



Province of the  
**EASTERN CAPE**  
EDUCATION

# ECDOE REPORT TO STANDING COMMITTEE ON APPROPRIATIONS

29 November 2023

building blocks for  
**growth**  
department of  
education



## Report Content

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- ❑ **Utilisation of the Education Infrastructure Grant to improve schools**
- ❑ **Service delivery impact of the proposed baseline reduction**
- ❑ **Socio-economic and service delivery implications**
- ❑ **Legal implications**

# Utilisation of the Education Infrastructure Grant to improve schools' infrastructure

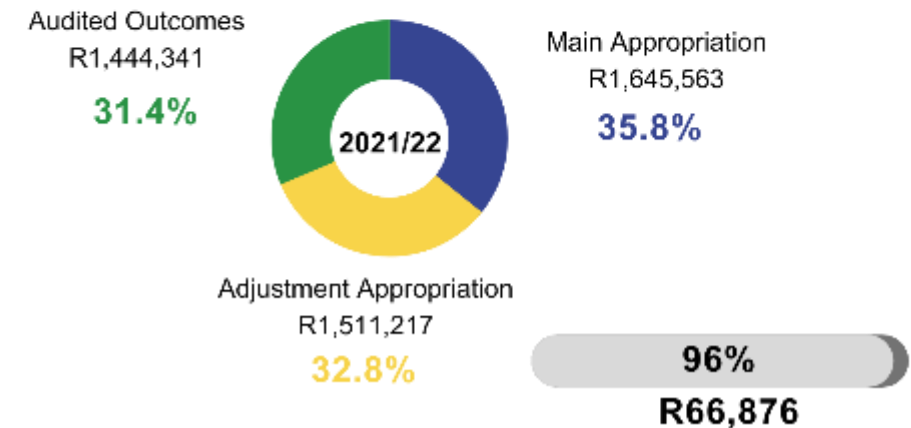
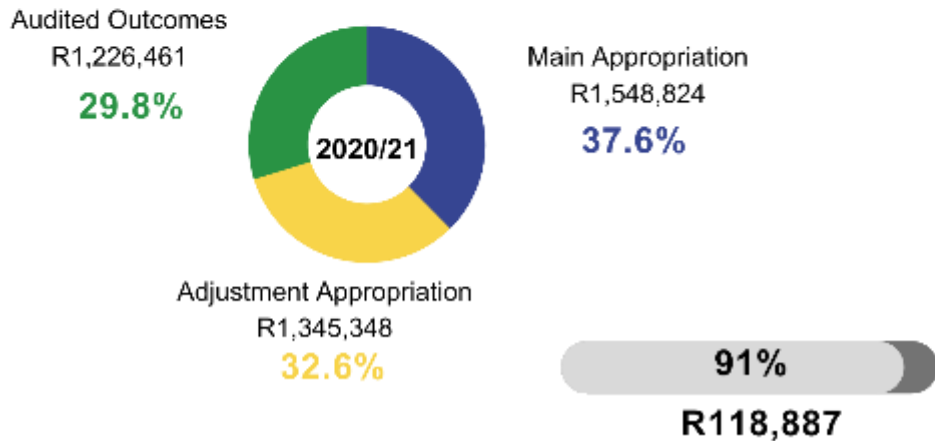
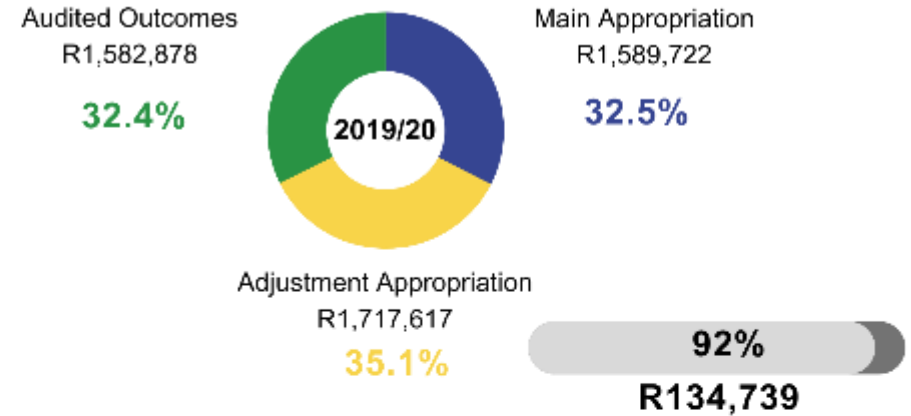
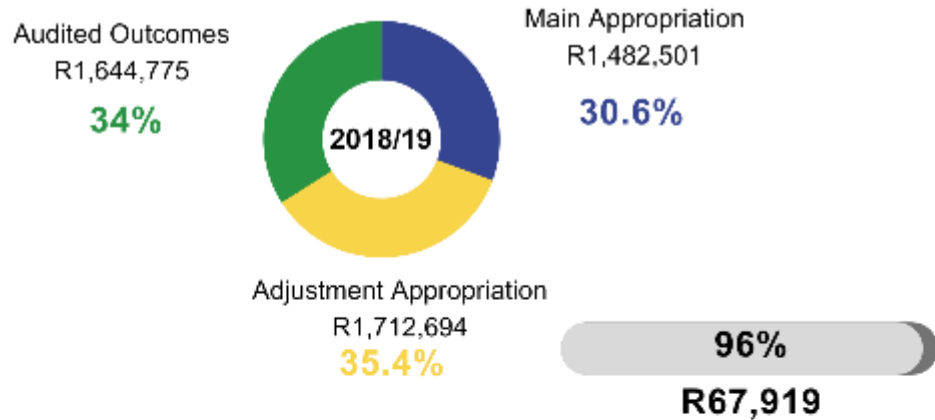
- ✓ The ECDoE is still faced with a mammoth R79bn infrastructure backlog in terms of the **Minimum Uniform Norms & Standards for Public School Infrastructure**, as well as a condition backlog due to **insufficient routine maintenance**.
- ✓ This phenomenon has had a negative effect on the core business of teaching and learning and thus, fundamentally the quality of its value proposition is compromised.
- ✓ The Education Infrastructure Grant (EIG), flowing from the Department of Basic Education (DBE) has been provided over the years to seek to eliminate the backlogs.
- ✓ The Department relies **entirely on the EIG** to fund its infrastructure programme.
- ✓ This funding should be augmented by the Provincial Equitable Share fund voted to infrastructure by the Department to supplement the EIG.
- ✓ Unfortunately, the Equitable Share allocation has declined annually, to the extent that there has been **no Equitable Share contribution** to the infrastructure budget for the past number of years .

# INFRASTRUCTURE STRATEGIC PRIORITIES

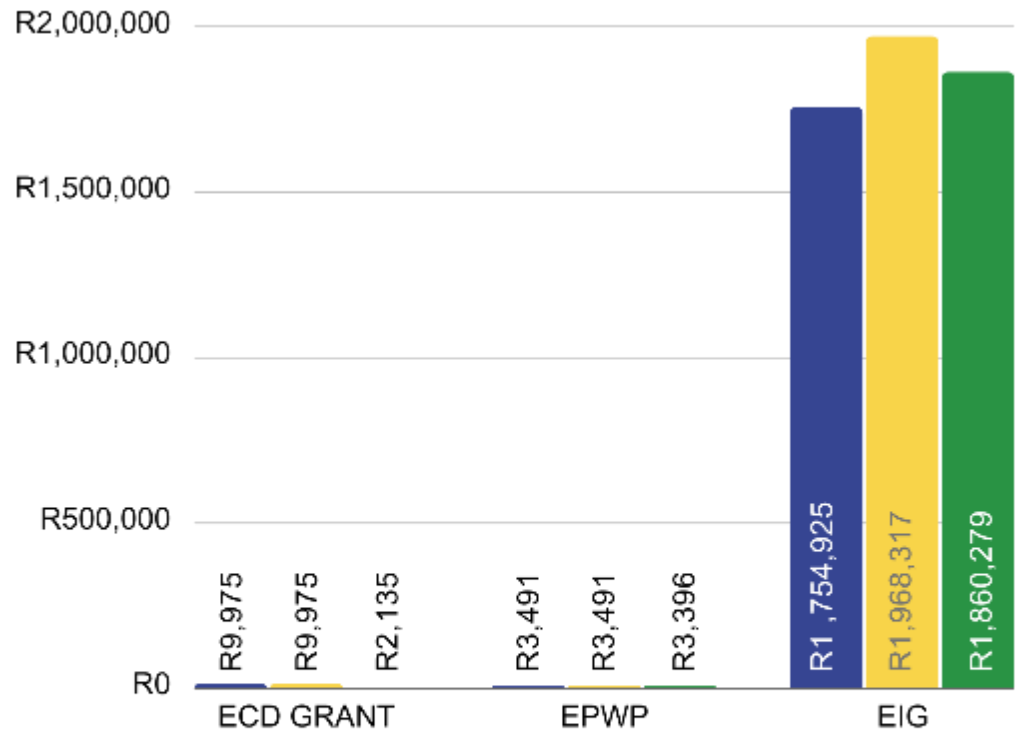


- 1 Basic Services**  
Provision of basic services (water sanitation & electricity) and fencing to schools where these are lacking or insufficient in line with Norms & Standards.
- 2 New / Replacement schools**  
Consolidation of projects where a school appears at the top of District lists for more than one priority - usually basic services, fencing and classrooms - including provision for rationalised and re-aligned schools up to 10-year N&S.
- 3 Nutrition, Admin, Sports fields**  
Provision of facilities towards achievement of 17-year Norms & Standards.
- 4 Realignment (stand alone, short-term)**  
Provision of classrooms and ablutions to accommodate realignment / rationalisation in the short-term.
- 5 Maintenance & rehabilitation (including asbestos elimination)**  
Provision for maintenance (excluding day-to-day maintenance), renovation and refurbishment, as well as emergencies and disasters. Also includes provision for whole life costing of new infrastructure.
- 6 Special Schools & Technical workshops**  
Schools for Learners with Special Education Needs.  
Workshops for Technical schools.
- 7 Early Childhood Development Centres**  
Provision of ECD centres at primary schools where these are lacking, selected from District priority lists.
- 8 Hostels**  
Revitalisation of historical schools and the construction of new hostels in support of mega schools where identified, to effect rationalisation.
- 9 Capacitation, management fees, planning, etc.**  
Provision for capacitation grant, planning costs, management fees, non-infrastructure solutions, etc.

# HISTORICAL EXPENDITURE PERFORMANCE



# EXPENDITURE PERFORMANCE 2022/23



Audited Outcomes  
R1,860,279

**33.3%**

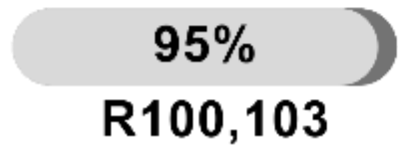


Main Appropriation  
R1,754,925

**31.4%**

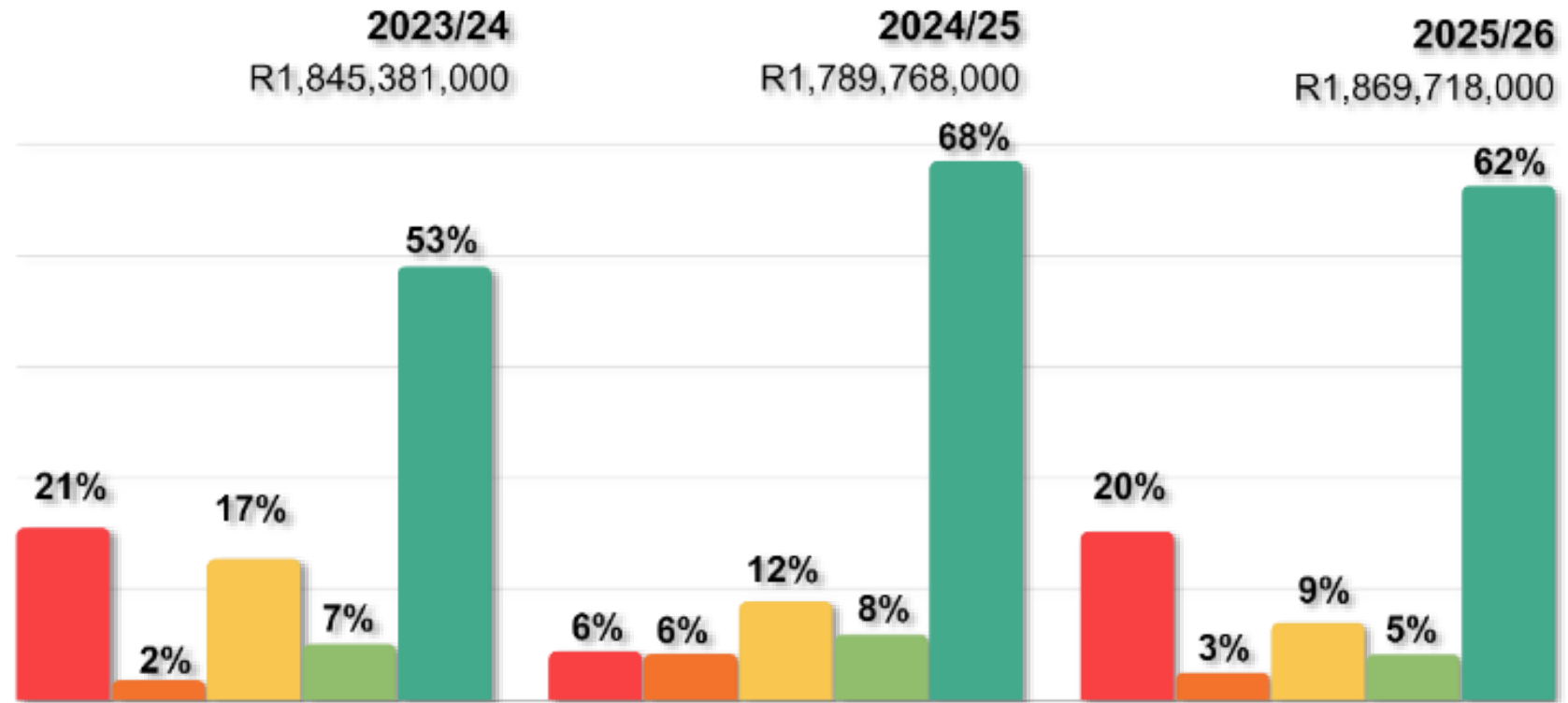
Adjustment Appropriation  
R1,968,317

**35.3%**





# PROGRAM 6: ALLOCATION OVER THE MTEF



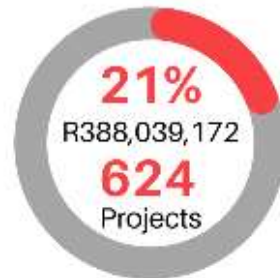
FY	Maintenance and repairs	New Infrastructure Assets	Non-infrastructure	Rehabilitation, renovations and refurbishment	Upgrades and additions
2023/24	386,039,172	44,241,201	316,236,670	125,510,371	973,353,586
2024/25	108,692,027	103,766,308	220,495,723	146,720,859	1,210,093,083
2025/26	377,680,746	61,817,409	173,360,873	102,248,582	1,154,610,391



# 2023/24 ALLOCATION BY NATURE OF INVESTMENT

Grand Total - R1,845,374,000

995 Projects



Maintenance & repairs



New infrastructure assets



Non-infrastructure



Rehabilitation, renovations & refurbishment



Upgrades & additions

## Summary Expenditure and S40 Projections as at OCTOBER 2023

Original Budget <b>1 845 374</b>	Actual Expenditure <b>R1 128 669(61%)</b>	Remaining Budget <b>+R716 705 (39%)</b>
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Revised Budget <b>R1 718 768</b>	Actual Expenditure <b>R1 128 669 (65%)</b>	Remaining Budget <b>+R590 099 (35%)</b>
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STATUS	APRIL (R'000)	MAY (R'000)	JUNE (R'000)	JULY (R'000)	AUGUST (R'000)	SEPTEMBER (R'000)	OCTOBER (R'000)	TOTAL	PERCENTAG E
REVISED S40 CASHFLOWS	R196 408	R259 826	R244 718	R65 989	R94 245	R122 500	R149 756	R1 133 442	65.9%
Actual Expenditure	R48 801	R78 872	R389 518	R135 484	R130 096	R177 882	R168 016	R1 128 669	65.7%
Under/Over-spending as at OCT 2023	<b>R147 607</b>	<b>R180 954</b>	<b>R144 800</b>	<b>R69 495</b>	<b>R35 851</b>	<b>R55 382</b>	<b>R16 697</b>	<b>R4 773</b>	<b>0.2%</b>

- The EIG grant received a roll over of R100 mil the grant was adjusted by R226mil which resulted in the revised budget of R1 718bil.
- The ECD grant received a roll-over of R6mil at the same time this conditional grant was adjusted by R6mil hence the original budget has remained the same.

**R121 710m(73%)** spent in November with a balance of **R54 88m** which will be covered by invoices of **R120m** which are currently with the dept.

## Summary Expenditure and S40 Projections as at end OCT 2023

<b>EIG Original Projections</b>	<b>Quarter 1 (R'000)</b>	<b>QUARTER 2 (R'000)</b>	<b>QUARTER 3 (R'000)</b>	<b>QUARTER 4 (R'000)</b>	<b>Total (R'000)</b>
S40 Projected Cashflows	R700 950	R279 734	R521 321	R327 298	R1 829 305
Actual Expenditure	R514 591	R441 088			R1 128 699
Under/Over-spending as at OCT 2023	<b>R186 459</b>	<b>R161 728</b>			<b>R700 606</b>

<b>EIG Adjusted Projections</b>	<b>Quarter 1 (R'000)</b>	<b>QUARTER 2 (R'000)</b>	<b>QUARTER 3 (R'000)</b>	<b>QUARTER 4 (R'000)</b>	<b>Total (R'000)</b>
S40 Adjusted Cashflows	R700 950	R279 734	R458 680	R264 657	R1 704 023
Actual Expenditure	R514 591	R441 088			R1 128 699
Under/Over-spending as at OCT 2023	<b>R186 459</b>	<b>R161 728</b>			<b>R575 324</b>

# NO. OF PROJECTS PER IDMS STAGE (MTEF)

		Indicative Budget 2023/24	Indicative Budget 2024/25	Indicative Budget 2025/26
N/A	14	322 770 049		
Other (Prog Admin)	1	31 360 621		
Packaged Programme	4	111 746 385	219 549 491	123 310 873
Stage 1: Initiation/Pre-feasibility	162	121 108 256	263 469 014	575 644 336
Stage 2: Concept / Feasibility	55	63 718 029	155 347 274	190 332 152
Stage 3: Design Development	64	89 006 764	92 408 745	124 639 029
Stage 4: Design Documentation	314	313 208 071	331 936 488	379 357 228
Stage 5: Works	232	683 806 029	191 232 724	163 319 282
Stage 6: Handover	107	86 931 966	483 251 622	297 674 326
Stage 7: Close-out	42	21 717 830	14 728 920	1 300 000
<b>Grand Total</b>	<b>995</b>	<b>1 845 374 000</b>	<b>1 789 768 000</b>	<b>1 869 718 000</b>

# 2023/24 IMPLEMENTING AGENT ALLOCATIONS

**8%** R299,049,903

**77** PROJECTS  
COEGA DEVELOPMENT CORPORATION (CDC)

**4%** R74,741,869

**45** PROJECTS  
DEVELOPMENT BANK OF SA (DBSA)

**50%** R990,399,990

**495** PROJECTS  
DEPARTMENT OF EDUCATION  
DOE

**16%** R225,238,941

**157** PROJECTS  
DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE (DPWI)

**13%** R236,688,396

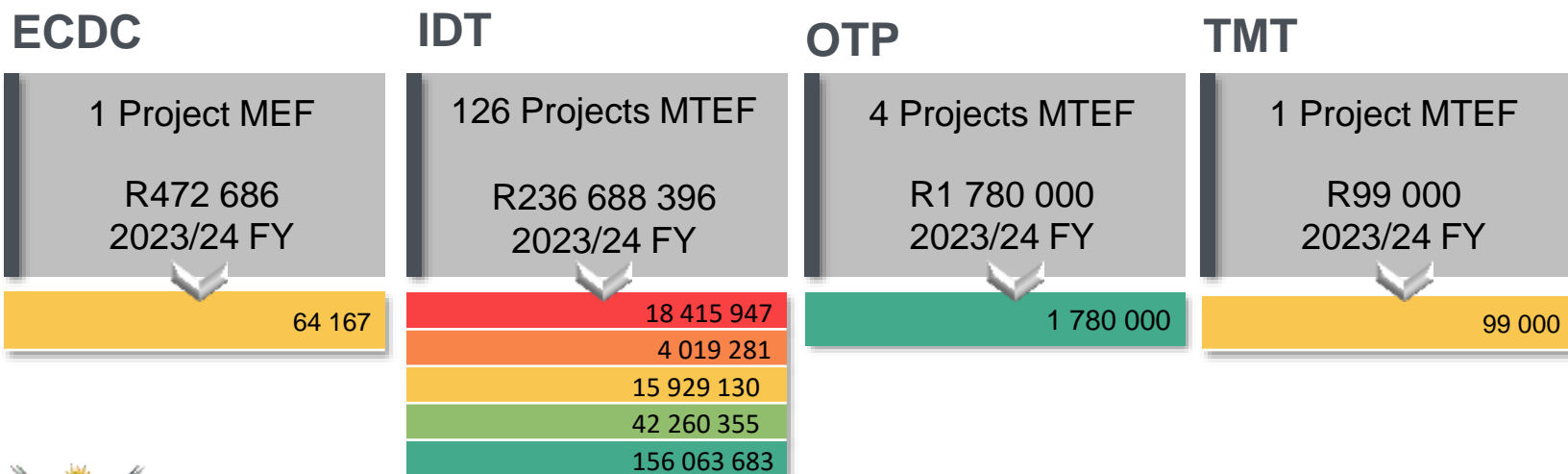
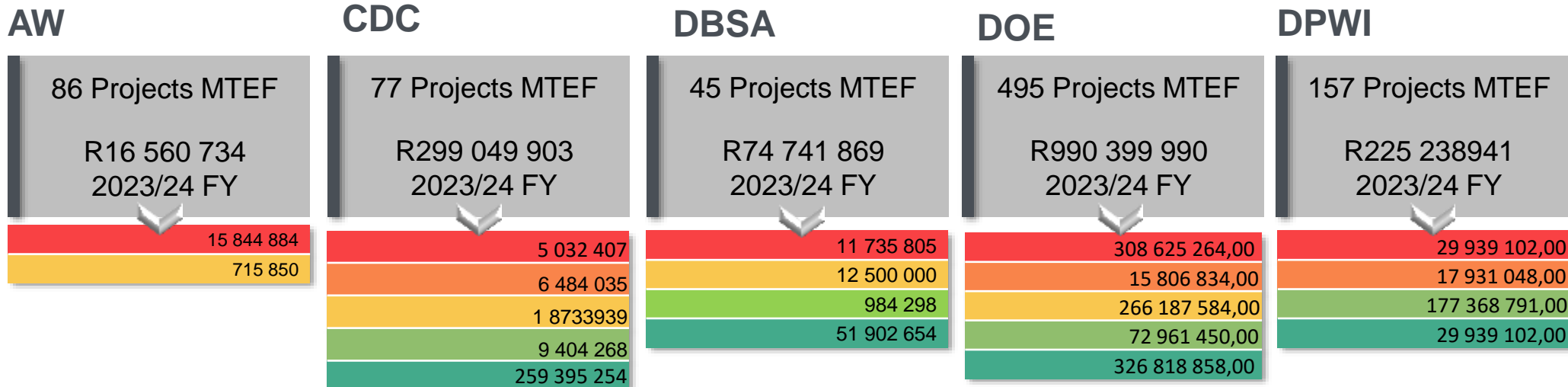
**126** PROJECTS  
INDEPENDENT DEVELOPMENT TRUST (IDT)

**9%** R17,479,410

**92** PROJECTS

- AMATOLA WATER
- EASTERN CAPE DEVELOPMENT CORPORATION
- OFFICE OF THE PREMIER
- THE MVULA TRUST

# ALLOCATION OF INFRASTRUCTURE PROGRAMME SCOPE TO IMPLEMENTING AGENTS - 2023/24



Nature of investment	No of Projects (MTEF)	Indicative Budget 2023/24
Maintenance and repairs	624	388 039 172,00
New Infrastructure Assets	47	44 241 201
Non-Infrastructure	15	314 229 670
Rehabilitation, renovations, Refurbishment	12	125 510 371
Upgrades and additions	297	973 353 586
<b>Grand Total</b>	<b>995</b>	<b>1 845 374 000</b>

# SOCIOECONOMIC AND SERVICE DELIVERY IMPLICATIONS

## 3-year Timeframe

(Nov 2013 - Nov 2016)

**R3 463 111 374**

## 7-year Timeframe

(Nov 2013 - Nov 2020)

**R22 668 552 013**

## 10-year Timeframe

(Nov 2013 - Nov 2023)

**R13 535 876 428**

## 17-year Timeframe

(Nov 2013 - Nov 2030)

**R30 263 112 490**

**R79 319 808 376 / CONDITION BACKLOG R9 389 156 071**

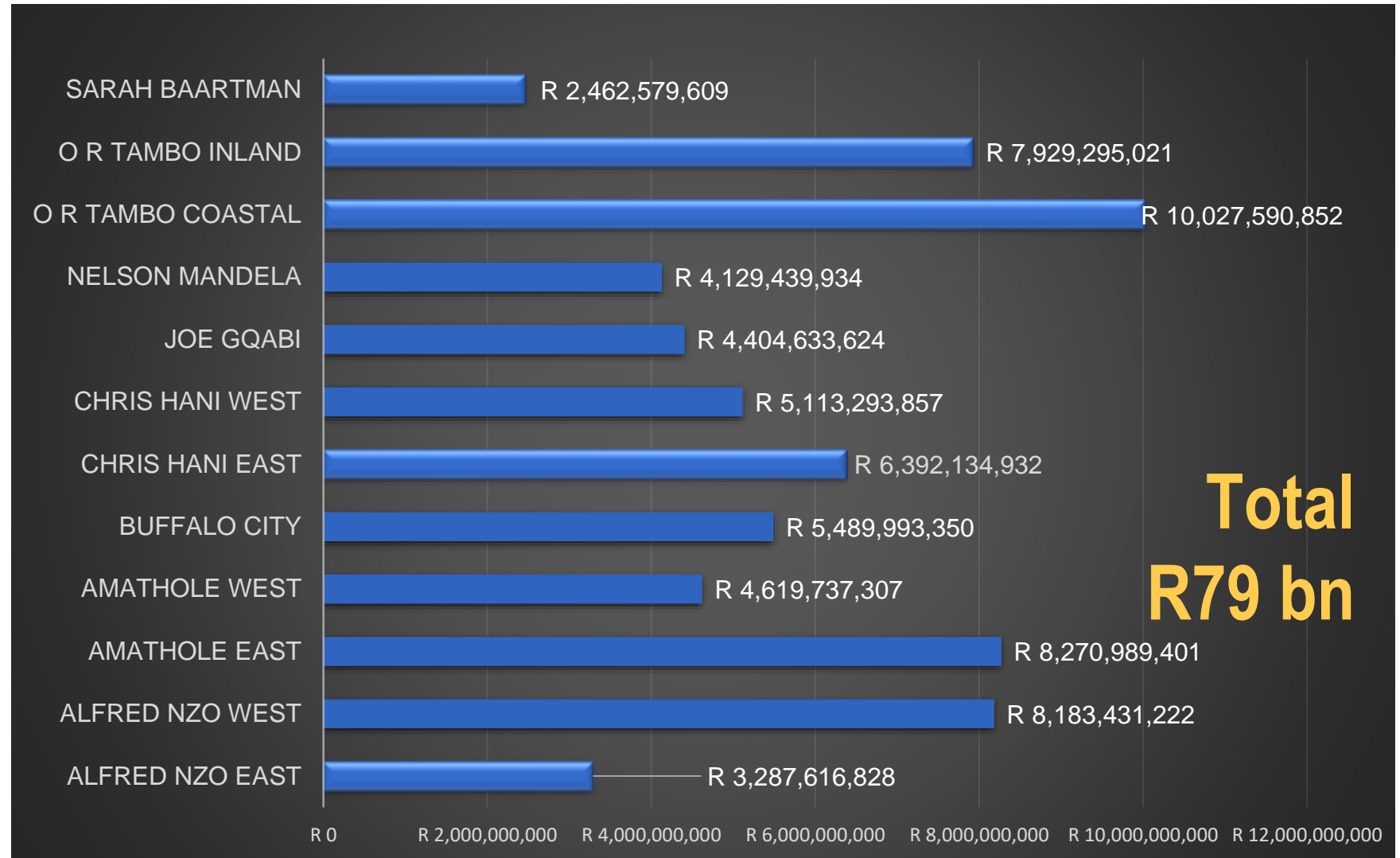
- |  |  |  |  |
|--|--|--|--|
| <ul style="list-style-type: none"> <li>• No supply: Water <b>R39 769 345</b></li> <li>• No supply: Electricity <b>R365 685 408</b></li> <li>• No supply: Sanitation <b>R2 844 341 222</b></li> <li>• Inappropriate structure classrooms (entire school) <b>R213 315 398</b></li> </ul> | <ul style="list-style-type: none"> <li>• Classrooms (ordinary) <b>R6 717 855 431</b></li> <li>• Classrooms (Grade R) <b>R6 189 134 886</b></li> <li>• Inappropriate structures (classrooms and ablutions) <b>R2 458 154 876</b></li> <li>• Fencing <b>R1 309 745 298</b></li> <li>• Burglar bars <b>R2 728 007 964</b></li> <li>• Insufficient Water <b>R172 944 035</b></li> <li>• Insufficient Electricity <b>R579 464 928</b></li> <li>• Insufficient Sanitation <b>R1 221 651 072</b></li> <li>• Insufficient Sanitation (Other) <b>R1 266 328 166</b></li> <li>• Connectivity <b>R25 265 356</b></li> </ul> | <ul style="list-style-type: none"> <li>• Classrooms (Multipurpose) <b>R2 009 747 232</b></li> <li>• Library &amp; Multimedia Centre (library and computer function) <b>R4 675 606 492</b></li> <li>• Laboratories <b>R4 659 963 858</b></li> <li>• Computer Labs <b>R1 271 938 936</b></li> <li>• Inappropriate structures (education spaces) <b>R918 619 910</b></li> </ul> | <ul style="list-style-type: none"> <li>• Administration Areas <b>R11 878 371 792</b></li> <li>• Support Areas: Nutrition Centres <b>R9 713 898 886</b></li> <li>• Support Areas: Parking bays <b>R1 151 493 484</b></li> <li>• Support Areas: Sport facilities <b>R7 215 659 172</b></li> <li>• Inappropriate structures (Admin spaces &amp; Hostels) <b>R303 689 157</b></li> </ul> |
|--|--|--|--|

# INFRASTRUCTURE FACILITIES BACKLOGS PER EDUCATION DISTRICT

The province, similar to the rest of the country, is faced with significant schools' infrastructure backlogs which will take years and substantial budgets to address.

An amount of R79 billion is required to address the infrastructure backlog to get schools on par with the Minimum Uniform Norms and Standards for Public School Infrastructure (MUNS-PSI).

The adjoining graph indicates the infrastructure backlog per district.





# CLASSROOM UTILISATION & NEEDS

- It is recognised that the educational facilities currently available, regardless of their condition, are inadequate for effective teaching and learning.
- This shortfall (backlog) has been calculated for each school based on the Regulations relating to Minimum Uniform Norms and Standards for Public School Infrastructure and is set out in the Infrastructure Asset Management Plan.
- The current capacity and utilisation of facilities in terms of classroom utilisation is as follows:

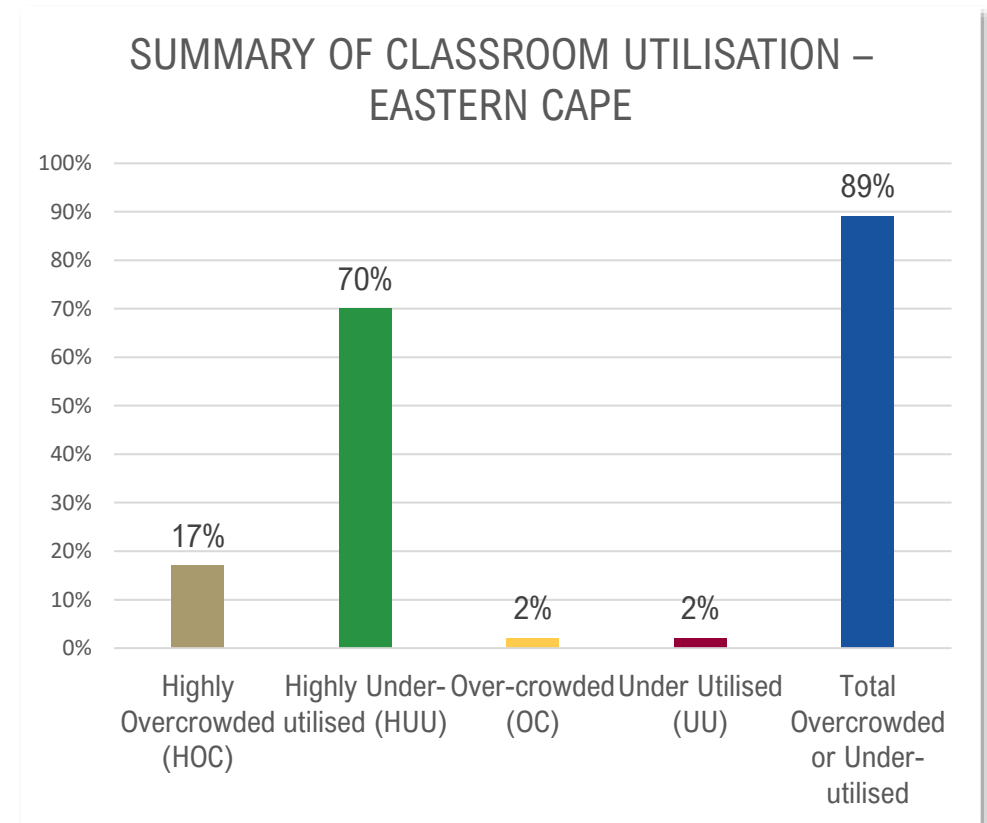
	Highly Overcrowded (HOC)	Highly Under-utilised (HUU)	Overcrowded (OC)	Under Utilised (UU)	Grand Total
<b>Grand Total</b>	<b>903</b>	<b>3 763</b>	<b>95</b>	<b>121</b>	<b>4 761</b>

Note: There are no formal definitions for “over-crowding” or “underutilisation”.

# Classroom utilisation & needs (District Overview)

The table below expresses the classroom utilisation (the total number of schools in a particular District).

Districts	Highly Overcrowded (HOC)	Highly Under-utilised (HUU)	Over-crowded (OC)	Under Utilised (UU)	Total Overcrowded or Under-utilised
Alfred Nzo East	69	125	5	8	199
Alfred Nzo West	76	432	10	7	518
Amathole East	90	587	5	8	682
Amathole West	28	336	4	5	368
Buffalo City	110	237	12	16	359
Chris Hani East	55	376	1	10	432
Chris Hani West	49	290	7	11	346
Joe Gqabi	43	225	5	6	273
Nelson Mandela	47	195	10	18	252
OR Tambo Coastal	201	358	18	16	577
OR Tambo Inland	111	446	13	11	570
Sarah Baartman	24	156	5	5	185
<b>Grand Total</b>	<b>903</b>	<b>3 763</b>	<b>95</b>	<b>121</b>	<b>4 761</b>



# Sanitation Backlog

The eradication of pit latrines has for many years become a national concern and in 2018, The Department of Basic Education introduced an Initiative called Sanitation Appropriate For Education (SAFE) as an intervention to the sanitation backlogs. The programme has since completed a total of 786 schools and to date 499 schools are under planning while 558 schools are under construction. These figures include inter alia, intervention by private donors.

The following donors have contributed to the eradication of the pit latrines and 80 schools have been delivered:

1. Assupol – 29
2. Unilever – 6
3. Envirosan – 2
4. South Korean Embassy – 6
5. Sibanye Stillwater – 7
6. Water Research Commission – 6
7. Mxolisi Hoboyi Foundation & DEFY – 1
8. Northam Zondereinde – 5
9. Harmony Gold – 1
10. Tirisano Construction Fund – 16
11. Nocross – 1

# Sanitation Backlog....cont...

- (a) The department of Education is currently implementing DoE sanitation which has 40 schools that will receive proper sanitation.
- (b) The total budget of the programme is 40 million Rands.
- (c) It is funded by the Education Infrastructure Grant. The Department of Basic education through it, SAFE programme has 274 projects on site according to the latest report.
- (d) The budget required to replace these pit latrines with a more appropriate form of sanitation (Ventilated Improved Pit Toilets (VIP)) has been costed at R6,830 billion nationally - R2,591 billion, of this (equalling 37%), is apportioned to the eradication of inappropriate sanitation within the province. The Department of Education has received an allocation of R1,8 billion for the Education Infrastructure Grant in the 2023/24 financial year to attend to all infrastructure inherent challenges.

## Provision of Water to Infrastructure

- a) In the current Financial Year, the department is rolling out a water tank programme, which seeks to mitigate the pertaining issue of schools without water infrastructure. 323 Schools have since been identified to benefit in the water tank programme.
- b) To date 48 Schools are at handover, 176 schools under construction, 128 schools above 50 % construction progress and 109 of these have since been completed.

# Provision of Fencing

- a) The department has implemented 250 fencing projects through Fencing III and IV Programmes.
- b) To date, a total of 122 fencing projects have been completed in this financial year and 128 fencing projects are currently under construction.

# SERVICE DELIVERY IMPLICATIONS

## Previously terminated projects

- 21 projects that were being procured have had to be delayed in order not to overburden this financial year.

## Disasters

- 130 schools were affected by disasters in June and may need to be deferred in favor of current commitments.

## Projects in procurement

- 112 projects that were on the procurement plan are now being prepared for implementation in the new financial year.

## Schools Fencing

- 150 projects that were planned for implementation in January 2024 have been deferred to 2024/25.

## Employment projections

- Projects that were meant to be started will naturally have SMMEs not being given contracts as planned.

## Possible accruals

- There is a risk of accumulating significant payables and accruals at the end of the financial year.

## Effect of accruals

- The effects of the 2018 loss of budget remains haunting and there is a risk of not paying service providers when the cash gets depleted.

## Additional classrooms for school readiness

- New enrollments have indicated that classrooms are needed in various areas and will have to be aborted

## ECD projects

- Must withhold the awards to 8 maintenance projects and defer to 2024
- The 8 will add to the 21 already being documented for 2024/25

# LEGAL IMPLICATIONS

## Contracted Builders

- The projects that will be affected will naturally need all contractors to be notified and agreements made for them to know of the situation. This will defray claims for standing time.

## Contracted PSP's

- PSPs are to be made aware and that any further expenditure be stalled and contracts be put on hold to avert possible claims.

## Interest claims

- Where work took place and cannot be honoured, previously this attracted interest claims which lead to legal challenges against the Department.

## Possible injury on site

- Should projects be left unattended, some citizens take advantage of the unattended OHS arrangements and injuries may happen leading to claims against the department

## Legal enquiries

- There is a risk of Constitutional Bodies taking legal aim at the department where delivery has been delayed as a result of the budget cuts.
- In the recent past, enquiries have been made by the public Protector, Human Right Council etc.

## Enquiries by Civil Society

- Enquiries by civil society have lead to legal action against the department where projects have been delayed as a result of the budget cuts.

Schools' Infrastructure Buyambo

# Sakh'isidima news

**March 2023**

Featured: Mthatha Senior Secondary School

Province of the **EASTERN CAPE** EDUCATION

**IN THIS EDITION...**

- 5 Geared for delivery in 2023/24
- 7 Infrastructure investment in Idutywa is sure to pay off
- 10 Excellent progress being made on construction of new schools

Mr Furdie Gade, MEC for Education

Sakh'isidima News is our monthly school infrastructure newsletter aimed at informing stakeholders of all the initiatives undertaken by the Department in our quest to provide a supportive teaching and learning environment to schools across the province.

**IN THIS EDITION...**

- 5 School Infrastructure in context
- 9 Projects completed to restore storm damaged school facilities
- 17 Study conducted to ascertain prevalence of Asbestos in school infrastructure

2030 NDP THE YEAR OF UNITY AND RENEWAL TO DEFEND AND ADVANCE SOUTH AFRICA'S DEMOCRATIC GAINS

Schools' Infrastructure Buyambo

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# Sakh'isidima news

**May 2023**

Province of the **EASTERN CAPE** EDUCATION

**IN THIS EDITION...**

- 6 Steady progress being made on maintenance of ECD Centres
- 8 Completed projects April/May 2023
- 15 Protecting health and environment through a responsible Desludging programme

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Sakh'isidima News.... The Eastern Cape School Infrastructure Programme Newsletter is also available on the EFMS