



**23 February 2016**

## **Overview and Analysis of the Basic Education Second and Third Quarter Report**

### **1. Introduction**

One of the National Development Plan's goals for 2030, is that South Africans should have access to training and education of the highest quality, characterised by significantly improved learning outcomes. Education is regarded as an important instrument in equalising individuals' life chances, ensuring economic mobility and success and advancing key goals of economic growth, employment creation, poverty eradication and the reduction of inequality<sup>1</sup>. Basic Education, comprising Early Childhood Development (ECD) for children aged 0 to 4 and School Education starting with Grade R at age 5 to Grade 12, forms the bedrock of the education system<sup>2</sup>.

On a quarterly basis, in compliance with proceedings of oversight by Parliament, the Department of Basic Education is expected to submit Quarterly Reports. These reports give Parliament the opportunity to make an assessment and evaluate actual work performed against the planned work which is set out in the Annual Performance Plan (APP).

The brief is intended to provide an overview analysis of the Department of Basic Education 2<sup>nd</sup> and 3<sup>rd</sup> quarter reports in relation to planned strategic imperatives and targets as set out in the DBE 2014 to 2019 Strategic Plan and the DBE 2015/16 Annual Performance Plan (APP).

### **2. Analysis of 2015/16 Annual Performance Plan**

Responding to the NDP, the Department of Basic Education has developed its five-year Strategic Plan and the 2015/16 Annual Performance Plan based on the 2014–2019 Medium-Term Strategic Framework (MTSF) and the Action Plan to 2019: Towards the Realisation of Schooling 2030.<sup>3</sup> These plans represent the first segment of activities towards realising the country's adopted long-term plan, The National Development Plan 2030.

The analysis seeks to compare commitments made by the Department during the planning phase (APP), with the targets achieved for the period under review. The gaps identified will prompt discussions, engagements and questions by the Portfolio Committee with the Department.

<sup>1</sup> Presidency (2010) National Development Plan

<sup>2</sup> Presidency (2014) MTSF

<sup>3</sup> DBE (2014) DBE 2015/16 APP



## 2.1 Expected Performance Targets per Programme

### 2.1.1 Programme 1: Administration

**Table 1: Targets Achieved / Not Achieved Programme 1**

Programme performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	Status
Number of staff development opportunities offered to officials in the DBE.	Annually	15		7	7	
Number of internships implemented within the DBE	Annually	65		22	11	
Signed Financial Disclosure forms by all DBE SMS members submitted by due date	Annually	All SMS Members	All SMS submitted Target achieved in 1 <sup>st</sup> Quarter			
Signed Performance Agreements by all DBE SMS members submitted by a due date	Annually	All SMS Members	All SMS signed			

### Analysis on Programme 1

- In terms of the 2015/16 Annual Performance Plan (APP), all the performance Indicators and targets set in this Programme are Annual Indicators. This poses a risk on how the Portfolio Committee, during quarterly reports, could assist the Department in tracking progress in order that targets are met as expected. There is a need for quantifying the expected level of performance against each quarter in some of the Performance Indicators.
- As of the end of the Third Quarter, targets have been fully met in three of the four Performance Indicators.
- The fourth target on the number of internships implemented in the Department also appears to be on track to being achieved (43 out of 65 have been realised by the end of the Third Quarter).





## 2.1.2 Programme 2: Curriculum Policy, Support and Monitoring

**Table 2: Targets Achieved / Not Achieved Programme 2**

Programme performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	Status
Percentage of qualifying public schools with workbooks for Grade R learners	Annually	97 – 100%		None	100%	
Percentage of Grade R practitioners with NQF level 6	Annually	20%		None	20%	
Percentage of Grade R practitioners with NQF level 4 and 5	Annually	50%		None	90%	Exceeded the target
Percentage of public schools with Home Language workbooks for learners in Grades 1-6	Annually	97 – 100%		None	100%	
Percentage of public schools with Mathematics workbooks for learners in Grades 1–9	Annually	97 – 100%		99.94 %	100%	Exceeded the target
Number of learners completing the Kha Ri Gude programme	Annually	430 441		None	None	
Percentage of learners who obtain a National Senior Certificate	Annually	76%		None	70.7	
Number of teachers trained in multi-grade teaching	Annually	500		1251	500	

### Analysis on Programme 2

- All the eight targets set in this Programme are Annual Indicators. In its First Quarterly Report, the Department did not report the actual output in respect of the Performance Indicators set in this Programme. In response, the Portfolio Committee urged the Department to report on key Performance Indicators quarterly, to show the progression with respect to annual targets. These included the percentage of Grade R practitioners with NQF levels 4, 5 and 6; and, the number of teachers trained in multi-grade



teaching. The Department has reported on these Performance Indicators in the Second and Third Quarterly reports.

- The Department has reportedly met or exceeded targets in six of the eight set Annual Performance Indicators.
- The Department did not meet its set target of 76 per cent on the percentage of learners who obtained a National Senior Certificate. The National Senior Certificate (NSC) pass rate for 2015 was 70.7 per cent.
- The Department reflected having already exceeded the target set, on the number of teachers trained in multi-grade teaching. The challenge is the number set of 1251 teachers is a miniscule percentage. Which schools, districts, and provinces benefited from these exercises? How realistic was it to easily exceed the target?
- Could the Department share with the Portfolio Committee on strategies used in responding to challenges experienced in the Kha Ri Gude programme? – The challenge of verification of numbers is one example.

#### **Further issues for consideration**

- **Overall passes and Bachelor passes in the NSC:** Although the Department did not meet its Annual Performance Plan (APP) set target of 76 per cent on the percentage of learners who obtain a National Senior Certificate, there has been a fairly significant increase in the number of learners achieving the National Senior Certificate, from 403 874 in 2014 to 455 825 learners in 2015, which is an increase of 51 951 learners. Significantly, there has been an increase in the number of Bachelor passes from 150 755 in 2014 to 166 263 in 2015, an increase of 15 511 compared to 2014. This is a positive development towards achieving the set target of 250 000 Bachelor passes by 2019. However, the 2015 achievement of 166 263 Bachelor passes is less than the baseline of 172 000 Bachelor passes achieved in 2013. More concerted effort will be required towards achieving the 2019 target of 250 000 Bachelor passes.
- **Passes in Mathematics and Physical Science:** There has been an increase in the number of passes for Mathematics and Physical Science. The number of passes in Mathematics increased from 120 523 in 2014 to 129 481 in 2015, whilst passes for Physical Sciences increased from 103 348 in 2014 to 113 121. Whilst this is a positive step, more work is required towards the achievement of the set target of 270 000 passes in each of these subjects by 2019.
- **School Improvement Plans:** Although it is commendable that the DBE reportedly produced Subject Improvement Plans and provided them to schools electronically to use as a baseline for interventions in 2016, evidence from the Portfolio Committee oversight visits to Provinces suggests that the quality of the School Improvement Plans in many underperforming schools is poor. There is a need for Districts and Circuits to intensify their support and monitoring for schools to ensure that they develop quality Improvement Plans and effectively implement them.





- **LTSM:** Great strides have been made to improve the provision of textbooks to learners through the development and distribution of workbooks throughout South African schools. As reported, the delivery of workbooks for Grades R, Home language for Grade 1 to 6 and Mathematics for Grades 1 to 9 is at 100 per cent. However, as the Portfolio Committee noted in its 2015 BRRR, measuring the target of one textbook per learner for each subject remains a challenge since evidence during oversight visits shows that many learners still lack textbooks and workbooks. The Committee has been urging the Department to intensify its monitoring of the implementation of the textbook retrieval system.
- **ICT:** The Department reported progress in the connectivity of schools (107 schools in the Second Quarter) and the distribution of content packs containing resource materials for supporting curriculum delivery (in the Third Quarter). As noted in the analysis of the Department's First Quarterly Report, the sector target for providing learners with access to information via broadband appears not to have been set for 2015/16. This creates challenges in conducting monitoring. The 2015 – 2019 MTSTF sets a target of 80 percent for the percentage of learners having access to broadband by 2018/19.
- **Sectoral indicators:** The following key sectoral indicators are contained in the 2015 – 2019 MTSTF:
  - The percentage of learners in schools with at least one educator with specialist training on inclusion (85 percent by 2018/19)
  - The percentage of learners who are in classes with no more than 45 learners (95 percent by 2018/19)
  - The percentage of teachers absent from school on an average day (5 percent by 2018/19).

What is the situation to date in respect of these targets? Is the sector on course towards meeting the targets?

- **Areas of new reporting:** The Portfolio Committee, during the consideration of the First Quarterly Report, recommended that the Department report in future Quarterly Reports on teacher absenteeism. What progress is being made towards reporting on this issue? Commendably, the Department has now reported on aspects of Inclusive Education in response to the Committee's request on the matter.



### 2.1.3 Programme 3: Teachers, Education Human Resources and Institutional Development

**Table 3: Targets Achieved / Not Achieved Programme 3**

Programme performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	Status
Number of Funza Lushaka bursaries awarded to students enrolled for initial teacher education	Annually	13 000		13 938	13 980	Exceeded the target
Percentage of Funza Lushaka bursary holders placed within six months of their graduation	Annually	85%		86%	90.3%	Exceeded the target
Number of qualified teachers aged 30 and below, entering the public service as teachers during the financial year	Annually	8 600		570	595	
Percentage of principals appointed based on competency assessment processes	Annually	75% of advertised posts		None	None	
Number of teachers who have written the Self-Diagnostic Assessments for English First Additional Language (EFAL) and Mathematics	Annually	EFAL = 20 000 Maths = 20 000		EFAL = 5000 Maths = 4804	EFAL = 10 000 Maths = 9804	
Percentage of SGBs that meet minimum criteria in terms of effectiveness (in sampled schools)	Quarterly	70% of 2000 sampled SGBs	70% of 500 SGBs	None On-going	None On-going	
Number of public schools supported by external moderators to monitor the utilisation of findings of school profiles to improve learner performance	Annually	6 000		1143	1211	

### Analysis on Programme 3

- According to the Annual Performance Plan, within this Programme, six of the seven set Performance Indicators are Annual Indicators, with only one being a Quarterly Indicator. As in the First and Second Quarterly Reports, the Department did not meet the Quarterly





Indicator of 70 percent of 500 School Governing Bodies (SGBs) who meet the minimum criteria in terms of effectiveness (in sampled schools).

- The Department seems to be achieving well in the Funza Lushaka programme, in that they have exceeded the two targets on the awarding and placement of bursary candidates.
- The target set for the number of qualified teachers aged below 30 years, seems to be unrealistic given the current economic conditions where cost cutting measures are being called for throughout government. What is being observed, is the exodus of experienced teachers. What is the plan of the Department in this regard?
- The Department stated in its Third Quarterly report that the target (Performance Indicator) on the percentage of SGBs that meet the minimum criteria in terms of effectiveness is an Annual target (Performance Indicator). This contradicts the Annual Performance Plan, which indicates this target as a Quarterly target (of 500 schools per Quarter). The Department should clarify this matter.
- The Department reported improved outputs during the Second and Third Quarters in the following Annual targets, following low outputs at the end of the First Quarter:
  - The target of 20 000 teachers who have written the Self-Diagnostic Assessments for English First Additional Language (EFAL) and Mathematics (The Department recorded 5 000 teachers in the Second Quarter and 9 804 in the Third Quarter on EFAL compared to only 150 teachers at the end of the First Quarter).
  - The target of 6 000 public schools supported by external moderators to monitor the utilisation of findings of school profiles to improve learner performance (The output at the end of the Second and Third Quarters were 1143 and 1 211 schools respectively compared to only 59 schools at the end of the First Quarter).

The above outputs however are still low compared to the set targets, which raises the question whether the Department will meet its Annual targets.

- There was no reporting in the First and Second Quarterly Reports on the proportion of principals appointed based on competency assessment processes. In the Third Quarterly Report, the Department reported that only the Free State advertised principal posts. The Portfolio Committee needs to ascertain the accuracy of this information. It is further reported that only the Western Cape appoint principals on the basis of competency assessment. The DBE has written letters to all PEDs to introduce competency tests for all advertised principals posts.



#### 2.1.4 Programme 4: Planning, Information and Assessment

**Table 4: Targets Achieved / Not Achieved Programme 4**

Programme performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	Status
Valid and reliable data on learner results of performance in ANA	Annually	<ul style="list-style-type: none"> <li>National ANA report</li> <li>Diagnostic report</li> <li>Annual ANA district report</li> </ul>		None	None	ANA Exam Postponed
Valid and reliable data on learner results of performance in NSC	Annually	4 National Exam Reports on learner performance in Grade 12: (a) Technical Report, (b) Detailed Schools statistics Report; © Diagnostic report in selected subjects; and (d) Report on schools statistics indicating 3-year performance in selected subjects.		None	None	
Percentage of schools provided with sanitation facilities	Annually	99%		99%	99%	
Percentage of schools provided with water	Annually	98%		99%	98%	
Percentage of schools provided with electricity	Annually	96%		96	96	
Percentage of public schools that use the schools administration and management systems to electronically provide data to the national learner tracking system	Quarterly	60%	60%	95.3	95.3%	Exceeded the target
Number of officials from districts that achieved less than 65% in the NSC participating in a mentoring programme	Annually	24		None	35	





Percentage of principals rating the support of district offices as satisfactory	Annually	60%		None	None	
Percentage of district managers assessed against developed criteria	Annually	65%		None	None	

### Analysis on Programme 4

- Within this Programme, five of the nine targets have been fully met, including the only set Quarterly target on the percentage of public schools using the Schools Administration and Management Systems (SAMS) to record data to the national learner tracking system.
- It is commendable that the Department is meeting its set target for the percentage of schools provided with sanitation facilities, water and electricity. Is the sector as a whole on track to ensure that all schools meet the minimum infrastructure standards and that all inappropriate infrastructure is eradicated and replaced by 2017 as required in the Medium Term Strategic Framework and the National Development Plan?
- The target set for ANA, is still maintained as an Annual Target? How are suggestions by Unions on ANA being addressed? Is the Department willing to collaborate with Unions on this matter?
- Most of the targets are set for annual reporting, why is this?
- The DBE reported slow delivery of furniture in some provinces at the time of its monitoring, which was attributed to the delay in procurement challenges. What is the shortfall in the delivery of furniture in the system by the end of the Third Quarter?

### 2.1.5 Programme 5: Educational Enrichment Services

**Table 5: Targets Achieved / Not Achieved Programme 5**

Programme performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	Status
Number of educators, officials and learners participating in DBE-organised activities on social cohesion, nation building, citizenship, rights & responsibilities and constitutional values.	Annually	5 000		2855	5122	Exceeded the target
Number of schools that provide with nutritious meals	Quarterly	19 800		16 493	18 579	Report based on received signed reports



## Analysis on Programme 5

- Of the two targets set in this programme, one target is Annual whilst the other is Quarterly.
- The manner the Department is reporting on the number of schools that provide nutritious meals may be under reported if the Department only considers signed received reports from provinces. How are provinces held accountable for late reporting or non-reporting on the school programme?
- In terms of the APP, the Department committed 19 800 schools be provided with the service. However in the report only a number of provinces are reported on, why is this?

### 3. Overview analysis on expenditure performance for the second quarter of the 2015/16 financial year

The paper furthermore examined the expenditure pattern of the Department of Basic Education (DBE) during the 2<sup>nd</sup> quarter of the 2015/16 financial year over a period of five years. Most importantly, areas requiring special attention are highlighted together with issue and questions for consideration.

#### 3. An Overview of 2<sup>nd</sup> Quarter Expenditure Pattern

Figure 1: 2<sup>nd</sup> Quarter Expenditure Pattern (2010/11-2015/16)<sup>4</sup>



Source: National Treasury (2010-2015) and Own Calculations

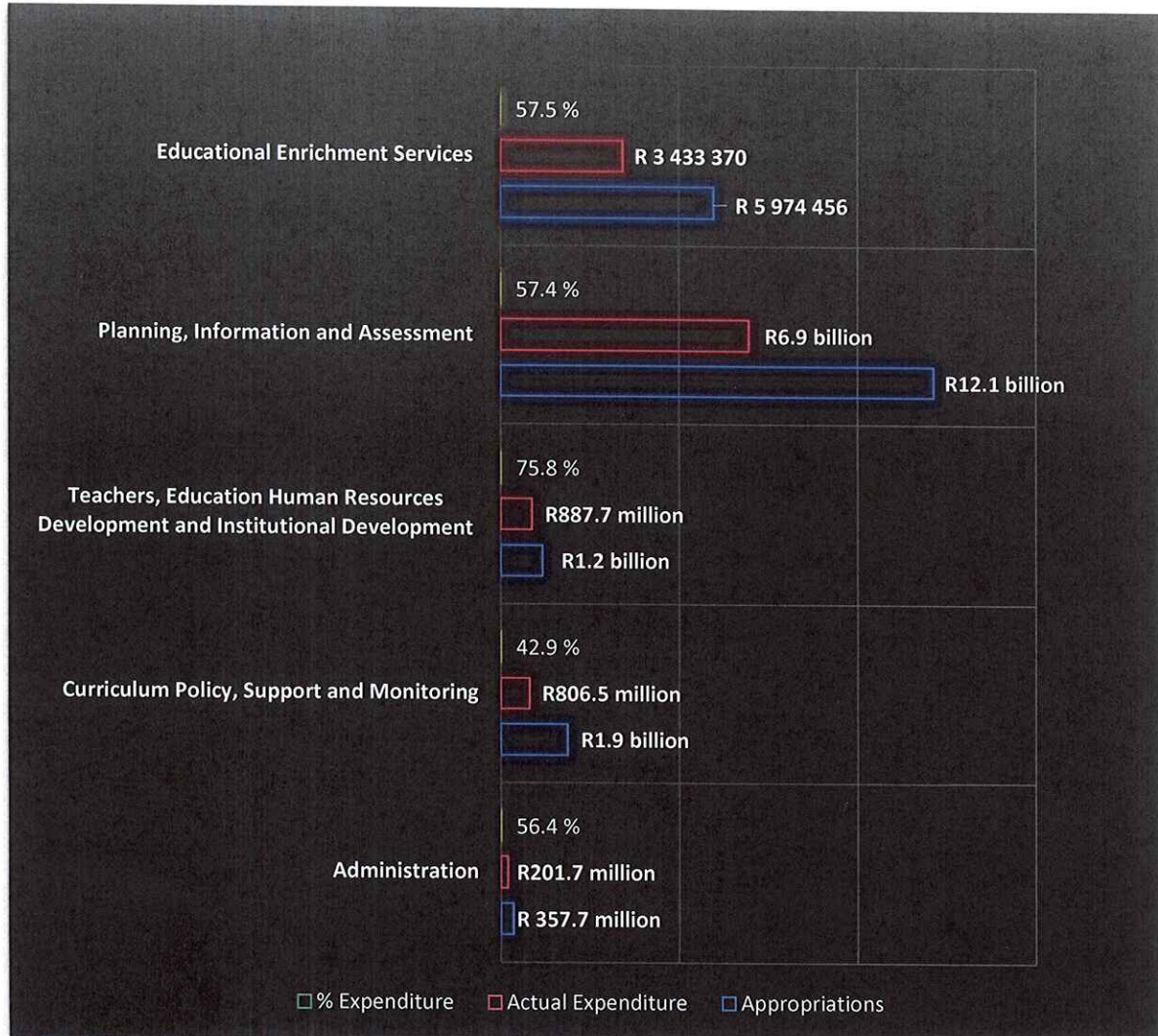
Figure 1 shows a marked improvement in the overall 2<sup>nd</sup> quarter expenditure performance over the past five years. For example, in the 2<sup>nd</sup> quarter of 2011/12 the DBE spent only 45.6 per cent in the second quarter, and this has gradually increased to 57.8 per cent in 2015/15.

<sup>4</sup> Please note that calculations are based on expenditure made against the adjusted budget allocations as presented in the Adjusted Estimate of National Expenditure (ENE)





**Figure 2: Illustration on 2<sup>ND</sup> Quarter Expenditure Performance by Programmes**



Source: Department of Basic Education (2015) and Own Calculations

Figure 2 shows that five programmes performed above the expected 50 percent spending in the 2<sup>nd</sup> quarter of the financial year. The Curriculum Policy, Support and Monitoring is the only programme that spent below the expected 50 percent mark in second quarter of the financial year.



### Focus on the 2015/16 Budget Adjustments to the Budget of the DBE

The Department of Basic Education received a main allocation of R21.5 billion at the start of the 2015/16 financial year; however this was adjusted downward by R224.7 billion to R21.3 million.

The downward adjustment is due to declared unspent funds which the National Treasury has taken away from simply because DBE has already indicated that it will not be able to spend come the end of the financial year on March 31.

In terms of economic classifications, a reduction of R223.7 million occurred in transfers and subsidies, whereas payments for capital assets incurred a reduction of R97.8 million. In terms of specific grants:

- R30.2 million was taken from the Maths, Science and Technology Grant (programme 2);
- R725 thousand was taken from the Occupation Specific Dispensation for education sector therapists grant;
- R163.1 million was taken from the Education Infrastructure Grant;
- R18.3 million was taken from the National School Nutrition Programme Grant; and
- R12.3 million was taken from the HIV and AIDS (life skills education) Grant.

According to the Estimate of National Expenditure (ENE)<sup>5</sup>, R2.5 million was shifted from programme 2 due to the non-renewal of the workbook development contract, and it was shifted to programme 1 for the appointment of critical posts in supply chain management and accounting services.

#### Issues for Consideration

- Which provinces contributed to slow spending on the Maths, Science and Technology grant and how much was taken away from each of these provinces?
- It is reported that some provinces reported low spending in the Maths, Science and Technology Grant and that transfers were delayed for 30 days. It should be clear which provinces were affected by this?
- Which provinces contributed to slow spending on the Education Infrastructure Grant and how much was taken away from each of these provinces?
- Which provinces contributed to slow spending on the National School Nutrition Programme Grant and how much was taken away from each of these provinces?
- Which provinces contributed to slow spending on the HIV and AIDS (life skills education) Grant and how much was taken away from each of these provinces?

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<sup>5</sup> National Treasury (2015)





#### Issues for Consideration

- The Department should provide further details with regards to the non-renewal of the workbook development contract (e.g. why was the contract not renewed)?
- The Department should provide details regarding the filling of critical posts in supply chain management and accounting services.
- Were these critical vacant positions funded in the first place, if not why is this the case?
- Are there any other critical posts that remain vacant, particularly in the supply chain?
- This matter is important because the Auditor-General often cites deficiencies in the supply chain as among the main reasons for poor audit performance by Departments?
- It is reported that National Treasury declined a roll-over in respect of stipends for Kha Ri Gude Project volunteer educators who were accrued in 2014/15, hence there will be a recurring accrued payment of stipends into 2016/17. In the meantime, what is happening to the volunteer educators who are awaiting their stipends?

#### 4. An Overview of 3<sup>rd</sup> Quarter Expenditure Pattern

Table 6: Allocation against Actual Expenditure per Programme

PROGRAMMES	2015/16			Expenditure as % of Appropriation
	APROPRIATION	ACTUAL EXPENDITURE	VARIANCE	
	R'000	R'000	R'000	
Administration	357 697	306 037	51 660	85.56%
Curriculum Policy, Support and Monitoring	1 877 765	1 476 804	400 961	78.65%
Teachers, Education Human Resources Development and Institutional Development	1 171 484	1 007 839	163 645	86.03%
Planning, Information and Assessment	12 129 738	9 284 705	2 845 033	76.54%



<b>Educational Enrichment Services</b>	5 974 456	4 931 780	1 042 676	82.55%
<b>Total</b>	<b>21 511 140</b>	<b>17 007 165</b>	<b>4 503 975</b>	<b>79.06%</b>

The table reflects expenditure that is above 75% in each of the programmes during the period under review. The questions to be raised are as follows:

- Which of the programmes' spending patterns are likely to result in over expenditure?
- Programme 4, appears to have a high amount of variance. What plan is in place to ensure that by the end of the financial year, all allocations are utilised accordingly?

## 5. References

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