-	-
Education Free State		-		21	-	21	-	-
National Higher Education		7,586		8,928	7,586	8,928	-	-
Basic Education		47		47	47	47	-	-
Department of Public Works National		47		47	47	47	-	-
Correctional Services		62		62	62	62	-	-
Education North West		142		99	142	99	-	-
Eastern Cape Office of the Premier		-		6,296	-	6,296	-	-
Department of Public Works		-		1	-	1	-	-
Department of Environment, Forestry and Fisheries		78		78	78	78	-	-
Department of Agriculture and Land reforms		10		43	10	43	-	-
Justice		-		6	-	6	-	-
Subtotal		<b>13,422</b>		<b>21,127</b>	<b>13,422</b>	<b>21,127</b>	-	-
<b>Other Government Entities</b>								
SADTU		205		205	205	205	-	-
Unconfirmed overpayments to schools		-		6,419	-	6,419	-	-
Subtotal		<b>205</b>		<b>6,624</b>	<b>205</b>	<b>6,624</b>	-	-
<b>TOTAL</b>		<b>13,627</b>		<b>27,751</b>	<b>13,627</b>	<b>27,751</b>	-	-

**EASTERN CAPE DEPARTMENT OF EDUCATION  
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**ANNEXURE 4****INTERGOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24	
							Payment date up to six (6) working days after year end	Amount
	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000		
<b>DEPARTMENTS</b>								
<b>Current</b>								
Eastern Cape Department of Social Development	-	1,132	-	-	-	1,132	-	-
Eastern Cape Department of Public Works	11,404	26,408	-	-	11,404	26,408	-	-
Eastern Cape Department of Transport	46,610	2,414	-	-	46,610	2,414	-	-
Education Gauteng	-	1,081	-	-	-	1,081	-	-
Education KZN	-	107	-	-	-	107	-	-
Department of Justice	10,419	9,828	-	-	10,419	9,828	-	-
Higher Education	472	166	-	-	472	166	-	-
Western cape Department of Education	-	56	-	-	-	56	-	-
Education Gauteng	-	-	320	-	320	728	-	-
<b>Subtotal</b>	<b>68,905</b>	<b>40,832</b>	<b>320</b>	<b>-</b>	<b>69,225</b>	<b>40,832</b>	<b>-</b>	<b>-</b>
<b>Non-current</b>								
<b>OTHER GOVERNMENT ENTITIES</b>								
<b>Current</b>								
Special Investigative Unit	31,362	31,362	-	-	31,362	31,362	-	-
<b>Subtotal</b>	<b>31,362</b>	<b>31,362</b>	<b>-</b>	<b>-</b>	<b>31,362</b>	<b>31,362</b>	<b>-</b>	<b>-</b>
<b>TOTAL INTERGOVERNMENT PAYABLES</b>	<b>100,267</b>	<b>72,194</b>	<b>320</b>	<b>-</b>	<b>100,587</b>	<b>72,194</b>	<b>-</b>	<b>-</b>

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## ANNEXURE 5

### INVENTORIES

	LTSM	Assets for Distribution	Total
	R'000	R'000	R'000
<b>Inventories for the year ended 31 March 2024</b>			
Opening balance	-	-	-
Purchases	674,966	340,183	1,015,149
(Less): Issues	(674,966)	(340,183)	(1,015,149)
<b>Closing balance</b>	-	-	-

	LTSM	Assets for distribution	Total
	R'000	R'000	R'000
<b>Inventories for the year ended 31 March 2023</b>			
Opening balance	13,373	-	13,373
Add: Additions/Purchases - Cash	651,967	102,223	754,190
(Less): Issues	(665,340)	(102,223)	(767,563)
<b>Closing balance</b>	-	-	-

## ANNEXURE 6

### MOVEMENT IN CAPITAL WORK IN PROGRESS

#### Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>1,946,653</b>	<b>867,872</b>	<b>(719,812)</b>	<b>2,094,713</b>
Non-residential buildings	1,946,653	867,872	(719,812)	2,094,713
<b>TOTAL</b>	<b>1,946,653</b>	<b>867,872</b>	<b>(719,812)</b>	<b>2,094,713</b>

#### Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>2,312,392</b>	<b>(125,533)</b>	<b>530,019</b>	<b>(770,225)</b>	<b>1,946,653</b>
Non-residential buildings	2,312,392	(125,533)	530,019	(770,225)	1,946,653
<b>TOTAL</b>	<b>2,312,392</b>	<b>(125,533)</b>	<b>530,019</b>	<b>(770,225)</b>	<b>1,946,653</b>

