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Education gets lion's share of E Cape budget

Mvoko allocates R41bn to department, warns 'big three' that they must improve audit performances

APHIWE DEKERK

The Eastern Cape department of basic education has again been given the lion's share of the provincial budget of R91.6bn by finance MEC Mlungisi Mvoko.

Delivering his budget speech on Tuesday, Mvoko allocated R41bn to education, just weeks after the department was forced to return millions of unspent infrastructure grant funding to the national government.

The department's budget is up by more than R3bn from the R38.5bn Mvoko allocated to it in 2022.

"At the core of our priorities is education, as it is one of the tools we use to build and transform our socioeconomic standing as a country," Mvoko said.

Of the department's allocation:

- R2.5bn is to be spent on the annual procurement of textbooks and stationery for pupils from grades R to 12;
- R89.144bn over the three-year medium-term expenditure framework (MTEF) is set aside for post provision norms, including the appointment of teachers in critical subjects;
- R2.5bn of the 2023 MTEF is allocated to address budget pressures for salaries, and R3.9bn is for the department's cost-of-living adjustment; and
- R1bn of the R2bn school infrastructure grant is to deal with backlogs.

This amount is part of the national government's grant.

The department of health has been given the second-highest amount at R28.1bn, slightly up from last year's R27.3bn.

The department has been under financial strain, weighed down by costly medicolegal cases and rising salaries.

"An additional amount of R967.7m in the 2023/2024 financial year and R3bn over the 2023/2024 MTEF has been allocated for the compensation of employees and service backlogs, including antiretroviral therapy, TB, medicine and other goods and services."

Mvoko said the health department's turnaround strategy was starting to yield positive results.

"This is after we identified a number of

challenges found in the healthcare system.

"At the core of these challenges are the medicolegal claims that are draining provincial coffers, leaving health with serious cash flow challenges.

"The multipronged strategy's main purpose is to steer provincial health services into becoming more comprehensive and balanced in responding to individual patient, family and community health needs.

"It is looking at improving efficiencies across the system, focusing on optimisation of budget; [increasing] income streams; [decreasing] losses and managing risk; digitalisation and efficiencies and cost saving."

Mvoko said the measures implemented were meant to address the cost of employment, infrastructure and supply chain processes.

"They also seek to decrease clinical risks, deal with fraud and corruption, digitalisation of systems and widen revenue sources."

Another department that scored big was transport, which was allocated R5.6bn.

Mvoko said this allocation was meant for continued road construction in the province, as well as the building of bridges, particularly the Welisizwe Programme, under which 26 bridges will be built in the province.

The department is committing R470.2m for 2023/2024 for the Welisizwe Programme's 26 bridges.

Mvoko said of the R5.6bn, almost half

— R2.5bn — had been allocated to continue with the phased implementation of Wild Coast Meander Route, upgrading of the road to Siphethu Hospital, upgrading of the R61 via N2 to Clarkebury and construction of the Mid-delburg Integrated Traffic Control Centre Phase 1 at Meintjies Road and the N9 intersection.

"Sanral is already assisting us with the implementation of five key projects: the N2 Msikaba Bridge, N2 Nqadu to Mbokotwana, R63 Fort Beaufort to Dikeni, N2 Green River to Buffalo River, R58 Lady Grey to Barkley East and R61 Baziya to Mthatha Airport at the value of R4.9bn."

The department of human settlements will get R2.5bn, social development has been allocated R2.8bn while rural development & agrarian reform will receive R2.3bn.

Co-operative governance & traditional affairs has been allocated just over R1bn.

Premier Oscar Mabuyane's office will get R1.2bn while public works and infrastructure has been allocated R2.5bn.

Mvoko said the national government had again committed funds to the Mzimvubu water project.

"We are pleased that R8bn has been committed to this project, and the construction of the Ntabelanga Dam will commence later this year. This is a good story of progress for the province."

Mvoko emphasised the need to improve the provincial departments' audit performances, especially at the big three — education, health and transport.

"Provincial departments and entities must focus on implementing the audit improvement plans so we don't regress as a collective.

"We must invest in oversight, transparency and accountability to eliminate inefficiencies in the system."

He commended municipalities which had turned their finances around, saying they needed to be supported to improve their audit outcomes.

"One of our major challenges is having the majority of our municipalities in financial distress, which affects their financial sustainability.

"Causes of this are poor revenue collection and poor implementation of cost-containment measures."

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