

# From a Captured to a Capable State: School Infrastructure in the Eastern Cape

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# Overview:

- Equal Education and #FixOurSchools
- The state of school infrastructure
- Implementing Agents and Procurement
- The creation of a capable and not a captured state

# #FixOurSchools: what does EE do?

Left to right:

1. Vukile Tshwete SSS, Keiskammahoek
2. Tolikana PS, Libode
3. Carlisle Bridge, Grahamstown



# The state of school infrastructure

In terms of the 'Norms and Standards', within three years from their date of publication (Nov 2013):

- Schools that do not have access to any form of power supply, water supply or sanitation must be provided with these basics.
- Schools entirely made of inappropriate materials, such as mud, metal, asbestos or wood, must be replaced with new schools-The ECDoE has not communicated the Norms through public education efforts, such as through circulars.

# The state of school infrastructure

We don't actually know because of unreliable data captured by DBE and ECDOE

- Their last report on the state of infrastructure is from May 2016, even this is highly inaccurate
- Bad data results in poor budgeting among other things
- Some schools are found in both provincial and ASIDI infrastructure project list- poor coordination between the two departments

# The state of school infrastructure

-There is a building backlog of over 800 PLANNED school

In 2017:

81 (58) schools-no Water\*

571 (187) schools- no Electricity\*

66 (61)schools- no Sanitation

3245 (1585) schools- using Pit Latrines

\*using unreliable water and electricity sources)

So is meant to be building these schools and why isn't it happening?

# Implementing Agents

Professional service providers which manage the building of schools on behalf of Provincial Education Departments as well as the national Department of Basic Education. Provide technical support and project management support to the State.

Receive 4.5 – 10% the value of a project in management fees

ECDoE Discussion Paper on Infrastructure, 2014, stated that the provincial delivery model, approved by the Executive Council in February 2008 is centered on delivery through the Department of Public Works, with the need to build capacity within the Department of Public Works

The aim was to build 510 schools  
in three years but only 179  
schools have been built in six  
years.

# Implementing Agents

Each school has at least six contracts which need to be managed: one for an architect, quantity surveyor, engineer, designer, and contractor. To procure each contract takes 3 months each.

Within each IA, the Head of Department and head of the ECDOE Supply Chain Management Unit appoint the Bid Evaluation Committee, which determines who should win the tender based on a formulaic point system. They also appoint the Bid Adjudication Committee, which evaluates the Evaluation Committee's recommendation and makes the final award. Department of Education officials have delegated officials to serve on IAs' procurement committees, although their actual attendance at these meetings is very rare and not required. A free for all for IAs.

# Implementing Agents

The Department of Road and Public Works (DRPW) was the main implementing agent for the ECDOE from 1995 - 2000. But, due to a lack of capacity within DRPW, the ECDOE increasingly transferred funds to different IAs for the procurement of provincial infrastructure. There are currently 7 IAs in the Eastern Cape in addition to the Department of Roads and Public Works (DRPW)

- Independent Development Trust (IDT)
- Coega Development Corporation (CDC)
- Development Bank of Southern Africa (DBSA)
- Mvula Trust
- Eastern Cape Development Corporation (ECDC)
- Water Research Commission
- Amatole Water

# Implementing Agents

“The DBE had to terminate some contracts with IAs or reduced the scope of work due to poor performance... poor performance by professional service providers resulted in inferior quality of work which had to be redone”- DBE 2016/17 Annual Report on ASIDI

-One of problems: Bid evaluation and adjudication committee meeting minutes are not made public or published for the department to see. Appointing a contractor who has not scored the highest points is the ECDOE’s biggest irregularity. The minutes of these meetings are not published! Information on over-stretched contractors is not shared amongst infrastructure departments when awarding tenders

# The Construction Industrial Development Board

- Created in 2000 under the Department of Public Works to regulate, register, and capacitate contractors
- As of 1 April 2016, the focus shifted to contractor capability
- The former CEO of Amatola Water, an Eastern Cape IA, is on the board of the CIDB. He has been suspended from Amatola Water for fraud
- The CIDB, which regulates the work of contractors, does not investigate the current capacity of contractors. Even though a contractor might only be qualified to take a job of up to 30 million, they can still take 2 jobs of up to R29 million, which is a loophole that must be closed.



# Implementing Agents: Coega Development Corporation

- Coega- a state owned entity has been allocated public money to do work on behalf of the government and, in the 2017-2018 financial year, it was allocated R262-million to build school infrastructure in the Eastern Cape.
- Coega is involved in more than 900 ongoing school infrastructure projects, many of which are suffering from poor or incomplete service delivery, the result of poor contract management and internal controls. Coega's chief executive, Pepi Silinga, will earn R4.6-million this year.

# Coega Development Corporation

- The 2017 Auditor General's Public Financial Management Act report revealed that Coega's procurement processes were uncompetitive or unfair. The AG found that Coega's board did not exercise adequate oversight to prevent noncompliance with relevant legislation and Coega has been slow to deal with areas of risk, instability or vacancies in key positions, and key officials lacked competence. (Too many projects)
- Coega was responsible for R3-million of the ECDoE's irregular expenditure last year, which is under investigation. It was also responsible for the fruitless and wasteful expenditure of another R8-million — which could have provided 95 toilets or 11 classrooms.

# Coega and Vukile Tshwete SSS



# The creation of a capable state

- Capacity building: where is the Department of Public Works?
- Implementing Agents procure contractors, technical consultants, and social consultants using their own SCM processes and based on their own timeframes. -
- Implementing Agents: slow procurement, incomplete or sluggish delivery
- Do not work from the same Constitutional/People orientated principle's as a government department is required to do.

# The Politics of the Premier

- If an MEC is protected by his or her political connections within the ANC, then the HOD, who is in charge of service delivery, becomes the target of bully politics. Since 1994, 12 HODs have either been ousted or resigned in the ECDoE. Under the current MEC, Mandla Makupula – in office since 2010 – there have been a staggering nine HODs.
- Since Oscar Mabuyane became the new leader on the ANC in EC, despite Phumulo Masualle remaining Premier, there is a rumored cabinet reshuffle happening soon.

# The creation of a capable state

- Have better oversight over IAs- HODs of Provincial Education Departments should have guidelines for appointing IAs
- The public should have access to IA project allocations and progress reports and steering committee meetings at schools should be held and reported on
- ECDoE must create a blacklist of contractors and deduct penalties for slow progress of construction from IAs
- There should be open bid committees.