



## EQUAL EDUCATION COMMENTS ON THE 2017 APPROPRIATION BILL PUBLIC HEARING

Equal Education (EE) is pleased to have been invited to participate in the Public Hearing by the Standing Committee on Appropriations (SCoA) and to comment on the 2017 Appropriations Bill. EE has previously engaged with SCoA through submissions made to the Committee. EE and the Equal Education Law Centre (EELC) made submissions regarding the 2016 Division of Revenue Bill (DoRB)<sup>1</sup> and the 2017 DoRB<sup>2</sup> before SCoA, and our concerns regarding:

- School infrastructure
- Scholar transport

### School Infrastructure

EE has consistently made known its concerns regarding national and provincial Education Departments' slipping commitment to funding the eradication of school infrastructure backlogs. EE welcomes the 2017/18 budget allocations to the infrastructure grants as signalling a renewed commitment to fixing South Africa's schools. That being said, the opportunity for change offered by greater allocations to budget line items will not prove effective, unless better mechanisms are put in place to ensure that the funds allocated are utilised effectively, and not simply forfeited back to Treasury at the end of the financial year.

In terms of funds allocated towards fixing South Africa's schools, there are two national school infrastructure grants. The first is the Education Infrastructure Grant (EIG) which is a grant allocated to provinces to assist the accelerated construction, maintenance, upgrading and rehabilitation of new and existing education infrastructure. The grant is also intended to help enhance the province's capacity, to address damage to infrastructure and to help achieve the targets set out in the Minimum Norms and Standards for School Infrastructure.<sup>3</sup> The second is the Accelerated School Infrastructure Delivery Initiative (ASIDI) funded by the School Infrastructure Backlogs Grants (SIBG), which is an indirect infrastructure grant administered by the national Department of Basic Education (DBE), introduced as a temporary, high impact grant in 2011. The grant was established as a means to eradicate the worst inappropriate school structures, and to provide water, sanitation and electricity to schools. The grant is used by the DBE to build and upgrade schools on behalf of provinces to address inappropriate structures and access to basic services.<sup>4</sup>

In the past years, there have been significant decreases in the allocations for both grants from initial allocations for a specific year in the Medium Term Expenditure Framework (MTEF), to the actual allocation made in that budget year. These constant decreases in allocations limit the gains which can be made around this issue; learners in many township and rural schools will continue to suffer

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<sup>1</sup> Equal Education. 2016. *Submission to the Standing Committee on Appropriation on the 2016 Division of Revenue Bill*.

<sup>2</sup> Equal Education. 2017. *Submission to the Standing Committee on Appropriation on the 2017 Division of Revenue Bill*.

<sup>3</sup> Minister of Finance. 2017. *Division of Revenue Bill: 41*.

<sup>4</sup> Idib, 84.

conditions that are unsafe, impinge upon their dignity, and do not foster quality teaching and learning. EE has on several occasions raised its concerns with the decreasing allocations towards national school infrastructure grants, particularly in light of the published regulations relating to the Minimum Uniform Norms and Standards for Public School Infrastructure (hereafter referred to as Norms and Standards).

The Norms and Standards regulations were published in 2013 and these regulations prescribed minimum criteria in the design and construction of new schools as well as alterations and improvements to existing schools. The regulations set out timeframes for compliance with the minimum standards, and for example state that all schools without access to water, electricity and sanitation must be provided with these basic services by 29 November 2016. This deadline also included that all schools built from inappropriate materials such as mud, wood, metal and asbestos be eradicated.<sup>5</sup>

Table 1: Total allocations to the Education Infrastructure Grant

R'000	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
2013 Budget	7 160 699	10 059 320				
2014 Budget	6 928 908	9 469 408	10 037 961			
2015 Budget		9 517 555	9 777 692	10 330 562		
2016 Budget			9 613 692	12 780 435	13 511 560	
<b>2017 Budget</b>				<b>10 045 562</b>	<b>13 389 560</b>	<b>14 141 207</b>

Source: National Treasury, 2011, 2012, 2013, 2014, 2015, 2016 Division of Revenue Act, 2017 Division of Revenue Bill

EIG is the primary vehicle through which the Norms and Standards will be realised in the long term. Table 1 illustrates how while the Medium Term Expenditure Framework (MTEF) three-year projections increase each year, the *actual allocations* are reported as being less than the projected figures. As of 2015, ASIDI was set to be merged with EIG, making 2016 its final year before being absorbed to form one national school infrastructure grant. ASIDI has however been extended for another year in order to allow time for projects to be completed as well as for the thorough assessment of the grant transition period.

In addition to our concerns regarding the decreasing allocations towards the national school infrastructure grants, EE has previously made known its concerns with the incentive-based component of EIG as well as the proposed merging of the two grants. The incentive-based component of EIG rewards provinces based on their school infrastructure delivery. EE's concerns with this mechanism had centred on the fact that it only took into account the planning capabilities of each province, rewarding those that could adequately *plan* (not necessarily deliver) with a top-up of their initial funding. EE is thus pleased that as of 2016/17, the incentive-based component of EIG has been amended to explicitly include performance as part of its assessment. While this is a welcome change, EE still has concerns with the measure or level of performance used to determine whether a province should receive additional. The details of how performance will be assessed in the various provinces have not been made known and as a result, we remain wary of this. We

<sup>5</sup> South African Schools Act 84 of 1996. 2013. *Regulations relating to Uniform Minimum Norms and Standards for Public School Infrastructure*.

recommend a target-based performance assessment for each province, which would serve as a better measure and incentivising mechanism for provinces to reach their own school infrastructure delivery goals.

Furthermore, EE is concerned about some aspects of the merger of the grants, should ASIDI not complete its mandate by the end of 2017. To begin with, ASIDI was originally devised as a short-term plan to fast-track providing relief to the worst-off schools. Delays continue to short-change poor learners, particularly ones from rural provinces. Meanwhile, longer-term Norms and Standards deadlines around the provision of classrooms, laboratories and libraries draw closer. The longer the most basic backlogs take to eliminate, the further government will fall behind on meeting the later deadlines, particularly if the burden of provision is placed entirely on provinces.

What is important to note is that, should ASIDI not complete all schools on its baseline project list this year, ASIDI would be added as a new component to the EIG aimed at targeting the remaining schools on the ASIDI list. This new ASIDI component would be added to EIG over and above the EIG's current base component (which is allocated to all provinces) and the EIG's performance-based incentive components - adding further complexity to the grant! Since EIG is run by the provinces, this places additional administration and project management burdens on provinces, whose capacity for delivery varies and whose performances in this regard have been historically substandard.

Therefore, unless provinces grow their capacity to an extent which allows them to use their additional funding well, the decision to remove the DBE from responsibility for direct infrastructure provision may well slow down this much needed process.

Taking into account concerns about both the merger as well as the consistent under spending of the grants, EE wishes to know how then will SCoA and Treasury ensure that the previous cycle of "allocation - underspend - decreased allocation" is not repeated? What steps and systems are in place to ensure that the monies given are not merely passed back and forth between Treasury and the PEDs? For instance, what is the extent of capacity-building work undertaken by Treasury to ensure that PEDs are able to plan and spend their money effectively?

### **Scholar Transport**

Much has been said in the media and in Parliament about scholar transport, particularly in light of the recent horrific KwaZulu-Natal and Gauteng bus crashes. This highlights the pressing need for the National Learner Transport Policy ('the Policy') to be adequately funded and properly implemented. EE and the EELC welcomed the publication of the Policy in 2015; however, it has continued to sit idly in the hands of the Department of Transport and the Department of Basic Education. There have been previous commitments by the departments to publish the *Learner Transport Safety Norms and Standards, and Operational Guidelines*, but this has still not happened.

In our submissions before the SCoA, EE called for a conditional grant for scholar transport along with the rationale for this much needed additional, ring-fenced funding. EE has been engaged in the struggle for access to scholar transport since 2014. The crisis of scholar transport is one that is prevalent across South Africa and affects those learners in rural areas the most. According to a Statistics South Africa 2016 Educational Enrolment and Achievement publication, it was reported that 12.3 million, 64.07%, of South African learners walk to school, with KZN as the province with the

highest proportion of learners in the country who walk to school. Of the learners who walk to school, just over 80% indicated that it took them at most 30 minutes, 15.4% indicated that it took them between 30 minutes to an hour, and almost 4% indicated that it took them more than an hour to get to school.

It is clear that there is an urgent need for the implementation of a conditional grant to finance scholar transport because learners across the country continue to traverse dangerous terrain, and are vulnerable to bad weather, theft and violent attacks as they make their journey to school. As it stands, provinces providing scholar transport do so from their Equitable Share allocations and as a result, provinces have cited a lack of funds as the main reason why the need for scholar transport far exceeds their current capacity to deliver. National Treasury has welcomed the idea of a conditional grant; however the lack of coordination between departments of Transport and Education is preventing the implementation of a conditional grant for scholar transport. National Treasury explained that the National Learner Transport Policy gave powers to both the Department of Basic Education as well as to the Department of Transport to oversee the funds. These powers have been awarded and utilised differently in the various provinces with the Department of Education taking responsibility for provision in some provinces and the Department of Transport taking responsibility for provision in other provinces. National Treasury stated that, as a consequence, it would be impossible to structure a conditional grant under these circumstances.

The scholar transport crisis is currently prominent in the public discourse. But when the memory of the tragedy of young lives so horribly cut short fades, scholar transport will return to the periphery. It is therefore imperative that the National Inter-Departmental Committee, whose establishment we have recognised, take more effective steps toward ensuring effective coordination between departments at the provincial and national level, particularly on funding.

## **Conclusion**

The struggle for the realisation of equal and quality education across the country should be everyone's struggle and to have had the opportunity to engage SCoA on some of our concerns is indicative of our belief that this realisation will be through collective effort. We hope that SCoA and National Treasury continue to initiate proactive steps, such as involving civil society organisations and communities at large on National Treasury spending. We would recommend that National Treasury and SCoA to continue in this proactive spirit in the following regard:

- Continue to engage civil society organisations and communities on National Treasury's role in ensuring that allocations are adequately spent at provincial level.
- Set out measures and steps of accountability on how civil society can hold provincial departments to account when they have not utilised their allocations accordingly.
- Ensure that the impending merging of ASIDI with EIG and its subsequent combined allocations are in line with the Norms and Standards for School Infrastructure.
- Play an active role in ensuring that the National Inter-Departmental Committee assumes its role in co-ordinating the Departments of Education and Transport, in order to realise the establishment of a conditional grant by National Treasury for scholar transport.