



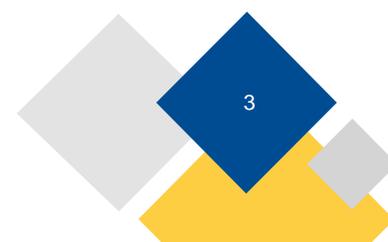
Province of the  
**EASTERN CAPE**  
EDUCATION

VOTE NO 6  
ANNUAL REPORT  
**2018/2019**  
- FINANCIAL YEAR -

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A

Eastern Cape Department of Education

# GENERAL INFORMATION

## 1. Department General Information

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<b>Customer Care Toll Free</b>	080 1212 570

## 2. List Of Abbreviations/Acronyms

Acronyms	Description
AAC	Autism Alternative and Augmentative Communication
AET	Adult Education and Training
AIDS	Acquired Immune Deficiency Syndrome
AIP	Audit Improvement Plan
ANA	Annual National Assessments
AWB	Amathole Water Board
CAPS	Curriculum and Assessment Policy Statements
CBM	Condition Based Maintenance
CEM	Council of Education Ministers
CFO	Chief Financial Officer
COGTA	Department of Cooperative Governance and Traditional Affairs
CSLP	Circuit Schools Landscape Plans
DBE	Department of Basic Education
DDD	Data Driven Dashboard
DEMIS	District Education Management Information System
DRPW	Department of Roads and Public Works
EAP	Environment Assessment Practitioners
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ECDOE	Eastern Cape Department of Education
EDO	Education Development Officers
EE	Employment Equity
EFMS	Education Facilities Management System
EGRA	Early Grade Reading Assessment
EIA	Environmental Impact Assessment
EIG	Education Infrastructure Grant
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
FET	Further Education and Training
FP	Foundation Phase
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
IMDG	Institutional Management Development and Governance
IDMS	Infrastructure Delivery Management System
IPIP	Infrastructure Programme Implementation Plans
IPMP	Infrastructure Programme Management Plan
IQMS	Integrated Quality Management System
LAIS	Learner Attainment Improvement Strategy
LED	Local Economic Development
LSEN	Learners with Special Education Needs
LTSM	Learning and Teaching Support Materials
MEC	Minister of Executive Council
MPAT	Management Performance Assessment Tool
MST	Mathematics, Science and Technology
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCS	National Curriculum Statement
NDP	National Development Plan

<b>Acronyms</b>	<b>Description</b>
<b>NEPA</b>	National Education Policy Act
<b>NGO</b>	Non-Governmental Organisation
<b>NQF</b>	National Qualifications Framework
<b>NSC</b>	National Senior Certificate
<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>PPI</b>	Programme Performance Indicator
<b>PI</b>	Performance Indicator
<b>PPM</b>	Programme Performance Measure
<b>PPN</b>	Post Provisioning Norms
<b>PSU</b>	Programme Support Unit
<b>RCL</b>	Representative Council of Learners
<b>SACE</b>	South African Council for Educators
<b>SHREQ</b>	Safety and Health Environment Quality
<b>SA-SAMS</b>	South African School Administration and Management System
<b>SASL</b>	South African Sign Language
<b>SACMEQ</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>SGBAs</b>	School Governing Body Associations
<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>SMT</b>	School Management Team
<b>TIMSS</b>	Trends in International Mathematics and Science Studies
<b>U-AMP</b>	User Asset Management Plan
<b>WRC</b>	Water Research Commission
<b>WSE</b>	Whole School Evaluation

### 3. Foreword by MEC



I have pleasure in presenting the 2018/19 Annual Report for the Eastern Cape Department of Education (ECDOE). The Department recognises that while it is encouraging to see that the strategies that have been employed in the past five years have begun to yield desired outcomes, more work still needs to be done to transform the province's education system.

In the period 2014 to 2019, the Department undertook an in-depth review of the work of the ECDOE which culminated in the formulation and adoption of a new Service Delivery Model (SDM). At the core of the new SDM is an integrated medium to long term model, defining the manner in which ECDOE organises itself to deliver effective, economical and efficient education and concomitant services to learners in line with imperatives set out in the National Development Plan (NDP) and various sector plans including the Schooling Action Plan 2030.

2018/19 is the final year of the Fifth Democratic Government (2014-19) as outlined in the Medium Term Strategic Framework (MTSF). During this period our planning and implementation focus was geared towards realization of the 2030 vision and targets set in the National Development Plan (NDP) and the Basic Education Sector Plan, to improve the quality of teaching and learning; undertake regular assessment to track progress; universalise access to Grade R and ensuring a credible outcomes-focused planning and accountability system.

The Department has experienced greater stability in its service delivery environment. This has resulted in improved learner outcomes. Much of this improvement can be attributed to the achievement of several outcomes supported by stability in the leadership of the Department. Most notable among these achievements were:

- The finalisation of the twelve new education districts.
- Development of four (4) Professional Teacher Development Institutes and nine(9) District Teacher District Centres to support quality teacher development programmes.
- The early declaration and distribution of posts to schools.
- Improved delivery of books and school furniture and considerable investment in school infrastructure.
- The development of a comprehensive plan for the rationalisation of schools to ensure an increase in the number of viable primary and high schools through mergers and closure of schools.
- All schools were provided with laptops to support the operationalisation of SASAMS, Data Driven Districts (DDD) and enhance our education information systems.
- The filling of key posts including Cluster Chief Directors, District Directors, School Principals and Circuit Management Officials.
- Improvement in the operational and risk management environment at Head Office, leading to improved Audit outcomes.

Some of the challenges that continue to confront the Department include the number of dysfunctional schools and the large number of small and unviable schools in the province. Some districts remain poorly resourced and capacitated and there is a shortage of appropriately qualified and skilled educators in certain phases, subjects and locations. However, the Department remains steadfast and committed to improving the provision of quality basic education in the province.

I would like to thank all officials who worked diligently with the support of our partners and the relevant stakeholders in the province to ensure improvements in learner outcomes in the Eastern Cape.

A handwritten signature in black ink, appearing to read 'F. B. Gade', written over a horizontal line.

**Hon F.B. Gade**  
**MEC for Education, Eastern Cape**

## 4. Report of the Accounting Officer



### Overview of the Operations of the Department

The 2018/19 Annual Report for the ECDOE affords us the opportunity to assess the extent to which we were able to meet our strategic goals and objectives as set out at the beginning of the financial year. Overall, the 2018/19 financial year suggests that strategies and policies put in place in the 2014-2019 MTSF period have begun to yield the desired outcomes. While much has been achieved in the 2018/19 financial year, much more remains to be done. Improved learner performance continues to be the overriding goal in all our plans and strategies.

The Department's targeted interventions to support Districts and schools through the rollout of a variety of learner support programmes, coupled with a focus on improving the quality of teaching and learning has resulted in improved learning outcomes for all Grades in the past three years. The consolidated results for Grade 1 to 11 have increased from 84% in 2016 to 86% in 2018.

The Grade 12 pass rate on the National Senior Certificate examinations improved from 56.8% in 2015 to 59.3% in 2016 to 65% in 2017. In 2018 the results rose to 70.6%. This improvement provides the foundation on which to plan for increased pass rates over the next five years.

Enhancing quality learning and teaching in the Foundation Phase remains a key priority area for the ECDOE. The Foundation Phase is the first phase of formal schooling in South Africa, and is critical in establishing the basis on which learners will develop in formal schooling. In support of this, in the 2018-19 financial year, the Department provided over 800 000 Graded readers to 4 348 schools. Over 200 Foundation Phase subject advisers and lead teachers were trained on the use of the Foundation Phase Graded Reader anthologies.

During the period under review, the Department continued to strengthen its internal control environment to deliver on its mandate to provide a quality education. This entailed institutionalizing regular organization meetings to ensure effective and coordinated support to the efforts of all internal and external stakeholders and partners in the provision of quality basic education. The positive learning outcomes of the 2018 school year provide a solid foundation for further improvements. The following pages provide an overview of the Department's financial and operational performance outcomes.

## Overview of the Financial Results of the Department

### Departmental receipts

Departmental Receipts	2017/18		2018/19		(Over)/Under Collection
	Estimate	Actual Amount Collected	Estimate	Actual Amount Collected	
	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-
Motor Vehicle Licences	-	-	-	-	-
Sales of goods and services other than capital assets	54 308	53 289	1 019	62 061	(4494)
Transfers received	-	-	-	-	-
Fines, penalties and forfeits	98	13	85	103	47
Interest, dividends and rent on land	297	152	145	315	137
Sale of capital assets	-	-	-	-	-
Financial transactions in assets and liabilities	18 043	24 953	(6 910)	16 090	3 036
<b>Total</b>	<b>72 746</b>	<b>78 407</b>	<b>(5 661)</b>	<b>77 110</b>	<b>(1 224)</b>

Own revenue collection for the 2018/19 financial year is estimated at R77.110 million. The Department collected R78.335 million in March 2019 which led to over collection of R1.224 million at year end. The total over collection of R1.224 million is as a result of monies received from boarding fees collected from Hostels across the province. This emanated after both Finance and ESSS started to visit school hostels and advocated the importance of revenue collections and reporting.

### Programme Expenditure

Programme Name	2017/18		2018/19		(Over)/Under Expenditure
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000
1. Administration	2 799 041	2 715 720	2 813 792	2 749 946	63 846
2. Public Ordinary Schools	26 620 156	26 596 281	28 370 272	28 650 557	(279 830)
3. Independent School Subsidies	123 042	122 899	131 009	130 807	202
4. Public Special Schools	695 754	682 834	798 398	760 343	29 055
5. Early Childhood Development	588 460	495 651	665 620	492 352	173 268
6. Infrastructure Development	1 659 618	1 659 618	1 824 521	1 714 520	110 001
7. Examinations & Education Related Services	532 994	532 639	522 684	522 684	-
<b>Total</b>	<b>33 021 044</b>	<b>32 807 620</b>	<b>35 128 346</b>	<b>35 031 804</b>	<b>96 542</b>

The Eastern Cape Department of Education has seven (7) programmes: Programme 1: Administration, Programme 2: Public Ordinary School Education, Programme 3: Independent School Subsidies, Programme 4: Public Special School Education, Programme 5: Early Child Development, Programme 6: Infrastructure Development and Programme 7: Examination and Education Related Services.

The Department had an adjusted budget of R35.128 billion in the 2018/19 financial year. The Department spent R35.031 billion (99.7% of the budget). Under-spending is mainly recorded in Programme 5: Early Childhood Development R173.268 million and Programme 7: Examinations & Education Related Services by R110.001 million. There was an overspending recorded in Programme 2: Administration of R279.830 million.

#### Programme 1:

- The underspending is attributed to Compensation of Employees in Corporate Services and Education Management and Education Management Information Systems, as not all posts which were declared in the Annual Recruitment Plan were filled within the current financial year.
- In terms of Goods and Services, the under expenditure is attributed to equipment and operational budget which was set aside for the procurement of furniture and domestic equipment for the newly established cluster offices, district offices, circuit management centres and circuit offices.
- In addition to the above, invoices from SITA which were earmarked for payment of Data lines utilised in transversal systems, were received after the system was closed for payment processing.

#### Programme 2:

- The over expenditure is attributed to payment of 0.3 percent for the equalisation of ICS of educators as per the PSBC resolution 1 of 2018 which was not provided for by the Department and the appointment of foundation phase educators in the main stream public ordinary schools
- In terms of Goods and Services, the over expenditure is attributed to interventions agreed upon by the Department for the implementation of Learner Attainment and Improvement Strategy (LAIS) at underperforming districts as provision was made for extra classes during school holidays, weekends, winter classes. Furthermore, the over expenditure was due to communication related services as there was an increase in ICT driven monitoring tools (DDD & SASAM) which required the Department to ensure access to internet connectivity for all educators in all phases in order to enhance governance in Public Ordinary Schools
- The over expenditure in Transfers and Subsidies is due to transfers made to schools in respect of fee exemption policy, schools outside municipal boundary for conventional systems and increase in learner numbers as a result of updated enrolment numbers against the Gazetted learner numbers.

#### Programme 3:

The underspending is attributed to two schools:

- One school, in the Amathole West district was not paid as it had indicated that it no longer required subsidy.
- The second school, in Sarah Baartman changed premises without following the departmental policy.

#### Programme 4:

- 85 Specialists and Therapists posts were advertised in the current financial year. The selection processes took place in the third quarter of the financial year and only 20 Specialists / Therapists were appointed. 59 Non - teaching support staff were not interviewed in the third quarter but assumed duty in the last quarter of the the financial year.
- Transfers and Subsidies incurred an over-expenditure due to natural attrition.
- With regards to LSPID grant, the slow recruitment of therapists within these professions resulted in under expenditure.
- Changes in the schedules of sporting events as requested by service providers led to the under expendinditure in this programme

#### Programme 5:

- This underspending is attributed to the permanent appointment of 565 Grade R Practitioners as teachers in Grade R classes. They are now paid under Programme 2 instead of Programme 5.
- Appointment of qualifying Grade R Practitioners into substantive foundation phase vacant posts in the main stream and also the non-replacement of practitioners who resigned/retired/deceased and/or absconded.
- The greater part of the underspending in Goods and Services is in Bursaries and Training and Development attributed to the reduced number of ECD Practitioners to be trained as most have acquired their NQF qualifications.

#### Programme 6:

- 6.1 Administration

The programme allocates IA fees specifically to this programme and has overspent on this sub-program by 14.6%. This is due to recurring invoices that were not paid for consecutive months starting from January because of non-availability of funds. The bulk of the expenditure was incurred in March and these invoices were for goods and services budgeted under Administration. Delays in payment emanated from the demand in additional fees by consultants due to increased budgets.

- 6.2 Public Ordinary Schools

There is a marginal under-expenditure for 2018/19 Financial Year(FY) of 2.3%. This emanated from the fact that Hostels were originally budgeted under EIG and as a result the expenditure was incurred as such. During the adjustment period the Unit was allocated additional budget and it was indicated that it must be allocated under Equitable Share and was ear-marked for hostels. Under-spending on the Equitable Share was because the hostels expenditure was incurred under EIG and unspent funds have been rolled over to 2019/20 FY. The reason for the latter is a consequence of retraction of payments that were otherwise made on the BAS system in order to curb overall over- expenditure by the Department.

- 6.3 Special Schools

The Infrastructure programme has incurred under-expenditure of 8.4% on this sub-program. The under-expenditure is as a result of slow progress on the hostel projects which suffered contractor retractions as a result of the institution of payment controls.

- 6.4 Early Childhood Development

The programme has over spent on this sub- program due to unpaid invoices for consecutive months. These invoices were paid in March and the bulk of expenditure was on Building and other fixed structures.

#### Programme 7:

The over-expenditure is attributed to outstanding payments of all categories falling under abnormal appointments that ranges from Examination Assistants, Invigilators, Foreigners etc. These payments are done on ongoing basis due complexity of cases i.e. expiry of work permits, verification of documentation particularly those relating to foreign nationals.

#### Virements/ Roll overs

The department implemented the virement/movement of funds at year-end to programmes as follows:

- Programme 1: Stringent belt tightening had to be implemented in order to curb the budget cost pressures in other programmes with the aim of implementing those activities that had to be put on hold in the 2019/20 financial year. Therefore, an amount of R206.777 million was moved to defray excess spending in other programmes.
- Programme 4: This programme had commitments at year end that resulted in underspending of the programme's budget and the unspent equitable share budget of R16.857 million was moved to defray excess spending in other programmes.
- Programme 5: The Department has had a challenging process of appointing Grade-R practitioners as qualified Grade-R teachers in the foundation phase of the main stream. This forced the department to utilise the posts of the foundation phase in Programme 2 and thus programme 5 underspent its budget and an amount of R57.880 million was moved to Programme 2 to defray excess spending in other items of Programme 2.
- Programme 2: R249.197 million: The Department experienced over-spending on this programme due to budget cost pressures that were experienced following ICT provisioning at school level and

the learner attainment improvement strategy implementation programmes. Allocation of the budget for these items had to be done by reprioritization of budget within the Department's programmes to cover for the financial obligations that became due and these financial obligations were emanating from contracts that already existed from the previous financial year.

- Programme 7 R32.317 million: This programme experienced over-spending on compensation of employees due to payments made for overtime conducted during the marking of examination papers for the 2018/19 financial year. Review of the Norms and Standards (a ratio of 1 senior marker to 5 markers instead of 1 to 7) which resulted in the appointment of more markers. There were also a number of provincial papers (Grade 6,7,9,10 and 11) written and teachers had to be paid for setting and moderating papers; furthermore payment for conducting centralised school based assessment (SBA) were done as per PAM document.

The requested rollovers for the Mathematics Science and Technology (MST) Grant were to facilitate the payment of services that were already committed at year end amounting to R12.084 million. Learners with Severe Profound Intellectual Disability (LSPID) Grant requested rollover to facilitate the payment of the ordered toolkits which was not processed within the year under review. This was due to the late submission of toolkits.

### **Unauthorised/Fruitless and Wasteful Expenditure**

The Department recorded an amount of R279.830 million as unauthorized expenditure, and R17.432 million as fruitless and wasteful expenditure.

### **Future Plans for the Department**

The processes for correcting the remaining audit qualification areas were reviewed and strengthened. The control breakdowns identified during the review period will form the basis for strengthening the control environment for 2019 onwards.

### **Public Private Partnerships**

The Department did not enter into any Public Private Partnerships in the 2018/19 financial year

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

There were no discontinued activities in the 2018/19 financial year.

### **New or proposed activities**

No new or proposed activities in the 2018/19 financial year

### **Supply Chain Management**

No unsolicited bids were concluded in the 2018/19 financial year.

The SCM directorate continued to implement its strategic sourcing framework which was adopted in the 2016/17 financial year. The overall objective of the framework is to implement 80% term contracts for routine and high-volume commodities which are time consuming. The implementation of the Framework significantly reduced the time and effort spent on procuring the said goods and services and enabled SCM to invest its efforts in capacitating and skilling SCM staff, strengthening controls, monitoring existing contracts, and developing systems that will optimise operations and improve efficiency levels.

In addressing the findings raised by Auditor General and preventing recurrence of such findings, the SCM developed an Audit Improvement Plan (AIP). As part of this plan a post audit exercise was completed to prevent recurrence of repeat findings. In terms of the Auditor General's findings. The SCM in the ECDOE improved from a qualification to an unqualified audit opinion on irregular expenditure which has reduced to R511.4 million. Contract Management and Procurement has also improved from nine (9) findings in 206/17 to two (2) findings in 2017/18.

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 payment vouchers from April 2018 to March

2019 to assist in ensuring that SCM is audit-ready. The condonation of prior years' irregular expenditure, including de-recognition of transactions, which were flagged as 'under-investigation' is progressing well.

The high vacancy rate in the SCM Unit continues to exist, particularly in strategic areas, i.e. Asset Management, Tenders, Logistics Management and Contracts Management which in turn has had negative effects in the audit opinion specifically in areas of infrastructure procurement resulting in irregular expenditure and management of assets. These challenges shall be addressed when the proposed new organizational structure is implemented, as it requires a new range of skills, change of mind-set and ethical conduct. Given this significant transformation of SCM, the need for intensive training of the current SCM staff is vital and is being addressed through training provided by Provincial Treasury.

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

There were no gifts and donations received or declared in the 2018/19 financial year.

#### **Exemptions and deviations received from the National Treasury**

There were no deviations reported in the 2018/19 financial year

#### **Events after the reporting date**

There were no events completed after the reporting date applicable for 2018/19 financial year

#### **Acknowledgement/s or Appreciation**

I would like to extend my appreciation to the Office of the Premier, Provincial Treasury, Departmental Leadership, Staff and the Audit Committee for their hard work and dedication. I want to acknowledge the contribution of our stakeholders: the various sister Departments, trade unions, School Governing Body Associations, Public Entities and Municipalities and thank them for their continued partnership with us.

#### **Conclusion**

Finally, in memory of the late Honourable MEC Makupula, we would like to appreciate the tremendous contribution he made to the delivery of education to the children of the Eastern Cape. We fondly remember his favourite quote: *"The life of an ordinary person however destitute is worth a million times more than all the properties of the richest man in the world. The gratitude of ordinary people is ever lasting"*.

He was a visionary, a leader of his people, a true servant of the children of this Province. In his pursuit of excellence in education he always reminded us that we must continue to break new ground and develop alternative models to meet the different needs of our stakeholders.

#### **Approval and Sign Off**

I, therefore, present to you the Annual Report of the Eastern Cape Department of Education for the Financial Year 2018/19. The Annual Report 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.



**Mr. T. Kojana**  
**Accounting Officer**  
**Department of Education, Eastern Cape**

## 5. Statement of Responsibility and Confirmation of Accuracy of the 2018/19 Financial Year 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 E) 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 2019.



**Mr. T. Kojana**  
**Accounting Officer**  
**Department of Education**  
**Province of Eastern Cape**

## 6. Strategic Overview

### 6.1 Vision

To provide learners with opportunities to become productive and responsible citizens through quality basic education.

### 6.2 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; and
- Institutionalise a culture of accountability at all levels of the Department.

### 6.3 Values

Empathy  
Dignity  
Unity  
Confidence  
Access  
Trust  
Integrity  
Ownership  
Nation

The Vision and Mission are supported by the values of the Constitution of the Republic of South Africa (Act 108 of 1996) and the **Batho Pele** principles.

As officials of the Department of Education and servants of the public we pledge to:

- serve with **Empathy**
- endeavour at all times to treat learners, colleagues and stakeholders with **Dignity** and courtesy
- ensure in the spirit of teamwork, to continuously strive for **Unity** as we focus on quality education for all.

We also undertake to

- inspire **Confidence** in government services and
- fulfil the fundamental principles of **Access** and equity as enshrined in the Constitution of the Republic
- engender **Trust** in all we do
- display a high level of **Integrity** and accountability in our daily operations
- instil a culture of **Ownership** and humility as we make our contribution to moulding the future leaders of our beloved **Nation**.

The letters of the acronym “**EDUCATION**” are employed as the first letters of the eight (8) values: **Empathy, Dignity, Unity, Confidence, Access, Trust, Integrity, Ownership** and **Nation**

## 7. Legislative and Other Mandates

### Constitutional Mandates

The Constitution of South Africa, 1996 (Act 108 of 1996)

The Constitution requires education to be transformed and democratised in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism. It guarantees basic education for all, with the provision that everyone has the right to basic education, inclusive of adult basic education.

### Legislative Mandates

The National Education Policy Act (NEPA), 1996 (Act 27 of 1996)

The NEPA inscribes into law the policies, the legislative and monitoring responsibilities of the Minister of Education, as well as the formal relations between national and provincial authorities. It lays the foundation for the establishment of the Council of Education Ministers, as well as the Heads of Education Departments Committee (HEDCOM), as inter-governmental forums that collaborate in the development of the new education system. The NEPA embodies the principle of cooperative governance, elaborated upon in Schedule 3 of the Constitution.

South African Schools Act, (SASA), 1996 (Act 84 of 1996), as amended

The SASA provides for a uniform system for the organisation, governance and funding of schools. It ensures that all learners have the right of access to quality education without discrimination, and makes schooling compulsory for children aged 7 to 14 years.

Public Finance Management (PFMA) Act, 1999 (Act 1 of 1999)

The PFMA regulates financial management in the national and provincial governments to ensure that government resources are managed efficiently and effectively.

The Division of Revenue Act (DORA), 2013 (Act 2 of 2013)

The DORA provides for the equitable division of revenue raised nationally and provincially.

Employment of Educators (EEA) Act, 1998 (Act 76 of 1998)

The EEA provides for the employment of educators by the state and for regulation of the conditions of service, discipline, retirement and discharge of educators. The Employment of Educators Act and the resultant professional council, the South African Council of Educators (SACE), regulates the teaching corps of South Africa.

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

The South African Qualifications Authority Act provides for the establishment of the National Qualifications Framework (NQF), which forms the scaffolding for a national learning system that integrates education and training at all levels. The launch of the Human Resources Development Strategy by the Minister of Labour and the Minister of Education on 23 April 2001 reinforced the resolve to establish an integrated education, training and development strategy that will harness the potential of all learners. The design of the NQF was refined with the publication of the Higher Education Qualifications Framework in *Government Gazette No. 928*, 5 October 2007, to provide ten levels of the NQF. The school and college level qualifications occupy levels 1 to 4 and Higher Education Qualifications of the NQF levels 5 to 10. Levels 5 to 7 are undergraduate qualifications and levels 8 to 10 are postgraduate qualifications.

## Legislative and other Mandates (continued)

**The Eastern Cape Schools Education Act (ECSEA), 1997 (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 Promotion of Administrative Justice Act [PAJA], 2000 (Act 3 of 2000)**

The PAJA 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 matters incidental thereto. The Act applies to all administrative decisions of organs of state.

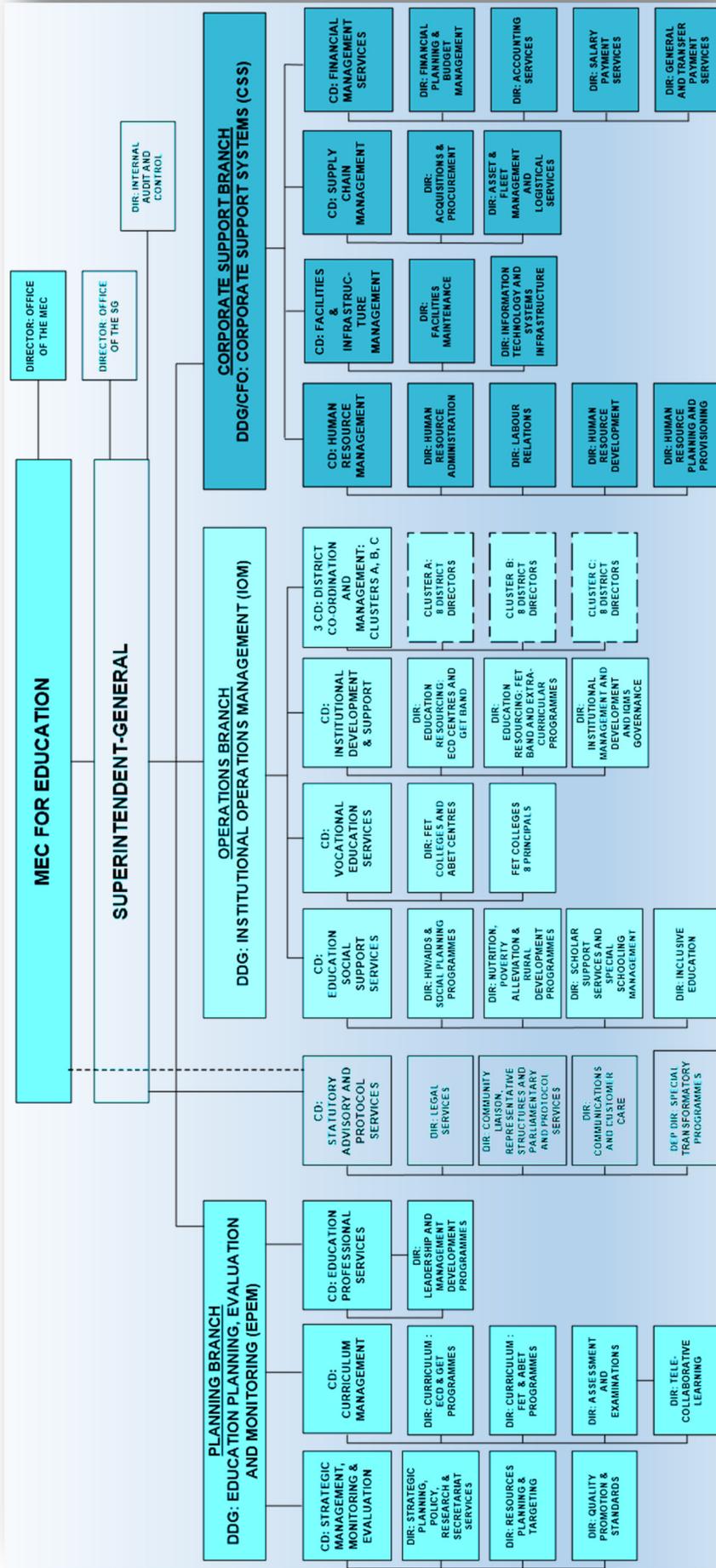
**The Promotion of Access to Information Act [PAIA], 2000 (Act 2 of 2000)**

The PAIA deals with section 32 of the Constitution, the right of access to information 'records' held by public and private bodies such as all documents, recordings and visual material, but does not apply during civil and criminal litigation.

**The Public Service Act (PSA), 1994 as amended [Proclamation No 103 of 1994]**

The PSA makes provision for the organisation and administration of the public service of the Republic as well as the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service.

## 8. Organisational Structure



## 9. Entities Reporting To The MEC

There are no entities reporting to the MEC



B

Eastern Cape Department of Education  
**PERFORMANCE  
INFORMATION**

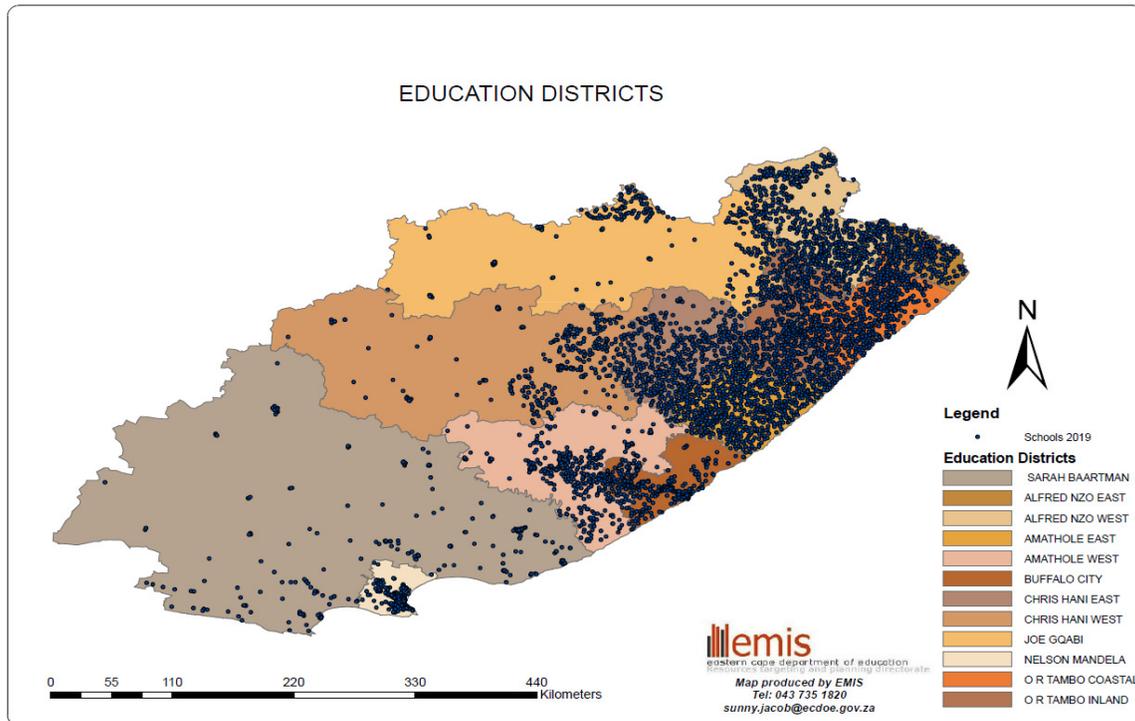
## 1. Auditor General's Report: Predetermined Objectives

Refer to Page 138 - Part E: 5.1

## 2. Overview Of Departmental Performance

In the 2018-19 financial year, the Department continued to strengthen its internal control environment to deliver on its mandate to provide quality education. This entailed institutionalizing regular organization meetings to ensure effective and coordinated support to the efforts of all internal and external stakeholders and partners in the provision of quality basic education.

A key achievement for the Department was the approval and implementation of a new Service Delivery Model and the rationalisation of District Offices. The map below shows the New Education Districts. The reduction in Districts allows for more focused support services to be provided to schools.



Data Source: SASAMS Eastern Cape

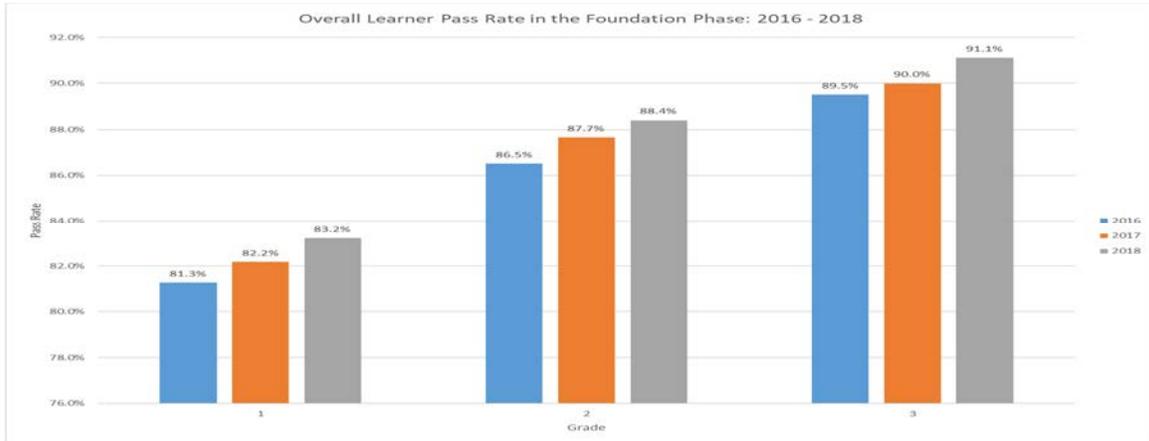
### 2.1 Service Delivery Environment

The work done by the Department in the past three years such as the timely provision of LTSM, the provision of graded readers to all foundation phase learners, the provision of workbooks and other LTSM has begun to bear fruit. The provision of a solid Foundation Phase lays a good foundation in reading, writing and calculating for learner opportunities in school and after schooling.

Figure 1 shows pass rates in the early grades for the province in the past three years. Research shows that the first few years of schooling have a significant and decisive impact on future learning outcomes of learners.

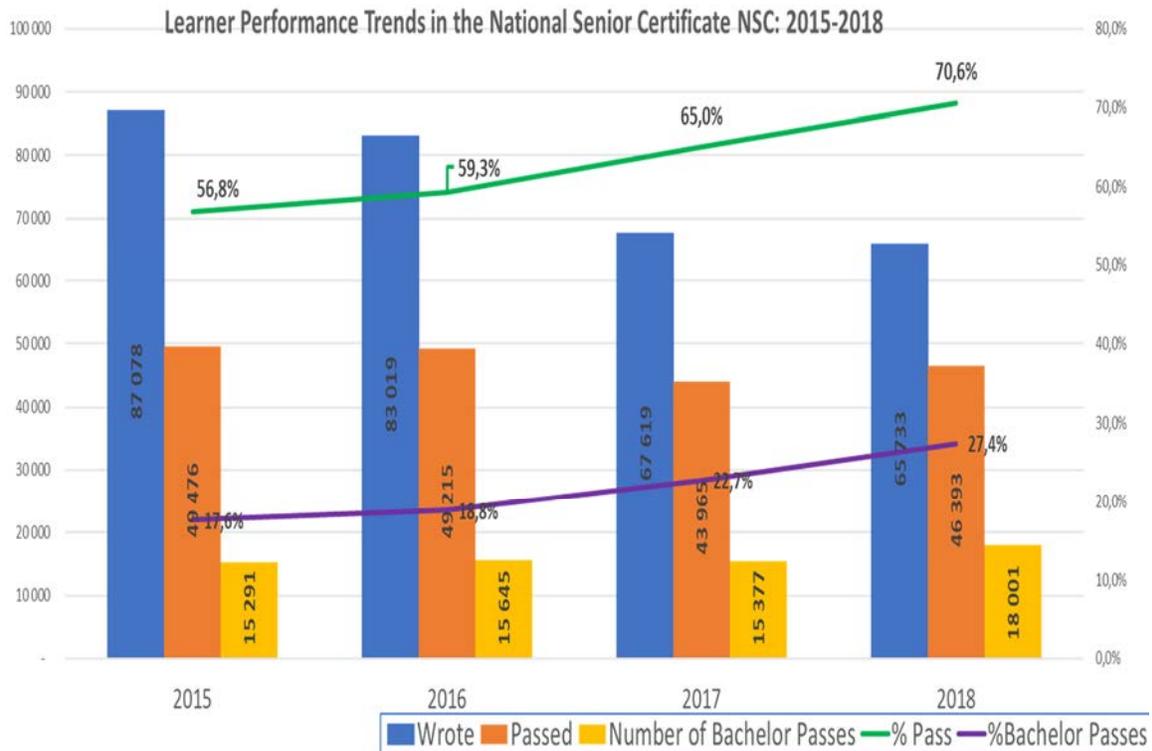
Figure 2 shows the steady increase in the National Senior Certificate pass rate for the years 2015 to 2018. The pass rate of the Eastern Cape has improved for a third year in a row. In 2016 the pass rate improved by 2.5% from 56.8% in 2015 to 59.3% in 2016. In 2017, the pass rate rose by a notable 5.7% to 65% and increased by another 5.6% in 2018. The Department will build on this solid foundation and improve on strategies to ensure that Grade 12 learners are fully supported.

Figure 1: Foundation Phase Pass Rate (2016 – 2018)



Data Source: SASAMS Eastern Cape

Figure 2: National Senior Certificate Pass Rate (2015 – 2018)



Data Source: SASAMS Eastern Cape

## Quality of learning

In the 2018/19 Annual Performance Plan, the Department committed to paying particular attention to the early years of learning. The Department prioritised improving the quality of Grade R and provided targeted training interventions for Grade R teachers to improve children's school readiness. Furthermore, the Department focused on improving the Grade 1 learning experience for all six-year old children through reducing Grade 1 class sizes and through the provision of readers. The Department honoured this commitment in the following ways:

- The Department provided Graded readers to 4 348 schools and over 200 Foundation Phase subject advisers and lead teachers were trained on the use of the Foundation Phase Graded Reader anthologies. Grade R furniture was delivered to 984 schools with Grade R classes.
- 120 educators from Special Schools and Full Service Schools were trained on Curriculum Differentiation and Adaptation, Autism Training and on learners with intellectual disabilities.
- The Department delivered 120 mobile laboratories for 120 schools and supplied Laptops for 130 schools.
- The Department has reduced class sizes by top-slicing 1 800 posts from the 5 049 posts available to schools and allocating these posts to schools with large numbers of Foundation Phase learners.
  - Primary schools with a Foundation Phase enrolment of 100 – 299 qualify for 1 FP Post
  - Primary schools with a Foundation Phase enrolment of 300+ qualify for 2 FP Posts
  - Primary schools with a Foundation Phase enrolment of 500+ qualify for 3 FP Posts

These interventions by the Department have seen an increase in the number of learners in classes of less than 35 learners and a decrease in the number of learners in classes of over 40 learners. For example, in Grade 1, the percentage of learners in classes of under 35 learners has increased from 40% to 51% and the percentage of Grade 1 learners in classes of over 40 learners has decreased from 45% to 33%.

## Teacher Development

In an effort to improve the overall quality of the training afforded to teachers in the province, all training materials to be utilised during training for Grade 10 to 12 teachers were SACE endorsed for the 2019 academic year. Further to this, PTDIs were capacitated to drive on-line registration which significantly improved the administration and management thereof.

The protection of teaching time remained a primary focus area for the Department. Provincial training courses – which last 5 days (30 hours) each – initially took place during term time. In 2018/29 all teacher training courses were scheduled to take place during school holidays to ensure that no class was left without a teacher during contact time. Despite this change, teachers across the province registered for and attended provincial training courses during school holidays.

## LTSM

The Department is committed to the provision of textbooks and other essential LTSM to all learners to enhance their learning experience. Key for the effective and efficient provisioning of LTSM is an efficient information management system at provincial, district and school level to effectively manage the annual procurement, use and retrieval of LTSM.

## Furniture

The Department maintains a record of all reports of excess and damaged furniture. As soon as a report of such furniture is received, requests are sent to collect these items. These are then taken to warehouses for repair, or for delivery to schools which have placed orders for matching furniture. As at 31 March 2019, 65 750 items of furniture had been refurbished, and 38 021 of these redistributed to schools.

## 2.2 Service Delivery Improvement Plan 2018- 2021

The department has completed a service delivery improvement plan. The tables below highlight the Service Delivery Improvement Plan and the achievements

Main Service	Beneficiaries	Batho Pele	Current Standard of Service	Desired Standard of Service	Actual Achievement
<b>Key Service Area 1:</b> Appointment of Educators.	Learners benefit from having access to suitably qualified teachers as well as teachers whose content capacity are able to deliver quality education	<b>Value for Money</b>	Quarterly Promotion and Post Level 1 Bulletins introduced in 2018  Filling of vacant funded posts within prescribed time frame	Three Bulletins were to be issued per quarter and manage and monitor the selection process	Placement of additional educators dropped the number of these to below 300. Reduction in Excess educators from 9 600 in 2014 to 2 800 in 2018
		<b>Consultation</b>	The Department has developed and approved its Recruitment Policy in the 3rd quarter of 2018/19 financial year	Annual Recruitment Plan was developed to have all posts to be filled for non-teaching staff authorized and the plan was implemented.	Advertisements and appointments were made.
		<b>Courtesy</b>	The Department was confronted with a number of Pilir cases that were still unresolved.	The reduction in the number of PILIR cases from over 5 000 to 300	The reduction in the number of PILIR cases from over 5 000 to 300. The District Offices were allowed an opportunity to identify and prioritise appointment of teachers in their districts taking into consideration the intension of the department to rationalise small schools.
		<b>Openness and Transparency</b>	The District Offices were allowed an opportunity to identify and prioritise appointment of teachers in their districts taking into consideration the intension of the department to rationalise small schools.	Recruit 500 post school youth between the ages 18- 35 years to register for B Ed in scarce skill subjects	The Department placed 1034 teachers within the targeted age bracket

Main Service	Beneficiaries	Batho Pele	Current Standard of Service	Desired Standard of Service	Actual Achievement
		<b>Information and Value for money</b>	The number of educators who were identified as having minimum content gap.	7 000 teachers in 2018/19. 173 Principals inducted Principals trained on Data Driven Districts 262 underperforming schools empowered on the development of Academic Performance Improvement Plan	Intense capacitation of teachers to improve their performance in the classroom. Short Courses, in-house training programmes, induction programmes and content gap workshops were offered.
<b>Key Service Area 2:</b> Provisioning of all school-going age learners with LTSM	Learners, educators and schools	<b>Access Value for money</b>	According to the Revised Strategic Plan 2015/16-2019/20, there was a shortage of books for 2.8% of learners in public schools.	Provide textbooks, stationery, assessment exemplars and furniture	Digitized images for approximately 7000 PERSALs linked to the capped leave population are available for auditing
		<b>Redress Access</b>	Reading was identified as a challenge in Eastern Cape by research and proved to be problematic in the progression of learners to higher grades.	Provide Graded Readers to all Foundation Phase learners	Provision of learners in Grade R and Foundation Phase with readers as part of advocacy for reading

Main Service	Beneficiaries	Batho Pele	Current Standard of Service	Desired Standard of Service	Actual Achievement
<b>Key Service Area 3:</b> Monitoring of schools through SA-SAMS, Data Driven Dashboard and School Visits	Learners, educators and office staff	<b>Information</b>  <b>Value for money</b>  <b>Redress</b>	According to the Revised Strategic Plan 2015/16-2019/20, one of the main challenges of the ECDoE is poor monitoring and poor records in respect of accurate and up to date data as well as the use of data for planning and provisioning.	Provide data focused action system for the seamless collection of data via an online platform from schools and districts	The Department's data focused action plan for the seamless collection of data via an online platform from schools and districts is bearing fruit. This vision has been realised to a great extent with 50,298 successful submissions being received and processed during the 2018-19 financial year. These SASAMS uploads were primarily done directly from district offices.
		<b>Access</b> <b>Communication</b> <b>Information</b>	Communication between schools and Districts and between Districts and Head Office was causing delays in processing functions that would have not needed a physical visit to schools or Head Office	Provide a system of enabling schools to upload directly with the alignment of the submission process with the Data Driven Districts (DDD) submission routine.	The process of enabling schools to upload directly has also gained momentum with the alignment of the submission process with the Data Driven Districts (DDD) submission routine.

Main Service	Beneficiaries	Batho Pele	Current Standard of Service	Desired Standard of Service	Actual Achievement
		<p style="text-align: center;"><b>Information Access Consultation</b></p>	<p>Monitoring of Learner performance was difficult, with the schools and districts having to travel in order to submit reports and challenges affecting schools</p>	<p>Improve systems for monitoring of learner performance, administration of assessment and utilisation of examination question banks across the system</p>	<p>A total of 265,897 hits were recorded in the period under review on DDD with 4,023 users being registered on the system. Of these there were 2,045 new users created. The number of users who recorded more than 50 logins during the period stands at 248. During March and February 2019, a total of 4,590 reports were downloaded from DDD which is an indicator that the reports are being used.</p>
		<p style="text-align: center;"><b>Standard</b></p>	<p>Data Management Information Systems remain an area of continuous improvement</p>	<p>To strengthen the use of SASAMS and DDD by schools and districts to facilitate communication</p>	<p>The Learner Intervention Planning Report identifies learners at risk of failing. This is to provide an early warning system to assist schools for timeous intervention in supporting learners.</p>

## 2.3 Organisational Environment

In the 2018/19 financial year, the Department continued to place emphasis on improving systems and processes to enhance its overall service delivery. Key focus areas in the period under review entailed the establishment and strengthening of organizational management structures, building capacity, filling vacant positions, and improving information-gathering systems and analysis. While considerable work has been done following the adoption of the new Service Delivery Model, there remain a number of challenges such as the resourcing and the service delivery capacity of Districts and Head Office.

Over the years, the Department has experienced challenges in relation to the completeness, accuracy and availability of its support files and records. The Integrated Document Management and Human Resource File Restoration Project is near completion, with over 450 000 files stored and captured at a Central Records Management Centre (CRMC). The electronic record management will enable the Department to easily provide information upon request to internal and external stakeholders and efficiently track actions taken on written requests.

The introduction of Data Driven Districts has had a positive impact on information management systems of the Department. On a monthly basis, districts are now able to disaggregate learner performance data into trends and patterns that are useful for performance improvement. Over 98% of Eastern Cape schools are now submitting school data electronically, with all schools having made at least one electronic submission in 2018.

The Head Office Restructuring will be finalised in 2019 and will give prominence to institutional operations and curriculum delivery. Through the new organisational structure, the Department hopes to maximize the administrative, management and curriculum delivery capabilities of schools. Notable achievements in the 2018/19 financial year include:

- Two Cluster Chief Directors and Eight District Directors were appointed to Senior Management positions in the ECDOE
- The province was able to supply the Department of Basic Education with detailed learner performance data for each learner for monitoring and reporting purposes.
- Digitisation of all HR documents to provide better service to teachers thus reducing time spent out of school to attend to salary- and service benefit related matters
- All schools were provided with new laptops to support the operationalisation of SASAMS, Data Driven Districts (DDD) and other systems including the email system. A circular was written to all principals instructing them that the SASAMS laptop should be used for the express use of SASAMS and school administration functions.
- Internal Audit and Risk Management Committees were operational and met in the period under review.

## 2.4 Key Policy Developments and Legislative Changes

There were no major changes to relevant policies or legislation during 2018/19 financial year.

### 3. Strategic Outcome Orientated Goals

Major Achievements	
<p><b>Strategic Goal 1</b> Improved quality of teaching and learning through timeous supply and effective utilisation and development of teachers</p>	<ul style="list-style-type: none"> <li>• 120 educators from Special Schools and Full-Service Schools trained on Curriculum Differentiation and Adaptation, Autism Training and on learners with intellectual disabilities.</li> <li>• A total of 54 026 posts were declared by the MEC in August 2017 for the 2018 academic year. The allocation of posts was communicated to schools in post allocation letters in September 2017. The declared posts were distributed as follows:</li> <li>• 177 posts were allocated for Grade R, 99 posts were allocated for Remedial educators in the Full-service Schools, 1 826 posts were allocated to assist in the reduction of Foundation Phase class size and the rest were distributed to all schools as per the approved model</li> <li>• Appointment and induction of large numbers of Circuit Managers and Subject Advisers</li> <li>• The reduction in the number of PILIR cases from over 5 000 to 300. Reduction in Excess educators from 9 600 in 2014 to 2 800 in 2018.</li> <li>• Quarterly Promotion and Post Level 1 Bulletins were introduced in 2018</li> </ul>
<p><b>Strategic Goal 2</b> Adequate quality infrastructure provided on the basis of a data-driven infrastructure plan</p>	<ul style="list-style-type: none"> <li>• One of the major hostels in the province, Healdtown SSS, was completed with a capacity of 78 beds, a laundry and a curated room that was formerly utilised by President Nelson Mandela.</li> <li>• The Infrastructure Programme Implementation Plans (IPIP) was submitted timeously for approval by National Treasury in fulfilment of the conditions of The Division of Revenue Act as well as the Infrastructure Delivery Management System (IDMS)</li> <li>• Existing schools were allocated a budget annually to deal with the maintenance of school facilities to render them safe until the next scheduled maintenance.</li> </ul>
<p><b>Strategic Goal 3</b> Provision of quality Learning and Teaching Support Materials (LTSM) and furniture to all schools through data-driven planning and provisioning</p>	<ul style="list-style-type: none"> <li>• For each of the 12 districts, the Department keeps records of school furniture requests received from schools. These spreadsheets are updated weekly, and are used to monitor the delivery of desks, tables and chairs to schools.</li> <li>• As at 31 March 2019, the total number of delivered school furniture items was 220 099, while the number of units to be delivered before November 2019 was 44 479. These figures include deliveries against requests placed in 2019, and well as orders placed in 2017 and 2018.</li> <li>• The Department provided Graded Readers to 4 348 schools. The ECDOE provided the following LTSM to schools: four Workbooks to all Grade R – 9 learners; stationery to Quintile 1 – 3 school and top up textbooks and literature books to schools which ordered these. LTSM was delivered to schools by end of November 2018.</li> </ul>

Major Achievements	
<b>Strategic Goal 4</b> Improved assessment for learning	<ul style="list-style-type: none"> <li>The NSC pass rate of the Eastern Cape has improved for the third year in a row. In 2016 the pass rate improved by 2.5%, from 56.8% in 2015 to 59.3% in 2016. In 2017, the pass rate rose by 5.7%, to 65%, and increased by another 5.6% in 2018.</li> <li>The pass rate for Bachelors study increased from 17,6% in 2015 to 18,9% in 2016; and to 22,7% in 2017. This 5% increase over two years indicates that the quality of teaching and learning is improving in the Eastern Cape. Another indicator of quality is the improved pass rates in high enrolment subjects. In particular, the number of learners and the pass rate for Mathematics and Physical Sciences has increased.</li> <li>Letters were sent to all principals regarding targets and expectations for NSC 2019.</li> <li>Promotion Bulletins for the recruitment and selection of Principals were advertised in February and March.</li> <li>Schools received at least one visit by the District Director and or appointed officials per term.</li> <li>Schools were monitored to assess the availability of teachers per subject, observance of teaching time, curriculum coverage and attendance at schools.</li> <li>Targeted teachers were requested to attend extra classes with learners.</li> <li>Target workshops focussing on subject specific content and methodologies were conducted.</li> </ul>
<b>Strategic Goal 5</b> Improved quality of Grade R teaching and learning through training of teachers and provision of readers	<ul style="list-style-type: none"> <li>The declared posts distribution placed emphasis on ensuring teaching resources are allocated to the Grade R component.</li> <li>The allocation of posts was communicated to schools in post allocation letters in September 2017.</li> <li>Over 200 Foundation Phase subject advisers and lead teachers were trained on the use of the Foundation Phase Graded Readers In 2018.</li> </ul>
<b>Strategic Goal 6</b> Improve school functionality through effective governance, management and monitoring	<ul style="list-style-type: none"> <li>The organisational environment was enhanced by the filling of leadership posts at schools to enhance curriculum management. Principal vacancy bulletins and bulletins for HODs/Deputy Principals were advertised These Bulletins resulted in the appointment of 121 principals, 242 deputy principals and 665 HODs thus bringing greater stability to the management of schools.</li> <li>With a view to improving school functionality, all Districts developed District Improvement Plans for the 2018 academic year based on their School and Circuit Improvement Plans.</li> <li>831 school principals were trained on the Data driven Districts Dashboard.</li> <li>A Web Based Learner Profiler Tool was installed in all 30 Full-Service Schools to standardize the screening of learners, focusing on screening for academic ability, identification of literacy levels and support needed, screening for learner abilities and hidden disabilities and collection of learner social context and support information.</li> </ul>
<b>Strategic Goal 7</b> Improved learning outcomes through partnerships and stakeholder engagement	<ul style="list-style-type: none"> <li>The Department held a successful Stakeholder Forum to engage and develop a framework for planning and implementation for the next five years. The Department invited the private and public sector, as well as other social stakeholders to contribute towards an integrated approach to a new Education Systems Transformation Plan 2019-2023.</li> <li>The MEC and the Head of Department continued to meet with the various stakeholders (Principals, School Governing Bodies (SGBs), and Traditional Leaders to discuss the provision of quality education through focused efforts on the rationalisation programme. This resulted in the realignment, merger and closure of unviable schools, and at the same time ensured that learners receive basic education as intended.</li> </ul>

## 4. Performance Information By Programme

### 4.1 Programme 1: Administration

#### 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-Programmes	Sub-Programmes Purpose
1.1. Office of the MEC	To provide for the functioning of the office of the Member of the Executive Council (MEC) for education in line with the ministerial handbook.
1.2. Corporate Services	To provide management services such as Human Resource Management, Information Technology and Systems, Supply Chain Management, Finance and Strategic Management Monitoring and Evaluation.
1.3. Education Management	To provide education management services for the education system, such as education planning and curriculum development through District Coordination and Management of Clusters.
1.4. Human Resource Development	To provide human resource development for office-based staff.
1.5. Education Management Information Systems	To provide an Education Management Information System in accordance with the National Education Information Policy

#### Strategic Goals and Objectives

Strategic Goal (SG)	Strategic Objectives (SO)
<b>Strategic Goal 6</b> Improve school functionality through effective management and monitoring	<b>SO 6.2</b> To improve the quality of monitoring and support provided to schools by the Department
	<b>SO 6.3:</b> To improve systems for effective management and administration of schools

#### Key Policy Priorities

The following are key priorities to improve governance, accountability and compliance and will support quality learning and teaching:

- Implementation of the approved Service Delivery Model (SDM) and finalisation and population of the organogram to support the SDM.
- Filling vacancies in key strategic administration posts.
- Strengthening of the Internal Audit, Internal Control and Risk Management Units.
- Review and formulate appropriate responses to internal and external findings.
- Improve governance, accountability and compliance by strengthening efficiency in general management and development (including executive support services) that will support quality learning and teaching.
- Strengthen Finance, Supply Chain and Human Resources operations.
- Strengthen employer-employee relations and relationships with all stakeholders.
- Support to District Offices through the development of an electronic reporting system that manages the data from visits to schools conducted by district officials.
- Infrastructure provisioning in the form of office space for newly established district offices, circuit management centres and circuit offices.
- Strengthening monthly finance accountability sessions at all levels.
- Election and training of School Governing Bodies.
- Approval of the District Service Delivery Models
- Training and support Circuit Managers and Subject Advisor.

## Key Achievements

In implementing the new service delivery Model the Department appointed eight (8) District Directors and two Cluster Chief Directors on a permanent basis in order to strengthen the management and governance at District level.

Internal Control functions were institutionalised at the district level by the placement of 72 personnel (6 per district) to facilitate the process of pre-audit of processes of the Department to eliminate and/or avoid non-compliance with policies and regulations. The Department also placed 60 personnel in districts (5 per district) to do continuous review of internal controls at district level to assist the Department in reducing the negative audit findings which will in the medium-to-long term improve the compliance with policies throughout the Department.

Implementation of the approved financial management and supply chain management delegations has assisted the Department in tightening the control environment and decision making at the Chief Director level. Supply chain management standard operating procedures have been approved to provide guidance on the implementation of policies. All District Deputy Directors have been trained on budget and revenue processes.

The successful digitisation of HR records project has contributed to over 30 million digitised pages to date. Digitisation of all HR documents provides a better service to teachers eliminating the need to attend HR administration related matters during school hours. The electronic record management has enabled the Department to provide information upon request to internal and external stakeholders and seamlessly track actions taken on written requests. The Department expects to complete the transition in the 2019/20 financial year.

Early declaration of school post establishments as per the Post Provisioning Norms (PPN) ensured stability and was key in enhancing school functionality and improving efficiency in the education system. Streamlining of the organisation and enhanced human resource practices was aimed at improved learning outcomes in 2018. This included the appointment and induction of a significant number of Circuit Managers and Subject Advisers.

The Department invested in the upgrading of ICT infrastructure and systems (Head Office and Districts). This included ensuring that ICT infrastructure in all provincial Teacher Development Institutes has been upgraded to support all teacher development initiatives.

All schools were provided with laptops to support access to information and to institutionalise SASAMS. In addition to these laptops each school principal received a tablet. Quality of data submitted by the schools through SASAMS has shown marked improvement with the completeness percentage improving from 97% to 99%. This was achieved through the continued roll out of the Data driven Districts Dashboard system which visualizes the data in SASAMS onto a web-based dashboard that is readily accessible by all users. SASAMS was successfully utilised to identify learners who have been assigned to Scholar Transport routes. The validation of learner identity numbers by SASAMS led to improved quality of data supplied by schools thus improving the quality and reliability of the data used for Scholar Transport.

The Department's data focused action plan for collection of data via an online platform from schools and districts is bearing fruit. This vision has been realised to a great extent with 50,298 successful submissions being received and processed during the 2018-19 financial year. These SASAMS uploads were primarily done directly from district offices. The process of enabling schools to upload directly has also gained momentum with the alignment of the submission process with the Data driven Districts Dashboard (DDD) submission routine. This allowed schools to submit the SASAMS data to both the Data driven Districts Dashboard as well as the Provincial SASAMS Warehouse with little effort.

DDD submissions have been consistent with the average submission upload being at 97% for the 4 school terms and data completeness being at 98% average for the same period. A total of 265,897 distinct dashboard hits were recorded in the period under review on DDD with 4,023 users being registered on the system. Of these there were 2,045 new users created. The number of users who recorded more than 50 logins during the period stands at 248. During March and February 2019 a total of 4,590 reports were downloaded from DDD. DDD also added a new Learner Intervention Planning Report which identifies learners at risk of failing in an attempt to provide an early warning system to assist schools and districts.

**Strategic Objective Performance 2018/19**

Programme 1: Administration						
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on deviations	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	5 158	5 320	5 244	(76)	SASAMS achieved a submission rate of 99% for 2018/19. Some schools were closed due to the school rationalisation programme.	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	5 320	5 320	5 320	0	Target Met	
<b>SO 6.2</b> To improve the quality of monitoring and support provided to schools by the Department	20.8%	20%	21.8%	1.8%	Over expenditure in non-personnel intervention programmes and payment of fee exemption policy and provision of funding for schools outside municipal boundaries	
<b>SO 6.2</b> To improve the quality of monitoring and support provided to schools by the Department	4 790	100%	38%	(62%)	The variance is due to inadequate recording of visits to schools. The overwhelming majority of schools were visited twice during the year under review but auditable records are not available.	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	99.1%	91%	91%	0	Target Met	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	(a) 21%	5%	5%	0	Target Met	
	(b) 23.36%	10%	10%	0	Target Met	
<b>SO 6.2</b> To improve the quality of monitoring and support provided to schools by the Department	89.4%	70%	58.2%	(11.8%)	Enhancing the capacity of Districts is a key focus area of the Department to ensure schools are fully supported. The variance may be due to lack of multi-disciplinary support teams to provide targeted support to schools.	

**Programme Performance 2018/19**

Programme 1. Administration							
Performance indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 101</b> Number of public schools that use schools administration and management systems (SASAMS) to electronically provide data	5 207	5 367	5 158	5 320	5 244	(76)	SASAMS achieved a submission rate of 99% for 2018/19. Some schools were closed due to the school rationalisation programme.
<b>PPM 102</b> Number of public schools that can be contacted electronically (e-mail)	5 534	5 242	5 320	5 320	5 320	0	Target Met
<b>PPM 103</b> Percentage of education expenditure going towards non-personnel items	20%	18%	20.8%	20%	21.8%	1.8%	Over expenditure in non-personnel expenditure due to implementation of agreed intervention programmes and payment of fee exemption policy and provision of funding for schools outside municipal boundaries
<b>PPM 104</b> Percentage of schools visited at least twice a year by district officials for monitoring and support purposes	9 219	5 177	4 790	100%	38%	(62%)	The variance is due to inadequate recording of visits to schools. The overwhelming majority of schools were visited twice during the year under review but auditable records are not available
<b>PPM 105</b> Percentage of 7 to 15 year olds attending education institutions	Not Applicable	Not Applicable	99.1%	91%	91%	0	Target Met
<b>PPM 106</b> Percentage of learners having access to information through (a) Connectivity (other than broadband); and (b) Broadband	Not Applicable	Not Applicable	(a)21%	5%	5%	0	Target Met
			(b) 23.36%	10%	10%	0	Target Met

**Programme Performance 2018/19**

Programme 1. Administration							
Performance indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 107</b> The percentage of school principals rating the support services of Districts as being satisfactory	Not Applicable	Not Applicable	89.4%	70%	58.2%	(11.8%)	Enhancing the capacity of Districts is a key focus area of the Department to ensure schools are fully supported. The variance may be due to lack of multi-disciplinary support teams to provide targeted support to schools.

## Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 101</b> Number of public schools that use schools administration and management systems (SASAMS) to electronically provide data	Follow up on schools that do not use SA-SAMS.
<b>PPM 104</b> Number of schools visited by district officials for monitoring and support purposes	Circuit Management will be resourced to ensure that monitoring of schools is recorded and submitted timeously. Improve on the use of the DDD system to monitor schools.
<b>PPM 107</b> The percentage of school principals rating the support services of Districts as being satisfactory	The multi-disciplinary support teams must comprise of Circuit Manager as the leader and subject advisors for both GET and FET bands so that the Districts provide targeted support to schools.

## Changes to planned targets

There were no changes to planned targets in the 2018/19 financial year

## Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review.

## Sub-Programme Expenditure

Sub- Programme Name	2017/18			2018/19		
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	31 309	26 161	5 148	14 454	10 648	3 806
Corporate Services	1 448 885	1 406 472	42 413	1 443 371	1 392 591	50 780
Education Management	1 219 523	1 214 869	4 654	1 284 934	1 278 579	6 355
Human Resource Development	29 180	27 340	1 840	24 550	24 550	-
Education Management Information Systems	70 144	40 878	29 266	46 483	43 578	2 905
<b>Total</b>	<b>2 799 041</b>	<b>2 715 720</b>	<b>83 321</b>	<b>2 813 792</b>	<b>2 749 946</b>	<b>63 846</b>

## 4.2 Programme 2: Public Ordinary Schools

### Purpose

To provide public ordinary education to all learners in Grades 1 to 12 enrolled in Public Ordinary Schools in accordance with the South African Schools Act (SASA), 1996 (Act No. 84 of 1996) as amended and White Paper 6 on Inclusive Education.

### Sub-Programmes:

Sub-Programmes	Sub-Programmes Purpose
2.1. Public Primary Schools	To provide specific public primary ordinary schools with resources required for the Grades 1 to 7 levels.
2.2. Public Secondary Schools	To provide specific public secondary ordinary schools with resources required for the Grades 8 to 12 levels.
2.3. Human Resource Development	To provide departmental services for the professional and other development of educators and non-educators in public ordinary schools.
2.4. School sport, culture and media services	To provide additional and departmentally managed sporting, cultural and reading activities in public ordinary schools.
2.5. Conditional Grants	Provides for the projects under Programme 2 specified by the DBE and funded by conditional grants

### Strategic Goals and Objectives

Strategic Goal (SG)	Strategic Objectives (SO)
<b>Strategic Goal 1</b> Improved quality of teaching and learning through timeous supply and effective utilisation and development of teachers	<b>SO 1.1:</b> To develop and enhance the professional and technical capacity and performance of educators through demand-driven training at decentralised venues which are fit for purpose <b>SO 1.4:</b> To increase access to education in public ordinary and independent schools
<b>Strategic Goal 3</b> Provision of quality Learning and Teaching Support Materials (LTSM) and furniture to all schools through data-driven planning and provisioning	<b>SO 3.1:</b> Provide texts, stationery, assessment exemplars, furniture and Norms and Standards funding to all schools in sufficient numbers and on time through data-driven planning and provisioning
<b>Strategic Goal 4</b> Improved assessment for learning	<b>SO 4.5:</b> To improve systems for monitoring of learner performance, administration of assessments and utilisation of examination question banks across the system
<b>Strategic Goal 6</b> Improve school functionality through effective governance, management and monitoring	<b>SO 6.2:</b> To improve the quality of monitoring and support provided to schools by the Department <b>SO 6.3:</b> To improve systems for effective management and administration of schools

### Key Policy Priorities

- Training of newly elected School Governing Bodies
- Improving the quality of teaching and learning through the supply, development and effective utilisation of teachers.
- The provisioning of adequate, quality infrastructure in order to provide a conducive environment for teaching and learning.
- The adequate supply of Learning and Teaching Support Materials (LTSM) so that learners have access to textbooks for every subject.
- Provide readers to Foundation Phase learners
- Increase Grade 1 pass rate
- Reduce Foundation Phase class sizes
- Train Foundation Phase teachers in teaching reading
- The adequate provisioning of school furniture so that every learner has a desk and chair.

- Improving the quality of teaching and assessment to ensure quality and efficiency in academic achievement in a conducive and safe environment.
- Strengthening accountability, improving management and governance at school, community and district levels
- Ensuring that schools are resourced in terms of norms and standards, fee exemptions and accountability thereof
- Ensuring that eligible learners continue to benefit from the “No Fee Policy”
- Managing and monitoring the National School Nutrition Programme (NSNP) so that learners in Quintiles 1-3 (“No Fee”) Public Ordinary Schools continue to benefit including attached Grade R and targeted Special Schools through the daily serving of quality, nutritious meals that cover pre-arranged extra formal structured classes.
- Provisioning of hostels for cluster schools to mediate and supplement access to education.
- Teacher Development for strengthened Mathematics and Sciences teaching, including support to underperforming schools and ICT integration
- Holistic development learners through School Enrichment Programmes
- Improve capacity of Full Service Schools to become Remedial Centres to public ordinary schools supporting learners screened and assessed through the SIAS Policy and incremental placement of Teacher/Therapeutic Assistants
- Provide support to all schools through focused visits
- Increase number of learners passing all grades
- Improve mathematics teaching and learning in all grades

## Key Achievements

### Teacher Development

- Implementation of an online registration process for all provincial teacher development courses offered at provincial Institutes
- Expansion of the offering of the provincial eSkills4All teacher development course to district-based training sites
- Increased participation in pre- and post-tests during training workshops conducted at provincial Institutes
- Publication of a Departmental Prospectus for provincial teacher development courses on offer in 2018. All the programmes in the 2018 Prospectus were completed and lessons learnt from the first year of the Prospectus informed the 2019 Prospectus which was released on 31 October 2018. The 2019 Teacher Development Prospectus shows an increase in the number of courses and course participants. In addition, improved operating procedures have been developed for the registration for Teacher Development courses, for course participation and for the monitoring and evaluation of courses.

### Human Resource

- The MEC declared a post basket of 54026 on the 28th August 2018. This declaration is linked to a Multi-term Agreement and therefore will be retained for the next 3 years.
- The Head of Department conducted PPN 2019 Distribution Workshops with stakeholders in education (Educator Unions and SGB Associations) on the following dates 27th August 2018, 3rd September and 20th September 2018. The Pre-final establishments were issued to schools on the 9th September 2018 and schools were expected to confirm the Pre-final establishments by 14 September 2018. The Final 2019 PPN establishments were issued on the 21 September 2018 to schools.
- An Organisational and Post Establishment structure that is informed by the approved Service Delivery Mode was designed and finalised in the 2018/19 financial year. The Organogram proposals with the Service Delivery Model were then submitted to DPSA through the Office of the Premier. Provincial Treasury conducted the costing exercise and submitted correspondence to the Department for consideration. The Department committed itself to DPSA and Office of the Premier that upon the approval of the organisational structure it will adopt strict control measures to ensure that the implementation of the organisational structure adheres to the principles of value for money.
- The Staff Attraction, Retention and Succession Strategy was drafted and will be finalised in the 2019/20 year.
- The Draft Service Charter was developed and presented to Human Resource Forum and the Corporate Service Forum.

- Digitised images for approximately 7000 PERSALs linked to the capped leave population are available for auditing.
- The Department developed and approved its Recruitment Policy in the 3rd quarter of 2018/19 financial year.
- Department received 699 Fundza Lushaka Graduates to be placed during the 2018/19 financial year. The Department placed 924 Bursary Holders.
- The reduction in the number of PILIR cases from over 5 000 to 300.
- Reduction in Excess educators from 9 600 in 2014 to 2 800 in 2018.
- Quarterly Promotion and Post Level 1 Bulletins introduced in 2018

#### LTSM

- In 2018 the ECDOE provided the following LTSM to schools: four Workbooks to all Grade R – 9 learners; stationery to Quintile 1 – 3 school and top up textbooks and literature books to schools which ordered these. Procurement for 2019 LTSM was completed and was delivered to schools by end of November 2018.
- In addition, the ECDOE printed 834 000 Foundation Phase anthologies or sets of graded readers for use in the Foundation Phase in 2019. There are three anthologies which together contain 66 stories. These were delivered to schools by 30 November 2018. Each child in Grade 1, 2 and 3 in the province was issued with an anthology to take home in January 2019.
- All schools were supplied with Workbooks for Grades 1 to 9 for Home Language, First Additional Languages, Mathematics and Life Skills.

#### Maths Science and Technology

- Delivered 120 mobile laboratories for 120 schools.
- Supplied Laptops for 130 schools.
- Provided ICT laboratories for 2 schools (25 laptops and a server for each school)
- Trained 120 teachers for practical work.
- Camp for 900 Grade 12 learners in Mathematics and Science.
- Registration for Olympiads for Mathematics and Science completed
- International competition by 2 learners for International Science Technology Fair in Beijing and one learner from Nduku School in Engcobo won Silver and that learner is currently at St James SSS in Cofimvaba.

#### School Management

- The Department managed and coordinated the successful elections of SGBs for schools in the province
- Induction of 188 newly appointed principals
- Training of principals on DDD continued
- Development of underperforming schools' academic improvement plan.
- ECDoE has enrolled 103 Circuit Managers in a year program offered by the University of Stellenbosch on Mentoring and Coaching of school principals.
- Programs for good quality standards were developed.
- ECDoE has trained Circuit Managers and Subject advisors as Master Trainers for Curriculum Management and Data Driven Districts, thereby reducing reliance on the use of private service providers.

#### Norms and Standards for Funding

- Successful payments for stationery for quintile 4 and 5 schools
- 80 schools submitted data on Fee Exemption Policy Implementation and compensation paid to these schools benefitted 7 879 learners
- Advocacy creating awareness on Fee Exemption Policy was conducted in all 12 Districts
- Districts were visited to monitor utilization of section 20 maintenance budget
- Memoranda instructing section 21 schools to utilize maintenance budget for the intended purposes and a tool for reporting utilization were distributed to schools
- Circular number 3 of 2019 regarding resource allocation to Public Ordinary Schools and utilization of budget was sent to schools
- SAICA Interns trained on school finances with the aim of placing the interns at schools in the 2019/20 financial year to assist SGBs with the management of school finances

## Strategic Objective Performance 2018/19

Programme 2: Public Ordinary Schools					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	30	50	30	(20)	There are currently 30 Full Service Schools (FSS) in the Eastern Cape. The Department had planned to resource an additional 20 FSS, however due to limited budget availability, the identified schools were not completely resourced. The Policy on FSS will guide the process of designation as well as outline the norms and standards on the provision of funding and human resource capacity.
<b>SO 4.5</b> To improve systems for monitoring of learner performance, administration of assessments and utilisation of examination question banks across the system	68%	69%	69.1%	0.1%	Target met
<b>SO 4.5</b> To improve systems for monitoring of learner performance, administration of assessments and utilisation of examination question banks across the system	55%	55%	55.9%	0.9%	Target met
<b>SO 3.1</b> Provide texts, stationery, assessment exemplars, furniture and Norms and Standards funding to all schools in sufficient numbers and on time through data-driven planning and provisioning	1 470	1 000	4 348	3 348	The target was set according to previous provision of multi-media resources. The Foundation Phase learners had no or limited access to Graded Readers in their Home Language resulted in the Department providing Graded Readers to all Foundation Phase learners to every school in the province offering these grades.
<b>SO 6.3</b> To improve systems for effective management and administration of schools	2%	4%	2.8%	1.2%	Close monitoring of learner absenteeism was conducted

## Strategic Objective Performance 2018/19

Programme 2: Public Ordinary Schools					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 6.3</b> To improve systems for effective management and administration of schools	2.7%	6%	2.4%	3.6%	Close monitoring of teacher absenteeism was conducted
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	1 482 131	1 611 245	1 466 963	(144 282)	There is considerable learner migration into, out of and within the Province which affects the outcome of this PPM.
<b>SO 1.1</b> To develop and enhance the professional, technical capacity and performance of educators through demand-driven training at decentralised venues which are fit for purpose	4 263	4 700	4 668	(32)	SGB educators were not counted as they do not appear on the PERSAL system and therefore cannot be verified as such. Some educators attended the same course twice for a subject however they were not counted twice in such instances.
<b>SO 1.1</b> To develop and enhance the professional, technical capacity and performance of educators through demand-driven training at decentralised venues which are fit for purpose	3 746	4 300	3 715	(585)	SGB educators were not counted as they do not appear on the PERSAL system and can therefore not be verified as such, and several educators repeated the same course twice in a subject so were not counted twice in such instances. Further educators are expected to participate in professional development activities the choice as to the nature of the particular activity resides with the individual educator. Not all of the targeted numbers of educators per course therefore chose to participate in courses and this accounts for the deviation.
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	36 hours	30 hours	31 hours 18 minutes	1 hour 18 minutes	Training was conducted in the form of residential workshops thus teachers were willing to spend more time than what was required on the training programme and this led to some trainers extending contact time beyond 30 hours in total in several subjects.
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	129	300	49	(251)	Participation in Self-Diagnostic Assessments (SDA) is voluntary. The Department invited teachers to participate in SDA, however only 69 educators volunteered to participate in the process and not all of the 69 participated in the assessment.

### Strategic Objective Performance 2018/19

Programme 2: Public Ordinary Schools					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	17.5%	55%	49.8%	(5.2%)	The post-test for GET Mathematics focused on a mix of content and teaching methodologies and the questions on teaching methodologies proved to be challenging for GET educators in the main. On the contrary the post-test for FET Mathematics focused solely on content and FET educators were competent in the main.
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	3%	2%	2.3%	0.3%	Target met
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	697	449	413	(36)	Fundza Lushaka graduates subject profiles do not support ECDOE priority area: Mathematics and Science, resulting in lower numbers being directed to schools.
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	1 034	3 150	1 064	(2 086)	The Education Sector Strategic Plan had envisioned attracting qualified Grade R – 12 teachers aged 30 and below. The inflow of young teachers into the system remains one of the most serious challenges confronting the education sector.
<b>SO 6.2</b> To improve the quality of monitoring and support provided to schools by the Department	67%	64%	70.1%	5.9%	The PPN process and the appointment of educators resulted in a reduction in class sizes

### Strategic Objective Performance 2018/19

Programme 2: Public Ordinary Schools					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	56.7%	100%	61.9%	(39.1%)	A total of 54,026 posts was declared in 2018 of which 53,870 were distributed to schools. The Department focused on having a teacher in front of every class and stability at schools for effective teaching. The target for the total number of schools where allocated teaching posts are not all filled was not achieved given that the movement of teachers to vacant posts where they meet the required profile of the vacant post takes time. In addition, once the post establishments are released to schools, the schools need to identify the additional educators and profile the vacant posts resulting from the newly released Establishment. The additional educators are then required to move to vacant posts where they meet the required profile of the vacant post. This is a complicated process as list of teachers does not always meet the required profile of the vacant post.
<b>SO 3.1</b> Provide texts, stationery, assessment exemplars, furniture and Norms and Standards funding to all schools in sufficient numbers and on time through data-driven planning and provisioning	90%	90%	99.1%	9.1%	The provision of textbooks works on a demand and supply basis. The Department orders textbooks for schools on the basis of orders submitted by schools. Where a school does not submit an order, this school does not require any textbooks as it has been able to retrieve sufficient textbooks from previous learners to supply to its new cohort of learners. The number of schools that ordered and received textbooks against the total number that originally placed orders was calculated on the basis of proof of delivery slips produced in the delivery process. The number and therefore percentage of schools that received textbooks exceeded the set target as the pricing and therefore provision of textbooks varies depending on the grade and the subject being ordered for

## Strategic Objective Performance 2018/19

Programme 2: Public Ordinary Schools					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 4.5</b> To improve systems for monitoring of learner performance, administration of assessments and utilisation of examination question banks across the system	470 870	1 508 226*	482 651**		The measurement of the percentage of learners who complete the whole curriculum each year is still a challenge as there is no consensus on a sector agreed to standard on reporting the PPM. One of the Department's priority focus areas in 2018/19 was on ensuring the delivery of curriculum to learners in all grades as required by the Curriculum and Assessment Policy Statement (CAPS) through school support that ensures teaching time is protected. The Department measures curriculum coverage by utilizing data produced on SASAMS. The data applicable to the completion of SBA tasks by learners is captured on the system by schools for the Department to calculate this. More schools complied with the submission of this information which led to an increase in the number and therefore percentage of learners reported to have completed the whole curriculum in the school year compared to the set target
	95%	87%	94%	7%	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	50%	80%	14%	(66%)	Most schools do have basic management documents in place such as School Improvement Plans, the Annual Academic Report and so on. However, survey results indicate that the Department should improve reporting systems to allow schools to better respond to survey assessments and survey requests. The Department utilizes survey tools to collect information on the existence of management documents. The tools are released to all schools and schools are required to complete and submit the tools to the Department. A very low number of schools responded to this request and this translated to only 14% of the schools that were surveyed submitting a response. The low level of responsiveness from schools led to a significant decline in the actual achievement against the set target.
	12%	10%	88.8%	78.8%	
<b>SO 6.3</b> To improve systems for effective management and administration of schools					Target exceeded

### Strategic Objective Performance 2018/19

Strategic Objectives	Programme 2: Public Ordinary Schools					Comment on Deviations
	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from Planned Target to Actual Achievement for 2018/19		
<b>SO 6.3</b> To improve systems for effective management and administration of schools	98%	80%	94%	14%	Target exceeded	
<b>SO 6.3</b> To improve systems for effective management and administration of schools	0%	0%	100%	100%	Target met	

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 201</b> Number of Full Service Schools servicing learners with learning barriers	30	30	30	50	30	(20)	There are currently 30 Full Service Schools (FSS) in the Eastern Cape. The department had planned to resource an additional 20 full service schools, however due to limited budget availability, the identified schools were not completely resourced. The Policy on FSS will guide the process of designation as well as outline the norms and standards on the provision of funding and human resource capacity.
<b>PPM 202</b> The percentage of children who turned 9 in the preceding year and who are currently enrolled in Grade 4 (or a higher grade)	21%	68%	68%	69%	69.1%	0.1%	Target met
<b>PPM 203</b> The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	16%	54%	55%	55%	55.9%	0.9%	Target met
<b>PPM 204</b> Number of schools provided with multi-media resources	0	0	1 470	1 000	4 348	3 348	The target was set according to previous provision of multi-media resources. However, the evidence that Foundation Phase learners had no or limited access to readers in their Home Language resulted in the Department providing graded readers to all Foundation Phase learners to every

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
							school in the province offering these grades.
<b>PPM 205</b> Learner absenteeism rate	3%	2%	2%	4%	2.8%	1.2%	Close monitoring of learner absenteeism was conducted
<b>PPM 206</b> Teacher absenteeism rate	4%	4.1	2.7%	6%	2.4%	3.6%	Close monitoring of teacher absenteeism was conducted
<b>PPM 207</b> Number of learners in public ordinary schools benefiting from the "No Fee Schools" policy	1 599 046	1 582 878	1 482 131	1 611 245	1 466 963	(144 282)	There is considerable learner migration into, out of and within the Province which affects the outcome of this PPM.
<b>PPM 208</b> Number of educators trained in Literacy/Language content and Methodology	4 080	2 587	4 263	4 700	4 668	(32)	SGB educators were not counted as they do not appear on the PERSAL system and can therefore not be verified as such, and several educators repeated the very same course twice in a subject so were not counted twice in such instances.
<b>PPM 209</b> Number of educators trained in Numeracy/Mathematics content and Methodology	4 560	3 609	3 746	4 300	3 715	(585)	SGB educators were not counted as they do not appear on the PERSAL system and can therefore not be verified as such, and several educators repeated the very same course twice in a subject so were not counted twice in such instances. Further to this, while educators are expected to participate in professional development activities the choice as to the nature of the particular activity resides with the individual educator. Not all of the targeted numbers of educators per course therefore chose to participate in such

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 210</b> The average hours per year spent by teachers on professional development activities	Not Applicable	Not Applicable	36 hours	30 hours	31 hours 18 minutes	1 hour 18 minutes	courses and this accounts for the deviation. As the training was conducted in the form of residential workshops, teachers were willing to spend more time than what was indicated on the training programme in training and this led to some trainers extending contact time beyond 30 hours in total in several subjects.
<b>PPM 211</b> Number of teachers who have written the Self-Diagnostic Assessments	Not Applicable	Not Applicable	129	300	49	(251 )	Participation in Self-Diagnostic Assessments (SDA) is voluntary. The Department invited teachers to participate in SDA, however only 69 educators volunteered to participate in the process and not all of them actually ended up participating.
<b>PPM 212</b> Percentage of teachers meeting required content knowledge levels after support	Not Applicable	Not Applicable	17.5%	55%	49.8%	(5.2%)	The post-test for GET Mathematics focused on a mix of content and teaching methodologies and the questions on teaching methodologies proved to be challenging for GET educators in the main. On the contrary the post-test for FET Mathematics focused solely on content and FET educators were competent in the main.
<b>PPM 213</b> Percentage of learners in school with at least one educator with specialist training on inclusion	Not Applicable	Not Applicable	3%	2%	2.3%	0.3%	Target met
<b>PPM 214</b>	Not Applicable	Not Applicable	697	449	413	(36)	Fundza Lushaka graduates' subject profiles do not support ECDOE priority

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
Number and percentage of Fundza Lushaka Bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies							area: Mathematics and Science, resulting in lower numbers being directed to schools.
<b>PPM 215</b> Number of qualified Grade R-12 teachers aged 30 and below, entering the public service as teachers for the first time during the financial year	Not Applicable	Not Applicable	1 034	3 150	1 064	(2 086)	The education sector strategic plan had envisioned attracting qualified Grade R – 12 teachers aged 30 and below. The inflow of young teachers into the system remains one of the most serious challenges confronting the education sector.
<b>PPM 216</b> Percentage of learners who are in classes with no more than 45 learners	Not Applicable	Not Applicable	67%	64%	70.1%	5.9%	The PPN process and the appointment of educators resulted in a reduction in class sizes
<b>PPM 217</b> Percentage of schools where allocated teaching posts are all filled	Not Applicable	Not Applicable	56.7%	100%	61.9%	(39.1%)	A total of 54,026 posts were declared in 2018 of which 53,870 were distributed to schools as the Department focused on having a teacher in front of every class and stability at schools for effective teaching. The target for the total number of schools where allocated teaching posts are not all filled was not achieved given that the movement of teachers to vacant posts where they meet the required profile of the vacant post takes time. In addition, once the post establishments are released to schools, the schools need to identify the additional educators and profile the

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 218</b> Percentage of learners provided with required textbooks in all grades and in all subjects per annum	Not Applicable	Not Applicable	90%	90%	99.1%	9.1%	vacant posts resulting from the newly released Establishment. The additional educators are then required to move to vacant posts where they meet the required profile of the vacant post. This is a complicated process as list of teachers does not always meet the required profile of the vacant post.  The provision of textbooks works on a demand and supply basis. The Department orders textbooks for schools on the basis of orders submitted by schools. Where a school does not submit an order, this school does not require any textbooks as it has been able to retrieve sufficient textbooks from previous learners to supply to its new cohort of learners. The number of schools that ordered and received textbooks against the total number that originally placed orders was calculated on the basis of proof of delivery slips produced in the delivery process. The number and therefore percentage of schools that received textbooks exceeded the set target as the pricing and therefore provision of textbooks varies depending on the grade and the subject being ordered for.

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 219</b> Number and percentage of learners who complete the whole curriculum each year	Not Applicable	Not Applicable	470 870	1 508 226*	482 651**	7%	The measurement of the percentage of learners who complete the whole curriculum each year is still a challenge as there is no consensus on a sector agreed to standard on reporting the PPM. One of the Department's priority focus areas in 2018/19 was on ensuring the delivery of curriculum to learners in all grades as required by the Curriculum and Assessment Policy Statement (CAPS) through school support that ensures teaching time is protected. The Department measures curriculum coverage by utilizing data produced on SASAMS. The data applicable to the completion of SBA tasks by learners is captured on the system by schools for the Department to calculate this. More schools complied with the submission of this information which led to an increase in the number and therefore percentage of learners reported to have completed the whole curriculum in the school year compared to the set target
				87%	94%		
<b>PPM 220</b> Percentage of schools producing a minimum set of management documents at a required standard	Not Applicable	Not Applicable	50%	80%	14%	(66%)	Most schools do have basic management documents in place such as School Improvement Plans, the Annual Academic Report and so on. However, survey results indicate that the Department should improve reporting systems to allow schools to

**Programme Performance 2018/19**

Programme 2: Public Ordinary Schools							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
							better respond to survey assessments and survey requests. The Department utilizes survey tools to collect information on the existence of management documents. The tools are released to all schools and schools are required to complete and submit the tools to the Department. A very low number of schools responded to this request and this translated to only 14% of the schools that were surveyed submitting a response. The low level of responsiveness from schools led to a significant decline in the actual achievement against the set target.
<b>PPM 221</b> Number and percentage of SGBs in sampled schools that meet minimum criteria in terms of effectiveness every year	Not Applicable	Not Applicable	12%	10%	88.8%	78.8%	Target exceeded
<b>PPM 222</b> Percentage of schools with more than one financial responsibility on the basis of assessment	Not Applicable	Not Applicable	98%	80%	94%	14%	Target exceeded
<b>PPM 223</b> Percentage of learners in schools that are funded at a minimum level	Not Applicable	Not Applicable	0%	0%	100%	100%	Target met

\*PPM 219 is based on Whole Curriculum coverage

\*\*PPM219 : Actual achievement reported is based on the number of assessment tasks completed for Grades 3,6,9 and 12 for Mathematics and English First Language as the definition of the ppm changed

## Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 201</b> Number of full service schools servicing learners with learning barriers	To develop and implement a comprehensive plan on resourcing and supporting the development of Full Service Schools.
<b>PPM 207</b> Number of learners in public ordinary schools benefiting from the “No Fee Schools” policy	The migration of learners into and out of the Province was the reason for under performance for this PPM. The learner numbers will be reviewed closely during the budget planning period
<b>PPM 208</b> Number of educators trained in Literacy/Language content and Methodology	Stronger advocacy of the benefits of completing the teacher development training offerings.
<b>PPM 209</b> Number of educators trained in Numeracy/Mathematics content and Methodology	Stronger advocacy of the benefits of completing the teacher development training offerings.
<b>PPM 211</b> Number of teachers who have written the Self-Diagnostic Assessments	Stronger advocacy of the benefits of completing the Self-Diagnostic Assessment will be conducted
<b>PPM 212</b> Percentage of teachers meeting required content knowledge levels after support	Revision of the pre and post-tests, to ensure that they align with course content
<b>PPM 214</b> Number and percentage of Fundza Lushaka Bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	To communicate the needs and requirements of schools to DBE for appropriately qualified and skilled educators in certain phases, subjects and locations.
<b>PPM 215</b> Number of qualified Grade R – 12 teachers aged 30 and below, entering the public service as teachers for the first time during the financial year	Advocacy at Districts and schools will be conducted to promote the teaching profession
<b>PPM 217</b> Percentage of schools where allocated teaching posts are filled	Finalise the Organisational Structure
<b>PPM 220</b> Percentage of schools producing a minimum set of management documents at a required standard	Support to schools where the minimum set of management documents is not at the required standard

### Changes to Planned Targets

There were no changes to planned targets in the 2018/19 financial year

### Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review.

## Sub-Programme Expenditure

The programme spent **R28.650 billion** against its allocated budget of **R28.121 billion** with an over expenditure of **R528.882 million** in the 2018/19 financial year

Sub-Programme Name	2017/18			2018/19		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Public Primary Schools	8 733 698	8 793 398	(59 700)	10 255 334	10 204 757	50 577
Public Secondary Schools	16 499 243	16 413 751	85 492	16 680 428	17 050 034	(369 606)
Human Resource Development	113 279	149 701	(36 422)	69 870	53 184	16 686
School sport, culture and media services	56 002	51 005	4 997	63 799	48 683	15 116
Conditional Grant: School	1 217 934	1 188 426	29 508	1 301 296	1 293 899	7 397
<b>Total</b>	<b>26 620 156</b>	<b>26 596 281</b>	<b>23 875</b>	<b>28 370 727</b>	<b>28 650 557</b>	<b>(279 830)</b>

### 4.3 Programme 3: Independent School Subsidies

#### Purpose:

To support independent schools in accordance with the South African Schools Act

#### Sub-Programmes:

Sub-Programme	Sub-Programme purpose
3.1. Primary Phase	Supports independent schools in Grades 1 to 7
3.2. Secondary Phase	Supports independent schools in Grades 8 to 12

#### Strategic Goals and Objectives

Strategic Goal(SG)	Strategic Objectives (SO)
<b>Strategic Goal 6</b> Improve school functionality through effective governance, management and monitoring	<b>SO 6.2:</b> To improve the quality of monitoring and support provided to schools by the Department

#### Key Policy Priorities

- Implementation of reviewed regulations on registration in line with National Guidelines
- Strengthen monitoring for registered and subsidised schools for improved learning outcomes and compliance.
- Closing down of unregistered schools
- Visits to all subsidised Independent Schools
- Publish report on visits to Independent Schools

#### Key Achievements

- Timeous transfer of subsidy to 108 (53%) registered schools, which resulted in 39 529 learners benefiting
- R130 808 229 (99.8%) was spent during this period
- Thirty (30) schools approved for full registration as independent schools.
- Sixty-seven (67) schools visited for monitoring and support

### Strategic Objective Performance in 2018/19

Strategic Objectives	Programme 3: Independent School Subsidies				Comment on Deviations
	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	
SO 6.2 To improve the quality of monitoring and support provided to schools by the Department	56%	59%	53%	(6%)	12 schools that ordinarily would have received subsidies did not which led to a decrease in the percentage of schools that received support. The reasons for these schools not receiving subsidies are as follows: <ul style="list-style-type: none"> <li>• 10 Secondary Schools performed below the provincial pass rate in grade 12 in 2017</li> <li>• 1 school did not comply with policy prescripts</li> <li>• 1 school no longer required subsidy</li> </ul>
	43 068	43 128	39 529	(3 599)	12 schools that ordinarily would have received subsidies did not which led to a decrease in the number of learners that received support. The reasons for the learners at these schools not receiving subsidies are as follows: <ul style="list-style-type: none"> <li>• 10 Secondary Schools performed below the provincial pass rate in grade 12 in 2017</li> <li>• 1 school did not comply with policy prescripts</li> <li>• 1 school no longer required subsidy</li> </ul>
	36%	75%	29%	(46%)	The number of schools visited was less than the set target which led to a decrease in the percentage of schools actually visited. The number of schools targeted for visits had to be cut due to the limited resources (financial and human) available to carry out this task.

### Programme Performance in 2018/19

Programme 3: Independent Schools Subsidies							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment On Deviations
<b>PPM 301</b> Percentage of registered independent schools receiving subsidies	57%	57%	56%	59%	53%	(6%)	12 schools that ordinarily would have received subsidies did not which led to a decrease in the percentage of schools that received support. The reasons for these schools not receiving subsidies are as follows: <ul style="list-style-type: none"> <li>• 10 Secondary Schools performed below the provincial pass rate in grade 12 in 2017</li> <li>• 1 school did not comply with policy prescripts</li> <li>• 1 school no longer required subsidy</li> </ul>
<b>PPM 302</b> Number of learners at subsidized registered independent schools	31 817	36 382	43 068	43 128	39 529	(3 599)	12 schools that ordinarily would have received subsidies did not which led to a decrease in the number of learners that received support. The reasons for the learners at these schools not receiving subsidies are as follows: <ul style="list-style-type: none"> <li>• 10 Secondary Schools performed below the provincial pass rate in grade 12 in 2017</li> <li>• 1 school did not comply with policy prescripts</li> <li>• 1 school no longer required subsidy</li> </ul>
<b>PPM 303</b> Percentage of registered independent schools visited for monitoring and support	100%	58.4	36%	75%	29%	(46%)	The number of schools visited was less than the set target which led to a decrease in the percentage of schools actually visited. The number of schools targeted for visits had to be cut due to the limited resources (financial and human) available to carry out this task.

### Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 301</b> Percentage of registered independent schools receiving subsidies	Close monitoring and support to underperforming Schools. Enforce criteria that schools pass rate be 80% and above
<b>PPM 302</b> Number of learners at subsidized registered independent schools	To improve the quality of monitoring and support provided to schools by the Department to ensure schools comply with policy prescripts.
<b>PPM 303</b> Percentage of registered independent schools visited for monitoring and support	Utilise officials from other Directorates and Districts for visits. Strict and focused monitoring and support through visits and monthly reports validated at district level

### Changes to Planned Targets

There were no changes to planned targets in the 2018/19 financial year

### Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review

### Sub-Programme Expenditure

Sub-Programme Name	2017/18			2018/19		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Primary Level	89 786	89 740	46	76 364	76 208	156
Secondary Level	33 256	33 159	97	54 645	54 599	46
<b>Total</b>	<b>123 042</b>	<b>122 899</b>	<b>143</b>	<b>131 009</b>	<b>130 807</b>	<b>202</b>

## 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 and White Paper 6 on Special Needs Education: Building an Inclusive Education and Training System

### Sub-Programmes:

Sub-Programme	Sub-Programme purpose
4.1. Special Schools	Provides specific public special schools with resources
4.2. Human Resource Development	Provides Departmental services for the professional and other development of educators and non-educators in public special schools.
4.3. School Sport, Culture And Media Services	Provides additional and Departmentally managed sporting, cultural and reading activities in public special schools.
4.4. Conditional Grants For OSD Therapists	Is responsible for projects specified by the DBE and funded through conditional grants.

### Strategic Goals and Objectives:

Strategic Goal(SG)	Strategic Objectives (SO)
<b>Strategic Goal 1</b> Improved quality of teaching and learning through timeous supply and effective utilisation and development of teachers	<b>SO1.4:</b> To increase access to education in public ordinary and independent schools
<b>Strategic Goal 2</b> Adequate quality infrastructure provided on the basis of a data-driven infrastructure plan	<b>SO 2.1:</b> To develop and implement a data driven infrastructure plan which includes new schools, extensions to existing schools and maintenance plans for all schools

### Key Policy Priorities

- Continuation of implementation of South African Sign Language (SASL) CAPS in the Senior Phase and Grade 11 to enhance participation of Deaf learners in teaching and learning and to improve their retention and quality of learning outcomes in preparation for Grade 12 examinations in 2018.
- Participation and implementation of the national pilot programme for purposes of implementation of the new curriculum for Severely Intellectually Disabled (SID)
- Participation and implementation of the national pilot programme for purposes of implementation of the Technical Vocational and Occupational skills curriculum
- Participation and implementation of the National Conditional Grant for purposes of implementation for Learners with Severe to Profound Disabilities in 14 care centres and 8 schools for Severely Intellectually Impaired children
- Expand training of teachers in Grade 1 and 2 Braille Literacy, Braille Mathematics and Braille Production, SASL, Autism and Augmentative and Alternative Communication (AAC)
- Resourcing of Special Schools through procurement of a basic pack of Learner Teaching Support Materials.
- Resourcing of Special Schools through procurement of assistive devices to improve learner access to education.
- Filling of vacant posts for Professional non-educator/specialist staff was initiated and 59 therapists are appointed at Special Schools
- Operationalisation of 4 newly established special schools

## Key Achievements

- Provision of professional work tools for all professional therapists and psychologists.
- The draft concept document on the implementation of the occupational curriculum was completed. The concept document directs the implementation plan to expand the occupational curriculum within Special Schools and mainstream schools.
- One hundred and twenty (120) educators at Special Schools trained on Curriculum Differentiation and Adaptation.
- Implemented the Severely Intellectually Disabled (SID) curriculum at twenty-two (22) Special Schools for learners with severe intellectual disabilities.
- Intensified school visits to special schools in the Nelson Mandela Bay and Sarah Baartman districts.
- Completed an audit of thirty-eight (38) Youth Care Centres in preparation for the provision of services to learners placed within these institutions as well as the appointment of 9 therapists within the LSPID programme.
- The expansion and strengthening of the Technical Occupational Curriculum Stream at 3 Special Schools as well as 7 mainstream schools were completed and resourced. These 7 schools are prepared to be registered as high level support programmes for the next financial year. Procurement was completed to strengthen 3 existing Special Schools as Resource Centres.
- Additional hostel fees were transferred to 24 Special Schools with hostels to allow learners from low social economical circumstances to access hostels.
- Five Circulars were developed on the implementation of the SIAS process.
- Draft norms on the appointment of support staff at Special Schools were developed and are currently being finalised for implementation.

## Strategic Objective Performance for 2018/19

Programme 4: Public Special School Education					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on Deviations
<b>SO 2.1</b> To develop and implement a data driven infrastructure plan which includes new schools, extensions to existing schools and ma maintenance plan for all schools	12%	6%	0%	(6%)	The Department planned to resource three additional Special Schools (6%). The current percentage of Special schools serving as Resource centres is 52%. The planned target indicated in the 2018//19 APP should have been indicated as 58%. This will be rectified in the 2019/20 APP. The following Special schools were identified to be designated as resource centres within the 2018/19 financial year: <ul style="list-style-type: none"> <li>• College Street Special School</li> <li>• Sive Special School</li> <li>• Arcadia Special School</li> </ul> Therapist positions were advertised at these schools but the required skills could not be recruited.
<b>SO 1.4</b> To increase access to education in public ordinary and independent schools	9 901	10 000	9 838	162	The newly established special schools are slowly increasing the number of learners enrolled. The reason for the reduction of the number of learners placed at Special Schools is largely due to the introduction of the Occupational Curriculum at 3 Special Schools. The new curriculum is extended over a 4 year period.
	30	85	59	(26)	Specialist services are a scarce skill and not all posts could be filled during the recruitment process.

**Programme Performance for 2018/19**

Programme 4: Public Special School Education							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 401</b> Percentage of Special Schools serving as Resource Centres	24%	12%	12%	6%	0%	(6%)	The Department planned to resource three additional Special Schools (6%). The current percentage of Special schools serving as Resource centres is 52%. The planned target indicated in the 2018/19 APP should have been indicated as 58%. This will be rectified in the 2019/20 APP. The following Special schools were identified to be designated as resource centres within the 2018/19 financial year: <ul style="list-style-type: none"> <li>• College Street Special School</li> <li>• Sive Special School</li> <li>• Arcadia Special School</li> </ul> Therapist positions were advertised at these schools but the required skills could not be recruited.
<b>PPM 402</b> Number of learners in Public Special Schools	Not Applicable	Not Applicable	9 901	10 000	9 838	162	The newly established special schools are slowly increasing the number of learners enrolled. The reason for the reduction of the number of learners placed at Special Schools is largely due to the introduction of the Occupational Curriculum at 3 Special Schools. The new curriculum is extended over a 4 year period.
<b>PPM 403</b> Number of therapists/specialist staff in Special Schools	Not Applicable	Not Applicable	30	85	59	(26)	Specialist services are a scarce skill and not all posts could be filled during the recruitment process.

## Strategy to Overcome Areas of Under Performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 402</b> Number of learners in public special schools	Increase capacity of Special Schools to increase learner enrolment.
<b>PPM 403</b> Number of therapists/specialist staff in special schools	Re- advertisement of vacant therapist-posts at Special Schools.

## Changes to Planned Targets

There were no changes to planned targets in the 2018/19 financial year

## Linking Performance with Budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review

## Sub-Programme Expenditure

Sub-Programme Name	2017/18			2018/19		
	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
Special Schools	683 441	675 327	8 114	764 934	756 318	8 616
Human Resource Development	2 699	1 789	910	2 856	0	2 856
School Sport, Culture And Media Services	6 077	4 990	1 087	4 830	3 027	1 803
Conditional Grants for OSD Therapists	3 537	728	2 809	25 778	9 998	15 780
<b>Total</b>	<b>695 754</b>	<b>682 834</b>	<b>12 920</b>	<b>798 398</b>	<b>769 343</b>	<b>29 055</b>

## 4.5 Programme 5: Early Childhood Development

### Purpose

To provide Early Childhood Development (ECD) at the Grade R and Pre-Grade R in accordance with Whitepaper 5.

### Sub-Programmes

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

### Strategic Goals and Objectives

Strategic Goal(SG)	Strategic Objectives (SO)
<b>Strategic Goal 5</b> Improved quality of Grade R teaching and learning through training of teachers and provision of readers	<b>SO 5.1:</b> To improve access of children to quality Early Child Development (ECD)

### Key Policy Priorities

- Increase access to Grade R in schools with Grade 1 learners
- Improve the quality of teaching and learning in Grade R through readers and equipment
- Strengthen inter-sectoral collaboration on the implementation of an integrated ECD Strategy

### Key Achievements

- Out of 4 322 Primary Schools, 4 264 or 98% of primary schools in the Eastern Cape offer Grade R classes and 128 260 learners have benefitted.
- Jungle gyms were installed in 190 schools in OR Tambo Coastal, OR Tambo Inland, Chris Hani East and Joe Gqabi Districts.
- Nine districts have completed training in Classroom Management
- 60 Pre-Grade R practitioners from O R Tambo Inland and 70 female inmates from the Department of Correctional Services were trained on the National Curriculum Framework.
- 190 Pre-Grade R practitioners from three districts (BCM, OR Tambo Inland, and Amathole West) were trained on the National Curriculum Framework

**Strategic Objective Performance for 2018/19**

Programme 5: Early Childhood Development					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment On Deviations
<b>SO 5.1:</b> To improve access of children to quality Early Child Development (ECD)	4 371	3 500	4 297	797	Target exceeded. The set target was based on the Department's intention to close 1902 small unviable schools and only 340 schools were closed in the period under review.
	86%	70%	81.2%	11.2%	The main contributing factor to the increase in the percentage of Grade 1 learners who have received formal Grade R education is due to Identity Documents (IDs) being made mandatory as the Department is now able to track the IDs of Grade 1 to Grade R of the previous year. The more grade R learners have IDs the more learners we can match in the Grade 1 year.
	878 17.8%	1 879 38%	2027 49,39%	148 11.39%	Target exceeded. Practitioners are eager to obtain Level 6 and some study at their own cost

**Programme Performance for 2018/19**

Programme 5: Early Childhood Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment On Deviations
<b>PPM 501</b> Number of public schools that offer Grade R	4 347	4 299	4 371	3 500	4 297	797	Target exceeded. The set target was based on the Department's intention to close 1902 small unviable schools and only 340 schools were closed in the period under review
<b>PPM 502</b> Percentage of Grade 1 learners who have received formal Grade R education in public ordinary and/or special schools and registered independent schools/ECD sites	84%	67%	86%	70%	81.2%	11.2%	The main contributing factor to the increase in the percentage of Grade 1 learners who have received formal Grade R education is due to Identity Documents (IDs) being made mandatory as the Department is now able to track the IDs of Grade 1 to Grade R of the previous year. The more grade R learners have IDs the more learners we can match in the Grade 1 year.
<b>PPM 503</b> Number and percentage of Grade R practitioners with NQF level 6 and above qualification each year	Not Applicable	Not Applicable	878	1 879	2027	148	Target exceeded. Practitioners are eager to obtain Level 6 and some study at their own cost
	Not Applicable	Not Applicable	17.8%	38%	49,39%	11.39%	

### Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
Programme 5 achieved all of its targets	Programme 5 achieved all of its targets

### Changes to planned targets

There were no changes to planned targets in the 2018/19 financial year

### Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review

### Sub-Programme Expenditure

Sub-Programme Name	2017/18			2018/19		
	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	560 361	487 566	72 795	638 744	482 284	156 460
5.2. Grade R in Early Childhood Development Centres	-	-	-	-	-	-
5.3. Pre Grade R training	25 782	6 358	19 424	24 425	9 048	15 377
5.4. Human Resource Development	2 317	1 727	590	2 451	1 020	1 431
5.5. Conditional Grants	-	-	-	-	-	-
<b>Total</b>	<b>588 460</b>	<b>495 651</b>	<b>92 809</b>	<b>665 620</b>	<b>492 352</b>	<b>173 268</b>

## 4.6 Programme 6: Infrastructure Development

### Purpose

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

### Sub-Programmes

Sub-Programme	Sub-Programme Purpose
6.1. Administration	To provide and maintain infrastructure facilities for administration
6.2. Public Ordinary Schools	To provide and maintain infrastructure facilities for Public Ordinary Schools
6.3. Special Schools	To provide and maintain infrastructure facilities for Special Schools
6.4. Early Childhood Development	To provide and maintain infrastructure facilities for Early Childhood Development

### Strategic Goals and Objectives

Strategic Goal(SG)	Strategic Objectives (SO)
<b>Strategic Goal 2</b> Adequate quality infrastructure provided on the basis of a data-driven infrastructure plan	<b>SO 2.1:</b> To develop and implement a data-driven infrastructure plan which includes new schools, extensions to existing schools and maintenance plans for all schools.

### Key Policy Priorities

- The submission of an accurate User Asset Management Plan by 30 June of the current financial year.
- Progressively replace schools constructed of inappropriate infrastructure, by building replacement schools according to available budget.
- Provide schools that do not have sufficient basic services or which do not meet basic safety requirements with the necessary water supply, electricity, sanitation and fencing. In 2018/19, 169 schools will be provided with water and sanitation. Target for 2018/19 was 32 schools with access to electricity and 15 schools to be provided with fencing.
- Progressively provide appropriate Grade R classrooms at 13 primary schools in line with the Norms and Standards for Grade R
- Provide intervention in cases of disasters and emergencies, together with chronic facility shortages brought about by rapid migration
- Monitor the implementation of minor maintenance required at schools
- Facilitate the utilisation of the School Principal's Manual with regard to maintenance guidelines
- Provincial participation in the school rationalisation process and effectively provide infrastructure in respect of the realigned schools to optimise use of infrastructure in schools.
- Provide and upgrade existing infrastructure to facilitate universal access for disabled children and youths.
- Systematically enhance base data, management systems and planning processes to improve the effectiveness of planning documentation and quality of reporting, thus improving annual assessment in the National Treasury Performance Based System and optimising facilities for learners.

## Key Achievements

A total of 307 projects were completed in 2018/19. The following significant achievements were made by the programme.

- The statutory End of Year (EoY) report was submitted on time to the Provincial Treasury for moderation and subsequently to the National Treasury in order for scoring to take place towards the possible allocation of the incentive grant budget.
- One of the flagship hostels of the province, Healdtown SSS, was completed. The hostel has a capacity of 78 beds, a laundry and a curated room that was formerly utilised by President NR Mandela.
- The Infrastructure Programme Implementation Plans (IPMP) submitted for approval by National Treasury in fulfillment of the conditions of The Division of Revenue Act as well as the Infrastructure Delivery Management System (IDMS).
- An aggressive plan was embarked upon in the 2018/19 financial year to secure data integrity of the EFMS in order to improve on the quality of planning and reporting.
- The project at Luna Primary School has been completed with progressive infrastructure sanitation solutions being piloted.
- The Programme Support Unit (PSU) was re-established through concurrence from the Provincial Treasury while the procurement of a medium term PSU was advertised and bids received for adjudication.
- With respect to infrastructure planning, submissions to petitions committees were completed and duly presented to communities.
- All new designated district service sites as per the recently deployed Service Delivery Model (SDM) visited to determine the state of readiness in order to support district operations and migration to the prospective sites.
- Work on the sanitation masterplan as part of the Presidential Sanitation Appropriate for Education (SAFE) ensued in the same period. On the 5-6th March 2019, two sessions were held as part of the preparations of the User-Asset Management Plan (U-AMP) to be submitted by end June 2019.

**Strategic Objective Performance 2018/2019**

Programme 6: Infrastructure Development					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
<b>SO 2.1</b> To develop and implement a data driven infrastructure plan which includes new schools, extensions to existing schools and maintenance plans for all schools	129	169	94	(75)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
	13	32	26	(6)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
	86	169	44	(125)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
	474	260	241	(19)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
	16	28	13	(15)	Various replacement school projects were affected by cashflow challenges when the department strengthened

**Strategic Objective Performance 2018/2019**

Programme 6: Infrastructure Development					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
<b>SO 2.1</b> To develop and implement a data driven infrastructure plan which includes new schools, extensions to existing schools and maintenance plans for all schools	7	4	3	(1)	internal measures that ensured the processing of payment for work done only upon presentation of EFMS compliance certificates. This was to ensure payments align to actual reported achievements. This led to non-intended consequence with contractors either leaving or slowing operations on sites upon not receiving funds due to non-performance by project teams. Whilst contractors eventually complied with the directive, critical project performance time was lost.
	19	7	53	46	Various replacement school projects were affected by cashflow challenges when the department strengthened internal measures that ensured the processing of payment for work done only upon presentation of EFMS compliance certificates. This was to ensure payments align to actual reported achievements. This led to non-intended consequence with contractors either leaving or slowing operations on sites upon not receiving funds due to non-performance by project teams. Whilst contractors eventually complied with the directive, critical project performance time was lost.
	15	13	7	(6)	The number of schools that were to be under construction have gone through a rigorous IDMS planning process. However, the lack of sector-wide uniform understanding on the PPM affected target setting. The PPM was understood to mean "a number of those that were handed over for construction" during the period under review. The 2019 MTEF PPMs are expected to address this.
	1	1	1	-	Projects that were scheduled for completion were delayed due to contractual complications.
	4	18	34	16	Target met

**Strategic Objective Performance 2018/2019**

Programme 6: Infrastructure Development					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
					IDMS planning process. However, the lack of sector-wide uniform understanding on the PPM affected target setting. The PPM was understood to include maintenance aspects in the projects under other PPMs hence the increase in the achievement. The 2019 MTEF PPMs are expected to address this.



**Programme Performance for 2018/19**

Programme 6: Infrastructure Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 601</b> Number of public ordinary schools provided with water supply	123	77	129	169	94	(75)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
<b>PPM 602</b> Number of public ordinary schools provided with electricity supply	42	10	13	32	26	(6)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
<b>PPM 603</b> Number of public ordinary schools supplied with sanitation facilities	107	88	86	169	44	(125)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.

**Programme Performance for 2018/19**

<b>Programme 6: Infrastructure Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Actual Achievement 2017/18</b>	<b>Planned Target 2018/19</b>	<b>Actual Achievement 2018/19</b>	<b>Deviation from planned target to Actual Achievement 2018/19</b>	<b>Comment on Deviations</b>
<b>PPM 604</b> Number of additional classrooms built in, or provided for, existing public ordinary schools (includes replacement schools)	249	88	474	260	241	(19)	The variations in the period under review are a result of delays in the execution of some of the infrastructure projects due to poor performance by the contractors and challenges with the award of projects and payments emanating from budget constraints. In addition, the Department faces limited internal technical and professional capacity. Some projects are still underway and due for completion.
<b>PPM 605</b> Number of additional specialist rooms built in public ordinary schools (includes replacement schools)	63	25	16	28	13	(15)	Various replacement school projects were affected by cashflow challenges when the department strengthened internal measures that ensured the processing of payment for work done only upon presentation of EFMS compliance certificates. This was to ensure payments align to actual reported achievements. This led to non-intended consequence with contractors either leaving or slowing operations on sites upon not receiving funds due to non-performance by project teams. Whilst contractors eventually complied with the directive, critical project performance time was lost.

Programme Performance for 2018/19

Programme 6: Infrastructure Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 606</b> Number of new schools completed and ready for occupation (includes replacement schools)	18	10	7	4	3	(1)	Various replacement school projects were affected by cashflow challenges when the department strengthened internal measures that ensured the processing of payment for work done only upon presentation of EFMS compliance certificates. This was to ensure payments align to actual reported achievements. This led to non-intended consequence with contractors either leaving or slowing operations on sites upon not receiving funds due to non-performance by project teams. Whilst contractors eventually complied with the directive, critical project performance time was lost.
<b>PPM 607</b> Number of new schools under construction (includes replacement schools)	5	19	19	7	53	46	The number of schools that were to be under construction have gone through a rigorous IDMS planning process. However, the lack of sector-wide uniform understanding on the PPM affected target setting. The PPM was understood to mean "a number of those that were handed over for construction" during the period under review. The 2019 MTEF PPMs are expected to address this.
<b>PPM 608</b> Number of new or additional Grade R classrooms built (includes those in replacement schools)	61	17	15	13	7	(6)	Projects that were scheduled for completion were delayed due to contractual complications.

**Programme Performance for 2018/19**

Programme 6: Infrastructure Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on Deviations
<b>PPM 609</b> Number of hostels built	3	1	1	1	1	-	Target met
<b>PPM 610</b> Number of schools in which scheduled maintenance projects were completed	26	23	4	18	34	16	The number of schools that were to be on the maintenance programme have gone through a rigorous IDMS planning process. However, the lack of sector-wide uniform understanding on the PPM affected target setting. The PPM was understood to include maintenance aspects in the projects under other PPMs hence the increase in the achievement. The 2019 MTEF PPMs are expected to address this.

## Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 601</b> Number of public ordinary schools provided with water supply	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 602</b> Number of public ordinary schools provided with electricity supply	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 603</b> Number of public ordinary schools supplied with sanitation facilities	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 604</b> Number of additional classrooms built in, or provided for, existing public ordinary schools (includes replacement schools)	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 605</b> Number of additional specialist rooms built in public ordinary schools (includes replacement schools)	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 606</b> Number of new schools completed and ready for occupation (includes replacement schools)	Negotiation with contractors to remain on projects and forge towards completion
<b>PPM 608</b> Number of new or additional Grade R classrooms built (includes those in replacement schools)	Negotiation with contractors to remain on projects and forge towards completion

## Changes to planned targets

There were no changes to planned targets in the 2018/19 financial year

## Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review.

## Sub Programme Expenditure

Sub-Programme Name	2017/18			2018/19		
	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
6.1. Administration	48 999	31 219	17 780	151 053	161 306	(10 253)
6.2. Public Ordinary Schools	1 197 377	1 456 648	(259 271)	1 525 644	1 389 860	135 784
6.3. Special Schools	115 277	67 406	47 871	57 735	69 842	(12 107)
6.4. Early Childhood Development	297 965	104 345	193 620	90 089	93 512	(3 423)
<b>Total</b>	<b>1 659 618</b>	<b>1 659 618</b>	<b>-</b>	<b>1 824 521</b>	<b>1 714 520</b>	<b>110 001</b>

## 4.7 Programme 7: Examinations And Education Related Services

### Purpose

To provide education institutions as a whole with examination and education related services

### Sub-Programmes

Sub-Programme	Sub-Programme purpose
7.1. Payments to SETA	To provide employee HRD in accordance with the Skills Development Act.
7.2. Professional Services	To provide educators and learners in schools with Departmentally managed support services.
7.3. External Examinations	To provide for Departmentally managed examination services and assessment.
7.4. Special Projects	To provide for special Departmentally managed intervention projects in the education system as a whole.
7.5. Conditional grant	To provide for projects specified by the Department of Basic Education that are applicable to more than one programme and funded from conditional grants: <ul style="list-style-type: none"> <li>To enhance the protection offered by schools to prevent and mitigate the impact of HIV.</li> <li>To increase knowledge, skill and confidence amongst learners and educators to take self-appropriate sexual and reproductive health decisions.</li> <li>To increase access to sexual and reproductive health services including HIV services for learners and educators.</li> </ul>

### Strategic Goals and Objectives

Strategic Goal(SG)	Strategic Objectives (SOs)
<b>Strategic Goal 4</b> Improved assessment for learning	<p><b>SO 4.2:</b> To increase the number of Grade 12 learners who become eligible for a Bachelors Programme at a university</p> <p><b>SO 4.3:</b> To increase the number of Grade 12 learner who pass Mathematics and Physical Sciences</p> <p><b>SO 4.4:</b> To increase the number of Grade 12 learners who pass the National Senior certificate.</p>

### Key Policy Priorities

The Department has pursued the following priorities to improve assessment of learners:

- Strengthening the implementation of efficient management and administration of national and provincial examination and assessment systems to drive improved teaching and learning.
- Provision of high quality secured standardized question papers for all learners in grades 6, 9, 10, 11 and 12.
- Provision of examination feedback material to schools and detailed results analysis per quarter and annually for all identified grades.
- Ensure accurate registration of all centres and candidates participating in external examinations in public and independent schools.
- Manage and quality assure the progression and promotion of Grade 11 learners.
- Operationalise the four Provincial Teacher Development Institutes to offer high quality Teacher Development Programmes
- Offering of provincial Teacher Development Programmes scheduled for the 2018 academic year in the following key focus areas: Mathematics, Science and Languages as well as SACE-accredited training in eSkills in support of the Teacher Laptop Initiative
- Publication of a provincial prospectus for Teacher Development Programmes on offer by Provincial Teacher Development Institutes, teacher unions and local universities in the 2019 academic year

## Key Achievements

- In 2018/19, a Common Examination for Grades 3,6,7 and 9 in Mathematics and Languages was administered at all schools. Analysis of items was conducted using a verified sample of the scripts. Reports were then generated on emerging trends of how the learners performed as well as common errors that learners make in the two subjects.
- The Provincial Framework for the Improvement for languages and mathematics identifies the areas in need of support and recommends strategies for improvement.
- The ECDoE has collaborated with the National Education Collaboration Trust (NECT) to provide Mathematics and Languages Learning Programmes (i.e. Lesson Planners and Lesson Trackers) to all Mathematics and Languages teachers in Grades 1-3 and EFAL training to all teachers in Grades 4-9.
- At the start of the school year analysis was done of the matric results from 2014-2018. The analysis was based on the number of learners who entered the NSC examination, number of learners who progressed, the number that wrote, the number of NSC passes, the pass %, the number of Bachelor passes and the % of Bachelor passes.
- A further analysis was done on how the Grade 11 learners of 2017 performed in their final examination affording the Department the opportunity to categorise the performance of not only the learners but also the schools. Schools were categorized as follows: schools achieving between 0%-40%; 40-64%; 65-74% and 75-100% in Gr 12 in 2017.
- The Department further examined the School based Assessment rejections of each school and noted the subjects and reasons for the rejections.
- An analysis was also done on the shortage of teachers and textbooks per subject, with the purpose of addressing any problems encountered as speedily and effectively as possible.
- Based on the 2017 results, a Differentiated Strategy of support to schools which included: interventions, extra classes and two visits per quarter, was implemented.
- Schools were monitored to assess the availability of teachers per subject, observance of teaching time, curriculum coverage and attendance at schools. Targeted teachers were requested to attend extra classes with learners.
- Workshops focussing on subject specific content and methodologies were conducted.
- Analysis of Grade 11 results to inform strategies for targeted, customised interventions, i.e. categorisation of learners for the distribution of Tips for Success; (booklet on advice to learners on subject specific content), provision of textbooks for every subjects, provision of past exam papers and Study Guides to learners by April 2018.
- Extra classes and camps with expert teachers were held during Autumn, Winter, Spring and Summer vacations. Learners could also access lessons through Live Broadcasting (Telematics Programme), Radio and TV Lessons in high enrolment subjects from May to October 2018.
- In the second term of 2018, great emphasis was placed on appropriate School-Based Assessment (this includes Oral marks, Practical Assessment Tasks for subjects with a practical component and the Physical Education Task (PET) for Life Orientation.
- The SBA contributes 25% of the total NSC pass mark in all subjects. In practical subjects the SBA counts 50%. All learners were required to complete their SBAs by the end of September 2018. The progress of the implementation of SBA was monitored through provincial moderation procedures including the moderation of the June Common Examination for the high enrolment subjects.

**Strategic Objective Performance for 2018/19**

Programme 7: Examinations and Education Related Services					
Strategic Objectives	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
<b>SO 4.4</b> To increase the number of Grade 12 learner who passed the National Senior certificate	65%	66%	70.6%	4.5%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support was the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>SO 4.2</b> To increase the number of Grade 12 learners who become eligible for a Bachelors Programme at a university	22.7%	20.1%	27.4%	7.3%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support was the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>SO 4.3</b> To increase the number of Grade 12 learners who pass Mathematics and Physical Sciences	15.4%	19%	13.5%	(5.5%)	Target not met. The challenges of high demand for mathematics teachers hampers the sustenance of good performance in mathematics in many schools. There is high mathematics turnover as teachers move from one school to another. In many rural schools the utilisation of inexperienced Fundza Lushaka graduates does not bear immediate fruit but needs more time to invest in them to acquire the necessary experience and expertise over time.
	19.9%	21%	21.5%	0.5%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support included the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>SO 4.4</b> To increase the number of Grade 12 learner who passed the National Senior certificate	523	572	611	39	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support included the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.

**Programme Performance for 2018/19**

Programme 7: Examination and Education Related Services							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on deviations
<b>PPM 701</b> Percentage of learners who passed National Senior Certificate (NSC)	56.8%	59.3%	65%	66%	70.0%	4.5%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support was the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>PPM 702</b> Percentage of Grade 12 learners passing at bachelor level	17.4%	18.3%	22.7%	20.1%	27.4%	7.3%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support was the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>PPM 703</b> Percentage of Grade 12 learners achieving 50% or more in Mathematics	12.8%	12.8%	15.4%	19%	13.5%	(5.5%)	Target not met. The challenges of high demand for mathematics teachers hampers the sustenance of good performance in mathematics in many schools. There is high mathematics turnover as teachers move from one school to another. In many rural schools the utilisation of inexperienced Fundza Lushaka graduates does not bear immediate fruit but needs more time to invest in them to acquire the necessary experience and expertise over time.

**Programme Performance for 2018/19**

Programme 7: Examination and Education Related Services							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement 2018/19	Comment on deviations
<b>PPM 704</b> Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	13.8%	15.9%	19.9%	21%	21.5%	0.5%	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support included the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.
<b>PPM 705</b> Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	Not Applicable	Not Applicable	523	572	611	39	Target exceeded. Underperforming schools were supported by means of a structured intervention programme. The added support included the provision of financial incentives to all schools that performed above 75% in 2018. This strategy was meant to promote quality results by these schools.

### Strategy to overcome areas of under-performance

Programme Performance Measures	Strategy to overcome under-performance
<b>PPM 703</b> Percentage of Grade 12 learners achieving 50% or more in Mathematics	<ul style="list-style-type: none"> <li>• Motivation for examinations to be part and parcel of district offices infrastructure improvement project.</li> <li>• Centralise the management of progressed learners.</li> <li>• Release of bulletins and targeted recruitment of teachers in scarce skills in other provinces.</li> <li>• Provide posts for small subjects or manage small subjects from the provincial office.</li> <li>• Schools are provided with provincially set question papers for grades 6, 9, 10 and 11 and in grades 6 and 9 they are provided with languages and mathematics question papers. In grade 10 they are provided question papers for 12 gateway subjects including Technical Mathematics and Technical Sciences. In grade 11 they are provided with 133 question papers for 28 subjects to help the schools maintain the high standards of assessment.</li> </ul>

### Changes to planned targets

There were no changes to planned targets in the 2018/19 financial year

### Linking performance with budgets

The information outlined below, provides a summary of the financial performance linked to the allocated budget for the year under review.

### Sub-Programme Expenditure

Sub-programme Name	2017/18			2018/19		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
7.1. Payments to SETA	64 052	64 052	-	67 767	67 767	-
7.2. Professional Services	39 103	34 039	5 064	38 319	28 398	9 921
7.3. Special Projects	1 506	1 262	244	1 544	1 263	281
7.4. External Examinations	386 398	391 783	(5 385)	371 992	383 620	(11 628)
7.5. Conditional Grant	41 936	41 503	433	43 062	41 636	1 426
<b>Total</b>	<b>532 995</b>	<b>532 639</b>	<b>356</b>	<b>522 684</b>	<b>522 684</b>	<b>-</b>

## 5. Transfer Payments

### 5.1 Transfer Payments to Public Entities

Entity/Group Name	Services rendered	Amount transferred (R'000)	Amount spent (R'000)	Achievements
Section 20 & 21 Schools	Norms and Standards for No Fee Schools Policy and National School Nutrition Programme	2 121 081	2 341 923	Provision of Nutritious Meals to learners benefitting from the National School Nutrition Programme Non-personnel allocation towards the resourcing and/or operational costs in Public Ordinary Schools
Independent Schools	To support independent schools in the Grades 1 to 12 levels	131 009	130 808	Provided funds to qualifying independent schools according to Norms and Standards for school funding to support the provisioning of goods and services required for education in those schools.  <b>Challenges:</b> Not all schools adhere to the policy prescripts
Special Schools	To provide specific Public Special Schools with resources. (Including E-learning and inclusive Education).	73 096	73 096	Funds transferred to assist disabled learners to access curriculum. The provision of welfare of disabled learners in the hostel. Assisted in the provision of welfare of disabled learners in hostels. Payment of municipal bills. Funds transferred to make provision for contingencies with regard to facilities for learners in need of care
ECD sites	Training of Pre-Grade R ECD Practitioners	20 807	17 858	Qualified and skilled Pre Grade R ECD Practitioners
Donations & Gifts	MEC's Discretionary Funds	145	62	All activities implemented. The amount remaining is regarded as savings
HIV and AIDS	Life Skills	23 739	23 739	Ensured skills training on HIV prevention
SETA Payments	Skills Development Levy	67 767	67 767	Provision of employee HRD in accordance with the Skills Development Act
<b>Total</b>		<b>2 437 644</b>	<b>2 655 253</b>	

## 6. Conditional Grants

### 6.1 Conditional Grant and Earmarked Funds Paid

#### 6.1.1 Conditional Grant 1: Mathematics, Science and Technology (MTS) Conditional Grant

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	To provide support and resources to schools, teachers and learners for the improvement of MST teaching and learning at selected public schools 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 NDP
<b>Expected outputs of the grant</b>	The grant seeks to achieve its purpose by providing the following outputs during the financial period under review: <ul style="list-style-type: none"> <li>• Information, Communication and Technology (ICT) resources</li> <li>• Workshop Equipment, Machinery and Tools</li> <li>• Laboratories and workshop equipment, apparatus and consumables</li> <li>• Learner Support</li> <li>• Teacher Support</li> </ul>
<b>Actual outputs achieved</b>	<p>ICT Resources:</p> <ul style="list-style-type: none"> <li>• 295 schools provided with laptops, servers, data projectors, screens and/or visualisers</li> </ul> <p>Workshop Equipment, Machinery and Tools:</p> <ul style="list-style-type: none"> <li>• 31 Technical Schools supplied with equipment, machinery and tools for specialisations in technical subjects</li> </ul> <p>Laboratories and workshop equipment, apparatus and consumables:</p> <ul style="list-style-type: none"> <li>• 15 Technical Schools received Technical Science laboratory equipment</li> <li>• 39 GET Feeder Schools supplied with calculators, consumables and equipment for Technology, kits for Natural Science, and consumables, kits and printed material for Mathematics</li> <li>• 60 FET Schools provided with workshop materials and consumables for Life Sciences</li> <li>• 45 FET Schools provided with consumables and printed material for Mathematics</li> <li>• 15 Agricultural Schools received equipment and consumables for agricultural subjects</li> <li>• 120 FET Grant Schools supplied with mobile science laboratory equipment</li> </ul> <p>Learner Support:</p> <ul style="list-style-type: none"> <li>• 30,168 learners participated in Mathematics &amp; Physical Science activities (Olympiads, Competitions, Learner Weeks and Expos)</li> <li>• 720 learners attended learner camp sessions quarterly where they were tutored in Mathematics, Technical Mathematics, Physical Sciences and Technical Sciences.</li> <li>• 180 Schools provided with printed learner support material.</li> </ul> <p>Teacher Support:</p> <ul style="list-style-type: none"> <li>• 150 GET teachers trained on Sasol Inzalo Mathematics</li> <li>• 162 Physical Sciences teachers trained on utilisation of mobile science kits</li> <li>• 96 Technical Mathematics and 89 Technical Science lead teachers attended training.</li> </ul>

	<ul style="list-style-type: none"> <li>• 78 Technical Mathematics and 56 Technical Science teachers attended training.</li> <li>• 120 GET teachers trained on Natural Sciences.</li> <li>• 89 GET teachers trained on Technology.</li> <li>• 80 GET teachers trained on Mathematics.</li> <li>• 24 Mathematics teachers attended Association for Mathematics Education of South Africa (AMESA) Provincial conference.</li> <li>• 31 FET teachers trained in Welding</li> <li>• Teachers at 31 Technical Schools that received equipment, machinery and tools for specialisations in technical subjects trained in the utilisation thereof</li> <li>• 40 Laboratory Assistants trained to support teachers at MST Grant Schools</li> <li>• 60 subject advisors attended an MST Strategy Provincial planning workshop.</li> <li>• Meetings convened with principals from 131 Grant Schools</li> <li>• 29 MST Grant Schools visited by the province.</li> </ul>
<b>Amount per amended DoRA (R'000)</b>	R 58 889 000
<b>Amount received (R'000)</b>	R 58 889 000
<b>Reasons if amount as per DoRA not received</b>	Not applicable
<b>Amount spent by the department (R'000)</b>	R56 637 000
<b>Reasons for the funds unspent by the entity</b>	Misallocation of funds taken from different budget items and could not be corrected in time
<b>Reasons for deviations on performance</b>	Misallocation of funds taken from different budget items and could not be corrected in time
<b>Measures taken to improve performance</b>	Improve SCM processes and ensure early procurement
<b>Monitoring mechanisms by the receiving Department</b>	<p>The following monitoring mechanisms were carried out by the national Department:</p> <ul style="list-style-type: none"> <li>• Monthly reports</li> <li>• Quarterly reports</li> <li>• Annual Performance Evaluation reports</li> </ul> <p>School support visits to monitor and support implementation of the MST Conditional Grant</p>

### 6.1.2 Conditional Grant 2: 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 schools.
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Number of learners benefitting from NSNP including the deworming of learners</li> <li>• Number of Meal Servers trained on Meal Planning, Food Handling and Hygiene as well as Gas Safety</li> <li>• Improving conditions of service for Meal Servers through the introduction of Unemployment Insurance Fund</li> <li>• Monitoring and Support to NSNP beneficiary schools</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• Nutritious meals were provided to 1 599 243 learners on all school feeding days and 600 076 learners benefited from deworming.</li> <li>• The NSNP contributed to the Provincial anti-poverty strategy by providing an additional (breakfast) meal to 9707 learners in the anti-poverty sites.</li> <li>• 13 767 Meal Servers trained on Meal Planning, Food Handling, Hygiene and Gas Safety</li> <li>• Transferred R 3 940 694 to the Department of Labour towards UIF for contracted Meal Servers</li> <li>• 8 105 Schools were visited for Monitoring and Support</li> <li>• Observed the institutionalized dates such as National Nutrition and Obesity week, World School Milk Day, Mandela day.</li> <li>• Successful revision of the NSNP implementation guidelines,</li> <li>• Placed in position 2 in the school National Excellence Awards</li> <li>• Placed position 3 in the National District Excellence Awards</li> <li>• Successfully implemented the data driven NSNP key performance reporting.</li> <li>• Created employment opportunity of 13 767 food handlers amounting to R 215 846 532.00</li> <li>• Received the Superintendent General's Award for most responsive Directorate.</li> <li>• Preparatory budget transfers for newly established or re-ranked schools to the amount R 659 720.00 to initiate the implementation of the NSNP.</li> <li>• The key performance indicator for the implementation of the NSNP in primary schools improved from 77% (2017/2018) to 80% in 2018/2019.</li> </ul>
<b>Amount per amended DoRA (R'000)</b>	R 1 216 599 000
<b>Amount received (R'000)</b>	R 1 216 599 000
<b>Reasons if amount as per DoRA was not received</b>	Not Applicable
<b>Amount spent by the Department (R'000)</b>	R 1 211 848 782
<b>Reasons for the funds unspent by the entity</b>	<ul style="list-style-type: none"> <li>• Underspending was as a result of two (2) monitors not appointed in the Nelson Mandela district due to disputes.</li> <li>• The absorption of eight NSNP Coordinators/ Senior Education Specialist, also resulted in the COE budget underspending.</li> <li>• Some of the high spending items such as Accountability Sessions and Blitz Monitoring could not all be conducted due to labour-related issues.</li> </ul>
<b>Measures taken to improve performance</b>	Development of a Centralised Management Plan for filling of vacancies funded out of Conditional Grants
<b>Monitoring mechanism by the receiving Department</b>	Physical visits to Districts and Schools through Blitz Monitoring as well as convening of Accountability Meetings with Districts on a quarterly basis.

### 6.1.3 Conditional Grant 3: Infrastructure Grant

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	To provide goods and services required for: <ul style="list-style-type: none"> <li>• Public Ordinary schools (mainstream and full service) infrastructure development</li> <li>• Special schools infrastructure development and maintenance</li> <li>• ECD infrastructure development and maintenance</li> <li>• Provide adequate basic services such as water, sanitation and electricity</li> <li>• Systematically eliminate the backlog in classroom accommodation</li> <li>• Development of infrastructure for the re-alignment and rationalisation of public ordinary schools</li> <li>• Intensify efforts towards providing infrastructure facilities that ensure all schools have safe environments for all children</li> <li>• Intensify efforts towards eradication of inappropriate schools</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Provision of water supply for the targeted 161 public ordinary schools</li> <li>• Provision of electricity supply for the targeted 32 public ordinary schools</li> <li>• Provision of sanitation facilities for the targeted 161 public ordinary schools</li> <li>• Provision of classrooms for the targeted 242 public ordinary schools</li> <li>• Provision of specialist rooms for the targeted 25 public ordinary schools</li> <li>• Provision of 4 new schools completed and ready for occupation (includes replacement schools)</li> <li>• Provision of 12 Grade R classrooms for targeted public ordinary schools</li> <li>• Provision of 1 Hostel to public ordinary schools</li> <li>• Maintenance of a targeted 16 public ordinary schools</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• 129 public ordinary schools were supplied with water</li> <li>• 32 public ordinary schools were supplied with electricity</li> <li>• 86 public ordinary schools were supplied with adequate sanitation</li> <li>• 242 classrooms were built at public ordinary schools</li> <li>• 16 specialist rooms were built in public ordinary schools</li> <li>• 7 new schools were completed and ready for occupation in Public Ordinary schools including replacement schools</li> <li>• 30 new schools were under construction in public ordinary schools including replacement schools</li> <li>• 15 Grade R classrooms built in public ordinary schools</li> <li>• 1 Hostel was built in public ordinary schools</li> <li>• 4 public ordinary schools received scheduled maintenance</li> </ul>
<b>Amount per amended DoRA (R'000)</b>	1 710 258
<b>Amount received(R'000)</b>	1 710 258
<b>Reasons if amount as per DoRA not received</b>	Not Applicable
<b>Amount spent by the Department (R'000)</b>	1 710 258
<b>Reasons for the funds unspent by the entity</b>	Performance targets were not achieved due to delays in construction projects on sites and reprioritisation of budget. Some projects are still underway and due for completion in the 2019/20 financial year
<b>Measures taken to improve performance</b>	Negotiations with contractors are pursued to remain on projects and forge towards completion
<b>Monitoring mechanisms by the receiving Department</b>	<ul style="list-style-type: none"> <li>• Monthly submission of Infrastructure Reporting Module (IRM)</li> <li>• Population of data on EFMS and compliance checking prior to payment</li> <li>• Implementation of programme governance mechanisms</li> <li>• Dedicated programme managers acquired through the HR capacitation of the grant</li> </ul>

#### 6.1.4 Conditional Grant 4: HIV/AIDS 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 support South Africa's HIV prevention strategy by increasing sexual and reproductive knowledge, skills and appropriate decision-making amongst learners and educators.</li> <li>To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators.</li> <li>To ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse.</li> <li>To reduce the vulnerability of children to HIV, TB and STI infection, with a particular focus on orphaned and vulnerable children.</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>Number of schools provided with psycho-social support through Care and Support for Teaching and Learning (CSTL) Programme</li> <li>Number of educators trained on Comprehensive Sexual Education, TB Prevention and other Life Skills Programmes</li> <li>Number of learners and school community members reached through advocacy events</li> <li>Number of schools provided with age-appropriate Life-Skills LTSM</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>As part of strengthening psycho-social support in the 925 CSTL schools, 925 LSAs were appointed in schools, as well as 46 LSA Supervisors and 46 Social Worker Interns appointed in the Districts to provide Psycho-social support learners to learners.</li> <li>Seven hundred and ninety-five (795) Educators were trained on the Comprehensive Sexuality Education from the Districts. Of this total, six hundred and seventy one were introduced to CSE and the one hundred and twenty four were introduced and trained on the accredited Online CSE.</li> <li>Twenty four thousand two hundred and eighty nine school community members and stakeholders were reached through advocacy events on HIV and AIDS, TB Prevention and Learner Pregnancy and Drug and Substance Use. Six hundred and fifty learners were reached during a Youth Conference held in June 2018 where the various stakeholders made presentations to learners in learning sessions which included 'Learner Pregnancy,' 'Effects of Social Media on Youth' and 'What entails a real man' amongst others. Youth camps for those learners that did not attend the Youth Conference were held for five hundred and fourteen (514) learners from Amathole Sarah Baartman, Buffalo City and Nelson Mandela.</li> <li>Six hundred and twenty one (621) learners were provided with age appropriate LTSM including 'Whitney's Kiss' and pamphlets on TB, HIV and Learner Pregnancy during Youth Camps and World AIDS Day commemoration in Nelson Mandela and Or Tambo Coastal Districts.</li> <li>Twenty six thousand and twenty four learners benefitted from Psycho-social support services which included counselling, trauma debriefing and provision of welfare and material support which included school uniform (from SASSA and other donors), clothes, toiletries as well as access to Social Grants</li> </ul>
<b>Amount per amended DoRA (R'000)</b>	R43 062 000
<b>Amount received(R'000)</b>	R43 062 000
<b>Reasons if amount as per DoRA not received</b>	Not Applicable
<b>Amount spent by the department (R'000)</b>	R41 635 000

<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>	Improve SCM processes and ensure early procurement
<b>Monitoring mechanisms by the receiving Department</b>	Quarterly Reports

#### 6.1.5 Conditional Grant 5.1: 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 nation 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>	To develop the skills, knowledge and ability of young people to enable them to transition to adulthood. To improve youth employment through opportunities for work experience, skills development and support to gain access to economic and further learning opportunities
<b>Actual outputs achieved</b>	124 work opportunities
<b>Amount per amended DoRA (R'000)</b>	R2 673 000
<b>Amount received(R'000)</b>	R2 673 000
<b>Reasons if amount as per DoRA not received</b>	Not Applicable
<b>Amount spent by the department (R'000)</b>	R2 673 000
<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>	Not Applicable
<b>Monitoring mechanism by the transferring department</b>	The following was carried out by the department <ul style="list-style-type: none"> <li>• Financial reports</li> <li>• Narrative and Quarterly reports</li> <li>• Evaluation Report</li> </ul>

Conditional Grant 5.2: EPWP Grants - Social Sector Incentive Grant

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	To incentivise Provincial Sector Departments identified in 2014 Social Sector EPWP log frame. To increase work opportunities by focusing on the strengthening and expansion of Social Sector programmes that have employment potential
<b>Expected outputs of the grant</b>	Increase number of EPWP participants receiving stipends from the Grant
<b>Actual outputs achieved</b>	1130 Work Opportunities created
<b>Amount per amended DoRA (R'000)</b>	R24 396 000
<b>Amount received (R'000)</b>	R23 175 000
<b>Reasons if amount as per DoRA not received</b>	Not Applicable
<b>Amount spent by the department (R'000)</b>	R22 742 000
<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>	Not Applicable
<b>Monitoring mechanism by the transferring department</b>	The following was carried out by the department <ul style="list-style-type: none"> <li>• Financial reports</li> <li>• Narrative and Quarterly reports</li> <li>• Evaluation Report</li> </ul>

### 6.1.6 Conditional Grant: Learner with Severe Profound Intellectual Disability Grant

<b>Department who transferred the grant</b>	Department of Basic Education
<b>Purpose of the grant</b>	Its purpose is to provide the necessary support, resources and equipment to identified centers and schools for the provision of education to children with severe to profound intellectual disability (LSPID).
<b>Expected outputs of the grant</b>	Improved access to quality basic education for children with severe to profound intellectual disability in conditions that ensure dignity, promote self-reliance and facilitate active participation in the community.
<b>Amount per amended DoRA (R'000)</b>	R25 778 000
<b>Amount received (R'000)</b>	R25 778 000
<b>Reasons if amount as per DoRA not received</b>	Not Applicable
<b>Amount spent by the department (R'000)</b>	R9 999 000
<b>Reasons for the funds unspent by the entity</b>	<p>In terms of the inclusive education framework, the grant targets all learners who experience severe to profound intellectual barriers to learning. Furthermore, it seeks to provide these learners with the necessary support structures and therapeutic interventions within identified Care Centres and severe intellectual disabled (SID) schools. The purpose of the conditional grant is to improve access to quality basic education for children with severe to profound intellectual disabilities so that they may experience dignity, self-reliance and equal opportunities to participate in their community.</p> <p>However, the due to late appointments of specialists to the programme, a large amount of the grant, particularly from the Compensation of Employees (COE) Item of the budget was not utilized in time. The available budget from the COE budget was officially shifted, with the approval from the National Treasury Department, to the Item: Learning, Teaching and Support Materials, Machinery and Equipment as well as Goods and services.</p> <p>The Directorate: Inclusive Education has developed this business plan in accordance with the LSPID Conditional Grant Framework and has considered the most feasible strategies for operationalization.</p> <p>The Directorate: Inclusive Education has secured the order number for the buying of toolkits, Audio Visuals and Machinery and Equipment for learners at identified centres. However, even though all official procurement processes were successfully followed and executed, the payment of the mentioned items couldn't be done within the budgeted financial year hence there was a request for rollover.</p>
<b>Reasons for deviations on performance</b>	<p>Some caregivers do not have qualifications higher than Gr 9 level. The caregivers for the most part struggle with training done in a workshop format, due to the fact that the program developed needs to be very child/group specific and needs to be adapted accordingly.</p> <p>Due to shortage of staff at some centers, the teams need to repeat training for new staff, as centers cannot release their caregivers. This has a negative effect on program implementation, children's progress and the team's output progress.</p> <p>Teachers training didn't take place during the fourth quarter. The trainings for teachers will be executed during the first quarter of the new financial year. The focus on the last quarter was on teachers</p>
<b>Measures taken to improve performance</b>	The next training will be done through modeling of implementation/learning practices by the team per class/caregivers according to class/child specific needs. Training of new center staff and those who could not attend first training will take priority to other support activities in centers.
<b>Monitoring mechanism by the transferring department</b>	<p>The following was carried out by the department</p> <ul style="list-style-type: none"> <li>• Financial reports</li> <li>• Narrative and Quarterly reports</li> <li>• Evaluation Report</li> </ul>

## 7. Donor Funds

### 7.1 Donor Funds Received

No donor funds received in the 2018/19 financial year

## 8. Capital Investment Maintenance and Asset Management Plan

### 8.1 Capital Investment

307 of the capital investment projects earmarked for implementation in the current financial year were completed. Of these, three are replacement schools, one special school, one hostel at a public ordinary school as well as an additional workshop at a technical High School.

Increased commitment to additional projects contributed to cashflow shortfall towards the end of financial year. This created a huge variance between the planned and achieved. The variance was significantly widened as a result of the effects of heightened enforcement of the payment clauses of the Service Delivery Agreements with Implementing Agents (IAs). This was expressed in the Department's refusal to pay for claims that could not be backed up with information on the EFMS. However, there were unintended effects of contractors leaving site as non-payment led to cashflow challenges for them.

Close to 70 projects are currently in progress by virtue of being at Stage 7 of the IDMS system. While some projects are progressing, others have been affected by contractual challenges as a result of potential contract terminations through default by either employer or service provider. Registered delays in some of the projects are being resolved by the Implementing Agents and the Department through co-operation in order to reschedule each project given its unique contractual, financial and social factors.

### 8.2 Asset Management

Whereas 1 998 schools were gazetted in 2016 as schools earmarked for closure, further verification of such schools resulted in recommendation for 133 schools being scheduled for closure in the first half of 2019/20. The Department of Public Works (DPW) remains the Premier's delegate for the custodianship of all provincial properties. After approved capital investment projects on such properties are undertaken, these properties are transferred to DPW. During the year under review, no asset was transferred to the custodian but plans are in place to finalise this in 2019/20. Physical assessment of 177 schools took place for purposes of gazetting, closure and handover to the DPW in support of the transition to the new Service Delivery Model. The Department has embarked upon an assessment of 53 administration offices in the year under review for purposes of confirming and updating the asset register. Lastly, the Department has appropriately classified 47% of the schools as in good condition, 39% as fair and 14% classified as being poor.

### 8.3 Property Maintenance

Toward maintenance of schools, the Department completed 6 major maintenance projects. In addition, 28 schools struck by disaster were repaired. A further 19 schools were completed in a programme for the maintenance of water and sanitation.

A memorandum was sent to all District Directors, Principals and SGBs that indicates the correct usage of the norms and standards maintenance allocations to schools. If schools adhere to this, it will alleviate the pressure on the Chief Directorate: Infrastructure to provide maintenance from their allocated budget.

A further 19 schools were completed in a programme for the maintenance of water and sanitation.

The maintenance backlog has increased as the annual funding is insufficient to cater for the demand. This has caused minor maintenance to escalate to capital works (need for refurbishment and renovations) due to asset neglect. Unless the schools adhere to the previously mentioned memorandum that was sent to all schools regarding the usage of their norms and standards maintenance allocation, the challenge will continue.



C

Eastern Cape Department of Education  
**GOVERNANCE**

## 1. Introduction

The Department is committed to upholding the principles of good governance in pursuing its mandate of providing quality education to the learners of the Province. Given that education is a societal issue, the Department promotes community participation and consensus in the provincial education system through stakeholder engagement spear-headed by the Department's political head and senior management. 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 National Department of Basic Education, the Premier's Office, Provincial Treasury and Auditor-General are accorded the seriousness they deserve.

The routine reporting systems and quarterly/annual and other reports developed and published by the Department are in line with policy prescripts and aim to ensure transparency and accountability.

The Department is in the process of implementing a New Service Delivery Model to, amongst other things, address issues of good governance such as segregation of duties to ensure effective monitoring of performance and efficiency from within.

Risk management, prevention of fraud and corruption and measures to minimise conflict of interest are constantly reviewed to promote clean governance, effectiveness and efficiency within the organisation.

## 2. Risk Management

The Department has reviewed and updated the Risk Management Policy and Framework. The Department has a Strategic Risk Register and 15 Operational Risk registers. The Risk Management Committee advises management on risk management i.e. monitoring the strategic risk register. Key risks in terms of audit improvement plans for addressing audit qualification issues raised by the Auditor General are discussed at risk committee meetings. The Audit Committee advises the Department on risk management and independently monitors the effectiveness of the system of risk management. The Director Risk Management and the Chairperson of the Risk Committee attend Audit Committee meetings. The Director presents Risk Committee reports to the Audit Committee.

Management of risk in the Department has been partially successful. The Unit will embark on the following to improve management of Risk:

- Appoint additional staff to the Risk Management Unit;
- Senior management KPA to manage risk will be weighted at 10%;
- Training managers and risk coordinators to institutionalise risk management;
- Managers to present at top management meeting on how risks are addressed.

## 3. Fraud and Corruption

The Department has an approved Fraud Prevention and Anti-Corruption Policy which is reviewed annually. Risk Management Committee also oversees the management of matters relating to fraud and corruption. Allegations reported to the National Anti-Corruption Hotline are directed to the Risk Management Unit for review and investigation. Completed and approved investigation reports are forwarded to the Labour Relations Directorate for further disciplinary processes.

## 4. Minimising Conflict of Interest

The Department complies with the requirements of the Public Service Commission which requires Senior Management Service members to disclose their financial interests annually. All SMS members comply by disclosing their financial interests annually and those members who do not comply are required by the MEC to account for their conduct. Where material conflict of interest is identified, the relevant departmental official is requested in writing to disclose the nature of the conflict and the extent of the conflict in a register of conflict of interest which is forwarded to the Office of the Public Service Commission for their records.

In respect of staff members performing Supply Chain Management functions, the Treasury Regulations prescribe the following regarding compliance with ethical standards and avoiding abuse of the supply chain management system.

In instances where a supply chain management official or other role player, or any close family member, partner or associate of such official or other role players, has any private or business interest in any contract to be awarded, that official or other role player must:

- disclose that interest; and
- withdraw from participating in any manner whatsoever in the process relating to that contract.

An official in the Supply Chain Management Unit who becomes aware of a breach of or failure to comply with any aspect of the supply chain management system must immediately report the breach or failure to the Accounting Officer in writing.

To give effect to the above, the National Treasury issued a standard bidding document (SBD 4) “*Declaration of Interest*” on 5 December 2003 as part of Supply Chain Management (SCM) Practice Note Number SCM 1 of 2003. In terms of this document, Accounting Officers are required to customize and utilize the form as part of their bidding documents so that bidders or their authorized representatives can declare their position in relation to any person employed by the principal institution.

## 5. Code of Conduct

The Director Risk Management is the Ethics Officer for the Department. An Ethics Committee is fully functional guided by an approved Ethics Committee Charter and an Ethics Policy Framework. The purpose of this committee is to help drive employee conduct in a positive direction.

This is done through an ongoing programme of ethical advocacy campaigns. However, any breach of conduct by any employee, in whatever form, is dealt with in terms of the relevant disciplinary proceedings as contained in the Public Service Regulations Act, the Labour Relations Act, the South African Schools Act, Employment of Educators Act, the Employment Equity Act and or any other similar legislation.

## 6. Health, Safety and Environmental Issues

### Occupational Health and Safety

90 Departmental Service Points (schools and Offices – including District Offices) were assessed for compliance with the provisions of the Occupational Health and Safety Act (OHSA) with regards to Occupational Hygiene, Hazard Identification, and Risk Assessment. Eighty-five (85) of the service points assessed were found to be compliant with the provision in terms of the assessment tool provided by the Department of Public Service and Administration (DPSA). Five were found to be non-compliant. In view of the risk imposed by non-compliance to the Health and Safety of employees and learners, the areas of non-compliance have been escalated to the relevant sections for redress.

### Health and Safety Representation

Department has a Health and Safety Committee comprising employer and employee reps (1 per registered union) The Committee meets quarterly to consider Health and Safety issues in the workplace. During the year under review the committee managed 3 out of 4 planned quarterly meetings. The fourth quarterly meeting, which was supposed to sit during the third quarter could not sit due to financial constraints. The issues that would have been discussed in the third quarterly meeting were covered in the fourth quarterly meeting. This however needs to be addressed in order to ensure that issues detected during an assessment period and are a competence of the Health and Safety Committee are addressed timeously.

### Environmental Management

During the year under review, the Directorate focused on information sharing and awareness with regards to Work Design and Special Facilities, Building and offices, as well as Lighting, Ventilation and Sanitation. Apart from general information sharing during the Departmental quarterly Health Testing Services (HTS) sessions, specific meetings were held with the relevant Sections in order draw their attention to what needs to be done organisation wide to understand the Safety, Health and Environment issues in enhancing employee Health and Safety in the workplace as the employer is able to ensure that employees are not unintentionally exposed to health and safety risks.

## Quality Management

The members of the Employee Health and Wellness Committee were trained on the International Organisation for Standardisation (ISO) 9001 for Quality Management. This is the first step towards understanding the International Instruments and Standards critical for the implementation of this sub - pillar of Safety Health, Environment, Risk and Quality (SHERQ).

## 7. Portfolio Committees

The Portfolio Committee exercises oversight over the service delivery performance of Departments.

The following dates were set aside for consideration of Portfolio Committee meetings:

Date	Type of Meeting
14 March 2018	Adoption of Committee Report – School visits programme
12 April 2018	Budget Vote Meeting
13 April	Budget Vote Meeting
18 April 2018	Budget Vote Meeting
03 May 2018	Budget Vote Meeting
09 May 2018	Budget Vote Meeting
10 May 2018	Consideration and Adoption of Budget Vote Report
26 June 2018	Meeting to consider House Responses
27 June 2018	Meeting with SADTU
28 June 2018	Meeting with NAPTOSA
17 July 2018	Meeting with Department – State of Readiness – Pre –visits to Elliotdale in preparations for Taking Legislature to the People.
05 September 2018	Adoption of Pre -visits Report
11 September 2018	Consideration of House Responses
25 September 2018	Follow- up visits to Nelson Mandela District on Taking Legislature which was conducted in 2015
30 October 2018	Consideration of Annual Report
02 November 2018	Consideration of Annual Report
12 November 2018	Consideration of Annual Report
19 November 2018	Consideration of Six Monthly Financial Oversight Report
22 November 2018	Consideration and Adoption of Annual and Financial Oversight Report
08 January 2019	Committee Meeting on state of Readiness School visit Programme 2019
14 February 2019	Adoption of School visit Report

## 8. SCOPA Resolutions

Resolution No	Subject	Details	Response By The Department	Resolved (Yes/No)
1	<b>Commitments, Reconciliation of Commitment Schedules</b>	The Accounting Officer must ensure that systems are improved for identification and recognition of commitments, reconciliation of commitment schedules by the CFO in order to have reliable financial commitments of the department.	The EFMS data integrity remain a challenge. A Project is in place to do a 100% validation of data contained in the system. It is still work-in-progress.	Work-in-progress
2	<b>Leave Records</b>	The Accounting Officer must ensure that there are adequate systems in place to maintain accurate leave records that are monitored regularly. A concrete plan must be submitted to the Committee on how capped leave is going to be addressed, as it is a serious concern that internal audit has indicated that the department does not have a plan to address this finding. This plan must be submitted to the Committee within 30 days after the tabling of the report.	The department implemented two projects to manage leave records i.e. (i) centralisation and digitizing of all HR records, and (ii) to conduct a 100% audit of all capped leave balances. Both the projects are still regarded as work-in-progress	Work-In-Progress
3	<b>Infrastructure</b>	A proper explanation must be afforded in writing to the Committee on how come the Department has this anomaly with regards to infrastructure projects expenditure which is 100% in contrast with 30% performance. The Accounting Officer must strengthen planning strategies of the Department as this is duly equal to poor planning and susceptible to fraud. Disciplinary action must be taken against officers responsible for this finding	The department has strengthened its management of reporting actual performance achievements.	Yes
4	<b>Procurement Regulations</b>	It is the responsibility of the Accounting Officer to ensure that there is compliance with legislation, non-compliance with procurement regulations is susceptible to fraud. Disciplinary action must be taken against officers, senior managers who continue to neglect their responsibilities and proof to that effect must be furnished to the Committee within a period of 30 days after tabling of the report	The department issued warning letters to relevant officials identified during the 2018 audit process. In 2018 the extent of irregular expenditure was significantly reduced as result of controls put in place.	Partially

Resolution No	Subject	Details	Response By The Department	Resolved (Yes/No)
5	<b>Contravention of The PFMA Section 38 (1) (h) (Disciplinary Action)</b>	The Accounting Officer must ensure that disciplinary action is taken against officers responsible for contravening the provisions of the PFMA as required by section 38 (1) (h) of the same Act. The Accounting Officer must also provide reasons why the Committee should not recommend disciplinary action against the Accounting Officer for gross contravention of the provisions of the PFMA as required by section 81 of the PFMA.	Taking disciplinary action against officials is an ongoing process.	Ongoing
6	<b>Leadership and Oversight</b>	The Office of the Premier must facilitate that action is taken to address the leadership and administrative issues confronting the management of the Department.	Key vacancies were filled during the year such as that of the Chief Financial Officer and Chief Director SMME. The department's rationalization of districts has been finalised. There however remain vacancies awaiting the final approval of the organogram.	Yes

## 9. Prior Modifications To Audit Reports

Nature of qualification, disclaimer, adverse opinion and matters of noncompliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The Department did not disclose all the work in progress (WIP) at year end as required by the MCS.	2017/18 financial year.	This issue was resolved in the 2018/19 financial year as there were no completeness findings raised under WIP.
The Department did not record assets in use as immovable tangible capital assets in accordance with Chapter 11: <i>Capital Assets of the MCS</i> . Completed infrastructure assets (Projects which have reached practical completion) were incorrectly included in the WIP and not disclosed as immovable tangible assets.	2018/19 financial year.	The department needs to test the entire WIP population to identify all projects that have reached practical completion and transfer those projects out of WIP to the immovable tangible assets (Capital Asset register).
Sufficient audit evidence (Signed payment certificates) were not provided to support the some of the selected projects disclosed under WIP and s42 transfer.	2018/19 financial year	The department will verify all projects disclosed under WIP and s42 transfer and ensure that all projects are supported by appropriate supporting audit evidence (i.e. a signed payment certificate)
The Department did not record irregular expenditure at the correct values in prior years due to inadequate systems and controls. Also the department did not record all irregular expenditure amounts under investigation in the financial statements.	2018/19 financial year.	As part of the department's audit improvement plan the department has strengthened and improved controls and systems by appointing an internal control unit.
The Department did not calculate a reliable estimate of its capped leave obligations according to the Modified Cash Standard (MCS) chapter 14: provisions and contingents, as well as the Department of Public Service Administration Guide.	2018/19 financial year	The department has sought the counsel of the Department of Basic Education as well as the Department of Public Service administration in an effort to remove this qualification area.
The department did not maintain adequate to complete leave records and these were not reviewed for accuracy for the year under review as required by MCS.	2017/18 financial year.	The department has developed and implemented an improved record management system as well as improved internal controls where audits are performed as part of the review process of leave records.
Material findings in respect of the reliability of programme 2. There was insufficient appropriate audit evidence for the reported achievements of 13 material indicators of the programme.	2017/18 financial year.	The department improved by ensuring proper reviews of information before reporting in the annual report.
Material findings were raised for programme 6 there was insufficient appropriate audit evidence for reported achievements of 3 of the 10 indicators.	2017/18 financial year.	The department improved by providing useful and sufficient appropriate evidence for the 2018/19 financial year.
Material findings were raised for the reliability of programme 2 as there was insufficient appropriate audit evidence for reported achievement for PPM 218.	2017/18 financial year.	As part of the audit improvement plan the department effected internal controls to provide reliable information relating to programme 2. The department has sought the counsel of the Department of Basic Education.

Nature of qualification, disclaimer, adverse opinion and matters of noncompliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The reported achievement in two did not agree with the supporting evidence provided for two performance indicators .	It first arose in the 2017/18 financial year.	As part of the audit improvement plan the department effected internal controls to provide reliable information relating to programme 2. The department has sought the counsel of the Department of Basic Education..

## 9. Internal Control Unit

### Key Objectives

The Internal Control Unit (ICU) within the CFO Branch has been established in line with **PFMA S38(1)(a)** which indicates that the Accounting Officer for a Department must ensure that the Department has and maintains an effective, efficient and transparent system of Financial and Risk Management and Internal Control.

The Unit was established to provide governance and compliance services that are focused on preventative measures in respect of financial losses, unauthorised expenditure, fruitless and wasteful expenditure and irregular expenditure. Internal Control Unit offers the following services:

- Pre-order and Pre-Payment audit services in respect of compensation of employees, goods and services, transfer payments and infrastructure-related services for compliance with all procurement regulations and cost to employee prescripts and regulations. This is mainly a preventative exercise.
- Post-payment review for compensation of employees, goods and services, transfer payments and infrastructure related services for compliance with all procurement regulations and cost to employee prescripts and regulations. This is mainly an audit preparatory and recovery exercise in respect of fruitless and wasteful expenditure and reporting of fruitless and unauthorised expenditure.
- Loss control and consequence management initiation in respect of financial losses, unauthorised expenditure, fruitless and wasteful expenditure and irregular expenditure.

### Achievements for the year under review

The Internal Control Unit has been institutionalised in all Districts with effect from October 2018 with the appointment of 6 Interns per District headed by an existing District official. The Unit has for Operational requirements been introduced as an additional Sub Unit under Finance as the aim it to verify documents for completeness, accuracy and validity before payments are made. This institutionalisation of ICU in all 12 Districts is an important achievement as this is where large numbers of transactions occur. The quality assurance that has been brought in by this unit has been welcomed by all especially the District Directors as it brings a level of quality assurance to them as the Heads of the Districts.

The Department will continue to assess internal controls to determine the effectiveness of their design and implementation in ensuring reliable financial and performance reporting and compliance with legislation.

## 10. Internal Audit and Audit Committees

The establishment, maintenance and functions of a system of internal audit are required in terms of the Public Finance Management Act and the related Treasury Regulations. Sections 3.2.11 and 3.2.12 of the Treasury Regulations state that:

“The internal audit function must assist the accounting officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement”. The controls, subject to evaluation, should encompass the following:

- the information systems environment;
- the reliability and integrity of financial and operational information;
- the effectiveness of operations;
- safeguarding of assets; and

- compliance with laws, regulations and controls.

The internal audit function must assist the accounting officer in achieving the objectives of the institution by evaluating and developing recommendations for the enhancement or improvement of the processes through which:

- objectives and values are established and communicated;
- the accomplishment of objectives is monitored;
- accountability is ensured; and
- corporate values are preserved

Of the 40 planned projects /tasks for the year, 33 were completed. Details of the planned reviews as per the Audit Plan are outlined in the table below:

NO.	TASK	COMPLETE	COMMENTS
1	2017/18 AFS Review	Yes	Complete
2	Interim Financial Statements Review Q1	Yes	Complete
3	Internal Control Dash Board Q2	Yes	Complete
4	Financial Management Capability Maturity Model	Yes	Complete
5	Interim Financial Statements Review Q2	Yes	Complete
6	Internal Control Dash Board Q3	Yes	Complete
7	Transfer Payments	Yes	Complete
8	Transfer receipt HO (IYM)	Yes	Complete
9	Interim Financial Statements Review Q3	Yes	Complete
10	Fraud Risk Assessment	No	Not done
11	Annual Report Review	Yes	Complete
12	Early Childhood Development Audit (Programme 5)	Yes	Complete
13	Management of school finances, assets and governance (Programme 2)	Yes	Complete
14	SMS Performance Agreements	Yes	Complete
15	School Rationalisation	Yes	Complete
16	Disaster Schools	Yes	Complete
17	Human Resources Review (Programme 2 Staff)	No	Draft report issued
18	Assets Management (Head Office)	Yes	Complete
19	Debt, Revenue and Entity Management	No	Draft report issued
20	Control Environment of Districts	Yes	Complete
21	District Rationalisation Project Review	No	Not done
22	Circuit Office Establishment	No	Not done
23	SCM Review (Programme 2 & ICT)	Yes	Complete
24	Infrastructure (Programme 6)	Yes	Complete
25	LTSM	Yes	Complete
26	Special Needs Schools	No	Not done
27	APP review	Yes	Complete
28	Performance information Q1	Yes	Complete
29	Performance information Q2	Yes	Complete
30	Performance information Q3	Yes	Complete
31	SCOPA Follow up	Yes	Complete
32	Governance Reviews	Yes	Complete
33	AG Follow up on audit findings (AIP Review)	Yes	Complete
34	Asset Management - Mobile devices	Yes	Complete
35	Infrastructure - Deviations (disaster schools)	Yes	Complete
36	Duplicate Payments 2016/17 & 2017/18	Yes	Complete
37	Review IAS Plans, Policies, Charters and Methodology	Yes	Complete
38	IT Reviews	Yes	Complete
39	Capped Leave Review	Yes	Complete
40	EFMS vs BAS Monitoring	Yes	Complete

#### Key Objectives and activities of Audit Committee

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 written terms of reference, which deal with membership, authority and responsibilities. These also ensure that its responsibilities in terms of the Act and the Regulations are met.

The table below discloses relevant information on the Audit Committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	No. of meetings attended
Advocate Sakhelikaya Poswa	LLB	External	Not Applicable	01/01/2019	Not Applicable	3
Justin Emslie	CA(SA)	External	Not Applicable	01/01/2018	Not Applicable	3
Fungai Mushohwe	CA(SA)	External	Not Applicable	01/01/2018	Not Applicable	3
Gaehumelwe Diutlwileng (Ouma)	B. Comm	External	Not Applicable	01/01/2018	Not Applicable	3
Refiloe Khwela	CA(SA)	External	Not Applicable	01/01/2018	Not Applicable	3
Pumla Mzizi	CA(SA)	External	Not Applicable	01/01/2018	Not Applicable	3
Nombulelo Nxesi	MBL	External	Not Applicable	01/01/2018	Not Applicable	3

## 11. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2019.

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

Our review of the work of the Internal Audit revealed that the progress against the risk-based plan improved as compared to the prior year. The Department has undergone a process to recruit both own and outsourced resources to add capacity to this Unit and to appoint a CAE.

The Committee approved the Internal Audit Plan for the 2019/2020 year based on outcomes of a risk assessment of the Department. This plan extends to the services brought in by the external service provider. The Audit Committee is satisfied that the Unit now has capacity to execute the plan, and that the plan covers key risk and compliance areas.

Following a review on previous year internal audit findings and based on the current year audits conducted, weaknesses were raised with the Department with commitment from management converted to action plans. These plans extend to:

- Financial and performance reporting;
- Human resource management issues including travel and subsistence;
- Risk and fraud management;
- Core Education business including School financial management; Management of poor performing schools and Teacher monitoring.

## Risk Management

- The audit committee received quarterly reporting on risk management through that unit and the risk committee chair. These reports highlighted progress addressing strategic and operational risks and identification of emerging risks.
- 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. This has received the attention of the Accounting Officer who has commenced implementing remedial actions.
- The committee raised concerns during the year including the need to timeously address internal audit recommendations especially against higher ranking findings; the need to develop policy and procedures against infrastructure spending; ensuring effectiveness of investigations by following the process to completion of the cycle and across various Information Technology areas including control environments and continuity.

## In-Year Management and Monthly/Quarterly Report

The Department has reporting monthly and quarterly to the Treasury as is required by the PFMA.

## Evaluation of Financial Statements and Performance reporting

The Committee reviewed the annual financial statements and reporting on predetermined objectives prepared by the Department for the 2018/2019 year. Through this process the committee:

- Reviewed and discussed the annual financial statements to be included in the annual report with management;
- Reviewed and discussed the information on pre-determined objectives to be included in the annual report with management;
- Reviewed for changes in accounting policies and practices;
- Reviewed the Department's compliance with legal and regulatory provisions;
- 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 disclosure therein;
- Reviewed the findings of Internal Audit on their review on the reporting;
- Enquired into the adequacy, reliability and completeness of supporting information as supporting these financial statements.

Based on our review, the Committee concluded that the financial statements and performance report may not be free from material misstatements at the time of presentation to the auditors. We note that certain key activities had bearing on this process:

- The Chief Financial Officer commenced duty a month prior to the year end, filling the vacant position;
- Internal audit co-sourced activity was appointed on or around year end;
- Certain projects in the Audit Improvement Plan extended beyond the financial year;
- The service provider contracted to support the finance function only commenced duty two weeks prior to submission deadline.

## Auditor-General's Report

We have reviewed the Department's implementation plan for audit issues raised in the previous year and we are satisfied that progress has been made against this plan. Leave management and infrastructure financial reporting matters have not been adequately resolved and the Department in both instances has commenced processes to rectify this.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General. The Committee notes and appreciates the circumstances that lead to the report being signed after the anticipated deadline.

## Appreciation

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



Mr Justin Emslie  
CA(SA)

**Chairperson of the Audit Committee**

29 August 2019



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Eastern Cape Department of Education

# HUMAN RESOURCE MANAGEMENT

## 1. Introduction

The key cost driver for education is the cost of employment of educators and non-educators. In accordance with Regulation 1 of the Schedule contained in Government Notice 1676 of 1998, as amended, the MEC, on an annual basis, determines the Educator post establishment. A back-log of educators that are declared as additional to the establishment poses challenges. Currently the Department has an excess of more than two thousand educators.

A multi-term Collective Agreement 1 of 2018 was signed by the Department and Organised Education Labour Unions. The agreement will be used as the mechanism to commit both the Department and organised labour to the implementation of multi-term agreement.

The MEC declared a post basket of 54026 on the 28th August 2018. This declaration is linked to a Multi-term Agreement and therefore will be retained for the next 3 years.

## 2. Overview of Human Resources

### Service Delivery Model

An Organisational and Post Establishment structure, that is informed by the approved Service Delivery Model, and the Strategic Objectives of the Department was designed. The proposals with the Service Delivery Model were then submitted to DPSA through the Office of the Premier for concurrence and with an anticipation that the Proposed Organisational and Post Establishment Structure will be approved and implemented from the 2019/20 financial year.

### HR Priorities for 2019/20:

- The implementation and management of the Post Provision Norms within budget.
- The approval of the Organisational Structure.
- Teacher profiling in order to determine skills gaps and demand.
- Stabilising the labour relations environment.
- The Implementation of the four Pillars of the Employee Health and Wellness Policy
- Filling of vacancies in schools and offices.
- Capped leave Audit.
- Placement of Displaced Employees.
- Approval of Staff Attraction, Retention and Succession Strategy
- Implementation of the Human Resource Management and Development Service Charter

### Workforce Planning

The major focus of the Department is to build a capable education workforce through a service delivery model aimed at maximising support to schools and teachers. The number of district offices was reduced from twenty-three to twelve in line with the approved service delivery model. The Cluster Chief Directors and District Directors were appointed permanently.

### Employee Performance Management

The Department of Education was required to develop a performance management system in order to manage performance in a consultative, supportive and non-discriminatory manner. This should result in enhanced organizational efficiency and effectiveness, accountability for the use of resources and the achievement of results. The system focuses on participation in performance management by the supervisor and the employee.

### Employee Health and Wellness Programme

The Departmental approach to employee health and wellness programme recognises the importance of individual health, wellness and safety and its linkages to organisational wellness and productivity.

To achieve the set objectives the Department focussed on the following pillars:

- HIV and AIDS and TB Management
- Health and Productivity Management

- Safety, Health, Environment, Risk and Quality Management (SHERQ)
- Wellness Management

### Key Achievements

- Appointment and Placement of Cluster Chief Directors and District Directors
- Consultation of the Proposed Organisational and Post Establishment Structures with Office of the Premier and Minister of Public Service and Administration.
- Implementation of the multi-term Agreement on Post Provisioning Norms
- Submission of the report on the implementation of Employment Equity Plan
- Approval of the policy on recruitment and selection
- Filling of teacher vacancies (Appointed Fundza Lushaka Bursary Holders, issued Bulletins for filling of Educator posts)
- Vacancy rate has been reduced
- Conclusion of Collective Agreement One of 2018 (CA 1 of 2018)
- Workshop on Labour relations related collective agreement with Top Management and various forums of the Department
- Workplace Skills Plan was submitted to PSETA on time and training needs have been addressed.
- Learnership and internship programme has been fully implemented
- Reduction of PILIR cases
- Improved Employee Wellness Management to promote comprehensive individual and organizational wellness including work-life balance
- The appointment of the Departmental Employee Health and Wellness Committee that will be operational until 30 March 2021.
- Introduction of Team Building Programme to mobilise employees to focus and improve productivity. The focus was on Head Office based employees
- Implementation of the database for unemployed educators in the Province

### Challenges:

- Approval of the Proposed Organisational and Post Establishment Structure
- Staff shortages
- Shortages of educators for scarce skills subjects
- Absenteeism Management at schools
- Lack of Standard Operating procedures
- Implementation of Occupational Specific Dispensation (OSD) for therapists and psychologists
- HRM monitoring tool
- Absence of integrated document tracking system
- Timeous payment of salaries
- Infrastructural challenges (IT i.e. PERSAL for some Districts)
- Delays when submitting and capturing of PMDS documents (Performance Agreement, Performance Reviews & Annual assessment)
- Backlog on financial manual for special schools (Night shift, Sunday hours and Public holidays)
- Non-compliance with implementation of arbitration awards and court orders
- Non-responsiveness from line function on HRM&D matters
- Lack of appropriately qualified personnel to implement the Employee Health and Wellness programme
- Lack of confidentiality enhancing physical spaces in which to attend to employees who need counselling
- Lack of the appropriate tools to help with the implementation of planned programmes (computers, printers and access to the network.)

### 2019/20 Planned Interventions:

- Approval of Organisational Structure
- Migration of Staff to the new organogram
- Implementation of the HR Plan
- Implementation of the Staff Attraction, Retentions and Succession Strategy
- Implementation of the recruitment and selection policy for the Department
- Filling of vacancies within prescribed timeframes as determined by DPSA

- Development of Standard Operating Procedures for Human Resource Management and Development
- Declaration of Post Provisioning Norms for 2019 academic year
- Implementation of the PPN Declaration Multi-term Agreement 2019- 2021
- Strengthen labour harmony in the workplace
- Embark on roadshows to Districts on new legislative requirements
- Build capacity in Districts
- 100% Compliance with PMDS policy
- Provide support and monitoring of bursary holders
- PERSAL clean-up and auditing of capped leave
- Develop and implement risk register
- Strengthen governance
- Hold quarterly Human Resource Labour Forums (HRLF) to share information, drive business processes and improve communication and assess performance of HR inclusive of Clusters and Districts.
- Capacitate the Internal Control Unit in Districts as per Provincial Treasury instruction to ensure compliance with HR legislation
- Implementation of the 4 Pillars of the Employee Health and Wellness Policy
- Conduct exit interviews to inform HR Planning processes.

### 3. Human Resources Oversight Statistics

#### 3.1. Personnel Related Expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2018 to 31 March 2019

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)
1. Administration	2 949 738	2 169 359	26 993	0	73.5	351
2. Public Ordinary School Education	28 253 956	23 976 806	43 733	0	84.8	398
3. Independent School Subsidies	131 009	0	0	0	0	0
4. Public Special School Education	815 255	648 206	2169	0	79.5	296
5. Early Childhood Development	663 500	360 212	5416	0	54.3	91
6. Infrastructure Development	1 824 521	12 753	0	0	0.7	625
7. Examination and Education related Services	490 367	217 929	2378	34 039	44.4	92
<b>Total</b>	<b>35 128 346</b>	<b>27 385 265</b>	<b>80689</b>	<b>34 039</b>	<b>78.0</b>	<b>369</b>

Table 3.1.2. Personnel costs by salary band for the period 1 April 2018 and 31 March 2019

Salary band	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R)
Lower skilled (Levels 1-2)	33 154	0.1	303	109 419
Skilled (Levels 3-5)	1 476 144	5.3	7 061	209 056
Highly skilled production (Levels 6-8)	17 402 443	63.8	44 354	399 449
Highly skilled supervision (Levels 9-12)	7 909 141	28.5	12 484	633 542
Senior management (Levels 13-16)	70 750	0.3	60	1 179 167
Other Contract	374 696	1.3	4 137	90 572
Periodical Remuneration	36 639	0.1	3 526	10 390
Abnormal Appointment	82 298	0.3	3 231	25 475
<b>Total</b>	<b>27 385 265</b>	<b>99.8</b>	<b>75 156</b>	<b>368 566</b>

Table 3.1.3 Salaries, Overtime, Home Owners' Allowance and Medical Aid by programme for the period 1 April 2018 to 31 March 2019

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1 - Administration	1 816 888	83.8	4 942	0.7	56 565	2.6	85 694	4.0
Programme 2 - Public Ordinary School Education	20 011 531	83.5	6	0	693 512	2.9	1 032 123	4.3
Programme 4 - Public Special School Education	525 347	81.05	0	0	23 815	3.7	33 974	5.2
Programme 5 - Early Childhood Development	362 383	99.4	0	0	25	0	139	0.1
Programme 6 - Infrastructure Development	11 246	97.7	0	0	156	0	236	1.9
Programme 7 - Examination and Education related Services	51 144	23.5	61 498	28.22	1 782	0.8	2 095	1
<b>Total</b>	<b>22 778 539</b>	<b>83.2</b>	<b>66 446</b>	<b>0.2</b>	<b>775 855</b>	<b>2.8</b>	<b>1 154 261</b>	<b>4.2</b>

Table 3.1.4 Salaries, Overtime, Home Owners' Allowance and Medical Aid by salary band for the period 1 April 2018 to 31 March 2019

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
Lower skilled (Levels 1-2)	27 438	83.4	0	0	1 303	4	594	1.8
Skilled (Levels 3-5)	1 186 390	80.5	19 285	0.4	63 619	4.3	66 955	4.5
Highly skilled production (Levels 6-8)	14 441 213	81.5	31 781	0.1	534 869	3.2	808 015	5
Highly skilled supervision (Levels 9-12)	6 533 520	82.2	15 292	0.1	174 844	2.2	278 046	3.5
Senior management (Levels 13-16)	58 899	84.2	0	0	1 114	1.6	439	0.6
Contract (Levels 1-2)	255	96.6	0	0	0	0	0	0
Contract (Levels 3-5)	3 816	95.9	0	0	0	0	22	0.6
Contract (Levels 6-8)	18 442	98.9	12	0.1	16	0.1	26	0.1
Contract (Levels 9-12)	13 220	92.2	76	0.5	90	0.6	44	0.3
Contract (Levels 13-16)	4 059	92.7	0	0	0	0	49	1.1
Other Contract	372 676	99.5	0	0	0	0	71	0
Periodical Remuneration	36 639	97.8	0	0	0	0	0	0
Abnormal Appointment	81 972	98.9	0	0	0	0	0	0
<b>Total</b>	<b>22 778 539</b>	<b>82</b>	<b>66 446</b>	<b>0.1</b>	<b>775 855</b>	<b>2.9</b>	<b>1 154 261</b>	<b>4.4</b>

### 3.2 Employment and Vacancies

The tables in this section summarise the position with regard to 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 2019

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1:Administration	7 175	4 166	41.9	389
Programme 2: Public Ordinary Schools Education	68 227	58 130	14.8	3 408
Programme 4: Public Special School Education	2 761	1 997	27.7	66
Programme 5: Early Childhood Development	4 011	3 964	1.2	3 914
Programme 6: Infrastructure	24	16	33.3	11
Programme 7:Examinations and Education Related Services	144	140	2.8	136
<b>Total</b>	<b>82 342</b>	<b>68 413</b>	<b>16.9</b>	<b>7 924</b>

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2019

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	524	303	42.2	34
Skilled (Levels 3-5)	13 680	7 061	48.4	690
Highly skilled production (Levels 6-8)	49 593	44 354	10.6	2 568
Highly skilled supervision (Levels 9-12)	14 304	12 484	12.7	544
Senior management (Levels 13-16)	90	60	33.3	11
Other	4 151	4 151	0	4 077
<b>Total</b>	<b>82 342</b>	<b>68 413</b>	<b>16.9</b>	<b>7 924</b>

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2019

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related	175	92	47.4	11
All artisans in the building metal machinery etc.	14	9	35.7	0
Architects, town and traffic planners	48	4	91.7	2
Archivists, curators and related professionals	2	0	100	0
Artisan project and related superintendents	3	2	33.3	0
Auxiliary and related workers	49	30	38.8	1
Building and other property caretakers	71	36	49.3	2
Bus and heavy vehicle drivers	15	9	40	1
Cleaners in offices, workshops hospitals etc.	3 450	2 120	38.6	306
Client information clerks(switchboard, reception, information clerks)	29	8	72.4	0
Communication and information related	1	1	0	0
Community development workers	1	1	0	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Compositors, typesetters and related printing workers	2	1	50	0
Computer programmers	2	2	0	1
Computer system designers and analysts	1	1	0	1
Conservation labourers	3	3	0	0
Custodian personnel	1	1	0	0
Diplomats	1	1	0	0
Earth moving and related plant operators	1	1	0	0
Engineering Science related	1	1	0	1
Engineers and related professionals	5	0	100	0
Farm hands and labourers	4	3	25	0
Farming forestry advisors and farm managers	34	26	23.5	1
Finance and economics related	125	82	34.4	6
Financial and related professionals	127	69	45.7	7
Financial clerks and credit controllers	570	421	26.1	19
Firefighting and related workers	1	1	0	0
Food services aids and waiters	272	176	35.3	7
General legal administration and related professionals	1	1	0	1
Geologists, geophysicists, hydrologists and related professionals	2	1	50	0
Head of department/chief executive officer	10	4	60	0
Household and laundry workers	779	462	40.7	23
Household food and laundry services related	1	1	0	0
Housekeepers, laundry and related workers	3	3	0	0
Human resources and organisational development and related professionals	109	47	56.9	0
Human resources clerks	602	480	20.3	10
Human resources related	164	89	45.7	1
Inspectors of apprentices, works and vehicles	71	30	57.7	6
Legal related	9	8	11.1	4
Library, mail and related clerks	223	99	55.6	0
Light vehicle drivers	136	82	39.7	6
Logistical support personnel	98	59	39.8	1
Material-recording and transport clerks	616	496	19.5	31
Messengers, porters and deliverers	42	19	54.8	0
Motor vehicle drivers	4	4	0	1
Nursing assistants	10	8	20	0
Occupational therapy	15	3	80	1
Other administration and related clerks and organisers	4 478	3 300	26.3	258
Other administrative policy and related officers	579	249	57	22
Other information technology personnel	30	17	43.3	3
Other occupations	67 633	59 186	12.5	7 149
Physiotherapy	1	1	0	1
Professional nurse	7	2	71.4	0
Quantity surveyors and related professionals not classed elsewhere	3	1	66.7	1
Rank: departmental head	130	0	100	0
Rank: deputy principal	32	0	100	0
Rank: Principal P1	8	0	100	0
Rank: Principal P2	23	0	100	0
Rank: Principal P3	8	0	100	0
Rank: Principal S1	6	0	100	0
Rank: Teacher	392	3	99.2	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Risk management and security services	1	1	0	0
Secretaries and other keyboard operating clerks	249	100	59.8	10
Security guards	400	302	24.5	7
Security officers	254	160	37	7
Senior managers	89	58	34.8	12
Social work and related professionals	1	0	100	0
Speech therapy and audiology	10	1	90	0
Trade labourers	5	3	40	0
Trade/industry advisors and other related professions	1	0	100	0
Youth workers	99	32	67.7	2
<b>Total</b>	<b>74 830</b>	<b>63 604</b>	<b>16.9</b>	<b>7 490</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. The tables also provide 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 2019

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	2	2	100.0%	0	0.0%
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	17	12	70.6%	5	29.4%
Salary Level 13	68	44	64.7%	24	35.3%
<b>Total</b>	<b>90</b>	<b>60</b>	<b>66.7%</b>	<b>30</b>	<b>33.3%</b>

Table 3.3 2 SMS post information as on 30 September 2018

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	2	2	100.0%	0	0.0%
Salary Level 15	3	3	100.0%	0	0.0%
Salary Level 14	17	12	70.6%	5	29.4%
Salary Level 13	68	40	58.8%	28	41.2%
<b>Total</b>	<b>90</b>	<b>57</b>	<b>63.3%</b>	<b>33</b>	<b>36.7%</b>

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2018 to 31 March 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled / appointed	% of SMS posts filled / appointed	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	2	2	100.0%	0	0.0%
Salary Level 15	3	2	66.0%	1	34.0%
Salary Level 14	15	12	80%	3	20%
Salary Level 13	49	44	89%	5	11%
<b>Total</b>	<b>69</b>	<b>60</b>	<b>87%</b>	<b>9</b>	<b>13%</b>

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
Salary Level 15	0	0	0
Salary Level 14	5	3	2
Salary Level 13	17	15	2
<b>Total</b>	<b>22</b>	<b>18</b>	<b>4</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 2018 and 31 March 2019

Reasons for vacancies not advertised within six months
Salary Level 15 – The position was occupied by a contract worker until 31 March 2019. The position has been requested to roll-over to ARP 19/20
Salary Level 14 – Two positions (CD: HRM&D and CD: Statutory Advisory Services) have been advertised and the process of recruitment will be finalised in June 2019. Interviews for CD: SCM took place but approval was not granted for appointment. The HOD to take decision on the filling of post.
Salary Level 13 – (D: Accounting Services) was delayed due to Head hunting process. (D: Telecollaborative) – HOD to take decision as this post does not exist on proposed organogram.

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 2018 and 31 March 2019

Reasons for vacancies not advertised within six months
None.

### 3.4. Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, an executing authority 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. This was supported by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

Table 3.4.1 Job Evaluation by Salary band, 1 April 2018 to 31 March 2019

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	524	0	0	9	0	0	0
Skilled (Levels 3-5)	13 680	4	0	3 158	0.25	0	0
Highly skilled production (Levels 6-8)	49 593	12	0	3 086	2.95	1	100
Highly skilled supervision (Levels 9-12)	14 304	2	0	253	4.76	1	100
Senior Management Service Band A	68	0	0	1	100	0	0
Senior Management Service Band B	17	0	0	0	0	0	0
Senior Management Service Band C	3	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	1	100	0	0
Other	4 151	0	0	4	25	0	0
<b>Total</b>	<b>82 342</b>	<b>18</b>	<b>0</b>	<b>6 512</b>	<b>1.75</b>	<b>2</b>	<b>100.00</b>

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2018 to 31 March 2019

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation, 1<sup>st</sup> April 2018 to 31 March 2019 (in terms of PSR 1.v.c.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total number of Employees whose salaries exceeded the level determined by job evaluation in 2018/19				<b>0</b>
Percentage of total employed				<b>0</b>

Table 3.4.4 below 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, 1 April 2018 to 31 March 2019

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

### 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.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2018 to 31 March 2019

Salary Band	Number of employees at beginning of period-April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (Levels 1-2)	223	99	6	2.7
Skilled (Levels 3-5)	6 659	991	454	6.8
Highly skilled production (Levels 6-8)	42 844	3 396	2 617	6.1
Highly skilled supervision (Levels 9-12)	12 975	78	1 085	8.4
Senior Management Service Band A	39	1	3	7.7
Senior Management Service Band B	11	1	1	9.1
Senior Management Service Band C	2	0	0	0
Senior Management Service Band D	3	0	2	66.7
Other	4 535	133	706	15.6
<b>Total</b>	<b>67 291</b>	<b>4 699</b>	<b>4 874</b>	<b>7.2</b>

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2018 to 31 March 2019

Critical Occupation	Number of employees as at Beginning of Period (April 2018)	Appointments and transfers into the Department	Terminations transfers out the Department	Turn-over Rate
Administrative related	95	8	11	11.6
All artisans in the building, metal, machinery etc.	12	0	3	25
Architects, town and traffic planners	6	0	1	16.7
Artisan project and related superintendents	2	0	0	0
Auxiliary and related workers	2 8	2	3	10.7
Building and other property caretakers	32	4	0	0
Bus and heavy vehicle drivers	10	0	1	10
Cleaners in offices, workshops hospitals etc.	2 199	76	160	7.3
Client inform clerks (switchboard, reception, information clerks)	8	0	0	0
Communication and information related	1	0	0	0
Community development workers	1	0	0	0
Compositors Typesetters & Related Printing workers	1	0	0	0
Computer programmers	2	0	0	0
Computer system designers and analysts	1	0	0	0
Conservation labourers	3	0	0	0
Custodian personnel	1	0	0	0
Diplomats	1	0	0	0
Earth moving and related plant operators	1	0	0	0
Farm hands and labourers	3	0	0	0
Farming forestry advisors and farm managers	25	3	2	8
Finance and economics related	82	1	3	3.7
Financial and related professionals	67	1	4	6
Financial clerks and credit controllers	429	1	5	1.2
Firefighting and related workers	2	0	1	50
Food services aids and waiters	164	18	6	3.7
General legal administration and related professionals	1	0	0	0
Geologists Geophysicists Hydrologists and related professionals	1	0	0	0

Critical Occupation	Number of employees as at Beginning of Period (April 2018)	Appointments and transfers into the Department	Terminations transfers out the Department	Turn-over Rate
Head of department/chief executive officer	5	0	1	20
Household and laundry workers	467	12	19	4.1
Household food and laundry services related	1	0	0	0
Housekeepers laundry and related workers	3	0	0	0
Human resources and organisational development & related professionals	54	0	4	7.4
Human resources clerks	502	1	25	5
Human resources related	69	24	11	15.9
Inspectors of apprentices, works and vehicles	31	0	1	3.2
Legal related	4	4	0	0
Library mail and related clerks	102	0	5	4.9
Light vehicle drivers	80	5	3	3.8
Logistical support personnel	60	0	3	5
Material-recording and transport clerks	515	1	16	3.1
Messengers, porters and deliverers	24	0	4	16.7
Motor vehicle drivers	4	0	0	0
Nursing assistants	9	0	1	11.1
Occupational therapy	4	0	1	25
Other administration and related clerks and organisers	3 347	34	92	2.7
Other administrative policy and related officers	259	2	11	4.2
Other information technology personnel	16	0	0	0
Other occupations	57 912	4 478	4 451	7.7
Physiotherapy	1	0	0	0
Professional nurse	1	0	0	0
Quantity surveyors and related professionals not classed elsewhere	1	0	0	0
Rank: Teacher	1	0	0	0
Risk management and security services	2	0	1	50
Secretaries and other keyboard operating clerks	97	7	6	6.2
Security guards	303	6	9	3
Security officers	153	6	5	3.3
Senior managers	51	5	5	9.8
Trade labourers	3	0	0	0
Youth workers	32	0	0	0
<b>Total</b>	<b>62 335</b>	<b>4 546</b>	<b>4 601</b>	<b>7.2</b>

Table 3.5.3 Reasons why staff left the Department

Termination Type	Number	% of Total Resignations
Death	351	7.2
Resignation	1 028	21.1
Expiry of contract	1 804	37
Discharged due to ill health	91	1.9
Dismissal-misconduct	23	0.5
Retirement	1 552	31.8
Other	27	0.6
<b>TOTAL</b>	<b>4 876</b>	<b>100</b>

Table 3.5.4 Promotions by critical occupation

Occupation	Employment at Beginning of Period (April 2018)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progression as a % of Employment
Administrative related	95	1	1.1	60	63.2
All artisans in the building metal machinery etc.	12	0	0	7	58.3
Architects, town and traffic planners	6	0	0	1	16.7
Artisan project and related superintendents	2	0	0	0	0
Auxiliary and related workers	28	0	0	15	53.6
Building and other property caretakers	32	0	0	17	53.1
Bus and heavy vehicle drivers	10	0	0	6	60
Cleaners in offices, workshops hospitals etc.	2 199	0	0	1 284	58.4
Client information clerks (switchboard, reception, information clerks)	8	0	0	6	75
Communication and information related	1	0	0	1	100
Community development workers	1	0	0	0	0
Compositors Typesetters & related Printing workers	1	0	0	1	100
Computer programmers.	2	0	0	2	100
Computer system designers and analysts.	1	0	0	1	100
Conservation labourers	3	0	0	1	33.3
Custodian personnel	1	0	0	1	100
Diplomats	1	0	0	0	0
Earth moving and related plant operators	1	0	0	0	0
Farm hands and labourers	3	0	0	1	33.3
Farming forestry advisors and farm managers	25	0	0	1	4
Finance and economics related	82	2	2.4	52	63.4
Financial and related professionals	67	4	6	25	37.3
Financial clerks and credit controllers	429	0	0	300	69.9
Firefighting and related workers	2	0	0	0	0
Food services aids and waiters	164	0	0	104	63.4
General, legal administration and related professionals	1	0	0	1	100
Geologists Geophysicists Hydrologists and related professionals	1	0	0	1	100
Head of department/chief executive officer	5	0	0	1	20
Household and laundry workers	467	1	0.2	283	60.6
Household foods and laundry services related	1	0	0	1	100
Housekeepers laundry and related workers	3	0	0	2	66.7
Human resources and organisational development and related professionals	54	0	0	20	37
Human resources clerks	502	3	0.6	339	67.5
Human resources related	69	8	11.6	41	59.4
Inspectors of apprentices, works and vehicles	31	0	0	10	32.3

Occupation	Employment at Beginning of Period (April 2018)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Legal Related	4	0	0	0	0
Library mail and related clerks	102	1	1	84	82.4
Light vehicle drivers	80	0	0	56	70
Logistical support personnel	60	2	3.3	13	21.7
Material-recording and transport clerks	515	0	0	345	67
Messengers porters and deliverers	24	0	0	13	54.2
Motor vehicle drivers	4	0	0	1	25
Nursing assistants	9	0	0	5	55.6
Occupational therapy	4	0	0	1	25
Other administration and related clerks and organisers	3 347	2	0.1	1 430	42.7
Other administrative policy and related officers	259	2	0.8	108	41.7
Other information technology personnel.	16	1	6.3	12	75
Other occupations	57 912	1 703	2.9	82 637	142.7
Physiotherapy	1	0	0	1	100
Professional nurse	1	0	0	0	0
Quantity surveyors and related professionals not classed elsewhere	1	0	0	0	0
Rank: Teacher	1	0	0	0	0
Risk management and security services	2	0	0	1	50
Secretaries and other keyboard operating clerks	97	0	0	74	76.3
Security guards	303	8	2.6	82	27.1
Security officers	153	0	0	51	33.3
Senior managers	51	9	17.6	24	47.1
Trade labourers	3	0	0	1	33.3
Unknown	0	1	0	0	0
Youth workers	32	0	0	1	3.1
<b>Total</b>	<b>67 291</b>	<b>1 748</b>	<b>2.6</b>	<b>87 525</b>	<b>130.1</b>

Table 3.5.5 Promotions by salary band

Salary Band	Employees 1 April 2018	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)	223	0	0	5	2.2
Skilled (Levels 3-5)	6 659	16	0.2	3 199	48
Highly skilled production (Levels 6-8)	42 844	934	2.2	64 196	149.8
Highly skilled supervision (Levels 9-12)	12 975	787	6.1	20 099	154.9
Senior management (Levels 13-16)	55	11	20	26	47.3
Other	4 535	0	0	0	0
<b>Total</b>	<b>67 291</b>	<b>1 748</b>	<b>2.6</b>	<b>87 525</b>	<b>130.1</b>

### 3.6. Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2019

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	34	3	2	3	18	3	0	2	65
Professionals	13 462	1 296	80	741	34 077	2 357	163	2 423	54 599
Technicians and associate professionals	133	18	1	9	267	14	0	20	462
Clerks	1 124	39	0	5	3 368	221	4	143	4 904
Service and sales workers	369	45	0	1	56	5	0	0	476
Craft and related trades workers	25	2	0	0	15	0	0	0	42
Plant and machine operators and assemblers	80	9	0	3	1	3	0	0	96
Elementary occupations	1 358	187	0	19	5 669	404	1	118	7 756
Unknown	2	0	0	0	10	0	0	1	13
<b>Total</b>	<b>16 587</b>	<b>1 599</b>	<b>83</b>	<b>781</b>	<b>43 481</b>	<b>3 007</b>	<b>168</b>	<b>2 707</b>	<b>68 413</b>
Employees with disabilities	60	11	0	6	76	5	0	10	168

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2019

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	1	0	0	0	0	4
Senior Management	32	3	2	2	12	3	0	2	56
Professionally qualified and experienced specialists and mid-management	4 484	617	51	340	5 774	483	68	667	12 484
Skilled technical and academically qualified workers, junior management, supervisors, foremen	9 530	729	30	388	29 717	1 979	98	1 883	44 354
Semi-skilled and discretionary decision making	2 375	230	0	47	3 946	354	1	108	7 061
Unskilled and defined decision making	149	19	0	2	119	14	0	0	303
Not available	14	1	0	1	3 913	174	1	47	4 151
<b>TOTAL</b>	<b>16 587</b>	<b>1 599</b>	<b>83</b>	<b>781</b>	<b>43 481</b>	<b>3 007</b>	<b>168</b>	<b>2 707</b>	<b>68 413</b>
Employees with disabilities	60	11	0	6	76	5	0	10	168

Table 3.6.3 Recruitment for the period 1 April 2018 to 31 March 2019

Occupational Band	Male			Female			Total		
	African	Coloured	Indian	White	African	Coloured		Indian	White
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	30	5	1	5	28	2	0	7	78
Skilled technical and academically qualified workers, junior management, supervisors, foremen	923	81	3	55	1 889	202	7	236	3 396
Semi-skilled and discretionary decision making	110	10	0	6	812	49	0	4	991
Unskilled	37	9	0	1	49	7	0	0	103
Not available	3	0	0	0	130	0	0	0	133
<b>Total</b>	<b>1 105</b>	<b>105</b>	<b>4</b>	<b>67</b>	<b>2 908</b>	<b>260</b>	<b>7</b>	<b>247</b>	<b>4 703</b>
Employees with disabilities	0	0	0	0	2	0	0	0	2

Table 3.6.4 Promotions for the period 1 April 2018 to 31 March 2019

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	20	3	2	2	7	1	0	2	37
Professionally qualified and experienced specialists and mid-management	6 996	1 032	86	575	10 002	856	114	1 225	20 886
Skilled technical and academically qualified workers, junior management, supervisors, foremen	12 678	947	44	530	45 352	2 797	173	2 609	65 130
Semi-skilled and discretionary decision making	1 136	153	0	40	1 594	248	0	44	3 215
Unskilled and defined decision making	3	0	0	0	2	0	0	0	5
<b>Total</b>	<b>20 833</b>	<b>2 135</b>	<b>132</b>	<b>1 147</b>	<b>56 957</b>	<b>3 902</b>	<b>287</b>	<b>3 880</b>	<b>89 273</b>
Employees with disabilities	68	18	0	11	98	9	0	19	223

Table 3.6.5 Terminations for the period 1 April 2018 to 31 March 2019

Occupational Band	Male			Female			Total
	African	Coloured	Indian	White	Coloured	Indian	
Top Management	1	0	0	0	0	0	1
Senior Management	4	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management	281	52	8	51	554	39	1 085
Skilled technical and academically qualified workers, junior management, supervisors, foremen	577	67	2	30	1 565	175	2 617
Semi-skilled and discretionary decision making	150	19	0	7	229	38	454
Unskilled and defined decision making	2	1	0	0	4	1	8
Not available	1	0	0	0	676	25	706
<b>Total</b>	<b>1 016</b>	<b>139</b>	<b>10</b>	<b>88</b>	<b>3 028</b>	<b>278</b>	<b>4 876</b>
Employees with disabilities	5	0	0	2	7	2	18

Table 3.6.6 Disciplinary action

Disciplinary action	Male			Female			Total
	African	Coloured	Indian	White	Coloured	Indian	
<b>Disciplinary actions finalised</b>	13	1	0	0	8	0	22

Table 3.6.7 Skills development

Occupational category	Male			Female			Total
	African	Coloured	Indian	White	Coloured	Indian	
Legislators, senior officials and managers	1 439	110	13	58			1 628
Professionals	49 662	3 643	228	3 067			56 600
Technicians and associate professionals	600	56	1	34			691
Clerks	4 907	293	4	161			5 365
Service and sales workers	0	0	0	0			0
Skilled agriculture and fishery workers	0	0	0	0			0
Craft and related trades workers	0	0	0	0			0
Plant and machine operators and assemblers	0	0	0	0			0
Elementary occupations	3 178	434	2	114			3 732
<b>Total</b>	<b>59 786</b>	<b>4 536</b>	<b>248</b>	<b>3 434</b>			<b>68 016</b>
Employees with disabilities	114	15	0	16			145

### 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 are presented here.

Table 3.7.1. Signing of Performance Agreements by SMS members as on 31 May 2018

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	2	2	2	100%
Salary Level 15	2	2	2	100%
Salary Level 14	11	11	8	73%
Salary Level 13	52	52	41	79%
<b>Total</b>	<b>67</b>	<b>67</b>	<b>53</b>	<b>79%</b>

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 May 2018

Reasons
<ul style="list-style-type: none"> <li>The training roll-out of new PMDS manual for SMS members started mid-May in 2018 later than the normal starting time which is 1 April 2018.</li> <li>The Department had to request extension from OTP to submit at least by 22 June 2018 for those who could not meet the 31 May 2018.</li> <li>A few SMS members were appointed after the 1 May 2018 and had to develop their own Contracts within three months after appointments.</li> </ul>

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 March 2019

Reasons
No disciplinary steps taken

### 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, and disability, salary bands and critical occupations.

Table 3.8.1 Performance Rewards by race, gender and disability, 1 April 2018 to 31 March 2019

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	1 444	16 527	8.7	8 951	6 198
Asian, Male	4	83	4.8	79	19 731
Coloured, Male	175	1 588	11	1 117	6 382
White, Male	24	775	3.1	200	8 320
African, Female	3 461	43 405	8	23 169	6 694
Coloured, Female	334	3 002	11.1	2 018	6 042
Asian, Female	3	168	1.8	21	7 027
White, Female	170	2 697	6.3	1 247	7 334
Employees with a disability	46	168	27.4	323	7 030
<b>Total</b>	<b>5 661</b>	<b>68 413</b>	<b>8.3</b>	<b>37 124</b>	<b>6 558</b>

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service, 1<sup>st</sup> April 2018 to 31 March 2019

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R,000)	Average cost per employee (R)	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	61	303	20.1	194	3 181	0.00
Skilled (Levels 3-5)	2 288	7 061	32.4	10 300	4 502	0.04
Highly skilled production (Levels 6-8)	3 134	44 354	7.1	23 757	7 580	0.09
Highly skilled supervision (Levels 9-12)	158	12 484	1.3	2 119	13 408	0.01
Other	0	4 151	0	0	0	0.00
<b>Total</b>	<b>5 641</b>	<b>68 353</b>	<b>8.3</b>	<b>36 370</b>	<b>28 671</b>	<b>0.13</b>

Table 3.8.3 Performance Rewards by critical occupation, 1 April 2018 to 31 March 2019

Critical Occupations	Beneficiary Profile			Cost	
	Number of Beneficiaries	No. of Employees	% of Total within Occupation	Total Cost (R'000)	Average Cost per Employee (R)
Financial clerks and credit controllers	355	421	84.3	2 655	7 480
Household food and laundry services related	0	1	0	0	0
Earth moving and related plant operators	0	1	0	0	0
Human resources clerks	421	480	87.7	3 191	7 580
Security officers	56	160	35	274	4 890
Household and laundry workers	269	462	58.2	1 187	4 411
Geologists geophysicists hydrologists & related prof	0	1	0	0	0
Messengers porters and deliverers	14	19	73.7	59	4 218
Human resources & organisational dev. & related prof	43	47	91.5	406	9 437
All artisans in the building metal machinery etc.	8	9	88.9	36	4 486
Risk management and security services	1	1	100	8	7 890
Logistical support personnel	49	59	83.1	493	10 063
Finance and economics related	51	82	62.2	644	12 636
Other administration & related clerks and organisers	1 732	3 300	52.5	11 486	6 632
Housekeepers laundry and related workers	1	3	33.3	4	3 776
Auxiliary and related workers	12	30	40	51	4 212
Other occupations	357	59 186	0.6	2 331	6 530
Legal related	1	8	12.5	42	41 694
Financial and related professionals	49	69	71	486	9 924
Building and other property caretakers	14	36	38.9	58	4 140
Occupational therapy	2	3	66.7	11	5 614
Diplomats	0	1	0	0	0
Rank: teacher	0	3	0	0	0
Architects town and traffic planners	2	4	50	25	12 523
Administrative related	52	92	56.5	667	12 832

Critical Occupations	Beneficiary Profile			Cost	
	Number of Beneficiaries	No. of Employees	% of Total within Occupation	Total Cost (R'000)	Average Cost per Employee (R)
Communication and information related	0	1	0	0	0
Secretaries & other keyboard operating clerks	73	100	73	528	7 229
Cleaners in offices workshops hospitals etc.	1 059	2 120	50	4 387	4 142
Library mail and related clerks	87	99	87.9	629	7 224
Human resources related	40	89	44.9	505	12 617
Head of department/chief executive officer	4	4	100	40	9 945
Computer programmers.	2	2	100	19	9 371
Trade labourers	1	3	33.3	4	4 254
Physiotherapy	1	1	100	7	7 324
General legal administration & rel. professionals	1	1	100	11	11 003
Material-recording and transport clerks	378	496	76.2	2 820	7 461
Youth workers	24	32	75	158	6 570
Farm hands and labourers	0	3	0	0	0
Compositors typesetters & related printing workers	1	1	100	6	6 425
Other administrative policy and related officers	201	249	80.7	1 796	8 936
Artisan project and related superintendents	2	2	100	16	7 788
Fire fighting and related workers	1	1	100	4	4 448
Inspectors of apprentices works and vehicles	22	30	73.3	170	7 724
Professional nurse	1	2	50	9	8 828
Bus and heavy vehicle drivers	7	9	77.8	40	5 683
Senior managers	19	58	32.8	726	38 234
Farming forestry advisors and farm managers	8	26	30.8	34	4 195
Client inform clerks(switchboard recept. inform clerks)	7	8	87.5	51	7 222
Speech therapy and audiology	0	1	0	0	0
Computer system designers and analysts.	1	1	100	9	9 095
Other information technology personnel.	15	17	88.2	131	8 722
Light vehicle drivers	57	82	69.5	234	4 111
Custodian personnel	1	1	100	18	17 821
Engineering sciences related	0	1	0	0	0
Motor vehicle drivers	2	4	50	10	4 762
Security guards	57	302	18.9	223	3 917
Food services aids and waiters	95	176	54	395	4 156
Nursing assistants	4	8	50	22	5 489
Conservation labourers	0	3	0	0	0
Quantity surveyors & rela prof not class elsewhere	0	1	0	0	0
Community development workers	1	1	100	10	9 695
<b>TOTAL</b>	<b>5 661</b>	<b>68 413</b>	<b>8.3</b>	<b>37 126</b>	<b>435 359</b>

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service  
1 April 2018 to 31 March 2019

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	13	44	29.5	433	33 303	0.9
Band B	7	12	58.3	322	45 992	2.1
Band C	0	2	0	0	0	0
Band D	0	2	0	0	0	0
<b>Total</b>	<b>20</b>	<b>60</b>	<b>87.8</b>	<b>755</b>	<b>79 295</b>	<b>3</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. The tables also summarise changes in the total number of foreign workers in each salary band and by major occupation.

Table 3.9.1 Foreign workers by salary band

Salary Band	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Skilled (Levels 3-5)	20	5.1	27	5.8	7	9.7
Highly skilled production (Levels 6-8)	272	68.9	334	71.4	62	85.4
Highly skilled supervision (Levels 9-12)	99	25.1	94	20	-6	-7.6
Senior Management (Levels 13-16)	1	0.3	1	0.2	0	0
Other	3	0.8	12	2.6	9	12.5
<b>Total</b>	<b>395</b>	<b>100</b>	<b>467</b>	<b>100</b>	<b>72</b>	<b>100</b>

Table 3.9.2 Foreign workers by major occupation

Major Occupation	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Other occupations	389	98.5	461	98.7	72	100
Professionals and managers	5	1.3	5	1.1	0	0
Technicians and associated professionals	1	0.3	1	0.2	0	0
<b>Total</b>	<b>395</b>	<b>100</b>	<b>467</b>	<b>100</b>	<b>72</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 provided.

Table 3.10.1 Sick leave, 1 January 2018 to 31 December 2018

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 skilled (Levels 1-2)	379	84.2	57	0.2	7	189
Skilled (Levels 3-5)	14 227	79.1	2 538	9.2	6	10 697
Highly skilled production (Levels 6-8)	113 734	77.5	19 336	69.9	6	166 317
Highly skilled supervision (Levels 9-12)	33 786	79.8	5 632	20.4	6	78 668
Senior management (Levels 13-16)	188	88.8	28	0.1	7	802
Contract / Other	307	68.4	75	0.3	4	130
<b>Total</b>	<b>162 621</b>	<b>78.1</b>	<b>27 666</b>	<b>100</b>	<b>6</b>	<b>256 803</b>

Table 3.10.2 Disability leave (temporary and permanent), 1 January 2018 to 31 December 2018

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)	62	100	2	0.1	31	36
Skilled (Levels 3-5)	3 074	100	88	5.6	35	2 119
Highly skilled production (Levels 6-8)	68 334	100	1 149	72.8	70	100 768
Highly skilled supervision (Levels 9-12)	18 759	100	338	21.4	56	42 593
Senior management (Levels 13-16)	1	100	1	0.1	1	4
<b>TOTAL</b>	<b>90 230</b>	<b>100</b>	<b>1578</b>	<b>100</b>	<b>193</b>	<b>145 520</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, 1 January 2018 to 31 December 2018

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1 038	94	11
Skilled (Levels 3-5)	38 007	2666	14
Highly skilled production (Levels 6-8)	63 620	3140	20
Highly skilled supervision (Levels 9-12)	39 092	1796	22
Senior management (Levels 13-16)	1 044	56	19
Contract, other	103	37	3
<b>Total</b>	<b>142 904</b>	<b>7789</b>	<b>18</b>

Table 3.10.4 Capped leave, 1 January 2018 to 31 December 2019

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 at 31 Dec
Lower Skilled (Levels 1-2)	0	0	0	41
Skilled (Levels 3-5)	114	40	3	58
Highly skilled production (Levels 6-8)	953	283	3	56
Highly skilled supervision (Levels 9-12)	1 208	204	6	71
Senior management (Levels 13-16)	1	1	1	95
<b>Total</b>	<b>2 276</b>	<b>528</b>	<b>4</b>	<b>62</b>

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

Table 3.10.5 Leave pay-outs, 1 April 2018 to 31 March 2019

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R)
Leave pay-out for 2018/19 due to non-utilisation of leave for the previous cycle	84	1	84 000
Capped leave pay-outs on termination of service for 2018/19	201 992	1 412	143 054
Current leave pay-out on termination of service for 2018/19	6 256	240	26 067
<b>Total</b>	<b>208 332</b>	<b>1 653</b>	<b>126 033</b>
<b>Leave Pay-outs (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567</b>	<b>210 232</b>	<b>1 463</b>	<b>143 699</b>

### 3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 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		The Department has appointed an Acting Director at SMS level to manage Employee Health and Wellness until the position can be filled permanently.
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		<p>The Directorate: Employee Health and Wellness. The Directorate has 7 employees as follows:-</p> <ul style="list-style-type: none"> <li>It is headed by a Director appointed in terms of the Department's new Service Delivery Model</li> <li>An Assistant Director employed permanently in terms of the 2006 Organisational Structure.</li> <li>A Chief Personnel Officer employed permanently in terms of the 2006 Organisational Structure</li> <li>Three Wellness Practitioners at SL 8 have been appointed to implement the 4 Pillars of Employee Health and Wellness.</li> </ul> <p>EHW does not have dedicated staff at District level. It is taken care of by officials employed as either Assistant Directors or Senior Admin Officers in HRD, PMDS and/or Labour Relations.</p>

Question	Yes	No	Details, if yes
			During the year under review a sum of R4 412 000.00 (the same as the previous financial year) was allocated for programme implementation.
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		<p>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.</p> <p>The key elements of this programme are the following:</p> <ul style="list-style-type: none"> <li>• HIV AIDS, STI and TB Management</li> <li>• Health and Productivity Management</li> <li>• Safety, Health, Environment, Risk and Quality Management</li> <li>• Wellness Management</li> </ul>
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		<p>Yes. The list follows hereunder on page 131.</p> <p>This is a new committee whose term of office is April 2018 – March 2021.</p>
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		<p>Human Resource Policies and procedures that might have a bearing on the implementation of EH&amp;W programme have been reviewed. The purpose was to determine to what extent these either support or contradict the key principles for the effective implementation of an EH&amp;W Programme. The following HR policies and procedures were reviewed:-</p> <ul style="list-style-type: none"> <li>• Service benefits</li> <li>• Leave</li> <li>• Medical Assistance</li> <li>• Compensation for occupational injuries and diseases</li> <li>• Employee Assistance Programme.</li> <li>• Training and Skills development</li> <li>• Performance Management and Development Systems</li> <li>• Employment Equity</li> <li>• Safety, Health and Environment</li> </ul> <p>The review revealed that none of the policies and procedures in the Department contradicts key principles for the effective implementation of EH&amp;WP. The HR policies and procedures in the ECDoE are clearly articulated and compiled in a user friendly manner. Furthermore each policy contains additional tools necessary for the implementation of the policies, such as step by step procedures for implementation; templates; business process performance framework to aid monitoring and evaluation.</p>
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		<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 HCT sessions placing no emphasis at all on the names</li> </ul>

Question	Yes	No	Details, if yes
			<ul style="list-style-type: none"> <li>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 achieved.	x		<ul style="list-style-type: none"> <li>During the year under review a total of 365 employees out of ± 60 000 employees used the opportunity to get tested and to know their HIV Status in 15 HCT opportunities provided across the Province.</li> <li>Employees do not make use of the opportunity to know their status for early detection and access to treatment.</li> <li>Employees who disclosed their status were assisted to access counselling and treatment with the support of their Medical Aid Schemes.</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>

#### Provincial Employee Health and Wellness Committee

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<b>DESIGNATED SENIOR MANAGER</b>			
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Ms Septoe, S	0825861021	Sara Baartman	Sonja.septoe@ecdoe.gov.za

### 3.12. Labour Relations

The following collective agreements were entered into with trade unions within the Department.

Table 3.12.1 Collective agreements

Subject Matter	Date
Collective Agreement 1 of 2018: Vote weights trade unions that are Parties to Council	03 July 2018
Collective Agreement 2 of 2018: Amendments to Paragraph B.8.5.2 & B.8.5.3 of the PAM	25 September 2018
Collective Agreement 3 of 2018: Providing for compulsory inquiries by arbitrators in cases of disciplinary action against educators charged with sexual misconduct in respect of learners	25 September 2018
Collective Agreement 4 of 2018: The appointment and conversion of temporary educators to posts on the educator establishment	25 September 2018

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

Outcome of disciplinary hearings	Number	% of total
Demotion	1	4.55%
Discharged	7	31.82%
Fine	1	4.55%
Final Written Warning	3	13.64%
Suspension	10	45.45%
<b>Grand Total</b>	<b>22</b>	<b>100%</b>

Table 3.12.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% total
Absenteeism	8	36.36%
Assault	1	4.55%
Failed to comply with the Act	3	13.64%
Insolent behaviour	1	4.55%
Sexual relationship with a learner	1	4.55%
Assaulted a learner	3	13.64%
Prejudiced the administration	2	9.09%
Abusive language	1	4.55%
Failed to carry out a lawful order or instruction without a just or reasonable cause	2	9.09%
<b>Grand Total</b>	<b>22</b>	<b>100%</b>

Table 3.12.4 Grievances logged for the period 1 April 2018 to 31 March 2019

Grievances	Number	% of Total
Number of grievances pending	3	5%
Number of grievances resolved	56	92%
Number of grievances withdrawn	2	3%
<b>Total number of grievances lodged</b>	<b>61</b>	<b>100%</b>

Table 3.12.5 Disputes logged with Councils for the period 1 April 2018 to 31 March 2019

Disputes	Number	% of Total
Conciliation Hearing Pending	32	23%
Dispute Dismissed	3	2%
Dispute Settled	2	1%
Dispute Upheld	7	5%
Dispute Withdrawn	2	1%
Arbitration Hearing Pending	97	68%
<b>Grand Total</b>	<b>143</b>	<b>100%</b>

Table 3.12.6 Strike actions for the period 1 April 2018 to 31 March 2019

Total number of person's working days lost	0
Total costs working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2018 to 31 March 2019

<b>Number of people suspended</b>	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	154

### 3.13. Skills Development

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

Table 3.13.1 Training needs identified for the period 1 April 2018 to 31 March 2019

Occupational Category	Gender	Number of employees as at 1 April 2018	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	Male	39	0	341	68	409
	Female	19	0	425	82	507
Professionals	Male	15 119	0	1 094	562	1 656
	Female	3 7 820	0	2 031	988	3 019
Technicians and associate professionals	Male	168	0	22	6	28
	Female	304	0	28	14	42
Clerks	Male	1 194	22	282	112	416
	Female	3 807	28	443	213	684
Service and sales workers	Male	414	0	0	0	0
	Female	59	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Craft and related trades workers	Male	30	0	0	0	0
	Female	16	0	0	0	0
	Male	91	0	0	0	0

Occupational Category	Gender	Number of employees as at 1 April 2018	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female	4	0	0	0	0
Elementary occupations	Male	1 585	26	41	0	67
	Female	6 622	34	59	0	93
Sub Total	Male	18 640	48	1 780	748	2 528
	Female	48 651	62	2 986	1 297	4 283
<b>Total</b>		<b>67 291</b>	<b>110</b>	<b>4 766</b>	<b>2 045</b>	<b>6811</b>

Table 3.13.2 Training provided for the period 1 April 2018 to 31 March 2019

Occupational Category	Gender	Number of employees as at 1 April 2018	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Male	39	0	232	36	268
	Female	19	0	264	39	303
Professionals	Male	15 119	0	2 145	0	2 145
	Female	3 7 820	0	3 169	0	3 169
Technicians and associate professionals	Male	168	0	0	0	0
	Female	304	0	0	0	0
Clerks	Male	1 194	260	0	0	260
	Female	3 807	344	0	0	344
Service and sales workers	Male	414	0	0	0	0
	Female	59	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Craft and related trades workers	Male	30	0	0	0	0
	Female	16	0	0	0	0
Plant and machine operators and assemblers	Male	91	0	0	0	0
	Female	4	0	0	0	0
Elementary occupations	Male	1 585	0	0	0	0
	Female	6 622	0	0	0	0
Sub Total	Male	18 640	260	2 377	36	2 673
	Female	48 651	344	3 433	39	3 816
<b>Total</b>		<b>67 291</b>	<b>604</b>	<b>4 810</b>	<b>75</b>	<b>6 489</b>

### 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 2018 to 31 March 2019

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	50%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	1	50%
<b>Total</b>	<b>2</b>	<b>100%</b>

### 3.15. Utilisation of Consultants

Table 3.15.1. Report on Consultant appointments using appropriated funds for the period 1 April 2018 to 31 March 2019

Directorate	Project Title	Total Number of consultants that worked on project	Duration	Contract value in Rand	End date
Office of the CFO	Provision of technical support to the CFO	Various project teams	6 months	19 968 600	November 2018
EMIS	To ensure that schools report on administrative matters to the Department.	Various project teams	24 months	47 922 529	October 2019
Office of the SG	Provision of programme management services	Various project teams	24 months	17 741 504	October 2019
Office of the SG	Provision of internal audit services in a co-sourced capacity	Various project teams	36 months	14 999 771	January 2021
Supply Chain Management	Provision of leadership, development and control of the document management centre project	Various project teams	12 months	1 638 215.05	March 2019
Office of the SG	Rationalisation and amalgamation of schools	Various project teams	36 months	23 149 362	June 2019
Office of the CFO	Provision of financial management and audit control	Various project teams	12 months	3 970 182	March 2019
Office of the CFO	Technical support through internal control for accounting services	Various project teams	12 months	871 605.20	March 2019

Table 3.15.2. Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDI) for the period 1 April 2018 to 31 March 2019

Directorate	Project Title	Gender	Race	HDI Category
Office of the SG	HRM &D (Rationalisation)	Male	Black	Coloured
Office of the CFO	CFO (Audit Controller)	Male	White	Not Applicable
Office of the CFO	Accounting Services (Technical support)	Male	Black	Black
Internal Control Unit	CFO (Internal Control Unit - ICU)	Male	Black	Black
Strategic Planning, Monitoring and Evaluation	EPEM (Technical support to Strategic, Annual and Operational Plans)	Female	Black	Coloured
Supply Chain Management	Document Management (Technical support)	Female	Black	Black



E

Eastern Cape Department of Education

# FINANCIAL INFORMATION

## 5.1. Report of The Auditor General

### Report of the auditor-general to Eastern Cape Provincial Legislature on vote no.6: Department of Education

#### 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 ... to ..., which comprise the appropriation statement, the statement of financial position as at 31 March 2019, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) as prescribed by National Treasury, and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999)(PFMA) and the Division of Revenue Act of South Africa (Act No.3 of 2017) (Dora).

#### Basis for qualified opinion

##### Immovable tangible capital assets

3. The department did not disclose assets in use as immovable tangible capital assets in accordance with Chapter 11: *Capital Assets* of the MCS. Completed infrastructure assets were incorrectly recorded as capital work in progress and not as immovable tangible capital assets. Consequently, immovable tangible capital assets were understated and total capital work in progress was overstated by R1.6 billion (2017-18: R876.3 million) in note 33.1 to the financial statements.
4. I was unable to obtain sufficient appropriate audit evidence that management had appropriately accounted for immovable tangible capital assets due to the status of the accounting records and non-submission of information in support of these assets. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to capital work in progress stated at R5,2 billion (2017-18: R4,1 billion) in note 33.1 and section 42 immovable assets at R3,1 billion (2017-18: R2,8 billion) in note 33.2 to the financial statements.

##### Irregular expenditure

5. The department did not record irregular expenditure at their correct values in prior years due to inadequate systems and controls. The corresponding balance for irregular expenditure in note 25.1 to the financial statements was understated by an undeterminable amount. As a result, the closing balance of irregular expenditure in the current year in note 25.1 to the financial statements was also understated.

6. Furthermore, the department did not record all the amounts of irregular expenditure under investigation in note 25.6 to the financial statements. I was unable to confirm the completeness of irregular expenditure under investigation stated at R1,9 billion in this note.

#### **Employee benefits: capped leave commitments**

7. The department did not calculate a reliable estimate of its capped leave obligations in accordance with MCS chapter 14: provisions and contingents and the Department of Public Service Administration's guide on the Determination and Directive on Leave in the Public Service, 2008. The calculation inputs were inconsistent with the requirements of the guide and therefore a reliable estimate could not be determined. As a result, I was unable to determine the impact on employee benefits: capped leave commitments stated at R1,9 billion (2017-18: R2 billion) disclosed in note 23 to the financial statements. I was unable to determine the full extent of the misstatement as it was impracticable to do so.

#### **Context for the opinion**

8. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
9. I am independent of the department in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA code), parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* and the 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 codes.
10. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

#### **Emphasis of matter**

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

#### **Restatement of corresponding figures**

12. As disclosed in note 35 to the financial statements, the corresponding figures for 31 March 2018 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2019.

#### **Other matter**

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

#### **Unaudited supplementary schedules**

14. The supplementary annexures set out on pages xx to xx do not form part of the financial statements and are presented as additional information. I have not audited these schedules and accordingly we do not express an opinion thereon.

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

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS as prescribed by the National Treasury, the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.
16. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Education'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.

### **Auditor-general's responsibilities for the audit of the financial statements**

17. 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.
18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## **Report on the audit of the annual performance report**

### **Introduction and scope**

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
20. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2019:

Programmes	Pages in the annual performance report
Programme 2 – public ordinary schools	x – x
Programme 5 – early childhood development	x – x
Programme 6 – infrastructure	x – x
Programme 7 – examinations and education related services	x – x

22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

#### Programme 2 – Public ordinary schools

23. I did not raise any material findings on the usefulness of the reported performance information for programme 2 – public ordinary schools. The material findings in respect of the reliability of the selected programme are as follows:

#### PPM 218: Percentage of learners provided with required textbooks in all grades and in all subjects per annum

24. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of 99,1%. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 99,1% as reported in the annual performance report.

#### Various indicators

25. The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators listed below. The supporting evidence provided indicated that the achievements of these indicators were as follows:

Indicator description	Reported achievement	Audited achievement
PPM 205 – Learner absenteeism rate	2.8%	3.9%
PPM 206 – Teacher absenteeism rate	2.4%	3.7%

26. I did not raise any material findings on the usefulness and reliability of the reported performance information for these programmes:

- Programme 5 – Early childhood development
- Programme 6 – Infrastructure
- Programme 7 – Examinations and Education Related Services

## Other matters

27. I draw attention to the matters below.

### Achievement of planned targets

28. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and explanations provided for the under achievement of a significant number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraphs 24 to 25 of this report.

### Adjustment of material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 2: Public ordinary schools, programme 5: Early childhood development, and programme 6: Infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information for programme 2: Public ordinary schools. I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

## Report on the audit of compliance with legislation

### Introduction and scope

30. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

31. The material findings on compliance with specific matters in key legislations are as follows:

### Annual financial statements

32. The financial statements submitted for auditing were not prepared in accordance with MCS and supported by full and proper records, as required by section 40(1) (a) and (b) of the PFMA. Material misstatements in employee costs and disclosure items identified by the auditors in the submitted financial statements were corrected or the supporting records were provided subsequently, 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

33. 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).

#### Expenditure management

34. Effective and appropriate steps were not taken to prevent unauthorised expenditure amounting to R 279,8 million as disclosed in note 10 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and Treasury regulation 9.1.1. The unauthorised expenditure disclosed in the financial statements is as a result of overspending on programme 2: Public ordinary school education.
35. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R29,1 million as disclosed in note 25 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and TR 9.1.1. The majority of the irregular expenditure was caused by non-compliance with PFMA and treasury regulation.
36. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R11,2 million as disclosed in note 26 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulations 9.1.1. The majority of the fruitless and wasteful expenditure was caused by salary payments made to employees on precautionary suspension.
37. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

#### Procurement and contract management

38. The bid documentation for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

#### Consequence management

39. Investigations were not conducted into all allegations of financial misconduct committed by some of the officials, as required by treasury regulation 4.1.1.
40. Disciplinary steps were not taken against the officials who had permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.
41. Allegations of forgery which exceeded R100 000 were not reported to the South African Police Service, as required by section 34(1) of the Prevention and Combating of Corrupt Activities Act 12 of 2004.

#### Other information

42. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information 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 in this auditor's report.
43. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
44. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information 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.
45. If based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact. I have nothing to report in this regard.

#### Internal control deficiencies

46. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, findings on the annual performance report and the findings on compliance with legislation included in this report.
  - Leadership has not institutionalised all the disciplines necessary to enable oversight and monitoring to promote efficiency and effectiveness in financial and performance management and compliance with legislation.
  - The submitted financial statements and annual performance report contained misstatements that were not all corrected. The portfolios of evidence and supporting schedules used to support the financial statements and actual achievement of targets were not complete and accurate in all instances.
  - Leadership did not prioritise and recognise the internal audit unit as a key partner in the accountability chain and risk management function.
  - The effectiveness of the audit committee is still limited by the quality and sufficiency of information provided to them.

#### Other reports

47. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

48. The special investigation unit are conducting ongoing investigations relating to supply chain management process and delivery of goods and services, which cover previous financial periods. The investigations are ongoing at year-end.

*Auditor-General*

East London

02 October 2019



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure – Auditor-general’s responsibility for the audit

1. 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 respect to the selected subject matters.

### Financial statements

2. 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 by the accounting officer.
  - conclude on the appropriateness of the accounting officer’s 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 related to events or conditions that may cast significant doubt on the Department of Education’s ability 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 the 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 continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### Communication with those charged with governance

3. 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.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

PROVINCE OF THE EASTERN CAPE  
DEPARTMENT OF EDUCATION  
VOTE 6  
ANNUAL FINANCIAL STATEMENTS  
(AFS)

For the year ended 31 March 2019

Preparer: Acting Director Accounting services	First level reviewer: Financial Management	Second level reviewer: Chief Financial Officer	Third level reviewer: Superintendent-General

**EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2019**

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**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Voted funds and Direct charges	Appropriation per programme									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Programme</b>										
1. Administration	3 020 569	-	(206 777)	2 813 792	2 749 946	63 846	98%	2 799 041	2 715 720	
2. Public Ordinary School Education	28 121 530	-	249 197	28 370 727	28 650 557	(279 830)	101%	26 620 156	26 596 281	
3. Independent School Subsidies	131 009	-	-	131 009	130 807	202	100%	123 042	122 899	
4. Public Special School Education	815 255	-	(16 857)	798 398	769 343	29 055	96%	695 754	682 834	
5. Early Childhood Development	723 500	-	(57 880)	665 620	492 352	173 268	74%	588 460	495 651	
6. Infrastructure Development	1 824 521	-	-	1 824 521	1 714 520	110 001	94%	1 659 618	1 659 618	
7. Examination and Education Related Services	490 367	-	32 317	522 684	522 684	-	100%	532 994	532 639	
<b>Programme sub total</b>	<b>35 126 751</b>	<b>-</b>	<b>-</b>	<b>35 126 751</b>	<b>35 030 209</b>	<b>96 542</b>	<b>100%</b>	<b>33 019 066</b>	<b>32 805 642</b>	
<b>Statutory Appropriation</b>	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100%</b>	<b>1 978</b>	<b>1 978</b>	
Member's remuneration	1 595	-	-	1 595	1 595	-	100%	1 978	1 978	
	-	-	-	-	-	-	0%	-	-	
<b>TOTAL</b>	<b>35 128 346</b>	<b>-</b>	<b>-</b>	<b>35 128 346</b>	<b>35 031 804</b>	<b>96 542</b>	<b>100%</b>	<b>33 021 044</b>	<b>32 807 620</b>	
<b>Reconciliation with Statement of Financial Performance</b>										
<b>Add:</b>										
Departmental receipts				1 225				5 661		
NRF Receipts				-				-		
Aid assistance				-				-		
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>35 129 571</b>				<b>33 026 705</b>		
<b>Add:</b>										
Prior year unauthorised expenditure approved without funding				-				-	174 570	
<b>Actual amounts per Statement of Financial Performance Expenditure</b>					<b>35 031 804</b>				<b>32 982 190</b>	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Voted funds and Direct charges	Appropriation per economic classification							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>30 707 224</b>	<b>(36 810)</b>	-	<b>30 670 414</b>	<b>30 572 531</b>	<b>97 883</b>	<b>99,7%</b>	<b>28 657 309</b>	<b>28 647 915</b>
Compensation of employees	27 570 469	(55 751)	(132 426)	27 382 292	27 385 262	(2 970)	100,0%	25 870 460	25 833 475
Salaries and wages	23 640 125	(13 079)	(98 819)	23 528 227	23 603 522	(75 295)	100,3%	22 440 003	22 325 936
Social contributions	3 930 344	(42 672)	(33 607)	3 854 065	3 781 740	72 325	98,1%	3 430 457	3 507 539
Goods and services	3 136 755	18 941	132 426	3 288 122	3 187 201	100 921	96,9%	2 786 848	2 814 208
Administrative fees	1 514	(435)	-	1 079	131	948	12,1%	1 480	595
Advertising	7 842	900	-	8 742	7 038	1 704	80,5%	11 461	19 154
Minor assets	33 287	(17 859)	-	15 428	1 243	14 185	8,1%	12 512	9 679
Audit costs: External	22 719	800	-	23 519	24 831	(1 312)	105,6%	24 022	24 022
Bursaries: Employees	108 459	(13 130)	-	95 329	54 851	40 478	57,5%	123 829	92 979
Catering: Departmental activities	67 733	5 547	-	73 280	49 806	23 474	68,0%	61 709	63 287
Communication (G&S)	177 055	(2 053)	125 757	300 759	337 090	(36 331)	112,1%	71 406	71 214
Computer services	162 292	(7 765)	(9 684)	144 843	140 616	4 227	97,1%	74 061	65 362
Consultants: Business and advisory services	94 714	69 876	20 284	184 874	213 797	(28 923)	115,6%	259 639	268 011
Infrastructure and planning services	105 261	-	-	105 261	143 314	(38 053)	136,2%	-	-
Legal services	44 036	(28 950)	-	15 086	15 087	(1)	100,0%	42 397	42 397
Contractors	40 871	(23 612)	(1 000)	16 259	3 970	12 289	24,4%	38 174	36 959
Agency and support / outsourced services	280 749	(37 329)	(25 401)	218 019	446 467	(228 448)	204,8%	231 490	212 468
Entertainment	22	(22)	-	-	-	-	-	23	-
Fleet services (including government motor transport)	13 595	(40)	-	13 555	12 644	911	93,3%	388	-
Inventory: Clothing material and accessories	699	270	-	969	410	559	42,3%	698	262
Inventory: Farming supplies	-	-	-	-	53	(53)	-	-	-
Inventory: Food and food supplies	-	400	-	400	64	336	16,0%	-	-
Inventory: Fuel, oil and gas	4 550	1 450	-	6 000	4 654	1 346	77,6%	15 495	15 059
Inventory: Learner and teacher support material	654 776	40 231	(1 138)	693 869	591 140	102 729	85,2%	558 449	584 593
Inventory: Other supplies	252 303	40 719	42 070	335 092	297 790	37 302	88,9%	206 067	214 591
Consumable supplies	12 377	(125)	-	12 252	7 846	4 406	64,0%	14 874	10 778
Consumable: Stationery, printing and office supplies	172 153	14 840	-	186 993	139 139	47 854	74,4%	201 376	197 229

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Voted funds and Direct charges	Appropriation per economic classification (continued)						2017/18		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Operating leases	38 125	8 849	606	47 580	35 324	12 256	74,2%	34 763	26 852
Property payments	386 582	(117 870)	3 848	272 560	203 023	69 537	74,5%	315 293	390 032
Transport provided: Departmental activity	22 850	921	-	23 771	18 935	4 836	79,7%	7 724	8 656
Travel and subsistence	231 495	59 061	(3 200)	287 356	272 798	14 558	94,9%	277 614	294 320
Training and development	93 864	19 920	(4 906)	108 878	60 445	48 433	55,5%	126 532	80 126
Operating payments	97 047	3 492	(14 810)	85 729	90 985	(5 256)	106,1%	48 864	61 146
Venues and facilities	9 785	855	-	10 640	13 670	(3 030)	128,5%	26 499	24 378
Rental and hiring	-	-	-	-	40	(40)	-	10	59
Rental and rent on land	-	-	-	-	68	(68)	-	-	232
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	232
Rent on land	-	-	-	-	68	(68)	-	-	-
<b>Transfers and subsidies</b>	<b>2 655 755</b>	<b>8 397</b>	-	<b>2 664 152</b>	<b>2 903 669</b>	<b>(239 517)</b>	<b>109,0%</b>	<b>2 609 656</b>	<b>2 619 689</b>
Departmental agencies and accounts	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052
Social security funds	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	90
Higher education institutions	2 361 335	8 397	-	2 369 732	2 587 420	(217 688)	109,2%	2 301 745	2 311 688
Non-profit institutions	226 653	-	-	226 653	248 482	(21 829)	109,6%	243 859	243 859
Households	174 606	-	-	174 606	2 211	172 395	1,3%	-	210 030
Social benefits	52 047	-	-	52 047	246 271	(194 224)	473,2%	243 859	33 829
Other transfers to households	1 765 367	28 413	-	1 793 780	1 555 604	238 176	86,7%	1 754 079	1 540 017
<b>Payments for capital assets</b>	<b>1 651 552</b>	<b>1 700</b>	-	<b>1 653 252</b>	<b>1 508 321</b>	<b>144 931</b>	<b>91,2%</b>	<b>1 517 034</b>	<b>1 431 323</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	66 046
Buildings	-	-	-	-	-	-	-	-	1 365 277
Other fixed structures	1 651 552	1 700	-	1 653 252	1 508 321	144 931	91,2%	1 517 034	1 365 277
Machinery and equipment	112 373	26 713	-	139 086	47 004	92 082	33,8%	227 610	100 182
Transport equipment	23 566	48 707	-	72 273	22 703	49 570	31,4%	8 135	58 304
Other machinery and equipment	88 807	(21 994)	-	66 813	24 301	42 512	36,4%	219 475	41 878
Software and other intangible assets	1 442	-	-	1 442	279	1 163	19,3%	9 435	8 512
<b>Payment for financial assets</b>	<b>35 128 346</b>	<b>-</b>	<b>-</b>	<b>35 128 346</b>	<b>35 031 804</b>	<b>96 542</b>	<b>99,7%</b>	<b>33 021 044</b>	<b>32 807 620</b>
									(1)

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. Members remuneration	1 595	-	-	1 595	1 595	-	100,0%	1 978	1 978
	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>
Compensation of employees	1 595	-	-	1 595	1 595	-	100,0%	1 978	1 978
Salaries and wages	1 595	-	-	1 595	1 595	-	100,0%	1 978	1 978
	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>

	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Direct charge : Member's remuneration</b>									
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>
Compensation of employees	1 595	-	-	1 595	1 595	-	100,0%	1 978	1 978
<b>Total</b>	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>1 595</b>	<b>1 595</b>	<b>-</b>	<b>100,0%</b>	<b>1 978</b>	<b>1 978</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

	Programme 1: Administration									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Sub programme</b>	<b>3 020 569</b>	<b>-</b>	<b>(206 777)</b>	<b>2 813 792</b>	<b>2 749 946</b>	<b>63 846</b>	<b>97,7%</b>	<b>2 799 041</b>	<b>2 715 720</b>	
1. Office of the MEC	14 676	-	(222)	14 454	10 648	3 806	73,7%	31 309	26 161	
2. Corporate Services	1 573 440	(1 319)	(128 750)	1 443 371	1 392 591	50 780	96,5%	1 448 885	1 406 472	
3. Education Management	1 349 708	1 319	(66 093)	1 284 934	1 278 579	6 355	99,5%	1 219 523	1 214 869	
4. Human Resource Development	29 456	-	(4 906)	24 550	24 550	-	100,0%	29 180	27 340	
5. Education Management Information System (EMIS)	53 289	-	(6 806)	46 483	43 578	2 905	93,8%	70 144	40 878	
	<b>3 020 569</b>	<b>-</b>	<b>(206 777)</b>	<b>2 813 792</b>	<b>2 749 946</b>	<b>63 846</b>	<b>97,7%</b>	<b>2 799 041</b>	<b>2 715 720</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 921 774</b>	<b>(19 120)</b>	<b>(187 971)</b>	<b>2 714 683</b>	<b>2 697 697</b>	<b>16 986</b>	<b>99,4%</b>	<b>2 601 341</b>	<b>2 596 518</b>	
Compensation of employees	2 302 567	-	(122 083)	2 180 484	2 167 761	12 723	99,4%	2 036 483	2 031 731	
Salaries and wages	1 969 082	(100)	(88 476)	1 880 506	1 877 357	3 149	99,8%	1 835 345	1 756 289	
Social contributions	333 485	100	(33 607)	299 978	290 404	9 574	96,8%	201 138	275 442	
Goods and services	619 207	(19 120)	(65 888)	534 199	529 868	4 331	99,2%	564 858	564 613	
Administrative fees	1 028	-	-	1 028	80	948	7,8%	1 104	377	
Advertising	4 904	873	-	5 777	4 631	1 146	80,2%	10 561	16 480	
Minor assets	3 711	231	-	3 942	685	3 257	17,4%	7 456	4 276	
Audit costs: External	22 519	1 000	-	23 519	24 831	(1 312)	105,6%	24 022	24 022	
Bursaries: Employees	3 087	(2 030)	-	1 057	-	1 057	-	2 250	1 702	
Catering: Departmental activities	4 494	6 618	-	11 112	7 631	3 481	68,7%	9 113	6 128	
Communication (G&S)	23 749	(1 993)	-	21 756	18 918	2 838	87,0%	19 492	19 359	
Computer services	72 105	(7 765)	(13 250)	51 090	48 844	2 246	95,6%	59 334	57 160	
Consultants: Business and advisory services	94 714	58 326	(4 883)	148 157	177 191	(29 034)	119,6%	133 955	142 327	
Legal services	44 036	(28 950)	-	15 086	15 087	(1)	100,0%	42 397	42 397	
Contractors	31 730	(23 667)	(1 000)	7 063	2 451	4 612	34,7%	30 753	29 681	
Agency and support / outsourced services	85 248	(48 902)	(27 039)	9 307	9 057	250	97,3%	11 217	11 217	
Entertainment	22	(22)	-	-	-	-	-	23	-	
Fleet services (including government motor transport)	13 077	-	-	13 077	11 989	1 088	91,7%	388	-	
Inventory: Clothing material and accessories	639	-	-	639	182	457	28,5%	140	79	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Programme 1 : Administration (continued)									
2018/19									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	8 717	8 717
Inventory: Other supplies	81	(80)	-	1	1 889	(1 888)	188900,0%	42	70
Consumable supplies	2 602	(123)	-	2 479	1 977	502	79,7%	2 505	2 615
Consumable: Stationery, printing and office supplies	16 491	(7 195)	-	9 296	4 274	5 022	46,0%	9 438	9 109
Operating leases	6 465	4 245	-	10 710	7 865	2 845	73,4%	9 012	8 655
Property payments	38 161	21 598	-	59 759	50 536	9 223	84,6%	37 165	37 067
Transport provided: Departmental activity	45	-	-	45	-	45	-	76	77
Travel and subsistence	87 137	(14 403)	-	72 734	101 779	(29 045)	139,9%	98 733	97 102
Training and development	24 361	19 130	(4 906)	38 585	21 328	17 257	55,3%	27 376	26 993
Operating payments	36 636	3 694	(14 810)	25 520	16 700	8 820	65,4%	17 487	17 463
Venues and facilities	2 165	295	-	2 460	1 903	557	77,4%	2 092	1 520
Rental and hiring	-	-	-	-	40	(40)	-	10	20
Interest and rent on land	-	-	-	-	68	(68)	-	-	174
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	68	(68)	-	-	174
Rent on land	-	-	-	-	68	(68)	-	-	-
<b>Transfers and subsidies</b>	<b>49 992</b>	-	-	<b>31 186</b>	<b>31 193</b>	<b>(7)</b>	<b>100,0%</b>	<b>66 752</b>	<b>28 733</b>
Higher education institutions	-	-	-	-	-	-	-	-	90
Non-profit institutions	-	-	-	-	-	-	-	-	40
Households	49 992	-	(18 806)	31 186	31 193	(7)	100,0%	66 615	28 603
Social benefits	-	-	-	-	-	-	-	-	28 533
Other transfers to households	49 992	-	(18 806)	31 186	31 193	(7)	100,0%	66 615	70
<b>Payments for capital assets</b>	<b>48 803</b>	<b>19 120</b>	-	<b>67 923</b>	<b>21 056</b>	<b>46 867</b>	<b>31,0%</b>	<b>130 948</b>	<b>90 470</b>
Buildings and other fixed structures	300	1 200	-	1 500	199	1 301	13,3%	-	-
Other fixed structures	300	1 200	-	1 500	199	1 301	13,3%	-	-
Machinery and equipment	47 412	17 920	-	65 332	20 857	44 475	31,9%	121 845	81 958
Transport equipment	10 940	33 588	-	44 528	11 868	32 660	26,7%	8 135	45 465
Other machinery and equipment	36 472	(15 668)	-	20 804	8 989	11 815	43,2%	113 710	36 493
Software and other intangible assets	1 091	-	-	1 091	-	1 091	-	9 103	8 512
<b>Payment for financial assets</b>	<b>3 020 569</b>	-	(206 777)	<b>2 813 792</b>	<b>2 749 946</b>	<b>63 846</b>	<b>97,7%</b>	<b>2 799 041</b>	<b>2 715 720</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Economic classification	Subprogramme: 1.1: Office of the MEC						2017/18	
	2018/19						Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Current payments</b>	<b>12 554</b>	-	(222)	<b>12 332</b>	<b>10 501</b>	<b>1 831</b>	<b>29 386</b>	<b>24 169</b>
Compensation of employees	4 574	-	(222)	4 352	4 788	(436)	3 854	3 563
Goods and services	7 980	-	-	7 980	5 713	2 267	25 532	20 606
<b>Transfers and subsidies</b>	<b>145</b>	-	-	<b>145</b>	<b>147</b>	<b>(2)</b>	<b>137</b>	<b>130</b>
Higher education institutions	-	-	-	-	-	-	-	90
Non-profit institutions	-	-	-	-	-	-	137	40
Households	145	-	-	145	147	(2)	-	-
<b>Payments for capital assets</b>	<b>1 977</b>	-	-	<b>1 977</b>	-	<b>1 977</b>	<b>1 786</b>	<b>1 862</b>
Machinery and equipment	1 793	-	-	1 793	-	1 793	1 786	1 862
Software and other intangible assets	184	-	-	184	-	184	-	-
<b>Total</b>	<b>14 676</b>	-	(222)	<b>14 454</b>	<b>10 648</b>	<b>3 806</b>	<b>31 309</b>	<b>26 161</b>

Economic classification	Subprogramme: 1.2 : Corporate Services						2017/18	
	2018/19						Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Current payments</b>	<b>1 493 426</b>	(20 339)	(109 944)	<b>1 363 143</b>	<b>1 359 649</b>	<b>3 494</b>	<b>1 304 795</b>	<b>1 305 841</b>
Compensation of employees	1 021 334	-	(73 650)	947 684	944 938	2 746	882 291	881 818
Goods and services	472 092	(20 339)	(36 294)	415 459	414 643	816	422 504	423 849
Interest and rent on land	-	-	-	-	68	(68)	-	174
<b>Transfers and subsidies</b>	<b>34 586</b>	-	(18 806)	<b>15 780</b>	<b>11 901</b>	<b>3 879</b>	<b>47 669</b>	<b>12 137</b>
Households	34 586	-	(18 806)	15 780	11 901	3 879	47 669	12 137
<b>Payments for capital assets</b>	<b>45 428</b>	<b>19 020</b>	-	<b>64 448</b>	<b>21 041</b>	<b>43 407</b>	<b>96 421</b>	<b>88 495</b>
Buildings and other fixed structures	300	1 200	-	1 500	199	1 301	-	-
Machinery and equipment	44 328	17 820	-	62 148	20 842	41 306	88 080	79 999
Software and other intangible assets	800	-	-	800	-	800	8 341	8 496
<b>Payment for financial assets</b>	<b>1 573 440</b>	<b>(1 319)</b>	<b>(128 750)</b>	<b>1 443 371</b>	<b>1 392 591</b>	<b>50 780</b>	<b>1 448 885</b>	<b>1 406 472</b>
<b>Total</b>	<b>1 573 440</b>	<b>(1 319)</b>	<b>(128 750)</b>	<b>1 443 371</b>	<b>1 392 591</b>	<b>50 780</b>	<b>1 448 885</b>	<b>1 406 472</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Economic classification	Subprogramme: 1.3: Education Management									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
<b>Current payments</b>	<b>1 333 567</b>	<b>1 219</b>	<b>(66 093)</b>	<b>1 268 693</b>	<b>1 259 604</b>	<b>9 089</b>	<b>99,3%</b>	<b>1 200 577</b>	<b>1 198 306</b>	<b>R'000</b>
Compensation of employees	1 251 466	-	(47 288)	1 204 178	1 195 089	9 089	99,2%	1 126 526	1 125 053	
Goods and services	82 101	1 219	(18 805)	64 515	64 515	-	100,0%	74 051	73 253	
<b>Transfers and subsidies</b>	<b>15 261</b>	<b>-</b>	<b>-</b>	<b>15 261</b>	<b>18 960</b>	<b>(3 699)</b>	<b>124,2%</b>	<b>18 946</b>	<b>16 466</b>	
Households	15 261	-	-	15 261	18 960	(3 699)	124,2%	18 946	16 466	
<b>Payments for capital assets</b>	<b>880</b>	<b>100</b>	<b>-</b>	<b>980</b>	<b>15</b>	<b>965</b>	<b>1,5%</b>	<b>-</b>	<b>97</b>	
Machinery and equipment	880	100	-	980	15	965	1,5%	-	97	
<b>Total</b>	<b>1 349 708</b>	<b>1 319</b>	<b>(66 093)</b>	<b>1 284 934</b>	<b>1 278 579</b>	<b>6 355</b>	<b>99,5%</b>	<b>1 219 523</b>	<b>1 214 869</b>	

Economic classification	Subprogramme: 1.4: Human Resource Development									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
<b>Current payments</b>	<b>29 456</b>	<b>-</b>	<b>(4 906)</b>	<b>24 550</b>	<b>24 550</b>	<b>-</b>	<b>100,0%</b>	<b>29 180</b>	<b>27 340</b>	
Goods and services	29 456	-	(4 906)	24 550	24 550	-	100,0%	29 180	27 340	
<b>Total</b>	<b>29 456</b>	<b>-</b>	<b>(4 906)</b>	<b>24 550</b>	<b>24 550</b>	<b>-</b>	<b>100,0%</b>	<b>29 180</b>	<b>27 340</b>	

Economic classification	Subprogramme 1.5: Education Management Information System									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
<b>Current payments</b>	<b>52 771</b>	<b>-</b>	<b>(6 806)</b>	<b>45 965</b>	<b>43 393</b>	<b>2 572</b>	<b>94,4%</b>	<b>37 403</b>	<b>40 862</b>	
Compensation of employees	25 193	-	(923)	24 270	22 946	1 324	94,5%	23 812	21 297	
Goods and services	27 578	-	(5 883)	21 695	20 447	1 248	94,2%	13 591	19 565	
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>(185)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Households	-	-	-	-	185	(185)	-	-	-	
<b>Payments for capital assets</b>	<b>518</b>	<b>-</b>	<b>-</b>	<b>518</b>	<b>-</b>	<b>518</b>	<b>-</b>	<b>32 741</b>	<b>16</b>	
Machinery and equipment	411	-	-	411	-	411	-	31 979	-	
Software and other intangible assets	107	-	-	107	-	107	-	762	16	
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>53 289</b>	<b>-</b>	<b>(6 806)</b>	<b>46 483</b>	<b>43 578</b>	<b>2 905</b>	<b>93,8%</b>	<b>70 144</b>	<b>40 878</b>	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

	Programme 2 : Public ordinary school education									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Sub programme</b>	<b>10 202 406</b>	<b>(48 623)</b>	<b>101 551</b>	<b>10 255 334</b>	<b>10 204 757</b>	<b>50 577</b>	<b>99,5%</b>	<b>8 733 698</b>	<b>8 793 398</b>	
1. Public Primary Level	16 487 159	45 623	147 646	16 680 428	17 050 034	(369 606)	102,2%	16 499 243	16 413 751	
2. Public Secondary Level	69 870	-	-	69 870	53 184	16 686	76,1%	113 279	149 701	
3. Human Resource Development	60 799	3 000	-	63 799	48 683	15 116	76,3%	56 002	51 005	
4. School Sport, Culture and Media Services	1 301 296	-	-	1 301 296	1 293 899	7 397	99,4%	1 217 934	1 188 426	
5. Conditional Grants	<b>28 121 530</b>	<b>-</b>	<b>249 197</b>	<b>28 370 727</b>	<b>28 650 557</b>	<b>(279 830)</b>	<b>101,0%</b>	<b>26 620 156</b>	<b>26 596 281</b>	
<b>Economic classification</b>	<b>25 791 224</b>	<b>(8 597)</b>	<b>230 391</b>	<b>26 013 018</b>	<b>26 081 445</b>	<b>(68 427)</b>	<b>100,3%</b>	<b>24 299 985</b>	<b>24 305 260</b>	
<b>Current payments</b>	23 929 406	-	15 220	23 944 626	23 976 806	(32 180)	100,1%	22 617 338	22 622 613	
Compensation of employees	20 488 968	(239)	15 220	20 503 949	20 590 018	(86 069)	100,4%	19 492 704	19 485 595	
Salaries and wages	3 440 438	239	-	3 440 677	3 386 788	53 889	98,4%	3 124 634	3 137 018	
Social contributions	1 861 818	(8 597)	215 171	2 068 392	2 104 639	(36 247)	101,8%	1 682 647	1 682 647	
Goods and services	478	(435)	-	43	43	-	100,0%	376	218	
Administrative fees	2 768	27	-	2 795	2 407	388	86,1%	900	2 674	
Advertising	23 605	(16 840)	-	6 765	299	6 466	4,4%	3 481	5 082	
Minor assets	17 758	-	-	17 758	13 025	4 733	73,3%	52 563	52 717	
Bursaries: Employees	52 994	(2 376)	-	50 618	34 395	16 223	68,0%	41 581	47 255	
Catering: Departmental activities	153 276	(30)	125 757	279 003	318 172	(39 169)	114,0%	51 914	51 855	
Communication (G&S)	85 420	-	3 566	88 986	87 034	1 952	97,8%	7 804	5 420	
Computer services	-	11 500	25 167	36 667	36 606	61	99,8%	125 684	125 684	
Consultants: Business and advisory services	9 089	55	-	9 144	1 510	7 634	16,5%	7 409	7 251	
Contractors	161 085	12 583	1 638	175 306	404 010	(228 704)	230,5%	198 770	180 715	
Agency and support / outsourced services	60	270	-	330	116	214	35,2%	258	183	
Inventory: Clothing material and accessories	-	-	-	-	53	(53)	-	-	-	
Inventory: Farming supplies	-	400	-	400	-	400	-	-	-	
Inventory: Food and food supplies	3 850	1 185	-	5 035	4 168	867	82,8%	6 778	4 518	
Inventory: Fuel, oil and gas	603 898	-	-	603 898	545 672	58 226	90,4%	519 848	550 878	
Inventory: Learner and teacher support material	203 772	26 662	54 589	285 023	264 861	20 162	92,9%	205 824	214 319	
Inventory: Other supplies	-	-	-	-	-	-	-	-	-	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
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**for the year ended 31 March 2019**

Programme 2 : Public ordinary school education									
2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	8 888	(9)	-	8 879	5 146	3 733	58,0%	11 489	7 367
Consumable: Stationery, printing and office supplies	36 075	30 053	-	66 128	45 289	20 839	68,5%	65 106	62 965
Operating leases	30 948	4 604	606	36 158	27 135	9 023	75,0%	24 691	17 849
Property payments	283 747	(134 517)	3 848	153 078	103 352	49 726	67,5%	143 567	131 128
Transport provided: Departmental activity	22 805	921	-	23 726	18 935	4 791	79,8%	7 648	8 575
Travel and subsistence	76 061	50 918	-	126 979	97 790	29 189	77,0%	107 177	128 861
Training and development	38 200	6 179	-	44 379	28 273	16 106	63,7%	63 252	43 168
Operating payments	42 522	(150)	-	42 372	56 897	(14 525)	134,3%	14 224	12 673
Venues and facilities	4 519	403	-	4 922	9 451	(4 529)	192,0%	22 303	21 292
<b>Transfers and subsidies</b>	<b>2 287 290</b>	<b>8 397</b>	<b>18 806</b>	<b>2 314 493</b>	<b>2 553 941</b>	<b>(239 448)</b>	<b>110,3%</b>	<b>2 235 754</b>	<b>2 283 685</b>
Non-profit institutions	2 112 684	8 397	-	2 121 081	2 341 922	(220 841)	110,4%	2 060 452	2 072 863
Households	174 606	-	18 806	193 412	212 019	(18 607)	109,6%	175 302	210 822
Social benefits	174 606	-	18 806	174 606	2 211	172 395	1,3%	-	177 099
Other transfers to households	-	-	18 806	18 806	209 808	(191 002)	1115,6%	175 302	33 723
<b>Payments for capital assets</b>	<b>43 016</b>	<b>200</b>	<b>-</b>	<b>43 216</b>	<b>15 171</b>	<b>28 045</b>	<b>35,1%</b>	<b>84 418</b>	<b>7 336</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	600	1 262
Buildings	-	-	-	-	-	-	-	-	1 262
Machinery and equipment	42 665	200	-	42 865	14 892	27 973	34,7%	83 486	6 074
Transport equipment	1 500	-	-	1 500	-	1 500	-	-	3 941
Other machinery and equipment	41 165	200	-	41 365	14 892	26 473	36,0%	83 486	2 133
Software and other intangible assets	351	-	-	351	279	72	79,5%	332	-
	<b>28 121 530</b>	<b>-</b>	<b>249 197</b>	<b>28 370 727</b>	<b>28 650 557</b>	<b>(279 830)</b>	<b>101,0%</b>	<b>26 620 156</b>	<b>26 596 281</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Economic classification	Subprogramme 2.1 : Public primary level									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Current payments</b>	<b>9 804 859</b>	<b>(57 020)</b>	<b>82 745</b>	<b>9 830 584</b>	<b>9 504 839</b>	<b>325 745</b>	<b>96,7%</b>	<b>8 334 854</b>	<b>8 319 888</b>	
Compensation of employees	8 963 327	-	-	8 963 327	8 537 764	425 563	95,3%	7 959 017	7 959 017	
Goods and services	841 532	(57 020)	82 745	867 257	967 075	(99 818)	111,5%	375 837	360 871	
<b>Transfers and subsidies</b>	<b>366 383</b>	<b>8 397</b>	<b>18 806</b>	<b>393 586</b>	<b>687 263</b>	<b>(293 677)</b>	<b>174,6%</b>	<b>392 154</b>	<b>471 696</b>	
Non-profit institutions	343 942	8 397	-	352 339	605 148	(252 809)	171,8%	385 730	393 352	
Households	22 441	-	18 806	41 247	82 115	(40 868)	199,1%	6 424	78 344	
<b>Payments for capital assets</b>	<b>31 164</b>	<b>-</b>	<b>-</b>	<b>31 164</b>	<b>12 655</b>	<b>18 509</b>	<b>40,6%</b>	<b>6 690</b>	<b>1 814</b>	
Machinery and equipment	31 164	-	-	31 164	12 376	18 788	39,7%	6 690	1 814	
Software and other intangible assets	-	-	-	-	279	(279)	-	-	-	
<b>Total</b>	<b>10 202 406</b>	<b>(48 623)</b>	<b>101 551</b>	<b>10 255 334</b>	<b>10 204 757</b>	<b>50 577</b>	<b>99,5%</b>	<b>8 733 698</b>	<b>8 793 398</b>	

Economic classification	Subprogramme 2.2 : Public secondary level									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Current payments</b>	<b>15 736 525</b>	<b>45 623</b>	<b>147 646</b>	<b>15 929 794</b>	<b>16 362 843</b>	<b>(433 049)</b>	<b>102,7%</b>	<b>15 671 237</b>	<b>15 724 013</b>	
Compensation of employees	14 925 978	-	15 220	14 941 198	15 399 863	(458 665)	103,1%	14 633 163	14 641 668	
Goods and services	810 547	45 623	132 426	988 596	962 980	25 616	97,4%	1 038 074	1 082 345	
<b>Transfers and subsidies</b>	<b>740 382</b>	<b>-</b>	<b>-</b>	<b>740 382</b>	<b>684 704</b>	<b>55 678</b>	<b>92,5%</b>	<b>753 505</b>	<b>686 604</b>	
Non-profit institutions	588 217	-	-	588 217	556 175	32 042	94,6%	584 627	587 522	
Households	152 165	-	-	152 165	128 529	23 636	84,5%	168 878	99 082	
<b>Payments for capital assets</b>	<b>10 252</b>	<b>-</b>	<b>-</b>	<b>10 252</b>	<b>2 487</b>	<b>7 765</b>	<b>24,3%</b>	<b>74 502</b>	<b>3 134</b>	
Buildings and other fixed structures	-	-	-	-	-	-	-	600	1 262	
Machinery and equipment	9 901	-	-	9 901	2 487	7 414	25,1%	73 570	1 872	
Software and other intangible assets	351	-	-	351	-	351	-	332	-	
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>16 487 159</b>	<b>45 623</b>	<b>147 646</b>	<b>16 680 428</b>	<b>17 050 034</b>	<b>(369 606)</b>	<b>102,2%</b>	<b>16 499 243</b>	<b>16 413 751</b>	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
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**for the year ended 31 March 2019**

Economic classification	Subprogramme 2.3: Human resource development									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Final Expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>Current payments</b>	69 870	-	-	69 870	51 809	18 061	74,2%	113 279	114 411	114 411
Goods and services	69 870	-	-	69 870	51 809	18 061	74,2%	113 279	114 411	114 411
<b>Transfers and subsidies</b>	-	-	-	-	1 375	(1 375)	-	-	35 290	35 290
Households	-	-	-	-	1 375	(1 375)	-	-	35 290	35 290
<b>Total</b>	<b>69 870</b>	<b>-</b>	<b>-</b>	<b>69 870</b>	<b>53 184</b>	<b>16 686</b>	<b>76,1%</b>	<b>113 279</b>	<b>149 701</b>	<b>149 701</b>

Economic classification	Subprogramme 2.4: School sport, culture and media services									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Final Expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>Current payments</b>	60 799	3 000	-	63 799	48 683	15 116	76,3%	55 746	51 005	51 005
Goods and services	60 799	3 000	-	63 799	48 683	15 116	76,3%	55 746	51 005	51 005
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	256	-	-
Machinery and equipment	-	-	-	-	-	-	-	256	-	-
<b>Total</b>	<b>60 799</b>	<b>3 000</b>	<b>-</b>	<b>63 799</b>	<b>48 683</b>	<b>15 116</b>	<b>76,3%</b>	<b>56 002</b>	<b>51 005</b>	<b>51 005</b>

Economic classification	Subprogramme 2.5: Conditional Grants									
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Final Expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>Current payments</b>	119 171	(200)	-	118 971	113 271	5 700	95,2%	124 869	95 943	95 943
Compensation of employees	40 101	-	-	40 101	39 179	922	97,7%	25 158	21 928	21 928
Goods and services	79 070	(200)	-	78 870	74 092	4 778	93,9%	99 711	74 015	74 015
<b>Transfers and subsidies</b>	<b>1 180 525</b>	<b>-</b>	<b>-</b>	<b>1 180 525</b>	<b>1 180 599</b>	<b>(74)</b>	<b>100,0%</b>	<b>1 090 095</b>	<b>1 090 095</b>	<b>1 090 095</b>
Non-profit institutions	1 180 525	-	-	1 180 525	1 180 599	(74)	100,0%	1 090 095	1 090 095	1 090 095
<b>Payments for capital assets</b>	<b>1 600</b>	<b>200</b>	<b>-</b>	<b>1 800</b>	<b>29</b>	<b>1 771</b>	<b>1,6%</b>	<b>2 970</b>	<b>2 388</b>	<b>2 388</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 600	200	-	1 800	29	1 771	1,6%	2 970	2 388	2 388
<b>Total</b>	<b>1 301 296</b>	<b>-</b>	<b>-</b>	<b>1 301 296</b>	<b>1 293 899</b>	<b>7 397</b>	<b>99,4%</b>	<b>1 217 934</b>	<b>1 188 426</b>	<b>1 188 426</b>

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**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Programme 3: Independent school subsidies										
2018/19										
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Sub programme</b>										
1. Primary level	76 364	-	-	76 364	76 208	156	99.8%	89 786	89 740	89 740
2. Secondary level	54 645	-	-	54 645	54 599	46	99.9%	33 256	33 159	33 159
	<b>131 009</b>	-	-	<b>131 009</b>	<b>130 807</b>	<b>202</b>	<b>99.8%</b>	<b>123 042</b>	<b>122 899</b>	<b>122 899</b>
<b>Economic classification</b>										
Transfers and subsidies	131 009	-	-	131 009	130 807	202	99.8%	123 042	122 899	122 899
Non-profit institutions	131 009	-	-	131 009	130 807	202	99.8%	123 042	122 899	122 899
	<b>131 009</b>	-	-	<b>131 009</b>	<b>130 807</b>	<b>202</b>	<b>99.8%</b>	<b>123 042</b>	<b>122 899</b>	<b>122 899</b>

Subprogramme: 3.1: Primary level										
2018/19										
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Economic classification</b>										
Transfers and subsidies	76 364	-	-	76 364	76 208	156	99.8%	89 786	89 740	89 740
Non-profit institutions	76 364	-	-	76 364	76 208	156	99.8%	89 786	89 740	89 740
	<b>76 364</b>	-	-	<b>76 364</b>	<b>76 208</b>	<b>156</b>	<b>99.8%</b>	<b>89 786</b>	<b>89 740</b>	<b>89 740</b>

Subprogramme: 3.2: Secondary level										
2018/19										
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Economic classification</b>										
Transfers and subsidies	54 645	-	-	54 645	54 599	46	99.9%	33 256	33 159	33 159
Non-profit institutions	54 645	-	-	54 645	54 599	46	99.9%	33 256	33 159	33 159
	<b>54 645</b>	-	-	<b>54 645</b>	<b>54 599</b>	<b>46</b>	<b>99.9%</b>	<b>33 256</b>	<b>33 159</b>	<b>33 159</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Programme 4: Public special school education									
	2018/19				2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
<b>Sub programme</b>	<b>815 255</b>	-	<b>(16 857)</b>	<b>798 398</b>	<b>769 343</b>	<b>29 055</b>	<b>96,4%</b>	<b>695 754</b>	<b>682 834</b>
1. Schools	781 791	-	(16 857)	764 934	756 318	8 616	98,9%	683 441	675 327
2. Human Resource Development	2 856	-	-	2 856	-	2 856	-	-	1 789
3. School Sport, Culture and Media Services	4 830	-	-	4 830	3 027	1 803	62,7%	6 077	4 990
4. Conditional Grants	25 778	-	-	25 778	9 998	15 780	38,8%	3 537	728
	<b>815 255</b>	-	<b>(16 857)</b>	<b>798 398</b>	<b>769 343</b>	<b>29 055</b>	<b>96,4%</b>	<b>695 754</b>	<b>682 834</b>
<b>Economic classification</b>	<b>722 098</b>	<b>(9 093)</b>	<b>(16 857)</b>	<b>696 148</b>	<b>681 679</b>	<b>14 469</b>	<b>97,9%</b>	<b>602 687</b>	<b>597 953</b>
<b>Current payments</b>	677 287	(27 133)	-	650 154	648 206	1 948	99,7%	585 835	583 796
Compensation of employees	577 473	(28 247)	-	549 226	551 299	(2 073)	100,4%	501 967	495 652
Salaries and wages	99 814	1 114	-	100 928	96 907	4 021	96,0%	83 868	88 144
Social contributions	44 811	18 040	(16 857)	45 994	33 473	12 521	72,8%	16 852	14 157
Goods and services	70	-	-	70	-	70	-	-	-
Advertising	1 808	(1 341)	-	467	-	467	-	1 514	133
Minor assets	200	(200)	-	-	-	-	-	-	-
Audit costs: External	300	117	-	300	1 009	300	43,3%	300	-
Bursaries: Employees	2 214	30	-	2 331	1 009	1 322	-	1 810	1 724
Catering: Departmental activities	30	(30)	-	-	-	-	-	-	-
Communication (G&S)	-	50	-	50	-	50	-	-	-
Consultants: Business and advisory services	10 454	-	-	10 454	10 453	1	100,0%	-	-
Agency and support / outsourced services	518	(40)	-	478	461	17	96,4%	-	-
Fleet services (including government motor transport)	7 062	(1 129)	(1 138)	4 795	3 259	1 536	68,0%	140	-
Inventory: Learner and teacher support materials	6 925	14 173	(12 519)	8 579	6 732	1 847	78,5%	-	-
Inventory: Other supplies	49	(1)	-	48	-	48	-	-	56
Consumable supplies	523	(70)	-	453	130	323	28,7%	500	167
Consumable: Stationery, printing and office supplies	400	(400)	-	-	-	-	-	1 155	-
Property payments	11 400	6 476	(3 200)	14 676	11 429	3 247	77,9%	6 290	9 903
Travel and subsistence	2 606	487	-	3 093	-	3 093	-	5 009	2 170
Training and development	252	(52)	-	200	-	200	-	-	-
Operating payments	<b>75 151</b>	-	-	<b>75 151</b>	<b>78 366</b>	<b>(3 215)</b>	<b>104,3%</b>	<b>77 085</b>	<b>79 541</b>
<b>Transfers and subsidies</b>	73 096	-	-	73 096	73 096	-	100,0%	75 143	75 143
Non-profit institutions	2 055	-	-	2 055	5 270	(3 215)	256,4%	1 942	4 398
Households	2 055	-	-	2 055	-	-	-	-	-
Social benefits	2 055	-	-	2 055	5 270	(3 215)	256,4%	1 942	-
Other transfers to households	<b>18 006</b>	<b>9 093</b>	-	<b>27 099</b>	<b>9 298</b>	<b>17 801</b>	<b>34,3%</b>	<b>15 982</b>	<b>5 340</b>
<b>Payments for capital assets</b>	-	500	-	500	-	500	-	8 192	-
Buildings and other fixed structures	-	500	-	500	-	500	-	8 192	-
Other fixed structures	18 006	8 593	-	26 599	9 298	17 301	35,0%	7 790	5 340
Machinery and equipment	8 622	14 015	-	22 637	9 298	13 339	41,1%	-	5 297
Transport equipment	9 384	(5 422)	-	3 962	9 298	3 962	-	7 790	43
Other machinery and equipment	<b>815 255</b>	-	<b>(16 857)</b>	<b>798 398</b>	<b>769 343</b>	<b>29 055</b>	<b>96,4%</b>	<b>695 754</b>	<b>682 834</b>

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Economic classification	Subprogramme 4.1: Schools							2017/18	
	2018/19							Final	Actual
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	R'000	R'000
<b>Current payments</b>	<b>691 199</b>	<b>(7 000)</b>	<b>(16 857)</b>	<b>667 342</b>	<b>669 850</b>	<b>(2 508)</b>	<b>100,4%</b>	<b>590 774</b>	<b>590 774</b>
Compensation of employees	661 724	(20 000)	-	641 724	644 950	(3 226)	100,5%	583 410	583 410
Goods and services	29 475	13 000	(16 857)	25 618	24 900	718	97,2%	7 364	7 364
<b>Transfers and subsidies</b>	<b>75 151</b>	<b>-</b>	<b>-</b>	<b>75 151</b>	<b>78 366</b>	<b>(3 215)</b>	<b>104,3%</b>	<b>77 085</b>	<b>79 541</b>
Non-profit institutions	73 096	-	-	73 096	73 096	-	100,0%	75 143	75 143
Households	2 055	-	-	2 055	5 270	(3 215)	256,4%	1 942	4 398
<b>Payments for capital assets</b>	<b>15 441</b>	<b>7 000</b>	<b>-</b>	<b>22 441</b>	<b>8 102</b>	<b>14 339</b>	<b>36,1%</b>	<b>15 582</b>	<b>5 012</b>
Buildings and other fixed structures	-	500	-	500	-	500	-	8 192	-
Machinery and equipment	15 441	6 500	-	21 941	8 102	13 839	36,9%	7 390	5 012
<b>Total</b>	<b>781 791</b>	<b>-</b>	<b>(16 857)</b>	<b>764 934</b>	<b>756 318</b>	<b>8 616</b>	<b>98,9%</b>	<b>683 441</b>	<b>675 327</b>

Economic classification	Subprogramme 4.2: Human resource development							2017/18	
	2018/19							Final	Actual
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	R'000	R'000
<b>Current payments</b>	<b>2 856</b>	<b>-</b>	<b>-</b>	<b>2 856</b>	<b>-</b>	<b>2 856</b>	<b>-</b>	<b>2 699</b>	<b>1 789</b>
Compensation of employees	-	-	-	-	-	-	-	-	4
Goods and services	2 856	-	-	2 856	-	2 856	-	2 699	1 785
<b>Total</b>	<b>2 856</b>	<b>-</b>	<b>-</b>	<b>2 856</b>	<b>-</b>	<b>2 856</b>	<b>-</b>	<b>2 699</b>	<b>1 789</b>

Economic classification	Subprogramme: 4.3: School sport, culture and media services							2017/18	
	2018/19							Final	Actual
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	R'000	R'000
<b>Current payments</b>	<b>4 830</b>	<b>-</b>	<b>-</b>	<b>4 830</b>	<b>3 027</b>	<b>1 803</b>	<b>62,7%</b>	<b>6 077</b>	<b>4 990</b>
Goods and services	4 830	-	-	4 830	3 027	1 803	62,7%	6 077	4 990
<b>Total</b>	<b>4 830</b>	<b>-</b>	<b>-</b>	<b>4 830</b>	<b>3 027</b>	<b>1 803</b>	<b>62,7%</b>	<b>6 077</b>	<b>4 990</b>

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Economic classification	Subprogramme: 4.4: Conditional Grants									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Current payments</b>	<b>23 213</b>	<b>(2 093)</b>	-	<b>21 120</b>	<b>8 802</b>	<b>12 318</b>	<b>41,7%</b>	<b>3 137</b>	<b>400</b>	
Compensation of employees	15 563	(7 133)	-	8 430	3 256	5 174	38,6%	2 425	382	
Goods and services	7 650	5 040	-	12 690	5 546	7 144	43,7%	712	18	
<b>Payments for capital assets</b>	<b>2 565</b>	<b>2 093</b>	-	<b>4 658</b>	<b>1 196</b>	<b>3 462</b>	<b>25,7%</b>	<b>400</b>	<b>328</b>	
Machinery and equipment	2 565	2 093	-	4 658	1 196	3 462	25,7%	400	328	
<b>Total</b>	<b>25 778</b>	-	-	<b>25 778</b>	<b>9 998</b>	<b>15 780</b>	<b>38,8%</b>	<b>3 537</b>	<b>728</b>	

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	Programme 5: Early childhood development									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	Actual Expenditure R'000
<b>Sub programme</b>										
1. Grade R in Public Schools	697 724	-	57 880	638 744	482 284	156 460	75.5%	560 361	487 566	487 566
2. Pre-grade R Training	23 325	1 100	-	24 425	9 048	15 377	37.0%	25 782	6 358	6 358
3. Human Resource Development	2 451	-	-	2 451	1 020	1 431	41.6%	2 317	1 727	1 727
	<b>723 500</b>	<b>-</b>	<b>57 880</b>	<b>665 620</b>	<b>492 352</b>	<b>173 268</b>	<b>74.0%</b>	<b>588 460</b>	<b>495 651</b>	<b>495 651</b>
<b>Economic classification</b>										
<b>Current payments</b>	<b>702 693</b>	<b>-</b>	<b>57 880</b>	<b>644 813</b>	<b>474 495</b>	<b>170 318</b>	<b>73.6%</b>	<b>567 926</b>	<b>486 597</b>	<b>486 597</b>
Compensation of employees	475 399	-	57 880	389 519	360 212	29 307	92.5%	403 968	381 704	381 704
Salaries and wages	458 213	-	57 880	382 333	359 312	23 021	94.0%	403 387	380 944	380 944
Social contributions	17 186	-	-	7 186	900	6 286	12.5%	581	760	760
Goods and services	227 294	28 000	-	255 294	114 283	141 011	44.8%	163 958	104 893	104 893
Advertising	100	-	-	100	-	100	-	-	-	-
Minor assets	3 756	-	-	3 756	-	3 756	-	-	-	-
Bursaries: Employees	87 314	-	-	87 314	41 826	34 388	54.9%	68 716	38 560	38 560
Catering: Departmental activities	600	200	-	800	251	549	31.4%	650	619	619
Inventory: Learner and teacher support material	41 451	41 000	-	82 451	42 209	40 242	51.2%	37 783	33 366	33 366
Inventory: Other supplies	41 451	-	-	41 451	16 470	24 981	39.7%	66	66	66
Consumable: Stationery, printing and office supplies	23 686	-	-	20 686	4 347	16 339	21.0%	26 870	24 874	24 874
Travel and subsistence	3 135	7 461	-	10 596	1 648	8 948	15.6%	1 837	1 992	1 992
Training and development	25 801	6 561	-	19 240	7 532	11 708	39.1%	28 036	5 416	5 416
<b>Transfers and subsidies</b>	<b>20 807</b>	<b>-</b>	<b>-</b>	<b>20 807</b>	<b>17 857</b>	<b>2 950</b>	<b>85.8%</b>	<b>20 534</b>	<b>9 054</b>	<b>9 054</b>
Non-profit institutions	20 807	-	-	20 807	17 857	2 950	85.8%	20 534	9 043	9 043
Households	-	-	-	-	-	-	-	-	11	11
Other transfers to households	-	-	-	-	-	-	-	-	-	-
	<b>723 500</b>	<b>-</b>	<b>57 880</b>	<b>665 620</b>	<b>492 352</b>	<b>173 268</b>	<b>74.0%</b>	<b>588 460</b>	<b>495 651</b>	<b>495 651</b>

	Subprogramme: 5.1: Grade R in Public Schools									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	Actual Expenditure R'000
<b>Economic classification</b>										
<b>Current payments</b>	<b>685 881</b>	<b>1 100</b>	<b>57 880</b>	<b>626 901</b>	<b>470 852</b>	<b>156 049</b>	<b>75.1%</b>	<b>548 254</b>	<b>478 512</b>	<b>478 512</b>
Compensation of employees	475 399	-	57 880	389 519	360 212	29 307	92.5%	403 968	381 704	381 704
Goods and services	210 482	26 900	-	237 382	110 640	126 742	46.6%	144 286	96 808	96 808
<b>Transfers and subsidies</b>	<b>11 843</b>	<b>-</b>	<b>-</b>	<b>11 843</b>	<b>11 432</b>	<b>411</b>	<b>96.5%</b>	<b>12 107</b>	<b>9 054</b>	<b>9 054</b>
Non-profit institutions	11 843	-	-	11 843	11 432	411	96.5%	12 107	9 043	9 043
Households	-	-	-	-	-	-	-	-	11	11
	<b>697 724</b>	<b>1 100</b>	<b>57 880</b>	<b>638 744</b>	<b>482 284</b>	<b>156 460</b>	<b>75.5%</b>	<b>560 361</b>	<b>487 566</b>	<b>487 566</b>

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Subprogramme: 5.2: Pre-grade R training									
2018/19									
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	14 361	1 100	-	15 461	2 623	12 838	17.0%	17 355	6 358
Goods and services	14 361	1 100	-	15 461	2 623	12 838	17.0%	17 355	6 358
Transfers and subsidies	8 964	-	-	8 964	6 425	2 539	71.7%	8 427	-
Non-profit institutions	8 964	-	-	8 964	6 425	2 539	71.7%	8 427	-
<b>Total</b>	<b>23 325</b>	<b>1 100</b>	<b>-</b>	<b>24 425</b>	<b>9 048</b>	<b>15 377</b>	<b>37.0%</b>	<b>25 782</b>	<b>6 358</b>

Subprogramme: 5.3: Human resource development									
2018/19									
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 451	-	-	2 451	1 020	1 431	41.6%	2 317	1 727
Goods and services	2 451	-	-	2 451	1 020	1 431	41.6%	2 317	1 727
<b>Total</b>	<b>2 451</b>	<b>-</b>	<b>-</b>	<b>2 451</b>	<b>1 020</b>	<b>1 431</b>	<b>41.6%</b>	<b>2 317</b>	<b>1 727</b>

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Programme 6: Infrastructure development											
2018/19						2017/18					
Sub programme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>1. Administration</b>	151 053	-	-	151 053	161 306	(10 253)	106.8%	48 999	31 219		
<b>2. Public Ordinary Schools</b>	1 525 644	-	-	1 525 644	1 389 860	135 784	91.1%	1 197 377	1 456 648		
<b>3. Special Schools</b>	57 735	-	-	57 735	69 842	(12 107)	121.0%	115 277	67 406		
<b>4. Early Childhood Development</b>	90 089	-	-	90 089	93 512	(3 423)	103.8%	297 965	104 345		
	<b>1 824 521</b>	-	-	<b>1 824 521</b>	<b>1 714 520</b>	<b>110 001</b>	<b>94.0%</b>	<b>1 659 618</b>	<b>1 659 618</b>		
<b>Economic classification</b>											
<b>Current payments</b>	<b>173 269</b>	-	-	<b>173 269</b>	<b>206 398</b>	<b>(33 129)</b>	<b>119.1%</b>	<b>151 376</b>	<b>229 557</b>		
Compensation of employees	15 000	-	-	15 000	12 753	2 247	85.0%	26 929	13 841		
Salaries and wages	11 296	3 704	-	15 000	11 423	3 577	76.2%	23 428	12 432		
Social contributions	3 704	(3 704)	-	-	1 330	(1 330)	-	3 501	1 409		
Goods and services	158 269	-	-	158 269	193 645	(35 376)	122.4%	124 447	215 716		
Infrastructure and planning services	105 261	-	-	105 261	143 314	(38 053)	136.2%	-	-		
Inventory: Other supplies	-	-	-	-	7 838	(7 838)	-	-	-		
Property payments	52 108	-	-	52 108	41 978	10 130	80.6%	122 697	214 359		
Travel and subsistence	900	-	-	900	515	385	57.2%	1 750	1 323		
Operating payments	-	-	-	-	-	-	-	-	34		
<b>Payments for capital assets</b>	<b>1 651 252</b>	-	-	<b>1 651 252</b>	<b>1 508 122</b>	<b>143 130</b>	<b>91.3%</b>	<b>1 508 242</b>	<b>1 430 061</b>		
Buildings and other fixed structures	1 651 252	-	-	1 651 252	1 508 122	143 130	91.3%	1 508 242	1 430 061		
Buildings	-	-	-	-	-	-	-	-	64 784		
Other fixed structures	1 651 252	-	-	1 651 252	1 508 122	143 130	91.3%	1 508 242	1 365 277		
	<b>1 824 521</b>	-	-	<b>1 824 521</b>	<b>1 714 520</b>	<b>110 001</b>	<b>94.0%</b>	<b>1 659 618</b>	<b>1 659 618</b>		

Subprogramme: 6.1: Administration											
2018/19						2017/18					
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>Current payments</b>	<b>121 161</b>	-	-	<b>121 161</b>	<b>156 582</b>	<b>(35 421)</b>	<b>129.2%</b>	<b>35 999</b>	<b>18 219</b>		
Compensation of employees	15 000	-	-	15 000	12 753	2 247	85.0%	26 929	13 841		
Goods and services	106 161	-	-	106 161	143 829	(37 668)	135.5%	9 070	4 378		
<b>Payments for capital assets</b>	<b>29 892</b>	-	-	<b>29 892</b>	<b>4 724</b>	<b>25 168</b>	<b>15.8%</b>	<b>13 000</b>	<b>13 000</b>		
Buildings and other fixed structures	29 892	-	-	29 892	4 724	25 168	15.8%	13 000	13 000		
<b>Total</b>	<b>151 053</b>	-	-	<b>151 053</b>	<b>161 306</b>	<b>(10 253)</b>	<b>106.8%</b>	<b>48 999</b>	<b>31 219</b>		

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Subprogramme: 6.2: Public ordinary schools									
Economic classification	2018/19					2017/18			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
<b>Current payments</b>	52 108	-	-	52 108	49 065	3 043	94.2%	97 076	208 574
Goods and services	52 108	-	-	52 108	49 065	3 043	94.2%	97 076	208 574
<b>Payments for capital assets</b>	1 473 536	-	-	1 473 536	1 340 795	132 741	91.0%	1 100 301	1 248 074
Buildings and other fixed structures	1 473 536	-	-	1 473 536	1 340 795	132 741	91.0%	1 100 301	1 248 074
<b>Total</b>	<b>1 525 644</b>	<b>-</b>	<b>-</b>	<b>1 525 644</b>	<b>1 389 860</b>	<b>135 784</b>	<b>91.1%</b>	<b>1 197 377</b>	<b>1 456 648</b>

Subprogramme: 6.3: Special Schools									
Economic classification	2018/19					2017/18			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
<b>Current payments</b>	-	-	-	-	751	(751)	-	18 301	2 622
Goods and services	-	-	-	-	751	(751)	-	18 301	2 622
<b>Payments for capital assets</b>	57 735	-	-	57 735	69 091	(11 356)	119.7%	96 976	64 784
Buildings and other fixed structures	57 735	-	-	57 735	69 091	(11 356)	119.7%	96 976	64 784
<b>Total</b>	<b>57 735</b>	<b>-</b>	<b>-</b>	<b>57 735</b>	<b>69 842</b>	<b>(12 107)</b>	<b>121.0%</b>	<b>115 277</b>	<b>67 406</b>

Subprogramme: 6.4: Early childhood development									
Economic classification	2018/19					2017/18			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
<b>Current payments</b>	-	-	-	-	-	-	-	-	142
Goods and services	-	-	-	-	-	-	-	-	142
<b>Payments for capital assets</b>	90 089	-	-	90 089	93 512	(3 423)	103.8%	297 965	104 203
Buildings and other fixed structures	90 089	-	-	90 089	93 512	(3 423)	103.8%	297 965	104 203
<b>Total</b>	<b>90 089</b>	<b>-</b>	<b>-</b>	<b>90 089</b>	<b>93 512</b>	<b>(3 423)</b>	<b>103.8%</b>	<b>297 965</b>	<b>104 345</b>

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Programme 7: Examination and Education Related Services									
	2018/19					2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
<b>Sub programme</b>	<b>490 367</b>	-	<b>32 317</b>	<b>522 684</b>	<b>522 684</b>	-	<b>100,0%</b>	<b>532 994</b>	<b>532 639</b>
1. Payments to SETA	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052
2. Professional Services	38 319	-	-	38 319	28 398	9 921	74,1%	39 103	34 039
3. Special Projects	1 544	-	-	1 544	1 263	281	81,8%	1 506	1 262
4. External Examinations	339 675	-	32 317	371 992	383 620	(11 628)	103,1%	386 398	391 783
5. Conditional Grants	43 062	-	-	43 062	41 636	1 426	96,7%	41 936	41 503
	<b>490 367</b>	-	<b>32 317</b>	<b>522 684</b>	<b>522 684</b>	-	<b>100,0%</b>	<b>532 994</b>	<b>532 639</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>394 571</b>	-	<b>32 317</b>	<b>426 888</b>	<b>429 222</b>	<b>(2 334)</b>	<b>100,5%</b>	<b>432 015</b>	<b>430 052</b>
Compensation of employees	169 215	(618)	32 317	200 914	217 929	(17 015)	108,5%	197 929	197 812
Salaries and wages	133 498	29 803	32 317	195 618	212 518	(16 900)	108,6%	181 194	193 046
Social contributions	35 717	(30 421)	-	5 296	5 411	(115)	102,2%	16 735	4 766
Goods and services	225 356	618	-	225 974	211 293	14 681	93,5%	234 086	232 182
Administrative fees	8	-	-	8	8	-	100,0%	-	-
Minor assets	407	91	-	498	259	239	52,0%	61	188
Catering: Departmental activities	7 431	988	-	8 419	6 520	1 899	77,4%	8 555	7 561
Computer services	4 767	-	-	4 767	4 738	29	99,4%	6 923	2 782
Contractors	52	-	-	52	9	43	17,3%	12	27
Agency and support / outsourced services	23 962	(1 010)	-	22 952	22 947	5	100,0%	21 503	20 536
Fleet services (including government motor transport)	-	-	-	-	194	(194)	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	112	(112)	-	300	-
Inventory: Food and food supplies	-	-	-	-	64	(64)	-	-	-
Inventory: Fuel, oil and gas	700	265	-	965	486	479	50,4%	-	1 824
Inventory: Learner and teacher support material	2 365	360	-	2 725	-	2 725	-	678	349
Inventory: Other supplies	74	(36)	-	38	-	38	-	136	136
Consumable supplies	838	8	-	846	723	123	85,5%	880	740
Consumable: Stationery, printing and office supplies	95 378	(4 948)	-	90 430	85 099	5 331	94,1%	99 462	100 114
Operating leases	712	-	-	712	324	388	45,5%	1 060	348
Property payments	12 166	(4 551)	-	7 615	7 157	458	94,0%	10 709	7 478

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Programme 7: Examination and Education Related Services (continued)										
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	
Travel and subsistence	52 862	8 609	-	61 471	59 637	1 834	97,0%	61 827	55 139	
Training and development	2 896	685	-	3 581	3 312	269	92,5%	2 859	2 379	
Operating payments	17 637	-	-	17 637	17 388	249	98,6%	17 153	30 976	
Venues and facilities	3 101	157	-	3 258	2 316	942	71,1%	1 970	1 566	
Rental and hiring	-	-	-	-	-	-	-	-	39	
Interest and rent on land	-	-	-	-	-	-	-	-	58	
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	58	
<b>Transfers and subsidies</b>	<b>91 506</b>	-	-	<b>91 506</b>	<b>91 505</b>	<b>1</b>	<b>100,0%</b>	<b>86 489</b>	<b>95 777</b>	
Departmental agencies and accounts	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052	
Departmental agencies (non-business entities)	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052	
Non-profit institutions	23 739	-	-	23 739	23 738	1	100,0%	22 437	31 700	
Households	-	-	-	-	-	-	-	-	25	
Other transfers to households	-	-	-	-	-	-	-	-	25	
<b>Payments for capital assets</b>	<b>4 290</b>	-	-	<b>4 290</b>	<b>1 957</b>	<b>2 333</b>	<b>45,6%</b>	<b>14 490</b>	<b>6 810</b>	
Machinery and equipment	4 290	-	-	4 290	1 957	2 333	45,6%	14 490	6 810	
Transport equipment	2 504	1 104	-	3 608	1 537	2 071	42,6%	-	3 601	
Other machinery and equipment	1 786	(1 104)	-	682	420	262	61,6%	14 490	3 209	
<b>Total</b>	<b>490 367</b>	<b>-</b>	<b>32 317</b>	<b>522 684</b>	<b>522 684</b>	<b>-</b>	<b>100,0%</b>	<b>532 994</b>	<b>532 639</b>	

Subprogramme: 7.1: Payments to SETA										
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Economic classification</b>	<b>67 767</b>	<b>-</b>	<b>-</b>	<b>67 767</b>	<b>67 767</b>	<b>-</b>	<b>100,0%</b>	<b>64 052</b>	<b>64 052</b>	
Transfers and subsidies	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052	
Departmental agencies and accounts	67 767	-	-	67 767	67 767	-	100,0%	64 052	64 052	
<b>Total</b>	<b>67 767</b>	<b>-</b>	<b>-</b>	<b>67 767</b>	<b>67 767</b>	<b>-</b>	<b>100,0%</b>	<b>64 052</b>	<b>64 052</b>	

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Economic classification	Subprogramme: 7.2: Professional Services							2017/18	
	2018/19							Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Current payments</b>	<b>38 319</b>	-	-	<b>38 319</b>	<b>28 322</b>	<b>9 997</b>	<b>35 105</b>	<b>33 028</b>	<b>73,9%</b>
Goods and services	38 319	-	-	38 319	28 322	9 997	35 105	33 028	73,9%
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>25</b>	-
Households	-	-	-	-	-	-	-	25	-
<b>Payments for capital assets</b>	-	-	-	-	<b>76</b>	<b>(76)</b>	<b>3 998</b>	<b>986</b>	-
Machinery and equipment	-	-	-	-	76	(76)	3 998	986	-
<b>Total</b>	<b>38 319</b>	-	-	<b>38 319</b>	<b>28 398</b>	<b>9 921</b>	<b>39 103</b>	<b>34 039</b>	<b>74,1%</b>

Economic classification	Subprogramme: 7.3: Special Projects							2017/18	
	2018/19							Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%
<b>Current payments</b>	<b>1 544</b>	-	-	<b>1 544</b>	<b>1 263</b>	<b>281</b>	<b>1 506</b>	<b>1 262</b>	<b>81,8%</b>
Compensation of employees	-	-	-	-	11	(11)	-	-	-
Goods and services	1 544	-	-	1 544	1 252	292	1 506	1 262	81,1%
<b>Total</b>	<b>1 544</b>	-	-	<b>1 544</b>	<b>1 263</b>	<b>281</b>	<b>1 506</b>	<b>1 262</b>	<b>81,8%</b>

Economic classification	Subprogramme: 7.4: External Examinations							2017/18	
	2018/19							Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%
<b>Current payments</b>	<b>313 066</b>	-	<b>32 317</b>	<b>345 383</b>	<b>358 700</b>	<b>(13 317)</b>	<b>353 669</b>	<b>357 965</b>	<b>103,9%</b>
Compensation of employees	166 201	-	32 317	198 518	215 565	(17 047)	195 340	195 340	108,6%
Goods and services	146 865	-	-	146 865	143 135	3 730	158 329	162 609	97,5%
Interest and rent on land	-	-	-	-	-	-	-	16	-
<b>Transfers and subsidies</b>	<b>23 739</b>	-	-	<b>23 739</b>	<b>23 738</b>	<b>1</b>	<b>22 437</b>	<b>31 700</b>	<b>100,0%</b>
Non-profit institutions	23 739	-	-	23 739	23 738	1	22 437	31 700	100,0%
<b>Payments for capital assets</b>	<b>2 870</b>	-	-	<b>2 870</b>	<b>1 182</b>	<b>1 688</b>	<b>10 292</b>	<b>2 118</b>	<b>41,2%</b>
Machinery and equipment	2 870	-	-	2 870	1 182	1 688	10 292	2 118	41,2%
<b>Total</b>	<b>339 675</b>	-	<b>32 317</b>	<b>371 992</b>	<b>383 620</b>	<b>(11 628)</b>	<b>386 398</b>	<b>391 783</b>	<b>103,1%</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2019**

Economic classification	Subprogramme 7.5 : Conditional grants									
	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000	
<b>Current payments</b>	<b>41 642</b>	-	-	<b>41 642</b>	<b>40 937</b>	<b>705</b>	<b>98,3%</b>	<b>41 736</b>	<b>37 797</b>	
Compensation of employees	3 014	(618)	-	2 396	2 353	43	98,2%	2 589	2 472	
Goods and services	38 628	618	-	39 246	38 584	662	98,3%	39 147	35 283	
Interest and rent on land	-	-	-	-	-	-	-	-	42	
<b>Payments for capital assets</b>	<b>1 420</b>	-	-	<b>1 420</b>	<b>699</b>	<b>721</b>	<b>49,2%</b>	<b>200</b>	<b>3 706</b>	
Machinery and equipment	1 420	-	-	1 420	699	721	49,2%	200	3 706	
<b>Total</b>	<b>43 062</b>	-	-	<b>43 062</b>	<b>41 636</b>	<b>1 426</b>		<b>41 936</b>	<b>41 503</b>	

**EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2019**

**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, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

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

Detail of these transactions per programme 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	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Administration	2 813 792	2 749 946	63 846	2%
Public ordinary school education	28 370 727	28 650 557	(279 380)	(1%)
Public special school education	798 398	769 343	29 055	4%
Early childhood development	665 620	492 352	173 268	26%
Infrastructure development	1 824 521	1 714 520	110 001	6%

underspending of 2% which is R63,846 million at year end. The programme has underspent its budget by R63,846 million and the underspending is largely on two sub-programmes (that is Office of the MEC underspending by R3,806 million, Corporate Services underspending by R50,780 million and Education Management Information System (EMIS) underspending by R2,905 million).

The underspending was due to amounts unspent which is attributed to equipment and operational budget which was set aside for the procurement of furniture and domestic equipment for the newly established cluster, district offices, circuit management centres. In addition to this, payments were outstanding from various service providers that were only received after year end.

**EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2019**

**Explanation of variances**

**Programme 2: Public Ordinary School Education**

The final budget for the programme amounts to R28,370 billion and spent R28,651 billion recording an overspending of 1% which is R279,830 million at year end. The programme has overspent its budget by R279,830 million and the overspending is largely on the sub-programmes - Public Secondary School whilst sub programme 3 and 4 (Human resource development and School sport, Culture and Media Services) underspent on their budgets respectively.

The overspending is due to the following:

- Payment of 0.3 percent for the equalisation of ICS of educators as per the PSBC resolution 1 of 2018 which was not provided for by the department and the appointment of foundation phase educators employed in the main stream public ordinary schools.
- Secondly, In terms of Goods and Services, the over expenditure is attributed to interventions agreed upon by the department for the implementation of Learner Attainment and Improvement Strategy (LAIS) at underperforming districts as a provision was made for extra classes during school holidays, weekends and winter classes.
- Thirdly, the over expenditure was also due to communication related services as there was an increase in ICT driven monitoring tools (DDD & SASAM) which required the department to ensure access to internet connectivity for all educators in all phases in order to enhance governance in Public Ordinary Schools
- Lastly, the over expenditure in Transfers and Subsidies is due to transfers made to schools in respect of fee exemption policy, and increase in learner numbers as a result of updated enrolment numbers against the Gazetted learner numbers.

**Programme 4: Public Special School Education**

The programme has a final budget of R798,398 million and has spent R492,352 million. This programme registered underspending of R29,055 million which represents 3,6% underspending of the programmes final budget. The underspending is registered under Goods and Services R12,521 million; R1,948 million for Compensation of Employees and R17,801 million for Capital Expenditure.

The underspending is due to 85 Specialists and Therapists posts that were advertised and underwent selection processes but were not appointed at year end. Goods and services underspent its budget due to changes in the schedules of sporting events as requested by service providers led to the under expenditure in this programme.

**Programme 5: Early Childhood Development**

The final budget for the programme amounts to R665,620 million and spent R492,352 million recording underspending of 26% which is R173,268 million at year end.

This underspending is attributed to the permanent appointment of Grade R Practitioners as teachers in Grade R classes. They are now paid under Programme 2 instead of Programme 5. Secondly, the greater part of the underspending in Goods and Services is in Bursaries and Training and Development attributed to the reduced number of ECD Practitioners to be trained as most have acquired their NQF qualifications. Bursaries and LTSM invoices that were due at year end.

**Programme 6: Infrastructure Development**

The final budget for the programme amounts to R1,824 billion and spent R1,714 billion recording underspending of 6% which is R110,001 million at year end.

The funds remained unspent at year-end as the department was still quality reviewing the documents on hand at year end. These documents form part of the accruals in the financial statements and will be the first charge in the 2019/20 financial year.

**EASTERN CAPE DEPARTMENT OF EDUCATION  
VOTE 6  
NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2019**

4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	<b>Current payments</b>				
	Compensation of employees	27 382 292	27 385 262	(2 970)	(0.01%)
	Goods and services	3 288 122	3 187 201	100 921	3.10%
	<b>Transfers and subsidies</b>				
	Non-profit institutions	2 369 732	2 587 420	(217 688)	(9.19%)
	Households	226 653	248 482	(21 829)	(9.63%)
	<b>Payments for capital assets</b>				
	Buildings and other fixed structures	1 653 252	1 508 321	144 931	8.77%
	Machinery and equipment	139 086	47 004	92 082	62.21%

#### Explanation of variances

- Compensation of Employees: The department overspent on this economic classification by R2,970 million due to programme 1 posts on the approved annual recruitment plan that could not be fully implemented. In addition, there are 85 Specialists and Therapists posts that were advertised and underwent selection processes but were not appointed at year end.
- Goods and services: The underspending was due to equipment and operational budget which was set aside for the procurement of furniture and domestic equipment for the newly established cluster, district offices, circuit management centres which could not be utilised as the organogram structure was not approved as anticipated. In addition to this, payments were outstanding from various service providers that were only received after year end.
- Transfers and subsidies: The over expenditure in Transfers and Subsidies is due to transfers made to schools in respect of fee exemption policy, and increase in learner numbers as a result of updated enrolment numbers against the Gazetted learner numbers. Furthermore this included the incentives for schools who performed above 75% on their matric results.
- Payments for capital assets: Funding remained unspent at year as the department was still quality reviewing the documents on hand at year end. These documents form part of the accruals in the financial statements and will be the first charge in the 2019/20 financial year.

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**NOTES TO THE APPROPRIATION STATEMENT**  
*for the year ended 31 March 2019*

<b>4.3</b>	<b>Per conditional grant</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
	Maths, science and technology grant	58 889	56 637	2 252	4%
	Education infrastructure grant	1 710 258	1 710 258	0	0
	HIV and AIDS grant	43 062	41 635	1 427	3%
	National school nutrition programme	1 216 559	1 211 849	4 710	0%
	Extended public works incentive programme (social sector)	24 396	22 742	1 654	7%
	Extended public works integrated programme	4 190	2 673	1 517	4%
	Learner Profound intel disability grant	25 778	9 999	15 779	61%
		<b>3 083 132</b>	<b>3 055 793</b>	<b>27 339</b>	<b>1%</b>

**Explanation of variances**

- Maths, Science and Technology Grant and HIV and Aids Grant: Budget remained unspent at year end as the department was still quality reviewing the documents on hand at year end. These documents form part of the accruals in the financial statements and will be the first charge in the 2019/20 financial year.
- Learners with Profound Intellectual Disability Grant: The underspending of R15,779 million is due to the therapists posts that were advertised and underwent selection processes but were not appointed at year end. This had a ripple impact on the operational budget of this programme.

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 31 March 2019*

REVENUE	Note	2018/19 R'000	2017/18 R'000
Annual appropriation	1	35 126 751	33 019 066
Statutory appropriation	2	1 595	1 978
Departmental revenue	3	1 225	5 661
<b>TOTAL REVENUE</b>		<b>35 129 571</b>	<b>33 026 705</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	27 385 262	25 833 474
Goods and services	5	3 187 201	2 830 445
Interest and rent on land	6	68	232
<b>Total current expenditure</b>		<b>30 572 531</b>	<b>28 664 151</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	8	2 903 669	2 619 695
<b>Total transfers and subsidies</b>		<b>2 903 669</b>	<b>2 619 695</b>
<b>Expenditure for capital assets</b>			
Tangible assets	9	1 555 604	1 516 054
Intangible assets	9	-	7 721
<b>Total expenditure for capital assets</b>		<b>1 555 604</b>	<b>1 523 775</b>
Unauthorised expenditure approved without funding	10	-	174 570
<b>Payments for financial assets</b>	7	-	(1)
<b>TOTAL EXPENDITURE</b>		<b>35 031 804</b>	<b>32 982 190</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>97 767</b>	<b>44 515</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		96 542	38 854
Annual appropriation		(23 119)	7 622
Conditional grants		119 661	31 232
Departmental revenue and NRF Receipts	15	1 225	5 661
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>97 767</b>	<b>44 515</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2019

<b>ASSETS</b>	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>Current assets</b>		<b>323 169</b>	<b>7 672</b>
Unauthorised expenditure	10	279 830	-
Cash and cash equivalents	11	11 411	-
Prepayments and advances	12	-	373
Receivables	13	31 928	7 299
<b>Non-current assets</b>		<b>88 475</b>	<b>98 122</b>
Receivables	13	88 475	98 122
<b>TOTAL ASSETS</b>		<b>411 644</b>	<b>105 794</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>390 580</b>	<b>86 670</b>
Voted funds to be surrendered to the Revenue Fund	14	371 373	38 854
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	7 627	21 920
Bank overdraft	16	-	10 073
Payables	17	11 580	15 823
<b>Non-current liabilities</b>			
Payables	17	-	-
<b>TOTAL LIABILITIES</b>		<b>390 580</b>	<b>86 670</b>
<b>NET ASSETS</b>		<b>21 064</b>	<b>19 124</b>
<b>Represented by:</b>			
Recoverable revenue		21 064	19 124
<b>TOTAL</b>		<b>21 064</b>	<b>19 124</b>

**EASTERN CAPE DEPARTMENT OF EDUCATION**  
**VOTE 6**  
**STATEMENT OF CHANGES IN NET ASSETS**  
*for the year ended 31 March 2019*

	Note	2018/19 R'000	2017/18 R'000
<b>Recoverable revenue</b>			
Opening balance		19 124	18 914
Transfers:		1 940	210
Debts revised		(682)	(1 627)
Debts recovered (included in departmental receipts)		(9 279)	(10 042)
Debts raised		11 901	11 879
Closing balance		<b>21 064</b>	<b>19 124</b>
<b>TOTAL</b>		<b>21 064</b>	<b>19 124</b>

**EASTERN CAPE DEPARTMENT OF  
VOTE 6  
CASH FLOW STATEMENT  
for the year ended 31 March 2019**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
Receipts		<b>35 201 682</b>	<b>33 099 451</b>
Annual appropriated funds received	1.1	35 121 752	33 019 066
Statutory appropriated funds received	2	1 595	1 978
Departmental revenue received	3	78 198	78 255
Interest received	3.3	137	152
Net (increase)/decrease in working capital		(298 682)	167 899
Surrendered to Revenue Fund		(131 482)	(252 515)
Current payments		(30 292 633)	(28 838 143)
Interest paid	6	(68)	(232)
Payments for financial assets		-	1
Transfers and subsidies paid		(2 903 669)	(2 619 695)
<b>Net cash flow available from operating activities</b>	<b>18</b>	<b>1 575 148</b>	<b>1 556 766</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	9	(1 555 604)	(1 524 121)
<b>Net cash flows from investing activities</b>		<b>(1 555 604)</b>	<b>(1 524 121)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		1 940	210
<b>Net cash flows from financing activities</b>		<b>1 940</b>	<b>210</b>
Net increase/(decrease) in cash and cash equivalents		21 484	32 855
Cash and cash equivalents at beginning of period		(10 073)	(42 928)
<b>Cash and cash equivalents at end of period</b>	<b>11</b>	<b>11 411</b>	<b>(10 073)</b>

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**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>Comparative information</b>
<b>5.1</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>5.2</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.

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<b>Accounting policies</b>	
<b>6</b>	<b>Revenue</b>
<b>6.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>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.</p> <p>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.</p>
<b>6.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>6.3</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>7</b>	<b>Expenditure</b>
<b>7.1</b>	<b>Compensation of employees</b>
<b>7.1.1</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>7.1.2</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>

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<b>Accounting policies</b>	
<b>7.2</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>
<b>7.3</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 at the reporting date.</p>
<b>7.4</b>	<p><b>Leases</b></p>
<b>7.4.1</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.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>7.4.2</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.</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>
<b>8</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>9</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
<b>10</b>	<p><b>Loans and receivables</b></p> <p>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.</p>

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<b>Accounting policies</b>	
<b>11</b>	<b>Financial assets</b>
<b>11.1</b>	<p><b>Financial assets (not covered elsewhere)</b></p> <p>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.</p> <p>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.</p>
<b>11.2</b>	<p><b>Impairment of financial assets</b></p> <p>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.</p>
<b>12</b>	<p><b>Payables</b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
<b>13</b>	<b>Capital Assets</b>
<b>13.1</b>	<p><b>Immovable capital assets</b></p> <p>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.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
<b>13.2</b>	<p><b>Movable capital assets</b></p> <p>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.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

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<b>Accounting policies</b>	
<b>13.3</b>	<p><b>Intangible assets</b></p> <p>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.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>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.</p>
<b>13.4</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>14</b>	<p><b>Provisions and Contingents</b></p>
<b>14.1</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>14.2</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>

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<b>Accounting policies</b>	
<b>14.3</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>14.4</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>15</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position 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 is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>16</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>17</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>

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<b>Accounting policies</b>	
<b>18</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively 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 change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
<b>19</b>	<p><b>Events after the reporting date</b></p> <p>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.</p>
<b>20</b>	<p><b>Principal-Agent arrangements</b></p> <p>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 Roads and Public Works 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.</p>
<b>21</b>	<p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<b>22</b>	<p><b>Recoverable revenue</b></p> <p>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.</p>

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<b>Accounting policies</b>	
<b>23</b>	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. 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.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
<b>24</b>	<p><b>Inventories (Not yet effective and will be effective from date determined in a Treasury Instruction)</b></p> <p>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.</p> <p>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.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<b>25</b>	<p><b>Public-Private Partnerships</b></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<b>26</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

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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:

	Final Appropriation	2018/19 Actual Funds Received	Funds not requested/ not received	2017/18 Final Appropriation	2017/18 Appropriation received
	R'000	R'000		R'000	R'000
Administration	2 948 143	2 948 143		2 799 041	2 799 041
Public Ordinary School Education	28 253 956	28 253 956		26 620 156	26 620 156
Independent school subsidies	131 009	131 009		123 042	123 042
Public Special School Education	815 255	815 255		695 754	695 754
Early Childhood Development	663 500	658 501	4 999	588 460	588 460
Infrastructure Development	1 824 521	1 824 521		1 659 618	1 659 618
Examination and Education Related Services	490 367	490 367		532 994	532 994
<b>Total</b>	<b>35 126 751</b>	<b>35 121 752</b>	<b>4 999</b>	<b>33 019 066</b>	<b>33 019 066</b>

**1.2 Conditional grants**

	Note 36	2018/19 R'000	2017/18 R'000
Total grants received		3 075 396	2 844 169
Provincial grants included in Total Grants received		3 075 396	2 844 169

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**2. Statutory Appropriation**

	Note	2018/19 R'000	2017/18 R'000
Members' remuneration		1 595	1 978
<b>Total</b>		<b>1 595</b>	<b>1 978</b>
Actual Statutory Appropriation received		1 595	1 978

**3. Departmental revenue**

	Note	2018/19 R'000	2017/18 R'000
Sales of goods and services other than capital assets	3.1	62 061	53 289
Fines, penalties and forfeits	3.2	47	13
Interest, dividends and rent on land	3.3	137	152
Transactions in financial assets and liabilities	3.4	16 090	24 953
Total revenue collected		<b>78 335</b>	<b>78 407</b>
Less: Own revenue included in appropriation	<u>14</u>	77 110	72 746
<b>Departmental revenue collected</b>		<b>1 225</b>	<b>5 661</b>

**3.1 Sales of goods and services other than capital assets**

	Note	2018/19 R'000	2017/18 R'000
Sales of goods and services produced by the department		62 061	53 289
Sales by market establishment		22	22
Other sales		62 039	53 267
Sales of scrap, waste and other used current goods			
<b>Total</b>		<b>62 061</b>	<b>53 289</b>

**3.2 Fines, penalties and forfeits**

	Note	2018/19 R'000	2017/18 R'000
Fines		47	13
<b>Total</b>		<b>47</b>	<b>13</b>

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

	Note	2018/19 R'000	2017/18 R'000
Interest		137	152
<b>Total</b>		<b>137</b>	<b>152</b>

**3.4 Transactions in financial assets and liabilities**

	Note	2018/19 R'000	2017/18 R'000
Other Receipts including Recoverable Revenue		16 090	24 953
<b>Total</b>		<b>16 090</b>	<b>24 953</b>

**4. Compensation of employees**

**4.1 Salaries and Wages**

	Note	2018/19 R'000	2017/18 R'000
Basic salary		20 295 940	19 221 178
Performance award		49 844	51 162
Service Based		28 982	41 003
Compensative/circumstantial		571 014	442 726
Periodic payments		17 190	11 101
Other non-pensionable allowances		2 640 502	2 558 967
<b>Total</b>		<b>23 603 472</b>	<b>22 326 137</b>

**4.2 Social contributions**

	Note	2018/19 R'000	2017/18 R'000
<b>Employer contributions</b>			
Pension		2 540 404	2 346 218
Medical		1 233 955	1 154 056
UIF		342	113
Bargaining council		2 162	2 035
Official unions and associations		4 927	4 915
<b>Total</b>		<b>3 781 790</b>	<b>3 507 337</b>

<b>Total compensation of employees</b>		<b>27 385 262</b>	<b>25 833 474</b>
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Average number of employees		68 121	67 666
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**5. Goods and services**

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
Administrative fees		130	595
Advertising		7 037	19 155
Minor assets	5.1	3 220	5 537
Bursaries (employees)		54 852	92 980
Catering		49 806	63 283
Communication		337 093	71 216
Computer services	5.2	140 891	65 708
Consultants: Business and advisory services		213 795	268 010
Infrastructure and planning services		143 314	-
Legal services		15 086	42 397
Contractors		4 299	37 533
Agency and support / outsourced services		446 468	212 467
Audit cost – external	5.3	24 830	24 022
Fleet services		-	10
Inventory	5.4	891 345	790 149
Consumables	5.5	165 027	251 137
Operating leases		35 327	26 854
Property payments	5.6	197 849	390 033
Rental and hiring		(1)	68
Transport provided as part of the departmental activities		18 933	8 656
Travel and subsistence	5.7	272 859	294 316
Venues and facilities		13 673	24 378
Training and development		60 384	80 793
Other operating expenditure	5.8	90 984	61 148
<b>Total</b>		<b>3 187 201</b>	<b>2 830 445</b>

**5.1 Minor assets**

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>Tangible assets</b>		<b>3 220</b>	<b>5 537</b>
Machinery and equipment		3 220	5 537
<b>Total</b>		<b>3 220</b>	<b>5 537</b>

**5.2 Computer services**

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
SITA computer services		36 224	33 059
External computer service providers		104 667	32 649
<b>Total</b>		<b>140 891</b>	<b>65 708</b>

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**5.3 Audit cost – External**

	Note	2018/19 R'000	2017/18 R'000
Regularity audits		22 104	21 941
Performance audits		1 109	-
Computer audits		1 617	2 081
<b>Total</b>		<b>24 830</b>	<b>24 022</b>

**5.4 Inventory**

	Note	2018/19 R'000	2017/18 R'000
Learning, teaching and support material		591 139	584 595
Materials and supplies		-	286
Other supplies	5.4.1	300 206	205 268
<b>Total</b>		<b>891 345</b>	<b>790 149</b>

**5.4.1 Other supplies**

	Note	2018/19 R'000	2017/18 R'000
Assets for distribution	5.4	<b>300 206</b>	<b>205 268</b>
Machinery and equipment		116 737	9 043
School furniture		183 469	184 480
Other assets for distribution		-	11 745
<b>Total</b>		<b>300 206</b>	<b>205 268</b>

**5.5 Consumables**

	Note	2018/19 R'000	2017/18 R'000
Consumable supplies		25 838	54 085
Uniform and clothing		2 027	3 735
Household supplies		1 556	30 883
IT consumables		314	1 172
Other consumables		21 941	18 295
Stationery, printing and office supplies		139 189	197 052
<b>Total</b>		<b>165 027</b>	<b>251 137</b>

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**5.6 Property paymentsrelae**

	Note	2018/19 R'000	2017/18 R'000
Municipal services		-	131 990
Property management fees		111 090	-
Property maintenance and repairs		37 683	214 719
Other		49 076	43 324
<b>Total</b>		<b>197 849</b>	<b>390 033</b>

**5.7 Travel and subsistence**

	Note	2018/19 R'000	2017/18 R'000
Local		272 859	294 316
<b>Total</b>		<b>272 859</b>	<b>294 316</b>

**5.8 Other operating expenditure**

	Note	2018/19 R'000	2017/18 R'000
Professional bodies, membership and subscription fees		8	69
Resettlement costs		13 763	12 579
Other		77 213	48 500
<b>Total</b>		<b>90 984</b>	<b>61 148</b>

**6. Interest and rent on land**

	Note	2018/19 R'000	2017/18 R'000
Interest paid		68	232
<b>Total</b>		<b>68</b>	<b>232</b>

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**7. Payments for financial assets**

	Note	2018/19 R'000	2017/18 R'000
Material losses through criminal conduct		-	(1)
Other material losses	7.1	-	(1)
<b>Total</b>		<b>-</b>	<b>(1)</b>

**7.1 Other material losses**

		Note	2018/19 R'000	2017/18 R'000
<b>Nature of other material losses</b>				
<b>Incident</b>	<b>Disciplinary Steps taken/ Criminal proceedings</b>			
	Debtors written off		-	(1)
<b>Total</b>			<b>-</b>	<b>(1)</b>

**8. Transfers and subsidies**

	Note	2018/19 R'000	2017/18 R'000
Departmental agencies and accounts	Annex 1A	67 767	64 052
Non-profit institutions	Annex 1B	2 587 486	2 311 779
Households	Annex 1C	248 416	243 864
<b>Total</b>		<b>2 903 669</b>	<b>2 619 695</b>

**9. Expenditure for capital assets**

	Note	2018/19 R'000	2017/18 R'000
<b>Tangible assets</b>			
Buildings and other fixed structures	33	1 513 930	1 431 821
Machinery and equipment	31	41 674	84 233
<b>Intangible assets</b>			
Software	32	-	7 721
<b>Total</b>		<b>1 555 604</b>	<b>1 523 775</b>

The department makes use of various implementing agents for all infrastructure related projects.

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**9.1 Analysis of funds utilised to acquire capital assets – 2018/19**

	<b>Voted funds</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>	<b>1 555 604</b>	<b>1 555 604</b>
Buildings and other fixed structures	1 513 930	1 513 930
Machinery and equipment	41 674	41 674
<b>Total</b>	<b>1 555 604</b>	<b>1 555 604</b>

**9.2 Analysis of funds utilised to acquire capital assets – 2017/18**

	<b>Voted funds</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>	<b>1 516 054</b>	<b>1 516 054</b>
Buildings and other fixed structures	1 431 821	1 431 821
Machinery and equipment	84 233	84 233
<b>Intangible assets</b>	<b>7 721</b>	<b>7 721</b>
Software	7 721	7 721
<b>Total</b>	<b>1 523 775</b>	<b>1 523 775</b>

**9.3 Finance lease expenditure included in Expenditure for capital assets**

	<i>Note</i>	<b>2018/19</b>	<b>2017/18</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>			
Machinery and equipment		18 015	29 164
<b>Total</b>		<b>18 015</b>	<b>29 164</b>

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**10. Unauthorised expenditure**

**10.1 Reconciliation of unauthorised expenditure**

	Note	2018/19 R'000	2017/18 R'000
Opening balance		-	174 570
Prior period error			
As restated		-	174 570
Unauthorised expenditure – discovered in current year (as restated)		279 830	-
Less: Amounts approved by Parliament/Legislature without funding		-	(174 570)
Capital		-	(174 570)
Less: Amounts transferred to receivables for recovery	15		
<b>Closing balance</b>		<b>279 830</b>	<b>-</b>
<b>Total</b>		<b>279 830</b>	<b>-</b>

**10.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification**

	Note	2018/19 R'000	2017/18 R'000
Current payments		40 382	
Transfers and subsidies		239 448	-
<b>Total</b>		<b>279 830</b>	<b>-</b>

**10.3 Analysis of unauthorised expenditure awaiting authorisation per type**

	Note	2018/19 R'000	2017/18 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote		279 830	-
<b>Total</b>		<b>279 830</b>	<b>-</b>

**10.4 Details of unauthorised expenditure – current year**

Incident	Disciplinary steps taken/criminal proceedings	2018/19 R'000
Over spending on programme 2: Public ordinary school education	Investigations are currently taking place	279 830
<b>Total</b>		<b>279 830</b>

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**11. Cash and cash equivalents**

	Note	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General Account		11 411	-
<b>Total</b>		<b>11 411</b>	<b>-</b>

**12. Prepayments and advances**

	Note	2018/19 R'000	2017/18 R'000
Prepayments (Not expensed)		-	373
<b>Total</b>		<b>-</b>	<b>373</b>

**12.1 Prepayments (Not expensed)**

	Note	Balance as at 1 April 2018 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2019 R'000
Goods and services	14	373	(373)	-	-	-
<b>Total</b>		<b>373</b>	<b>(373)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**13. Receivables**

	Note	2018/19			2017/18		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	13.1	9	-	9	341	-	341
Staff debt	13.2	31 914	88 475	120 389	6 605	98 122	104 727
Other debtors	13.3	5	-	5	353	-	353
<b>Total</b>		<b>31 928</b>	<b>88 475</b>	<b>120 403</b>	<b>7 299</b>	<b>98 122</b>	<b>105 421</b>

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**13.1 Claims recoverable**

	Note	2018/19 R'000	2017/19 R'000
Provincial departments		-	332
Private enterprises		9	9
<b>Total</b>		<b>9</b>	<b>341</b>

**13.2 Staff debt**

	Note	2018/19 R'000	2017/18 R'000
Debt account		34 647	31 319
Medical aid		46	7
Sal: Rev		72 570	58 272
Sal: Recoverable		-	14
Sal : Pension fund		184	-
Pension recoverable		-	3 548
Deduction disallowance		2 547	1 629
Tax debt		10 320	9 891
Sal: UIF		-	11
Insurance deduction		64	36
T&S Advance For: CA		11	-
<b>Total</b>		<b>120 389</b>	<b>104 727</b>

**13.3 Other debtors**

	Note	2018/19 R'000	2017/18 R'000
Disall dishonoured cheques: CA		5	-
Receipt deposit		-	196
Receipt control		-	2
UNP/RC BAS EBT control		-	155
<b>Total</b>		<b>5</b>	<b>353</b>

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**13.4 Impairment of receivables**

	Note	2018/19 R'000	2017/18 R'000
Estimate of impairment of receivables		20 426	18 233
<b>Total</b>		<b>20 426</b>	<b>18 233</b>

At the end of each reporting period, a department assesses whether there is any objective evidence that a financial asset recognised or recorded, in the primary or secondary financial information respectively, is impaired.

If there is objective evidence that impairment on a financial asset has occurred, the loss is recorded in the notes to the financial statements.

Objective evidence that a financial asset is impaired can be as a result of the occurrence of one or more of the following events, which ever occurred earlier:

- > Significant financial difficulty/ Bankruptcy experienced by the debtor or
- > Prescription of debt: Three years and more in respect of staff debts.

The amount for impairment is included in the Primary financial information to show the estimated reduction in the recognised or recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset.

**14. Voted funds to be surrendered to the Revenue Fund**

	Note	2018/19 R'000	2017/18 R'000
Opening balance		38 854	190 255
Prior period error		-	-
As restated		38 854	190 255
Transfer from statement of financial performance (as restated)		96 542	38 854
Add: Unauthorised expenditure for current year	10	279 830	-
Voted funds not requested/not received	1.1	(4 999)	-
Paid during the year		(38 854)	(190 255)
<b>Closing balance</b>		<b>371 373</b>	<b>38 854</b>

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**15. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Opening balance		21 920	5 773
Prior period error		-	-
As restated		21 920	5 773
Transfer from Statement of Financial Performance (as restated)		1 225	5 661
Own revenue included in appropriation		77 110	72 746
Paid during the year		(92 628)	(62 260)
<b>Closing balance</b>		<b>7 627</b>	<b>21 920</b>

**16. Bank Overdraft**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Consolidated Paymaster General Account		-	10 073
<b>Total</b>		<b>-</b>	<b>10 073</b>

**17. Payables – current**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Amounts owing to other entities			
Clearing accounts		11 580	15 823
<b>Total</b>		<b>11 580</b>	<b>15 823</b>

**17.1 Clearing accounts**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Description			
Sal: ACB		4 232	4619
Sal: Garnishee		304	196
Pension recoverable		1 092	-
Sal Pension fund		-	5
Sal: Income tax		4 336	8032
Sal: Bargaining council		-	108
GEHS refunds		1 616	843
Pension debts		-	1991
Official unions		-	29
<b>Total</b>		<b>11 580</b>	<b>15 823</b>

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**18. Net cash flow available from operating activities**

	Note	2018/19 R'000	2017/18 R'000
Net surplus/(deficit) as per Statement of Financial Performance		97 767	44 515
Add back non cash/cash movements not deemed operating activities		1 477 381	1 512 251
(Increase)/decrease in receivables		(14 982)	(3 227)
(Increase)/decrease in prepayments and advances		373	373
(Increase)/decrease in other current assets		-	174 570
Increase/(decrease) in payables – current		(4 243)	(3 817)
Expenditure on capital assets		1 555 604	1 524 121
Surrenders to Revenue Fund		(131 482)	(252 515)
Voted funds not requested/not received		(4 999)	-
Own revenue included in appropriation		77 110	72 746
<b>Net cash flow generated by operating activities</b>		<b>1 575 148</b>	<b>1 552 766</b>

**19. Reconciliation of cash and cash equivalents for cash flow purposes**

	Note	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General account		11 411	(10 073)
<b>Total</b>		<b>11 411</b>	<b>(10 073)</b>

**20. Contingent liabilities and contingent assets**

**20.1 Contingent liabilities**

Liable to	Nature	Note	2018/19 R'000	2017/18 R'000
Housing loan guarantees	Employees	<i>Annex 3A</i>	42 774	43 903
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i>	215	-
Claims against the department		<i>Annex 3B</i>	42 768	27 380
School nutrition programme (SNP)		<i>Annex 3B</i>	-	1 444
<b>Total</b>			<b>85 757</b>	<b>72 727</b>

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**20.2 Contingent assets**

	Note	2018/19 R'000	2017/18 R'000
<b>Nature of contingent asset</b>			
Unconfirmed claims receivable from other departments	Annex 4	7 543	3 261
<b>Total</b>		<b>7 543</b>	<b>3 261</b>

**21. Commitments**

	Note	2018/19 R'000	2017/18 R'000
<b>Current expenditure</b>			
Approved and contracted		163 277	332 609
Approved but not yet contracted		-	-
		<b>163 277</b>	<b>332 609</b>
<b>Capital expenditure</b>			
Approved and contracted		2 729 615	3 561 429
Approved but not yet contracted		295 766	476 892
		<b>3 025 382</b>	<b>4 038 321</b>
<b>Total Commitments</b>		<b>3 188 659</b>	<b>4 370 930</b>

Due to the nature of the capital projects in the Department, the majority of the capital projects are multi-year commitments.

**22. Accruals and payables not recognise**

**22.1 Accruals**

	2018/19 R'000			2017/18 R'000
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	-	18 101	18 101	40 198
Transfers and subsidies	-	67 968	67 968	188 279
Capital assets	-	75 321	75 321	219 336
<b>Total</b>	-	<b>161 390</b>	<b>161 390</b>	<b>447 813</b>

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	Note	2018/19 R'000	2017/18 R'000
<b>Listed by programme level</b>			
Administration		24 907	69 415
Public Ordinary School Education		57 634	159 304
Public Special School Education		3 155	74
Infrastructure Development		75 321	218 930
Examination and Education Related Services		372	90
<b>Total</b>		<b>161 390</b>	<b>447 813</b>

**22.2 Payables not recognised**

		2018/19 R'000	2017/18 R'000
<b>Listed by economic classification</b>			
	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	364 415	364 415	146 244
Capital assets	485 114	485 114	60 167
<b>Total</b>	<b>849 529</b>	<b>849 529</b>	<b>206 411</b>

		2018/19 R'000	2017/18 R'000
<b>Listed by programme level</b>			
Administration		110 083	23 388
Public Ordinary School Education		262 442	118 329
Independent School		-	6
Public Special School Education		39 520	607
Infrastructure development		428 619	58 902
Examination and Education Related Services		8 865	5 179
<b>Total</b>		<b>849 529</b>	<b>206 411</b>

	Note	2018/19 R'000	2017/18 R'000
<b>Included in the above totals are the following:</b>			
Confirmed balances with other departments	<i>Annex 5</i>	259 348	92 828
<b>Total</b>		<b>259 348</b>	<b>92 828</b>

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**23. Employee benefits**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Leave entitlement		323 294	285 276
Service bonus		865 379	793 760
Performance awards		22 516	41 560
Capped leave commitments		1 899 140	1 973 587
Other		165 537	84 147
<b>Total</b>		<b>3 275 866</b>	<b>3 178 331</b>

At this stage the department is not able to reliably measure the long term portion of the long service awards.

Leave entitlement with a negative balance is R0.827m (2017/18: R1.565m).

Other employee benefits relate to cost of employment related accruals of R146.822m (2017/18: 82.883m) and long service awards of R18.714m (2017/18: R1.264m).

After effecting the changes in the accounting policy, the capped leave provision has been adjusted in the current year taking into account the change in employee notches. The drive down percentage on the maximum exposure in the current year is 49%. This has been applied across the various employees based on the leave rules. The best estimate is based on a drive down indicator being leave gratuity applied to a maximum exposure applicable to the employee.

	<i>Note</i>	<b>Account before</b> <b>restatement</b> <b>2017/18</b> <b>R'000</b>	<b>Effect of policy</b> <b>change</b>	<b>Restated</b> <b>amount</b> <b>2017/18</b> <b>R'000</b>
<b>Nature of accounting policy change</b>				
Capped leave commitments		2 520 616	(495 832)	2 024 784
<b>Total</b>		<b>2 520 616</b>	<b>(495 832)</b>	<b>2 024 784</b>

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The change in accounting policy is in relation to the capped leave commitment disclosed under employee benefits. Capped leave was previously accounted for as accrual.

However the department finds itself in a unique situation as a result of the amalgamation of the TBVC states which impacts the nature of the leave records. There has also been subsequent integrity matters relating to the leave records for all employees due to records being destroyed either maliciously or in error during the period post 2001.

Due to the above, the accounting treatment changed to fairly reflect the balance at year end using a best estimate. In the year ended 31 March 2019, after consultation with the relevant stakeholders, capped leave is accounted and disclosed as a provision.

As this is retrospective application of the policy, the opening balance has been restated for this effect. As such there has been no change in estimate for the current year. It is also impracticable for the department to estimate the future effects of this calculation as all inputs into the calculation are dependant on the occurrence of events. The balance represents the best estimate as at year end.

**24. Lease commitments**

**24.1 Operating leases**

<b>2018/19</b>	<b>Buildings and other fixed structures</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	4 265	4 265
Later than 1 year and not later than 5 years	-	-
Later than five years	-	-
<b>Total lease commitments</b>	<b>4 265</b>	<b>4 265</b>

<b>2017/18</b>	<b>Buildings and other fixed structures</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	18 367	18 367
Later than 1 year and not later than 5 years	-	-
Later than five years	-	-
<b>Total lease commitments</b>	<b>18 367</b>	<b>18 367</b>

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Operating leases consist of various lease agreements for premises leased for the department, districts as well as schools in private properties. The majority of the lease agreements are for 5 years and it is renewable after a period of 5 years. The rental amount payable remains fixed (i.e the rental amount is not escalated) for the minimum rental period. The owner of the property (where the schools are on private property) may not sell the immovable property without notifying the department within 21 days before entering into sale agreement with buyer.

**24.2 Finance leases**

<b>2018/19</b>	<b>Machinery and equipment</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	509 045	509 045
Later than 1 year and not later than 5 years	431 419	431 419
Later than five years		
<b>Total lease commitments</b>	<b>940 464</b>	<b>940 464</b>

<b>2017/18</b>	<b>Machinery and equipment</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	228 705	228 705
Later than 1 year and not later than 5 years	250 447	250 447
Later than five years		
<b>Total lease commitments</b>	<b>479 152</b>	<b>479 152</b>

Finance leases consist of the leasing of cell phones, photocopiers, fleet vehicles and laptops. The rental amount payable remains fixed (i.e the rental amount is not escalated) for the minimum rental period. Maintenance of leased equipment and accessories is undertaken by lessor in accordance with lessor's standard operating procedures. Neither party may cede, assign, delegate or otherwise transfer its rights nor obligation to a third party without prior written consent of the other party.

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**25. Irregular expenditure**

**25.1 Reconciliation of irregular expenditure**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Opening balance		1 723 886	2 049 759
Prior period error			(423 011)
As restated		1 723 886	1 626 748
Add: Irregular expenditure – relating to prior year			
Add: Irregular expenditure – relating to current year		29 134	97 138
Less: Prior year amounts condoned		(35 432)	
<b>Closing balance</b>		<b>1 717 588</b>	<b>1 723 886</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		167 898	
Prior years		140 254	140 254
<b>Total</b>		<b>308 152</b>	<b>140 254</b>

**25.2 Details of irregular expenditure – added current year (relating to current and prior years)**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2018/19</b> <b>R'000</b>
Goods and services		29 134
<b>Total</b>		<b>29 134</b>

**25.3 Details of irregular expenditure confirmed balance per spend area**

<b>Key spend area</b>	<b>2018/19</b> <b>R'000</b>
Goods and services	450 141
Infrastructure	494 163
Transfer payments	614 404
Human resources	158 879
<b>Total</b>	<b>1 717 587</b>

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**25.4 Details of the infrastructure spend area**

<b>Implementing agent</b>	<b>2018/19 R'000</b>
Coega Development Corporation	215 186
Amatola Water	8 896
The Mvula Trust	38 204
Independent Development Trust	202 447
Eastern Cape Development Corporation	-
Department of Public Works	29 431
Development Bank of Southern Africa	-
<b>Total</b>	<b>494 164</b>

**25.5 Details of irregular expenditure condoned**

<b>Incident</b>	<b>Condoned by (condoning authority)</b>	<b>2018/19 R'000</b>
Appointment of service providers by means of procurement deviations	Provincial Treasury	35 432
<b>Total</b>		<b>35 432</b>

**25.6 Details of irregular expenditures under investigation (not included in the main note)**

<b>Incident</b>	<b>2018/19 R'000</b>
Procurement process	1 501 328
Bid invitations and receipts of bid	3 534
Bid evaluation – points and functionality	44 791
Variation orders	343 103
<b>Total</b>	<b>1 892 756</b>

The department has undertaken a priority project in the current year through its Internal control unit (ICU) to review the awards that have been disclosed as under investigation at both the prior and current year end. These consist of awards of irregular expenditure not confirmed which is under review by the department. Most of these matters pertain to 2016/17. Historically, the capacity constraints within the department has served as a challenge for the department to effectively deal with the backlog of alleged irregular expenditure under investigation which relates to awards that are being reviewed to confirm whether they are irregular in nature.

The priority project is aimed at driving a more focused approach to actively reducing this balance. The project plan remains in progress, and delivery against planned timelines is closely monitored. The project is expected to be completed towards the end of 2019.

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**25.7 Details of irregular expenditure under investigation**

Key spend area	2018/19 R'000
Goods and services	821 900
Infrastructure	1 038 919
Transfer payments	31 670
Human resources	268
<b>Total</b>	<b>1 892 757</b>

**25.8 Prior period error**

	Note	2017/18 R'000
<b>Nature of prior period error</b>		
Relating to 2017/18 (affecting the opening balance)		(423 011)
<b>Total prior period errors</b>		<b>(423 011)</b>

The derecognition of the awards disclosed as irregular expenditure confirmed in the prior years, has been disclosed as a prior period error in the current year.  
The derecognition of the irregular expenditure is based on the approval received from the Eastern Cape Provincial Treasury who was the relevant condoning authority for these awards. Through the condonation process undertaken by the department, the department was able to clear these items as not being irregular in nature and through the engagement and subsequent review by ECPT was able to derecognise these awards.

**26. Fruitless and wasteful expenditure**

**26.1 Reconciliation of fruitless and wasteful expenditure**

	Note	2018/19 R'000	2017/18 R'000
Opening balance		164 919	161 887
Prior period error		-	-
As restated		164 919	161 887
Fruitless and wasteful expenditure – relating to prior year		-	2 800
Fruitless and wasteful expenditure – relating to current year		11 175	232
Less amounts resolved		(15)	
<b>Closing balance</b>		<b>176 079</b>	<b>164 919</b>

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**26.2 Analysis of awaiting resolution per economic classification**

	<i>Note</i>	<b>2018/19</b> <b>R'000</b>	<b>2017/18</b> <b>R'000</b>
Current		11 160	3 032
<b>Total</b>		<b>11 160</b>	<b>3 032</b>

**26.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2018/19</b> <b>R'000</b>
Precautionary suspension		11 092
Interest on overdue account		68
Services rendered	Subsequent recovery of amount has occurred during the year	15
<b>Total</b>		<b>11 175</b>

**26.4 Details of fruitless and wasteful expenditures under investigation (not included in the main note)**

<b>Incident</b>	<b>2018/19</b> <b>R'000</b>
Prior year COE overpayments and suspensions (opening balance)	27 855
Current year possible duplicate payments and billing	499
<b>Total</b>	<b>28 354</b>

The precautionary suspensions has been investigated however none of these investigations have been concluded at year end and as such no disciplinary steps have been undertaken as yet.

The current year possible duplicate payments and billings relate to possible duplicate payments made to supplier for goods and services and possible duplicate payments to Vodacom and MTN as a result of multiple devices issued to the same employee.

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**27. Related party transactions**

<b>Payments made</b>	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
Goods and services		15 139	71 426
<b>Total</b>		<b>15 139</b>	<b>71 426</b>

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>In kind goods and services provided/received</b>			
Operating leases		14 349	16 810
Municipal service payments		358	229
<b>Total</b>		<b>14 707</b>	<b>17 039</b>

The department is utilising buildings currently paid by Eastern Cape Department of Road and Public Works.

**28. Key management personnel**

	<b>No. of Individuals</b>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
Political office bearers (provide detail below)	2	1 822	1 978
Officials:			
Level 15 to 16	4	5 138	4 717
Level 14	19	20 994	23 157
Level 13	42	40 630	
Family members of key management personnel	21	5 010	8 028
<b>Total</b>	<b>46</b>	<b>73 594</b>	<b>37 880</b>

Political office bearer amount relates to the compensation of Member of the Executive Committee (MEC). During the year, the Honourable MEC Mandla Makhuphula passed away in October 2018 and the Honourable MEC Mlungisi Mvoko commenced in November 2018.

**29. Provisions**

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
Long service awards		32 734	32 524
Special Investigations Unit payable under dispute		6 299	6 293
<b>Total</b>		<b>39 033</b>	<b>38 817</b>

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**29.1 Reconciliation of movement in provisions – 2018/19**

	<b>Special Investigations Unit payable under dispute</b>	<b>Long service award</b>	<b>Total provisions</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance	6 293	32 524	38 817
Increase in provision	6	32 734	32 740
Settlement of provision		(32 524)	(32 524)
<b>Closing balance</b>	<b>6 299</b>	<b>32 734</b>	<b>39 033</b>

**Reconciliation of movement in provisions – 2017/18**

	<b>Special Investigations Unit payable under dispute</b>	<b>Long service award</b>	<b>Total provisions</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance	6 266	44 719	50 985
Increase in provision	27	32 524	32 551
Settlement of provision		(44 719)	(44 719)
<b>Closing balance</b>	<b>6 293</b>	<b>32 524</b>	<b>38 817</b>

The provision for SNP relates to amounts that the Department expects to pay to service providers for food and catering services invoiced in prior years relating to orders not verified. As there has been no movement in this for more than 3 years, the possibility of settlement has become remote. As such was transferred to contingency.

The provision for long service awards relates to cash awards to employees in the issuing financial year. The uncertainty in these provisions relates to both the timing of when department expects to pay amounts and confirming amounts.

The provision for the Special Investigations Unit (SIU) payable under dispute relates to the reasonability of hours billed by the SIU in terms of Proclamation 598 of 2015, Proclamation 17 of 2016 and the secondment agreements. Whilst the department is acknowledging a liability, the timing and amount is uncertain as the amount is under dispute.

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**30. Non-adjusting events after reporting date**

There have been no non-adjusting events after the reporting date relating to the department.

**31. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	259 840		<b>23 362</b>	<b>(16 875)</b>	266 327
Transport assets	59 986		9 319	-	69 305
Computer equipment	139 910		10 462	(16 320)	134 052
Furniture and office equipment	47 623		1 082	( 262)	48 443
Other machinery and equipment	12 321		2 499	( 293)	14 527
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>259 840</b>		<b>23 362</b>	<b>(16 875)</b>	<b>266 327</b>

Movable Tangible Capital Assets under investigation	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	5449	66 571

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**31.1 Additions**

<b>ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019</b>					
	<b>Cash*</b>	<b>Non-cash**</b>	<b>(Capital Work in Progress current costs and finance lease payments)</b>	<b>Received current, not paid (Paid current year, received prior year)</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>MACHINERY AND EQUIPMENT</b>	41 675		(18 015)	(298)	23 362
Transport assets	22 733		(13 116)	(298)	9 319
Computer equipment	10 462				10 462
Furniture and office equipment	1 082				1 082
Other machinery and equipment	7 398		(4 899)		2 499
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>41 675</b>		<b>(18 015)</b>	<b>(298)</b>	<b>23 362</b>

**31.2 Disposals**

<b>DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019</b>				
	<b>Sold for cash</b>	<b>Non-cash disposal</b>	<b>Total disposals</b>	<b>Cash Received Actual</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>MACHINERY AND EQUIPMENT</b>	<b>16 875</b>		<b>16 875</b>	
Transport assets				
Computer equipment	16 320		16 320	
Furniture and office equipment	262		262	
Other machinery and equipment	293		293	
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>16 875</b>		<b>16 875</b>	

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**31.3 Movement for 2017/18**

<b>MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019</b>					
	<b>Opening balance</b>	<b>Prior period error</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>MACHINERY AND EQUIPMENT</b>	<b>228 143</b>	<b>(1 124)</b>	<b>36 048</b>	<b>(3 227)</b>	<b>259 840</b>
Transport assets	42 794	288	20 131	(3 227)	59 986
Computer equipment	136 815	(426)	3 521		139 910
Furniture and office equipment	40 545	(1 037)	8 115		47 623
Other machinery and equipment	7 989	51	4 281		12 321
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>228 143</b>	<b>(1 124)</b>	<b>36 048</b>	<b>(3 227)</b>	<b>259 840</b>

**31.3.1 Prior period error**

	<i>Note</i>	<b>2018/19</b>	<b>2017/18</b>
		<b>R'000</b>	<b>R'000</b>
<b>Nature of prior period error</b>			
Relating to 2017/18			(1 124)
Correcting of prior year disposals		-	(523)
Reclassification of expenses incorrectly classified as assets		-	(246)
Correcting of prior year accruals		-	(355)
<b>Total prior period errors</b>		<b>-</b>	<b>(1 124)</b>

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**31.4 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT  
31 MARCH 2019**

	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Opening balance	84 086	84 086
Additions	3 496	3 496
Disposals	(3 447)	(3 447)
<b>TOTAL MINOR ASSETS</b>	<b>84 135</b>	<b>84 135</b>

	<b>Machinery and equipment</b>	<b>Total</b>
Number of R1 minor assets	158	158
Number of minor assets at cost	-	-
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>158</b>	<b>158</b>

<b>Minor Capital Assets under investigation</b>	<b>Number</b>	<b>Value R'000</b>
<b>Included in the above total of the minor capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	5 565	13 710

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**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018**

	<b>Machinery and equipment</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	78 941	78 941
Prior period error	(1 613)	(1 613)
Additions	6 758	6 758
Disposals	-	-
<b>TOTAL MINOR ASSETS</b>	<b>84 086</b>	<b>84 086</b>

	<b>Machinery and equipment</b>	<b>Total</b>
Number of R1 minor assets	158	158
Number of minor assets at cost	-	-
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>158</b>	<b>158</b>

These are assets that could not be found during the asset verification exercise and are recorded in a Loss Control Register. These assets are being investigated by the department. The outcome of the investigation will determine whether the asset has been lost, stolen, or possibly sold but asset register is not updated. Where the asset has been lost or stolen the authorisation process should be followed to allow for the asset to be written off and the asset register updated.

**31.4.1 Prior period error**

	<i>Note</i>	<b>2018/19</b>	<b>2017/18</b>
		<b>R'000</b>	<b>R'000</b>
<b>Nature of prior period error</b>			
Relating to 2017/18		-	(1 613)
Reclassification of expenses incorrectly classified as assets		-	(1 170)
Correcting of prior year journals		-	(251)
Correcting of prior year disposals		-	(192)
<b>Total prior period errors</b>		<b>-</b>	<b>(1 613)</b>

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**32. Intangible Capital Assets**

<b>MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019</b>					
	<b>Opening balance</b>	<b>Value adjustments</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
SOFTWARE	11 078	-	-	-	11 078
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>11 078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 078</b>

**32.1 Movement for 2017/18**

<b>MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018</b>					
	<b>Opening balance</b>	<b>Prior period error</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
SOFTWARE	3 357	(346)	8 067	-	11 078
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>3 357</b>	<b>(346)</b>	<b>8 067</b>	<b>-</b>	<b>11 078</b>

**33. Immovable Tangible Capital Assets**

**33.1 Capital Work-in-progress**

<b>CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2019</b>					
	<b>Note</b>	<b>Opening balance</b>	<b>Current Year WIP</b>	<b>Ready for use (Assets to the AR) / Contracts terminated</b>	<b>Closing balance</b>
	<i>Annexure 7</i>	<b>1 April 2018</b>			<b>31 March 2019</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Buildings and other fixed structures		4 108 356	1 345 329	(260 679)	5 193 005
<b>TOTAL</b>		<b>4 108 356</b>	<b>1 345 329</b>	<b>(260 679)</b>	<b>5 193 005</b>

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Age analysis on ongoing projects	Number of projects		2018/19
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	99	274	1 131 865
1 to 3 Years	23	58	881 344
3 to 5 Years	135	347	1 739 413
Longer than 5 Years	1	158	1 440 383
<b>Total</b>	<b>258</b>	<b>837</b>	<b>5 193 005</b>

The Eastern Cape Department of Education (ECDoE) is legally required, as per Section 42 of the Public Finance Management Act No. 1 of 1999, to transfer completed projects and the associated property to The Eastern Cape Department of Public Works (DPW), the custodian of Provincial immovable assets. The DOE projects in the "longer than 5 years" category are completed projects following a close-out process in preparation to be transferred to DPW. The limited number of appropriately skilled personnel at both ECDoE and DPW significantly contributes to the delays experienced in project close-outs and S42 Transfer processes. Both departments have now increased their skilled capacity to fast track these processes and clear the backlog.

While the Department experiences various temporary work delays and stoppages on its project sites. These delays are mostly driven from contractual or administrative issues that arise and have to be resolved between the service providers, implementing agents and the department itself. In 2018-19, this was no exception wherein the department has once again experienced the same. Whilst these delays are inconvenient, they are temporary and the projects are not classified as cancellations, abandonments or stoppage.

Accruals and payables not recognised relating to Capital WIP	Note	2018/19	2018/19
		R'000	R'000
Accrual not recognised– Capital Assets		75 321	219 336
Payables not recognised– Capital Assets		485 114	1 265
<b>Total</b>		<b>560 435</b>	<b>220 601</b>

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<b>CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018</b>						
	<i>Note</i>	<b>Opening balance 1 April 2017</b>	<b>Prior period error</b>	<b>Current Year WIP</b>	<b>Ready for use (Assets to the AR) / Contracts terminated</b>	<b>Closing balance 31 March 2018</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Buildings and other fixed structures	<i>Annex 7</i>	2 988 816	(77 127)	1 431 821	(235 154)	4 108 356
<b>TOTAL</b>		<b>2 988 816</b>	<b>(77 127)</b>	<b>1 431 821</b>	<b>(235 154)</b>	<b>4 108 356</b>

**Age analysis on ongoing projects**

	<b>Number of projects</b>		<b>2018/19</b>
	<b>Planned, Construction not started</b>	<b>Planned, Construction started</b>	<b>Total R'000</b>
0 to 1 Year	5	16	59 642
1 to 3 Years	557	389	1 821 115
3 to 5 Years	262	174	891 373
Longer than 5 Years	1	147	1 336 226
<b>Total</b>	<b>825</b>	<b>726</b>	<b>4 108 356</b>

**33.2 S42 Immovable assets**

**Assets to be transferred in terms of S42 of the PFMA – 2018/19**

	<b>Number of assets</b>	<b>Value of assets R'000</b>
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		
Non-residential buildings	989	3 066 609
<b>TOTAL</b>	<b>989</b>	<b>3 066 609</b>

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**Assets to be transferred in terms of S42 of the PFMA – 2017/18**

		Number of assets	Value of assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>			
	Non-residential buildings	889	2 805 929
<b>TOTAL</b>		<b>889</b>	<b>2 805 929</b>

**33.3 Prior period error - S42 Immovable assets**

	<i>Note</i>	Account before restatement 2017/18 R'000	Prior period error 2017/18 R'000	Restated amount 2017/18 R'000
<b>S42 Immovable assets</b>				
Buildings and other fixed structures				
	33.2	2 669 153	136 776	2 805 929
Non – residential buildings – Rand value				

	<i>Note</i>	Account before restatement 2017/18	Prior period error 2017/18	Restated amount 2017/18
	33.2	698	191	889
Non – residential buildings – Number of assets				

The comparatives have been corrected due to the department correcting the prior period closing balances based on the relevant supporting documentation obtained.

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**34. Principal-agent arrangements**

**34.1 Department acting as the principal**

	Fee paid	
	2018/19 R'000	2017/18 R'000
Eastern Cape Department of Roads and Public Works (DPW)	290 669	316 293
Development Bank of South Africa (DBSA)	328 471	204 801
Independent Development Trust (IDT)	163 043	155 126
Office of the Premier (OTP)	27 098	66 161
The Mvula Trust (TMT)	14 832	65 261
Coega Development Corporation (CDC)	524 869	408 519
Eastern Cape Development Corporation (ECDC)	8 628	-
Amatola Water (AW)	48 644	44 753
<b>Total</b>	<b>1 406 254</b>	<b>1 260 914</b>

The Department uses DPW, DBSA, IDT, TMT, OTP, CDC and AW as implementing agents for facilitation of the infrastructure related projects. There have been no changes in the contracts from the prior period. These are specialists which are used due to capacitation of the department and is more cost effective as a result of economies of scale.

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**35. Prior period errors**

**35.1 Correction of prior period errors**

	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>Commitments</b>				
Approved and contracted	21	4 088 564	(527 135)	3 561 429
Approved and not yet contracted	21	436 647	40 245	476 892
<b>Total</b>		<b>4 525 211</b>	<b>(486 890)</b>	<b>4 038 321</b>
<b>Capital work in progress</b>				
Building and other fixed structures	33.1	4 185 483	(77 127)	4 108 356
s42 Transfers	33.2	2 669 153	136 776	2 805 929
<b>Total</b>		<b>6 854 636</b>	<b>59 649</b>	<b>6 914 285</b>

The Commitments and Capital work in progress was restated due to the correction of the errors in the populations arising from the prior year audit.

	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>Provisions</b>				
SNP Provision	29	1 444	(1 444)	
Special Investigations Unit (SIU)	29	-	6 293	6 293
<b>Total</b>		<b>1 444</b>	<b>4 849</b>	<b>6 293</b>
<b>Contingent liabilities</b>				
SNP Provision	20.1	-	1 444	1 444
<b>Provisions</b>		<b>-</b>	<b>1 444</b>	<b>1 444</b>

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The SNP Provision was corrected and reclassified to a contingent liability as the uncertainty of the timing had increased in the prior year as a result of the balance being outstanding for more than three years.

The department has corrected the outstanding provision of fees due to the SIU for services rendered in terms of two proclamations that were issued by the president and secondment agreements as the amount billed by the SIU is currently under dispute.

	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>Goods &amp; Services</b>	5			
Minor Assets		6 707	(1 170)	5 537
Computer Services		65 362	346	65 708
Contractors		37 121	412	37 533
Inventory		789 421	728	790 149
Consumables		250 986	151	251 137
Rental and hiring		58	10	68
Training and development		80 688	105	80 793
<b>Total</b>		<b>1 230 343</b>	<b>582</b>	<b>1 230 925</b>
<b>Minor assets</b>				
<b>Tangible assets</b>				
Machinery and equipment	5.1	6 707	(1 170)	5 537
<b>Computer Services</b>				
External computer service providers	5.2	32 303	346	32 649
<b>Inventory</b>				
Other supplies	5.4	204 540	728	205 268
<b>Other supplies</b>				
Machinery & Equipment	5.4.1	8 309	734	9 043
School furniture	5.4.1	184 561	(81)	184 480
Other assets for distribution	5.4.1	11 670	75	11 745
<b>Total</b>		<b>204 540</b>	<b>728</b>	<b>205 268</b>
<b>Consumables</b>				
Household supplies	5.5	30 873	10	30 883
IT consumables	5.5	968	204	1 172
Other consumables	5.5	18 327	-	18 295
Stationery printing and office supplies	5.5	197 083	-	197 052
<b>Total</b>		<b>247 251</b>	<b>151</b>	<b>247 402</b>

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	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>Expenditure for capital assets</b>				
<b>Tangible assets</b>				
Machinery and equipment	9	84 469	(236)	84 233
<b>Intangible assets</b>				
Software	9	8 067	(346)	7 721

	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>Analysis of funds utilised to acquire capital assets - 2017/18</b>				
<b>Expenditure for capital assets</b>				
<b>Tangible assets</b>				
Machinery and equipment		84 469	(236)	84 233
<b>Intangible assets</b>				
Software	9.2	8 067	(346)	7 721
<b>Finance lease expenditure included in Expenditure for capital assets</b>				
<b>Tangible assets</b>				
Machinery and equipment	9.2	29 154	10	29 164

The comparatives have been corrected as a result of misallocation and classification errors identified.

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	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
Impairment of receivables	13.4	-	18 233	18 233

The comparatives have been corrected due to the department erroneously excluding the disclosure in the prior year AFS. These consist of staff debt outstanding a period of 3 year and longer.

	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
Irregular expenditure	25.8	2 146 897	(423 011)	1 723 886

The derecognition of the awards disclosed as irregular expenditure confirmed in the prior years, has been disclosed as a prior period error in the current year.

The derecognition of the irregular expenditure is based on the approval received from the Eastern Cape Provincial Treasury who was the relevant condoning authority for these awards. Through the condonation process undertaken by the department, the department was able to clear these items as not being irregular in nature and through the engagement and subsequent review by ECPT was able to derecognise these awards.

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	<i>Note</i>	<b>Account before restatement 2017/18 R'000</b>	<b>Prior period error 2017/18 R'000</b>	<b>Restated amount 2017/18 R'000</b>
<b>S42 Immovable assets</b>				
Buildings and other fixed structures				
Non – residential buildings – Rand value	33.2	2 669 153	136 776	2 805 929

	<i>Note</i>	<b>Account before restatement 2017/18</b>	<b>Prior period error 2017/18</b>	<b>Restated amount 2017/18</b>
Non – residential buildings – Number of assets	33.2	698	191	889

The comparatives have been corrected due to the department correcting the prior period closing balances based on the relevant supporting documentation obtained.

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**36. STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	Division of Revenue Act/Provincial Grants R'000		GRANT ALLOCATION				SPENT				2017/18	
	Act/Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	Under / (Over) spending) R'000	% of available funds spent by department %	Division of Revenue Act R'000	Amount spent by department R'000	
Maths, science and technology grant	46 805	12 084	-	-	58 889	58 889	56 637	2 252	96%	46 685	34 527	
Education infrastructure grant	1 479 828	-	-	230 430	1 710 258	1 710 258	1 710 258	-	100%	1 581 750	1 582 835	
HIV and AIDS grant	43 062	-	-	-	43 062	43 062	41 635	1 427	97%	41 936	41 936	
National school nutrition programme	1 216 559	-	-	-	1 216 559	1 216 559	1 211 849	4 710	100%	1 163 816	1 146 466	
Extended public works incentive programme (social sector)	24 396	-	-	-	24 396	23 175	22 742	433	98%	5 022	5 022	

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NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT				2017/18	
	Division of Revenue Act/ Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	Under / (Over) spending) R'000	% of available funds spent by department %		Division of Revenue Act R'000
Extended public works integrated programme	4 190	-	-	-	4 190	2 673	2 673	-	100%	2 411	2 411
Learner profound intel disability grant	23 957	1 821	-	-	25 778	20 780	9 999	15 779	48%	2549	728
	<b>2 838 797</b>	<b>13 905</b>	<b>-</b>	<b>230 430</b>	<b>3 083 132</b>	<b>3 075 396</b>	<b>3 055 793</b>	<b>27 339</b>		<b>2 844 169</b>	<b>2 813 925</b>

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

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**ANNEXURE 1A**  
**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION					TRANSFER		2017/18
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Final Appropriation R'000	
SETA	67 767	-	-	67 767	67 767	100%	64 052	
<b>TOTAL</b>	<b>67 767</b>	<b>-</b>	<b>-</b>	<b>67 767</b>	<b>67 767</b>		<b>64 052</b>	

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**ANNEXURE 1B**  
**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	2017/18 Final Appropriation R'000
<b>NON-PROFIT INSTITUTIONS</b>							
<b>Transfers</b>							
Section 20 & 21 Schools	2 121 081	-	-	2 121 081	2 341 923	110%	2 071 130
Independent schools	131 009	-	-	131 009	130 808	100%	122 868
Special schools	73 096	-	-	73 096	73 096	100%	76 948
ECD sites	20 807	-	-	20 807	17 858	86%	9 043
HIV and AIDS (life skills)	23 739	-	-	23 739	23 739	100%	31 700
Donations to NPI	145	-	-	145	62	43%	90
<b>TOTAL</b>	<b>2 369 877</b>	<b>-</b>	<b>-</b>	<b>2 369 877</b>	<b>2 587 486</b>		<b>2 311 779</b>

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**ANNEXURE 1C**  
**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2017/18 Final Appropriation R'000
	Adjusted Appropriation Act 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	226 508	-	-	226 508	244 846	108%	210 468
Bursaries non-employees	-	-	-	-	1 375		33 396
Claims against the state	-	-	-	-	2 195		-
<b>TOTAL</b>	<b>226 508</b>	<b>-</b>	<b>-</b>	<b>226 508</b>	<b>248 416</b>		<b>243 864</b>

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**ANNEXURE 2**  
**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2019 – LOCAL**

Guarantor institution	Guarantee in respect of	Opening balance 1 April 2018 R'000	Guarantees draw downs during the year R'000	Guarantees repayments/ cancelled/ reduced during the year R'000	Closing balance 31 March 2019 R'000
0001 STANDARD BANK	Housing	5 889	140	(133)	5 896
0002 NEDBANK	Housing	42	-	-	42
0003 NEDBANK LIMITED	Housing	7 571	3	(372)	7 202
0004 FIRSTRAND BANK	Housing	2 083	-	(65)	2 018
0010 NEDBANK	Housing	133	-	-	133
0013 MEEG BANK	Housing	75	-	-	75
0017 ABSA	Housing	15 293	100	(950)	14 443
0031 UNIQUE FINANCE	Housing	450	-	(94)	356
0052 PEOPLES BANK	Housing	3 193	-	(256)	2 937
0053 NEDBANK LTD	Housing	4 204	-	(173)	4 031
0054 FNB	Housing	725	-	(83)	642
0055 OLD MUT	Housing	3 404	-	(194)	3 210
0056 UNITED	Housing	13	-	-	13
0071 GBS MUTUAL BANK	Housing	35	-	-	35
0076 TNBS MUTUAL BAN	Housing	329	-	(29)	300
0103 HLANO FIN SERVI	Housing	12	-	-	12
0104 ITHALA LIMITED	Housing	(1)	100	-	99
0279 HOUS. DEV. BOAR 0516 GREEN START	Housing	12	-	-	12
0444 BOE BANK LIMITED	Housing	48	-	-	48
512 SA HOME LOANS	Housing	393	877	-	1 270
<b>TOTAL</b>		<b>43 903</b>	<b>1 220</b>	<b>(2 349)</b>	<b>42 774</b>

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**ANNEXURE 3**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2019**

Nature of Liability	Opening Balance 1 April 2018 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/ reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2019 R'000
<b>Claims against the department</b>					
Various claims	27 380	38 276	22 888	-	42 768
<b>Subtotal</b>	<b>27 380</b>	<b>38 276</b>	<b>22 888</b>	<b>-</b>	<b>42 768</b>
<b>TOTAL</b>	<b>27 380</b>	<b>38 276</b>	<b>22 888</b>	<b>-</b>	<b>42 768</b>

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**ANNEXURE 4**  
**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2019 R'000	31/03/2018 R'000	31/03/2019 R'000	31/03/2018 R'000	31/03/2019 R'000	31/03/2018 R'000
<b>Department</b>						
Education KZN	-	-	291	326	291	326
Education Northern Cape	-	-	41	41	41	41
Education Western Cape	-	-	332	332	332	332
Education Gauteng	-	-	306	68	306	68
Education National	-	-	37	37	37	37
Education Mpumalanga	-	-	188	142	188	142
Education Limpopo	-	-	187	157	187	157
Education Free State	-	-	453	331	453	331
Education North West	-	-	-	-	-	-
Higher Education	-	-	196	-	196	-
Public Works Eastern Cape	-	-	-	1 535	-	1 535
Public Works National	-	-	47	47	47	47
Justice	-	-	6	6	6	6
Correctional Services	-	-	62	34	62	34
Parliament SA	-	-	-	-	-	-
Transport Eastern Cape	-	332	332	-	332	332
National Department of Agriculture	-	-	18	-	18	-
Office of the Premier (Eastern Cape)	-	-	4 842	-	4 842	-
<b>Subtotal</b>		<b>332</b>	<b>7 338</b>	<b>3 056</b>	<b>7 338</b>	<b>3 388</b>

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<b>Government Entity</b>	<b>Confirmed balance outstanding</b>		<b>Unconfirmed balance outstanding</b>		<b>Total</b>	
	<b>31/03/2019</b>	<b>31/03/2018</b>	<b>31/03/2019</b>	<b>31/03/2018</b>	<b>31/03/2019</b>	<b>31/03/2018</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>Other Government Entities</b>						
SADTU	-	-	205	205	205	205
Vodacom	9	9	-	-	9	9
<b>Subtotal</b>	<b>9</b>	<b>9</b>	<b>205</b>	<b>205</b>	<b>214</b>	<b>214</b>
<b>TOTAL</b>	<b>9</b>	<b>341</b>	<b>7 543</b>	<b>3 261</b>	<b>7 552</b>	<b>3 602</b>

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**ANNEXURE 5**  
**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2019 R'000	31/03/2018 R'000	31/03/2019 R'000	31/03/2018 R'000	31/03/2019 R'000	31/03/2018 R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
National departments	11	11	-	-	11	11
Social development Eastern Cape	-	538	-	-	-	538
Public Works Eastern Cape	186 404	58 902	-	-	186 404	58 902
Office of the Premier Eastern Cape	67 500	32 945	-	-	67 500	32 945
Department of transport Eastern Cape	-	-	-	-	-	-
Education Northern Cape	105	10	-	-	105	10
Education Gauteng	70	77	-	-	70	77
Education KZN	603	103	-	-	603	103
Education: Limpopo	146	148	-	-	146	148
Dept of Sport Eastern cape	-	94	-	-	-	94
EC Health	25	-	-	-	25	-
Higher Education	24	-	-	-	24	-
Free State education	20	-	-	-	20	-
Western cape Health	29	-	-	-	29	-
Mpumalanga Education	-	-	-	-	-	-
Department of Justice	4 411	-	-	-	4 411	-
Basic education	-	-	215	-	215	-
<b>Subtotal</b>	<b>259 348</b>	<b>92 828</b>	<b>215</b>	<b>215</b>	<b>259 348</b>	<b>92 828</b>

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**ANNEXURE 6**  
**INVENTORIES**

<b>Inventories</b>	<b>Note</b>	<b>Quantity</b>	<b>2018/19 R'000</b>	<b>Quantity</b>	<b>2017/18 R'000</b>
Opening balance		334 982	17 885	365 473	36 185
Add: Additions/Purchases – Cash		5 069 733	591 139	5 686 971	584 595
Add: Additions - Non-cash					
(Less): Issues		-1 107 511	-147 948	-5 717 462	-602 895
<b>Closing balance</b>		<b>4 297 204</b>	<b>461 076</b>	<b>334 982</b>	<b>17 885</b>

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**ANNEXURE 7**

**MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Opening balance R'000</b>	<b>Current Year Capital WIP R'000</b>	<b>Ready for use (Asset register) / Contract terminated R'000</b>	<b>Closing balance R'000</b>
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Non-residential buildings	4 108 356	1 345 329	(260 679)	5 193 006
<b>TOTAL</b>	<b>4 108 356</b>	<b>1 345 329</b>	<b>(260 679)</b>	<b>5 193 006</b>

<b>Age analysis on ongoing projects</b>	<b>Number of projects</b>		<b>2018/19</b>
	<b>Planned, Construction not started</b>	<b>Planned, Construction started</b>	<b>Total R'000</b>
0 to 1 Year	99	274	1 131 865
1 to 3 Years	23	58	881 344
3 to 5 Years	135	347	1 739 413
Longer than 5 years	1	158	1 440 383
<b>Total</b>	<b>258</b>	<b>837</b>	<b>5 193 005</b>

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**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Opening balance R'000</b>	<b>Prior period error R'000</b>	<b>Current Year Capital WIP R'000</b>	<b>Ready for use (Asset register) / Contract terminated R'000</b>	<b>Closing balance R'000</b>
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>					
Non-residential buildings	2 988 816	(77 126)	1 431 821	(235 154)	4 108 357
<b>TOTAL</b>	<b>2 988 816</b>	<b>(77 216)</b>	<b>1 431 821</b>	<b>(235 154)</b>	<b>4 108 357</b>

<b>Age analysis on ongoing projects</b>	<b>Number of projects</b>		<b>2018/19</b>
	<b>Planned, Construction not started</b>	<b>Planned, Construction started</b>	<b>Total R'000</b>
0 to 1 Year	5	16	59 642
1 to 3 Years	557	389	1 821 115
3 to 5 Years	262	174	891 137
Longer than 5 years	1	147	1 336 226
<b>Total</b>	<b>825</b>	<b>726</b>	<b>4 108 120</b>

