

# The 2022 School Monitoring Survey

## The percentage of learners in schools that are funded at the minimum level

### The design and purpose of the School Monitoring Survey

The aim of the School Monitoring Survey (SMS) is to monitor progress towards the achievement of selected goals and indicators set out in the sector plan, to help inform planning, and to highlight areas that require improvement. To measure education sector performance, the DBE commissioned the last three School Monitoring Surveys 2011/12, 2017, and the third SMS in 2021/22 (DBE, 2023). The SMS 2021/22 focused on the 12 key indicators specified in the Action Plan to 2024: Towards the Realisation of Schooling 2030 as well as eight additional priority areas. This policy brief focuses on the findings of the 8<sup>th</sup> indicator: the percentage of learners in schools that are funded at the minimum level in the 2021 survey.

### Introduction

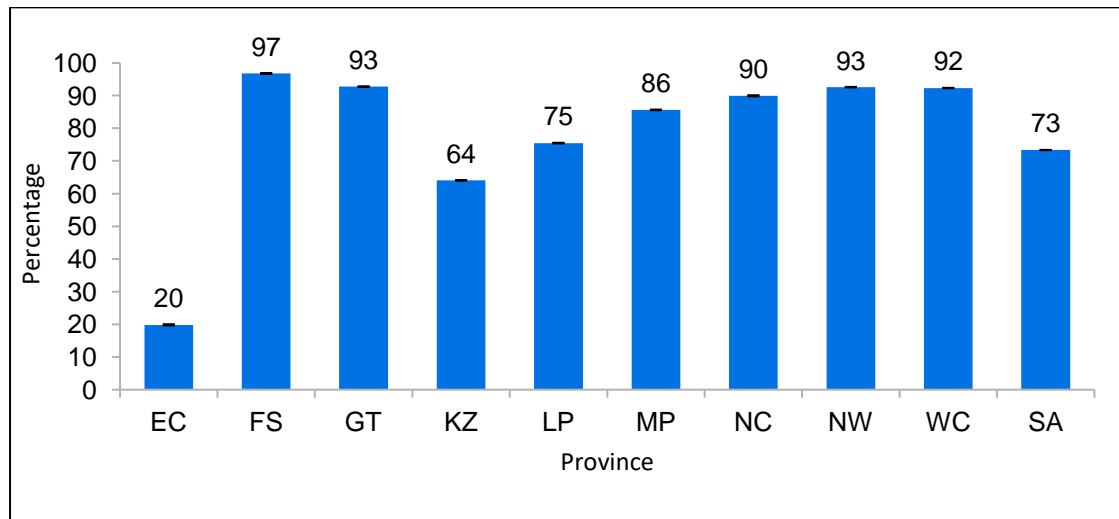
The National Norms and Standards for School Funding policy provides a statutory basis for school funding. Section 39(7) of SASA requires the Minister of Education to annually determine the national quintiles for public schools or part of such quintiles by notice in the Government Gazette. These, in turn, must be used by the Provincial Education Departments when allocating funds to the schools and identifying schools that may not charge school fees. This policy aims to provide schools serving poorer communities (low-income households) with more state funding than schools serving more affluent communities, at least as far as non-personnel spending funding is concerned. Personnel spending, which makes up most of public spending on education, is not determined by the quintile status of schools but by other factors such as teacher experience and qualifications. The per-learner allocation, which is transferred to schools, therefore is an important aspect of pro-poor education financing. Exact amounts, not only for the next year but also projected to the following year, are specified on an annual basis in the Government Gazette. It is the provinces that determine the final allocation for each financial year, for schools in their province. The per-learner funding allocation that schools receive is mainly intended for the promotion of efficient and quality education in public ordinary schools, and it cannot be used to cover the cost of personnel and new buildings.

### Current situation

In the School Monitoring Survey, school principals were asked whether they had received the full amount stated in letters received from the Provincial Education Department, for the previous year, which was 2021. Nationally, an average of 73% of learners were in schools that had received their expected financial allocation for 2021, according to school principals. In the Eastern Cape, only 20% of learners were in schools that had received their expected allocation for 2021, significantly less than the national average of 73%. Discussions with national and provincial officials suggested that the low Eastern Cape figure might be attributable to an increasing use of centralised LTSM procurement in that province. The merits of this approach and the implications for school funding equity is something which perhaps deserves further analysis for policy purposes. This can be seen in Figure 1 below, which

shows the proportion of schools that received their allocation from the Provincial Departments of Education for 2021.

*Figure 1: Percentage of learners in schools that received their financial allocation by province, for 2021*



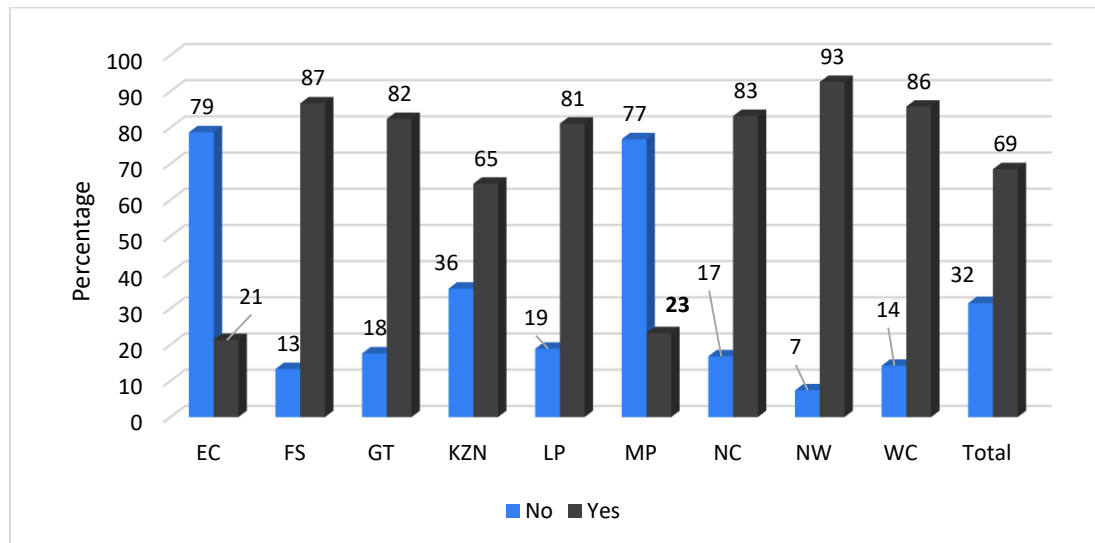
According to the National Norms and Standards for School Funding (2006), PEDs should make use of a resource targeting list, a table of targets for the school allocation, and a national poverty distribution table to determine the school allocation for each school. These tables are amended each year and are published in the government Gazette for Provincial Education Departments (PEDs) to take note of. The PEDs are required to multiply the relevant per learner target from the targets table (Which is split according to quintiles) by the enrolment of the school in the current year. PEDs are further required to provide a recommended breakdown of the school allocation for each school according to the three section 21 functions of SASA that imply expenditure and according to the breakdown of items that the school allocation may cover as listed above.

This breakdown should then be communicated in the form of official letters to schools indicating what their school allocations are. DBE officials that are part of the provincial budget monitoring conduct phone calls to schools to monitor the allocation of funds amongst schools, the purpose of these phone calls is to monitor that schools have received the official letters from their respective PEDs which outline the breakdown of allocation that the school is set to receive. The figures on these letters are then compared to the actual allocation that schools should be receiving, if these figures do not align, the DBE will then engage with provincial treasury and the respective PEDs to find out the reason behind the disparities in the allocation received by schools and the actual allocation they were supposed to receive. Schools are also requested by DBE to send their bank statements as a method of monitoring how schools have utilized the funds they received as well as to verify that they have received the amount stated in the allocation letter received from the PED. Some provinces purchase certain resources on behalf of the school, i.e. the Eastern Cape PED purchases LTSM on behalf of schools as opposed to sending schools a specific amount for LTSM.

In the School Monitoring Survey (SMS) 1959 principals were interviewed Nationally. The results from the interviews revealed that 617 (31.5%) principals said that they do not know what the stated allocation per learner was for 2021, this can be seen in Figure 2 below. The Eastern Cape had the

highest percentage (78.8%) compared to all provinces of principals stating that they did not know their schools' learner allocations for 2021 followed by Mpumalanga (76.8%) and Kwa-Zulu Natal (35.5%).

Figure 2: Do you know what the stated allocation per learner was for 2021?



The results from the interview show that 158 principals (70.2%) of the 225 interviewed in the Eastern Cape responded that the Provincial education department purchase goods on behalf of the school in 2021. The Eastern Cape had the highest percentage of all provinces for this question, this can be seen in Figure 3 below.

Figure 3: Did the Provincial Education Department purchase goods on behalf of the school in 2021?

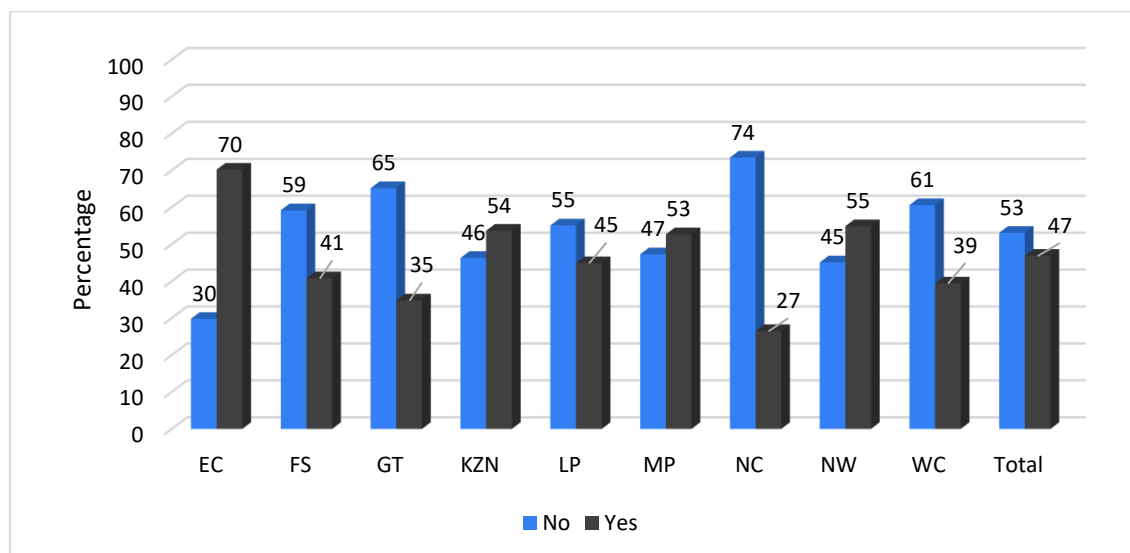
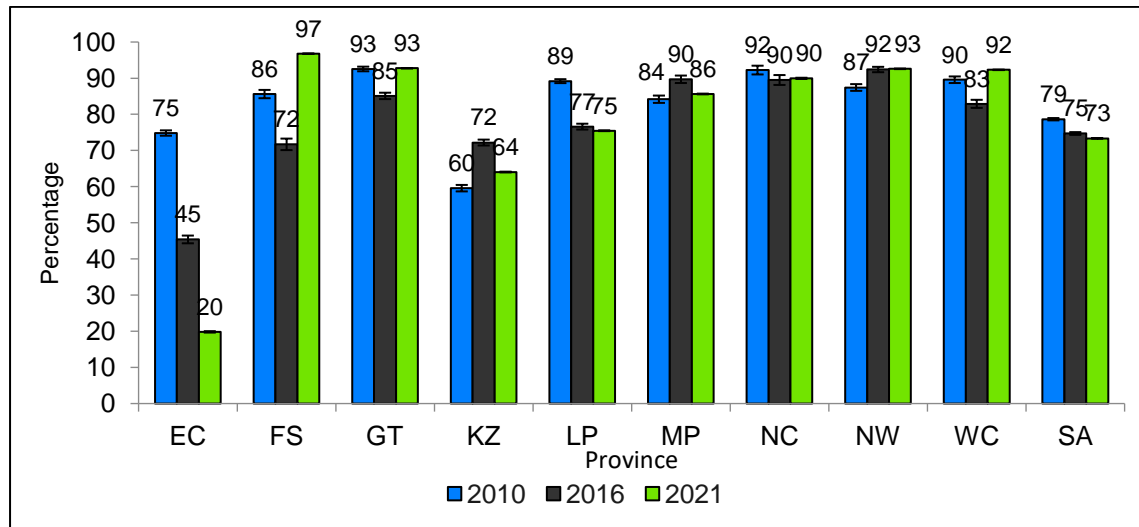


Figure 4 shows the percentage of learners in both primary and secondary schools that received minimum financial allocations from their respective provincial departments across the years 2010, 2016 and 2021. The Eastern Cape showed a decline in every cycle from 2010 – 2021 in the percentage of learners that received minimum financial allocations from provincial departments according to the actual figures given by school principals. The figure also shows subtle declines in Kwa-Zulu Natal, Limpopo and Mpumalanga from 2016 – 2021.

Figure 4: Percentage of learners in primary and secondary schools combined that received their financial allocations from Provincial Departments by province, 2010 – 2021



### Implications of Schools not receiving funding at the minimum level

School allocations are intended to cover non-personnel regular items and small capital items that the school may need, the allocation is also intended at covering normal repairs and maintenance to the physical infrastructure of the school. The implications of schools not receiving minimum funding from their provincial department on time could be quite significant and can have an adverse effect on both learners and the education system. Some of the possible implications are listed below:

- Poorly maintained infrastructure and resources
- Insufficient learning and teaching materials
- Limited Extracurricular Activities
- Educational Inequality - The lack of resources exacerbates educational inequality, perpetuating social and economic disparities.
- Impact on learners' performance - Insufficient funding directly affects learners' academic performance. Limited resources, overcrowded classrooms, and inadequate support hinder their learning progress.

### Recommendations

To enhance the funding adequacy for learners in South African schools, the following policy recommendations are proposed:

1. Strengthen Compliance Reviews with Digital Tools: Enhance the Department of Basic Education's compliance reviews by implementing advanced digital systems. These systems would track and record funding allocations with greater accuracy and reduce manual errors associated with current telephonic methods. Specifically:

- Introduce digital notifications to schools detailing their funding allocations.
- Employ automated tools to cross-check allocated amounts against national norms.

- For regions like the Eastern Cape, where resources are procured centrally, provide schools with digital breakdowns of purchased resources to facilitate precise tracking and ensure alignment with total allocations.

2. Use Performance Indicators to Improve Funding Distribution: Implement Indicator 8 (The percentage of learners in schools funded at the minimum level) as a robust performance metric to:

- Assess compliance of provincial education departments with minimum funding levels, enhancing resource distribution oversight.
- Identify schools receiving insufficient funds to enable targeted support and interventions.
- Evaluate the impact and efficacy of current funding policies and practices on educational quality.
- Conduct comparative analyses across provinces to identify and adopt successful funding models that contribute to superior educational outcomes.

These recommendations aim to foster a more transparent, accurate, and effective distribution of educational funds, ensuring that every school has the necessary resources to support its learners adequately.