



## GAUTENG PROVINCE

EDUCATION  
REPUBLIC OF SOUTH AFRICA

Enquiries: Bongane Sibisi  
Ref: 5. ED023

**TO: VRP SKOSANA  
SECRETARY TO THE LEGISLATURE**

**FROM: MR. M K CHILOANE  
MEMBER OF EXECUTIVE COUNCIL  
EDUCATION AND SPORTS, ARTS, CULTURE AND RECREATION**

**SUBJECT: QUESTION POSED BY THE LEGISLATURE QUESTION 5. ED023**

### **PURPOSE:**

With regard to the analysis of the Department of Education's First Quarterly Report for the 2024/25 financial year where on page 96 it states "Early Childhood Development:

The underspending in this programme for both quarter under review and in overall is due to machinery and equipment item resulted from the delay in procurement processes of the photocopy machines and most high spending items like LTMS and management handling fee are projected to spend during the start of the third quarter." With this in mind would the MEC please indicate:

### **QUESTION 1:**

What are the reasons for paying a "Management handling fee" to organisations?

### **ANSWER:**

The Management handling fee is for Warehousing and Distribution costs.

### **QUESTION 2:**

What are the reasons the Department cannot do this work themselves?

### **ANSWER:**

Currently, the Department does not have the capacity to provide warehousing and distribution services.

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**QUESTION 3:**

Which companies are paid a "Management Handling Fee"?

**ANSWER:**

Bongani Rainmaker Logistics who were appointed through an open tender process is the only company that was paid a management handling fee.

**QUESTION 4:**

What amount has been paid to companies for the "Management Handling Fee" over the past five financial years?

**ANSWER:**

The table below provided the information for amounts paid to the company for Management Handling fee for the past five financial years:

<b>Management Handling Fees for the past 5 years on Early Childhood Development</b>					
<b>Financial Year</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>Amount Paid</b>	R13 018 689, 20	R40 271 967,19	R36 450 850 51	R61 131 196, 60	R35 306 357, 44

Kind Regards



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