



Province of the
EASTERN CAPE
EDUCATION

2021/22
ANNUAL
REPORT



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EDUCATION



VOTE NO. 6

ANNUAL REPORT

2021/22

FINANCIAL YEAR

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PART A:

GENERAL INFORMATION



1. DEPARTMENT'S GENERAL INFORMATION

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2. ABBREVIATIONS AND ACRONYMS

ACRONYM	DISCRIPTION
AAC	Autism Alternative and Augmentative Communication
AET	Adult Education and Training
AGSA	Auditor General South Africa
AFS	Annual Financial Statements
AIDS	Acquired Immuno-Deficiency Syndrome
AIP	Audit Improvement Plan
ANA	Annual National Assessments
AO	Accounting Officer
ASIDI	Accelerated Schools Infrastructure Development Initiative
CAPS	Curriculum and Assessment Policy Statements
CFO	Chief Financial Officer
COE	Compensation of Employees
CMC	Circuit Management Circuit
CSE	Comprehensive Sexuality Education
CSRP	Curriculum Support and Recovery Plan
CSLP	Circuit School Landscape Plan
DBE	Department of Basic Education
BBBEE	Broad-based Black Economic Empowerment
DDD	Data Driven Districts
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
ECD	Early Childhood Development
ECDoE	Eastern Cape Department of Education
EFMS	Education Facilities Management System
EIG	Education Infrastructure Grant
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
FET	Further Education and Training
HEDCOM	Heads of Departments Committee
HIV	Human Immunodeficiency Virus
HOD	Head of Department
HR	Human Resources
HRD	Human Resource Development
IA	Internal Audit
IBAC	Independent Broad-based Anti-Corruption Commission
ICU	Internal Control Unit
IPIP	Infrastructure Programme Implementation Plans
IQMS	Integrated Quality Management System
ICT	Information and Communication Technology
IPMP	Infrastructure Project Management Plan
IDMS	Infrastructure Delivery Management System
IRM	Infrastructure Report Model
LAIS	Learner Attainment Improvement Strategy
LSPID	Learners with Severe to Profound Intellectual Disability
LTSM	Learning and Teaching Support Materials
MEC	Member of Executive Council
MPAT	Management Performance Assessment Tool
MST	Mathematics, Science and Technology

ACRONYM	DISCRPTION
MSTCG	Maths, Science and Technology Conditional Grant
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCF	National Curriculum Framework
NECT	National Education Collaboration Trust
NEPA	National Education Policy Act
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NDP	National Development Plan
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PPM	Programme Performance Measure
PPN	Post Provisioning Norms
PPE	Personal Protective Equipment
PSU	Programme Support Unit
PSCBC	Public Service Coordinating Bargaining Council
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PID	Profound Intellectual Disability
PFMA	Public Finance Management Act
PSA	Public Service Act
PSRIP	Primary School Reading Improvement Programme
PT	Provincial Treasury
PYEI	Presidential Youth Employment Initiative
PSET	Post-School Education and Training
SAFE	Sanitation Safe for Education
SAMF	South Africa Mathematics Foundation
SASAMS	South African School and Administration Management System
SBA	School Based Assessment
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SMT	School Management Team
SDM	Service Delivery Model
SOP	Standard Operation Procedure
SRRP	School Rationalisation and Realignment Programme
SONA	State of The Nation Address
SOPA	State of the Province Address
SACE	South African Council for Educators
SAQA	South African Qualifications Authority
SITA	Sate Information Technology Agency
SGB	School Governing Body
SRH	Sexual and Reproductive Health
TOC	Technical Occupation Curriculum
TR	Treasury Regulations
TMU	Teaching Mathematics with Understanding
U-AMP	User-Asset Management Plan

3. FOREWORD BY MEC



It is my pleasure to present the 2021/22 Annual Report for the Eastern Cape Department of Education (ECDoE). The Annual report reflects on the achievements and relevant financial information in relation to our department's continued efforts in developing and improving the Provincial Education system.

The National Development Plan (NDP) aims to put South Africa in line with other middle-income economies. The NDP proposes that basic education until 2030 should focus on improving Literacy, Numeracy/Mathematics and Science outcomes, thus increasing the number of learners eligible to study Mathematics and science-based degrees at university.

This was aimed at improving performance in international testing programmes and retaining more learners and expanding skills and vocational training. By 2030, South Africans should have access to education and training of the highest quality, leading to significantly improved learning outcomes.

Schools only became fully functional as from March 2021, resulting in additional pressure to the learners, educators and our governance systems. The Department continued to strengthen and improve its strategic partnerships with various stakeholders such as civil society, social partners, parents, and organised labour in efforts to support quality teaching and learning. While ensuring that safe learning and working environments and promoting social cohesion, health, and school safety, we have worked with the South African Police Services, Department of Health and Department of Sport, Recreation, Arts and Culture

The Department's strategic focus areas emanating from the Four Pillars of the Education System Transformation Plan (ESTP) 2019 to 2023, prioritises the following:

- The need to work together internally to enable the Department to function optimally.
- All learners require a good foundation in reading, writing, and calculating for opportunities in school and after schooling.
- Education needs to be relevant and responsive to the skills requirements of the provincial economy.
- The Fourth Industrial Revolution and the impact it will have on how the Department operates and how we educate our learners to prepare them to thrive in the future.
- The ongoing quest to ensure that no learner is left behind in the province.

The implementation of the Service Delivery Model of the Department resumed in 2018. The impact of this exercise is evident in the overall performance of the institution particularly on learner performance. The implementation of the organisational structure through the migration of employees, which resumed in 2020 further empowered the system through the placement of employees in line with the Service Delivery Model of the Department. The Department has concluded the placement of staff both at Head Office and all 12 District Offices. The placement of employees on salary level 2 to 12 was concluded on 31 March 2022 this included Head office and District offices.

In the period under review, we worked closely with the Basic Education Sector in cultivating a culture of reading through the promotion of a culture of reading especially in primary schools. A key imperative has been on ensuring that we provide all our learners with strong literacy foundations. We have supported initiatives such as World Read Aloud Day, which is about celebrating the power of reading aloud; the power of migrating words and indeed our classrooms must be a conduit to creating a new tale for the African child. The Department is implementing its Reading Plan for 2019 to 2023 which is based on the National Sector Plan and tailored to the needs and realities of the Eastern Cape province.

The Department has encouraged schools to use the ECDoE online library and also ensure full use of DBE workbooks. There has been positive progress with the Foundation Phase e-library – the zero-rated ECDoE online library which assists teachers to access the readers. The www.eccurriculum.co.za; www.ecexams.co.za – websites were revamped and relevant content uploaded.

The performance of South African learners in international standardised tests should be comparable to the performance of learners from countries at a similar level of development and with similar levels of access.

Our learner's performance has exceeded the Department's 5-year strategic goals, obtaining an average score of 350 by Grade 4 learners in PIRLS and an average score of 350 obtained by Grade 5 learners in TIMSS. The number of schools implementing EGRA increased has reached 1487 thus far.

We know that schools in former 'homelands' account for just under half of all public school enrolments and face special challenges of poverty and inaccessibility of public facilities and jobs. It is true that more needs to be done in terms of access, equity, digital empowerment and ensuring all our schools are able to provide quality basic education no matter where they are in the province. The LSPID grant which is intended to ensure care and support for the vulnerable learners with severe intellectual disabilities. We have 30 specialists employed in their grant including Psychologist Occupational Therapist, Physio Therapist Educational Therapist. These specialists are also working in our SID Schools.

The Psychosocial support has been provided to more than 900 learners through individual and group therapy, as well as telehealth call centre number has been created to provide services to learners who experience. An excess of 1300 learner have successfully placed in special schools through the SIAS programme. 1530 learners have assessed and provided with support by psychologists and therapists. School Based Support Teams (SBSTs) are being trained and supported by the DBSTs on the implementation of SIAS processes.

The Provincial Basic Education sector operations were stretched to limit and in certain instances beyond its financial capacity and the sector was not spared of the devastating impact of the pandemic and associated devastating socio economic effects on the Eastern Cape populace.

The period under review was marked by consolidation of the work that has been done while accelerating new risk adjusted strategies that will maintain and reinforce the positive trajectory in the province's learning outcomes. The implementation of the new organogram, gradual expansion of the three-stream curriculum model, the rollout of virtual platforms to support teaching and also learning the Department's administrative processes and entrenching inclusive education across our basic education system. The implementation of the transformative strategy will entail traversing the challenges posed by the pandemic and the constrained fiscal outlook for the province. Lessons from the previous work of the Department will guide our future perspective. Improved learner performance and the creation of safe learning environments will continue to be the overriding goal in all our plans and strategies.

My appreciation and thanks to all the learners, learner organisations, teachers, teacher unions, principals, parents, learners, SGBs, SGB associations, individuals, and all our social partners.



MR FD GADE
MEC OF DEPARTMENT OF EDUCATION
DATE : 29 SEPTEMBER 2022

4. REPORT OF THE ACCOUNTING OFFICER



The 2021/22 Annual Report aims to accurately account for and reflect on the status of the ECDoE's administration during the period under review and with specific emphasis on its financial management and performance in relation to pre-determined objectives.

Overview of the operations of the Department

The Department, despite the ensuing instability brought about by the pandemic, has continued to support all schools and districts as evidenced by the positive outcomes in the National Senior Certificate. The 2021 Matric Class was the 8th cohort to sit for the NSC based on CAPS, with a significant increase in the number of full-time enrolments in 2021. It increased from 72 926 in 2020 to 97127 in 2021. There is a difference of 24 201 candidates which constitute 34%. The number of progressed learners decreased from 9000 in 2020 to 7000 in 2021 which indicates that more learners met promotion requirements. The Class of 2021 did us proud with a 73% pass rate, a 4,9% improvement from the 68,1% pass of the Class of 2020. Given the high enrolments in the class of 2021, the total number of children that passed the National Senior Certificate stands at 66 770, making it 17 079 more learners passing in 2021 compared to 2020. The province recorded the second highest improvement nationally with a 4.9 percentage increase.

The Department is committed to the country's vision of providing children with access to quality holistic early childhood development so that all children reach their full potential. The President announced in the 2019 SONA that the country would proceed towards two years of compulsory pre-school for all children before they enter Grade 1. The President further declared the ECD centres would be migrated from Department of Social Development to Department of Basic Education.

The Department worked closely with the Department of Social Development and met weekly to ensure that all systems were in place for the realisation of the envisaged change in responsibilities for the provision of ECD services.

The Department's partnership with the Department of Health has been strengthened in the period under review to ensure that integrated school health package of services that is age and grade appropriate was rendered to learners as stipulated in the Integrated School Health policy of 2017, the DBE HIV, STI and TB Policy for learners, educators and school support staff as well as the DBE Standard Operation Procedures for rendering Sexual Reproductive Health Rights and Services (SRHRS) to learners in Secondary schools.

On infrastructure, the Department made strides in completing some of the multi-year projects that have been stalled for many years. In the period under review, nine (9) schools with dedicated Grade R classrooms, at the value of R607 million were completed. Further investments on infrastructure were delivered through the ASIDI Programme with Kidston JPS in Chris Hani being the flagship project. The province has also established a dedicated programme providing 150 schools with decent sanitation and 46 schools with mobile classrooms.

The Department appreciates various Private sector donors who responded to the Presidential call to partner with the Sector on infrastructure projects. To this end, successful province wide sanitation projects were completed with Assupol, Northam, Old Mutual Foundation, Unilever, Korea Embassy, Gcap Technologies, as well as innovative pilot projects by Liquid Gold.

In improving the functionality of the organization, the Department's key focus area was on ensuring the successful implementation of the new organogram. The migration of existing staff to the new organogram is a complex process which required extensive consultation and was implemented in the period under review. We appreciate the support and contributions of our social partners and staff in the positive progress that has been made in the migration process

The Department prioritised Continuous Professional Development as an essential part of a progressive workforce. The Department ensured that Annual Teaching Plans, diagnostic and assessments for all terms were successfully distributed and mediated to educators. Grade 3 educators from 26 schools across the province were trained on the Mental Starters Project to develop number sense: a challenging concept in Foundation Phase. Furthermore, 955 educators have been trained on problem-solving strategies; a module that is continuing. Educators on the Teaching Mathematics for Understanding (TMU) were trained on the content for all the terms (Grade 1 to 4). More so, 19 Subject Advisors, 12 Circuit managers, 172 SMT and 816

Foundation Phase (FP) educators and officials in the district were trained on the Foundation Phase Initiative Programme - a Learning Through Play programme. Two hundred and fifty –seven (257) Departmental Heads were trained on how to use different cognitive levels to develop quality formal assessment tasks. One hundred and twenty-two (122) Grade R to 3 educators, 15 SMTs, 23 Subject Advisors, 2 Provincial officials were trained on Coding and Robotics content. 2399 FP educators and 164 Departmental Heads have been trained on NECT Recovery trackers to assist in pacing of the content. Seven thousand three hundred and fifty- one (7351) Curriculum Education Assistants were trained. Four Thousand nine hundred and fifty (4950) Reading Champions were trained on reporting tools and managing their outcomes. And finally, 205 schools have been monitored and supported on curriculum implantation and DBE workbook utilization.

Curriculum coverage tools were developed for online and onsite learning. This also transitioned to Radio lessons on Umhlobo Wenene and Tru FM. A main component of our Curriculum coverage drive focused on Coding and Robotics Curriculum which has been successfully piloted in 125 schools, of which 25 are Grade R – 3 schools and 100 are Grade 7 schools

Overview of the financial results of the Department

Departmental Receipts

Departmental Receipts	2020/21			2021/22		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sales of goods and services other than capital assets	28 364	56 333	(27 969)	68,113	63,826	4,287
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	116	43	73	122	110	12
Interest, dividends and rent on land	351	84	267	368	37	331
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	21 389	8 603	12 786	22,416	26,769	(4,353)
Total	50 220	65,063	(14,843)	91,019	90,742	277

For the period ending March 2022, the department collected a total amount of R90.742 million against the estimated revenue collection of R91.019 million, recording an under-collection of R277 thousand.

Programme Expenditure

Programme Name	2020/21			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration	2,840,368	2,627,362	213,006	2,676,391	2,676,391	0
2. Public Ordinary School Education	28,618,511	29,651,904	1,033,393	29,866,018	30,050,710	(184,692)
3. Independent School Subsidies	141,789	138,718	3,071	101,628	99,226	2,402
4. Public Special School Education	913,905	896,096	17,809	955,947	944,476	11,471
5. Early Childhood Development	490,700	463,192	27,508	587,605	516,607	70,998
6. Infrastructure Development	1,340,638	1,222,325	118,313	1,506,631	1,214,942	291,689
7. Examination & Education Related Services	1,871,868	1,594,268	277,600	1,445,510	1,445,510	0
Total	36,217,779	36,593,866	(376,087)	37,139,730	36,947,862	191,868

The Department had an adjusted budget of R37.139 billion in the 2021/22 financial year. The department spent R36.947 billion which represents 99.5 percent of total adjusted budget. The Department has recorded an under expenditure of R191.868 million at year end.

Programme 2: The over expenditure in social contributions is attributed to the employer's contribution to medical aid and the employer's contribution on pension fund, which was not provided for in the departmental baseline during the adjustment estimates as expected in terms of PSCBC Res 1 of 2021. The amount provided for as additional funding of R1.054 billion for cash allowance was not adequate to cover the total salary increase implications, hence the whole amount was allocated under salaries and wages.

Programme 3: The underspending is due to the withholding of funds for non-compliant independent schools due to late submission of quarterly reports (AFS) and also to underperforming schools.

Programme 4: The under expenditure is as a result of delays in the payment of historical overtime for special school staff which was projectized and the delays are due to the verification processes coupled with the allocation of the code by PT being issued for short periods of time. The underspending is also due to austerity measures implemented by the Department to control the spending of goods and services and machinery and equipment.

Programme 5: The underspending is mainly on personnel due to unfilled vacancies caused by practitioners that has left the system due to retirement and others who were appointed in the mainstream schools as Post Level 1 educators after acquiring the professional qualifications of ECD as well as Pre Grade R Training budget which was set aside for training and development of Pre-Grade R (ECD NQF Level 4 qualification was on the evaluation stage by year end hence the budget could therefore not be utilized as the tender processes were not yet finalized.

Programme 6: The overall under expenditure is evident under Public Ordinary Schools mainly due to invoices that could not be processed on time which relates to maintenance work for different implementing agents which was set aside for fencing projects as part of the departments' recovery plans but could not be finalised. A rollover of unspent funds has been requested from Provincial Treasury for all unpaid invoices.

Virements

Administration	-R218.772 million
Public Ordinary School Education	R246.834 million
Public Special School Education	-R42,664 million
Early Childhood Development	-R51,097 million
Examination And Education Related Services	R65,699 million

Roll Overs

The Department applied for Rollover of Conditional Grants funds that were not spent due to the following:

- Late delivery of goods and services resulting in late submission of invoices by Service Providers.
- Delays in payment if invoices received.

The application for rollover of 2021/22 unspent funds was made for the following Conditional Grants:

- R19.947 million - Maths Science and Technology
- R4.467 million - Learners with Severe to Profound Intellectual Disabilities
- R403.569 million - Education Infrastructure Grant
- R2.369 million - HIV& AIDS

Approved Rollovers for 2020/21, funding received during 2021/22 adjustment estimates R90.541 million

Programme 2: Public Ordinary School Education

R7.580 million has been rolled over for Maths, Science and Technology (MST) grant mainly for the procurement of workshop tools and equipment for technical schools. Commitments were made for these purchases but disbursement could not be effected prior year-end.

Programme 4: Public Special School Education

R6.905 million is for Learners with Profound Intellectual Disabilities Grant in respect of procured goods and services (equipment, wheelchairs, training toolkit and learner teacher support material) for the special care centres.

Programme 6: Infrastructure Development

R70.776 million for Education Infrastructure Grant (EIG) to honour contractual obligations / commitments that were made with service providers in respect of infrastructure projects at schools.

Programme 7: Examination and Related Services

R5.280 million for HIV and AIDS (Life Skills Education) Grant to honour contractual obligations / commitments that were made in respect of LTSM and workshop activities

Unauthorized, irregular, fruitless and wasteful expenditure

Unauthorized Expenditure

The Department made an overspend of R184 692 million in programme 2 for Public Ordinary Schools Education. The over expenditure related to social contributions attributed to the employer's contribution to medical aid on the employer's contribution to pension fund, which was not provided for in the departmental baseline during the adjustment estimates as expected in terms of PSCBC resolution 1 of 2021. The amount provided for as additional funding of R1 054 billion for cash allowance was not adequate to cover the total salary increase implications, hence the whole amount was allocated under salaries and wages.

The Department is slowly recovering from the effects of national fiscal consolidation that affected the Department's ability to afford it's Cost of Employees financial obligations.

Irregular Expenditure

The Department incurred irregular expenditure due to non-compliance on Infrastructure projects which are inter-institutional arrangement with Department of Public Works and Infrastructure. Of the R 22,747 million disclosed in the 2020/2021 financial year, R3.163 million relates to subsequent payments which were made in the current year for multi-year infrastructure contracts identified irregular in prior years and R19 583 million relates to payments made for infrastructure projects without proper approval of variation orders by Department of Public Works and Infrastructure on behalf of the Department. The Department have embarked on monitoring and review of all projects by Implementing Agents to ensure compliance with regulations before awarding contracts.

Fruitless and Wasteful Expenditure

In the 2021/22 the Department incurred interest of R7 004 million which was due to late payment. The Department has committed to ensure compliance with PFMA on payment of service providers within 30 days, through implementation of effective and efficient internal control mechanisms on handling and processing of supplier invoices

Strategic focus over the short to medium term period

The NDP aims by 2030, South Africans should have access to education and training of the highest quality, leading to significantly improved learning outcomes. The performance of South African learners in international standardised tests should be comparable to the performance of learners from countries at a similar level of development and with similar levels of access. Education should be compulsory up to Grade 12 or equivalent levels in vocational education and training. The education, training and innovation system should cater for different needs and produce highly skilled individuals.

Education System Transformation Plan 2019 to 2023

The focus areas that form the Four Pillars of the Education System Transformation Plan (ESTP) 2019 to 2023 recognise:

- The need to work together internally to enable the Department to function optimally.
- All learners require a good foundation in reading, writing, and calculating for opportunities in school and after schooling.
- Education needs to be relevant and responsive to the skills requirements of the provincial economy.
- The Fourth Industrial Revolution and the impact it will have on how the Department operates and how we educate our learners to prepare them to thrive in the future.
- The ongoing quest to ensure that no learner is left behind in the province.

The period 2019 to 2023 will be marked by consolidation of the work that has been done while accelerating new risk adjusted strategies that will maintain and reinforce the positive trajectory in the province's learning outcomes. The implementation of the new organogram, gradual expansion of the three-stream curriculum model, the rollout of virtual platforms to support teaching and learning the Department's administrative processes and entrenching inclusive education across our basic education system. The implementation of the transformative strategy will entail traversing the challenges posed by the pandemic and the constrained fiscal outlook for the province. Lessons from the previous work of the Department will guide our future perspective. Improved learner performance and the creation of safe learning environment will continue to be the overriding goal in all our plans and strategies.

Public Private Partnerships

The Department has entered into partnerships with the following organisations in the 2021/22 financial year:

- DG Murray trust (renewal of an existing partnership)
- Initiative for Education and Economic Solutions (IEES)
- Old Mutual
-

Discontinued key activities / activities to be discontinued

There were no discontinued key activities in the 2021/22 financial year

New or proposed key activities

There were no new activities in the 2021/22 financial year

Supply Chain Management

The Supply Chain Management Chief Directorate continued to implement its strategic sourcing framework which was adopted 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 high volume 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 optimize operations and improve efficiency levels. It also contributes to SCM motto of procuring legally, quickly, cost effectively and reduce irregular expenditure.

The SCM Unit subjects all its bids to Provincial Treasury (IBAC) to review the departments evaluation processes where the Interim Bid Advisory Committee scrutinize the bids for SCM compliance and make recommendations to the Accounting Officer to endorse the bid. This is a third layer of ensuring that all tenders advertised and concluded are independently assessed and evaluated for compliance before the final award is made. No unsolicited bids were concluded in the 2021/22 financial year.

High vacancy rate remains a challenge making the SCM unit unable to effectively perform key functions relating to:

- Contracts Management and Monitoring,
- Demand and acquisitions remain one directorate which poses risk of segregation of duties,
- Ordering sections not catered for in the new organogram,
- Strategic Sourcing and Planning,
- Supplier Performance and Compliance and
- Asset Management

SCM was provided with Interns through HRD Internship Programme to address part of the capacity constraints. To further address the capacity constraints, the SCM directorate established a multi-disciplinary team consisting of SCM, ICU and Risk Management officials to conduct extensive auditing of all district payment vouchers to assist in ensuring that SCM is audit ready. The omissions/shortcomings identified in the new organisational structure will be forwarded to the human resource division to consider approving these shortcomings as an addendum to the new organisational structure.

Gifts and Donations received in kind from non-related parties

Release of NSC Results Class of 2021

MTN	15x laptops, 15x laptop bags & 20x school bags
Maths & Science Infinity (MSI)	50 x Tablets
SAICA	1x R10 000 cash voucher (Top learner in quintile 1&2), 1 x R10 000 cash voucher (top learner in quintile 3;4&5), 2 x Branded laptops, 2 x laptops, 2 x bursary for learners who qualify to study towards CA qualifications)
Old Mutual	60x Travel cases
Industrial Development Corporation (IDC)	3x R10 000 cash voucher (top performing learner quintile 1,2&3)
Harry Printers - Telkom -	66x Certificates, 66x trophies 3x Huawei Mate book D 15 laptop computer, 20x Huawei B535 LTE Wi-Fi router, 20x Telkom simcard with 15gb of data, 1x R10 000 cash voucher
Vodacom - Road Accident Fund (RAF) -	60x Smartphones 3x R25 000 cash voucher for assistive devices for learners with special needs

Back to School Campaign

Dimbaza Development Trust	Donation of school uniform
Feel the Gap Foundation	30x school shoes, 30x pairs of socks for learners, sanitary towels for learners
Jenn Trading & Consultancy	10X Schools benefitted: Teko Fihla PS; Buru PS; Maboboti SS; Mapasa PS; Isolomzi SS; Xora PS; Colosa PS; Tanga PS; Manaleni PS; Gengqe PS)121x school tracksuit, 121x face masks, 230x school shoes, 301x food parcels, 2834x school bags, 3032x snack packs, 6x golf shirts for principals, 16x box of sanitary towels, 45x school trousers for boys, 38x school skirts for girls, 15x school tunics, 68x school shirts, 6x school jerseys,91x pair of school socks, 6x bags, R20 000 cash (Isolomzi SS)
Vodacom	20x pairs of shoes, 20 gig data for 3 months, loaning the school with router for 3 months (Mbekweni SS)

Other donations

Embassy of South Korea	Provision of sanitation projects (Nolitha PS R351 292; Mnxe PS R375 048; Nomonde PS R347 000; Toisekraal PS R397 902; Nkosemntu Motman R350 000 & Anako PS R450 000)
Northam Zondereinde	Infrastructure donation (Mbotyi PS, Emyezweni PS & Sichwe PS)
Old Mutual	Masks & Sanitary Towel Drive: R100 000 towards PPEs, financial education
Dike Security	Masks Drive: donation of masks
Sizwe Afrika	Masks Drive: donation of masks
Intelligent Output Systems	Masks Drive: donation of masks

Exemptions and deviations received from the National Treasury

No deviations for goods and services were requested and recorded for the 2021/22 financial year

Events after the reporting date

There was no event completed after the reporting date applicable for 2021/22 financial year

Other

None

Acknowledgement/s or Appreciation

I would like to express my sincere gratitude to all the School Management Teams, SGBs, District Leadership for working tirelessly despite the challenges we confronted as the Department. Through their efforts, peace and stability prevailed in our schools and that created a conducive environment for teaching and learning. Relatively, the year under review was not at all a smooth sailing, community service delivery protests, the constrained fiscal of the Department remained a high risk to the plans we had to improve performance in our schools. The collaboration with different Stakeholders made a huge difference in ensuring that the Department registers a significant progress in delivering on its mandate. We really observed in practice what it means when people say, "Education is a societal matter". I wish to acknowledge the relations we established with the Radio Stations which really assisted the learners in augmenting what has been taught in class. A sincere gratitude to teachers, Subject Advisors and Provincial Subject Planners who made sure that the radio slots allocated were utilized effectively. The huge increase in the number of grade 12 learners needed rigorous strategies and concerted efforts to assist learners in achieving good results.

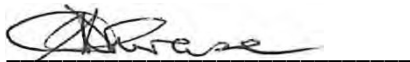
A word of appreciation also goes to the oversight bodies who continuously monitored our performance as the Department. This has kept us on our toes as we also ensured that there is accountability at all levels.

Lastly, I cannot forget to appreciate the support from the Senior Managers of the Department and the commitment by the whole workforce in ensuring that the Department remains a trusted institution to deliver quality education to the learners of our beloved Province.

Conclusion

I, therefore, present to you the Annual Report of the Eastern Cape Department of Education for the 2021/22 financial year. 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.

Approval and sign off



Mr. M Qwase
Acting Accounting Officer
Department of Education
Date: 29 September 2022

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

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part 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 2022.

Yours faithfully



Mr. M Qwase
Acting Accounting Officer
Department of Education
Date: 29 September 2022

6. STRATEGIC OVERVIEW

Impact Statement

Globally competitive learners who are able to succeed in a diverse and innovative world regardless of the socio-economic context of their schools.

6.1 Vision

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

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

- ✚ High Performance
- ✚ Responsiveness
- ✚ Accountability
- ✚ Empathy
- ✚ Access
- ✚ Equity
- ✚ Integrity

7. LEGISLATIVE AND OTHER MANDATES

<p>Constitution of the Republic of South Africa Act, 1996 (No. 108 of 1996)</p> <p>In terms of the Constitution, education other than higher education is a concurrent function shared by the national and provincial spheres of government. The MEC has overall responsibility for providing basic education and progressively providing further education and training. In the execution of his mandate, the Executive Authority operates within the framework of the Constitution and a number of other legislative precepts and policies in the public service in general and the education sector specifically.</p> <p>The Constitution of the Republic of South Africa (1996) 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 access to basic education for all, with the provision that everyone has the right to basic education, including adult basic education</p>
<p>National Education Policy Act (NEPA), 1996 (Act 27 of 1996)</p> <p>National Education Policy Act (NEPA) National Education Policy Act (NEPA) provides a framework for intergovernmental relations with regard to the provision of education. It establishes the roles of the Minister of Education in relation to those of the MECs of Education in provinces. NEPA promotes a spirit of cooperative governance. It was designed to inscribe into law the policies, as well as the legislative and monitoring responsibilities of the Minister of Education, as well as to formalize the relations between national and provincial authorities. NEPA laid the foundation for the establishment of the Council of Education Ministers (CEM), as well as the Heads of Education Departments Committee (HEDCOM), as inter-governmental forums that will collaborate in the development of a new education system. As such, it provides for the formulation of national policy in general, and further education and training policies for, inter alia, curriculum, assessment, and language, as well as for quality assurance. NEPA embodies the principle of cooperative governance, elaborated upon in Schedule Three of the Constitution.</p>
<p>South African Schools Act 84 of 1996), as amended</p> <p>To provide for a uniform system, for the organisation, governance, and funding of schools, to amend and repeal certain laws to schools, and to provide for matters connected therewith. It ensures that learners have the right of access to quality education without discrimination.</p>
<p>Basic Education Laws Amendment Act, 2011 (Act 15 of 2011)</p> <p>This Act provides for the amendment of the South African Schools Act, 1996 (Act No. 84 of 1996), and the Employment of Educators Act, 1998 (Act No. 76 of 1998) (the SASA and the EEA, respectively) - which if accepted will have far reaching implications for schools and SGB</p>
<p>The Eastern Cape Schools Education Act (ECSEA), 1999 (Act No. 1 of 1999)</p> <p>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.</p>
<p>General and Further Education and Training Quality Assurance Act, 2001 (Act 58 of 2001)</p> <p>The General and Further Education and Training Quality Assurance (GENFETQA) Act provides for the establishment of uMalusi, which is charged with a provision of quality assurance in general and further education and training, the issuing of certificates at the various exit points, control over norms and standards of curricula and assessment, as well as conducting of the actual assessment</p>
<p>Employment of Educators (EEA) Act, 1998 (Act 76 of 1998)</p> <p>To provide for the employment of educators by the State, for the regulation of the conditions of service, discipline, retirement, and discharge of educators and for matters connected therewith.</p>

<p>South African Council for Educators Act 2000 (No. 31 of 2000)</p> <p>The South African Council for Educators Act provides for the governance of the professional teaching corps under a single professional council. The SACE Act further aims to enhance the status of the teaching profession, and to promote the development of educators and their professional conduct. It makes provision for a Legal Affairs and Ethics Department which has to ensure that educators do not breach the Code of Professional Ethics for educators; protect the dignity of the profession and revised the Code of Educators on a continuous basis</p>
<p>The Public Finance and Management Act (PFMA) Act, 1999 (Act 1 of 1999), as amended.</p> <p>The Public Finance and Management Act regulates the management of finances in national and provincial government. It sets out the procedures for efficient and effective management of all revenue, expenditure, assets, and liabilities. It establishes the duties and responsibilities of government officials in charge of finances. The Act aims to secure transparency, accountability and sound financial management in government and public institutions</p>
<p>The Annual Division of Revenue Act, 2013 (Act 2 of 2013)</p> <p>These Acts provide for the equitable division of revenue raised nationally amongst the national, provincial, and local spheres of government; for the reporting requirements for allocations pursuant to such division; for the withholding and delaying of payments; and for the liability for costs incurred in litigation in violation of the principles of co-operative governance and international relations</p>
<p>South African Qualifications Authority (SAQA) Act, 1995 (Act 58 of 1995)</p> <p>To provide for the development and implementation of a National Qualifications Framework and for this purpose to establish the South African Qualifications Authority and to provide for matters connected therewith.</p>
<p>Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (4 of 2000)</p> <p>This Act gives effect to section 9 read with item 23 (1) of Schedule 6 of the Constitution, so as to prevent and prohibit unfair discrimination and harassment; to promote equality and eliminate unfair discrimination; to prevent and prohibit hate speech; and to provide for matters connected therewith.</p>
<p>Public Service Act, 1947 As Amended (Proclamation 103 of 1994) (PSA)</p> <p>PSA provides for the organisation and administration of the public service of the Republic, as well as the regulation of the regulation of conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service</p>
<p>Skills Development Act 1998, (No 97 of 1998)</p> <p>The purpose of this Act is to provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce, to provide learnerships that lead to recognised occupational qualifications and regulate employment services.</p>
<p>Skills Development Levies Act 1999, (No 9 of 1999)</p> <p>To provide for the imposition of the levy with regard to improvement of work force skills where every employer is obliged to pay a skills development levy at a certain rate of percentage of the leviable amount</p>
<p>Occupational Health and Safety Act 1993 (No 85 of 1993)</p> <p>The Occupational Health and Safety Act, No. 85 of 1993 provides for the health and safety of persons at work as well as the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.</p>
<p>Preferential Procurement Policy Framework Act 2000 (No 5 of 2000)</p> <p>The general conditions and procedures are subject to the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000), and the Preferential Procurement Regulations, 2001 and are applicable to all tenders, contracts, and orders, unless otherwise decided by the Accounting Officer prior to the invitation of tenders. 8.6 Public Finance Management Act No 1 of 1999 and its Regulations Public Finance Management</p>

Act, No. 1 of 1999 (as amended by Act 29 of 1999), deals with funding and spending of the state monies. The Act promotes the objective of good financial management in order to maximize delivery through the efficient and effective use of limited resources

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

It gives effect to the right to administrative action that is lawful, reasonable, and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996 and to provide for matter incidental thereof. The Act applies to all administrative decisions of organs of state.

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 Education White Paper 5 On Early Childhood Development (2000)

White Paper 5 provides for the expansion and full participation of 5-year-olds in pre-primary school reception grade education by 2010, as well as for an improvement in the quality of programmes, curricula, and teacher development for 0 to 4-year-olds and 6 to 9-year-olds

Education White Paper 6 On Inclusive Education (2001)

White Paper 6 describes the intent of the Department of Education to implement inclusive education at all levels in the system by 2020. Such an inclusive system will facilitate the inclusion of vulnerable learners and reduce the barriers to learning, via targeted support structures and mechanisms, which will improve the retention of learners in the education system, particularly those learners who are prone to dropping out.

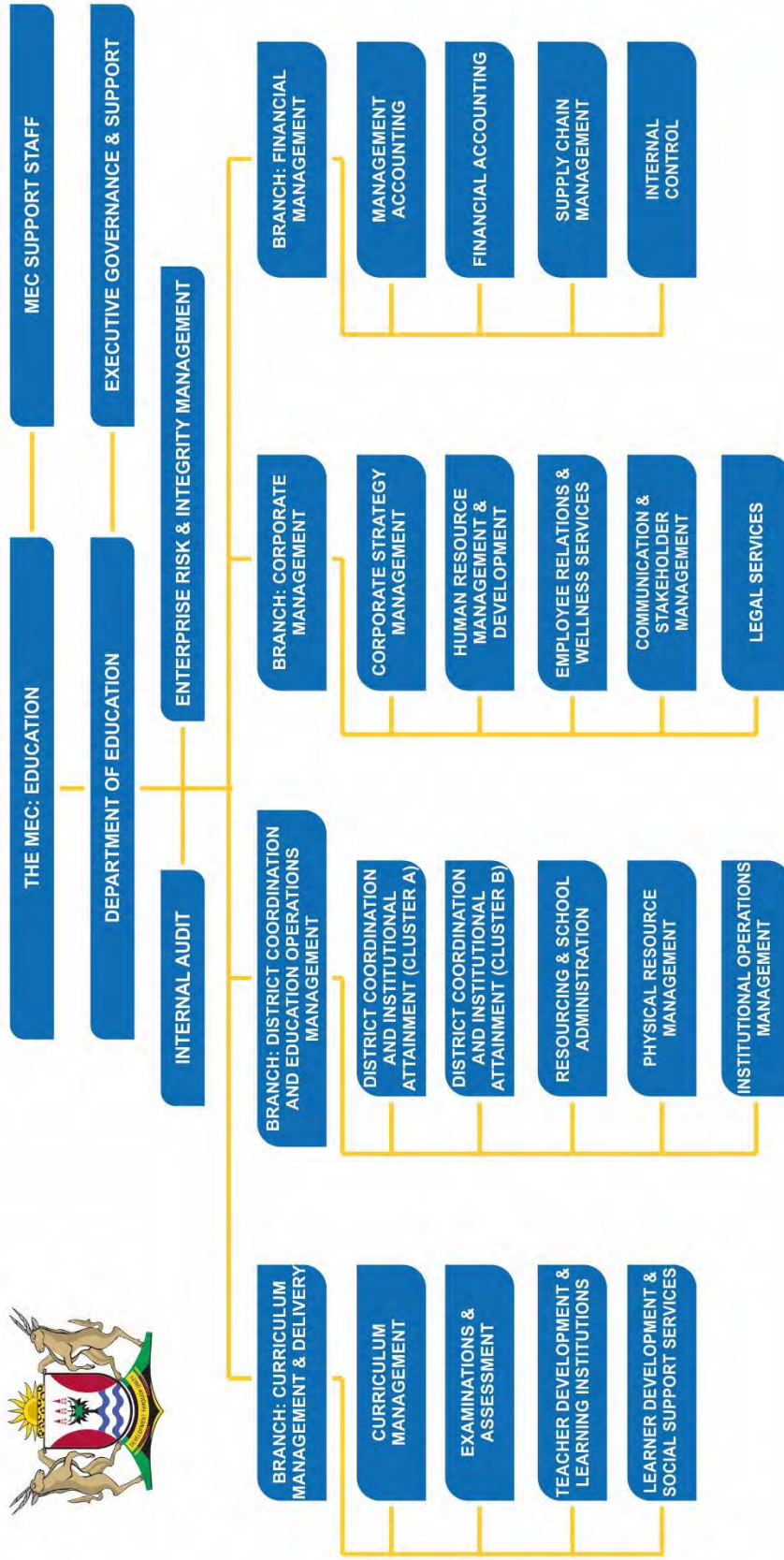
Education White Paper 7 On E-Learning

The Education White Paper 7 on e-Learning provides a framework for the roll out of information and Communication Technology (ICT) infrastructure in schools as well as curriculum delivery through ICTs.

National Curriculum Statements (Grades 10 To 12)

The National Curriculum Statements embody the vision for general education to move away from rote learning model, to a learner-centered outcomes-based approach. In line with training strategies, the reformulation is intended to allow greater mobility between different levels and between institutional sites, as well learning pathways. Its assessment, qualifications, competency, and skills-based framework as to promote the integration of knowledge and skills through encourage the development of curriculum models that are aligned to the NQF in theory and practice. The NCS was declared policy in November 2003 to roll out curriculum transformation to schools in the Further Education and Training Band (Grades 10-12). The first year of implementation was 2006 in Grade 10, with Grades 11 implemented in 2007 and the first Grade 12 NCS results released at the end of 2008 academic year

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC

PART B:

PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 136 : Report of the Auditor General, is published in Part E: Financial Information.

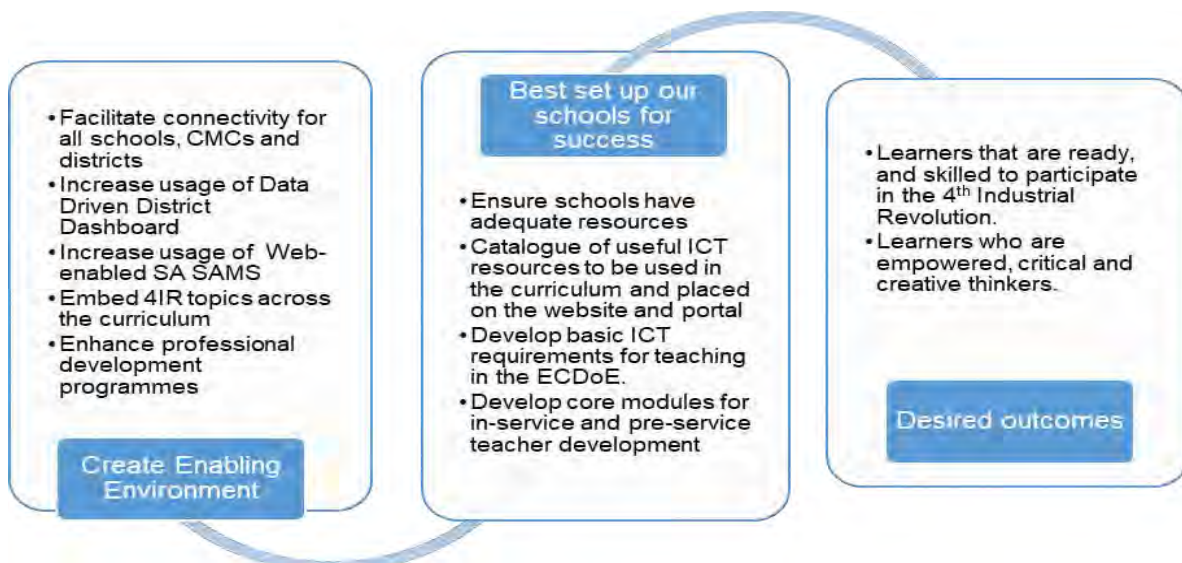
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department adopted a 4-tier Service Delivery Model (SDM), which is comprised of the Provincial Head Office. The province has 12 Districts that are divided into two clusters, which are cluster A and B, and each cluster oversees six (6) Districts which on average services between 25 – 30 schools per Circuit. Each Circuit is led by a Circuit Manager. On the new SDM, the Department established 203 Circuit Offices to service all public the schools (5 401) in the Province.

National Development Plan (NDP): Vision 2030, states that districts have a responsibility to “provide targeted support to improve practices within schools and ensure communication and information sharing between authorities and schools. Schools need to share best practice.”

Education districts play a central role in ensuring that all learners have access to education of progressively high quality. Districts are the link between Provincial Education Department, their education institutions, and the public in general. They are often the major and sometimes the only source of external assistance and support received by schools. Districts are, therefore, a key vehicle for initiating, testing, driving, and sustaining systemic reforms. Schools often lack the capacity to redesign themselves and school functionality therefore relies in many ways on the functionality of education districts. Therefore, the Department will continue to decentralize authority to Districts to ensure that service delivery decisions are made close to service delivery points. The Department will support all Districts on all delegated functions. In addition to the above, the Department is to ensure uniformity across the system and will work on standardizing human resource services through ensuring that Standard Operating Procedures (SOP's) and process maps are designed and implemented by all Districts



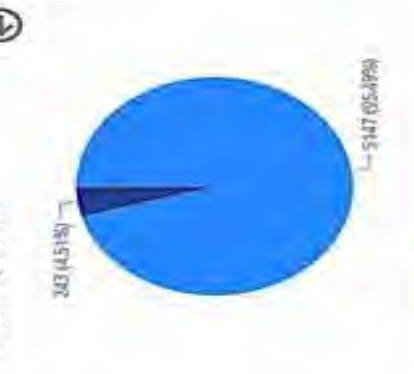
A Circuit Management Framework was developed and has been approved. The objective is to support, monitor and make Circuit Managers accountable for improved Circuit and School functionality. The Framework has been developed using Quality Promotions & Standards guidelines on Whole School Evaluation.

The rollout of District Fundamentals of Performance which is focusing improving efficiency in both finance and corporate services has begun.

Number of Schools by Phase

ED District	1. ECD	2. PRIMARY	3. COMBINED	4. SECONDARY	5. LSEN	Total
ALFRED NZO EAST		135	48	41	3	227
ALFRED NZO WEST		455	53	73	2	583
AMATHOLE EAST		513	126	86	1	726
AMATHOLE WEST		252	12	93		397
BUFFALO CITY		297	26	112	11	446
CHRIS HANI EAST		351	63	56	1	471
CHRIS HANI WEST	2	261	31	86	1	381
JOE GOALS		191	64	45	3	303
NELSON MANDELA	12	218	32	83	16	361
O R TAMBO COASTAL		340	228	77	2	647
O R TAMBO INLAND		455	63	96	4	618
SARAH BAARTMAN	4	149	38	37	2	230
Total	18	3657	784	885	46	5390

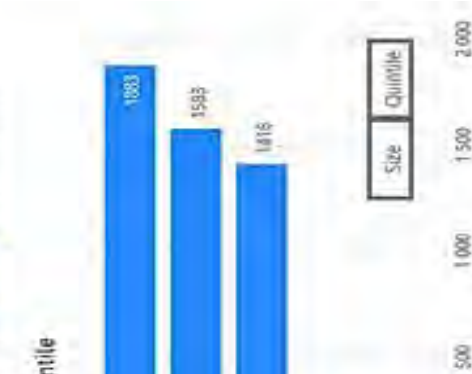
Schools by Sector



Learner Enrolment Grade R-12 & Lsen



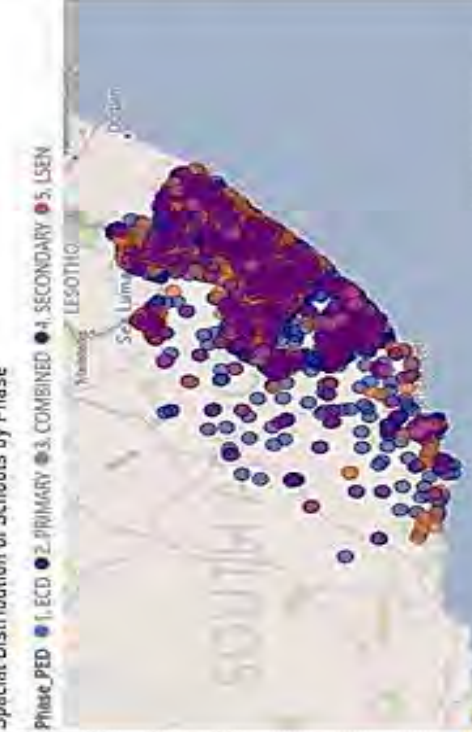
Schools by Quintile



Schools by Type



Spatial Distribution of Schools by Phase



Learner environment

The period under review has undoubtedly been one dominated by the Covid-19 pandemic in our country and across the globe. Like many other sectors, the Basic Education sector has also been negatively affected at We have put in place a number of measures in the past year to combat and manage the spread of the pandemic in the provincial basic education sector with the safety of our learners and officials being a fundamental guiding principle. The full impact of the Covid-19 pandemic on education outcomes is still to be fully ascertained. As a result, the Department re-assessed and recalibrated its services across all Districts and all programmes within our institutions. All these happened under severe budget cuts which were implemented across all levels of government. While the closure of schools is likely to have had some impact on learning outcomes, research indicates that it will not impact substantially on the upward trends observed with respect to learning outcomes. We will continue to intensify our efforts in ensuring the continued provision of quality teaching and learning in our schools in a safe environment.

The NSC Class of 2021 is the 8th cohort to sit for the NSC based on CAPS, with a significant increase in the number of full-time enrolments in 2021. The number of full-time enrolments increased from 72 926 in 2020 to 97127 in 2021. This is a difference of 24 201 candidates which constitute 34%. The Class of 2021 did us proud with a 73% pass percentage, a 4,9% improvement from 68,1% pass of the Class of 2020. Given the high enrolments in the class of 2021, the total number of children that passed the National Senior Certificate stands at 66 770, making it 17 079 more learners passing in 2021 compared to 2020. This trend attests to the systematic improvements in the Department. If it had not been Covid-19, the NSC results could have been continuously rising because the Department has laid a robust foundation which is yielding positive outcomes as evidenced by four consecutive years of improvements on NSC results. Nevertheless, the Department will build on this robust foundation and improve on strategies to ensure that Grade 12 learners are supported in order to pass the NSC examinations.

Performance of the NSC Class of 2021

Year	Learner results	
	Achieved	Did not achieve
2019	76.5%	23.5%
2020	68.1%	31.9%
2021	73%	27%

(SASAMS Eastern Cape 2022)

District performance in 2021 took a new turn, with Districts performing below 70% drastically reducing from 9 to 3.

Overall Performance by District of the Grade 12 Class of 2021

DISTRICT	'2019		'2020		'2021		Difference 2020 - 2021
	Achieved	Did Not Achieve	Achieved	Did Not Achieve	Achieved	Did Not Achieve	
Alfred Nzo East	77.6%	22.4%	68.3%	31.7%	72.7%	27.3%	4.4%
Alfred Nzo West	76.9%	23.1%	67.5%	32.5%	73.7%	26.3%	6.3%
Amathole West	64.7%	35.3%	63.2%	36.8%	74.6%	25.4%	11.5%
Buffalo City	77.9%	22.1%	73.6%	26.4%	79.0%	21.0%	5.3%
Chris Hani East	71.9%	28.1%	62.2%	37.8%	69.5%	30.5%	7.3%
Chris Hani West	75.4%	24.6%	70.5%	29.5%	71.9%	28.1%	1.4%
Joe Gqabi	76.4%	23.6%	61.5%	38.5%	69.2%	30.8%	7.7%
Nelson Mandela	81.4%	18.6%	75.5%	24.5%	78.2%	21.8%	2.7%
Sarah Baartman	74.5%	25.5%	69.2%	30.8%	71.9%	28.1%	2.7%
Amathole East	77.2%	22.8%	67.3%	32.7%	74.4%	25.6%	7.1%
Or Tambo Coastal	77.6%	22.4%	65.2%	34.8%	67.7%	32.3%	2.5%
Or Tambo Inland	75.6%	24.4%	65.2%	34.8%	70.3%	29.7%	5.1%

The number of Bachelor passes increased by 4.1% from 30% in 2020 to 34.1% in 2021. Districts vary in their levels of Bachelor output, but the following Districts have demonstrated a commendable improvement, and these include BCM which is the top District with highest number of Bachelor passes at 42.9%, followed by Nelson Mandela Bay at 39.2%; and Amathole West is the third highest at 35.9%

Subject performance has improved across spectrum, except for Afrikaans and English Home Languages for their marginal decline albeit less than 1%. Of the 51 subjects that were written, 31 subjects improved, 15 subjects dropped, and 5 subjects remained stable. Subjects that dropped are very low enrolment subjects except for Math Literacy which dropped by 1,4% from 73,7% to 72,3%

Provincial Full-time candidates' performance at 30% and above in Selected Subjects [2019 to 2021]

SUBJECT	2019	2020	2021	DIFF
Accounting	80.7%	72.3%	76.4%	4.0%
Afrikaans 1st Additional	97.0%	95.1%	96.0%	0.9%
Afrikaans 2nd Additional	95.9%	85.3%	94.8%	9.5%
Afrikaans Home	82.1%	83.7%	82.4%	-1.3%
Agricultural Management Practices	91.0%	90.6%	89.1%	-1.5%
Agricultural Sciences	80.9%	76.5%	81.2%	4.6%
Agricultural Technology	100.0%	95.8%	100.0%	4.2%
Arabic 2nd Additional	100.0%	100.0%	100.0%	0.0%
Business Studies	68.1%	77.8%	80.6%	2.7%
Civil Technology (Civil Services)	93.3%	87.9%	100.0%	12.1%
Civil Technology (Construction)	99.2%	95.0%	96.2%	1.2%
Civil Technology (Woodworking)	99.4%	90.2%	92.9%	2.7%
Computer Applications Technology	91.5%	91.2%	87.7%	-3.4%
Consumer Studies	95.4%	94.9%	96.5%	1.6%
Dance Studies	100.0%	100.0%	100.0%	0.0%
Design	96.4%	98.7%	99.0%	0.3%
Dramatic Arts	100.0%	96.8%	99.6%	2.8%
Economics	73.1%	70.2%	73.4%	3.3%
Electrical Technology (Digital Systems)	100.0%	100.0%	100.0%	0.0%
Electrical Technology (Electronics)	98.9%	96.6%	89.9%	-6.7%
Electrical Technology (Power Systems)	95.7%	92.3%	94.5%	2.2%
Engineering Graphics & Design	94.6%	91.1%	90.8%	-0.3%
English 1st Additional	96.5%	98.5%	98.8%	0.3%
English Home	90.2%	93.1%	92.7%	-0.4%

Number of Learners by Phase

EIDistrict	1. ECD	2. PRIMARY	3. COMBINED	4. SECONDARY	5. LSEN	Total
ALFRED NZO EAST		46842	27756	33138	662	108398
ALFRED NZO WEST		86278	30241	51587	454	168560
AMATHOLE EAST		64706	48731	38439	88	151963
AMATHOLE WEST		44850	7569	25835		78354
BUFFALO CITY		116731	17621	68219	2356	204927
CHRIS HANI EAST		56310	21703	31066	190	109269
CHRIS HANI WEST	133	69626	9071	39279		118099
JOE COOMI		42900	24674	28430	350	96354
NELSON MANDELA	536	148225	16620	78835	4276	248492
O.R. TAMBO COASTAL		90768	106274	95394	222	262658
O.R. TAMBO INLAND		107140	29662	64892	1091	202785
SARAH BAARTMAN	175	54861	18802	25476	255	100570
Total	834	929237	359824	550589	9045	1850429

Learner Enrolment by Phase and Gender



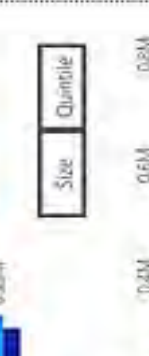
Enrolment by Sector



Enrolment by Gender



Enrolment by Quintile



172.99 Avg Enr
Enr Lsen Schools

5365 School with Enr
Enr FS Schools

8492 Enr Agric
Enr Tech Schools

1764223 Enr Pub Grd

Primary Enrolment

Gender	Grade8	Grade1	Grade2	Grade3	Grade4	Grade5	Grade6	Grade7
Female	57755	74245	72056	71525	74709	72952	72310	73146
Male	59088	81536	79523	80117	83786	82106	79271	78289
Total	116843	155781	151579	151642	158495	155058	151581	151435

Secondary Enrolment

Gender	Grade8	Grade10	Grade11	Grade12	Other	Total 1_12	Total R_12
Female	73578	71215	66621	55293	653	848734	906489
Male	79715	68862	58889	42159	1132	804852	943940
Total	153293	140077	122510	97452	1785	1733586	1850429

2.2 Service Delivery Improvement Plan

Main Services and standards

Main services	Beneficiaries	Current Standard of Service	Desired Standard of Service	Actual Achievement
To provide Educators to Schools	Districts, CMCs, Schools and SGBs	90% of posts filled	95%	Achieved
To provide all school-going age learners with LTSM	Children of school going age at Public Ordinary Schools	90%	100%	78%
The provisioning of management information for monitoring and decision making	Provincial Office Management, Districts, CMCs, Schools and SGBs	5095	5240	Achieved

Batho Pele Arrangements with beneficiaries

Current/Actual Arrangements	Desired Information tools	Actual Achievements
Formal meetings with organised labour; SGB engagements and emails	Formal meetings with organised labour; SGB engagements and emails; Roadshows and Emails	Achieved
Consultation includes publishers, stationery manufacturers, warehouses, district offices and schools.	Consultation includes publishers, stationery manufacturers, warehouses, district offices and schools.	Achieved
Quarterly meetings with districts and Head Office to monitor process	Quarterly meetings with districts and Head Office to monitor process	Achieved

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Provide information through Edustat, EMIS data, SASAMS and Data Driven District System	Edustat, EMIS data, SASAMS and Data Driven District System	Achieved

Complaints Mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Through direct contact, email and telephonically with the management of the Department	Through direct contact, email and telephonically with the management of the Department	Achieved

2.3. Organisational Environment

The Department has two types of employees, namely, educators and public servants. The employment of these employees is based on the Organisational Structure that came to effect on the 1 April 2020.

The number of employees in the Department is 64,879. The distribution of these employees is as follows:

- Public school educators are 51,179
- Office Based Educators are 1,277
- ECD Practitioners are 3,302
- Public Servants are 9,116 of which 6,520 are in schools

The total number of males is 18,256 versus 46,623 females.

Organisational and posts establishment structure

The organisational and posts establishment structure was approved for implementation by the MEC in 2019/20 financial year. 2021/22 is the second financial year for the Department in operation with the structure. It is a requirement that organisational of the public service institution be amended after 3- 5 years, as depicted in the Amended 2015 Department of Public Service and Administration (DPSA) directive on changes to the organisational of the Department.

The period is given to Department to unpack their current strategy in ensuring the Department continue exercise its purpose and mandate. The placement was done in line with the staff migration agreement managed through the following phases:

Phase 1 (MMS & Professionals) Placement concluded

- Placement Letters issued to MMS Members
- Acting arrangements instituted on funded vacant MMS posts
- Departments is engaging with PT on funding the vacant posts for filling

Phase 2 (SL 5 – 8) Placement implemented

- 52 Placement Recommendation Panels convened (Head Office & District Office)
- 4 Task Team Meetings convened
- 1 Placement Committee seating convened for the placement of employees at Head Office.
- No appeals received for Phase 2 from both Districts and Head Office

Phase 3 (SL 2 – 4) Placement was concluded

- District Placement Recommending Panels convened
- 3 Task Team Meetings convened
- A Placement Committee meeting is being arranged to adjudicate on placement of Phase 3 employees.
- Process completed in March 2022.
- No appeals received for Phase 3 from both Districts and Head Office

The contextual realities are demanding a closer review of the system and operations. Since the approval of the organisational structure there has been a number of factors both internally and externally that impacted on the operations of the Department. Below are some of these factors but not limited to:

Fiscal Constraints

The decline of our currency resulted on the country to be downgraded to a lower status in economic value. This affected a number of industries including public service to restructure their budget allocations in responding to this situation. The public service embarked on budget cuts. In the province, this meant that DOE as the biggest Department will have to be subjected to a bigger margin of the provincial budget cut. This forced the Department not to achieve some of its strategic objectives due to budget constraints.

COVID-19 Pandemic

The Department like all institutions was affected by the COVID-19 pandemic. The pandemic forced public service to rethink the manner to which services must be rendered. A number of operations in the Department are coordinated virtually. It was not ideal to provide teaching and learning virtually as our context provides for a contact interaction. For the Department to embark on that approach, it required a lot funding on ICT tools, which was not feasible given the budget cuts were implemented.

Migration of the Early Childhood Development (ECD) function from DSD to DoE

The approved organisational structure makes provisioning of functions in supporting its approved Service Delivery Model (SDM). The scope of the SDM does make no provisioning of the ECD Resourcing and Capacity building function. The ECD Resourcing and Capacity building is migrating from DSD and to the Department as a result of call by the President. A call that emphasised the exposure of the child to teaching and learning from an early age. This instruction further indicated that the function be administered by DoE instead of DSD. This illustrates that the Department has reviewed its current organisational structure to accommodate the ECD Resourcing and Capacity Building function. However, approval is yet to be granted by the Executive Authority responsible for Education.

- The ECD Function Shift project was concluded effectively on 31 March 2022
- The legislative element of the project such Memorandum of Agreement, Joint Submission and signing of Service Level Agreements was concluded in 2021.
- All identified employees migrated to ECDoE.
- Budget for the function was allocated from DSD to DoE by Provincial Treasury
- Payment of subsidies is administered by ECDoE with effect from 1st April 2022.

Increased creation of functional schools

- Framework guiding operations of Circuit Management has been developed and approved by the Eastern Cape Department of Education (Office of the Head of Department) which is in line with Nine (09) Focus Areas of Whole School Evaluation. These Focus Areas are critical as they are the domains of School Functionality.
- ECDoE has in line with the Circuit Management Framework developed and mediated School Monitoring and Support visit Tool for Circuit Managers as well as reporting tools for both Circuit Managers & CMC Heads.
- Circuit Managers were trained on School Improvement Planning processes, in order to support schools on conducting School Self Evaluation and developing School Improvement Plan.
- Support working sessions for CMC Heads were held to guide CMC Heads on annual management processes leading towards functional Schools and Circuits through administration of School Monitoring and support visit tool. The session intended to EMPOWER CMC Heads on improving Frequency and Quality of School Monitoring and Support visits, for enhanced functional schools Strategic Goal 27 of Action Plan 2019

2.4. Key policy developments and legislative changes

Covid-19 Regulation were the only legislative change during the period under review. However, in terms of the budget, there were significant budget cuts, especially under compensation of employee's budget. This may make the Department unable to appoint educators in the future although they may be needed in the system.

The Minister of Basic Education on 12 February 2021 published the Directions regarding the reopening of schools and measures to address, prevent and combat the spread of COVID-19 in the National Department of Basic Education, all Provincial Departments of Education, all Education District Offices, and all schools in the Republic of South Africa (Government Notice No 42, Government Gazette 44154 of 12 February 2021). The objective of these directions is to provide for arrangements for the return of educators, officials and learners to schools, hostels, and offices and to ensure a uniformed approach, as far as possible, in respect of arrangements by the Department of Basic Education, Provincial Departments of Education, for the return of learners and officials to schools, hostels and offices.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

MTSF PRIORITY				
Improved school readiness of children				
Outcome 1	Outcome Indicator	Baseline	Five -year target	Major Achievements
A strong and solid foundation in literacy and numeracy	Proportion of 5-year-olds (Grade R) enrolled in educational institutions by 2024	87%	95%	87% of the 5-year-old enrolled in the education institutions.
	Proportion of 4-year-olds (Grade RR) enrolled in educational institutions by 2024	New Indicator	35%	24% of the 4-year-old (Grade RR) enrolled in educational institutions

MTSF PRIORITY				
10-year- old learners in schools read for meaning				
Outcome 2	Outcome Indicator	Baseline	5- year target	Major Achievements
10-year-old learners enrolled in publicly funded schools read for meaning	Percentage of learners achieving in Reading and Mathematics Learning outcomes in Grades 3 critical subjects reflected in the new Systemic Evaluation by 2024	51% Literacy	60%	READING: Educators were capacitated on reading methodologies /science of reading namely: Effective usage of Indigenous Framework and Primary School Reading Improvement Plan.
				ANE 467 ANW 323 AE 592 AW 349 BCM 646 CHE 353 CHW 398 JG 278 NMB 633 ORTC 253 ORTI 394 SB 239

MTSF PRIORITY

10-year-old learners in schools read for meaning

Outcome 2	Outcome Indicator	Baseline	5-year target	Major Achievements																								
10-year-old learners enrolled in publicly funded schools read for meaning	Percentage of learners achieving in Reading and Mathematics Learning outcomes in Grades 3 critical subjects reflected in the new Systemic Evaluation by 2024	52% Numeracy	60%	<p>MATHEMATICS 1579 Capacitation on Teaching Mathematics with Understanding and problem-solving skills.</p> <table border="1" data-bbox="397 247 850 858"> <tr><td>ANE</td><td>98</td></tr> <tr><td>ANW</td><td>83</td></tr> <tr><td>AE</td><td>227</td></tr> <tr><td>AW</td><td>97</td></tr> <tr><td>BCM</td><td>286</td></tr> <tr><td>CHE</td><td>76</td></tr> <tr><td>CHW</td><td>78</td></tr> <tr><td>JG</td><td>93</td></tr> <tr><td>NMB</td><td>227</td></tr> <tr><td>ORTC</td><td>78</td></tr> <tr><td>ORTI</td><td>147</td></tr> <tr><td>SB</td><td>74</td></tr> </table>	ANE	98	ANW	83	AE	227	AW	97	BCM	286	CHE	76	CHW	78	JG	93	NMB	227	ORTC	78	ORTI	147	SB	74
ANE	98																											
ANW	83																											
AE	227																											
AW	97																											
BCM	286																											
CHE	76																											
CHW	78																											
JG	93																											
NMB	227																											
ORTC	78																											
ORTI	147																											
SB	74																											
	Average score obtained by Grade 4 learners in PIRLS by 2024	290	300	350																								
	Average score obtained by Grade 5 learners in TIMSS by 2023	343	400	350																								
	Number of schools implementing EGRA	1 100	3000	1487																								
	Percentage of 10-year-olds (Grade 4) able to read for meaning	25%	35%	55% <ul style="list-style-type: none"> • Letter sounds 72% • Word reading 64% • Passage reading 50% • Reading comprehension 49% 																								
	Number of schools provided with resources for Grades 1 to 3 in all LOLTs (indigenous languages, Big Books, flashcards, story books, alphabet friezes, posters, for example)	300	4300	2876																								
	Percentage of foundation phase educators trained on teaching reading	30%	70%	70%																								

MTSF PRIORITY					
Youths better prepared for further studies and the world of work beyond grade 9					
Outcome 3	Outcome Indicator		Baseline	5-year target	Major Achievements
	Youths better prepared for further studies and the world of work beyond Grade 9	Percentage of learners achieving in reading and Mathematics learning outcomes in Grades 6 and 9 as assessed through the new Systemic Evaluation by 2024	Reading	50%	60%
		Mathematics	50%	60%	50%
Average score obtained by Grade 6 learners according to the international SACMEQ by 2020		Reading	444	500	468
		Mathematics	449	510	449
	Percentage of learners in Grade 9 achieving in Mathematics and Science in TIMSS programmes by 2024	Mathematics	50%	60%	50%
		Science	50%	60%	52%

MTSF PRIORITY					
Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa					
Outcome 4	Outcome Indicator		Baseline	5-year target	Major Achievements
	Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa	Percentage of Grade 12 learners obtaining a Bachelor level pass in NSC by 2024		32.3%	40%
Percentage of Grade 12 learners obtaining 60% and above in Mathematics and Physical Science by 2024		Mathematics	14.3%	24%	16%
		Physical Science	21.6%	32%	21.2%
Number of historically disadvantaged schools that offer 'niche' subjects such as Engineering Technical Vocational, Technical Occupational, and computing subjects.			504	580	505
Number of underperforming schools identified for intervention programmes.		199	100	229	

MTSF PRIORITY Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa				
Outcome 5	Outcome Indicator	Baseline	Five -year target	Major Achievements
ICT integrated in the provision of quality basic education	Percentage of public schools with connectivity and Wi-Fi	20%	100%	All schools have internet for school administration
	Percentage of public schools with digital instructional devices in classrooms (smart classrooms)	40%	100%	<ul style="list-style-type: none"> 25 Primary schools were provided with smart classrooms ICT solution- C3 content server, 20 -2in 1 laptop devices, charging trolley and data projector in the last financial year through the DBE funding and Provincial MST grant. 4 High schools under DBE- MTN Lumicon project received interactive boards and connectivity, laptops for Grade 12 learners to have access to MTN online school and other available e-content.
	Percentage of educators in public schools with connected and loaded digital devices who can access appropriate curriculum content	80%	100%	During the laptop roll-out, educators received laptops with connectivity, the DBE Lumicon MTN project benefitted 110 educators granting access to the deployed devices that are linked to MTN online school, DBE cloud and have access to e-curriculum website.
	Percentage of learners in public schools with connected and loaded digital devices who can access appropriate curriculum content.	20%	50%	<p>Total number of learners benefitting is 1186, 4 High schools from ORTC and ORTI received laptops with 20 GB connectivity from DBE - MTN-Lumicon project. The breakdown of learners who benefited per school is as follows:</p> <ul style="list-style-type: none"> Bukazi – 247 Learners Toi – 361 Learners Dalibaso -224 Learners Qumbu Village 354- Learners <p>These devices were then allocated to Grade 11 learners from 2021 currently in Grade 12 in 2022.</p> <ul style="list-style-type: none"> Clik foundation has connected 23 Primary schools in 3 Districts: BCM, Sarah Baartman and Chris Hani West, benefitting 15 000 learners' access to English FAL content through digital software provided and have access to the content through Tablets provided as part of the project.
	Percentage of public schools that can be contacted electronically	80%	100%	All Schools (100%) can be contacted electronically, ICT has been on a major drive to the EDD Payslips programme.

MTSF PRIORITY

Youths better prepared for further studies and the world of work beyond grade 9

Outcome 6	Outcome Indicator	Baseline	Five -year target	Major Achievements
Skills for a changing world	Number of fully functional agricultural public schools	17	Re-capitalise 17 existing Agricultural schools	<ul style="list-style-type: none"> The following Schools were provided with Egg Incubator and Hatcher fully Automatic Digital model SH1300, to expose learners to egg hatching management: Abambo Agric School, Freemanille Boys Agric School, Patensie Agric School, Ulanga Agric School, Frank Zibi Agric School, Gobizizwe Agric School The following schools were provided with PPEs, for grades 10 & 11 learners for safety during practical work: Gobizizwe Agric School, Frank Zibi Agric School, Moorosi Agric School, Patensie Agric School Constructed boreholes for 13 Schools to alleviate water shortages. Purchased hatcheries for 6 schools to establish livestock farming as well assisting the 6 schools to meet the CAPS requirements of the 3 enterprises.
	Number of fully functional maritime schools	4	Resource and extend the curriculum to include Maritime Studies in 6 Schools in the Port Elizabeth, Port Alfred and Humansdorp nodal points	<ul style="list-style-type: none"> Established partnerships with African Marine Solutions (AMSOL), SA Maritime Safety Authority, Lawhill High School in Cape Town and co-own the maritime website sponsored by AMSOL. Annual educational trip (characterized by research) using SA Agulus 2, which is a biggest ship, between East London and Cape Town and sponsored by AMSOL and Department of Tourism. Annual visits to ports to expose learners to transportation of commodities sponsored by Transnet Visited Lawhill in Cape Town for feasibility study with the intention to introduce Marine Science. Attended DoT and Transnet Maritime Awareness Day with schools from Joe Gqabi, BCM, ORTCD and SBD;
	Number of fully functional technical vocational high schools	7	Ensure that 40 schools currently offering technical subjects comply with the requirements of becoming full technical high schools as per guidelines	<p>The following items were delivered to schools:</p> <ul style="list-style-type: none"> Consumables for Electrical Technology specialisations for nineteen (19) schools. Consumables and Equipment to Five (5) Mechanical Technology (Welding & Metalwork) schools. Mechanical Technology (Fitting & Machining) equipment for two 2 schools. Civil Technology (Construction and Woodworking) equipment and consumables to nine (9) schools. Scientific Calculators for Technical Mathematics learners in twenty - seven (27) schools.

MTSF PRIORITY A skilled and capable workforce to support an inclusive growth path				
Outcome 7	Outcome Indicator	Baseline	Five -year target	Major Achievements
		A well-defined holistic inclusive education support system	Percentage of functional school-based support teams in schools Percentage of functional district-based support teams Percentage of individualised support plans developed for learners with barriers to learning Number of concessions and accommodations awarded Number of learners with access to Assistive Devices and/or Technology Number of educators, officials and support trained on inclusive education Number of stakeholder engagements to support inclusive education agenda	60% 60% 10 447 250 450 10

MTSF PRIORITY Learners and educators feel respected, and learning improved by 2024				
Outcome 8	Outcome Indicator	Baseline	Five -year target	Major Achievements
		Effective social and protection of a safe school environment conducive to learning	Number of learners benefitting from the National School Nutrition Programme (NSNP) Number of schools with functional school safety committees (Junior Commissioners Peace Clubs, March, and Drill Programme, Teenage Against Drug Abuse) Number of learners benefitting from scholar transport Percentage of learners provided with hostel facilities Number of schools implementing school health and psychosocial support activities	1 657 275 1 760 85 139 10% 925

MTSF PRIORITY				
Learners and educators feel respected, and learning improved by 2024				
Outcome 9	Outcome Indicator	Baseline	Five -year target	Major Achievements
Good governance, for quality basic education	Clean audit - number of qualification areas.	3	0	Capped Leave
	Number of small and unviable schools rationalised	783	1 902	<ul style="list-style-type: none"> • Publication of 1142 Closed schools in government gazette, • 390 schools were Realigned. • 351 schools were Processed through Public Participation.
	Number of integrated and operational districts	12	12	All districts are fully functional
	Number of partnerships agreements established (signed MOUs, MoAs, and SLAs)	37	40	3

MTSF PRIORITY				
Infrastructure Delivery				
Outcome 10	Outcome Indicator	Baseline	Five -year target	Major Achievements
School physical infrastructure and environment that inspires learners to learn and educators to teach	Number of schools that reach minimum uniform physical infrastructure norms and standards	59%	65%	Achieved 59.5 % through New & Replacement schools, upgrades and additions and sanitation. 10 schools completed 20 schools out of the total operational schools were under new and replacement schools/ upgrades and additions towards reaching the minimum uniform physical infrastructure norms and standards.
	Number of additional learners provided with hostel facilities	18 210	20 090	Construction on 1 hostel project, Tembisa Special School, is proceeding while efforts to resuscitate the projects at Khanyisa Special School and Ntsonkotha SSS is underway.
	Percentage of approved maintenance plans in all public schools	New Indicator	100%	Clerk of works and District Works Inspectors are working with the schools to establish School Specific Maintenance Plans. Development and assessment process has started.
	Percentage of refurbished structures into technical vocational schools	New indicator	100%	OR Tambo Technical School was completed.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

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

Sub-Programmes

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

Programme Outcomes

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

Re-tabled Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement until-date-of re-tableting	Deviation from planned target to Actual Achievement 2021/22	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators & Annual Targets
ICT integrated in the provision of quality basic education	100% schools utilise electronic management Systems for data management	PPM 101 Number of public schools that use the South African Schools Administration and Management Systems (SA-SAMS) or any alternative electronic solution to provide data	5 038	5109	5 230	*5 122	-108	There were challenges with the upload of data due to some technical issues were experienced.	There is a smaller number of operational public schools than the targeted number of schools due to school closures through rationalization.
	All Public schools contacted electronically	PPM 102 Number of public schools that can be contacted electronically (e-mail)	5 240	5243	5 240	*2 169	-3 071	The department was in the process of participating in the new RT15 Transversal contract.	There is a smaller number of operational public schools than the targeted number of schools due to school closures through rationalization.
Good governance for quality education	District provided with targeted support to improve school performance	PPM 104 Percentage of schools visited at least twice a year by District officials for monitoring and support purposes	65%	35.1%	90%	*27.4%	-62.6%	Department issued internal memorandum related to financial constraints has negatively impacted the operations.	District officials were grounded due to fiscus constraints of the department. No transport claims were paid.

*Actual achievements reported are in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tableting (April- September 2021)

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for deviations	
			2019/20	2020/21					2021/22
ICT integrated in the provision of quality basic education	100% schools utilise electronic management Systems for data management	PPM 101 Number of public schools that use the South African Schools Administration and Management Systems (SAMS) or any alternative electronic solution to provide data	5 038	5109	5 130	5 096	-34	Target not achieved. There were challenges with uploading of data on time due to intermittent network connectivity. SASAMS achieved a submission rate of over 96%.	
	All schools contacted electronically	PPM 102 Number of public schools that can be contacted electronically (e-mail)	5 240	5243	5 130	5098	-32	Target not achieved This was partly due to the ongoing SRRP. All principals have been issued with laptops and Office 365 accounts.	
	Good governance for quality education	Funding as per Norms and Standards	16%	19.3%	20%	19.7%	-0.3%	Target not achieved ECDOE underspent mainly in payment of capital assets which contributed to the slight reduction in education expenditure going towards non-personnel items.	
ICT integrated in the provision of quality basic education	District provided with targeted support to improve school performance	PPM 104 Percentage of schools visited at least twice a year by District officials for monitoring and support purposes	65%	35.1%	60%	49.7%	-10.3%	Target not achieved budget constraints have had a negative impact on the physical school monitoring and support programme.	
	Resourcing of public schools with connectivity and Wi-Fi.	PPM 105 Percentage of schools having access to information through (a) Connectivity (other than broadband); and (b) Broadband	21.5%	23,9%	5%	6%	1%	Target achieved All schools have internet for school administration; however, the rollout of the provincial government broadband remained a challenge.	
Good governance for quality education	Young graduates employed in teaching profession	PPM 106: Number of qualified Grade R-12 educators aged 30 and below, entering the public service as educators for the first time during the financial year	1 200	391	1 350	1 004	-346	Target not achieved A total of 1004 number of qualified Grade R-12 educators aged 30 and below were appointed. However, due to budget constraints the target was not met.	

Linking performance with budgets

The programme has spent R2.676 billion of the final appropriation of R2.676 billion, the spending is within the budget.

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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	10,571	10,173	398	15,462	14,426	1,036
Corporate Services	1,427,402	1,268,523	158,879	1,396,666	1,392,208	4,458
Education Management	1,317,270	1,286,994	30,276	1,199,959	1,203,854	(3,895)
Human Resource Development	18,245	17,299	946	16,249	16,197	52
Education Management Information Systems (EMIS)	66,879	44,374	22,505	48,055	49,706	(1,651)
Total	2,840,367	2,627,363	213,004	2,676,391	2,676,391	0

Strategy to overcome areas of under performance

Output Indicator	Strategy to overcome under-performance
PPM 101 Number of public schools that use school administration and management systems (SASAMS) to electronically provide data	Strengthen monitoring systems at District Level to ensure the proper use of the DDD and SASAMS systems to monitor and support schools.
PPM 104 Percentage of schools visited at least twice a year by district officials for monitoring and support purposes	<ul style="list-style-type: none"> Provide focused support to schools through school visits by multi-disciplinary teams. Ensure adequately resourced Circuit Management and District Officials provide monthly reports validated at district level. Ensure fruitful utilization of budget at District level. Ensure ICT integration in reporting.
PPM 103 Percentage of education expenditure going towards non-personnel items	To strengthen budget processes within the Department.
PPM 105 Percentage of learners having access to information through (a) Connectivity (other than broadband) and (b) Broadband	The Department is to ensure continuous engagements with OTP for accelerated broadband rollout.
PPM 106 Number of qualified Grade R-12 educators aged 30 and below, entering the public service as educators for the first time during the financial year	The Funza Lushaka Bursaries are available to enable eligible students to complete a full teaching qualification.

Performance in relation to standardised outputs and output indicators for Sector Concurrent Functions

Not Applicable

Reporting on the Institutional response to the COVID -19 Pandemic

Not Applicable

4.2 Programme 2: Public Ordinary School Education

Purpose:

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

Sub-Programmes:

Sub-Programme	Sub-Programme Purpose
Public Primary Schools	To provide Public Primary Ordinary Schools with resources required for quality education in Grades 1 to 7.
Public Secondary Schools	To provide Public Secondary Ordinary Schools with resources required for quality education in Grades 8 to 12.
Human Resource Development	To provide services required for the professional development of Educators and Non-Educators in Public Ordinary Schools.
School Sport, Culture and Media Services	To provide departmentally managed sporting, cultural and heritage activities in Public Ordinary Schools.
Conditional Grant School	<ul style="list-style-type: none"> To provide for projects specified by the Department of Basic Education and funded by conditional grants: To provide a nutritious meal to all targeted learners on every school day through the National School Nutrition Programme (NSNP). To improve performance of learners in Mathematics, Science and Technologies (MST) through targeted resourcing of specific public ordinary schools. To contribute to the skills development training, create jobs in educational institutions through Expanded Public Works Programme

Programme Outcomes

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

Re-tabled Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement until date of re-tabling 2021/22	Deviation from planned target to Actual Achievement 2021/22	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators & Annual Targets
Good governance for quality education	Effective social protection and creation of a safe school environment conducive to learning. Learners in public ordinary schools benefiting from No-Fee School Policy	PPM 202: Number of learners in public ordinary schools benefiting from the No Fee School Policy	1 522 398	1 512 901	1 500 000	*1 529 024	29 024	The increase in learner numbers is due to more learners progressing through the system being based on a trimmed curriculum. This has reduced drop-out rate	The 60/40 pass rate which was based on the trimmed curriculum facilitated progression through the system and subsequently, an increase in learner numbers.
A well-defined holistic inclusive education system	Educators, officials, and support trained in inclusive education	PPM 205 Number of educators with training on inclusion	New	0	2 000	*1 00	-1 900	Due to ongoing limitations related to Covid'19 restrictions the only training was done in the fourth quarter of 2021/22	No internal capacity to respond as according to the TID. Number to be trained will be limited to 1000.
Youths better prepared for further studies and the world of work beyond Grade 9	Number of innovations developed and implemented to support good governance, effective administration; and improve teaching and learning	PPM 209: Percentage of schools producing a minimum set of management documents at a required standard	80%	51.4%	80%	*25.4%	-54.6%	District officials were restricted to monitor and support schools due to austerity measures.	Monitoring and support by the districts to schools was not sufficient due to fiscus constrained of the department and no transport claims were paid to district officials

*Actual achievements reported are in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling (April- September 2021)

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
			2019/20	2020/21				
10-year-old learners enrolled in publicly funded schools read for meaning	Schools provided with graded readers to in all Languages of Teaching and Learning which includes Big Books, flashcards, story books, alphabet friezes, posters as a resource pack for grades 1	PPM 201: Number of schools provided with multi-media resources	1200	4 449	4 200	4 389	189	Target Achieved. School determines their needs and order according to their needs. Schools have procured from the approved catalogue.
Good governance for quality education	Effective social protection and creation of a safe school environment conducive to learning.	PPM 202: Number of learners in public ordinary schools benefiting from the No Fee School Policy	1 522 398	1 512 901	1 529 024	1 523 082	-5 942	Target not achieved The variance is due to closed schools and Learner drop-outs ratio. The COVID-19 pandemic has affected enrolments, dropout rates and learner attendance as households suffered financial and health-related traumas.
Skills for a changing world	Number of educators trained in Maths and Language content and methodology	PPM 203: Number of educators trained in Literacy/ Language content and methodology	4750	0	4 000	1 210	-2 790	Target not Achieved The Department publishes annually a Prospectus which details the subject content trainings as well as the target number of participants. All trainings were to take place during school holidays however the 2021 school calendar was revised, and more time was spent on tuition to cover lost ground as a result of Covid-19. The approval to reschedule trainings was approved which thus provided for weekday trainings commencing in January to March 2022.
	Number of educators from Districts trained in SACE approved programmes	PPM 204: Number of educators trained in Numeracy/ Mathematics content and methodology	4 250	0	3 450	1 092	-2 358	
	Educators, officials, and support trained in inclusive education	PPM 205: Number of educators with training on inclusion	New	0	1 000	100	-900	
Number of innovations developed and implemented to support good		PPM 206: Percentage of Funza Lushaka bursary holders placed in schools within six months upon	70%	46%	70%	49.6%	-20.4%	Target not achieved. Placement of Funza Bursary holders is based on the following factors: - Placement of additional educators is the first priority of the Department. Second

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
			2019/20	2020/21				
	governance, effective administration; and improve teaching and learning	completion of studies or upon confirmation that the bursar has completed studies.						priority is the placement of bursary holders matching substantive vacant posts. Availability of CoE budget and posts. The Department remains committed to fully expediting the employment of duly qualified graduates in priority areas.
Good governance for quality education	Number of innovations developed and implemented to support good governance, effective administration; and improve teaching and learning	PPM 207: Percentage of schools where allocated teaching posts are all filled	90%	60%	80%	60.6%	- 19.4%	Target not Achieved. Of the declared number of PPN posts 53,605 the warm bodies in the system as at financial year end was 51,201 which is 96% of the total number of declared posts. The Department focused on having a teacher in front of every class and stability at schools for effective teaching. The movement of educators to vacant posts where they meet the required profile of the vacant post takes time
Youth better prepared for further studies and the world of work beyond Grade 9	Percentage of learners in Grade 3 achieving the required level of Literacy and Numeracy skills Percentage of learners achieved in reading and Mathematics Learning outcomes in Grades 6 and 9 in critical subjects	PPM 208: Percentage of learners with English First Additional Language (EFAL) and Mathematics textbooks in Grades 3, 6, 9 and 12	New	96%	100%	78%	-22%	Target not Achieved. Top-up budget not sufficient to ensure full L TSM provision. Retrieval policy not fully implemented by schools. The Department has issued L TSM policy guidelines to all schools.
Good governance for quality education	Funding as per norms and standards	PPM 209: Percentage of schools producing a minimum set of management	80%	51.4%	60%	53.01%	-6.99%	Target not Achieved. Budget constraints have had an effect on school monitoring and support. Basic Management documents such as

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
			2019/20	2020/21				
		documents at a required standard	100%	100%	100%	59%	-41%	School Timetable, classroom Timetables, Teacher Personal Timetables are available in most schools.
		PPM 210: Percentage of learners in schools that are funded at a minimum level	100%	100%	100%	59%	-41%	Target not Achieved Budget constraints have had an effect on ensuring adequate funding is available for learners at a minimum level

Linking performance with budgets

The programme spent R30.050 billion of the final appropriation of R29.866 billion for 2021/22 financial year, overspending its budget by R184.692 million.

The over expenditure in social contributions is attributed to the employer's contribution to medical aid and the employer's contribution on pension fund, which was not provided for in the departmental baseline during the adjustment estimates as expected in terms of PSCBC Res 1 of 2021. The amount provided for as additional funding of R1.054 billion for cash allowance was not adequate to cover the total salary increase implications, hence the whole amount was allocated under salaries and wages.

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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 Level	9,645,351	9,968,918	(323,567)	9,978,283	10,340,802	(362,519)
Public Secondary Level	17,410,657	18,150,343	(739,686)	18,250,561	18,122,921	127,640
Human Resource Development	92,164	91,402	762	88,919	75,016	13,903
School Sport, Culture and Media Services	15,909	8,237	7,672	10,461	1,952	8,509
Conditional Grants	1,454,430	1,433,004	21,426	1,537,794	1,510,019	27,775
Total	28,618,511	29,651,904	-1,033,393	29,866,018	30,050,710	(184,692)

Strategy to overcome areas of under performance

Strategy to overcome under-performance	
PPM 203: Number of educators trained in Literacy/Language content and methodology	Stronger advocacy of the benefits of enrolling for and completing the teacher development training offerings.
PPM 204: Number of educators trained in numeracy/mathematics content and methodology	To explore the conversion of courses to digital format to allow participation via an on-line platform – this will allow educators to complete courses in their own time from remote sites.
PPM 205: Number of educators with training on inclusion	
PPM 206: Percentage of Funza 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.
PPM 207: Percentage of schools where allocated teaching posts are all filled	There should be a tracking system to know when additional educators have moved and where they have moved to. This will stabilise the PPN and ensure that there is a teacher in front of every class. Bulletin should be issued once every quarter. However, when posts become vacant, schools should be allowed to appoint temporary educators until a bulletin has been issued
PPM 208: Percentage of learners provided with English 1st additional Language (EFAL) and Mathematics textbooks in Grade 3,6,9,12	<ul style="list-style-type: none"> • Ensure schools have an LTSM school policy • Establish an issuance register of all textbooks issued to learners Capture all LTSM on SASAMS • Complete Textbook retrievals at the end of each final examination
PPM 209: 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

Performance in relation to standardised outputs and output indicators for Sector concurrent Functions

Not Applicable

Reporting on the Institutional response to the COVID -19 Pandemic

Budget Programme	Intervention	Geographic location District/ local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 2	Transfers to school for Personal Protective Equipment and Sanitizers	All Districts	All Public Ordinary schools, Public Special Schools, ECD and Independent Schools	All Public Ordinary schools, Public Special Schools, ECD and Independent Schools	R65 543 000	R65 192 200	Covid 19 Intervention	Safety and Environmental Health for Learners

4.3 Programme 3: Independent School Education

Purpose

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

Sub-Programme

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

Programme Outcomes

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
Good governance, effective administration, partnerships, effective planning, monitoring and evaluation for quality Basic Education	Number of innovations developed and implemented to support good governance, effective administration; and improve teaching and learning	PPM 301 Percentage of registered independent schools receiving subsidies	54%	49.6%	47%	42%	-5%	Target not achieved Schools not provided with subsidies due to non-compliance with policy prescripts. Compliance documents include Audited Financial Statements, subsidy application forms, written assurance, bank statements and quarterly reports. Only compliant schools are approved

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
		PPM 302 Number of learners subsidized at registered independent schools	41 086	38 417	42 900	42 651	-249	Target not achieved Learners not subsidized due to non-compliance with policy prescripts by schools. Compliance documents include Audited Financial Statements, subsidy application forms, written assurance, bank statements and quarterly reports. Only compliant schools are approved
		PPM 303 Percentage of registered independent schools visited for monitoring and support	32%	0%	50%	8.4%	-41.6%	Target not achieved Registered schools targeted for monitoring and support could not be visited due to limited financial and human resources.

Linking performance with budgets

The programme spent R99.226 million of the final appropriation of R101.628 million for 2021/22 financial year, underspending its budget by R2.402 million.

The underspending is due to the withholding of funds for non-compliant of 3 independent schools due to late submission of quarterly reports (AFS) and also to underperforming schools

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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
3.1 Primary Level	82,602	79,804	1,108	59,206	57,592	1,614
3.2 Secondary Level	59,187	58,914	273	42,422	41,634	788
Total	141,789	138,718	1,381	101,628	99,226	2,402

Strategy to overcome areas of under performance

Output indicator	Strategy to overcome under-performance
PPM 301 Percentage of registered independent schools receiving subsidies	Improve the quality of monitoring and support provided to schools by the Department to ensure schools comply with policy prescripts.
PPM 302 Number of learners at subsidized registered independent schools	Improve the quality of monitoring and support provided to schools by the Department to ensure schools comply with policy prescripts.
PPM 303 Percentage of registered independent schools visited for monitoring and support	<ul style="list-style-type: none"> Utilise officials from other Directorates and Districts for visits. Strict and focused monitoring and support through visits and monthly reports validated at district level Finalisation of staff migration plan

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

Not applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

79 out of 113 subsidized independent schools benefited from the Relief fund which was meant to save Educator Assistant posts. The amount transferred was R 51 051 870 for December 2020 to March 2021.

Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location District/ local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 3	To save Educator Assistant posts affected by COVID 19	All Districts	79 subsidized schools	Educator Assistants	R138 251 444	R51 051 870	PPM 106: Number of qualified Grade R-12 educators aged 30 and below, entering the public service as educators for the first time during the financial year	Educator and assistant posts were saved

4.4 Programme 4: Public Special School Education

Purpose

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

Sub-Programmes

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

Programme Outcomes

Outcomes
Well-defined holistic integrated inclusive education support system.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons deviations	for
A well-defined holistic integrated inclusive education support system	Percentage of Individualised Support Plans developed for learners with barriers to learning in public special schools	PPM 401: Percentage of Public Special Schools serving as Resource Centres	52%	52%	52%	53%	1%	Target Achieved The Department is committed to ensuring that Resource Centres continue to provide Specialist services across the province.	
	Number of Concessions and Accommodations awarded	PPM 402 Number of learners in Public Special Schools	10 029	9879	10 150	9 895	-265	Target not achieved Small fluctuations in the number of learners placed at Special Schools ensues as learners are placed throughout the school year.	
	Number of educators trained in inclusion	PPM 403 Number of therapists/specialist staff in Public Special Schools	50	48	74	46	-28	Target not achieved The appointment of specialists within rural areas remains a challenge due to the specialist nature of these occupations.	

Linking performance with budgets

The programme spent R944.476 million of the final appropriation of R955.947 million for 2021/22 financial year. The programme has underspent in all sub programmes by R11,471 million.

The under expenditure is as a result of delays in the payment of historical overtime for special school staff which was projectized and the delays are due to the verification processes coupled with the allocation of the code by PT being issued for short periods of time. The underspending is also due to austerity measures implemented by the Department to control the spending of goods and services and machinery and equipment.

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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
4.1. Schools	876,698	869,018	7,680	922,611	920,535	2,076
4.2. Human Resource Development	1,948	-	1,948	-	-	-
4.3. School sport, culture and media services	1,180	841	339	16	16	-
4.4. Conditional Grants	34,079	26,237	7,842	33,320	23,925	9,395
Total	913,905	896,096	17,809	955,947	944,476	11,471

Strategy to overcome areas of under performance

PPM	Strategy to overcome under-performance
PPM 401: Percentage of Special Schools serving as Resource Centres	<ul style="list-style-type: none"> • Readvertise 26 Specialist posts within Special Schools with a special emphasis on Special Schools within rural areas. • Increase the capacity of Special Schools by consider the expansion of new Special Schools within the new financial year or increase the capacity of existing Special Schools. • Increase advocacy campaigns for the girl-child for placements at School of Skills. • Expansion of School of Skills programme at identified Special Schools • Continue to provide additional funding to Special School as Resource Centres in order to provide outreach programmes to neighboring schools. Special emphasis will be placed on provincial coordinated outreach services to rural areas where learners do not receive all the necessary specialised support.
PPM 402: Number of learners in Public Special Schools	
PPM 403: Number of therapists/specialist staff in Special Schools	

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

Not Applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

Not Applicable

4.5 Programme 5: Early Childhood Development

Purpose

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

Sub-Programmes

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

Programme Outcomes

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
Improving the foundational skills of literacy and numeracy	Proportion of 5-year-olds (Grade RR) enrolled in educational institutions by 2024	PPM 501 Number of public schools that offer Grade R	4 200	4 152	4 000	4 107	107	Target achieved This is due to non-closure of small unviable schools by the SRRP resulting in an increase in the number of schools providing Grade R
	Professionalisation of ECD practitioners	PPM 502 Number of Grade R educators/practitioners with NQF level 6 and above qualification	1 400	1 415	1 200	1 435	235	Target achieved The increased number of qualified Practitioners is due to additional practitioners who had outstanding modules who had one or more outstanding modules that were completed in the period under review.

Linking performance with budgets

The programme has spent R516.607 million of the final appropriation of R587.605 million. The programme has underspent its budget by R70.998 million.

The underspending is mainly on personnel due to unfilled vacancies caused by practitioners that has left the system due to retirement and others who were appointed in the mainstream schools as Post Level 1 educators after acquiring the professional qualifications of ECD as well as Pre Grade R Training budget which was set aside for training and development of Pre-Grade R (ECD NQF Level 4 qualification was on the evaluation stage by year end hence the budget could therefore not be utilized as the tender processes were not yet finalized.

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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	477,507	457,990	21,781	572,240	516,377	55,863
5.2. Pre-Grade R training	13,193	5,202	7,991	15,365	230	15,135
5.3. Human Resource Development	-	-	-			
Total	490,700	463,192	29,772	587,605	516,607	70,998

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

Not Applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

Not Applicable

4.6 Programme 6: Infrastructure Development

Purpose

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

Sub-Programmes

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

Programme Outcomes

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

Re-tabled Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22 until-date-of re-tabling	Deviation from planned target to Actual Achievement 2021/22	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators & Annual Targets
School physical infrastructure and environment that inspires learners to learn and educators to teach	Increase the proportion of schools which reach minimum physical infrastructure norms and standards.	PPM 601 Number of public schools provided with water infrastructure	33	19	68	*14	-54		There are ablation facilities currently under construction. It might be possible to over-achieve on this PPM.
		PPM 603 Number of public schools supplied with sanitation facilities	33	18	39	*15	-24	Most contractors suspended work in 2020/21 due to payment delays as a result of the budget cuts. This resulted in delays in resuscitating construction as most contracts had to be re-measured and put out on tender again.	As part of the infrastructure recovery plan, there are facilities that are supplied to schools.
		PPM 606 Number of new schools that have reached completion (includes replacement schools)	6	6	13	*6	-7		There were construction projects on site which were to be finalised by the end of the financial year.
		PPM 607 Number of new schools under construction (includes replacement schools)	50	46	45	*39	-35		There were 26 major projects on site and some of other projects were terminated.

* Actual achievements reported are in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling (April- September 2021)

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations	
School physical infrastructure and environment that inspires learners to learn and educators to teach		PPM 601 Number of public schools provided with water infrastructure	33	19	120	26	-94	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of construction projects as most contracts had to be re-measured and put out to tender again.	
		PPM 602 Number of public schools provided with electricity infrastructure	20	11	22	22	0	Target Achieved The Department will continue to engage Implementing Agents (IAs) and Department of Public Works and Infrastructure (DPWI) to accelerate projects	
		PPM 603 Number of public schools supplied with sanitation facilities	33	18	90	24	-66	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of construction projects as most contracts had to be re-measured and put out to tender again.	
			PPM 604 Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools)	251	220	451	384	-67	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of construction projects as most contracts had to be re-measured and put out to tender again.
			PPM 605 Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools)	16	21	58	41	-17	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of construction projects as most contracts had to be re-measured and put out to tender again
			PPM 606 Number of new schools that have reached completion	6	6	20	10	-10	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
School physical infrastructure and environment that inspires learners to learn and educators to teach	minimum physical infrastructure norms and standards.	(includes replacement schools) PPM 607 Number of new schools under construction (includes replacement schools)	50	46	26	35	9	construction projects as most contracts had to be re-measured and put out to tender again. Target Achieved Most projects were halted because of the effects of the lockdown and the subsequent stringent health and safety requirements pertaining to the reopening of construction sites.
		PPM 608 Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools)	38	8	28	42	14	Target Achieved The Department will continue to engage Implementing Agents (IAs) and Department of Public Works and Infrastructure (DPWI) to accelerate projects
	Percentage of learners provided with Hostel facilities	PPM 609 Number of schools provided with new or additional boarding facilities	0	0	0	0	0	Target Achieved No hostels were completed in 2021/22 though Programme to be rolled out in 2023 MTEF.
	Percentage of schools that have maintenance plan that is fully adhered to	PPM 610 Number of schools where scheduled maintenance projects were completed	4	6	49	10	-39	Target not achieved. Many infrastructure projects stalled due to significant budget cuts and resultant payment delays. This delays the resuscitation of construction projects as most contracts had to be re-measured and put out to tender again.

Linking performance with budgets

The programme has spent R1.214 billion of the final appropriation of R1.506 billion. The programme has underspent its budget by R291.689 million.

The overall under expenditure is evident under Public Ordinary Schools mainly due to invoices that could not be processed on time which relates to maintenance work for different implementing agents which was set aside for fencing projects as part of the departments' recovery plans but could not be finalised. A rollover of unspent funds has been requested from Provincial Treasury for all unpaid invoices

.Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
6.1. Administration	614,224	608,411	5,813	202,184	257,453	(55,269)
6.2. Public Ordinary Schools	571,160	554,547	16,613	1,183,373	853,615	329,758
6.3. Public Special Schools	27,204	22,263	4,941	65,056	74,684	(9,628)
6.4. Early Childhood Development	128,050	37,104	90,946	56,018	29,190	26,828
Total	1,340,638	1,222,325	118,313	1,506,631	1,214,942	291,689

Strategy to overcome areas of under performance

PPM	Strategy to overcome under-performance
PPM 601 Number of public schools provided with water infrastructure	Improve project completions by engaging Implementing Agents (IAs) and Department of Public Works and Infrastructure (DPWI) to accelerate projects at advanced stages to be completed by year end deferring early-stage projects and commitments to outer years.
PPM 604 Number of additional classrooms built in, or provided for, existing public schools (includes new and replacement schools)	The appointment of a new Programme Support Unit (PSU) has been finalized and the PSU has commenced duties. The initial workplan has been expanded to support the rationalisation process and EFMS management assistance.
PPM 605 Number of additional specialist rooms built in public schools (includes specialist rooms built in new and replacement schools)	A governance structure has been established to manage the programme and the relationship with the Implementing Agents (in terms of each SDA).
PPM 606 Number of new schools that have reached completion (includes replacement schools)	The Department is now strictly enforcing the SDA requirement that payment of any invoice will only proceed if all documentation and data for that project is up to date on the EFMS.
PPM 610 Number of schools where scheduled maintenance projects were completed	A compliance checklist is being used to confirm all pertinent data and documentation. The EFMS is also being enhanced to facilitate easier extraction of the relevant audit reports in future. Revise 2022 MTEF targets to align with realistic projects life cycle.

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

Not Applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location District/ local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 6	DBE approved the utilisation of funds , under Infrastructure Conditional Grant, for transfers to school for procurement of Personal Protective Equipment and Sanitizers	All Districts	All Public Ordinary schools, Public Special Schools, ECD and Independent Schools	All Public Ordinary schools, Public Special Schools, ECD and Independent Schools	R10 803 000	R115 031 562	Covid 19 Intervention	Safety and Environmental Health for Learners

4.7 Programme 7: Examinations and Education Related Services

Purpose

To provide education institutions as a whole with support.

Sub-Programmes

Sub-Programmes	Purpose
Payments to SETA	To provide employee HRD in accordance with the Skills Development Act.
Professional Services	To provide educators and learners in schools with Departmentally managed support services.
Special Projects	To provide for special Departmentally managed intervention projects in the education system as a whole.
External Examinations	To provide for Departmentally Managed Examination services and Assessment Services.
Conditional Grants	<i>Conditional Grant Projects</i> To provide for projects specified by the Department of Basic Education that are applicable to more than one programme and funded from conditional grants: To support South Africa's HIV prevention strategy by increasing sexual and reproductive knowledge, skills and appropriate decision-making amongst learners and educators. To mitigate against the stigma of HIV and TB by providing a caring, supportive, and enabling environment for learners and educators. To improve performance of learners in Mathematics, Science and Technologies (MST) through targeted resourcing of specific public ordinary schools. 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. To reduce the vulnerability of children to HIV, TB and STI infection, particularly orphaned and vulnerable children.

Programme Outcomes

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement	Reasons for deviations
Improving the foundational skills of literacy and numeracy	The percentage of Grade 12 learners obtaining bachelor's level passes in NSC by 2024.	PPM 701 Percentage of learners who passed National Senior Certificate (NSC)	76.5%	68.1%	75%	73%	-2%	Target not achieved This was due to the number of teaching days lost due to the spread of the Covid-19 pandemic. Any disruption to the school calendar has a direct impact on teaching and learning.
		PPM 702 Percentage of Grade 12 learners passing at the bachelor pass level	32.3%	30%	33%	34.3%	1.3%	Target achieved. The intensive learner support programme throughout the academic year contributed to achieve 34.3% beyond the set target 33%.
	The percentage of Grade 12 learners obtaining 60% and above in mathematics and Physical Science by 2024	PPM 703 Percentage of Grade 12 learners achieving 50% or more in Mathematics	12.7%	13.6%	23%	16%	-7%	Target not achieved. This is due the number teaching days lost during their Grade 11 year, and they were not exposed to Grade 11 final examinations and Grade 12 Mid-year examinations due to the Covid-19 regulations which had a direct impact on teaching and learning.
		PPM 704 Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	26.09%	18.2%	22%	21.2%	-0.8%	Target not achieved. This is due the number teaching days lost during their Grade 11 year, and they were not exposed to Grade 11 final examinations and Grade 12 Mid-year examinations due to the Covid-19 regulations which had a direct impact on teaching and.
	PPM 705 Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	659	591	650	715	65	Target achieved. The intensive learner support programme throughout the academic year contributed to achieve 715 schools achieving 60% overall pass and above beyond the set target of 650 schools.	

Linking performance with budget

The programme has spent R1.445 billion of the final appropriation of R1.445 billion. The programme spending is within budget allocated.

Sub-programme expenditure

Sub- Programme Name	2020/21			2021/22		
	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
Payments to SETA	73,344	73,344	-	65,150	65 150	-
Professional Services	3,180	3,009	171	3,562	648	2,914
Special Projects	1,421,408	1,158,406	263,002	943,627	917,601	26,026
External Examinations	339,901	332,313	7,588	382,802	414,762	(31,960)
Conditional Grants	34,035	27,196	6,839	50,369	47,349	3,020
Total	1,871,868	1,594,268	277,600	1,445,510	1,445,510	-

Strategy to overcome areas of under performance

PPM	Strategy to overcome under-performance
PPM 701: Percentage of learners who passed National Senior Certificate (NSC)	<ul style="list-style-type: none"> • Planning for district offices infrastructure improvement projects to include examinations facilities. • Centralise the management of progressed learners. • Release of bulletins and targeted recruitment of educators in scarce skills.
PPM 703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	<ul style="list-style-type: none"> • Intensify LAIS Programme to support Mathematics. • Collaborate with Teacher Development for training of educators on problematic topics. • Administer Provincially set June Common Papers
PPM 704: Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	<ul style="list-style-type: none"> • Provide previous question papers for Physical Sciences • Administer Provincially set June common papers to prepare learners for the Trial Examinations • Intensify Teacher Development trainings on challenging topics

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

Not Applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

Not Applicable

5. TRANSFER PAYMENTS

5.1 Transfer payments to all public entities

Not Applicable

5.2 Transfer payments to all organisations other than public entities

The table reflects the transfer payments made for the period: 1 April 2021 to 31 March 2022

Name of the transferee	Purpose of which the funds were used	Amount budgeted for (R'000)	Amount Transferred (R'000)	transferred
Administration	Exit Benefits for Individual Personnel	25,466	44,529	Due to unforeseen resignations, early retirements, and deaths
Public Ordinary Schools Level	Norms and Standard for funding to Public Ordinary Schools	697,922	698,155	Not Applicable
Public Ordinary Schools Level	National School Nutrition Programme	1,402,713	1,402,480	Not Applicable
Public Ordinary Schools Level	Exit Benefits for Individual Personnel	191,501	222,067	Due to employee resignations, early retirements not budgeted for, leave gratuity backpays and deaths
Independent Schools Subsidies	Subsidy to qualifying Independent Schools	101,628	99,226	Due to late submission of compliance reports (AFS) and also schools that led to withholding of funds as they performed less than the required norm
Public Special Schools	Norms and Standards to Public Special Schools	144,005	143,407	Not Applicable
Public Special Schools	Exit Benefits for Individual Personnel	2,415	6,022	Due to unforeseen resignations, early retirements, and deaths
Early Childhood Development	All ECD Centre's	32,114	25,843	This is attributed to a reduced number of Practitioners to be trained because of normal attrition and some others who were appointed in the mainstream schools as Post Level 1 educators after acquiring the professional qualifications of ECD.
Early Childhood Development	Exit Benefits for Individual Personnel	0	0	Not Applicable
Infrastructure Development	Exit Benefits for Individual Personnel	0	0	Not Applicable
Payments to SETA	Training and Development	65,150	65,150	Not Applicable
Examinations	Payments to Marking Centre's for Exam purposes	49,692	49,494	Not Applicable
Examinations	Exit Benefits for Individual Personnel	-	9	Due to unforeseen resignations, early retirements, and deaths
MECs Special Projects	MEC Top achievers	14,500	14,288	Not Applicable

6. CONDITIONAL GRANTS

6.1. Conditional Grant earmarked funds paid

Not Applicable

6.2. Conditional Grant earmarked funds received

The tables below detail the conditional grants and earmarked funds received during the period 1 April 2021 to 31 March 2022.

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

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To provide support and resources to schools, educators, and learners in line with the Curriculum Assessment Policy Statement (CAPS) for the improvement of mathematics, science and technology teaching and learning in selected public schools.
Expected outputs of the grant	<ul style="list-style-type: none"> Information, communication, and technology (ICT) subject specific resources Workshop equipment, consumables, tools, and machinery: Laboratory equipment, apparatus, and consumables: Learner support: Teacher support: Administration, Monitoring and Evaluation
Actual outputs achieved	<p>Information, communication, and technology (ICT) subject specific resources</p> <ul style="list-style-type: none"> 30 schools were resourced with ICT resources. Workshop equipment, consumables, tools, and machinery: 62 schools received equipment, tools, and consumables for Civil, Mechanical and Electrical Technology subjects. <p>Laboratory equipment, apparatus, and consumables:</p> <ul style="list-style-type: none"> 30 schools received Physical Sciences Kits, 30 schools received Life Sciences kits and 10 schools received Agricultural subjects' tools and equipment. <p>Learner support:</p> <ul style="list-style-type: none"> 600 learners participated in Science Olympiads. 50 000 learners benefitted from tuition classes conducted by Maths and Science Infinity Group. <p>Teacher support:</p> <ul style="list-style-type: none"> 800 Maths, Science and Technical subjects' educators attended teacher training workshops. <p>Administration, Monitoring and Evaluation</p> <ul style="list-style-type: none"> 20 schools were monitored and supported
Amount per amended DORA	The Department received an Original Allocation of R52 116 million
Amount transferred (R'000)	The Department received an additional allocation in the form of a rollover of R7.580 million through the Adjustment Budget. This resulted in a Final Allocation of R59.696 million
Reasons if amount as per DORA not transferred	The total amount was transferred.
Amount spent by the department (R'000)	The actual expenditure was an amount of R 38,680, 000
Reasons for the funds unspent by the entity	The under expenditure was caused by delays in submission of quotations by service providers. The Bas system of the department was down at crucial moments of grant implementation. There are no standing contracts to procure Laboratory kits, Maths Kits, and ICT resources. SITA delayed approving specification for ICT resources.
Monitoring mechanism by the transferring department	<ul style="list-style-type: none"> Monthly reporting Quarterly reports Quarterly interprovincial meetings Provincial visits for monitoring & support

Conditional Grant 2: National School Nutrition Programme

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To provide nutritious meals to targeted learners on time
Expected outputs of the grant	4982 schools that prepare nutritious meals for learners (projected data) 1,637,267 learners benefitting from the provision of a nutritious meal (projected data)
Actual outputs achieved	1,647,220 (Average cohort of learners over the four quarters) 4932 (Average number of schools over the four Quarters)
Amount per amended DORA	The Department received an Original Allocation of r 1 443 715million
Amount transferred (R'000)	R 1 443 715 million
Reasons if amount as per DORA not transferred	All funds are transferred as per the approved business plan 2021/2022
Amount spent by the department(R'000)	R 1 437 852 136.00
Reasons for the funds unspent by the entity	The National School Nutrition Programme succeeded in spending 99.6% of the allocated budget. An amount of R5 862 864 was underspent. R3 000 000 was set aside for the procurement of vehicles for monitoring purposes, during the 4 th quarter, however the Programme experienced challenges with the availability of new vehicles, which we understand is a national challenge.
Monitoring mechanism by the transferring department	The National School Nutrition Programme relies on school monitoring by 54 contracted monitors. Number of monitors per district is determined by the number of schools that participate in the program. Monitors have been provided with the tools to enable them to effectively monitor the schools. Monitors utilise a standardised tool to monitor schools. Monitors present a summary of schools visited, and planning for the next week every Friday. It enables the team to respond to issues identified. Monitor tools are also collated into a quarterly report, which is submitted to Basic Education. Once again monitoring of schools were hampered in the first six months of the year due to Covid – 19. Although monitoring did take place, it may not have been that effective. In the second half of the year, we were successful in increasing the number of visits to an average of 250 schools per week as to the national standard of 102 visits per week.

Conditional Grant 3: Infrastructure Education Grant

Department who transferred the grant	Eastern Cape Department of Education
Purpose of the grant	<ul style="list-style-type: none"> To help construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation To address achievement of the targets set out in the minimum norms and standards for school infrastructure To address damages to infrastructure To enhance capacity to deliver infrastructure in education
Expected outputs of the grant	<ul style="list-style-type: none"> Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided. Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material Number of storm damaged schools rehabilitated Number of new and existing schools maintained Number of work opportunities created Number of new special schools provided, and existing special and full-service schools upgraded and maintained Number of schools where contracts focused on the development and upgrading of potable water supply and safe sanitation have reached practical completion Number of schools where contracts focussed on the COVID-19 emergency potable water supply have reached practical completion Number of schools where contracts focussed on the COVID-19 emergency safe sanitation have reached practical completion Volume of water supplied through trucking (with details of which schools were supplied on what dates) Number of schools provided with sanitisation materials and equipment (with quantities specified)
Actual outputs achieved	<p>In general, a total of 44 projects were completed where Water, electricity and sanitation were delivered at various schools.</p> <ul style="list-style-type: none"> a total of 24 schools have received water; 22 schools received electricity. 24 sanitation projects completed at 24 schools. 384 classrooms delivered at 27 schools. 41 specialist classrooms completed at 10 schools: being a variance of 17 from the target of 58. There has been an achievement of 10 Replacement schools which have reached Practical Completion. A notable over achievement of 42 grade R Classrooms from the target of 28 grade R Classrooms. A Cumulative of 12 maintenance projects has been completed.
Amount per amended DORA	The Department received an Original Allocation of R1.640 billion
Amount transferred (R'000)	The Department received an additional allocation in the form of a rollover of R70.776 million through the Adjustment Budget. An amount of R205.122 million was surrendered during a special second adjustment This resulted in a Final Allocation of R1.506 billion
Reasons if amount as per DORA not transferred	•205 122 not transferred due to inadequate expenditure of already transferred amounts
Amount spent by the department (R'000)	1 214 942
Reasons for the funds unspent by the entity	Amount of R217 220 million was not spent due to the unavailability of cash in the bank to pay for the invoices that were received to be honored. This was coupled with the core challenges pertaining to capacity challenges which were aggravated by the aftereffects of the reprioritisation of budget in 2020 for Covid essentials to schools.
Monitoring mechanism by the transferring department	Submission of the IPMP annually, monthly loading of information on the IRM and bi-annual visits to the province as well as quarterly sector Sub-Hedcom meetings.

Conditional Grant 4: HIV/AIDS Grant

Department who transferred the grant	Department of Basic Education
Purpose of the grant	<ul style="list-style-type: none"> • To support South Africa's HIV prevention strategy by: <ul style="list-style-type: none"> - providing comprehensive sexuality education and access to sexual and reproductive health services to learners - supporting the provision of employee health and wellness programmes for educators • To mitigate the impact of HIV and TB by providing a caring, supportive, and enabling environment for learners and educators • To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls
Expected outputs of the grant	<ul style="list-style-type: none"> • Co-curricular activities on provision of Comprehensive Sexuality Education (CSE), access to Sexual and Reproductive Health (SRH) and TB services implemented in secondary schools including a focus on prevention of alcohol and drug use and learner pregnancy, targeting 15 000 learners. Curricular activities in primary schools will focus on raising awareness of social issues and vulnerabilities such as how to report abuse and support affected learners. • Care and support programmes implemented to reach 15 000 learners and educators. Expand the appointment of Learner Support Agents to 800 to support vulnerable learners prioritizing primary schools, using the care and support for teaching, and learning framework. • Host advocacy and social mobilization events with 20 000 learners, educators and school community members on the new DBE National Policy on HIV, STIs and TB to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services, including a focus on key risk behaviors such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls, multiple concurrent sexual partnerships, power relations, respect for girls and other issues that compel negative behavior amongst boys, as well as to advocate for the integrated school health programme including provision of sexual and reproductive health services such as contraception, STIs, pregnancy and HIV testing, condom distribution and information on safe circumcision in secondary schools.
Actual outputs achieved	<ul style="list-style-type: none"> • 17 582 Learners and educators as well as 264 school community members reached through advocacy of HIV risk factors. • 840 Schools reached through TB and COVID-19 awareness activities • 329 Educators trained on Quality Sexual Reproductive Health (SRH) and HIV prevention programmes to implement as part of the LO Curriculum in their schools. • 805 Learner Support Agents and 87 Keeping Boys in School Monitors appointed to provide psycho-social support services to learners in schools as well as develop programmes to address challenges faced by boy-children in schools thereby creating a safety net and mitigating the scourge of Gender-Based Violence (especially against girls and women). • 86 126 Sets of CAPS compliant, age and grade appropriate LTSM provided to learners. These included rulers with COVID -19 Management golden rules and pictures for primary school learners, copies of the ISHP and Guidelines for Parents on implementing ISHP, Posters on Anti- Bullying, the National School Safety Framework as well as Safety Boxes for learners to drop notes on any abuse/bullying incidents they encounter either at home or in schools. • 564 Awareness Campaigns on Drug and Substance Use for learners and educators conducted. • 500 Educators trained to implement Comprehensive Sexuality Education (CSE) and TB prevention programmes for learners to be able to protect themselves from HIV and TB and associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in areas with high burden of HIV and TB infections. • 500 School Governing Bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that CSE and TB education is implemented for learners in schools. • 20 000 Copies of curriculum and assessment policy statement compliant material,

Department who transferred the grant	Department of Basic Education
	including material for learners with barriers to learning, printed, and distributed to schools. Printing of the school policy pack will be prioritized over learner teacher support material to ensure that all schools have a copy of the Department of Basic Education's (DBE) National Policy on HIV, STIs and TB for learners, educators, support staff and officials in all primary and secondary schools in the basic education sector.
Amount per amended DORA	R50 369 000 Initial amount was R45 089 000 and a roll-over of 5 280 000 was received.
Amount transferred (R'000)	R50 369 000
Reasons if amount as per DORA not transferred	Not Applicable
Amount spent by the department(R'000)	R47 349 000
Reasons for the funds unspent by the entity	R 2 948 742 Committed funds due to delays in provision of invoices by service providers. An application for roll-over has been made to Provincial Treasury.
Monitoring mechanism by the transferring department	The District Coordinators and Project Officers conduct monitoring and support visits to schools. Districts/ CMCs also conduct Accountability meetings where the LSAs provide reports on the implementation of the programme in their schools. The province also conducts Accountability sessions with the Districts. DBE conducts an Annual Performance evaluation of the Conditional Grant around May of each year evaluating the previous financial year.

Conditional Grant 5.1: EPWP Grants - Integrated Incentive Grant

Department who transferred the grant	Department of Public Works & Infrastructure
Purpose of the grant	Aims to support national building through involving young people in delivery of crucial government service and through this enable these young people to acquire and apply skills and values to access economic opportunities upon completion of the programme and continue to engage with community activities and social processes.
Expected outputs of the grant	To inculcate in young people an understanding of their role in the promotion of civic awareness and national reconstruction.
Actual outputs achieved	Employment of 130 participants (80 farm assistance ,15 Care givers in special school ,10 School Cleaners and 10 Walking bus)
Amount per amended DORA	R4 586.000
Amount transferred (R'000)	R4 586.000
Reasons if amount as per DORA not transferred	Not Applicable
Amount spent by the department (R'000)	R4 955 100
Reasons for the funds unspent by the entity	COE- Overspent due to permanent educators that are paid through this grant.
Monitoring mechanism by the transferring department	IYM Monthly reports and Quarterly reports

Conditional Grant 5.2: EPWP Grants - Social Sector Incentive Grant

Department who transferred the grant	Department of Public Works & Infrastructure
Purpose of the grant	To incentivize Provincial Social 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.
Expected outputs of the grant	Improve quality of life through unemployment people creation and increased work.
Actual outputs achieved	Achieved 1018 participants (150 school gardeners,160 school safety patrollers,296 care givers in special schools and interpreters,150 school cleaners,50 walking buses,50 social behavioral change agent ,60 data captures)
Amount per amended DORA	R 29 797 000
Amount transferred (R'000)	R R29 797000
Reasons if amount as per DORA not transferred	Not Applicable
Amount spent by the department (R'000)	R30 646 307.70
Reasons for the funds unspent by the entity	COE- Overspent due to permanent educators that are paid through this grant.
Monitoring mechanism by the transferring department	IYM, Monthly reports and Quarterly reports

Conditional Grant 6: Learners with Severe to Profound Intellectual Disability Grant

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To provide necessary support, resources, and equipment to identified care centres and schools for the provision of education to children with severe to profound intellectual disabilities
Expected outputs of the grant	Improve access to quality basic education for children with severe to profound intellectual disabilities in conditions that ensure dignity, promote self-reliance, and facilitate active participation by training care givers, appointing therapist approved in outreach
Actual outputs achieved	<ul style="list-style-type: none"> Trained 250 care givers on the learning program, Appointed 30 officials who are therapist and senior education specialist to provide outreach programs to the learners at special care centres. Equipped the care centres with kiddies' furniture, provided Assistive to the PID learners as well as LTSM to support daily implementation of the learning program.
Amount per amended DORA	R 27 004 000
Amount transferred (R'000)	R 27 004 000
Reasons if amount as per DORA not transferred	Not Applicable
Amount spent by the department (R'000)	R 23 867 000
Reasons for the funds unspent by the entity	The amount allocated for COE could be spent all because of the delays that occurred in terms of appointing six officials on the grant The delay resulted in under expenditure accumulated in six months.
Monitoring mechanism by the transferring department	The transferring Department monitor the receiving officer in terms of quarterly report, quarterly onsite visit for monitoring, Desktop monitoring. Monitoring through share point.

7. DONOR FUNDS

7.1 Donor Funds received

Not applicable

8. CAPITAL INVESTMENT

Capital investment, maintenance, and asset management plan

In general, a total of 44 projects were completed where Water, electricity and sanitation were delivered at various schools. Therein, a total of 26 schools have received water; 22 schools received electricity; 24 sanitation projects completed; 384 classrooms delivered at 27 schools; 41 specialist classrooms completed at 10 schools; being a variance of 17 from the target of 58. There has been an achievement of 10 Replacement schools which have reached Practical Completion. A notable over achievement of 42 grade R Classrooms from the target of 28 grade R Classrooms. A Cumulative of 10 Maintenance projects has been completed.

The table below depicts the progress with 339 projects that were under construction at the end of the financial year.

District	Cancelled / Contract Terminated	Construction 1-25%	Construction 26-50%	Construction 51-75%	Construction 76-99%	Construction commenced	On hold after construction started	Tender Closing Date	Total
Alfred Nzo East	3	7	1	2	3	0	0	1	17
Alfred Nzo West	3	3	1	5	7	0	0	0	19
Amathole East	0	11	3	3	11	1	0	0	29
Amathole West	0	13	3	7	6	0	0	0	29
Buffalo City	0	7	0	9	7	0	0	0	23
Chris Hani East	1	11	1	9	1	1	0	0	24
Chris Hani West	1	10	1	7	5	0	0	0	24
Joe Gqabi	0	4	4	3	9	0	0	0	20
Nelson Mandela	0	6	1	8	5	0	0	0	20
OR Tambo Coastal	9	11	1	14	7	0	0	1	43
OR Tambo Inland	4	17	3	35	11	1	0	0	71
Sarah Baartman	0	1	2	2	1	0	1	0	7
EC Whole	0	4	1	3	1	4	0	0	13
Grand Total	21	105	22	107	74	7	1	2	339

Rationalisation of schools and disposal of assets

In 2016 a total of 2077 schools in the province Cape were categorized as small and unviable, and on the September 2016 the Department issued notices of intent to rationalize to 1 902. The Department has undertaken a technically, rigorous, and scientific process by applying spatially referenced analytical techniques and using disaggregated demographic analysis and projection enrolment analysis at circuit level to develop long-term integrated, sustainable comprehensive institutional landscape plans termed Circuit School Landscape Plans (CSLPS).

One of the first actions in the rationalisation process was to issue Section 33 letters (in terms of SASA, in which the MEC advises a school that its closure is being contemplated and requests the school to provide reasons why this should not proceed) to all schools identified for potential rationalisation. A total of 1 902 Off the 2 077 identified to be small and unviable, in total, 1 902 schools were issued with the Section 33 letters in September 2016. This formed the Baseline of schools to be rationalised and realigned in the province. To this end a register of 1142 schools that have been gazetted as closed has been taken into cognisance in the penning of this plan.

Damage to infrastructure

The table below denotes the distribution and value of damage suffered by schools which were affected by tornados. In it, some of the school buildings have to be demolished and new infrastructure erected. The department is faced with this scourge of climate change induced events and needs to have a better plan in the future.

EDUCATION DISTRICT	NO. OF SCHOOLS DAMAGED	NUMBER OF SCHOOLS WHERE PSPs HAVE BEEN APPOINTED	VALUE
ALFRED NZO WEST	0	1	R0,00
ALFRED NZO EAST	0	4	R4,785,277.28
AMATHOLE EAST	8	3	R8,661,800.00
AMATHOLE WEST	28	14	R33,187,697.80
BUFFALO CITY	5	2	R1,864,015.45
CHRIS HANI EAST	9	7	R13,042,638.90
CHRIS HANI WEST	2	2	R3,755,284.75
JOE GQABI	2	1	R4,987,389.00
NELSON MANDELA	0	0	R0,00
O R TAMBO COASTAL	28	16	R29,625,042.87
O R TAMBO INLAND	12	8	R22,354,599.68
SARAH BAARTMAN	0	0	R0,00
Grand Total	103	57	R122,263,745.73

Maintenance of the Immoveable Asset Register

The Department has a functional register of its immovable assets through the Education Facilities Management System (EFMS), which continuously gets updated with new asset information (NEIMS assessment) on completion of a project, thus maintaining the currency of the asset data

Whereas the updating of information sometimes proves to be challenging the department has sourced Program managers to oversee information sanctity through an automated escalation system and an amendment to IA SDAs to include penalty clauses on non-compliance. The department has further consented to getting the EFMS as a sector wide Program system by its transferral to DBE and getting it to be hosted and managed by SITA. The Department has also committed itself to (and budgeted for) updating its asset information by conducting condition assessments at all schools over the current MTEF period

Furthermore, the resources in the Property management sub-Directorate are being increased which has been a new Assistant Director joining the team together with 2 support staff while another post of the former was advertised in February 2022.

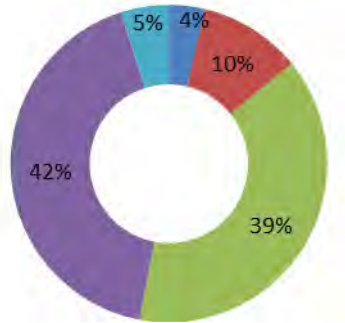
Condition of assets

The Department currently has 5 246 operational public ordinary schools in the province. whereas the department conducted condition assessments in 2013 and 2014, the traction in updating such by 2018 was not fully fulfilled.

the following points accounts for the strategy to make inroads into the matter.

- Completed Major Projects: the ASIDI, the Province and other donors completed a significant number of projects in the last 3 years whose condition has significantly been upgraded.
- Closed schools: the list of 1142 closed schools need to be eliminated from the register of schools in order that their condition does not form part of the assessment.
- Assessments for Major Projects: since 2018, various schools have been assessed to receive new infrastructure through assessment made by various implementation agents. That condition can be accounted for from the mentioned assessments.

However, while the strategy is to be deployed, the condition of the Department's fixed assets, based on the 2013/14 assessments, is shown graphically below:



- C1: Very Poor
- C2: Poor
- C3: Fair
- C4: Good
- C5: Excellent

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

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

Infrastructure projects	2020/2021			2021/2022		
	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
New and replacement assets	71 959	79 729	(8 134)	143 733	167 397	23 664
Existing infrastructure assets				1 141 705	460 497	681 208
Upgrades and additions	1 330 052	1 209 879	120 173	921 328	387 051	534 277
Rehabilitation, renovations, and refurbishments	249 228	218 477	30 731	77 548	45 072	32 476
Maintenance and repairs	71 595	41 975	29 620	142 829	28 356	114 473
Infrastructure transfer					157 113	-
Current	-	-	-	-	156 755	-
Capital	-	-	-	-	358	-
Total				1 506 631	1 222 325	284 306



PART C:

GOVERNANCE

1. INTRODUCTION

The Department is committed to ensuring the highest standards of governance as fundamental to the management of public finances and resources. The Department intends to maintain good governance structures in place to ensure internal controls measures effectively, efficiently, and economically in utilizing the state resources, which is funded by the taxpayer. 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. Risk management, prevention of fraud and corruption and measures to minimize conflict of interest are constantly reviewed to promote clean governance, effectiveness, and efficiency within the organization.

2. RISK MANAGEMENT

Enterprise Risk and Integrity Management assist the organisation to cope with incidents of risk and promote business continuity. The office of the Enterprise Risk and Integrity Management has adopted a risk management strategy and risk management policy framework, its intension is to ensure the effectiveness of risk management as the integral part to reduce departmental risk and align with principles of good corporate governance. Effective risk management will therefore assist the institution to achieve high performance and service delivery target and reduce potential loss of resources. This result in effective responsibility and accountability structures, improvement of performance and compliance with laws and regulations, thus avoiding damage to its reputation. Additional key benefits include:

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

The Department has adopted a Risk Management Implementation Plan which is approved by both the Chairperson of Risk Committee and Head of Department and reviewed annually. The purpose of the Implementation Plan is to guide the department on risk management matters and facilitate the execution of risk management planned activities. Risk Assessment is conducted annually and monitoring of implementation of planned actions is conducted quarterly in line with the principles of good governance. All the identified risks both strategic and operational are presented quarterly in the Risk Management meeting. Implementation of action plans are reported in all risk management meetings as part of accountability sessions.

The Department has established the Risk Management Committee which constitute one external member (Chairperson of the RMC) and one member from the departmental committee (audit committee). The Risk Management Committee is to assist the Accounting Officer to maintain effective, efficient, and transparent system of risk management. This entails identification and mitigation of risk management systems.

The Departmental Chief Risk Officer sits in all Audit Committee meetings and present all the identified risks and mitigation plans to the Chairperson of Audit Committee. The Audit Committee monitors the implementation of action plans that mitigates identified risks through the strategic and operational risk registers. The Audit Committee advice on the management of the risk management system and their advice are independent, effective, and efficient.

The Risk Management Committee and the Audit Committee has assisted the department in the identification of the management risk and mitigation of risks, both committees are regularly monitor the assessment of risk in order to identify emerging and significant risk in the department. Evaluate the effectiveness of mitigating strategies implemented to address the material risk of the department.

3. FRAUD AND CORRUPTION

The Department has an approved “Fraud Prevention & Anti-Corruption Policy” which gets reviewed annually. In all investigations the directorate participates in the process of disciplinary hearing, with intentions of providing evidence for sanctions as deterrent factor. Areas of controls are identified by the unit as a preventative measure, which include financial recording and financial reporting.

Mechanisms in place to report fraud and corruption and how these operate

- Allegations reported to the National Anti-Corruption Hotline and are reported to Enterprise Risk and Integrity Management unit via Superintendent General/ MECs office. Furthermore, allegations are reported directly to the Director: Enterprise Risk and Integrity Management
- These allegations are documented on a case register. A file is opened for each case and the matter is allocated to a team of investigators from Enterprise Risk and Integrity Management unit.
- A preliminary investigation is conducted to assess the credibility of allegations and whether it is financially viable before we conduct a full-scale investigation. If a preliminary investigation confirms the validity of allegations and financial viability of conducting an investigation, then a formal investigation commences.
- Investigation commences by interviewing all relevant parties i.e., witnesses and alleged perpetrator. Request for information is forwarded to the section affected by the allegation. All documentation received is recorded on the case register which is signed by the investigator and person submitting the documents. Consultation takes place with external sources. All information is recorded in a report which is supported by an evidence file with relevant documents. The draft report is reviewed by the Director Risk Management. The reviewed report is signed by the investigator and Director Risk Management
- The investigation report is forwarded to the Accounting Officers office for comments and approval. The Accounting Officer reviews the content of the report and recommendations if necessary

4. MINIMISING CONFLICT OF INTEREST

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

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

- Verify whether they are falling in the following categories, board members, exam assistants, interns, contract workers, etc. which is exempted and may trade with the State.
- Contact Suppliers telephonically requesting to provide consent to the Department to deregister them from the CSD.
- Request PT to deregister those Suppliers who agreed to be deregistered from the CSD.
- Identify those officials who resigned from the company and is awaiting the deregistration of CIPC process.
- Those officials who could not be traced are being referred to Labour Relations to contact them as they are the custodians of employees.
- Officials who are conflicted (did business with government) are subjected to consequence management through further investigations conducted by Risk Management and disciplinary actions through Labour Relations.

It must be noted that no officials from the department conducted business with government for the year under review as per the reports received Provincial Treasury for the 2021/22 financial year.

To minimize conflict of interest is to address the root cause of barring government officials from registering on the Centralized Supplier database

5. CODE OF CONDUCT

The Employment of Educators Act Code of Conduct is in Schedule 2 item 7 of the same act for both institution and office-based educators. The Code of Conduct for employees employed in terms of Public Service Act is in PSCBC Resolution No 1 of 2003, and for SMS members is in Chapter 7 of the SMS Handbook.

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

Process followed once there is breach of code:

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

The employee will be afforded the following rights:

- To be represented by a union official or a shop steward/ fellow employee.
- To cross examine the witness/es of the employer,
- To state his side of the story,
- If found guilty to appeal the sanction (Not Applicable to SMS members).

Employee Relations and Advocacy directorate will keep the information in a file and on PERSAL.

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

The policy promotes the following:

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

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

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

1. STI, TB, HIV&AIDS

- The department managed to distribute 54140 male condoms and 12495 condoms for prevention purposes of sexual infections.
- 78 of our male employees took the opportunity to test for HIV and 159 female employees were tested.
- Employees who tested HIV positive were referred to their Medical Practitioners for treatment and support.
- 839 employees were screened for TB and 17 of them were referred for clinical diagnoses.
- 195 employees were reached for Gender Based awareness.

2. HEALTH & PRODUCTIVITY MANAGEMENT

- 917 employees were screened on High Blood Pressure, Diabetes, Obesity and Cholesterol and those employees were educated on how to self-manage their chronic diseases.
- 429 employees were screened on Mental Illness and were advised how to manage their mental health.
- 735 COVID-19 cases were received, and two employees succumbed to it.

3. SAFETY, HEALTH ENVIRONMENT, RISK AND QUALITY MANAGEMENT

- 91 OHS awareness educational programmes conducted
- 131 *departmental service points audited for OHS compliance*
- 270 Health and Safety representatives were trained on Health & safety issues
- Occupational Health and Safety Committee meetings were conducted.

4. WELLNESS MANGEMENT

- 2309 employees were reached with health promotion messages.
- 713 employees received psychosocial interventions and support.
- 1023 employees received training on personal financial management.
- 7 employees were referred for debt counselling.
- 612 employees participated in departmental physical and recreational activities.

7. PORTFOLIO COMMITTEES

Date	Matters address	Resolution
22/04/2021	To consider the MEC's, HOD and the CFO's Overviews. of 2021/22 Annual Performance	Overviews were accepted
07/05/2021	Presentation of programmes.	Programme presentations received and accepted
13/05/2021	Presentation of programmes.	Programme presentations received and accepted
23/07/2021	Implementation of the house resolutions of Schools visited in Feb 2021 State of readiness on follow up visits.	House resolutions were implemented and follow up were conducted
09/11/2021	Consideration of the MEC's, HOD And the CFO's Overviews for the Mid Year 6 Monthly Oversight Report And 2020/21 Annual Report	Overviews were accepted
16/11/2021	Consideration of Annual reports and financial oversight reports.	Annual reports and financial oversight reports were responded to
18/01/2022	To assess school readiness for the year 2022. Implementation of house resolutions on School visits (Feb 2021) and follow up visits (July & August 2021)	Reports Tabled
31/03/2022	Presentation of the MEC's, HOD and CFO's overviews. for 2022/23 Annual Performance	Overviews were accepted
07/04/2022	Consideration of Appropriation bill.	The Appropriation Bill was accepted
21/04/2022	Consideration of t/he consolidated responses to oral questions. Briefing by the MEC on the suspension of the HOD.	All the consolidated responses were accepted and considered The MEC briefed the departmental employees about the suspension of the HOD and the Acting HOD was officially introduced to all staff
26/04/2022	Consideration of the consolidated responses to oral questions.	All the consolidated responses were accepted and considered

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	Effective and appropriate steps were taken to prevent irregular expenditure amounting to R10,63 million as required by section 38(1)(c) (ii) of the PFMA and Treasury Regulation 9.1.1.	<p>This Department had in the previous year committed to adjusting Supply Chain Management processes in order to circumvent irregular expenditure.</p> <p>How has the Department managed to incur more irregular expenditure for the same reasons of non-compliance with legislation?</p>	<p>The irregular expenditure recorded in the 2020/21 Annual Financial Statements is as the results of multi-year Infrastructure Projects that were identified as irregular expenditure in prior years, which relates to procurement done by implementing agents for infrastructure projects on behalf of the Department. Of the R10,630 million Irregular Expenditure disclosed, R2,254 million that was identified and incurred in the 2020/21 financial year relates to procurement done by the Department on goods and services.</p> <p>The incurrance of the irregular expenditure on goods and services was as a result of poor planning from Districts offices which issued purchases orders after the services were rendered and, in some instances, it was due to power cuts which affects the Logis system for issuing purchases Orders.</p>	In Progress
		<p>Is the irregular expenditure caused by non-compliance with regulations a continuation of contracts that were appointed in previous years? If yes when are these contracts ending? If not, why does the department not eradicate non-compliance?</p>	<p>Yes, this irregular expenditure amounting to R8,376 million is as a result of subsequent payments made on transactions that were previously declared as irregular, transactions that were due to non-compliance with regulations in previous years.</p> <p>The list of contracts resulting in Irregular Expenditure has been attached indicating their end dates. The Department is still at the stage of determination to establish facts about people liable and whether value for money was attained to be able to start the processes of consequence management and then condonement</p> <p>The Department acknowledges that there's a huge balance of irregular expenditure that remains uncleared, this is due to capacity challenges. The Department has sought assistance from both Provincial Treasury and the Office of the Premier.</p>	In Progress
		<p>Non-compliance with Supply Chain Management processes is susceptible to fraud, was the Member of the Executive Council informed about these cases as he/she is accountable by law to the legislature?</p>	<p>The Departmental policy on Fraud and Anti-Corruption and Escalation does not cater for reporting and escalation to the Member of the Executive Council (MEC). All cases of financial misconduct, including cases of fraud in the Department are approved by the HOD for an investigation to be conducted. The Member of the Executive Council is informed informally with regards to cases under investigation and on high level cases that implicates SMS members and Law Enforcement Agencies. There is no formal communication to that effect. The MEC was informally informed about the three high level cases that were reported to Law Enforcement Agencies involving SMS members. The Department will consider amending the policy to include a formal</p>	In Progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>Is the Department actively monitoring the issuing of awards by Implementing Agents as previously committed?</p> <p>Kindly provide this committee with evidence that SCM staff are regularly capacitated on changes in their areas of practise, changes in legislation and the existence and attendance of forums.</p> <p>Are officials of the Department made aware of their responsibilities in line with section 45 of the PFMA?</p>	<p>communication to the MEC about fraud cases in the department that involve SMS members. See the attached (Q1.3.a- i).</p> <p>Yes, the process has started and is in the process of being formalised, making it mandatory for Implementing Agents (IAs) to submit procurement process files for concurrence before an award is made. A Standard Operating Procedure (SOP) for concurrence with all the relevant checklists has been drafted. It will be taken through the internal DOE policies reviews and a formal communication will be sent to the Implementing Agents. (See the attached Q1.4.a - b)</p> <p>The Departmental SCM officials were trained.</p> <p>Yes. The Department continues to advocate to officials their responsibilities in line with section 45 of the PFMA through the Ethics and Irregular Expenditure Committee that has been established within the Department. To date the committee has held one quarterly meeting. See the attached (Q1.6.c - e)</p> <p>The Department started to implement investigations on the irregular expenditure in order to ascertain the root cause and to ensure consequence management is implemented on responsible officials. See the attached (Q1.6.a - e).</p>	<p>In Progress</p> <p>In Progress</p> <p>In Progress</p>
2	Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R16,15 million as required by section 38(1)(c)(ii) of	<p>The Department is requested to provide this committee with evidence of investigations conducted for the irregular expenditure incurred in the year under review and the consequence management thereto.</p> <p>Have all the fruitless expenditure transactions incurred in the year under review been investigated. Kindly provide this committee with outcomes and subsequent action taken in cases where officials were found to have</p>	<p>The Department started to implement investigations on the irregular expenditure in order to ascertain the root cause and to ensure consequence management is implemented on responsible officials. See the attached (Q1.6.a - e).</p> <p>The Fruitless and wasteful expenditure incurred in the current year under review is currently under investigation. The team is trying to gather all the relevant information required for the investigation from the implementing agents. This is proving to be time-consuming as the implementing agents are not providing the information as quickly as is required. The Department has targeted 31 December 2021 to finalise all investigations relating to the year under review.</p>	<p>In Progress</p> <p>In Progress</p>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	the PFMA and Treasury regulations 9.1.1. Most of the fruitless expenditure was as a result of salaries made to employees on precautionary suspension and payments for damages and interest on late payments	<p>allowed the fruitless expenditure.</p> <p>This is a recurring finding. What will the accounting officer do differently to raise awareness amongst officials and to prevent fruitless expenditure in line with Treasury regulation 9.1.1.</p>	<p>Prior to the audit, the Department had already started a process of reviewing the payment cycle within the Department and user units. A process description with responsible persons/sections and timeframes has been drafted and is in the process of being approved by each of the relevant sections. This will ensure that officials fully understand the impact of late processing of invoices and the consequences thereof. The Department has also set up and communicated to implementing agents the process for interest calculation and what needs to be included in the payment vouchers in order for these invoices to be processed expeditiously.</p> <p>These measures should ensure that the Department pays invoices within 30 days; responsibility is easily isolated for late payment of invoices and that interest is calculated correctly by the implementing agents where applicable.</p>	In Progress
3	Appropriate measured were maintained to ensure that transfers and subsidies to entities were applied for their intended purposes as required by treasury regulation 8.4. 1	<p>Are there any recoveries made from implicated officials both for previous and current financial period? If yes evidence to that effect must be provided to the Committee</p> <p>Why were there no controls in place to ensure that transfers to entities are utilised for their intended purpose?</p> <p>How has the accounting officer adjusted the control environment to ensure that the finding does not recur?</p>	<p>No recoveries have been made as yet; the investigations are still under way.</p> <p>The Department lacks in monitoring funds transferred to all schools due to the following reasons:</p> <ul style="list-style-type: none"> The Department has not been able to fully populate its organogram since the approval of the Service Delivery Model in 2019. There is a high vacancy rate at Circuit Management Centre level (CMC) where school monitoring is supposed to take place, with only 6 permanently employed CMC heads out of 49. Depleting financial resources also limits monitoring and evaluation at school level as travelling and subsistence budget is susceptible to cuts <p>The Department is in the process of recruiting monitors that will be placed at CMC level through the Presidential Employment Initiative, who will be trained on monitoring and evaluation and on Financial Management.</p>	In Progress
4	The department incurred unauthorised expenditure of R1, 03 billion due to	Why did the accounting officer permit the Department to go beyond its Voted Funds by an amount exceeding R1,03 billion in	The Department entered into a multi-year declaration of 54 026 posts that commenced in 2018-to-2020. The number of declared posts considered and budget set aside for the compensation of employees and the appointment implementation has never exceeded 54 026 posts for these years. Post Provisioning Norm (PPN)	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	overspending on Programme 2 Public Ordinary School education. The department was in an overdraft of R1,4 billion	contravention with the provision of Section 39(1) (b) of the PFMA?	<p>has been driven mostly by budget availability, in mitigating the potential risk of overspending on compensation of employees.</p> <p>National Treasury implemented a fiscal consolidation policy that has unintended consequences on the realisation of the obligations imposed by section 29 of the Constitution on government, which states that 'everyone has the right to a basic education, including adult basic education'. The Department could not fully adhere to this constitutional mandate in that budget reductions have forced the Department to leave some vacant posts unfilled in an attempt to remain within the allocated budget.</p> <p>The Department has faced budget reductions on compensation of employees since 2018/19 that has been worsened by a decreased in the budget baseline with unmatched increase in unit cost per employee due to the implementation of the PSCBC resolution on equalization of salaries, cost of living adjustment that were not funded including medical aid and housing allowances increases each year.</p> <p>The COVID-19 pandemic has exacerbated the budget pressures in relation to compensation of employees as further budget cuts were implemented and the 2020/21 COE budget reduction alone was R2,787 billion.</p>	
		What precautionary measures will the Department put in place to monitor and ensure that the Department stays within the Voted Funds?	<p>Due to the importance of teacher posts for the implementation of teaching and learning at school level, the Department put on hold appointment in Programme 1 posts and only filling 5 critical administration posts. However,</p> <p>the cuts that were implemented could not afford the warm bodies already on the system and the Department brought this to the attention of the Provincial Treasury.</p> <ul style="list-style-type: none"> • The Department also stopped all procurement in the first quarter, except for conditional grants and concentrated on paying for services already rendered. • A management decision was also taken to renegotiate contracts and also to not extend any contracts of service providers as they expired. • Austerity measures were re-enforced by also reprioritising travelling and accommodation budget for services delivery and ICT platforms were utilised for meetings and support. • The Department also requested additional funding from Provincial Treasury to fund budget shortfalls 	In Progress
		Has the Department conducted an investigation into the full extent of the unauthorised and any losses that may have been suffered?	The Department did not conduct any investigation into the full extent in this regard, the unauthorised expenditure confirmed by the Department was due to overspending in Programme 2.	In Progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>Please provide this committee with evidence of Consequence management that the Department has put in action in response to the investigation conducted</p> <p>What is the impact of having an overdraft by the department to its daily operations? What will the Department do to ensure that it is not in this situation in future?</p>	<p>No consequence management was taken. The overspending was due to unprecedented budget cuts that were implemented by National Treasury for fiscal consolidation.</p> <p>The overdraft was approved by Provincial Treasury, which allowed the Department to be able to pay for goods and services received from service providers, goods and services that were necessary for the operations of the Department. (See the attached Annexure 4.2.a - c)</p> <ul style="list-style-type: none"> The Department in the current financial year prioritised payment of already rendered services and limited its procurement to prioritised activities. The Department further approached both National Department of Education and Provincial Treasury for assistance in this regard. 	In Progress
5	<p>Payments were not made within 30 days of an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3. This is a recurring finding. Effective internal controls were not in place for approval and processing of payments as required by Treasury Regulation 8.1.1</p>	<p>Please provide this committee with reasons why Treasury Regulation 8.2.3 was not adhered to in as far as payment of invoices is concerned?</p> <p>This is a recurring finding within this department, and they had committed to a number of corrective actions to address with the issue of late payments. Please update this committee on the progress made in engaging the key stakeholders</p> <p>How much is the value of outstanding payments? What plan does the department have to settle these payments? as they have a negative impact to suppliers and the economy general.</p>	<p>Due to budget shortages, the Department would take decisive steps to prevent and/reduce exposure to Unauthorised Expenditure in close monitoring of the expenditure and not pay invoices waiting for such a time funds become available.</p> <p>To mitigate the risk of late payment of suppliers and overspending the budget, the Department established a Budget Management and Expenditure Control Committee under the name Austerity Measures Committee to vigorously scrutinize all new procurement requests. This strategy is aimed at reducing commitments as well as ensuring that available funds are utilised to honour current obligations and key priority areas.</p> <p>The Department is left with 3 unpaid suppliers from the list of accruals and payables declared for the period ending 31 March 2021, with invoices amounting to R383 million due to the following reasons:</p> <ul style="list-style-type: none"> Invoice in dispute amounting to R2,3 million. Delays were initially due to reviews performed by Provincial Treasury on invoices amounting to R351 million, which the Department was awaiting finalisation of. This review is still ongoing, but phase 3 of the contract has been completed requiring an amount of R276 million to be paid. This invoice will remain unpaid until such time budget is available. PT is aware of this challenge. Current invoices will be paid within the limited available cash resources. R30 million relating to Presidential Employment Initiative remains unpaid due to 	In Progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>Why were effective internal controls not in place for approval and processing of payments subjecting the Department to risk of fraud and corruption?</p> <p>Has the accounting officer investigated all payments to ensure that the system was not corrupted? The Department is further requested to submit evidence of disciplinary action taken against managers who failed to ensure that the necessary checks and balances are done to mitigate risks</p>	<p>budget shortages as the rollover application made to PT has not been approved.</p> <p>The Department has capacity challenges in the Internal Controls Unit, where preventative controls are monitored and implemented. The non-renewal of internship contracts due to financial constraints has left a void that the Department has been unable to close. The Department has now focussed all resources that used to perform post-audit function to perform pre-audit function to ensure effective prevention of fraud and corruption activities payment</p> <p>The Department started a process of checking all payments made and procurement process from 1 April 2021 to date, so far April and May months have been completed. The Department has also started to implement investigations on the irregular expenditure in order to ascertain the root cause and ensure consequence management for responsible officials</p>	In Progress
6	There was insufficient evidence to prove that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1) (h) (ii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.	<p>Why is this Department not prioritising the implementation of Consequence Management?</p> <p>Has the department conducted investigations on fruitless and wasteful expenditure after the finding by AG? If not, why were these investigations not done as required by treasury regulation 4.1</p> <p>Please provide this committee with evidence of all recoveries made from officials who permitted fruitless and wasteful expenditure?</p> <p>Why is the Department failing to maintain complete and proper records? How is the validity and completeness of information tested if adequate records are not</p>	<p>The Fruitless and wasteful expenditure incurred is still under investigation. The Department is trying to gather all relevant information required for the investigation from the Implementing Agents (IAs). This is proving to be time-consuming as the implementing agents are not providing the information as quickly as is required. The Department has targeted 31 December 2021 to finalise all investigations relating to the year under review. Evidence was provided to AGSA that the process is underway.</p> <p>The process of investigation is underway. The Department has been aggressively engaging with IAs to get the relevant information and is in the process of reviewing such information as and when it comes through.</p> <p>No recoveries were made to date as the process is still under way and in cases related to payment delays as a result of insufficient funds, the responsibility for the resulting fruitless and wasteful expenditure cannot directly be attributed to a particular official or officials.</p> <p>For the year under review all relevant documentation is available. However, the Department has challenges with documents pre-dating 2016 due to how payments were made. This does affect the investigations as interest claimed in the year under review may relate to invoices paid late dating back 2016 in some cases. Obtaining these records is a legacy challenge. All information pertaining interest incurred in</p>	In Progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
7	Management did not respond timeously and appropriately to the findings and recommendations of internal audit. The audit Committee was limited in certain instances by the management's lack of responsiveness to resolutions raised.	<p>maintained?</p> <p>Why were 7 of the planned internal audits not started during the year under review?</p> <p>Please provide this Committee with reasons why this Department continues to not implement recommendations of the Internal Audit unit?</p> <p>Why is the Audit Committee not being provided with necessary reports in order to execute their duties efficiently?</p> <p>Could the Audit Committee comment on its working relationship with the Department?</p> <p>Does the Department have Audit intervention plan? Can the</p>	<p>the under review are available.</p> <p>The regulation on disasters were implemented as a result no audits could continue due to the national lockdown</p> <ul style="list-style-type: none"> Throughout the year, the restrictions did not allow for audits to be initiated and completed. The rotation schedule for various offices were not communicated for internal audit to identify availability of staff/management. The 2020/21 Annual Internal Audit Plan was drafted using the newly approved structure, which would have been on the ground to performing audit. During the financial year, the vacant posts were not yet filled and many projects requiring auditors to be in the field. Projects not started have been rolled over to the new financial year. The Internal Audit Plan was not amended to accommodate for the time lost during the national lockdown, and for the audit that could not physically be performed. <p>The Department acknowledges the finding and commits to address it as follows:</p> <ul style="list-style-type: none"> The Department has committed itself to reporting on a monthly basis on the 7-point pledge as required by the Office of the Premier. The Department reports on a monthly basis on the progress made on the governance, expenditure budget, commitment, and employee related matters. Furthermore, the Head of Department has taken a proactive approach by introducing a weekly Audit Improvement and Accountability sessions attended by Top Management and chaired by the CFO, that she is personally attending. <p>The Department acknowledges the finding and commits to address it as follows:</p> <p>Through the weekly accountability sessions, reports required by the Audit Committee are discussed and management is encouraged to submit on time. The effectiveness of this approach is yielding positive results as the AIP was submitted on time and the Audit Committee was able to provide inputs.</p> <p>The committee managed to meet the management throughout the year under review despite the remote working environment and was satisfied with the engagements and managements responses in these circumstances. The committee has reported its concerns and recommendations to the accounting officer and the MEC in the year under review and followed this up with meetings with these offices</p> <p>The Department has finalised the Audit Intervention Plan (AIP). It is due to be submitted to Provincial Treasury on 29 October 2021. This plan was presented to an Audit</p>	In Progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8	<p>Payments were made for school refurbishment services that were not delivered, as effective internal controls were not in place for approval and processes made, as required by treasury regulation 8.1.1. The non-compliance resulted in a material financial loss of R3.42 million.</p>	<p>Committee be provided with the status of the departmental progress on the implementations of actions contained in the internal audit intervention plan of 2020/21?</p> <p>Can the Accounting Officer provide the Committee with the progress report with regard to the investigations and outcome of this material irregularity?</p>	<p>Committee meeting held on 14 October 2021 and inputs were received and has been incorporated. The AIP progress is reviewed on monthly basis and reported to Provincial Treasury after being reviewed by the Internal Audit. Due to the fact that the Departmental audit was finalised on the 31 August 2021, the Department utilised the month of September to draft the AIP and the first progress report will be done at the end of October.</p> <p>This matter was investigated by Enterprise Risk and Integrity Management and two officials were issued letters to appear in the Departmental disciplinary hearings.</p> <ul style="list-style-type: none"> • Both disciplinary hearings set, one has been finalised. • The second matter is currently in progress and was delayed due to the fact that the implicated official requested legal representation and his application for legal representation was set aside. • A criminal case was opened at Zweitisha police station on the 2nd of December 2020 • The sworn affidavit was submitted to Directorate for Priority Crime Investigation (HAWKS) Mthatha office, and the matter was referred to East London offices. • The matter is currently under investigation by the HAWKS. • Enterprise Risk and Integrity Management is awaiting the finalisation of the investigation report from the HAWKS and intends to testify to the matter on request as the Acting Director in the unit is the deponent of the sworn affidavit. • Disciplinary hearings outcomes are still awaited from the Chairperson. 	In Progress

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Immovable Tangible Capital Assets was scoped in, in the 2016-17 financial year and has received a qualified audit opinion from the Auditor-General. The main paragraphs are Capital Work-In-Progress, Completed Assets and Section 42 Transfers.	2016-17	The department has adopted a two-fold approach on disclosing its Immovable Tangible Capital Assets which is a combination of Cost and Fair Value. A methodology detailing the process has been developed in 2021-22 financial year that is currently being audited by the Auditor-General to ascertain whether we have reasonably disclosed all our assets.
Transfers & Subsidies received a qualified audit opinion in the 2020-21 financial year.	2020-21	The department has improved controls and developed a standard operating procedure for the implementation of all its transfers. The department has reviewed all its transfers and collated all the evidence to demonstrate that it has addressed the shortcomings noted in the 2020-21 financial year. The department has received guidance from National Treasury coordinated by Provincial Treasury on the treatment of Educator and General Assistants which contributed to the qualification received on Transfers & Subsidies in the previous year.

10. INTERNAL CONTROL UNIT

The Internal Control Unit elevated its efforts in its pursuit of advocating for a sound control environment throughout the entire Department. The workforce of the Department had to understand that their role in complying to the regulatory environment of the Department. It should be recognized, however, that there are inherent limitations in the effectiveness of Internal Control systems as they only provide reasonable assurance. The Unit conducted compliance checks/assessment that are focused at preventing any financial loss, irregular, fruitless & wasteful as well as unauthorized expenditure by performing pre-audit & pre-payment checks to all transaction that were processed by the department for the 2021/2022 financial year under the following categories:

- EPWP
- Exit benefits of employees
- Special Schools historical overtime
- Substitute Educators
- Operation Bhatala
- Supplier payments
- Conducted determination test on cases of Irregular, Fruitless & wasteful as well as Unauthorized expenditure.
- Coordination of the Audit Improvement Plan

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Public Finance Management Act and the Treasury Regulations. Sections 3.2.11 and 3.2.12 of the 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-

- (a) the information systems environment.
- (b) the reliability and integrity of financial and operational information.
- (c) the effectiveness of operations.
- (d) safeguarding of assets; and
- (e) 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 –

- (a) objectives and values are established and communicated.
- (b) the accomplishment of objectives is monitored.
- (c) accountability is ensured; and corporate values are preserved

Of the 64 planned projects and tasks for the year, 43 projects and tasks were completed, and 4 projects are still in progress. Details of the planned reviews as per the Audit Plan are outlined in the table below

NO	PROJECT / ACTIVITY	PROJECT NAME	STATUS
1	Activity	Monthly Reports and Meetings	Complete
2	Activity	Audit Committee Meeting packs and Minutes	Complete
3	Project	Performance Information Q4 Review	Complete
4	Project	Annual Report Review	Complete
5	Project	AFS Review	Complete
6	Project	Human Resources - Terminations (In Reporting Stage)	Not Done
7	Project (AdHoc)	Verification of Employees (Collaboration with AG)	Complete
8	Project	LTSM 2020/21 - Rollover	Complete
9	Project	Transfer Payments - Rollover Conditional Grants	Complete
10	Project	Transfer Receipts H/O (IYM) – Rollover (Moved to Q4)	In progress
11	Project	Supply Chain Management – Rollover	Complete
12	Project (AdHoc)	Verification of Moveable Assets (Collaboration with AG)	Complete
13	Project (AdHoc)	Capped Leave	Complete
14	Activity	Internal Control Dashboard	Not done
15	Activity	Implementing IIA QAR Report Recommendations	In Progress
16	Project	Occupation Health & Safety (OHS)	Complete
17	Activity	Monthly reports and meetings	Complete
18	Activity	Audit Committee Meeting Packs and Minutes	Complete
19	Project	AdHoc and Consulting Projects: Training of Schools	Complete
20	Project	AdHoc and Consulting Projects: BEEI Project Audit	Complete
21	Project	Review of Audit Intervention Plan	Complete
22	Project	Performance Information Q1	Complete
23	Project	Interim Financial Statements Review Q1	Complete
24	Project	Risk Management - Follow up	Complete

NO	PROJECT / ACTIVITY	PROJECT NAME	STATUS
25	Project	Fraud and Corruption - Roll over	Complete
26	Project	PPN Review	Complete
27	Project	Public Finance Management Act and Treasury Regulations Compliance - follow up- Rollover Q3 2020/21	Not done
28	Project	Entity Management	Complete
29	Project	Revenue (Hostels) Follow up	Complete
30	Project	Payroll Management - S&T	Complete
31	Project	Review of EMIS & SASAMS data - Rollover	Not done
32	Project	ICT Reviews - Roll over	Complete
33	Activity	SCOPA Responses Review	Complete
34	Project	Performance Agreements (SMS members)	Not done
35	Project	Supervision and monitoring of teaching	Not done
36	Project	Early Childhood Development Audit	Not done
37	Project	Management of school finances	Not done
38	Project	Review of Management of Poorly Performing Schools	Not done
39	Project	Review of Special Schools	Not done
40	Project	FMCMM	Complete
41	Project (AdHoc)	Review of AIP Implementation (September to November)	Complete
42	Project	Asset Management Review	In Progress
43	Activity	Monthly reports and meetings	Complete
44	Activity	Audit Committee Meeting Packs and Minutes	Complete
45	Project	Infrastructure	Not done
46	Project	Performance Information Q2	Complete
47	Project	Interim Financial Statements Review Q2	Complete
48	Project	Performance Information Q3	Complete
49	Project	Interim Financial Statements Review Q3	Complete
50	Project	SCM 21/22	Not done
51	Project	Governance follow-up	Not done
52	Project	MPAT	Project discontinued
53	Project	IQMS and Curriculum	Not done
54	Project	District Financial Management	Not done
55	Project	Transfer Payments	In progress
56	Activity	Monthly reports and meetings	Complete
57	Activity	Audit Committee Meeting Packs and Minutes	Complete
58	Activity	Audit Committee Charter	Complete
59	Activity	Internal Audit Charter	Complete
60	Activity	AC Packs and minutes	Complete
61	Activity	Quality Assurance and Improvement Program	Complete
62	Activity	3 Rolling and Annual Internal Plan	Complete
63	Project	APP Review	Not done
64	Project	LTSM 22/23	Not done

The Department appointed an external Service Provider for a period of 3 years as co-sourced internal audit to capacitate the unit until the Department's Organogram is fully populated.

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 (including SCOPA meetings)
Justin Emslie	CA(SA)	External	N/A	1 January 2018	N/A	9
Singa Ngqwala	BCOM (Honours)	External	N/A	1 February 2018	N/A	6
Fungai Mushohwe	CA(SA)	External	N/A	1 January 2018	N/A	6
Zamela Kiviet	ACIS	External	N/A	1 November 2019	N/A	6

12. AUDIT COMMITTEE REPORT

The Audit Committee is pleased to present our report for the financial year ended 31 March 2022.

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, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit, which was based on the risks identified, revealed internal control weaknesses which were raised with the management during the year.

The unit managed to complete a total of 21 activities and audits including mandatory and risk-based audits. The planning however extended to a greater number of risk-based audits that were not completed during the year. Several of these remained in progress at year end and have been taken into consideration for the ensuing plan.

The unit completed two assignments on behalf of the Auditor General of South Africa (AGSA), and we thank the AGSA for this opportunity.

The unit also undertook skills training and acted as secretariat to the Audit Committee. The unit did raise significant control weaknesses on the completed projects, and these have been communicated with relevant programs. The committee will continue to monitor implementation of these plans.

The recommended findings tracking tool to enhance effectiveness of the unit was not implemented by year end and this recommendation remains.

In-Year Management and Monthly/Quarterly Report

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

Risk Management

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

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

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

Evaluation of Financial Statements and Performance reporting

The committee reviewed the annual financial statements and reporting on predetermined objectives for the 2021/2022-year end. Through this process the committee:

- Reviewed explanations for significant fluctuations compared to previous year and variances between the financial statements and budgeted amounts.
- Reviewed any new or proposed legislation that may have an impact on policies, the financial statements and 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 should be timeously submitted to the AGSA for auditing as required by the PFMA. This was to maintain compliance with the reporting timeframes, despite concerns remaining following our review. Correction of prior year risk and qualifications areas remained a concern despite progress against these.

Compliance with laws and regulations

The department continued to incur unauthorised expenditure in contravention of the PFMA and its Regulations. The contributors as highlighted in the notes to the Appropriation Statement in the financial statements. As reported in the financial statements the department continues to report irregular and fruitless and wasteful expenditure.

Auditor General's Report


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

- Immovable assets and capital work in progress has not been adequately resolved and the department is to continue implementing recommendations to resolve these reporting issues.
- Transfers payments for transfers to schools continue to have control issues as reported in the prior year and the auditors raise this as a continuing risk area.
- Procurement – although not impacting audit opinion, the department incurred irregular and fruitless and wasteful expenditure as per the financial statements indicating procurement controls require review together with the implementation of consequence management.

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

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 JJ Emslie CA(SA)
Chairperson of the Audit Committee
Eastern Cape Department of Education

13. B-BBEE COMPLIANCE REPORTING

One measure is applicable to the Eastern Cape Department of Education, namely, the development and the implementation of the Preferential Procurement Policy. In this regard the signed ECDoE SCM Policy and Preferential Procurement Policy is compliant with this measure.

In respect of the subsequent measures only two measures will be applicable to the ECDoE, namely,

- developing criteria for entering into partnerships with the private sector – Public Private Partnerships which is in the process of being established and,
- determining criteria for the awarding of incentives, grants (NPO's – ECD centres) and investment schemes in support of Broad Based Black Economic Empowerment which can only be reported when the ECD function shift has been completed and handed over to the ECDoE.

The progress made by the Department in terms of complying with the B-BBEE Act 13G (1) was submitted to DTI through Provincial Treasury in October 2021.

PART D:

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

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

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

2. OVERVIEW OF HUMAN RESOURCES

Human Resource Development plays a key role in the improvement of service delivery in the department by investing in the skills of current employees as well potential employees. HRD refers to employee training, career development, performance development, mentoring, coaching and all other developmental needs that might be required by employees

The Department has two types of employees, namely, educators and public servants. The employment of these employees is based on the Organisational Structure that came to effect on the 1 April 2020. The number of employees in the Department is 64,879. The distribution of these employees is as follows:

- Public school educators are 51,179
- Office Based Educators are 1,277
- ECD Practitioners are 3,302
- Public Servants are 9,116 of which 6,520 are in schools
- The total number of males is 18,256 versus 46,623 females.

Employees are attracted to caring organisations thus the Department strives to demonstrate a pleasant working culture, enabling the Department to retain talented employees. It is also imperative to offer development programmes to employees in line with their career paths within the organisation, thus, will result in growth of employees. The Department will strive to be an employer of choice to attract employees of high caliber. A talent pipeline for employees will be designed to facilitate probable employee growth within the Department instead of seeking greener pastures elsewhere.

The Department executed the Presidential Youth Employment Initiative in a short space of time. It is no mean feat to appoint more than 55 000 employees within a month. Although there were challenges, the programme was a success and the Department received accolades from the National Basic Education Department on the manner the programme was run by the Department.

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

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

Covid-19 became the new normal which meant as Human Resource Development had to come up with ways of ensuring that employees are continuously skilled to be able to cope with their work. HRD introduced more focused skills development programmes to ensure that the training implemented are addressing the skills needs of employees per their Key performance Areas (KPAs). Even though the department had to prioritise training for its officials also managed to keep to the provinces mandate of ensuring that the unemployed youths are also provided with opportunities such as work experience and skills development

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	2 667 077.	2 109 379.	-	-	79.10	442
Assets And Liabilities	(872)	(928)	-	-	106.40	-
Early Childhood Development	516 619	388 063	-	-	75.10	123
Examination & Education Related Services	1 531 446	235 695	-	-	15.40	4
Independent School Subsidies	99 226	-	-	-	0.00	-
Infrastructure Development	1 440 520	29 984	-	-	2.10	731
Public Ordinary School Education	-	-	-	-	-	-
Public Special School	-	-	-	-	-	-
TOTAL	30 061 949	26 151 708	-	-	87%	451.

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Personnel Expenditure including Transfers (R'000)	% Of Total Personnel Cost	Average Personnel Cost per Employee (R)	Total Personnel Cost for Department including Goods and Services (R'000)	Number of Employees
01 Lower skilled (Levels 1-2)	66 196	0.20	162 644	407.	
02 Skilled (Levels 3-5)	1 240 6190	4.10	246 889	5 025.	
03 Highly skilled production (Levels 6-8)	19 693 893.	65.20	448 598	43 901	
04 Highly skilled supervision (Levels 9-12)	8 297 286	27.50	689 143	12 040.	
5 Senior management (Levels >= 13)	71 316.	0.20	1 345 585	53.	
10 Contract (Levels 1-2)	442.	0.00	147 333	3.	
11 Contract (Levels 3-5)	8 368	0.00	190 182	44.	
12 Contract (Levels 6-8)	23 084	0.10	372 323	62	
13 Contract (Levels 9-12)	8 576	0.00	952 889.	9	
14 Contract (Levels >= 13)	2 853	0.00	1 426 500	2.	
18 Contract Other	403 282.	1.30	121 874	3 309	
19 Periodical Remuneration	26 083	0.10	8 840	2 950	
20 Abnormal Appointment	327 563	1.10	5 517	59 368	
TOTAL	30 169 560	99.90%	237 194.00	30 206 562	127 193.38

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries	Overtime	Home Owners Allowance	Medical Aid

Programme	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
PR1: ADMINISTRATION	1 758 242.00	80.50	14 484.00	0.70	60 792.00	2.80	105 366.00	4.80
PR2:PUB ORDIN SCH EDUC	21 684 720.00	81.80	132.00	0.00	834 985.00	3.10	1 364 328.	5.10
PR4:PUB SPEC SCH EDUC	614 745.00	79.80	856.00	0.10	29 810.00	3.90	50 290	6.50
PR 5: FURTHER EDUC & TRAINING	248.00	100.00	-	-	-	-	-	-
PR6: ADULT BASIC EDUC & TRAIN	225.00	100.00	-	-	-	-	-	-
PR7: EARLY CHILDHOOD DEVELOPMENT	386 967.00	99.70	-	-	149.00	-	171	-
PR8: INFRASTRUCTURE: CONDITIONAL GRANTS	25 986.00	80.60	-	-	737.00	2.30	1 154	3.60
PR9: AUX & ASSOC SERVICES	53 195.00	17.30	3 534.00	1.20	2 205.00	0.70	3 332.	1.10
TOTAL	24 524 327.00	81.20	19 005.00	0.10	928 679.00	3.10	1 524 642	5.00

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	52 867	79.90	-	-	4 401.	6.60	3 019	4.60
02 Skilled (Levels 3-5)	958 949	77.30	5 535.	0.40	73 267.	5.90	90 661	7.30
03 Highly skilled production (Levels 6-8)	16 093 786.	81.70	9 013	-	651 838.	3.30	1 094 430.	5.60
04 Highly skilled supervision (Levels 9-12)	6 832 439	82.10	4 454.	0.10	198 403.	2.40	335 776	4
05 Senior management (Levels >= 13)	62 585	86	-	-	755	1	586	0.80
10 Contract (Levels 1-2)	419	94.80	-	-	-	-	-	-
11 Contract (Levels 3-5)	8 228	98.20	-	-	-	-	-	-
12 Contract (Levels 6-8)	22 764	98.60	-	-	-	-	95	0.40
13 Contract (Levels 9-12)	8 248	93.20	-	-	15.	0.20	-	-
14 Contract (Levels >= 13)	2 755	90.20	-	-	-	-	-	-
18 Contract Other	402 718	99.90	-	-	-	-	75.	-
19 Periodical Remuneration	26 083	96.70	-	-	-	-	-	-
20 Abnormal Appointment	52 486	16	-	-	-	-	-	-
TOTAL	24 524 327	81.20	19 005	0.10	928 679.	3.10	1 524 642.	5

3.2 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	9,107	3,663	59.8	333
Programme 2: Public Ordinary Schools Education	66,334	55,868	15.8	2,859
Programme 4: Public Special School Education	2,932	2,008	31.5	85
Programme 7: Early Childhood Development	3,236	3,162	2.3	3,134
Programme 8: Infrastructure	136	41	69.9	7
Programme 9: Examinations and Education Related Services	132	132	-	130
TOTAL	81,877	64,874	20.8	6,548

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	775	410	47.1	25
Skilled (3-5)	11,635	5,069	56.4	503
Highly skilled production (6-8)	50,457	43,963	12.9	2,295
Highly skilled supervision (9-12)	15,500	12,049	22.3	407
Senior management (13-16)	182	55	69.8	14
Other	3,328	3,328	-	3,304
TOTAL	81,877	64,874	20.8	6,548

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to establishment
Administrative Related,	260	82	68.50	9
All Artisans in The Building Metal Machinery Etc.,	11	5	54.50	-
Architects Town and Traffic Planners,	22	2	90.90	1
Artisan Project and Related Superintendents,	2	1	50	-
Auxiliary And Related Workers,	48	26	45.80	-
Biochemistry Pharmacol. Zoology & Life Scie.Techni,	1	1	-	-
Building And Other Property Caretakers,	90	33	63.30	1
Bus And Heavy Vehicle Drivers,	12	5	58.30	2
Cleaners In Offices Workshops Hospitals Etc.,	3 348	1 694	49.40	181
Client Inform Clerks (Switch Receipt Inform Clerks),	8	6	25	-
Community Development Workers,	2	1	50	1
Compositors Typesetters & Related Printing Workers,	1	1	-	-
Computer Programmers.,	2	2	-	1
Computer System Designers and Analysts.,	39	1	97.40	1
Conservation Labourers,	3	3	-	-
Custodian Personnel,	1	1	-	-
Diplomats,	1	1	-	-
Earth Moving and Related Plant Operators,	1	1	-	-
Engineers And Related Professionals,	4	2	50	-
Farm Hands and Labourers,	4	3	25	-
Farming Forestry Advisors and Farm Managers,	35	23	34.30	-
Finance And Economics Related,	187	72	61.50	2
Financial And Related Professionals,	263	65	75.30	4
Financial Clerks and Credit Controllers,	613	372	39.30	13
Fire Fighting and Related Workers,	1	1	-	-
Food Services Aids and Waiters,	309	171	44.70	6
General Legal Administration & Rel. Professionals,	1	1	-	1
Geologists Geophysicists Hydrologists & Relat Prof,	6	1	83.30	-
Head Of Department/Chief Executive Officer,	6	4	33.30	-
Household And Laundry Workers,	897	419	53.30	15
Household Food and Laundry Services Related,	10	9	10.	-
Housekeepers Laundry And Related Workers,	11	9	18.20	-
Human Resources & Organisational Development & Relate Prof,	107	37	65.40	-
Human Resources Clerks,	731	448	38.70	6
Human Resources Related,	388	85	78.10	25
Inspectors Of Apprentices Works and Vehicles,	54	25	53.70	5
Legal Related,	14	3	78.60	-
Library Mail and Related Clerks,	163	89	45.40	-
Light Vehicle Drivers,	162	82	49.40	3
Logistical Support Personnel,	100	44	56	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to establishment
Material-Recording and Transport Clerks,	490	426	13.10	23
Mathematicians And Related Professionals,	2	-	100	-
Messengers Porters And Deliverers,	32	17	46.90	-
Motor Vehicle Drivers,	1	1	-	-
Nursing Assistants,	9	7	22.20	-
Occupational Therapy,	22	11	50	1
Operational Planning,	2	-	100	-
Other Administrat & Related Clerks and Organisers,	4,458	3,173	28.80	250
Other Administrative Policy and Related Officers,	507	216	57.40	22
Other Information Technology Personnel.,	32	16	50	3
Other Occupations,	66 666	56 532	15.20	5 925
Physiotherapy,	3	3	-	1
Professional Nurse,	6	2	66.70	-
Quantity Surveyors & Rela Prof Not Class Elsewhere,	8	3	62.50	1
Rank: Departmental Head,	100	-	100	-
Rank: Deputy Principal,	25	-	100	-
Rank: Principal P1,	19	-	100	-
Rank: Principal P2,	25	-	100	-
Rank: Principal P3,	6	-	100	-
Rank: Principal S1,	8	-	100	-
Rank: Teacher,	332	-	100	-
Risk Management and Security Services,	28	-	100	-
Secretaries & Other Keyboard Operating Clerks,	168	106	36.90	24
Security Guards,	411	281	31.60	3
Security Officers,	288	148	48.60	3
Senior Managers,	181	51	71.80	13
Speech Therapy and Audiology,	9	3	66.70	-
Staff Nurses and Pupil Nurses,	18	15	16.70	-
Trade Labourers,	4	1	75	-
Trade/Industry Advisers & Other Related Profession,	1	-	100	-
Youth Workers,	98	31	68.40	2
TOTALS	81 877	64 874	20.8	6 548

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% Of SMS posts filled	Total number of SMS posts vacant	% Of SMS posts vacant
Director-General/ Head of Department	1	1	100	-	-
Salary Level 16	1	-	-	1	100
Salary Level 15	3	1	33.3	2	66.7
Salary Level 14	17	17	100	-	-
Salary Level 13	65	43	66.2	22	33.8
Total	90	62	68.9%	28	31.1%

Table 3.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% Of SMS posts filled	Total number of SMS posts vacant	% Of SMS posts vacant
Director-General/ Head of Department	1	1	100	-	-
Salary Level 16	1	1	100	-	-
Salary Level 15	3	1	33.3	2	66.7
Salary Level 14	17	11	64.7	6	35.3
Salary Level 13	68	42	61.8	26	38.2
Total	90	56	62.2	34	37.8

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

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	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	1	1	-	-
Salary Level 16	-	-	-	-
Salary Level 15	-	-	-	3
Salary Level 14	-	-	-	-
Salary Level 13	1	2	-	2
Total	2	3	3	5

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 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
All posts that are approved by PCMT are filled within the specified timeframe. The department does have a number of vacant SMS positions which are not filled due to budgetary constraints.
Reasons for vacancies not filled within twelve months
The position of DDG IOM was filled and the appointed incumbent retired on 30 September 2021. The position of DDG Corporate Services was offered to the incumbent that was offered the position of Head of Department.

Notes

- *In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.*

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 2021 and 31 March 2022

Reasons for vacancies not advertised within six months	NIL
Reasons for vacancies not filled within six months	All posts that are approved by PCMT are filled within the specified timeframe. The department does have a number of vacant SMS positions which are not filled due to budgetary constraints.

Notes

- *In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A (1) or (2) of the Public Service Act.*

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

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)	773	-	-	-	-	-	-
Skilled (Levels 3-5)	2652	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	1248	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	2826	-	-	-	-	-	-
Senior Management Service Band A	65	-	-	-	-	-	-
Senior Management Service Band B	18	-	-	-	-	-	-
Senior Management Service Band C	4	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
Total	7587	-	-	-	-	-	-

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

Gender	African		Asian		Coloured		White		Total
	Number	%	Number	%	Number	%	Number	%	
Female	0	-	-	-	-	-	-	-	0
Male	0	-	-	-	-	-	-	-	0
Total	0	-	-	-	-	-	-	-	-

Employees with a disability

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with disability	-	-	-	-	-

Notes

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

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
--	------

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period-1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	394	6	7	1.8
Skilled (Levels3-5)	5301	56	269	5.1
Highly skilled production (Levels 6-8)	43918	2 929	2,878	6.6
Highly skilled supervision (Levels 9-12)	12 854	29	1,203	9.4
Senior Management Service Bands A	42	1	5	11.9
Senior Management Service Bands B	17	-	2	11.8
Senior Management Service Bands C	1	-	1	100
Senior Management Service Bands D	1	-	-	-
Other	3 419	45	125	3.7
Total	65947	3 066	4 490	6.8%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	88	3	9	10.20
All Artisans in The Building Metal Machinery Etc.	9	-	4	44.40
Architects Town and Traffic Planners	3	-	-	-
Artisan Project and Related Superintendents	2	-	1	50
Auxiliary And Related Workers	28	-	1	3.60
Biochemistry Pharmacol. Zoology & Life Science. Techn	1	-	-	-
Building And Other Property Caretakers	36	-	1	2.80
Bus And Heavy Vehicle Drivers	6	-	1	16.70
Cleaners In Offices Workshops Hospitals Etc.	1,839	4	154	8.40

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Client Inform Clerks (Switch Receipt Inform Clerks)	6	-	-	-
Communication And Information Related	1	-	-	-
Community Development Workers	1	-	-	-
Compositors Typesetters & Related Printing Workers	1	-	-	-
Computer Programmers.	2	-	-	-
Computer System Designers and Analysts.	1	-	-	-
Conservation Labourers	3	-	-	-
Custodian Personnel	1	-	-	-
Diplomats	1	-	-	-
Earth Moving and Related Plant Operators	1	-	-	-
Engineers And Related Professionals	2	-	-	-
Farm Hands and Labourers	3	-	-	-
Farming Forestry Advisors and Farm Managers	25	-	2	8
Finance And Economics Related	81	-	10	12.30
Financial And Related Professionals	71	3	9	12.70
Financial Clerks and Credit Controllers	384	-	12	3.10
Fire Fighting and Related Workers	1	-	-	-
Food Services Aids and Waiters	181	-	7	3.90
General Legal Administration & Rel. Professionals	1	-	-	-
Geologists Geophysicists Hydrologists & Relat Prof	1	-	-	-
Head Of Department/Chief Executive Officer	4	-	-	-
Household And Laundry Workers	437	-	19	4.30
Household Food and Laundry Services Related	5	-	-	-
Housekeepers Laundry And Related Workers	7	-	-	-
Human Resources & Organisat Developm & Relate Prof	40	-	3	7.50
Human Resources Clerks	474	-	26	5.50
Human Resources Related	89	23	27	30.30
Inspectors Of Apprentices Works and Vehicles	28	-	3	10.70
Legal Related	3	-	-	-
Library Mail and Related Clerks	95	-	6	6.30
Light Vehicle Drivers	84	2	4	4.80
Logistical Support Personnel	53	-	9	17
Material-Recording and Transport Clerks	457	-	27	5.90
Messengers Porters And Deliverers	17	-	2	11.80
Motor Vehicle Drivers	1	-	-	-
Nursing Assistants	7	-	-	-
Occupational Therapy	12	-	1	8.30
Other Administrat & Related Clerks and Organisers	3,232	2	58	1.80
Other Administrative Policy and Related Officers	239	2	27	11.30
Other Information Technology Personnel.	16	-	-	-
Other Occupations	57 217	3 000	4 030	7
Physiotherapy	1	1	-	-
Professional Nurse	3	-	-	-
Quantity Surveyors & Rela Prof Not Class	1	2	-	-

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Elsewhere				
Secretaries & Other Keyboard Operating Clerks	94	18	5	5.30
Security Officers	156	-	10	6.40
Senior Managers	58	1	10	17.20
Speech Therapy and Audiology	2	1	-	-
Staff Nurses and Pupil Nurses	12	4	1	8.30
Trade Labourers	2	-	1	50
Youth Workers	32	-	-	-
Total	65 947	3 066	4 490	6.8%

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 and 31 March 2022

Termination Type	Number	% Of Total Resignations
Death	404	9.0%
Resignation	555	12.4%
Expiry of contract	1 726	38.4%
Discharged due to ill health	76	1.7%
Dismissal-misconduct	34	0.8%
Retirement	1695	37.8%
TOTAL	4 490	100%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a %	Progressions to another Notch within Salary Level	Notch Progression as a % of Employees by Occupation
Administrative Related	88	-	-	85	96.6
All Artisans in The Building Metal Machinery.	9	-	-	8	88.9
Architects Town and Traffic Planners	3	-	-	2	66.7
Artisan Project and Related Superintendents	2	-	-	2	100
Auxiliary And Related Workers	28	-	-	27	96.4
Biochemistry Pharmacol. Zoology & Life Scie. Techni	1	-	-	1	100
Building And Other Property Caretakers	36	-	-	33	91.7
Bus And Heavy Vehicle Drivers	6	-	-	6	100
Cleaners In Offices Workshops Hospitals.	1 839	-	-	1 755	95.4
Client Inform Clerks (Switchb Recept Inform Clerks)	6	-	-	6	100
Communication And Information Related	1	-	-	1	100
Community Development Workers	1	-	-	1	100
Compositors Typesetters & Related Printing Workers	1	-	-	1	100
Computer Programmers.	2	-	-	2	100
Computer System Designers and Analysts.	1	-	-	1	100
Conservation Labourers	3	-	-	3	100
Custodian Personnel	1	-	-	1	100
Diplomats	1	-	-	1	100
Earth Moving and Related Plant Operators	1	-	-	1	100
Engineers And Related Professionals	2	-	-	2	100
Farm Hands and Labourers	3	-	-	3	100
Farming Forestry Advisors and Farm Managers	25	-	-	23	92
Finance And Economics Related	81	1	1.2	77	95.1
Financial And Related Professionals	71	-	-	71	100
Financial Clerks and Credit Controllers	384	-	-	379	98.7
Fire Fighting and Related Workers	1	-	-	1	100
Food Services Aids and Waiters	181	-	-	176	97.2

Occupation	Employment at	Promotions to another	Salary Level	Progressions to another	Notch Progression
General Legal Administration & Rel. Professionals	1	-	-	1	100
Geologists Geophysicists Hydrologists & Relat Prof	1	-	-	1	100
Head of Department/Chief Executive Officer	4	-	-	4	100
Household And Laundry Workers	437	-	-	429	98.2
Household Food and Laundry Services Related	5	-	-	9	180
Housekeepers Laundry And Related Workers	7	-	-	9	128.6
Human Resources & Organisat Developm & Relate Profit	40	-	-	38	95
Human Resources Clerks	474	-	-	458	96.6
Human Resources Related	89	-	-	64	71.9
Inspectors Of Apprentices Works and Vehicles	28	-	-	26	92.9
Legal Related	3	-	-	3	100
Library Mail and Related Clerks	95	-	-	93	97.9
Light Vehicle Drivers	84	-	-	83	98.8
Logistical Support Personnel	53	-	-	50	94.3
Material-Recording and Transport Clerks	457	-	-	442	96.7
Messengers Porters And Deliverers	17	-	-	17	100
Motor Vehicle Drivers	1	-	-	1	100
Nursing Assistants	7	-	-	7	100
Occupational Therapy	12	-	-	11	91.7
Other Administrat & Related Clerks and Organisers	3 232	-	-	3 192	98.8
Other Administrative Policy and Related Officers	239	-	-	227	95
Other Information Technology Personnel.	16	-	-	16	100
Other Occupations	57 217	1 269	2.2	53 904	94.2
Physiotherapy	1	1	100	2	200
Professional Nurse	3	-	-	2	66.7
Quantity Surveyors & Rela Prof Not Class Elsewhere	1	-	-	1	100
Secretaries & Other Keyboard Operating Clerks	94	-	-	106	112.8
Security Guards	289	-	-	285	98.6
Security Officers	156	-	-	154	98.7
Senior Managers	58	2	3.4	50	86.2
Speech Therapy and Audiology	2	-	-	2	100
Staff Nurses and Pupil Nurses	12	-	-	14	116.7
Trade Labourers	2	-	-	2	100
Youth Workers	32	-	-	31	96.9
TOTAL	65 947	1 273	1.9	62 403	94.6

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Employees 1 April 2021	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)	394	-	-	414	105.1
Skilled (Levels 3-5)	5 301	-	-	5115	96.5
Highly Skilled Production (Levels 6-8)	43 918	503	1.1	44 332	100.9
Highly Skilled Supervision (Levels 9-12)	12 854	767	6	12 486	97.1
Senior Management (Levels 13-16)	61	3	4.9	53	86.9
Other	3 419	-	-	3	0.1
Total	65 947	1 273	1.9	62 403	94.6%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials, and managers	29	4	1	1	19	3	-	-	57
Professionals	13 207	1 187	57	702	32 683	2 422	142	2 362	52 762
Technicians and associate professionals	121	14	1	6	236	15	-	15	408
Clerks	1 053	33	-	5	3 201	204	3	122	4 621
Service and sales workers	349	34	-	1	77	9	-	-	470
Craft and related trades workers	20	1	-	0	11	-	-	-	32
Plant and machine operators and assemblers	73	9	-	4	1	2	-	-	89
Labourers and related workers	1 155	162	-	15	4 667	321	1	95	6 416
Other	10	-	-	-	8	-	-	1	19
Total	16 017	1 444	59	734	40 903	2 976	146	2 595	64 874
Employees with disabilities	47	10	-	3	60	3	-	9	132

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	-	-	2	-	-	-	4
Senior Management	28	3	1	1	15	3	-	-	51
Professionally qualified and experienced specialists and mid-management	4 332	581	32	258	5 743	528	54	521	12 049
Skilled technical and academically qualified workers, junior management, supervisors, foremen	9 532	641	26	440	29 224	2 059	91	1 950	43 963
Semi-skilled and discretionary decision making	1 930	189	-	32	2 593	238	-	87	5 069
Unskilled and defined decision making	169	29	-	3	179	28	-	2	410
Not available	24	1	-	-	3 147	120	1	35	3 328
Total	16 017	1 444	59	734	40 903	2 976	146	2 595	64 874
Employees with disabilities	47	10	-	3	60	3	-	9	132

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	1	-	-	-	1
Professionally qualified and experienced specialists and mid-management	12	1	-	4	10	-	-	2	29
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	830	56	1	38	1 627	224	2	151	2 929
Semi-skilled and discretionary decision making	18	3	-	2	29	4	-	-	56
Unskilled and defined decision making	3	1	-	-	2	-	-	-	6
Unknown	-	-	-	-	37	8	-	-	45
Total	863	61	1	44	1706	236	2	153	3 066
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
Top Management	2	-	-	-	4	-	-	-	6
Senior Management	28	3	1	1	14	3	-	-	50
Professionally qualified and experienced specialists and mid-management	4 723	669	36	295	6 295	583	61	591	13 253
Skilled technical and academically qualified workers, junior management, supervisors, foremen	9 792	658	26	449	29 728	2 103	93	1 986	44 835
Semi-skilled and discretionary decision making	1 958	194	-	32	2 599	244	-	88	5115
Unskilled and defined decision making	170	29	-	3	182	28	-	2	414
Unknown	-	-	-	-	2	1	-	-	3
Total	16 673	1 553	63	780	38 824	2 962	154	2 667	63 676
Employees with disabilities	49	11	-	4	62	5	-	9	140

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	-	-	-	-	-	1
Senior Management	2	-	-	2	2	-	-	1	7
Professionally qualified and experienced specialists and mid-management	291	77	3	47	639	50	12	84	1,203
Skilled technical and academically qualified workers, junior management, supervisors, foremen	710	47	1	34	1 713	203	6	164	2 878
Semi-skilled and discretionary decision making	91	18	-	5	130	23	-	2	269
Unskilled and defined decision making	3	1	-	-	3	-	-	-	7
Not available	-	-	-	-	114	10	-	1	125
Total	1 098	143	4	88	2 601	286	18	252	4 490
Employees with disabilities	3	-	-	2	3	2	-	-	10

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Corrective counseling	2	-	-	-	-	-	-	-	2
Final written warning	3	2	-	-	-	-	-	-	5
Fine	-	1	-	-	-	-	-	-	2
No outcome	2	-	-	-	-	-	-	-	3
Suspended without payment	5	1	-	-	-	-	-	-	6
TOTAL	12	4	-	-	2	-	-	-	33

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Officials and Managers	9	-	-	-	9	-	-	-	18
Professionals	14 664	-	-	1	34217	8	-	-	48890
Technicians and Associate Professionals	-	-	-	-	-	-	-	-	-
Clerks	2494	15	-	-	1329	19	-	-	3857
Service Shop and Market Sales Workers	-	-	-	-	-	-	-	-	-
Craft and Related Trade Workers	-	-	-	-	-	-	-	-	-
Plant and Machine Operators and Assemblers	-	-	-	-	-	-	-	-	-
Labourers and Related Workers	-	-	-	-	-	-	-	-	-
TOTAL	17167	15	0	1	35555	27	-	-	52765
Employees with disabilities	1	-	-	-	-	-	-	-	1

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	-	1	100
Salary Level 15	3	1	1	100
Salary Level 14	17	17	7	41
Salary Level 13	68	42	27	64
Total	90	60	36	60

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
<i>SMS members could not submit their Performance contracts on time due to competing priorities although reminders were issued.</i>

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons
<i>Individual letters non-compliance was issued</i>

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender, and disability for the period 1 April 2021 to 31 March 2022

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	41	15 970	0.3	268	6 536
Asian, Male	-	59	-	-	-
Coloured, Male	1	1 434	0.1	4	3 733
White, Male	1	731	0.1	28	28 004
African, Female	61	40 843	0.1	380	6 224
Coloured, Female	4	2 973	0.1	18	4 508
Asian, Female	-	146	-	-	-
White, Female	4	2 586	0.2	37	9 355
Total	112	64 874	0.20	735	6 561

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

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	
Lower skilled (Levels 1-2)	11	410	2.7	34	3,107	0.12
Skilled (Levels 3-5)	47	5 069	0.9	211	4,487	0.71
Highly skilled production (Levels 6-8)	43	43 963	0.1	325	7,554	1.09
Highly skilled supervision (Levels 9-12)	11	12 049	0.1	165	14,993	0.56
Other	-	3 328	-	-	-	-
Total	112	64 819	0.2	735	6 561	2.48%

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% Of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks and Credit Controllers	2	372	0.5	14	6 845
Earth Moving and Related Plant Operators	-	1	-	-	-
Household Food and Laundry Services Related	-	9	-	-	-
Human Resources Clerks	5	448	1.1	36	7 134
Security Officers	1	148	0.7	4	3 678
Household And Laundry Workers	3	419	0.7	13	4 340
Geologists Geophysicists Hydrologists & Related Prof	-	1	-	-	-

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% Of total within occupation	Total Cost (R'000)	Average cost per employee
Human Resources & Organization Development & Relate Prof	-	37	-	-	-
Messengers Porters And Deliverers	-	17	-	-	-
All Artisans in The Building Metal Machinery Etc.	-	5	-	-	-
Biochemistry Pharmacol. Zoology & Life Scie. Techni	-	1	-	-	-
Logistical Support Personnel	1	44	2.3	20	19 872
Finance And Economics Related	2	72	2.8	16	8 117
Other Administrat & Related Clerks and Organisers	33	3 173	1	201	6 088
Housekeepers Laundry And Related Workers	-	9	-	-	-
Auxiliary And Related Workers	-	26	-	-	-
Other Occupations	7	56,532	-	110	15,659
Legal Related	-	3	-	-	-
Financial And Related Professionals	-	65	-	-	-
Building And Other Property Caretakers	1	33	3	4	4082
Occupational Therapy	-	11	-	-	-
Diplomats	-	1	-	-	-
Architects Town and Traffic Planners	-	2	-	-	-
Administrative Related	2	82	2.4	16	8 181
Secretaries & Other Keyboard Operating Clerks	1	106	0.9	7	7 262
Cleaners In Offices Workshops Hospitals Etc.	17	1,694	1	60	3 516
Library Mail and Related Clerks	4	89	4.5	27	6 756
Human Resources Related	4	85	4.7	50	12 388
Head Of Department/Chief Executive Officer	-	4	-	-	-
Computer Programmers.	-	2	-	-	-
Trade Labourers	-	1	-	-	-
Physiotherapy	-	3	-	-	-
General Legal Administration & Rel. Professionals	-	1	-	-	-
Material-Recording and Transport Clerks	12	426	2.8	87	7 259
Youth Workers	1	31	3.2	7	6 726
Farm Hands and Labourers	-	3	-	-	-
Compositors Typesetters & Related Printing Workers	-	1	-	-	-
Other Administrative Policy and Related Officers	-	216	-	-	-
Artisan Project and Related Superintendents	-	1	-	-	-
Fire Fighting and Related Workers	-	1	-	-	-

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% Of total within occupation	Total Cost (R'000)	Average cost per employee
Inspectors Of Apprentices Works and Vehicles	1	25	4	6	6 258
Professional Nurse	-	2	-	-	-
Bus And Heavy Vehicle Drivers	-	5	-	-	-
Senior Managers	-	51	-	-	-
Farming Forestry Advisors and Farm Managers	-	23	-	-	-
Client Inform Clerks (Switchboard Recept Inform Clerks)	1	6	16.7	7	7262
Speech Therapy and Audiology	-	3	-	-	-
Computer System Designers and Analysts.	-	1	-	-	-
Engineers And Related Professionals	-	2	-	-	-
Other Information Technology Personnel.	-	16	-	-	-
Light Vehicle Drivers	1	82	1.2	4	3678
Custodian Personnel	-	1	-	-	-
Motor Vehicle Drivers	-	1	-	-	-
Security Guards	11	281	3.9	41	3 688
Food Services Aids and Waiters	2	171	1.2	6	3 245
Nursing Assistants	-	7	-	-	-
Quantity Surveyors & Rela Prof Not Class Elsewhere	-	3	-	-	-
Conservation Labourers	-	3	-	-	-
Community Development Workers	-	1	-	-	-
Staff Nurses and Pupil Nurses	-	15	-	-	-
TOTAL	112	64 874	0.20	735	6561

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

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	-	41	-	-	-	-
Band B	-	10	-	-	-	-
Band C	-	2	-	-	-	-
Band D	-	2	-	-	-	-
Total	-	55	-	-	-	-

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Salary band	01 April 2021		31 March 2022		Change	
	Number	% Of total	Number	% Of total	Number	% Change
Skilled (Levels 3-5)	1	0.2	-	-	-1	-1.9
Highly Skilled Production (Levels 6-8)	331	79.2	292	79.8	-39	-7.5
Highly Skilled Supervision (Levels 9-12)	83	19.9	72	19.7	-11	-21.2
Senior Management (Levels 13-16)	1	0.2	1	0.3	-	-
Other	2	0.5	1	0.3	-1	-1.9
Total	418	100	366	100	-52	-100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 20YY		31 March 2022		Change	
	Number	% Of total	Number	% Of total	Number	% Change
Other occupations	412	98.6	363	99.2	-49	-94.2
Professionals and managers	5	1.2	3	0.8	-2	-3.8
Technicians and associated professionals	1	0.2	-	-	-1	-1.9
Total	418	100	366	100	-52	-100

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2021

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)	410	81.2	87	0.4	5	224
Skilled (Levels 3-5)	8972	82.8	1 561	7.1	6	7 363
Highly skilled production (Levels 6-8)	96732	81.4	15 950	73	6	155 599
Highly skilled supervision (Levels 9-12)	26714	83.7	4 200	19.2	6	66 852
Senior management (Levels 13-16)	72	88.9	17	0.1	4	316
Contract / Other	85	77.6	23	0.1	4	46
Total	132985	82	21 838	100	6	230 400

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

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)	3	100	1	0.1	3	2
Skilled (Levels 3-5)	1 744	100	39	3.7	45	1 355
Highly skilled production (Levels 6-8)	53 283	99.9	784	73.7	68	88 417
Highly skilled supervision (Levels 9-12)	16 662	100	240	22.6	69	40 605
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	71 682	99.9	1 064	100	67	130 379

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1 649	142	12
Skilled Levels 3-5)	23 686	1 835	13
Highly skilled production (Levels 6-8)	47 072	2 340	20
Highly skilled supervision (Levels 9-12)	32 391	1 501	22
Senior management (Levels 13-16)	871	53	16
Other	23	9	3
Total	105 692	5 880	18

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	-	-	-	46
Skilled Levels 3-5)	54	7	8	59
Highly skilled production (Levels 6-8)	250	67	4	55
Highly skilled supervision (Levels 9-12)	755	115	7	67
Senior management (Levels 13-16)	-	-	-	78
Other	-	-	-	-
Total	1 059	189	6	60

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

Table 3.10.5 Leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Gratuity: Death/Retirement/Medical	7 691	227	33 881
Capped – Gratuity: Death/Retirement/Medical	183 060	1 105	165 665
Total	190 751	1 332	143 207
Leave Payouts (Actual) Allow Codes: 0060,0168,0625,0422,0567,0698,0699,0701	190 655	1 168	

3.8 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Field workers (Head Office and District Based Itinerant Employees who are often compelled to work away from their workstation and families while visiting districts and schools for a number of days in a week and sometimes for consecutive weeks	Early detection of HIV infection through quarterly Health Testing Services to enable employees to have a regular check-up of their HIV.
The Departmental Drivers who are travel within and sometimes outside the province and are way from their families for days and sometimes for weeks.	Facilitating access to treatment (where necessary), care and support for infected employees and affected families.
Educators who are forced by redeployment and the rationalisation of schools to move closer to their new worksites.	Counselling to assist acceptance and adherence to treatment
Exposure on COVID-19 by educators and office-based employees.	Intensifying education on managing HIV so that it does not impede employee productivity.
	Sensitising managers on reasonable accommodation (physically and emotionally) of employees who are infected.
	Personal Protective Equipment (sanitisers, running water, soap, face masks and thermometers) are made available to prevent the spread of corona virus.

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes

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	No
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 Wellness Services. The Directorate has 11 employees as follows: -</p> <ul style="list-style-type: none"> • headed by an Assistant Director • 3 Wellness Practitioners • An Admin clerk • 3 interns and have social work qualifications and in all 12 districts. <p>Not all districts have placed employees as practitioners, we still rely on Coordinators.</p> <p>During the year under review a sum of</p>

Question	Yes	No	Details, if yes
			R500 000.00 has been allocated for programme 2 implementation and R470 000.00 but we were unable to use the budget due to austerity measures.
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"> • HIV, AIDS STI and TB Management • Health and Productivity Management • Safety, Health, Environment, Risk and Quality Management • Wellness Management
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 is follows hereunder.</p> <p>This is a new committee whose term of office is April 2020 – March 2023</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>NO. Consultation we our stakeholder need to take place but due to connectivity and austerity measures does not allow the policies to be reviewed.</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"> • Upholding the confidentiality principle throughout the access to treatment, care, and support process • Ensuring anonymity during our HTS sessions placing no emphasis at all on the names of participants and putting all emphasis on statistics • Identification of infected employees is protected during the referral process (names are kept strictly confidential by referring specialist only)
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		<ul style="list-style-type: none"> • YES, During the year under the department have provided 19 HCT opportunities across the province. • Employees do not make use of the opportunity to know their status for early detection and access to treatment, the attrition. • Employees who disclosed their status were assisted to access counselling and treatment with the support of their Medical Aids

Question	Yes	No	Details, if yes
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"> •Quarterly Statistical reports indicating new infections and services utilisation. •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.

EMPLOYEE HEALTH AND WELLNESS UNIT: PROVINCIAL OFFICE			
Name	Telephone	Credentials	Email
DESIGNATED SENIOR MANAGER			
Ms N. Fikeni	0605235693	Act Chief Director	Nonvuselelo.fikeni@ecdoe.gov.za
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Ms. N Falo	0406084113	Wellness Practitioner	ntombizandile.falo@ecdoe.gov.za
Mr. SG Kiva	0406084507	SHERQ Practitioner	somila.kiva@ecdoe.gov.za
Ms. BG. Makongolo	0406084699	HIV AIDS & TB / HPM Practitioner	bongiwe.makongolo@ecdoe.gov.za
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Ms. Makayi, N	0406393229	SADTU	kngayeka@sadtu.co.za
OTHER DEPARTMENTAL UNITS			
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Mr. A Mbambo	0406084298	HRA	andile.mbambo@ecdoe.gov.za
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Ms. Gunguta T	0834934855	Amathole West	thembeke.gunguta@ecdoe.gov.za
Mr. Ngalwana, T	0848213734	Buffalo City	walter.hena@ecdoe.gov.za
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Mr. Hlekani, M	0826607369	Nelson Mandela Bay	mphakamisi.hlekani@ecdoe.gov.za
Mr. Dalasile, K	0605300902	OR Tambo Coastal	khwezi.dalasile@ecdoe.gov.za
Mr. Matoti, KAL	0721231562	OR Tambo Inland	linda.matoti@ecdoe.gov.za
Mr. Miggels, S	0825861021	Sara Baartman	sipho.miggels@ecdoe.gov.za

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Total number of Collective agreements	None
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Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% Of total
Corrective Counselling	4	12.1
Final Written Warning	8	24.2
Fine	6	18.2
No Outcome	4	12.1
Suspended Without Payment	11	33.3
Total	33	100

Total number of Disciplinary hearings finalised	None
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% Of total
Absent from work without reason or permission	3	3.89
Assault/Attempts or threatens to assault a person	11	14.28
Conduct self in improper/unacceptable manner	1	1.29
Disrespect/Abusive or insolent behavior	2	2.59
Fails to carry out order or instruction	3	3.89
Fails to comply with or contravenes an Act	1	1.29
Intimidates/Victimise others	-	-
Mismanages finances of State (Edu)	30	38.96
Performs poorly for reasons other than incapacity	1	1.29
Prejudices Admin/Discipline of State (Edu)	10	12.98
Prejudices Administration of Organization of Dept	-	-
Refuse formal program of counselling (Edu)	-	-
Refuse rehabilitation/Rehab program (Edu)	-	-
Sexual Harassment	4	5.19
Willfully or negligently mismanages finances	1	1.29
Total	77	100

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% Of Total
Resolved	13	23.1
Not solved	25	76.9
Total	38	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% Of Total
BCEA	8	5.8%
Collective Agreement	18	13%
Inquiry by Arbitrator	1	0.7%
Termination of Contract	5	3.6%
Transfer	1	0.7%
ULP: Benefits	28	20.3%
ULP: Demotion	2	1.5%
Unfair Discrimination	25	18.1%
Unfair Dismissal	1	0.7%
Unfair Suspension	4	2.9%
Unilateral Change to terms and conditions of Employment	8	5.8%
ULP: Promotion	18	13%
Unfair Dismissal	19	13.8%
Unfair Suspension	7	5.1%
Unilateral Change to Terms and Conditions of Employment	2	1.5%
Non-Payment Of Salary	5	3.6%
ULP. Appointment	6	4.4%
Reasons For Dismissal Not Known	2	1.5%
Salary Deduction	1	0.7%
Failure To Pay Amount Owing	3	2.2%
Total	138	100%

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	19
Number of people whose suspension exceeded 30 days	19
Average number of days suspended	100 DAYS
Cost of suspension(R'000)	R 2,091,205.83

3.9 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 2021 and 31 March 2022

Occupational category	Gender	Number of employees as of 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other shortcourses	Other forms of training	Total
Senior Officials and Managers	Female	25	-	25	-	25
	Male	41	-	41	-	41
Professionals	Female	38,086	-	5265	265	5530
	Male	15,287	-	4364	135	4499
Technicians And Associate Professionals	Female	288	-	-	-	-
	Male	163	-	-	-	-
Clerks	Female	3,632	-	2343	399	2742
	Male	1,111	-	1557	201	1758
Service Shop and Market Sales Workers	Female	78	-	-	-	-
	Male	399	-	-	-	-
Craft And Related Trade Workers	Female	16	-	-	-	-
	Male	24	-	-	-	-
Plant And Machine Operators and Assemblers	Female	3	-	-	-	-
	Male	89	-	-	-	-
Labourers And Related Workers	Female	5,300	-	18	-	18
	Male	1,405	-	82	-	82
Sub Totals	Female	47,428	-	7651	664	8315
	Male	18,519	-	6044	336	6380
Totals		65,947	-	13695	1000	14695

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as of 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Senior Officials and Managers	Female	25	-	9	0	9
	Male	41	-	9	0	9
Professionals	Female	38 086	-	34005	220	34225
	Male	15 287	-	14541	124	14665
Technicians And Associate Professionals	Female	288	-	-	-	-
	Male	163	-	-	-	-
Clerks	Female	3 632	-	2371	138	2509
	Male	1 111	-	1277	71	1348
Service Shop and Market Sales Workers	Female	78	-	-	-	-
	Male	399	-	-	-	-
Craft And Related Trade Workers	Female	16	-	-	-	-
	Male	24	-	-	-	-
Plant And Machine Operators and Assemblers	Female	3	-	-	-	-
	Male	89	-	-	-	-
Labourers And Related Workers	Female	5300	-	-	-	-
	Male	1405	-	-	-	-
Sub Totals	Female	47428	-	36385	358	36743
	Male	18519	-	15827	195	16022
Totals		65,947	-	52212	553	52765

3.10 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 2021 and 31 March 2022

Nature of injury on duty	Number	% Of total
Awards	9	29%
Injury on Duty	22	71%
Fatal	-	-
Total	31	100%

3.11 Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 and 31 March 2022

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
Improve audit outcomes	1	30 months – Expiring 30 September 2022	R735 p/h
Financial data analysis	1	17 months – Expired 30 August 2021	R757 p/h
Records Management and Archiving	1	15 months – Expired 31 December 2021	R943 p/h

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Improve audit outcomes	100%	100%	1
Financial data analysis	100%	100%	1
Records management and archiving	100%	100%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
Not Applicable			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Not Applicable			

The background image shows a group of young school children in a schoolyard. In the foreground, two girls in dark school uniforms with white collars and cuffs are smiling and talking. One girl has her hand on the other's back. In the background, other children and a school building are visible under a clear sky. A decorative graphic in the bottom-left corner consists of overlapping diagonal bands in shades of yellow and blue.

PART E:

ANNUAL FINANCIAL STATEMENTS

Report of the auditor-general to the 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 149 to 213, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of the auditor's report, the financial statements present fairly, in all material respects, the financial position of the Eastern Cape Department of Education as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and Division of Revenue Act 9 of 2021 (Dora).

Basis for qualified opinion

Immovable tangible capital assets and capital works in progress

3. The department did not appropriately account for immovable tangible capital assets and capital work-in-progress in accordance with MCS 11, *Capital assets*. Immovable tangible capital assets and capital work-in-progress were not valued and classified correctly. Furthermore, the assets as defined by section 42 of the PFMA were disclosed as disposals even though they had not yet been accepted by the receiving department. I was unable to determine the impact of these and other immaterial misstatements as it was impracticable to do so. I was also unable to obtain sufficient appropriate audit evidence that immovable tangible capital assets and capital work-in-progress were properly accounted for due to the status of accounting records. I was unable to confirm the immovable tangible capital assets and capital work-in-progress by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the immovable tangible capital assets and capital work-in-progress, stated at R13,3 billion (2021: R13,2 billion) and R3,7 billion (2021: R3,6 billion) in note 30 and 30.2 to the financial statements respectively. These limitation misstatements also had an impact on the prior period errors disclosure in note 32 to the financial statements.

Context for the opinion

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

5. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Bank overdraft

8. The department was in an overdraft position of R1,5 billion at 31 March 2022, as disclosed in note 13 to the financial statements.

Unauthorised expenditure

9. As disclosed in appropriation note 4.1 and note 9 to the financial statements, the department incurred unauthorised expenditure of R184,7 million due to overspending on programme 2: Public ordinary school education.

Other matter

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

Unaudited supplementary schedules

11. The supplementary annexures set out on pages 214 to 225 do not form part of the financial statements and are presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general’s responsibilities for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or 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.
18. 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 programme presented in the department’s annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2 – Public ordinary school	44 – 51

19. 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.

20. The material findings on the usefulness and reliability of the performance information of the selected programmes:

Various indicators

21. I was unable to obtain sufficient appropriate audit evidence for the reported achievements of two of the indicators relating to this programme. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report for the indicators listed below:

Indicator number	Indicator description	Reported achievement
PPM 206	Percentage of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	49,6%
PPM 208	Percentage of learners with English First Additional Language (EFAL) and Mathematics textbooks in grades 3, 6, 9 and 12	78%

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. Refer to the annual performance report on pages 40 to 70 for information on the achievement of planned targets for the year and management's explanations provided for the under- or overachievement of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 21 of this report.

Adjustment of material misstatements

24. 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 school. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information. Those that were not corrected are reported above.

Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
26. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

27. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of the appropriation statement and disclosure items identified by the auditors in the submitted financial statements were corrected and 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

28. 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

29. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R19,6 million as disclosed in note 22 to the annual financial statements, in contravention of section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply management chain legislation.
30. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R7 million, as disclosed in note 23 to the annual financial statements, in contravention of section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by interest paid on late payments.
31. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Transfer of funds

32. Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by treasury regulation 8.4.1.

Asset management

33. Proper control systems were not in place at the department to ensure the safeguarding and maintenance of assets, as required by treasury regulation 10.1.1(a).

Procurement and contract management

34. Some of the construction contracts were awarded to contractors that did not qualify for the contract in accordance with Construction Industry Development Board regulation 25(7A).
35. Some of the construction contracts were extended or modified without the approval of a properly delegated official as required by section 44 of the PFMA and treasury regulations 8.2.1 and 8.2.2.

Other information

36. 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 the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
37. 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 on it.
38. 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.
39. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

40. 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, the findings on the annual performance report and the findings on compliance with legislation included in this report.

41. The disciplines expected from strategic and operational initiatives were not consistently implemented at all levels within the department. These gaps were not timeously identified and rectified by leadership, which hindered progress in achieving credible financial and performance reporting and ensuring compliance with legislation.
42. The submitted financial statements and annual performance report contained material misstatements and material findings that were not corrected. The portfolios of evidence and supporting schedules used to support the financial statements were not complete and accurate in all instances. There was also a lack of coordination and accountability from those responsible for collating and collecting the portfolios of evidence to support the achieved targets in the annual performance report.
43. Not all planned internal audits had been finalised at year-end, which limited how the significant risks from the risk assessment could be addressed. Management did not respond timeously and appropriately to the findings and recommendations of internal audit. The audit committee was also limited in certain instances by management's lack of responsiveness to recommendations raised.

Material irregularities

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

Material irregularities identified during the audit

45. The material irregularities identified are as follows:

Interest paid on payments not made within 30 days

46. The department did not settle payments to the supplier responsible for professional quantity surveying services within 30 days, in contravention of treasury regulation 8.2.3. This led to the supplier instituting legal proceedings against the department, and charging interest. The non-compliance has resulted in a material financial loss of R3,6 million. The payments were made by the department up to the period ending 31 March 2021 and was disclosed as fruitless and wasteful expenditure in note 23 of the 2020-21 annual financial statements.
47. I notified the accounting officer of the material irregularity on 22 July 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter. This was initially submitted to risk services for investigation and upon follow up, the department noted that the matter should have been investigated by the internal controls unit. This will be rectified within the department and all relevant information will be submitted to the unit.
48. The accounting officer has committed to conclude the investigation on 30 September 2022.
49. A follow up will be done in the next audit to assess the appropriateness of the actions taken by the accounting officer upon receipt of the investigation report.

Interest paid on payments not made within 30 days

50. The department did not settle payments to the supplier responsible for renovation and redevelopment within 30 days, in contravention of treasury regulation 8.2.3. This led to the supplier charging interest. The non-compliance has resulted in a material financial loss of R1,3 million. The payments were made by the department up to the period ending 31 March 2021 and was disclosed as fruitless and wasteful expenditure in note 23 of the 2020-21 annual financial statements.
51. I notified the accounting officer of the material irregularity on 22 July 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter. This was initially submitted to risk services for investigation and upon follow up, the department noted that the matter should have been investigated by the internal controls unit. This will be rectified within the department and all relevant information will be submitted to the unit.
52. The accounting officer has committed to conclude the investigation on 30 September 2022.
53. A follow up will be done in the next audit to assess the appropriateness of the actions taken by the accounting officer upon receipt of the investigation report.

Interest paid on payments not made within 30 days

54. The department did not settle payments to the supplier responsible for various projects within 30 days, in contravention of treasury regulation 8.2.3. This led to the supplier instituting legal proceedings against the department. The non-compliance has resulted in a material financial loss of R2,7 million. The payments were made by the department up to the period ending 31 March 2021 and was disclosed as fruitless and wasteful expenditure in note 23 of the 2020-21 annual financial statements.
55. I notified the accounting officer of the material irregularity on 22 July 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter, the department committed to concluding the investigation by 21 December 2021, but has not met this timeframe due to non-availability of information that has been requested from the implementing agents.
56. The accounting officer has committed to conclude the investigation on 30 October 2022.
57. A follow up will be done in the next audit to assess the appropriateness of the actions taken by the accounting officer upon receipt of the investigation report.

Payments for extension of time claims and interest due to late payment of supplier

58. The department did not settle payments to the supplier responsible for construction, repairs, renovations and additions within 30 days, in contravention of treasury regulation 8.2.3. This led to the supplier charging for extension of time claims and interest. The non-compliance has resulted in a material financial loss of R1,4 million. The payments were made by the department up to the period ending 31 March 2021.

59. I notified the accounting officer of the material irregularity on 1 October 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter. The department initially committed to concluding the investigation by 21 December 2021, but has not met this timeframe due to the non-availability of information that has been requested from the implementing agents.
60. The accounting officer has committed to conclude the investigation on 30 October 2022.
61. A follow up will be done in the next audit to assess the appropriateness of the actions taken by the accounting officer upon receipt of the investigation report.

Employees of department benefitted from presidential initiative whilst employed by the department

62. Payments were made to employees of the department that are permanently employed with funds from the presidential initiative, which was meant for unemployed youth within the province. This is a result of ineffective internal controls that were not in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. The payments were made by the department up to the period ending 31 March 2021. The non-compliance resulted in a material financial loss of R1.5 million.
63. I notified the accounting officer of the material irregularity on 9 August 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter and the department committed to do a full audit on all schools using the internal audit unit and risk management unit at the department. The audit was meant to be concluded by December 2021. A report on the investigation was submitted in February 2022, and a follow up on the appropriateness of the actions taken by the accounting officer was made. The department made a new commitment date of 2 August 2022 for the conclusion of the audit on the schools due to school closure.
64. A follow up will be done in the next audit to assess the appropriateness of the actions taken by the accounting officer upon receipt of the investigation report.

Material irregularities in progress

65. I identified another material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in the next year's auditor's report.

Status of previously reported material irregularities

Payments made for services not rendered

66. Payments were made for school furniture refurbishment services that were not delivered, as effective internal controls were not in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. The payments were made between the year ended 31 March 2019 and the year ended 31 March 2020. The non-compliance resulted in a material financial loss of R3,4 million.

67. I notified the accounting officer of the material irregularity on 15 October 2020 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter and found that two departmental officials were responsible. Disciplinary processes for the responsible employees were finalised, where one of the employees was exonerated and the other found guilty.
68. The matter was also reported to the South African Police Service and the Mthatha Commercial Crimes Unit on 1 December 2020. The investigation had not yet been concluded at the date of this report.
69. The department has instituted proceedings to recover the monies lost as per the letter dated 16 March 2022 addressed to the state attorney from the legal representative of the department.
70. A follow up will be made in the next audit to confirm that the monies lost have been recovered from the supplier.

Payment for goods not delivered

71. Payment was made for school furniture manufacture and delivery services that were not rendered, as effective internal controls were not in place for the approval and processing of payments made, as required by treasury regulation 8.1.1. The payment was made on 9 December 2020. The non-compliance resulted in a material financial loss of R1,5 million.
72. I notified the accounting officer of the material irregularity on 21 July 2021 and invited him to make a written submission on the actions taken. The accounting officer instituted an investigation into the matter and found that a departmental official was responsible. Final charges were drawn up and signed by the head of department on 27 July 2022 and charges were issued to the employee on 28 July 2022.
73. The matter was also reported to the South African Police Service on 22 March 2022. The investigation had not yet been concluded at the date of this report.
74. The department has instituted proceedings to recover the money lost as per the letter dated 23 May 2022 addressed to the supplier from the state attorney.
75. A follow up will be made in the next audit to confirm that consequence management has been executed against the responsible director and that monies lost have been recovered from the supplier.

Other reports

76. I draw attention to the following engagements conducted by various parties which 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.

77. The Special Investigating Unit is conducting ongoing investigations into supply chain management processes and delivery of goods and services relating to covid-19 expenditure. These investigations cover the previous financial periods and are still ongoing.
78. The Office of the Premier is conducting ongoing investigations into irregular budgetary processes and delivery of learner-teacher support material and other matters. The investigations cover the current financial period and is still ongoing.

Auditor-General

East London

31 July 2022



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 programme 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 relating to events or conditions that may cast significant doubt on the ability of the Eastern Cape Department of Education to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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 provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Appropriation per programme	2021/22					2020/21			
	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
Voted funds and Direct charges									
Programme									
1. ADMINISTRATION	2 893 185	-	(218 772)	2 674 413	2 674 413	-	100.0%	2 838 804	2 625 799
2. PUBLIC ORDINARY SCHOOL EDUCATION	29 619 184	-	246 834	29 866 018	30 050 710	(184 692)	100.6%	28 618 511	29 651 904
3. INDEPENDENT SCHOOL SUBSIDIES	101 628	-	-	101 628	99 226	2 402	97.6%	141 789	138 718
4. PUBLIC SPECIAL SCHOOL EDUCATION	998 611	-	(42 664)	955 947	944 476	11 471	98.8%	913 905	896 096
5. EARLY CHILDHOOD DEVELOPMENT	638 702	-	(51 097)	587 605	516 607	70 998	87.9%	490 700	463 192
6. INFRASTRUCTURE DEVELOPMENT	1 506 631	-	-	1 506 631	1 214 942	291 689	80.6%	1 340 638	1 222 325
7. EXAMINATION AND EDUCATION RELATED SERVICES	1 379 811	-	65 699	1 445 510	1 445 510	-	100.0%	1 871 868	1 594 268
Programme sub total	37 137 752	-	-	37 137 752	36 945 884	191 868	99.5%	36 216 215	36 592 302
Statutory Appropriation MEMBERS' REMUNERATION	1 978	-	-	1 978	1 978	-	100.0%	1 564	1 564
TOTAL	37 139 730	-	-	37 139 730	36 947 862	191 868	99.5%	36 217 779	36 593 866
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts								14 843	
NRF Receipts								-	
Aid assistance								-	
Actual amounts per Statement of Financial Performance (Total Revenue)								36 232 622	
Add:									
Aid assistance									
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure									36 593 866

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Appropriation per economic classification	2021/22						2020/21		
	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	33 245 990	-	-	33 245 990	33 256 493	(10 503)	100.0%	31 681 616	32 470 681
Compensation of employees	29 560 828	27 773	(6 124)	29 582 477	29 675 740	(93 263)	100.3%	28 352 419	29 432 072
Salaries and wages	25 581 496	27 773	(97 796)	25 511 473	25 467 585	43 888	99.8%	24 131 566	25 243 902
Social contributions	3 979 332	-	91 672	4 071 004	4 208 155	(137 151)	103.4%	4 220 853	4 188 170
Goods and services	3 685 162	(29 193)	6 124	3 662 093	3 579 333	82 760	97.7%	3 328 985	3 038 397
Administrative fees	845	-	-	845	-	845	-	1 196	229
Advertising	7 840	-	-	7 840	7 079	761	90.3%	24 853	22 235
Minor assets	17 368	-	-	17 368	4 328	13 040	24.9%	9 332	939
Audit costs: External	25 611	2 300	(3 707)	24 204	24 204	-	100.0%	29 745	28 765
Bursaries: Employees	105 214	-	(10 920)	94 294	80 504	13 790	85.4%	119 764	116 172
Catering: Departmental activities	10 234	206	(279)	10 161	6 588	3 573	64.8%	13 538	12 497
Communication (G&S)	110 246	-	(3 595)	106 651	108 005	(1 354)	101.3%	180 050	289 496
Computer services	289 965	-	(12 537)	277 428	274 052	3 376	98.8%	178 155	195 148
Consultants: Business and advisory services	13 390	-	-	13 390	8 318	5 072	62.1%	64 910	38 292
Infrastructure and planning services	117 799	-	-	117 799	164 199	(46 400)	139.4%	140 988	140 988
Legal services	23 000	-	-	23 000	22 442	558	97.6%	20 123	5 965
Contractors	16 452	-	(1 197)	15 255	2 787	12 468	18.3%	16 891	1 265
Agency and support / outsourced services	1 307 642	4	60 652	1 368 298	1 436 507	(68 209)	105.0%	576 054	552 373
Fleet services (including government motor transport)	22 386	-	-	22 386	20 467	1 919	91.4%	18 292	12 642
Inventory: Farming supplies	2 070	-	-	2 070	1 412	658	68.2%	1 848	1 127
Inventory: Food and food supplies	-	-	-	-	296	(296)	-	1 024	-
Inventory: Fuel, oil and gas	2 296	-	-	2 296	2 134	162	92.9%	2 762	2 133
Inventory: Learner and teacher support material	576 259	(30 816)	-	545 443	607 028	(61 585)	111.3%	510 510	364 070
Inventory: Materials and supplies	890	-	-	890	19	890	-	726	-
Inventory: Medical supplies	1 032	-	-	1 032	19	1 013	1.8%	81	-
Inventory: Medicine	761	-	-	761	-	761	-	-	-
Inventory: Other supplies	120 333	-	(10 308)	110 025	86 274	23 751	78.4%	183 977	155 056
Consumable supplies	25 941	-	(5 002)	20 939	123 126	(102 187)	588.0%	601 691	579 578
Consumable: Stationery, printing and office supplies	59 885	-	-	59 885	49 241	10 644	82.2%	50 731	44 673
Operating leases	39 649	-	-	39 649	37 665	1 984	95.0%	36 893	25 180
Property payments	433 652	-	(1 755)	431 897	213 554	218 343	49.4%	212 265	195 963
Transport provided: Departmental activity	10 393	-	(505)	9 888	2 505	7 383	25.3%	3 860	3 427
Travel and subsistence	59 629	-	-	59 629	78 388	(18 759)	131.5%	89 087	76 282

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**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Training and development	147 501	-	(3 676)	143 825	93 387	50 438	64.9%	119 329	66 563
Operating payments	134 531	(887)	(900)	132 744	124 271	8 473	93.6%	112 062	102 097
Venues and facilities	2 348	-	(102)	2 246	447	1 799	19.9%	8 243	5 236
Rental and hiring	-	-	-	-	-	-	-	6	6
Interest and rent on land	-	1 420	-	1 420	1 420	-	100.0%	212	212
Interest (Incl. interest on unitary payments (PPP))	-	1 420	-	1 420	1 420	-	100.0%	212	212
Transfers and subsidies	2 727 115	-	-	2 727 115	2 770 670	(43 555)	101.6%	3 762 580	3 517 819
Departmental agencies and accounts	65 150	-	-	65 150	65 150	-	100.0%	73 344	73 344
Departmental agencies	65 150	-	-	65 150	65 150	-	100.0%	73 344	73 344
Higher education institutions	14 500	-	-	14 500	14 288	212	98.5%	6 228	6 039
Non-profit institutions	2 473 777	(45 703)	-	2 428 074	2 418 605	9 469	99.6%	3 413 577	3 206 478
Households	173 688	45 703	-	219 391	272 627	(53 236)	124.3%	269 431	231 958
Social benefits	14 650	45 694	-	60 344	240 598	(180 254)	398.7%	-	-
Other transfers to households	159 038	9	-	159 047	32 029	127 018	20.1%	269 431	231 958
Payments for capital assets	1 166 625	-	-	1 166 625	920 699	245 926	78.9%	773 582	605 366
Buildings and other fixed structures	1 086 144	-	694	1 086 838	845 354	241 484	77.8%	689 515	595 204
Buildings	-	-	694	694	845 354	(844 660)	121808.9%	-	-
Other fixed structures	1 086 144	-	-	1 086 144	-	1 086 144	-	689 515	595 204
Machinery and equipment	80 481	-	(694)	79 787	75 345	4 442	94.4%	84 067	10 162
Transport equipment	42 710	-	(221)	42 489	35 267	7 222	83.0%	65 360	5 128
Other machinery and equipment	37 771	-	(473)	37 298	40 078	(2 780)	107.5%	18 707	5 034
	37 139 730	-	-	37 139 730	36 947 862	191 868	99.5%	36 217 779	36 593 866

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

	2021/22						2020/21		
	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
Programme 1: ADMINISTRATION									
Sub programme									
1. OFFICE OF THE MEC	13 484	-	-	13 484	12 448	1 036	92.3%	9 007	8 609
2. CORPORATE SERVICES	1 477 344	-	(80 678)	1 396 666	1 392 208	4 458	99.7%	1 427 402	1 268 523
3. EDUCATION MANAGEMENT	1 305 535	-	(105 576)	1 199 959	1 203 854	(3 895)	100.3%	1 317 271	1 286 994
4. HUMAN RESOURCE DEVELOPMENT	17 184	-	(935)	16 249	16 197	52	99.7%	18 245	17 299
5. EDUCATION MANAGEMENT INFORMATION SYSTEM (EMIS)	79 638	-	(31 583)	48 055	49 706	(1 651)	103.4%	66 879	44 374
	2 893 185	-	(218 772)	2 674 413	2 674 413	-	100.0%	2 838 804	2 625 799
Economic classification									
Current payments	2 806 381	-	(225 671)	2 580 710	2 561 358	19 352	99.3%	2 746 639	2 585 755
Compensation of employees	2 329 422	-	(195 969)	2 133 453	2 114 355	19 098	99.1%	2 279 278	2 252 466
Salaries and wages	1 977 453	-	(162 195)	1 815 258	1 822 222	(6 964)	100.4%	1 969 902	1 943 435
Social contributions	351 969	-	(33 774)	318 195	292 133	26 062	91.8%	309 376	309 031
Goods and services	476 959	(887)	(29 702)	446 370	446 116	254	99.9%	467 361	333 289
Administrative fees	-	-	-	-	-	-	-	930	24
Advertising	6 745	-	-	6 745	6 345	400	94.1%	23 976	21 379
Minor assets	157	-	-	157	-	157	-	2 502	225
Audit costs: External	25 611	-	(3 707)	21 904	21 904	-	100.0%	29 745	28 765
Bursaries: Employees	6 081	-	-	6 081	6 045	36	99.4%	7 371	7 772
Catering: Departmental activities	632	-	(279)	353	795	(442)	225.2%	1 226	982
Communication (G&S)	45 935	-	(3 595)	42 340	42 295	45	99.9%	66 897	38 872
Computer services	182 035	-	(12 537)	169 498	169 936	(438)	100.3%	63 000	53 706
Consultants: Business and advisory services	11 943	-	-	11 943	7 840	4 103	65.6%	52 224	37 338
Legal services	23 000	-	-	23 000	22 442	558	97.6%	20 123	5 965
Contractors	3 078	-	(1 197)	1 881	456	1 425	24.2%	5 894	378
Agency and support / outsourced services	15 047	-	(5 047)	10 000	9 351	649	93.5%	15 191	9 777
Fleet services (including government motor transport)	15 527	-	-	15 527	15 225	302	98.1%	13 265	7 796
Inventory: Other supplies	-	-	-	-	-	-	-	31	30
Consumable supplies	9 959	-	(1 505)	8 454	5 941	2 513	70.3%	8 048	1 017
Consumable: Stationery, printing and office supplies	10 865	-	-	10 865	7 192	3 673	66.2%	3 535	1 816
Operating leases	25 000	-	-	25 000	18 369	6 631	73.5%	19 792	12 222
Property payments	64 117	-	-	64 117	66 515	(2 398)	103.7%	93 135	73 578
Travel and subsistence	6 717	-	-	6 717	29 811	(23 094)	443.8%	22 049	22 024
Training and development	11 044	-	(935)	10 109	10 168	(59)	100.6%	4 612	3 488
Operating payments	13 466	(887)	(900)	11 679	5 378	6 301	46.0%	13 697	6 128

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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Venues and facilities	-	-	-	108	(108)	-	-	117	7
Interest and rent on land	-	887	-	887	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	887	-	887	-	-	-	-	-
Transfers and subsidies	25 466	-	-	25 466	(19 063)	-	-	29 535	36 053
Higher education institutions	-	-	-	-	-	-	-	6 228	6 039
Non-profit institutions	-	-	-	-	-	-	-	-	31
Households	25 466	-	-	-	-	-	-	23 307	29 983
Social benefits	14 650	-	-	14 650	(3 193)	-	-	-	-
Other transfers to households	10 816	-	-	10 816	(15 870)	-	-	23 307	29 983
Payments for capital assets	61 338	-	6 899	68 237	(289)	-	-	62 630	3 991
Machinery and equipment	61 338	-	6 899	68 237	(289)	-	-	62 630	3 991
Transport equipment	30 768	-	6 899	37 667	3 327	-	-	51 893	2 783
Other machinery and equipment	30 570	-	-	30 570	(3 616)	-	-	10 737	1 208
	2 893 185	-	(218 772)	2 674 413	-	-	-	2 838 804	2 625 799
								100.0%	100.0%

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 2: PUBLIC ORDINARY SCHOOL EDUCATION									
	2021/22					2020/21			
	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
Sub programme									
1. PUBLIC PRIMARY LEVEL	9 904 098	-	74 185	9 978 283	10 340 802	(362 519)	103.6%	9 645 351	9 968 918
2. PUBLIC SECONDARY LEVEL	18 077 912	-	172 649	18 250 561	18 122 921	127 640	99.3%	17 410 657	18 150 343
3. HUMAN RESOURCE DEVELOPMENT	88 919	-	-	88 919	75 016	13 903	84.4%	92 164	91 402
SCHOOL SPORT, CULTURE AND	10 461	-	-	10 461	1 952	8 509	18.7%	15 909	8 237
4. MEDIA SERVICES									
5. CONDITIONAL GRANTS	1 537 794	-	-	1 537 794	1 510 019	27 775	98.2%	1 454 430	1 433 004
	29 619 184	-	246 834	29 866 018	30 050 710	(184 692)	100.6%	28 618 511	29 651 904
Economic classification									
Current payments	27 323 048		246 140	27 569 188	27 726 199	(157 011)	100.6%	25 828 012	26 915 769
Compensation of employees	25 708 748	30 283	246 140	25 985 171	26 142 217	(157 046)	100.6%	24 372 956	25 489 361
Salaries and wages	22 230 907	30 283	120 694	22 381 884	22 357 554	24 330	99.9%	20 589 229	21 735 294
Social contributions	3 477 841	-	125 446	3 603 287	3 784 663	(181 376)	105.0%	3 783 727	3 754 067
Goods and services	1 614 300	(30 816)	-	1 583 484	1 583 449	35	100.0%	1 454 844	1 426 196
Administrative fees	845	-	-	845	-	845	-	240	205
Advertising	848	-	-	848	488	360	57.5%	877	856
Minor assets	17 211	-	-	17 211	4 061	13 150	23.6%	6 194	138
Bursaries: Employees	33 049	-	-	33 049	27 227	5 822	82.4%	46 997	46 697
Catering: Departmental activities	8 887	-	-	8 887	5 085	3 802	57.2%	10 562	10 386
Communication (G&S)	64 311	-	-	64 311	65 710	(1 399)	102.2%	113 153	250 624
Computer services	98 218	-	-	98 218	95 128	3 090	96.9%	112 065	138 352
Consultants: Business and advisory services	1 447	-	-	1 447	478	969	33.0%	12 606	954
Contractors	11 516	-	-	11 516	2 331	9 185	20.2%	10 797	811
Agency and support / outsourced services	501 457	-	-	501 457	526 921	(25 464)	105.1%	233 121	218 636
Fleet services (including government motor transport)	2 500	-	-	2 500	3 436	(936)	137.4%	2 909	2 761
Inventory: Farming supplies	2 070	-	-	2 070	1 412	658	68.2%	1 848	1 127
Inventory: Food and food supplies	-	-	-	-	296	(296)	-	1 024	-
Inventory: Fuel, oil and gas	1 016	-	-	1 016	-	1 016	-	1 452	850
Inventory: Learner and teacher	543 608	(30 816)	-	512 792	589 080	(76 288)	114.9%	475 513	343 733

EASTERN CAPE DEPARTMENT OF EDUCATION
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APPROPRIATION STATEMENT
for the year ended 31 March 2022

support material																			
Inventory: Materials and supplies	890			890	-			890											
Inventory: Medical supplies	1 032			1 032				1 013	19										81
Inventory: Medicine	761			761				761											
Inventory: Other supplies	92 382			92 382				92 348	69 348										167 282
Consumable supplies	7 458			7 458				427	427										69 898
Consumable: Stationery, printing and office supplies	4 648			4 648				2 135	2 135										23 437
Operating leases	14 649			14 649				19 113	19 113										12 753
Property payments	75 7			75 727				81 427	81 427										91 911
Transport provided: Departmental activity	9 888			9 888				2 505	2 505										3 427
Travel and subsistence	24 549			24 549				13 644	13 644										22 254
Training and development	67 041			67 041				50 565	50 565										36 291
Operating payments	26 908			26 908				22 512	22 512										12 070
Venues and facilities	1 384			1 384				101	101										1 553
Rental and hiring	-			-				-	-										6
Rental and rent on land	-		533	533				533	533										212
Interest (Incl. interest on unitary payments (PPP))	-		533	533				533	533										212
Transfers and subsidies	2 292 136			2 292 136				2 322 702	2 322 702										2 731 922
Non-profit institutions	2 146 329			2 100 635	(45 694)			2 100 635	2 100 635										2 535 081
Households	145 807			191 501	45 694			222 067	222 067										196 841
Social benefits	-			45 694	45 694			220 130	220 130										-
Other transfers to households	145 807			145 807	45 694			1 937	1 937										196 841
Payments for capital assets	4 000			4 694				1 809	1 809										4 213
Buildings and other fixed structures	-			694				694	694										2 639
Buildings	-			694				694	694										6 109
Other fixed structures	-			-				-	-										-
Machinery and equipment	4 000			4 000				1 115	1 115										2 639
Transport equipment	4 000			4 000				927	927										1 574
Other machinery and equipment	-			-				188	188										1 574
	29 619 184			29 866 018		246 834		30 050 710	30 050 710			(184 692)		100.6%		28 618 511		29 651 904	

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 3: INDEPENDENT SCHOOL SUBSIDIES										
	2021/22					2020/21				
	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	
Sub programme										
1. PRIMARY LEVEL	59 206	-	-	59 206	57 592	1 614	97.3%	82 602	79 804	
2. SECONDARY LEVEL	42 422	-	-	42 422	41 634	788	98.1%	59 187	58 914	
	101 628	-	-	101 628	99 226	2 402	97.6%	141 789	138 718	
Economic classification										
Transfers and subsidies	101 628	-	-	101 628	99 226	2 402	97.6%	141 789	138 718	
Non-profit institutions	101 628	-	-	101 628	99 226	2 402	97.6%	141 789	138 718	
	101 628	-	-	101 628	99 226	2 402	97.6%	141 789	138 718	

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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 4: PUBLIC SPECIAL SCHOOL EDUCATION										
	2021/22					2020/21				
	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	
Sub programme	960 767	-	(38 156)	922 611	920 535	2 076	99.8%	876 698	869 018	
1. SCHOOLS	3 184	-	(3 184)	-	-	-	-	1 948	-	
2. HUMAN RESOURCE DEVELOPMENT SCHOOL SPORT, CULTURE AND MEDIA SERVICES	751	-	(735)	16	16	-	100.0%	1 180	841	
4. CONDITIONAL GRANTS	33 909	-	(589)	33 320	23 925	9 395	71.8%	34 079	26 237	
	998 611	-	(42 664)	955 947	944 476	11 417	98.8%	913 905	896 096	
Economic classification										
Current payments	842 644	-	(35 071)	807 573	795 047	12 526	98.4%	762 513	754 704	
Compensation of employees	787 787	-	(15 675)	772 112	762 938	9 174	98.8%	722 195	717 137	
Salaries and wages	684 346	-	(15 675)	668 671	645 337	23 334	96.5%	610 074	604 450	
	103 441	-	-	103 441	117 601	(14 160)	113.7%	112 121	112 687	
Social contributions										
Goods and services	54 857	-	(19 396)	35 461	32 109	3 352	90.4%	40 318	37 567	
Advertising	247	-	-	247	246	1	99.6%	-	-	
Minor assets	-	-	-	-	-	-	-	584	576	
Bursaries: Employees	443	-	(443)	-	-	-	-	328	321	
Catering: Departmental activities	114	-	-	114	14	100	12.3%	-	-	
Consultants: Business and advisory services	-	-	-	-	-	-	-	80	-	
Contractors	178	-	-	178	-	178	-	200	76	
Agency and support / outsourced services	6 217	-	-	6 217	6 446	(229)	103.7%	5 802	3 658	
Fleet services (including government motor transport)	4 359	-	-	4 359	1 457	2 902	33.4%	2 118	2 085	
Inventory: Learner and teacher support material	584	-	-	584	665	(81)	113.9%	8 097	5 603	
Inventory: Other supplies	27 951	-	(10 353)	17 598	16 926	672	96.2%	13 326	14 061	
Consumable supplies	5 224	-	(3 497)	1 727	1 727	-	100.0%	4 083	3 087	
Consumables: Stationery, printing and office supplies	566	-	-	566	362	204	64.0%	283	275	
Property payments	3 120	-	(1 755)	1 365	562	803	41.2%	(966)	2 031	
Transport provided: Departmental activity	505	-	(505)	-	-	-	-	-	-	

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Travel and subsistence	3 197	-	3 197	3 330	(133)	104.2%	2 830	2 429
Training and development	2 041	(2 741)	(700)	352	(1 052)	(50.3%)	3 553	3 365
Operating payments	-	-	-	22	(22)	-	-	-
Venues and facilities	111	(102)	9	-	9	-	-	-
Transfers and subsidies	146 420	-	146 420	149 429	(3 009)	102.1%	140 182	141 225
Non-profit institutions	144 005	-	144 005	143 407	598	99.6%	136 281	136 282
Households	2 415	-	2 415	6 022	(3 607)	249.4%	3 901	4 943
Social benefits	-	-	-	2 625	(2 625)	-	-	-
Other transfers to households	2 415	-	2 415	3 397	(982)	140.7%	3 901	4 943
Payments for capital assets	9 547	(7 593)	1 954	-	1 954	-	11 210	167
Machinery and equipment	9 547	(7 593)	1 954	-	1 954	-	11 210	167
Transport equipment	7 550	(7 120)	430	-	430	-	8 000	-
Other machinery and equipment	1 997	(473)	1 524	-	1 524	-	3 210	167
	998 611	(42 664)	955 947	944 476	11 471	98.8%	913 905	896 096

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 5: EARLY CHILDHOOD DEVELOPMENT										
	2021/22					2020/21				
	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	
Sub programme										
1. GRADE R IN PUBLIC SCHOOLS	623 337	-	(51 097)	572 240	516 377	55 863	90.2%	477 507	457 990	
2. PRE-GRADE R TRAINING	15 365	-	-	15 365	230	15 135	1.5%	13 193	5 202	
	638 702	-	(51 097)	587 605	516 607	70 998	87.9%	490 700	463 192	
Economic classification										
Current payments	606 588	-	(51 097)	555 491	490 764	64 727	88.3%	468 226	446 829	
Compensation of employees	467 093	-	(40 620)	426 473	388 056	38 417	91.0%	347 790	347 790	
Salaries and wages	447 256	-	(40 620)	406 636	387 037	19 599	95.2%	346 883	346 883	
Social contributions	19 837	-	-	19 837	1 019	18 818	5.1%	907	907	
Goods and services	139 495	-	(10 477)	129 018	102 708	26 310	79.6%	120 436	99 039	
Bursaries: Employees	65 641	-	(10 477)	55 164	47 232	7 932	85.6%	65 396	61 703	
Catering: Departmental activities	-	-	-	-	41	(41)	-	31	31	
Inventory: Learner and teacher support material	32 067	-	-	32 067	17 263	14 804	53.8%	26 859	14 734	
Inventory: Other supplies	-	-	-	-	-	-	-	3 338	2 689	
Consumable: Stationery, printing and office supplies	36 958	-	-	36 958	37 983	(1 025)	102.8%	21 253	17 612	
Travel and subsistence	226	-	-	226	87	139	38.5%	212	70	
Training and development	4 603	-	-	4 603	102	4 501	2.2%	3 347	2 200	
Transfers and subsidies	32 114	-	-	32 114	25 843	6 271	80.5%	22 474	16 363	
Non-profit institutions	32 114	-	-	32 114	25 843	6 271	80.5%	22 474	16 363	
	638 702	-	(51 097)	587 605	516 607	70 998	87.9%	490 700	463 192	

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Programme 6: INFRASTRUCTURE DEVELOPMENT										
	2021/22					2020/21				
	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	
Sub programme										
1. ADMINISTRATION	202 184	-	-	202 184	257 453	(55 269)	127.3%	614 224	608 411	
2. PUBLIC ORDINARY SCHOOLS	1 183 373	-	-	1 183 373	853 615	329 758	72.1%	571 160	554 547	
3. PUBLIC SPECIAL SCHOOLS	65 056	-	-	65 056	74 684	(9 628)	114.8%	27 204	22 263	
4. EARLY CHILDHOOD DEVELOPMENT	56 018	-	-	56 018	29 190	26 828	52.1%	128 050	37 104	
	1 506 631	-	-	1 506 631	1 214 942	291 689	80.6%	1 340 638	1 222 325	
Economic classification										
Current payments	420 487	-	-	420 487	369 492	50 995	87.9%	498 974	472 113	
Compensation of employees	23 000	-	-	23 000	30 500	(7 500)	132.6%	18 000	12 974	
Salaries and wages	18 647	-	-	18 647	26 636	(7 989)	142.8%	13 874	11 656	
Social contributions	4 353	-	-	4 353	3 864	489	88.8%	4 126	1 318	
Goods and services	397 487	-	-	397 487	338 992	58 495	85.3%	480 974	459 139	
Minor assets	-	-	-	-	267	(267)	-	-	-	
Infrastructure and planning services	117 799	-	-	117 799	164 199	(46 400)	139.4%	140 988	140 988	
Inventory: Learner and teacher support material	-	-	-	-	20	(20)	-	-	-	
Consumable supplies	-	-	-	-	115 031	(115 031)	-	289 063	289 063	
Property payments	275 488	-	-	275 488	56 839	218 649	20.6%	50 227	28 392	
Travel and subsistence	4 200	-	-	4 200	2 636	1 564	62.8%	660	660	
Operating payments	-	-	-	-	-	-	-	36	36	
Transfers and subsidies	-	-	-	-	-	-	-	157 400	156 789	
Non-profit institutions	-	-	-	-	-	-	-	157 400	156 613	
Households	-	-	-	-	-	-	-	-	176	
Other transfers to households	-	-	-	-	-	-	-	-	176	
Payments for capital assets	1 086 144	-	-	1 086 144	845 450	240 694	77.8%	684 264	593 423	
Buildings and other fixed structures	1 086 144	-	-	1 086 144	844 660	241 484	77.8%	683 406	592 565	
Buildings	-	-	-	-	844 660	(844 660)	-	-	-	
Other fixed structures	1 086 144	-	-	1 086 144	790	1 086 144	-	683 406	592 565	
Machinery and equipment	-	-	-	-	790	(790)	-	858	858	
Other machinery and equipment	-	-	-	-	790	(790)	-	858	858	
	1 506 631	-	-	1 506 631	1 214 942	291 689	80.6%	1 340 638	1 222 325	

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

	2021/22					2020/21			
	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
Programme 7: EXAMINATION AND EDUCATION RELATED SERVICES									
Sub programme									
1. PAYMENTS TO SETA	65 150	-	-	65 150	65 150	-	100.0%	73 344	73 344
2. PROFESSIONAL SERVICES	3 553	9	-	3 562	648	2 914	18.2%	3 180	3 009
3. SPECIAL PROJECTS	878 138	(210)	65 699	943 627	917 601	26 026	97.2%	1 421 408	1 158 406
4. EXTERNAL EXAMINATIONS	382 601	201	-	382 802	414 762	(31 960)	108.3%	339 901	332 313
5. CONDITIONAL GRANTS	50 369	-	-	50 369	47 349	3 020	94.0%	34 035	27 196
	1 379 811	-	65 699	1 445 510	1 445 510	-	100.0%	1 871 868	1 594 268
Economic classification									
Current payments	1 244 864		65 699	1 310 563	1 311 655	(1 092)	100.1%	1 375 689	1 293 947
Compensation of employees	242 800	(2 510)	-	240 290	235 696	4 594	98.1%	610 636	610 780
Salaries and wages	220 909	(2 510)	-	218 399	226 821	(8 422)	103.9%	600 040	600 620
Social contributions	21 891	-	-	21 891	8 875	13 016	40.5%	10 596	10 160
Goods and services	1 002 064	2 510	65 699	1 070 273	1 075 959	(5 686)	100.5%	765 053	683 167
Administrative fees	-	-	-	-	-	-	-	26	-
Minor assets	-	-	-	-	-	-	-	52	-
Audit costs: External	-	2 300	-	2 300	2 300	-	100.0%	-	-
Catering: Departmental activities	601	206	-	807	653	154	80.9%	1 391	777
Computer services	9 712	-	-	9 712	8 988	724	92.5%	3 090	3 090
Contractors	1 680	-	-	1 680	-	1 680	-	-	-
Agency and support / outsourced services	784 921	4	65 699	850 624	893 895	(43 271)	105.1%	321 940	320 302
Fleet services (including government motor transport)	-	-	-	-	349	(349)	-	-	-
Inventory: Fuel, oil and gas	1 280	-	-	1 280	2 134	(854)	166.7%	1 310	1 283
Consumable supplies	3 300	-	-	3 300	-	3 300	-	230 599	218 323
Consumable: Stationery, printing and office supplies	6 848	-	-	6 848	1 569	5 279	22.9%	2 128	1 533
Operating leases	-	-	-	-	183	(183)	-	205	205
Property payments	15 200	-	-	15 200	8 211	6 989	54.0%	51	51
Travel and subsistence	20 740	-	-	20 740	28 880	(8 140)	139.2%	40 162	28 845
Training and development	62 772	-	-	62 772	32 200	30 572	51.3%	71 534	21 219
Operating payments	94 157	-	-	94 157	96 359	(2 202)	102.3%	85 983	83 863
Venues and facilities	853	-	-	853	238	615	27.9%	6 541	3 676
Transfers and subsidies	129 351			129 351	128 941	410	99.7%	489 549	296 749
Departmental agencies and accounts	65 150	-	-	65 150	65 150	-	100.0%	73 344	73 344
Departmental agencies	65 150	-	-	65 150	65 150	-	100.0%	73 344	73 344

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Higher education institutions	14 500	-	-	14 500	14 288	212	98.5%	-	-	-
Non-profit institutions	49 701	(9)	-	49 692	49 494	198	99.6%	416 205	223 390	-
Households	-	9	-	9	9	-	100.0%	-	-	15
Other transfers to households	-	9	-	9	9	-	100.0%	-	-	15
Payments for capital assets	5 596	-	-	5 596	4 914	682	87.8%	6 630	3 572	3 572
Machinery and equipment	5 596	-	-	5 596	4 914	682	87.8%	6 630	3 572	3 572
Transport equipment	392	-	-	392	-	392	-	3 747	2 345	2 345
Other machinery and equipment	5 204	-	-	5 204	4 914	290	94.4%	2 883	1 227	1 227
	1 379 811	-	65 699	1 445 510	1 445 510	-	100.0%	1 871 868	1 594 268	1 594 268

Direct charges

	2021/22				2020/21				
	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
Sub programme	1 978			1 978	1 978		100.0%	1 564	1 564
1. MEMBERS' REMUNERATION	1 978	-	-	1 978	1 978	-	100.0%	1 564	1 564
	1 978			1 978	1 978		100.0%	1 564	1 564
Economic classification									
Current payments	1 978			1 978	1 978		100.0%	1 564	1 564
Compensation of employees	1 978	-	-	1 978	1 978	-	100.0%	1 564	1 564
Salaries and wages	1 978	-	-	1 978	1 978	-	100.0%	1 564	1 564
	1 978			1 978	1 978		100.0%	1 564	1 564

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
as at 31 March 2022**

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 Approp.
R'000	R'000	R'000	%

**Programme 2 - Public Ordinary
Schools**

	29 866 018	30 050 710	(184 692)	-1%
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The over expenditure in social contributions is attributed to the employer's contribution to medical aid and the employer's contribution on pension fund, which was not provided for in the departmental baseline during the adjustment estimates as expected in terms of PSCBC Res 1 of 2021. The amount provided for as additional funding of R1.054 billion for cash allowance was not adequate to cover the total salary increase implications, hence the whole amount was allocated under salaries and wages.

**Programme 3 - Independent
Schools**

	101 628	99 226	2 402	2%
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The underspending is due to the withholding of funds for non-compliant of 3 independent schools due to late submission of quarterly reports (AFS) and also to underperforming schools.

**Programme 4 - Public Special
Schools**

	955 947	944 476	11 471	1%
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The under expenditure is as a result of delays in the payment of historical overtime for special school staff which was projectized and the delays are due to the verification processes coupled with the allocation of the code by PT being issued for short periods of time. The underspending is also due to austerity measures implemented by the Department to control the spending of goods and services and machinery and equipment.

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
as at 31 March 2022**

Programme 5 - Early Childhood Development

587 605 516 607 70 998 12%

The underspending is mainly on personnel due to unfilled vacancies caused by practitioners that has left the system due to retirement and others who were appointed in the mainstream schools as Post Level 1 educators after acquiring the professional qualifications of ECD as well as Pre Grade R Training budget which was set aside for training and development of Pre-Grade R (ECD NQF Level 4 qualification was on the evaluation stage by year end hence the budget could therefore not be utilized as the tender processes were not yet finalized.

Programme 6 - Infrastructure Development

1 506 631 1 214 942 291 689 19%

The overall under expenditure is evident under Public Ordinary Schools mainly due to invoices that could not be processed on time which relates to maintenance work for different implementing agents which was set aside for fencing projects as part of the departments' recovery plans but could not be finalised. A rollover of unspent funds has been requested from Provincial Treasury for all unpaid invoices.

(In the case of surpluses on programmes, a detailed explanation must be given as to whether it is as a result of a saving or underspending.)

4.2. Per economic classification:

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	29 582 477	29 675 740	(93 263)	-1%
Goods and services	3 662 093	3 579 333	82 760	2%
Interest and rent on land	1 420	1 420	-	0%
Transfers and subsidies				
Provinces and municipalities				
Departmental agencies and accounts	65 150	65 150	-	0%
Higher education institutions	14 500	14 288	212	1%
Non-profit institutions	2 428 074	2 418 605	9 469	0%
Households	219 391	272 627	(53 236)	-24%
Payments for capital assets				
Buildings and other fixed structures	1 086 838	845 354	241 484	12%
Machinery and equipment	79 787	75 345	4 442	6%

Compensation of employees: The over expenditure in social contributions is attributed to the employer's contribution to medical aid and the employer's contribution on pension fund, which was not provided for in the departmental baseline during the adjustment estimates as expected in terms of PSCBC Res 1 of 2021. The amount provided for as additional funding of R1.054 billion for cash allowance was not adequate to cover the total salary increase implications, hence the whole amount was allocated under salaries and wages.

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
as at 31 March 2022**

Goods and services: The under expenditure is mainly attributed to a decision made by the department to implement austerity measures implemented on various items within good and services to avoid overspending.

Non-profit institutions: The under expenditure is due to withholding of funds to independent schools that did not comply with the submission of compliance documents (AFS's) which resulted in withholding of funds to 3 underperforming Independent Schools, as well as Pre Grade R Training budget which was set aside for accredited training of Pre-Grade R Practitioners in ECD NQF Level 4 qualification was on the evaluation stage by year end hence the budget could therefore not be utilized as the tender processes were not yet finalized.

Households: The overspending is due to payment of accruals and current payments for leave gratuities in respect of employees who resigned from the system, other taking early retirement and deaths emanating from implementation of Operation Bhatala

Buildings and other fixed structures: The overall under expenditure is mainly due to invoices that could not be processed on time which relates to maintenance work for different implementing agents which was set aside for fencing projects as part of the departments' recovery plans but could not be finalised. A rollover of unspent funds has been requested from Provincial Treasury for all unpaid invoices.

Machinery and equipment: The underspending is mainly due to austerity measures implemented by the department to avoid overspending at year end.

4.3. Per conditional grant

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Maths, Science and Technology Grant	59 696	38 680	21 016	35%
Education Infrastructure Grant	1 506 631	1 214 942	291 689	19%
HIV and AIDS Grant	50 369	47 349	3 020	6%
National School Nutrition Programme	1 443 715	1 437 852	5 863	0%
Extended Public Works(social sec)	29 797	29 797	-	0%
Extended Public Works Integrated Programme	4 586	3 691	895	20%
Learner Profound Intel Disability Grant	33 909	23 925	9 984	29%
	3 128 703	2 796 236	332 467	11%

Maths, Science and Technology Grant: The Grant had already committed R19.947 million before the end of the financial year. The contracted service providers delayed a lot in delivering the ordered items which resulted to the underspending.

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
as at 31 March 2022**

Education Infrastructure Grant: The under expenditure is mainly due to invoices that could not be processed on time which relates to maintenance work for different implementing agents which was set aside for fencing projects as part of the departments' recovery plans but could not be finalised. A rollover of unspent funds has been requested from Provincial Treasury for all unpaid invoices.

HIV and AIDS Grant: The reason funds were not spent in 2021/22 is due to delays in delivery of goods by the contracted service providers which also contributed to late submission of invoices. This has direct impact in Accommodation and meals, printing of scripted lesson plans for life skills and life orientation manual as well as school suggestion boxes to assist learners to report bullying that is happening in schools.

National School Nutrition Programme: The under spending is due to unused budget for catering and T&S budget as a result of planned trainings for Food handlers on food safety and hygiene and conducting Accountability sessions with districts. These activities have not been executed due to COVID restrictions as these activities involves large number of individuals. The procurement of photocopiers for districts did not materialized as the Directorate was waiting for SCM to facilitate the process.

Learner Profound Intel Disability Grant: The Grant closed the financial year with unpaid commitments mainly from school furniture, mattresses and sponges, buggies, laptops and motor vehicles. The non-payment is due to delayed deliveries by contracted service providers. The specialized nature of the goods procured makes the turnaround time longer than expected and most of the service providers will only be able to deliver mid-May as there are specific manufacturing guidelines based on the individual learner. The underspending on COE is due to -delays in appointment of Joe Gqabi Team of 5 officials. The team assumed duties late during the financial year, whereas expenditure was budgeted from April 2021.

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2022**

	<i>Note</i>	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	37 137 752	36 216 215
Statutory appropriation	2	1 978	1 564
Departmental revenue	3	-	14 843
TOTAL REVENUE		37 139 730	36 232 622
EXPENDITURE			
Current expenditure			
Compensation of employees	4	29 675 740	29 432 072
Goods and services	5	3 579 333	3 038 331
Interest and rent on land	6	1 420	278
Total current expenditure		33 256 493	32 470 681
Transfers and subsidies			
Transfers and subsidies	7	2 770 670	3 517 819
Total transfers and subsidies		2 770 670	3 517 819
Expenditure for capital assets			
Tangible assets	8	920 699	605 366
Total expenditure for capital assets		920 699	605 366
TOTAL EXPENDITURE		36 947 862	36 593 866
SURPLUS/(DEFICIT) FOR THE YEAR		191 868	(361 244)
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		191 868	(376 087)
Annual appropriation		(140 636)	(515 682)
Conditional grants		332 504	154 438
Departmental revenue and NRF Receipts	12	-	14 843
SURPLUS/(DEFICIT) FOR THE YEAR		191 868	(361 244)

	<i>Note</i>	2021/22 R'000	2020/21 R'000
ASSETS			
Current Assets			
Unauthorised expenditure	9	2 488 403	2 303 711
Receivables	10	66 926	35 715
Non-Current Assets		122 776	124 385
Receivables	10	122 776	124 385

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
as at 31 March 2022**

TOTAL ASSETS	2 678 105	2 463 811
 LIABILITIES		
Current Liabilities	2 648 805	2 442 194
Voted funds to be surrendered to the Revenue Fund 11	987 511	765 389
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund 12	4 802	7 621
Bank overdraft 13	1 604 212	1 618 677
Payables 14	52 280	50 507
 TOTAL LIABILITIES	2 648 805	2 442 194
 NET ASSETS	29 300	21 617
 Represented by:		
Recoverable revenue	29 300	21 617
 TOTAL	29 300	21 617

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2022**

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		21 617	20 978
Transfers		7 683	639
Debts revised		(644)	(165)
Debts recovered (included in departmental receipts)		(5 699)	(4 842)
Debts raised		14 026	5 646
Closing balance		29 300	21 617
TOTAL		29 300	21 617

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**CASHFLOW STATEMENT
as at 31 March 2022**

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		37 230 472	36 282 842
Annual appropriated funds received	<u>1.1</u>	37 137 752	36 216 215
Statutory appropriated funds received	<u>2</u>	1 978	1 564
Departmental revenue received	<u>3</u>	90 705	64 979
Interest received	<u>3.3</u>	37	84
Net (increase)/ decrease in working capital		(214 130)	(1 060 779)
Surrendered to Revenue Fund		(247 999)	(236 856)
Current payments		(33 070 381)	(31 437 011)
Interest paid	<u>6</u>	(1 420)	(278)
Transfers and subsidies paid		(2 770 670)	(3 517 819)
Net cash flow available from operating activities	<u>15</u>	925 872	30 099
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(920 699)	(605 366)
(Increase)/decrease in non-current receivables	<u>10</u>	1 609	9 944
Net cash flows from investing activities		(919 090)	(595 422)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		7 683	639
Net cash flows from financing activities		7 683	639
Net increase/ (decrease) in cash and cash equivalents		14 465	(564 684)
Cash and cash equivalents at beginning of period		(1 618 677)	(1 053 993)
Cash and cash equivalents at end of period	<u>24</u>	(1 604 212)	(1 618 677)

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO ANNUAL FINANCIAL STATEMENTS
for the year ended 31 MARCH 2021**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies	
<p>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.</p> <p>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.</p> <p>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.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>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.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</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>

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**NOTES TO ANNUAL FINANCIAL STATEMENTS
for the year ended 31 MARCH 2021**

7.2	<p>Departmental revenue</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>
7.3	<p>Accrued departmental revenue</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"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <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>
8	<p>Expenditure</p>
8.1	<p>Compensation of employees</p>
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</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>
8.2	<p>Other expenditure</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>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
8.4	<p>Leases</p>
8.4.1	<p>Operating leases</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>
8.4.2	<p>Finance leases</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</p>

**EASTERN CAPE DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO ANNUAL FINANCIAL STATEMENTS
for the year ended 31 MARCH 2021**

	<p>lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	<p>Cash and cash equivalents</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>
10	<p>Loans and receivables</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>
11	<p>Financial assets</p>
11.1	<p>Financial assets (not covered elsewhere)</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>
11.2	<p>Impairment of financial assets</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>
12	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
13	<p>Capital Assets</p>
13.1	<p>Immovable capital assets</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>
13.2	<p>Movable capital assets</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</p>

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	<p>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>
13.3	<p>Intangible assets</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.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
13.4	<p>Project Costs: Work-in-progress</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>
14	<p>Provisions and Contingents</p>
14.1	<p>Provisions</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>
14.2	<p>Contingent liabilities</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>
14.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset</p>

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	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.
14.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
15	Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
16	Fruitless and wasteful expenditure 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. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. 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.
17	Irregular expenditure 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. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. 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.
18	Changes in accounting estimates and errors Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
19	Events after the reporting date 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.
20	Principal-Agent arrangements The department is party to a principal-agent arrangement for all infrastructure related projects. In terms of the arrangement the department is the principal and is responsible for directing the Eastern Cape Department Public Works and other implementing agents to undertake transactions relating to infrastructure projects through the memorandum of understanding. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial

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	statements where appropriate.
21	<p>Recoverable revenue</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>
22	<p>Related party transactions</p> <p>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>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
23	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>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>
24	<p>Employee benefits</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:

	2021/22		2020/21			
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation Received R'000	Funds not requested/ not received R'000
1	ADMINISTRATION	2 674 413	-	2 838 804	2 838 804	-
2	PUBLIC ORDINARY SCHOOL EDUCATION	29 866 018	-	28 617 608	28 617 608	-
3	INDEPENDENT SCHOOL SUBSIDIES	101 628	-	140 099	140 099	-
4	PUBLIC SPECIAL SCHOOL EDUCATION	955 947	-	914 234	914 234	-
5	EARLY CHILDHOOD DEVELOPMENT	587 605	-	492 964	492 964	-
6	INFRASTRUCTURE DEVELOPMENT	1 506 631	-	1 340 638	1 340 638	-
7	EXAMINATION AND EDUCATION RELATED SERVICES	1 445 510	-	1 871 868	1 871 868	-
	Total	37 137 752	-	36 216 215	36 216 215	-

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1.2. Conditional grants

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Total grants received	34	3 128 703	2 863 182
Provincial grants included in Total Grants received		3 128 703	2 863 182

2. Statutory Appropriation

MEMBERS' REMUNERATION		1 978	1 564
		1 978	1 564
Actual Statutory Appropriation received		1 978	1 564

3. Departmental revenue

Sales of goods and services other than capital assets	3.1	63 826	56 333
Fines, penalties and forfeits	3.2	110	43
Interest, dividends and rent on land	3.3	37	84
Transactions in financial assets and liabilities	3.4	26 769	8 603
Total revenue collected		90 742	65 063
Less: Own revenue included in appropriation		90 742	50 220
Departmental revenue collected		-	14 843

3.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department		63 826	56 333
Sales by market establishment		7	5
Other sales		63 819	56 328
Total		63 826	56 333

3.2 Fines, penalties and forfeits

Fines		110	43
Total		110	43

3.3 Interest, dividends and rent on land

Interest		37	84
Total		37	84

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3.4 Transactions in financial assets and liabilities

	2021/22 R'000	2020/21 R'000
Other Receipts including Recoverable Revenue	26 769	8 603
Total	26 769	8 603

4. Compensation of employees

4.1. Salaries and wages

Salaries and wages

Basic salary	21 015 332	21 795 737
Performance award	14 678	43 998
Service Based	46 095	33 054
Compensative/circumstantial	530 452	548 833
Periodic payments	8 555	19 907
Other non-pensionable allowances	3 852 473	2 802 361
Total	25 467 585	25 438 890

4.2. Social contributions

Employer contributions

Pension	2 650 964	2 701 939
Medical	1 545 490	1 473 939
UIF	2 982	4 412
Bargaining council	2 357	2 357
Official unions and associations	4 841	4 913
Insurance	1 521	622
Total	4 208 155	4 188 182
Total compensation of employees	29 675 740	29 432 072

Average number of employees	65 712	68 279
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5. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		-	229
Advertising		7 185	22 235
Minor assets	5.1	273	531
Bursaries (employees)		80 504	116 172
Catering		6 588	12 498
Communication		108 006	289 450
Computer services	5.2	269 969	195 146
Consultants: Business and advisory services		8 318	38 979
Infrastructure and planning services		164 199	140 987
Legal services		22 442	5 965
Contractors		2 634	1 264
Agency and support / outsourced services		1 436 774	552 372
Audit cost – external	5.3	24 205	28 012
Inventory	5.4	697 022	519 097
Consumables	5.5	196 917	640 680
Operating leases		37 665	25 181
Property payments	5.6	213 556	195 928
Rental and hiring		-	4
Transport provided as part of the departmental activities		2 505	3 426
Travel and subsistence	5.7	78 386	74 958
Venues and facilities		446	5 236
Training and development		93 387	67 885
Other operating expenditure	5.8	128 352	102 096
Total		3 579 333	3 038 331

There has been a substantial increase in the expenditure of the items listed below. The main reason of this increase was the settlement of accruals and payables that could not be paid by the end of 2020/21 financial year.

- *Computer Services*
- *Legal fees*
- *Inventory*
- *Training and Development year*
- *Other operating expenditure.*

For the year ended 31 March 2022, the department recorded R1.4billion and R552million for the comparative year for its agency and support services respectively. The significant increase in the balance is mainly driven by the fact that the first phase of the Presidential Youth Employment Initiative payments only commenced in the last quarter of the prior year.

The phase was extended by a month, resulting in additional expenditure in the current year. The second phase of the initiative also commenced in the current year resulting in a further increase in the balance.

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5.1. Minor assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets		273	531
Machinery and equipment		273	531
Total		273	531

5.2. Computer services

SITA computer services		35 904	34 676
External computer service providers		234 065	160 470
Total		269 969	195 146

5.3. Audit cost – External

Regularity audits		20 186	26 689
Investigations		2 300	-
Computer audits		1 719	1 323
Total		24 205	28 012

5.4. Inventory

Learning and teaching support material		607 027	364 071
Other supplies	5.4.1	89 995	155 026
Total		697 022	519 097

5.4.1 Other Supplies

Assets for distribution		89 995	155 026
Machinery and equipment		99	3 805
School furniture		89 896	151 221
Total		89 995	155 026

The Department is showing a substantial increase in the expenditure of this item due to the payment of accruals and payables that could not be paid by the end of 2020/21.

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5.5. Consumables

	Note	2021/22 R'000	2020/21 R'000
Consumable supplies		147 677	596 004
Uniform and clothing		115 646	575 080
Household supplies		8 054	4 023
IT consumables		-	106
Other consumables		23 977	16 795
Stationery, printing and office supplies		49 240	44 676
Total		196 917	640 680

The department procures COVID-19 essentials under Uniform and clothing item. In the 2020/21 financial year, the department acquired such essential through a central procurement system to cater for all employees and all learners at school level. In the 2021/22 financial year, the Department transferred funds to schools and items that were procured in 2021/22 were much less compared to items procured in 2020 as they were only procured to augment what was already existing

5.6. Property payments

Property management fees		91 430	100 153
Property maintenance and repairs		56 999	28 461
Other		65 127	67 314
Total		213 556	195 928

5.7. Travel and subsistence

Local		78 386	74 952
Foreign		-	6
Total		78 386	74 958

5.8. Other operating expenditure

Resettlement costs		5 205	4 457
Other		123 147	97 639
Total		128 352	102 096

5.9. Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)

Name of Commission / Committee	No. of members		
Audit Committee	4	722	819
Total		722	819

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6. Interest and rent on land

	Note	2021/22 R'000	2020/21 R'000
Interest paid		1 420	278
Total		1 420	278

The Department was charged interest on late payments made. This was due to budget constraints the Department is currently faced with.

7. Transfers and subsidies

Provinces and municipalities			-
Departmental agencies and accounts	ANNEXURE 1A	65 150	73 344
Higher education institutions	ANNEXURE 1B	14 288	6 039
Non-profit institutions	ANNEXURE 1C	2 418 607	3 206 477
Households	ANNEXURE 1D	272 625	231 959
Total		2 770 670	3 517 819

Transfers to NPI – In 2020/21 financial year, the Department provided financial support to schools to protect School Governing Body teacher posts, this support was not given in 2021/22 financial year, thus the decrease in expenditure.

8. Expenditure for capital assets

Tangible assets		920 699	605 366
Buildings and other fixed structures	30	845 354	595 289
Machinery and equipment	28	75 345	10 077
Total		920 699	605 366

In 2020/21 financial year funds were reprioritised to respond to COVID-19 pandemic. In the year under review COVID-19 regulations were relaxed to open the market and expenditure improved.

8.1. Analysis of funds utilised to acquire capital assets

	Voted Funds R'000	TOTAL R'000
Tangible assets	920 699	920 699
Buildings and other fixed structures	845 354	845 354
Machinery and equipment	75 345	75 345
Total	920 699	920 699

The increase in expenditure of finance lease transport assets is due to the payment of long outstanding accruals amounting to R43 million and the relaxation of COVID-19 regulations.

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8.2. Analysis of funds utilised to acquire capital assets - 2020/21

	Voted Funds R'000	TOTAL R'000
Tangible assets	605 366	605 366
Buildings and other fixed structures	595 289	595 289
Machinery and equipment	10 077	10 077
Total	605 366	605 366

8.3. Finance lease expenditure included in Expenditure for capital assets

	2021/22 R'000	2020/21 R'000
Tangible assets		
Machinery and equipment	69 999	6 511
Total	69 999	6 511

Machinery and Equipment – The increase in expenditure of finance lease transport assets is due to the payment of long outstanding accruals amounting to R43 million and the relaxation of COVID-19 regulations.

9. Unauthorised expenditure

9.1. Reconciliation of unauthorised expenditure

Opening balance	2 303 711	1 270 319
Prior period error		
As restated	2 303 711	1 270 319
Unauthorised expenditure - discovered in the current year (as restated)	184 692	1 033 392
Closing balance	2 488 403	2 303 711

Analysis of closing balance

Unauthorised expenditure awaiting authorisation	2 488 403	2 303 711
Total	2 488 403	2 303 711

9.2. Analysis of unauthorised expenditure awaiting authorisation per economic classification

Current	2 218 389	2 064 263
Transfers and subsidies	270 014	239 448
Total	2 488 403	2 303 711

9.3. Analysis of unauthorised expenditure awaiting authorisation per type

Unauthorised expenditure relating to overspending of the vote or a main division within the vote	2 488 403	2 303 711
Total	2 488 403	2 303 711

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The Department is slowly recovering from the effects of national fiscal consolidation that affected the Department's ability to afford its current Cost of Employees financial obligations. This has resulted in the Department overspending one of its main division within the vote.

9.4. Details of unauthorised expenditure – current year

		2021/22
Incident	Disciplinary steps taken/criminal proceedings	R'000
Overspending in Programme 2		184 692
Total		184 692

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10. Receivables	Note	2021/22		2020/21		Total R'000
		Current R'000	Non-current R'000	Current R'000	Non-current R'000	
Receivables						
Staff debt	10.1	62 571	122 776	35 715	124 385	160 100
Other receivables	10.2	4 355		-	-	-
Total		66 926	122 776	35 715	124 385	160 100
10.1. Staff Debt						
(Group major categories, but list material items)						
Debt account						36 376
Medical aid					26	-
Sal: Reversal Control:CA					110 783	109 571
Sal Bargaining council:CA and Debit order exception Account and Receipt Deposit official unions					-	1
Sal Deduction disallowance :CA					-	1
Sal Tax debt: CA					2 963	3 167
Disall Dishonoured cheques:CA					10 614	10 829
Insurance deduction					68	68
Sal Pension Fund:CL					69	87
Total					265	-
					185 347	160 100

The increase in the debt account is due to debts that were previously recorded under salary reversal that were transferred to the debt account.

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10.2. Other receivables

	Note	2021/22 R'000	2020/21 R'000
(Group major categories, but list material items)			
Receipt control account		3	-
Debit order exception		2	-
Receipt deposit		31	-
Debit order control		4 319	-
Total		4 355	-

10.3. Impairment of receivables

Estimate of impairment of receivables		92 739	83 291
Total		92 739	83 291

The impairment is for receivables for which there is an indication that it should be impaired, otherwise an impairment for all receivables that are older than three years is recognised.

11. Voted Funds to be surrendered to the Revenue Fund

Opening balance		765 389	275 690
Prior period error			
As restated		765 389	275 690
Transfer from statement of financial performance (as restated)		191 868	(376 087)
Add: Unauthorised expenditure for current year aid during the year		184 692	1 033 392
		(154 438)	(167 606)
Closing balance		987 511	765 389

12. Departmental Revenue and NRF Receipts to be surrendered to the Revenue Fund

Opening balance		7 621	11 808
Prior period error			
As restated		7 621	11 808
Transfer from Statement of Financial Performance (as restated)		-	14 843
Own revenue included in appropriation		90 742	50 220
Paid during the year		(93 561)	(69 250)
Closing balance		4 802	7 621

13. Bank Overdraft

Consolidated Paymaster General Account		1 535 584	1 403 039
Outstanding Payments		68 624	215 638
Total		1 604 212	1 618 677

The Department was granted an excess facility of R1.565 billion by Provincial Treasury and the difference is due to outstanding payments that remained unpaid at year end.

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14. Payables – Current

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Payables - current			
Clearing accounts	14.1	29 442	27 663
Other payables	14.2	22 838	22 844
Total		52 280	50 507

14.1. Clearing Accounts

(Identify major categories, but list material amounts)

Sal:ACB Recalls:CA	9 561	8 078
Sal: Garnishee	952	2 358
Pension recoverable	3 588	2 761
Sal Pension fund		296
Sal: Income tax	11 105	9 894
GEHS refunds	4 236	4 102
Medical,UIF		174
Total	29 442	27 663

14.2. Other Payables

(Identify major categories, but list material amounts)

Receipt deposit		6
Prep dom cap asset		2
SARS payment	22 836	22 836
Prepmnt:Dom:Capital Asset:CA	2	-
Total	22 838	22 44

15. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	191 868	(361 244)
Add back non-cash/cash movements not deemed operating activities	734 004	391 343
(Increase)/decrease in receivables	(31 211)	(41 557)
Increase/(decrease) in payables – current	1 773	14 170
Expenditure on capital assets	920 699	605 366
Surrenders to Revenue Fund	(247 999)	(236 856)
Own revenue included in appropriation	90 742	50 220
Net cash flow generated by operating activities	925 872	30 099

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16. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account		(1 604 212)	(1 618 677)
Total		<u>(1 604 212)</u>	<u>(1 618 677)</u>

17. Contingent liabilities and contingent assets

17.1. Contingent liabilities

	Nature			
Housing loan guarantees	Employees	<i>Annex 2A</i>	28 780	28 815
Claims against the department	Employees	<i>Annex 2B</i>	197 725	137 807
Intergovernmental payables (unconfirmed balances)		<i>Annex 4</i>	128	128
Other		<i>Annex 2B</i>	-	1 048 078
Total			<u>226 633</u>	<u>1 214 828</u>

State guarantees – These are guarantees made by the Department to various financial institutions against which employees make home loans. These become liability to the department only in the event that the employee defaults on their bank obligations

Legal claims- These are claims made against the Department which are still pending court ruling

In 2020/21 the Labour Appeal Court (LAC) ruling that the Public Sector salary increase was unlawful and invalid was appealed and referred to the Constitutional Court. In 2021/22 the Constitutional Court has upheld a judgement that found 2018 Public Sector wage agreement to be invalid and unlawful.

17.2. Contingent Assets

Nature of contingent asset	Note		
Unconfirmed claims with other government departments	<i>Annex 3</i>	17 809	6 624
Total		<u>17 809</u>	<u>6 624</u>

The increase is due to the claim made to the Department Higher Education of R8.8 million for Examination markers and Exam assistants for the administration of Adult Basic Education and Training Level 4 examinations on their behalf. Included is also a claim to KZN Department of Education of R1.1 million for transferred educators.

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18. Capital Commitments

Buildings and other fixed structures	1 178 819	1 679 818
Total	1 178 819	1 679 818

19. Accruals and Payables not recognised

19.1. Accruals

			2021/22 R'000 Total	2020/21 R'000 Total
Listed by economic classification	30 days	30+ days		
Goods and services	151 545	311 563	463 108	732 646
Transfers and subsidies	-	138 769	138 769	342 481
Capital assets	-	26 288	26 288	62 956
Total	151 545	476 620	628 165	1 138 083

	Note		
Listed by programme level			
Administration		91 489	46 057
Public Ordinary School Education		357 601	1 014 378
Public Special School Education		1 155	-
Early childhood Development		708	13 281
Infrastructure Development		26 288	62 956
Examination and Education Related Services		150 924	1 411
Total		628 165	1 138 083

2020-21 Accruals were Adjusted by R24 533 million

19.2. Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	512 518	594 220	1 106 738	635 311
Capital assets		128 785	128 785	77 880
Total	512 518	723 005	1 235 523	713 191

	Note		
Listed by programme level		R'000	R'000
Administration		451 817	131 905
Public Ordinary School Education		624 400	411 258
Public Special School Education		2 639	5 543
Early childhood Development		628	12 841
Infrastructure Development		128 785	77 880
Examination and Education Related Services		27 254	73 764
Total		1 235 523	713 191

20-21 Payables were adjusted by R366 thousand.

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<i>Included in the above totals are the following:</i>	Note	2021/22 R'000	2020/21 R'000
Confirmed balances with departments	Annex 4	54 669	175 012
Confirmed balances with other government entities	Annex 4	-	16 732
Total		54 669	191 744

20. Employee Benefits

Leave entitlement	360 316	585 008
Service bonus	900 067	912 984
Performance awards	-	21 388
Capped leave	2 304 473	2 336 467
Other	55 754	224 136
Total	3 620 610	4 079 983

Other relates to Compensation of Employees related accruals.

Performance awards: The Department of Public Service Administration approved a decremental adjustment of the percentage that can be allocated from the remuneration budgets for the payment of Performance for all categories of employees with 1.5% and 0% approved for 2020/21 and 2021/22 financial years respectively. The Department has no intentions of paying Performance Bonuses for the 2021/22 financial year.

21. Lease Commitments

21.1. Operating Leases

2021/22	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	12 959	12 959
Later than 1 year and not later than 5 years	12 556	12 556
Later than five years	-	-
Total lease commitments	25 515	25 515
2020/21	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	13 003	13 003
Later than 1 year and not later than 5 years	24 682	24 682
Later than five years	-	-
Total lease commitments	37 685	37 685

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21.2. Finance Leases

2021/22	Machinery and equipment R'000	Total R'000
Not later than 1 year	259 684	259 684
Later than 1 year and not later than 5 years	314 428	314 428
Later than five years	-	-
Total lease commitments	574 112	574 112

There has been no payment made on the Sizwe/Sita tablet contract as Sita requested the matter to be decided by the courts. Sita has not yet taken the matter to court as an applicant

2020/21	Machinery and equipment R'000	Total R'000
Not later than 1 year	421 343	421 343
Later than 1 year and not later than 5 years	323 497	323 497
Later than five years	-	-
Total lease commitments	744 840	744 840

22. Irregular expenditure

22.1. Reconciliation of irregular expenditure

	2021/22 R'000	2020/21 R'000
Opening balance	1 815 100	1 788 073
Prior period error	-	-
As restated	1 815 100	1 788 073
Add: Irregular expenditure - relating to prior year	22.2 3 164	24 773
Add: Irregular expenditure - relating to current year	22.2 19 583	2 254
Closing balance	1 837 847	1 815 100
Analysis of closing balance		
Current year	22 747	27 027
Prior years	1 815 100	1 790 327
Total	1 837 847	1 815 100

22.2. Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	
Infrastructure	Determination tests are being conducted	22 747
Total		22 747

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The irregular expenditure of R3.163 million incurred relates to subsequent payments which were made in the current year for infrastructure projects identified from prior years. the irregular expenditure of R19 583 incurred and reported in 2021-22 relates payment made for infrastructure projects without proper approval of variation orders.

22.3 Details of irregular expenditure under assessment (not included in the main note)

	2021/22 R'000
Incident	
Goods & services	43 968
Infrastructure	170 141
Human Resources	268
Total	214 377

Finalisation for performance of assessments to confirm whether these transactions meet the definition of irregular expenditure could not be concluded in the 2021/22.

22.4 Prior period error

	Note	2020/21 R'000
Prior period error		16 394
Relating to 2020/21		16 394
Additional expenditure due to 2021 audit findings (misstatement of confirmed infrastructure balance)		(23)
Additional expenditure due to 2021 audit findings (misstatement of confirmed infrastructure balance)		24 409
Additional expenditure due to 2021 audit findings (misstatement of condoned contracts in prior year confirmed infrastructure balances)		(7 992)
Total		16 394

22.5 Details of the non-compliance where an institution is involved in an inter-institutional arrangement

Department of Public Works	24 486
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23. Fruitless and wasteful expenditure

23.1. Reconciliation of fruitless and wasteful expenditure

	2021/22 R'000	2020/21 R'000
Reconciliation of fruitless and wasteful expenditure		
Opening balance	209 350	193 200
As restated	209 350	193 200
Fruitless and wasteful expenditure – relating to current year	24.2 7 004	16 150
Closing balance	216 354	209 350

Include discussion here where deemed relevant

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23.2. Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
NMB municipality interest paid		533
Fleet services interest paid		603
Infrastructure interest		5 584
Fleet interest (adjustment)		284
Total		7 004

24. Related party transactions

	Note	2021/22 R'000	2020/21 R'000
Payments made			
Goods and services		8 417	14 184
Total		8 417	14 184

In kind goods and services provided/received
List in kind goods and services between department and related party

		2021/22 R'000	2020/21 R'000
Rental of buildings paid by DPW		16 366	16 495
Municipal services for buildings by DPW		548	628
Total		16 914	17 123

	Note	2021/22 R'000	2020/21 R'000
Year end balances arising from revenue/payments			
Receivables from related parties		-	-
Payables to related parties	Annex 5	38 417	147 645
Total		38 417	147 645

ANNEXURE 4

Department	2021/22	2020/21
Social development	13	-
Public works	18 889	99 191
Transport	19 322	43 893
Health	65	-
Office of the Premier	128	4 561
Total	38 417	147 645

The above amounts are payables to the listed Eastern Cape provincial departments for services received as at year end.

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25. Key management personnel

	<i>No. of Individuals</i>	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)	1	1 978	1 564
Officials:			
Levels 15 and 16	3	5 407	6 431
Level 14	15	16 557	19 510
Level 13	65	61 096	58 000
Family members of key management personnel	48	25 600	20 513
Total		110 638	106 018

26. Provisions

<i>Long service awards</i>	101 594	47 750
Total	101 594	47 750

26.1. Reconciliation of movement in provisions – 2021/22

	Long service awards R'000	Total provisions R'000
Opening balance	47 750	47 750
Increase in provision	101 594	101 594
Settlement of provision	(47 750)	(47 750)
Closing balance	101 594	101 594

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Reconciliation of movement in provisions - 2020/21

	Long service awards R'000	Total provisions R'000
Opening balance	47 867	47 867
Increase in provision	47 750	47 750
Settlement of provision	(47 867)	(47 867)
Closing balance	47 750	47 750

The provision made is for employee who will be qualifying and paid long service awards in 2022-23 financial year.

The increase in the amount provided is due to the increase in number to be provided for. Last financial year the number was 2 361, this financial year it is 6 316.

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27. Non adjusting events after the reporting date

As per the announcement by the President that the responsibility of Early Childhood Centres be migrated from National Department of Social Development to the National Department of Basic Education. The function was transferred from EC Social Development to EC Department Education.

The move was to allow for a standardised ECD function, to ensure structured learning in the sector, including a managed curriculum. The transfer is aimed at providing an opportunity to improve access to quality early learning, to develop a publicly funded national ECD system. The function was transferred with 73 officials and a budget of R187 000 000 from Equitable Share and a R185 000 000 from Conditional Grant.

28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	273 171	-	5 346	14 310	264 207
Transport assets	72 510		-	14 310	58 200
Computer equipment	131 206		90		131 296
Furniture and office equipment	49 699		971		50 670
Other machinery and equipment	19 756		4 285		24 041
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	273 171	-	5 346	14 310	264 207

Include discussion here where deemed relevant

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Machinery and equipment	4 803	55 966

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- 1) Assets that were purchased and the Department could not include in the main FAR because the payment vouchers were still outstanding as at the reporting date (outstanding mainly from district offices). These payment vouchers date back from previous years 2014/15. The expenditure for these assets was incurred and needs to be reported as such on the AFS, hence they form part of the Assets Under Investigation.
- 2) Assets that are owned by the department but were not verified in the previous financial years, as a result they could not be included on the FAR. These were reported as assets under investigation on the AFS which is a practice that the Treasury allowed until these assets are investigated and included in the FAR.
- 3) Assets that were verified but could not be linked to the FAR, either because the barcodes fell and were replaced by new barcodes (without removing the old one) hence the assets cannot be tallied for the FAR.

The Department has started to resolve the Assets Under Investigation balance, as shown in the adjustment for prior period errors.

a. Movement for 2020/21

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	280 596	(7 425)	-	-	273 171
Transport assets	73 525	(1 015)	-	-	72 510
Computer equipment	137 054	(5 848)	-	-	131 206
Furniture and office equipment	50 154	(455)	-	-	49 699
Other machinery and equipment	19 863	(107)	-	-	19 756
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	280 596	(7 425)	-	-	273 171

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28.1.1	Prior period error	Note	2020/21 R'000
	Nature of prior period error		
	Relating to 2020/21 (affecting the opening balance)		
	Disposals		(7 425)
	Total		(7 425)

The prior period error relates to assets that were disposed but were not updated in the asset register.

1. *Transport Equipment - The prior period error relates to the MEC's official vehicle that was disposed in 2019/20 through a trade-in procurement of the current MEC's official vehicle.*
2. *Computer Equipment - The prior period error relates to mass disposal of old computer equipment in the financial year 2018/19. The disposals were not adjusted for in the FAR.*
3. *Furniture and office equipment - The prior period error relates to disposal of old office furniture and equipment that was disposed by means of donation to schools. The disposals were not adjusted for in the FAR.*
4. *Other machinery and equipment - The prior period error relates to other equipment that was disposed in the previous financial years but was not adjusted for in the FAR.*

**b. Minor assets
MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Machinery and equipment R'000	Total R'000
Opening balance	85 373	85 373
Additions	264	264
TOTAL MINOR ASSETS	85 637	85 637

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

Machinery and equipment

Number	Value R'000
5 207	12 396

1) Assets that were purchased and the Department could not include in the main FAR because the payment vouchers were still outstanding as at the reporting date (outstanding mainly from district offices). These payment vouchers date back from previous years 2014/15. The expenditure for these assets was incurred and needs to be reported as such on the AFS, hence they form part of the Assets Under Investigation.

2) Assets that are owned by the department but were not verified in the previous financial years, as a result they could not be included on the FAR. These were reported as assets under investigation on the AFS which is a practice that the Treasury allowed until these assets are investigated and included in the FAR.

3) Assets that were verified but could not be linked to the FAR, either because the barcodes fell and were replaced by new barcodes (without removing the old one) hence the assets cannot be tallied for the FAR.

The Department has started to resolve the Assets Under Investigation balance, as shown in the adjustment for prior period errors.

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Opening balance	85 978	85 978
Prior period error	(1 136)	(1 136)
Additions	531	531
TOTAL MINOR ASSETS	85 373	85 373

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28.2.1	Prior period error	Note	2020/21 R'000
	Nature of prior period error Relating to 2020/21 (affecting the opening balance)		(1 136)
	Disposals		(1 136)
	Total		(1 136)
<i>The prior period error relates to assets that were disposed but were not updated in the asset register.</i>			

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29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Closing balance R'000
SOFTWARE	11 078	11 078
TOTAL INTANGIBLE CAPITAL ASSETS	11 078	11 078

a. Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Closing balance R'000
SOFTWARE	11 078	11 078
TOTAL INTANGIBLE CAPITAL ASSETS	11 078	11 078

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30. Immovable Tangible Capital Assets	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
30.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022				
BUILDINGS AND OTHER FIXED STRUCTURES	13 197 808	652 757	517 030	13 333 535
Non-residential buildings	13 197 808	652 757	517 030	13 333 535
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	13 197 808	652 757	517 030	13 333 535

Immovable Tangible Capital Assets in a process of valuation

Included in the above total of the immovable tangible capital assets carried at fair value and assets whose fair value establishment is in progress as follows:

	Number	Value R'000
Buildings and other fixed structures-Fair Value	1 273	8 502 222
Buildings and other fixed structures-at cost (Fair value in progress)	549	1 893 965
Total fair value projects	1 822	10 396 187

The department deemed cost for 1822 projects whose costs cannot be supported by adequate supporting documents due to legacy issues, in line with paragraph 72 of chapter 11 of Modified Cash Standard. 549 projects of the 1822 projects, fair value could not be finalised by financial statements submission date due to non-availability of basic information critical to successful completion of deemed costing. It is anticipated that the investigations would be completed by 31 March 2023.

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Immovable Tangible Capital Assets under investigation	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation: Buildings and other fixed structures	137	314 768

The assets under investigation are made up as follows:

The assets under investigation are made up as follows:

- Projects whose supporting documents not found and the relevant implementing agent has not allocated an official to assist
- DHET Projects (these projects were effected before 2012 financial year & should have been transferred to FETs)
- Sisonke District Municipality Projects (These projects remained when the district was demarcated to KZN)
- Projects with no project numbers (these project are not easy to identify as they do not have projects numbers and come far

126 653	
62 893	
31 779	
51 056	
26 948	

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	15 436
	314 768

back
-Projects whose verified scope differs from the system recorded scope and lack further supporting documents to confirm scope
-DPW Legacy projects without supporting documents

Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	13 081 838		176 924	(60 954)	13 197 808
Non-residential buildings	13 081 838		176 924	(60 954)	13 197 808
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	13 081 838		176 924	(60 954)	13 197 808

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Prior period error	R'000
<p><i>Nature of prior period error</i> <i>These prior period errors relate to 2019/20 period and beyond and therefore are not reflected in the face of the 2020/21 and 2021/22 financial period.</i></p>	387 586
<p>Reversal of Professional costs initially estimated at 18% The cost of the projects was previously valued incorrectly. The department used an estimate of 18% in determining and accounting for the costs of professional service providers on projects due to lack of supporting documents. This is not permitted by the Modified Cash Standards.</p>	387 586
<p>Determination of deemed cost for projects whose costs could not be reliably determined The department did not have system of ensuring completeness of professional service providers costs on projects, which makes it impossible for the department to measure the costs of infrastructure assets reliable. In order to resolve this problem, the department elected and applied an alternative of determining the costs the affected infrastructure projects using depreciated replacement costs method, which resulted in this adjustment to the opening balance.</p>	2 646 185
<p>Correction of maintenance costs misclassification Maintenance costs, which are non-Capital in nature were incorrectly capitalised to the cost of the asset. This overstated the value of the asset that the department had procured.</p>	-209 629

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	-
Correction of project posting errors	-1 089 993
Projects were duplicated and in some instances posted at incorrect amount in the asset register in the asset register.	-1 089 993
Accounting for projects previously omitted from the fixed asset register	26 826
Certain projects which were implemented by another organ of state were not included in the asset register because of lack of information. They were also not disclosed as "Assets under investigation as is required by the accounting standard	26 826
Total	1 760 975

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30.2. Capital Work-in-progress
CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Opening Balance 1 April 2021 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2022 R'000
Buildings and other fixed structures	3 586 886	773 873	(689 206)	3 671 552
TOTAL	3 586 886	773 873	(689 206)	3 671 552

The delays in the finalisation of projects that have been in Capital Work-in-Progress are as a result of budget constraints, the COVID-19 pandemic as well as termination of contracts. The latter would then necessitate the recommencement of the procurement process.

Payables not recognised relating to Capital WIP

Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress

	2021/22 R'000	2020/21 R'000
Total	128 785	87 013

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CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note	Opening Balance R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2021 R'000
Buildings and other fixed structures	Annex 7	3 288 521	-	501 681	(203 316)	3 586 886
TOTAL		3 288 521	-	501 681	(203 316)	3 586 886

The delays in the finalisation of projects that have been in Capital Work-in-Progress are as a result of budget constraints, the COVID-19 pandemic as well as termination of contracts. The latter would then necessitate the recommencement of the procurement process.

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31. Principal-agent arrangements

a. Department acting as the principal

	2021/22 R'000	2020/21 R'000
<i>Eastern Cape Department of Public Work</i>	520 143	152 994
<i>Development bank of South Africa</i>	41 861	36 218
<i>Eastern Cape Development Corporation</i>	2 087	844
<i>Independent development Trust</i>	98 964	55 596
<i>Office of The Premier</i>	12 664	4 468
<i>The Mvula Trust</i>	3 175	2 502
<i>Coega Development Corporation</i>	137 547	227 092
<i>Amatola Water Board</i>	8 657	8 978
Total	825 098	488 692

**Agency fees included in the above amount
IMPLEMENTING AGENT AMOUNT**

Amatotal Water 387

Coega 11 788

DBSA 321

IDT 528

TMT 256

Total 13 350

The Department uses DPW, DBSA, IDT, TMT, OTP, CDC and AW as implementing agents for facilitation of the infrastructure related projects. There has 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

Current liabilities

Accruals & Payables

IMPLEMENTING AGENT AMOUNT

Amatola Water 3 076

Coega 25 568

DBSA 18 889

IDT 24 974

TMT 384

ECDC 624

DPW 20 898

TOTAL 94 413

Current assets



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There are 4 credit notes that we submitted by IA's at year end amounting to R542 000. These are included in the accruals and payables

There are no cost implications for the principal if the principal-agent arrangement is terminated. If the agent is not performing the projects are transferred to the other implementing agent

32. Prior period errors

Correction of prior period errors

	<i>Note</i>	Amount bef error correction R'000	Prior period error R'000	Restated Amount R'000
Assets:				
Movement in immovable capital assets – opening balance (additions)	30.1	11 141 394	1 760 975	12 902 369
Immovable capital assets CWIP – opening balance	30.2	1 280 855	2 007 665	3 288 520
Payables not recognised relating to CWIP	19.2	-	87 013	87 013
Movable major assets	28	280 596	(7 425)	273 171
Net effect		12 702 845	3 848 228	16 651 073

	<i>Note</i>	Amount bef error correction R'000	Prior period error R'000	Restated Amount R'000
Liabilities:				
Capital accruals and payables		165 755	(24 919)	140 836
Reclassification of SIU provision		16 732	(16 732)	-
SIU provision to payables		-	16 732	16 732
Net effect		182 487	(24 919)	157 568

	<i>Note</i>	Amount bef error correction R'000	Prior period error R'000	Restated Amount R'000
Other:				
Irregular expenditure	23.2	1 798 707	16 394	1 815 101
Net effect		1 798 707	16 394	1 815 101

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33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION				SPENT			2020/21		
	Division of Revenue Act/Provincial Grants	Roll Overs	DORA Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Maths, Science and Technology Grant	52 116	7 580		59 696	59 696	38 680	21 016	65%	43 215	34 626
Education Infrastructure Grant	1 640 977	70 776	(205 122)	1 506 631	1 506 631	1 214 942	291 689	81%	1 340 638	1 222 182
HIV and AIDS Grant	45 089	5 280		50 369	50 369	47 349	3 020	94%	34 035	27 196
National School Nutrition Programme	1 443 715			1 443 715	1 443 715	1 437 852	5 863	100%	1 377 367	1 361 234
Extended Public Works(social sec)	29 797			29 797	29 797	29 760	37	100%	29 138	32 990
Extended Public Works	4 586			4 586	4 586	3 691	895	80%	4 710	4 279
Integrated Programme Learner Profound Intel Disability Grant	27 004	6 905		33 909	33 909	23 925	9 984	71%	34 079	26 237
	3 243 284	90 541	(205 122)	3 128 703	3 128 703	2 796 199	332 504		2 863 182	2 708 744

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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34. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

35. COVID 19 Response Expenditure

	Note	2021/22	2020/21
		R'000	R'000
	ANNEXURE 7		
Goods and services		115 103	601 808
Transfers and subsidies		65 192	279 835
		180 295	881 643

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

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

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2020/21 Final Appropriation
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	
SETA	R'000	R'000	R'000	R'000	R'000	R'000
	65 150	-	-	65 150	65 150	73 344
Total	65 150	-	-	65 150	65 150	73 344

**ANNEXURE 1B
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

INSTITUTION NAME	TRANSFER ALLOCATION			TRANSFER		2020/21 Final Appropriation
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Amount not transferred	
Higher education institutions	R'000	R'000	R'000	R'000	R'000	R'000
	14 500	-	-	14 500	212	6 228
Total	14 500	-	-	14 500	212	6 228

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1C
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final Appropriation
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Section 20 & 21	2 146 329	-	-	2 146 329	2 100 634	98%	2 527 217
Independent schools	101 628	-	-	101 628	99 225	98%	141 789
Special schools	144 005	-	-	144 005	143 406	100%	134 502
ECD sites	32 114	-	-	32 114	25 849	80%	22 474
HIV and AIDS (life skills)	49 701	-	-	49 701	49 493	100%	51 692
School support Teams	-	-	-	-	-	-	157 400
TOTAL	2 473 777	-	-	2 473 777	2 418 607	-	3 035 074

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

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

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2020/21 Final Appropriation R'000	
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer		% of Available funds transferred
	R'000	R'000	R'000	R'000	R'000		%
Transfers							
Leave gratuity	173 688	-	-	173 688	264 772	152%	
Claims against the state	-	-	-	-	7 853	-	
	173 688	-	-	173 688	272 625	221 855	

**ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE**

NATURE OF GIFT, DONATION OR SPONSORSHIP

(Group major categories but list material items including name of organisation)

Made in kind

	2021/22 R'000	2020/21 R'000
MTN - 15 x laptops, 15 x laptop bags & 20 x school bags	130	
Maths & Science Infinity (MSI) - 50 x Tablets	50	
SAICA - 2 x SAICA Branded laptops, 2 x laptops, 2 x bursary for learners who qualify to study towards CA qualifications)		
Old Mutual - 60 x Travel cases	36	
Harry Printers - 66 x Certificates, 66 x trophies		
Telkom - 3 x Huawei Matebook D15 laptop computer, 20 x Huawei B535 LTE wifi router, 20 x Telkom simcard with 15gb of data, Vodacom - 60 x Smartphones	90	
Dimbaza development Trust - donation of school uniform	60	
Feel the Gap Foundation - 30 x school shoes, 30 x pairs of socks for learners, sanitary towels for learners	15	
Jenn Trading & Consultancy - (Schools benefitted: Teko Fihla PS; Buru PS; Mabototi SS; Mapasa PS; Isolomzi SS; Xora PS; Colosa PS; Tanga PS; Manaleni PS; Gengqe PS) 121 x school tracksuit, 121 x face masks, 230 x school shoes, 301 x food parcels, 2834 x school bags, 3032 x snack packs, 6 x golf shirts for principals, 16 x box of sanitary towels, 45 x school trousers for boys, 38 x school skirts for girls, 15 x school tunics, 68 x school shirts, 67 x school jerseys, 91 x pair of school socks, 6 x bags		
Vodacom - 20 pairs of shoes, 20 gig data for 3 months, loaning the school with router for 3 months (Mbekweni SS)		

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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Northam Zondereinde - Infrastructure donation (Mbotyi PS, Emyezweni PS & Sichwe PS)	14 500	
Dike Security - Masks Drive: donation of masks	10	
Sizwe Afrika - Masks Drive: donation of masks	15	
Intelligent Output Systems - Masks Drive: donation of masks		
Made in cash		
SAICA - 1 x R10 000 cash voucher (Top learner in quintile 1&2), 1 x R10 000 cash voucher (top learner in quintile 3,4&5)	20	
Industrial Development Corporation (IDC) - 3 x R10 000 cash voucher (top performing learner quintile 1,2&3)	30	
Telkom - 1 x R10 000 cash voucher	10	
Road Accident Fund (RAF) - 3 x R25 000 cash voucher for assistive devices for learners with special needs	75	
Jenn Trading & Consultancy - , R20 000 cash (Isolomzi SS)	20	
Embassy of South Korea - Provision of sanitation projects (Nolitha PS R351 292; Mnxe PS R375 048; Nomonde PS R347 000;	2 271	
Toisekraal PS R397 902; Nkosemntu Motman R350 000 & Anako PS R450 000)		
Old Mutual - Masks & Sanitary Towel Drive: R100 000 towards PPEs, financial education & assistance at Wellness events	100	
Prior year balance	3 927	
TOTAL	17 432	3 927

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

**ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 – LOCAL**

GUARANTOR INSTITUTION	Guarantee in respect of	Opening balance 1 April 2021		Guaranteed repayments/ cancelled/ reduced during the year	Closing balance 31 March 2022	
		R'000	R'000		R'000	R'000
	Housing					
0002 NEDBANK	Housing	42				42
0003 NEDBANK LIMITED	Housing	7 296				7 296
0004 FIRSTRAND BANK	Housing	2 018				2 018
0010 NEDBANK	Housing	133				133
0013 MEEG BANK	Housing	75				75
0017 ABSA	Housing	102				102
0031 UNIQUE FINANCE	Housing	356				356
0052 PEOPLES BANK	Housing	2 920				2 920
0053 NEDBANK LTD	Housing	3 984				3 984
0054 FNB	Housing	642				642
0055 OLD MUT	Housing	3 181				3 181
0056 UNITED	Housing	13				13
0071 GBS MUTUAL BANK	Housing	35		(35)		-
0076 TNBS MUTUAL BAN	Housing	267				267
0103 HLANO FIN SERVI	Housing	12				12
0104 ITHALA LIMITED	Housing	99				99
0279 HOUS. DEV. BOAR, 0516 GREEN START	Housing	12				12
0444 BOE BANK LIMITED	Housing	48				48
512 SA HOME LOANS	Housing	1 654				1 654
	Subtotal	28 815		(35)		28 780
	Total	28 815		(35)		28 780

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

**ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITY FOR THE YEAR ENDED 31 MARCH 2022**

NATURE OF LIABILITY	Opening balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Various claims	137 787	63 744	3 806	-	197 725
Salary increase pending court decision	1 048 078	-	1 048 078	-	-
TOTAL	1 185 865	63 744	1 051 884	-	197 725

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

**ANNEXURE 3
CLAIMS RECOVERABLE**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Education KZN		123	1 076		1 076	123
Basic Education		-	47		47	
Eastern Cape Health		-	233		233	
Education Northern Cape		41	41		41	41
Education Western Cape		332	372		372	332
Education Gauteng		68	617		617	68
Education National		37	37		37	37
Education Mpumalanga		188	657		657	188
Education Limpopo		187	254		254	187
Education Free State		453	696		696	453
National Higher Education		-	8 863		8 863	-
Public Works National		47	47		47	47
Justice		6	6		6	6
National Department of Correctional Services		63	127		127	63
KZN Health		-	23		23	-
Education North West		-	28		28	-
Office of the Premier (Eastern Cape)		4 800	4 800		4 800	4 800
Sports and recreation KZN		74				74
	-	6 419	17 924	-	17 924	6 419
OTHER GOVERNMENT ENTITIES						
SADTU		205	205		205	205
	-	205	205	-	205	205
Total	-	6 624	18 129	-	18 129	6 624

**EASTERN CAPE DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

**ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
SAPS	-	85	-	-	-	85
Social development Eastern Cape	13		13		13	
Public Works Eastern Cape	18 889	99 191	18 889	99 191	18 889	99 191
Provincial Treasury Eastern Cape	-		-		-	
Office of the Premier Eastern Cape	-	4 561	128	128	128	4 561
Department of transport Eastern Cape	19 322	43 893		19 322	19 322	43 893
Education Northern Cape	-		-		-	
Education Gauteng	-	61	-	61	65	61
EC Health	65					
Mpumalanga Education	-	73	-	73	-	73
Department of Justice	16 137	26 227	16 137	26 227	16 137	26 227
Western cape Education	243	921	243	921	243	921
Subtotal	54 669	175 012	128	-	54 797	175 012
Total Departments	54 669	175 012	128	-	54 797	175 012
OTHER GOVERNMENT ENTITY						
Current						
Special investigative Unit	-	16 732	-	16 732	-	16 732
Subtotal	-	16 732	-	16 732	-	16 732
Total Other Government Entities	-	16 732	-	16 732	-	16 732
TOTAL INTERGOVERNMENTAL PAYABLES	54 669	191 744	128	-	54 797	191 744

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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**ANNEXURE 5
INVENTORIES**

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022

	Note	LTSM R'000	ASSETS FOR DISTRIBUTION R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
Opening balance		42 413	-	-	-	42 413
Add/(Less): Adjustments to prior year balances			-			-
Add: Additions/Purchases - Cash		607 027	89 995			697 022
(Less): Issues		(636 067)	(89 995)			(726 062)
Closing balance		13 373	-	-	-	13 373

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2021

	Note	LTSM R'000	Other (Fencing) R'000	Assets for Distribution R'000	Clothing Material and other Accessories R'000	TOTAL R'000
Opening balance		-	52 686	-	-	52 686
Add: Additions - Non-cash		364 071	-	155 026	-	519 097
(Less): Issues		(321 658)	(52 686)	(155 026)		(529 370)
Closing balance		42 413	-	-	-	42 413

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 6
Movement in Capital Work-in-Progress
MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	3 586 886	773 873	689 206	3 671 553
Non-residential buildings	3 586 886	773 873	689 206	3 671 553
TOTAL	3 586 886	773 873	689 206	3 671 553

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Non-residential buildings	3 288 521	-	501 681	(203 316)	3 586 885
	3 288 521	-	501 681	(203 316)	3 586 885
TOTAL	3 288 521	-	501 681	(203 316)	3 586 885

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

**ANNEXURE 7
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total**

Expenditure per economic classification	APR	MAY	JUN	Subtotal	JUL	AUG	SEP	Subtotal	OCT	NOV	DEC	Subtotal	JAN	FEB	MAR	Subtotal	2021/22	2020/21	
	R'000	2021	R'000	Q1	R'000	2021	R'000	Q2	R'000	2021	R'000	Q3	R'000	2022	R'000	Q4	R'000	TOTAL	R'000
Goods services <i>Please list all the applicable SCOA level 4 items:</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115 103	115 103	601 808	
Consumable supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115 103	115 103	574 232	
Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21 301	
Consultants and professional services: Business and advisory services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 275	
Transfers and subsidies <i>Please list all the applicable SCOA level 4 items:</i>	-	-	-	-	65 192	-	-	-	-	-	-	-	-	-	-	-	-	279 835	
Non-profit institutions	-	-	-	-	65 192	-	-	65 192	-	-	-	-	-	-	-	115 103	65 192	279 835	
TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	-	-	65 192	-	-	65 192	-	-	-	-	-	-	-	115 103	180 295	881 643	

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