GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

Enquiries: Sipho Cetshwayo
Ref: 5. ED200

TO: ADV MPHO MALOKA
SECRETARY TO THE LEGISLATURE

FROM: MR. L I MAILE
MEMBER OF EXECUTIVE COUNCIL
EDUCATION AND SPORTS, ARTS, CULTURE AND RECREATION

SUBJECT: QUESTION POSED BY THE LEGISLATURE QUESTION 5. ED200

PURPOSE:

With reference to outstanding amounts owed by public schools to service providers, could the MEC please indicate:

QUESTION 1:

Which public schools currently owe money to service providers?

ANSWER:

In terms of the South African Schools Act, 1996 (Act No. 84 of 1996), a public school is a juristic person with legal capacity to perform its functions in its own name. The Act further places responsibility on the school governing body to administer and control the school's property, buildings and financial affairs and permits governing bodies with allocated functions to procure goods and services required by the school, including payment for services rendered to the school. Accordingly, contractual arrangements entered into by individual public schools with service providers are ordinarily concluded, managed and paid for at school level, using the school's own budget, allocations and other lawful school funds. For this reason, the Department does not maintain a central register of every outstanding amount that may be owed by each individual public school to each service provider, nor does it routinely hold verified information on the age analysis, reasons for non-payment or dispute status of such school-level contractual debts. Such information would reside primarily in the accounting and procurement records of the respective schools and their school governing bodies. Where specific matters are formally brought to the Department's attention, the Department considers them in line with its oversight responsibilities and may provide guidance or intervene where legally permissible and appropriate.

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QUESTION 2:

In respect of each school referred to in (1), please indicate?

a) The name of the school?
b) The name of each service provider?
c) The nature of the goods or services provided?
d) The amount owed to each service provider?
e) The age analysis of the debt (1–30 days, 31–60 days, 61–90 days, 91–120 days and more than 120 days)?

ANSWER:

Please see (1) above.

QUESTION 3:

Whether the debt is currently in dispute?

ANSWER:

Please see (1) above.

QUESTION 4:

What are the reasons that each school has accumulated outstanding amounts owing to service providers?

ANSWER:

Please see (1) above.

QUESTION 5:

In how many instances has the inability to pay service providers arisen as a result of:

a) insufficient Norms and Standards funding?
b) delayed transfers from the Department?
c) municipal expenditure exceeding budgeted allocations?
d) inherited debt? or
e) any other reason?

ANSWER:

The Department is not in a position to provide a verified numerical breakdown of instances under paragraphs (a) to (e). The Department would require verified school-level financial records, supporting invoices, budgets, bank statements, procurement documents and explanations from each affected school before any instance can properly be attributed to one of the causes listed.

These are not collected by the Department. Subject to such verification, the Department's position is as follows:

(a) insufficient Norms and Standards funding cannot automatically be assumed to be the cause of non-payment, as the school allocation is intended to support non-personnel, non-capital operational expenditure and schools remain responsible for budgeting and prioritising expenditure within available resources;

(b) with regards to delayed transfers from the Department, each instance of non-payment would still require verification to determine whether the delayed transfer was the direct or primary cause of the school's inability to meet a specific obligation or whether other factors such as budgeting, expenditure prioritisation, cash-flow management, disputed invoices or existing liabilities also contributed;

(c) municipal expenditure exceeding budgeted allocations would require confirmation from the school's approved budget, municipal statements and payment history as overspending may arise from consumption patterns, under-budgeting, tariff increases or weak financial controls;

(d) inherited debt would require proof that the liability existed before the current financial management cycle or current governing body assumed responsibility, and that it remained legally enforceable; and

(e) other reasons may include disputes over delivery or quality of services, incomplete supporting documentation, late submission of invoices, cash-flow pressures, poor budgeting, unauthorised commitments, or non-compliance with school procurement and financial management procedures.

QUESTION 6:

What steps has the Department taken to assist schools experiencing financial difficulties in paying service providers?

ANSWER:

The Department provides support and oversight to schools experiencing financial difficulty, within the framework of the South African Schools Act, 1996, the Public Finance Management Act, 1999, and applicable school funding and financial management prescripts. This support does not ordinarily involve the Department assuming contractual debts incurred by individual schools, as those obligations are generally managed at school level by the school governing body. However, where a school formally brings a financial difficulty or threatened interruption of services to the Department's attention, the Department may assist by engaging the school, reviewing the circumstances, and providing guidance on lawful and practical steps to resolve the matter.The steps taken or available include: advising schools and school governing bodies to prioritise essential services in their approved budgets; assisting schools to assess the validity of invoices and supporting documentation; guiding schools to engage service providers on repayment arrangements where appropriate; monitoring whether allocated transfers have been processed in accordance with the approved funding cycle; encouraging schools to strengthen financial controls, procurement compliance and record-keeping; and, where necessary, referring persistent financial management concerns for further support, intervention or investigation through the relevant district and provincial structures. Accordingly, the Department's assistance is directed at preventing avoidable service disruption, promoting sound financial management, and ensuring that schools act within the law when dealing with service providers.

QUESTION 7:

Has the Department identified any schools that are at risk of legal action, suspension of services or termination of contracts due to unpaid accounts?

ANSWER:

The Department has not identified any schools that are at risk of legal action, suspension of services or termination of contracts due to unpaid accounts. Where specific matters are formally brought to the Department's attention, the Department considers them in line with its oversight responsibilities and may provide guidance or intervene where legally permissible and appropriate as indicated in (6) above.

QUESTION 8:

If so, which schools, service providers, including interventions that have been implemented ? and

ANSWER:

Please see (7) above.

QUESTION 9:

What is the total amount owed by all public schools to service providers as at 31 May 2026, broken down by category of expenditure?

ANSWER:

Please see (1) above.

Kind Regards

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