MEMORANDUM

TO : CLUSTER MANAGEMENT
     : DISTRICT DIRECTORS
     : PRINCIPALS, PUBLIC ORDINARY SCHOOLS
     : PRINCIPALS, INDEPENDENT SCHOOLS
     : DISTRICT NORMS & STANDARDS CO-ORDINATORS

FROM : CD: RESOURCE AND SCHOOL ADMINISTRATION

SUBJECT : PAYMENT OF 1ST TRANCHE NORMS & STANDARDS
           PAYMENTS TO PUBLIC ORDINARY AND INDEPENDENT
           SCHOOLS

DATE : 04 JUNE 2021

1. Please note that the department will be effecting payments in respect of the 1st Tranche to
   Public Ordinary and Independent schools with the next BAS run which is on Friday, 04 June
   2021. This means that all qualifying schools can expect to receive its funds on Wednesday, 9
   June 2021.

2. It must be noted that the department experienced severe reductions in the Equitable Share
   funding due to Treasury budget cuts. The 2021 Medium Term Expenditure Framework (MTEF)
   budget is prepared under a highly constrained economic climate with growth projected to
decline as asserted by the Minister of Finance in the 2020 Medium Term Budget Policy
Statement (MTBPS). This is mainly attributable to international and domestic changes which
include amongst others:
   • Slowing global economic growth especially in advanced economies;
   • Aggregate supply shocks such as drought and disruptions to electricity supply;
   • Weak household spending (which tend to limit household budgets) due to low employment,
rising fuel prices and taxes;
   • Government expenditure scaling down to accommodate fiscal consolidation measures; and
NOTICE OF 1ST TRANCHE PAYMENTS TO PUBLIC ORDINARY & INDEPENDENT SCHOOLS – JUNE 2021

- Private fixed investment which is influenced by business confidence has not fully recovered thus limiting potential growth of agriculture, mining and manufacturing.

3. This saw the norms and standards budget per learner allocation funding reduced by as much as 40% which impacted on the department’s ability to fund schools as intended which also affects the transfers to schools. Furthermore, the impact that the COVID-19 pandemic has and continues to have on government funding as well the department’s commitment to providing temporary assistants, PPEs and other resources to schools to combat this pandemic must be noted.

4. The data used for the implementation of transfers to schools is based on the August 2020 data which is used for 2021/22 Budget Planning and resourcing allocations. This will impact on the expected transfers to schools affected by rationalization. The department will review and decide on how best to manage this during the adjusted budget process.

5. Furthermore, it must be noted that the withholding of transfers on request from districts has been considered with the final tranche 1 amounts transferred to schools. The following districts requested that portions of schools transfer must be withheld in order to settle outstanding Municipal school accounts – NMM, BCM and Amathole East & West.

6. In conclusion, the department would hereby appeal to the school leadership to use these funds wisely and only for purposes for which they are intended as stipulated in National Norms & Standards for Schools Funding (NNSSF), Circular 1 of 2013 issued by DBE and addressed to School Principals, SGBs, and Parents. The circular deals with the guidelines with the purpose and use of school allocations.

7. Lastly, please note that all enquiries on this matter must be directed to your relevant circuit managers and district officials.

Kind Regards,

TJZ MYIDA
CD: RESOURCING AND SCHOOL ADMINISTRATION

DATE

06.06.2021