Performance Audit Report

Management Report of the Auditor-General

on a performance audit of the Kha Ri Gude Mass Literacy Campaign at the Department of Basic Education

February 2014

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EXECUTIVE SUMMARY

KEY FINDINGS AND RECOMMENDATIONS

The Kha Ri Gude Mass Literacy Campaign (Kha Ri Gude) aimed to make literate 4,7 million illiterate people by 2015. This performance audit provides an analysis of whether Kha Ri Gude was economically, efficiently and effectively implemented, by responding to the audit questions compiled.

Between 2008 and 2012, the department invested R2,5 billion in Kha Ri Gude. This led to the campaign reaching 2 518 313 (54%) targeted illiterate people by 2012, with three years of the campaign remaining.

This report, however, demonstrates that despite the progress towards eradicating illiteracy in South Africa with the aid of Kha Ri Gude, the department did not implement the campaign economically, efficiently and effectively in all respects. Important/significant issues existed within the operation of the campaign.

1. Policies, procedures and guidelines

Audit question 1
Do the policies, strategy and guidelines clearly explain the objectives, outputs and activities to ensure that illiteracy is reduced?

There was no policy throughout the period of the campaign and, with the target date of 2015 drawing close, policy to direct the implementation of objectives, outputs and activities to reduce illiteracy is crucial.

The budget did not support the strategic objective of educating 4,7 million illiterate people in South Africa. The government approved funding of R6,1 billion was made available to the campaign. As a result, the original target date of 2012 ha be extended to 2015. A reduction in the estimated budgets of the 2014-15 to 2016-17 financial years, together with other concerns highlighted in the report, will impact on the number of learners reached and, ultimately, on the achievement of the 2015

2015 in line with the MDGs

target. While the department has invested extensively in Kha Ri Gude, it will take another 3 years beyond 2015 to educate the 4,7 million illiterate people targeted.

Coordination between the department and the Department of Higher Education and Training's Adult Basic Education and Training programme was limited. Although Kha Ri Gude's learner intake was up to 206% more than other programmes, Kha Ri Gude learners did not continue their education by enrolling for the Adult Basic Education and Training at level 2[1].

every year KRG invites ABET to recruit learners

It is recommended that the department should:

a) approve and implement a policy to address final objectives, outputs and activities.
b) recalculate a realistic number of Kha Ri Gude learners that completed the campaign to date, taking all the identified weaknesses into account. Targets for the remaining period should be adjusted accordingly.
c) draft an implementation plan with realistic, clearly defined targets after the necessary adjustments were made. Objectives should be linked to specific time frames, responsibilities and budget requirements. The implementation plan should take the prioritisation of provinces with high levels of illiteracy into account.
d) review the Kha Ri Gude budgeting criteria to ensure that future requirements are determined timeously for the Kha Ri Gude target and implement measures to ensure that the quality of Kha Ri Gude is not compromised where budgets are reduced.
e) ensure that accurate, reliable and complete management information is collected, verified and maintained to facilitate proper monitoring and reporting on Kha Ri Gude.
f) coordination and communication between the department and the Department of Higher Education and Training should be strengthened to ensure that Kha Ri Gude learners feed into the Adult Basic Education and Training programme.

[1] *Adult Basic Education and Training level 2 is equivalent to grade 5 at an ordinary public school*

2. Educators, supervisors and coordinators

Audit question 2

Did the department mobilise potential learners, volunteer educators and other support personnel to ensure timely and quality implementation of the campaign?

The department did not mobilise potential learners, volunteer educators and support personnel to ensure the quality implementation of the campaign.

what is this based on?

The 2012 and 2013 classes were delayed by the late appointment of the service provider for the warehousing, picking and packing, distribution and collection of learner and teacher support materials. The delay impacted the teaching hours as educators were still required to finalise the teaching term by December 2013, without compromising on quality. However, the quality of teaching was affected as some educators only offered two hours of classes a week.

where did she get this info?

There is a continuous flow of new illiterates despite the 2011 Census reflecting a literacy rate of 91% compared to the 82% literacy rate of 2001. Due to problems in basic education, youngsters in the age group of 1 and 20 enrolled in Kha Ri Gude instead of mainstream education. On average nearly one in four (23%) of learners dropped out of the campaign or scored below 40% and was considered failures.

Census 2011 included Zimbabweans etc. There are many
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ing
ats

566,190 LAPs returned at the end of 2010 giving a 92% completion in 2010 - bringing the completion rate to 91,6 of which less than 1% achieved below 40%. In all systems some learners will not achieve because of learning challenges. (However the completion rate on page x is incorrect. In all campaigns and in ABET, the number of drop-outs is much higher than KRG

its focus/strategy to the actual number of staff needed per province for the 2014 and 2015 years.

a mopping up strategy is envisaged

The department did not ensure that volunteer educators were qualified at least to the level of matric. This gave rise to unqualified volunteer educators teaching learners. At times previous Kha Ri Gude learners were employed as educators in the campaign.

It is recommended that the department should:

a) investigate the impact on teaching hours as a result of the delay in starting the Kha Ri Gude campaign and take all the necessary steps to ensure that the remaining campaign years start on time.

the tender process delayed the starting date

b) enforce monitoring processes to ensure that

- Required teaching hours are adhered to and quality is not compromised
- Qualifications are evaluated before the appointment of staff

c) investigate the reasons for dropouts losing interest and encourage those learners to rejoin the campaign.

d) increase recruitment and decrease the dropout rate to compensate for the previous dropouts and achieve the targeted number of learners.

this will require 12% more funding

(d) create a balance between staff resources and the learners for the [illegible] period of the campaign, based on the Census 2011 as well as the discrepancies identified in the Kha Ri Gude learner numbers.

3. Learner and teacher support material

Audit question 3
Was quality Learner and Teacher support material available in the correct quantity and languages to ensure effective teaching?

Quality learner and teacher support material was not available in the correct quantity, although it was available in the correct language.

Excessive stock of some books was on hand at year-end. This resulted in increased costs as the department had to pay printing and storage cost for these books. In addition, although the campaign will come to an end in two years, it will take almost seven years before some of the current books on hand are distributed and used.

It is recommended that the department should compile a plan on how to utilise the remaining books at the end of the campaign.

surplus english stock was ordered by Vernon Jacobs prior to the setting up of the KrG unit.

4. Project implementation and management

Audit question 4

Was project implementation in terms of financial, administrative and management support by the private company effective to ensure a timely, cost-effective and quality campaign? Did the department effectively monitor the progress?

The department did not ensure that verification of information on the learner database was done for a timely, cost-effective and quality campaign. The verification and authorising processes on the learner database were still in progress for the 2013 campaign on 10 January 2014. This was because the 2013 campaign started late and priority was given to the verification of the volunteer educator's database. In addition, the learner information for 2011, 2012 and 2013 was inaccurate, unreliable and overstated. These shortcomings affected the department's progress towards achieving the 2015 target. The issues are not new as a previous audit report by the Auditor-General of South Africa highlighted shortcomings on the database. However, the department has failed to effectively manage the concern and also did not apply penalties or take action against the service provider that was responsible for project management.

Mr Benade had commissioned the AG to conduct a system's audit in 2009. In line with these findings the systems were adapted.

The department did not effectively monitor the progress of the campaign. Teaching hours were not monitored, which resulted in a majority of volunteer educators teaching less than 10 hours per week during 2013. Certain learner sites also could not be physically verified.

It is likely that educators change venues for a number of reasons. Please request the relevant information. We were anticpating that classes would close with the schools

The department lost a poten[...] were granted to the project management company's contract instead of proactively appointing a service provider in time.

It is recommended that the department should:

a) implement proper project management practices to manage the work of the project management company. Regular progress meetings with the service provider should take place where deliverables in terms of the contract is measured and signed off by the department.
b) support the service provider in executing its responsibilities in terms of the contract.

PURPOSE AND CONTENT OF THE REPORT

This performance audit was conducted at the national Department of Basic Education (the department) in accordance with section 188(4) of the Constitution of the Republic of South Africa, 1996, read in conjunction with sections 5(3) and 20(3) of the Public Audit Act, 2004 (Act No. 25 of 2004). In terms of these prescripts, national legislation confers additional powers and functions on the Auditor-General of South Africa (AGSA), allowing him/her to report on whether an auditee's resources were procured economically and used efficiently and effectively.

The purpose of this report is to facilitate public accountability by bringing the department's attention to the performance audit findings of its Kha Ri Gude Mass Literacy Campaign (Kha Ri Gude).

The audit provided substantiating evidence for the findings set out in this report. The documented findings include examples of the consequences of deficient management measures and should not be regarded as comprehensive.

This report should give rise to corrective steps and contribute constructively to the establishment and implementation of management measures and controls that will improve value for money.

AUDIT SCOPE

The performance audit focussed on Kha Ri Gude. During the audit, ten Kha Ri Gude learning sites were visited. Interviews were held with coordinators, supervisor, volunteer educators (VEs) and learners.

which sites were vacant?

AUDITING CONCEPTS AND APPROACH

Background

The auditing of government institutions is based on the premise that the accounting officer is responsible for instituting measures to ensure that resources are procured economically and used efficiently and effectively.

The primary objective of performance auditing is to confirm independently that these measures do exist and are effective. A structured reporting process is used to provide management, Parliament and other legislative bodies with information on shortcomings in management measures where applicable, examples of their effects and suggestions for improvement.

The function of the AGSA is not to question policy but rather to audit the effect of policy and the management measures that lead to policy decisions.

Audit approach

Performance audits are conducted according to the *Performance Audit Manual, 2008,* which contains the policies, standards and guidelines for the planning, execution, reporting and following up of performance audits in the public sector. In view of the complexity of the environment to be audited, each performance audit focuses on a delimited segment of the activities of a particular institution. Preference is therefore given to the more important aspects.

The management of the department was given detailed information about the objectives of the audit and the researchable questions to be addressed during the audit. Arrangements were made for the establishment of a steering committee consisting of the audit team and senior staff members of the department. The main purpose of the steering committee was to ensure the creation of a structured communication line and the cooperation of all the relevant parties. During the steering committee meetings, agreement was sought on matters such as the audit criteria, findings and conclusions. Issues were deliberated on and the representatives of the department were afforded the opportunity to submit timely inputs to the final management report. This approach should lead to the prompt implementation of corrective steps where weaknesses have been noticed.

It is, however, in no way the intention or practice of the steering committee to provide the institution with a veto power in respect of the nature and scope of the performance audit or the resultant report. A steering committee is a consultative consensus-seeking forum, but the relevant statutory powers remain vested in the AGSA.

Consensus about the factual correctness of the findings contained in the report was reached during a meeting held with the management of the department on Xxx.

OVERVIEW

Kha Ri Gude is a mass literacy campaign run by the department. Its purpose is to reduce illiteracy rates amongst adults in South Africa. A fully literate person is considered to have attained the equivalent schooling of a grade 7 pupil. In Census 2001, Statistics South Africa indicated that there were 9,6 million adults with a schooling level less than that of a grade 7 pupil. Of these, 4,7 million adults had no schooling. The two groups' needs have to be addressed differently:

- The 4,7 million people who have never been to school require both basic literacy and post-literacy support to ensure retention of functional literacy competencies.

It is common knowledge that schooling as a proxy indicator is not an accurate predictor of learning achievement- moreso for learners who attended some form of schooling during apartheid. KRG learners are preassessed when entering literacy.

enhanced with some appropriate adult basic education.

The first target was to educate the 4,7 million unschooled adults, and this number was set as the target for Kha Ri Gude.

The campaign's objective is to fulfil the Education for All commitment[2] of halving the illiteracy rate. Its coverage includes adults who are 15 years and older, illiterate or with less than grade 7 schooling, who reside in the 9 provinces of the country and speak one of the 11 official languages. Adults with disabilities are also included in the campaign.

Kha Ri Gude enables learners to read and write up to a level of literacy equivalent to Adult Basic Education and Training (ABET) level 1 or to grade 3 of the schooling

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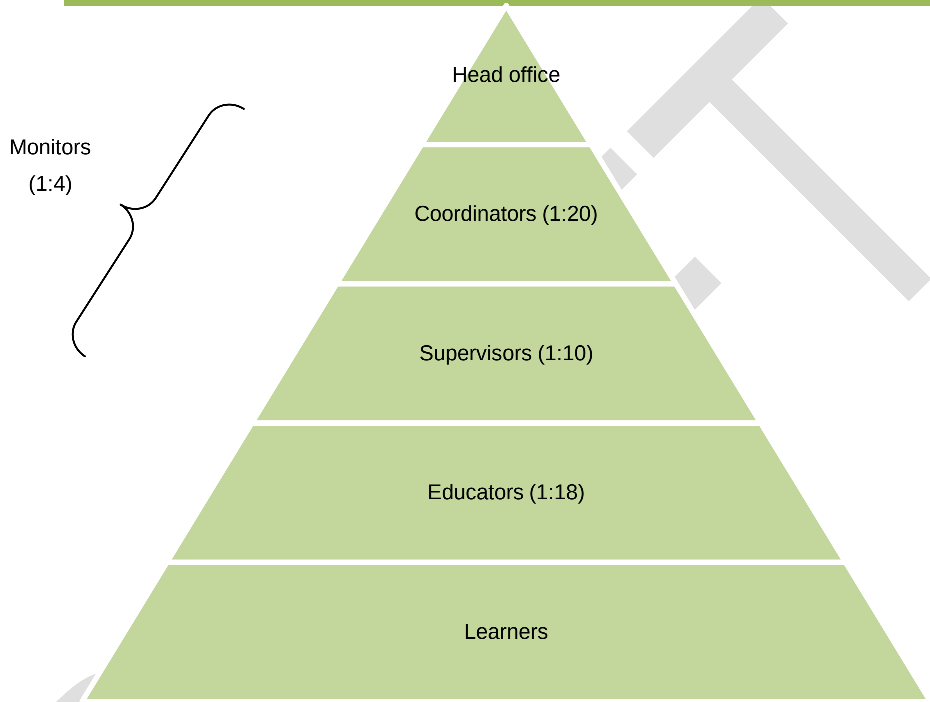
2 *Education for all (EFA) movement is a global commitment to provide quality basic education for all children, youth and adults. At the World Education Forum (Dakar, 2000), 164 governments pledged to achieve EFA and identified six goals to be met by 2015. Goal four specifically relates to illiteracy as follows: "We hereby collectively commit ourselves to the attainment of achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults."*

system. The duration of the literacy classes in any year is six months for the able learners and eight months for the blind and deaf learners. Each learner on the programme is provided with four free workbooks and stationery items.

The campaign employs VEs to conduct the literacy classes. There are also supervisors and coordinators who supervise and manage the learning sites respectively. The coordinators, supervisors and VEs are paid a monthly stipend.

Structure[3]



The department appointed a project management company to undertake supportive functions to the campaign activities. This project management company also manages three other companies contracted by the department to supply warehousing complete and distribution services, stationery packs for learners and VEs, and bags to carry workbooks and stationery items for learners and VEs.

The campaign's annual activities unfold in three phases:

3 *A filled structure consists of 3 600 learners per coordinator*

Phase 1 (setting up phase) January to May	Phase 2 (teaching and learning) June to November	Phase 3 (learner assessments) December
• distribution of administrative documents and monthly reports • database preparation • printing , supply and distribution of packed learner teacher support materials and stationery items to 200 coordinators in nine provinces	• literacy classes are conducted • collect learner registrations and monthly coordinators reports for six months from 200 coordinators in nine provinces	• collection of learner assessment portfolios from 200 coordinators in nine provinces

The 2011 Census shows that nearly 91% of the population of South Africa is literate compared to 82% in the 2001 Census. Kha Ri Gude had trained nearly 2,6 million illiterates by the end of 2012 in all 11 official languages, and aims to train another 2,1 million illiterates by 2015. The following graph summarises progress for the literacy and basic education levels of adult South Africans aged 15 and over.

Figure 1: Literacy and basic education levels of South Africans aged 15 and over

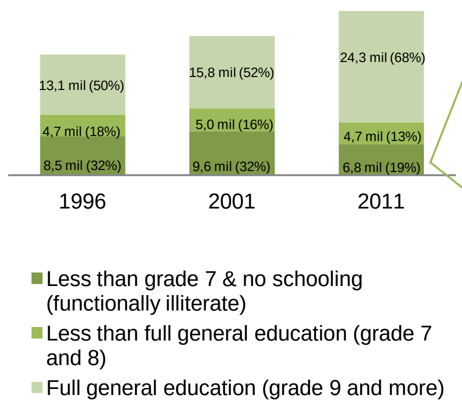
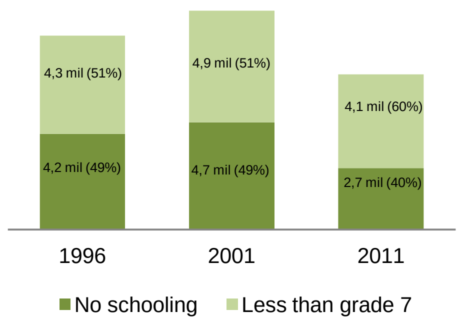


Figure 2: Less than grade 7 and no schooling (functionally illiterate)



The figures show that by 2001 there had been no decrease since 1996 in the percentage of functionally illiterate adults as it remained at 32% and have actually increased in raw numbers. The functionally illiterate adults decreased from 32% in 2001 to 19% in 2011 mainly due to the reduction in illiterate adults with no schooling which decreased by 2 million from 4,7 million to 2,7 million. The illiterate adults with schooling less than grade 7, decreased in numbers but increased from 51% in 2001 to 60% in 2011. This indicates that illiterate adults only engage in study activities until they can do the basics of literacy and numeracy and do not continue their education through other adult education programmes.

DETAILED FINDINGS AND RECOMMENDATIONS

Chapter 1: Policies, procedures and guidelines

1. Overall achievement of the Kha Ri Gude objective

1.1 The department did not reach its original 2012 target to alphabetise[4] 4,7 million illiterate adults. This was mainly due to a lack of funding[5] at the inception of the campaign. The target date was soon extended to 2015. Only 2 518 313[6] learners (54% of the target) completed the campaign by 2012.

In 2008 the target date was extended to 2015 based on the funding projections. The 2 518 313 does not take into account 2013 learners or the numbers envisaged for 2014 and 2015.
The auditor has miscalculated the number of learners achieving below 40%.
The 2010 completers was incorrectly stated.

- The numbers reported as part of the success of the campaign are significantly overstated:
  - The Kha Ri Gude learner database was not accurate and reliable due to deficiencies. (Page 37, paragraph 5.1).
  - The figures reported for the campaign in the annual reports were not supported by the databases. (Page 23, paragraph 4.1).
  - During site visits, the existence of learning sites could not be physically verified. (Page 35, paragraph 4.2).
- Youngsters that should have achieved literacy through the normal schooling system were enrolled for the campaign. (Page 30, paragraph 2.1). It is unlikely that children below age15 were enrolled

Please provide the names of educators teaching 2 hours pw

The quality of teaching was of concern as educators were unqualified. Previous Kha Ri Gude learners were employed as educators in the mass literacy campaign. Some VEs also only provided two hours of class per week instead of the required 10 hours. (Page 32 and 33, paragraphs 3.1 and 3.2).

the list provided by the AG was a list of blind and deaf learner

- National Treasury reduced the Kha Ri Gude budget for 2014-15 to 2016-17. This will impact on approximately 135 335 learners that will not be reached. (Page 20, paragraph 3.4).

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4 *Kha Ri Gude enables learners to read and write up to a level of literacy equivalent grade 3 of the schooling system*

5 *Refer to page 17, paragraph 3.1 for the detailed finding on funding.*

6 *This number is overstated; refer to page 37, paragraph 5.1.*

- The 2013 learner target of 676 800 was not reached as only 638 904[7] learners registered. With an average dropout rate of 14%, the department will start with a backlog of 134 057 learners in 2014. (Page 31, paragraph 2.3).

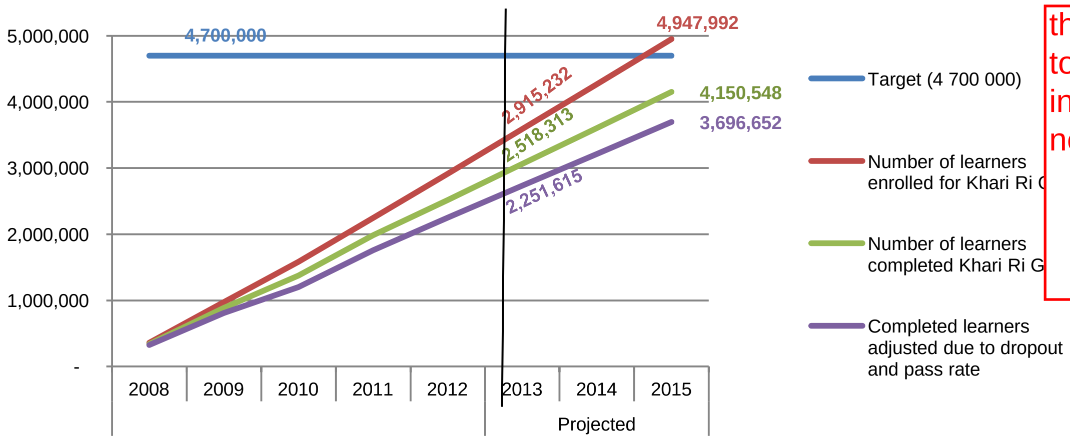
The drop out rate is 9% not 14%

only 9%

1.3 The learner dropout rate represented 14% of enrolled learners and the average pass rate was 89,6% of learners that completed Kha Ri Gude. If these rates remain steady, the Kha Ri Gude target of 4,7 million will not be reached by 2015, but only during 2018, without taking the additional shortcomings above into account.

less than1% achieved lower than 40%

Figure 3: Performance of Kha Ri Gude compared to target number



these stats need to be recalculated in line with the new numbers

Recommendations

1.3 The department should:

- recalculate a realistic number of Kha Ri Gude learners that completed the campaign to date, taking all the identified weaknesses into account
- review the target numbers for the remaining period of the campaign and adjust accordingly
- take appropriate steps to act on achieving the new target
- draft an implementation plan with realistic, clearly defined targets after the necessary adjustments have been made. Objectives should be linked to specific time frames and responsibilities. The implementation plan should

[7] *Learner numbers as at 9 January 2014.*

take the prioritisation of provinces with high levels of illiteracy into account.

2. Formal policy

KRG had policy guidellines

2.1 A formal policy to support the operational objectives and targets for Kha Ri Gude was not in place. The department regarded the campaign as a short term intervention that did not require a policy at the time. Cabinet also approved the Ministerial Committee on Literacy (MCL)'s report, a budget and a campaign strategy on 22 August 2007 and the detailed operational plan for implementation with a government funding of R6,1 billion in November 2007. Kha Ri Gude was implemented during 2008. A draft policy was only compiled during 2013 after this was raised in an internal audit report dated February 2013. As at January 2014 it had not been approved or implemented. Only two years of the campaign remain.

The department confirmed that the policy was presented at a workshop on 25 November 2013. The target date for sign off by the director-general is February 2014.

Recommendations

2.2 The department should implement a formal policy to address the final objectives, outputs and activities for the remaining period of the campaign.

3. Funding

Introduction Kha Ri Gude is funded as part of the budget for the Department of Basic Education[8]. An incentive grant was also introduced through the Expanded Public Works Programme[9] (EPWP) in 2011. This grant is paid out every quarter based on performance. No other grants or additional funds are received.

The plan was to complete in 2012 but the budget projections led the department to inform parliament already in 2008 that the budget meant completion by 2015.

3.1 The department's budget for Kha Ri Gude was not sufficient to achieve the objective of reaching 4,7 million illiterate people by 2012. An initial budget of

8 *The Department of Education split into two departments, Department of Higher Education and Training and the department of Basic Education, in May 2009*

9 *The EPWP aims to provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities at the EPWP. Public bodies from all spheres of government and the non-state sector purposefully raise the creation of work opportunities for unemployed and poor people in South Africa through the delivery of public and community services. Training and enterprise development are implemented in sector-specific programmes to enhance service delivery and beneficiary well-being.*

R6,1 billion was estimated and approved by Cabinet for the campaign in 2007, but this was never realised. The MCL calculated a preliminary costing of R6,1 billion for the plan, over the period 2007 to 2012. However, the department's budget allocation from National Treasury for the years 2007 to 2009 was limited to R850 million or 14% of the initial approved budget. As a result, the term of the campaign was extended from 2012 to 2015. Refer to the table below for an analysis of the shortfall of the envisaged budget.

Table 1: Shortfall of funding for Kha Ri Gude over the period of the campaign since inception in 2007 to 2012

Year	MCL Final report budget	Department of Education Medium Term Finance funds allocated	Shortfall	% Shortfall
	R'000	R'000	R'000	
2007	89 000	20 000	69 000	78
2008	1 536 000	350 000	1 186 000	77
2009	1 545 000	480 000	1 065 000	69
2010	1 585 000	0	1 585 000	100
2011	984 000	0	984 000	100
2012	406 000	0	406 000	100
Total	**6 145 000**	**850 000**	**5 295 000**	**87**

The reduction in funding resulted in a reduction of the original number of targeted learners per year by up to 70%, as demonstrated in table 2.

The plan was adjusted to suit the budget.

Table 2: Original timetable for the number of learners per year compared to the revised timetable

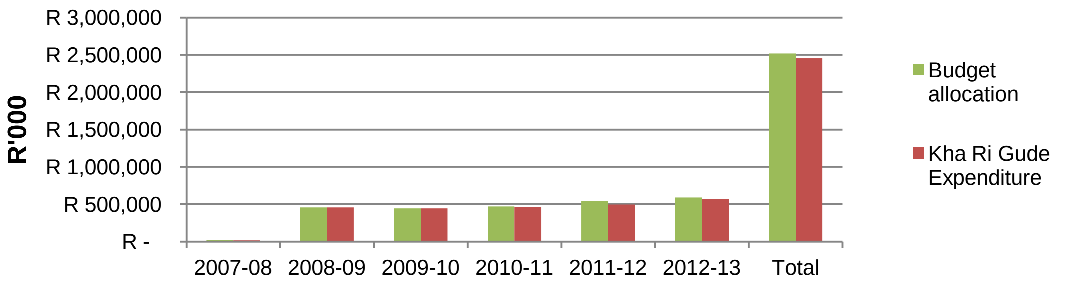
Year	Campaign timetable as at 18 July 2007	Revised timetable as at 9 December 2013
	Number of learners	Number of learners
2008	1 200 000	357 195*
2009	1 200 000	613 643*
2010	1 200 000	610 850*

Year	Campaign timetable as at 18 July 2007	Revised timetable as at 9 December 2013
2011	720 000	660 924*
2012	360 000	669 815*
2013	-	676 800
2014	-	677 980
2015	-	677 980
Total	**4 680 000**	**4 945 187**

* *Actual number of enrolments according to the Annual Reports of the Department of Basic Education*

3.2 Underspending occurred in 2010-11 to 2012-13. The 8,17% underspending in 2011-12 and 2,97% in 2012-13 was mainly due to delays in the procurement processes of the learner and teacher support material (LTSM). The delay was a result of a change in the procurement model in 2011-12. The LTSM was previously procured through the project management company. After concerns on the procurement process were raised by the AGSA, which were confirmed by the National Treasury, the department took over the procurement process. The annual underspending resulted in the department managing to remain within budget throughout the period, as demonstrated in the graph below.

Figure 4: Budget allocation vs actual expenditure



The MCL also overestimated the R6,1 billion required for the campaign. Their estimate per learner amounted to R1 165, compared to the much lower cost of R869,15 per learner for the 2012-13 financial year. At the end of the 2012-13 financial year, only R2,45 billion had been spent on the campaign and it is envisaged that the campaign will be completed within a budget of R4,4 billion.

The MCL had accurately assessed the amount needed to enable a person to become literate. However the KRG unit had to find cost cutting methods to fit within the budget available.

3.3 Total spending on the campaign for the 2013-14 year was slow. The appointment of the warehousing, distribution and collection service provider only took effect from 1 June 2013 (page 48, paragraph 2.7), thus delaying the start of the classes. This caused the low expenditure reported in the 1st and 2nd quarters of the financial year. As a result, the department only received R16 714 869 payment from the EPWP in the 2nd quarter of 2013-14 financial year instead of R25 686 144.

delayed by tender processes

3.4 National Treasury informed the department on 21 November 2013 that there would be a change to the budget baseline for the 2014-15 to 2016-17 financial years. An expenditure reduction of R280 million (11% of the net change to the total budget baseline of the department) was from Kha Ri Gude. The expenditure reduction was due to the expectation that the programme would wind down as the target of 4,7 million adult learners would be reached in 2014.

Table 3: Impact on the Kha Ri Gude budget reduction on the 2014-15 to 2016-17 financial years

	Kha Ri Gude budget allocation R	Budget reduction for Kha Ri Gude R	Adjusted budget allocation R	% change
2014-15	582 703 000	10 000 000	572 703 000	2
2015-16	609 584 000	130 000 000	479 584 000	21
2016-17	641 996 000	140 000 000	501 892 000	22
TOTAL	**1 834 283 000**	**280 000 000**	**1 554 449 000**	**15**

Unless the department reduces learner costs, which could impact the quality of the teaching and the campaign, 135 335 learners will not be reached and the target of 4,7 million learners will not be achieved in 2015.

EPWP budget should cover these numbers

3.5 By the end of 2012, only 2 518 313[10] learners completed Kha Ri Gude. Another 2 181 687 learners need to complete the campaign to achieve the target of 4,7 million. However, with the change in budget, the department will only be able to reach a further 1 897 425[11] learners by 2015 as reflected in the table and graph below. The department also used the total number of learners

2012 figures are wrong. This number does not factor in 2013 learners

[10] *This number is overstated, refer to page 35, paragraph 5.1*

[11] *This figure includes 2013 learner targets, as the final number of completed learners for 2013 was not available at the date of the management report*

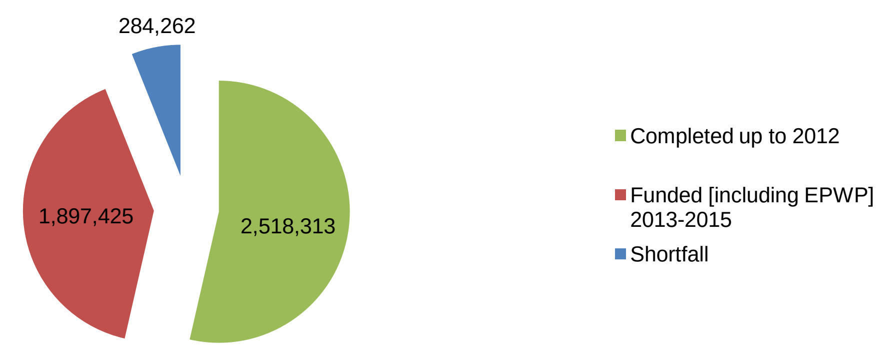
enrolled as basis for their planning for the remaining periods in calculating their targets, instead of using the number of completed learners.

Table 4: Total shortfall to reach Kha Ri Gude target due to budget changes and incorrect basis used for number of learners reached

	Department's calculation	Auditor's calculation
Learners' reached 2012	2 922 427	2 518 313[12]
Learner targets 2013	676 800[13]	676 800[13]
Learner targets 2014	677 980[13]	677 980[13]
Learner targets 2015	677 980[13]	677 980[13]
Total learners	**4 955 187**	**4 551 073**
Shortfall due to budget change		135 335
Total learners		4 415 738
Total shortfall to reach Kha Ri Gude target		**284 262**
Kha Ri Gude target		4 700 000

the figure for 2010 is incorrect because there was a completion rate of 91,6 and the rate of learners below 40%is 1%.
The pass rate will be similar for all the years

Figure 5: Compilation of 4,7 million learners



[12] *Number of learners completed as reported in the budget of the department. This number is overstated; refer to page 36, paragraph 5.1.*

[13] *Targeted number of learners used by the department were also used in the auditor's calculation*

Recommendations

3.6 The department should review the Kha Ri Gude budgeting criteria to ensure that future funding requirements are determined for the Kha Ri Gude target to be reached.

3.7 The department should secure funding for the remaining period of the campaign in conjunction with National Treasury.

3.8 Reasons for large variances between budgeted and actual expenditure in prior years should be considered in future budgeting cycles.

3.9 The department should implement measures to ensure that the quality of Kha Ri Gude is not compromised where budgets are reduced.

4. Performance indicators

4.1 Differences between the evidence provided for the number of enrolled learners and the reported actual performance was also highlighted by the AGSA in the management report of the Department of Basic Education dated 31 March 2013.

Table 5: Differences between the actual number of learners enrolled as reported in the annual reports and the database

the DBE report numbers do not show these stats

Year	Actual number of learners enrolled		Difference
	Annual reports	Database	
2011	660 924	628 641	32 283
2012	669 815	677 369	-7 554

Recommendations

4.2 The department should ensure that accurate, reliable and complete management information is collected, verified and maintained to facilitate appropriate monitoring and reporting on the number of learners enrolled and completed for Kha Ri Gude.

5. Initiatives for further education

Introduction

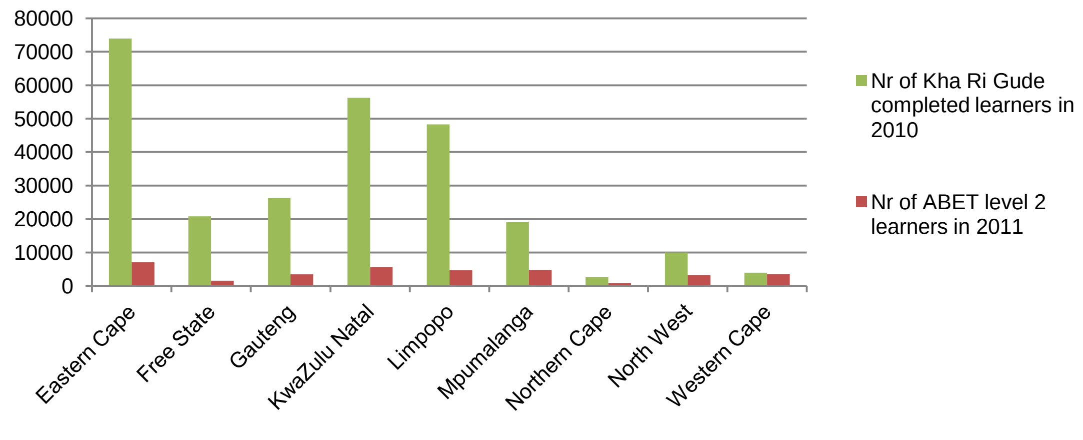
In 2008, one national Department of Education[14] was responsible for Kha Ri Gude and the ABET programme. The Kha Ri Gude objective is to educate people up to ABET level 1 or grade 3. The ABET programme consists of four levels, where ABET level 4 is equal to a grade 9 qualification. Implementation of the campaign necessitated synergy between the Kha Ri Gude and ABET programmes. This was to ensure that Kha Ri Gude learners progressed to ABET level 2 to ensure full literacy.

[14] *The Department of Education split into two departments, Higher Education and Training and Basic Education, in May 2009*

5.1 The seamless progression from Kha Ri Gude to ABET became problematic when the national Department of Education was split into the Department of Basic Education and the Department of Higher Education and Training in May 2009. Although the goal of reducing illiteracy remained, Kha Ri Gude became the responsibility of the Department of Basic Education and ABET that of the Department of Higher Education and Training.

There was little or no absorption of Kha Ri Gude learners into formal ABET programmes. During 2010, 486 000[15] learners completed Kha Ri Gude in South Africa, but only 34 967[16] learners enrolled for ABET level 2 in 2011. The graph below compares the number of learners that completed Kha Ri Gude per province in 2010 to the ABET level 2 intake[17] in the following year (2011):

Figure 6: Number of completed Kha Ri Gude learners in 2010 compared to the number of learners enrolled for ABET level 2 in 2011



5.2 Kha Ri Gude consistently enrolled more learners than ABET did for levels 1 to 4 combined, starting at 23% more learners in the inception year of Kha Ri Gude (2008) and increasing to 206% in 2011. Refer to the graph below where the number of enrolled Kha Ri Gude learners is compared to the total number of ABET enrolled learners from 2008 to 2011.

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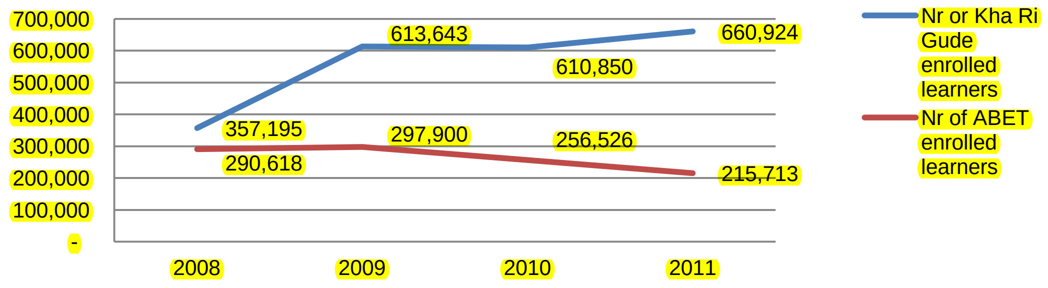
15 *Number of learners completed as reported in the budget of the department.*

16 *According to the Annual Survey 2011*

17 *The ABET level 2 intake comprises of completed ABET level 1 learners, completed Kha Ri Gude learners as well as adults that were assessed as literate to enrol only at ABET level 2 instead of level 1.*

Figure 7: Number of KRG enrolled learners vs total ABET enrolled learners



5.3 The lack of coordination between Kha Ri Gude and ABET was highlighted to the Portfolio Committee on Higher Education and Training during 2009. This was a result of the following:

KRG terms are determined by the financial year. KRG must procure and deliver before classes start
The ABET directorate needs to enhance its recruitment strategy

- The Kha Ri Gude teaching term was not aligned to the ABET teaching terms and Kha Ri Gude learners had to wait up to 6 months to enter ABET. For example, the actual start date of the Kha Ri Gude term in 2012 was 1 July 2012. Although the term is six months, learner assessment portfolios (LAPs) were only submitted in February and March 2013. The moderation of these assessments took place in April 2013. The ABET term starts in January for a period of six months, and again in August. Therefore a learner that completed the Kha Ri Gude campaign in December 2012, could only enrol for ABET level 1 in August 2013.
- Kha Ri Gude learners had to travel long distances to go to ABET centres.
- In some provinces ABET still needed to build capacity to absorb Kha Ri Gude learners by training officials and educators. In 2011, the ratio between learners for Kha Ri Gude and ABET levels 1 to 4 was 1:33.
- Kha Ri Gude teaching material is free while ABET learners need to pay for books. While education impacts on reducing poverty, illiterate adults usually do not have funds available to enrol in ABET.

5.4 Site visits were conducted during the audit and interviews were held with coordinators, supervisors and VEs. Although students were encouraged to further their studies into ABET, there was no record or follow up of how many learners did so. A lack of interaction between Kha Ri Gude and ABET was also visible at some sites: a coordinator in Limpopo indicated that fruitless meetings were held with provincial ABET authorities and a Kha Ri Gude coordinator in

KRG has also had a number of fruitless meetings with ABET in some rural areas there are no ABET centres. KRG educators are volunteers. The onus here should be on ABET officials to recruit.

KwaZulu-Natal did not know of any ABET centres in the vicinity of his sites. Two of seven supervisors confirmed limited and/or no interaction with ABET officials. Approximately 21% of learners were not aware of ABET.

Recommendations

5.5 The department should make the Kha Ri Gude database available to the Department of Higher Education and Training to enable them to specifically target individual learners for the ABET initiative.

The database is given to the provincial ABET

5.6 Communication channels between the Kha Ri Gude and ABET programmes should be strengthened to ensure that Kha Ri Gude learners feed into the ABET programme and are enrolled at ABET centres. Complete and accurate statistics should be recorded and maintained to facilitate proper communication and coordination between the two departments.

5.7 Communities should be involved at all levels in the recruitment, selection and retention of learners in further education initiatives.

Exactly but how does this impact on KRG

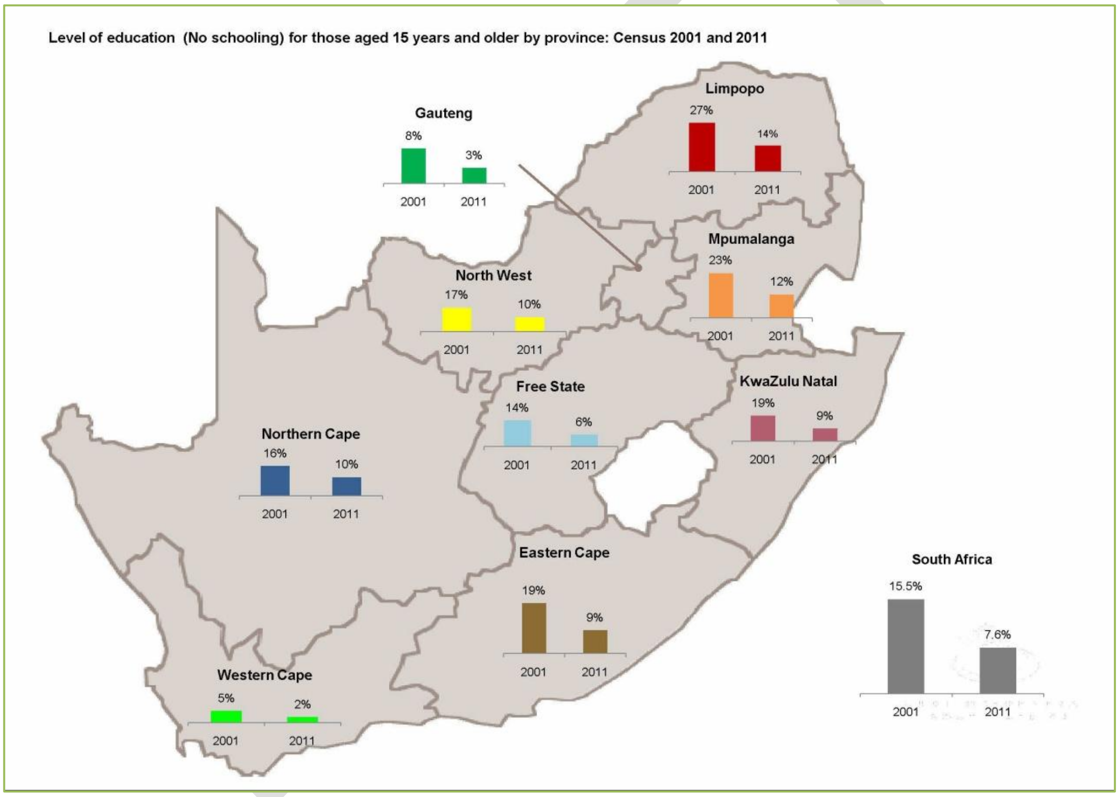
Chapter 2: Recruitment of potential learners, volunteer educators and other support personnel

VEs volunteer. They are not employed

Introduction

Kha Ri Gude employs VEs to conduct literacy classes. Supervisors and coordinators supervise and manage the learning sites and the VEs.

Figure 8 below indicates the level of education (no schooling) for adults aged 15 years and older by province according to Census 2001 and 2011.



1. Needs assessments

The 2001 census figures informed the Kha Ri Gude target.

1.1 Resources such as coordinators, supervisors and VEs were not allocated according to the specific needs of the provinces. The misalignment between the percentage of illiterate people and the staff allocated to Kha Ri Gude was caused by the 2008 recruitment process not taking into account the number of

The 2008 strategy took into account the provincial breakdown - each year the provinces were realigned.

illiterate adults per province. The 2008 recruitment process drew previously trained ABET educators from the South African National Literacy Initiative (SANLI), which was in place before Kha Ri Gude. These educators were absorbed mainly as coordinators and supervisors. They were responsible for recruiting the remaining supervisors and VEs. This was done without considering the geographical spread of the coordinators at the time (in 2008). The number of coordinators appointed also had an effect on the number of supervisors and VEs that were appointed. Ultimately, this affected the number of learners that were educated per province. As a result, a higher percentage of illiterate people were educated in certain provinces compared to others. For example:

there were 1,6 million adults below gr 7 in Eastern Cape.

- Only 27 coordinators were needed over the period of the campaign for the original 778 203 illiterate adults in Eastern Cape, but the department appointed 43 coordinators from 2009 to 2011.
- The Free State appointed 16 coordinators per year from 2009 to 2013 when only nine were needed per year. This affected approximately 122 400 learners.

North west lagged behind because of obstructions by the ABET directorate of the North West Department of Education. However this province will be focused on in 2014+ and thereafter.

The North West is currently lagging behind in reducing illiteracy by 2015. Only 10 to 12 coordinators were appointed per year over the term of the campaign, where 15 were required. The shortage in coordinators led to a shortfall of learners that should have been targeted. As a result, the targets for 2014 and 2015 have more than doubled.

ugh the 2013 average ratio of VEs to learners in South Africa was 1:17, below the required 1:18, this ratio was not achieved in all the provinces. For example, Western Cape had a ratio of 1:14, and was also one of the provinces lagging behind in reducing illiteracy by 2015. The targets for this province for 2014 and 2015 have also more than doubled.

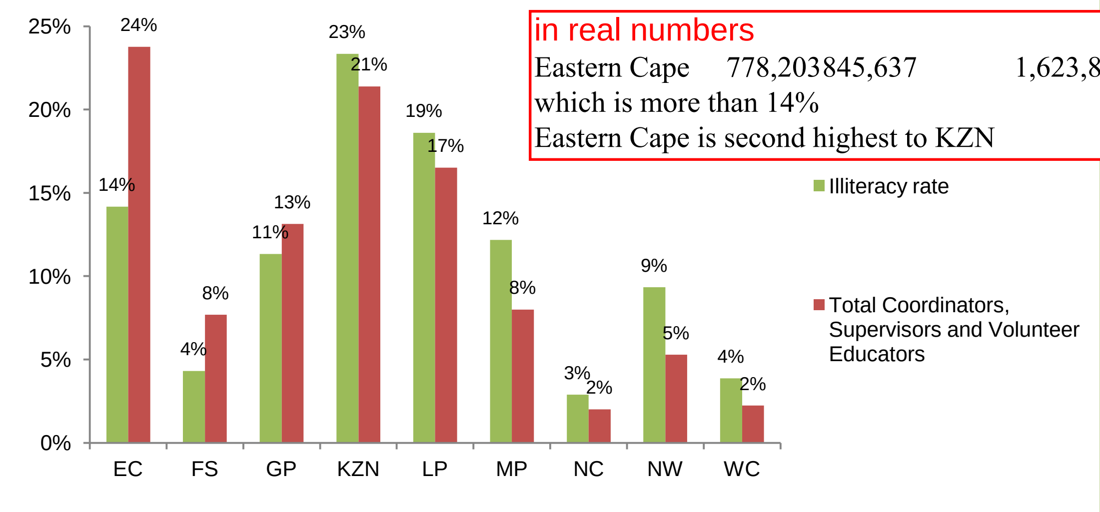
this province will be focused on in 2014+

1.3 During the audit team's site visits, a coordinator in Northern Cape needed to travel up to 3 474 kilometre per month (return) to visit all her supervisors. Two of the 20 supervisors were 425 kilometre (one way) from the coordinator's hometown.

Ideally we should appoint a coordinator for each place but this is not possible.

The figure below demonstrates the misalignment of the illiteracy rates according to Census 2011 and the percentage of resources in terms of coordinators, supervisors and VEs allocated per province for 2013.

Figure 9: Allocation of resources vs illiteracy rates



in real numbers
Eastern Cape 778,203845,637 1,623,840
which is more than 14%
Eastern Cape is second highest to KZN

1.4 New statistics on the number of illiterate adults in South Africa were available from the 2011 Census results. This led the department to revisit their targets per province and change its focus to the actual number of coordinators, supervisors and VEs needed per province. The change will be effected from 2014 to 2016[18].

1.5 The overall targets for the number of illiterate people to be reached during the 2013 – 2015 years are similar. However, the targets for the different provinces differ considerably as a larger percentage of resources were deployed in some provinces compared to others in prior years. Eastern Cape and the Free State educated a high percentage of illiterate adults from 2008 to 2013 and the targets in those respective provinces have been drastically reduced for the 2014 and 2015 years. For example, in Eastern Cape alone, 7 237 VEs, 695 supervisors and 38 coordinators, will not be needed as from 2014. The department warned coordinators during a workshop in April 2013 that it will be downscaling in the remaining campaign years, effective 2014. There is no formal strategy in place as yet on reducing or retrenching staff.

KRG was a poverty alleviation programme and government will need to address the lack of income as a result of retrenchments

The department will attempt to relocate existing coordinators to other provinces and districts where there is still a high level of illiterate adults and, in the process, reduce the number in exhausted districts and provinces.

[18] *The campaign will wind down during 2016 although the last formal campaign year is 2015.*

Recommendations

1.6 The department should ensure that the need for Kha Ri Gude is used as a basis to determine the number and spread of staff resources going forward. The Census 2011 figures as well as the discrepancies identified on the Kha Ri Gude learner numbers should inform the need for staff and the placement in the different geographical areas for the remaining period of the campaign.

2. Learners

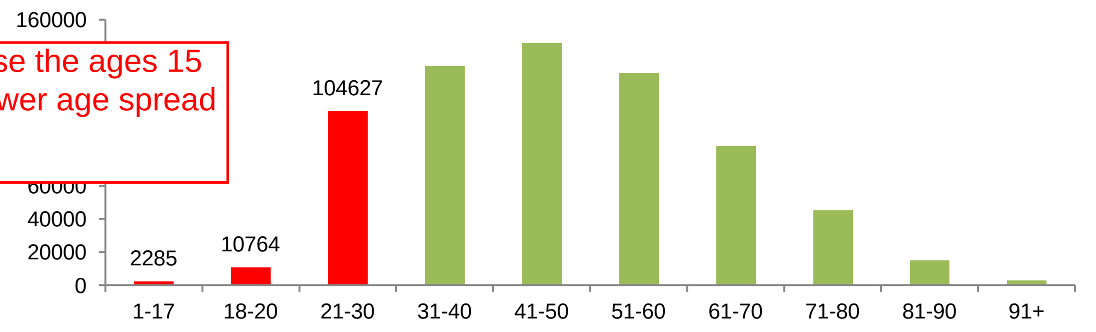
2.1 The South African Schools Act, 1996 (Act No. 84 of 1996), section 3(1) requires all children of age 7 to attend school until they reach the age of 15 or the ninth grade, whichever occurs first.

the number of learners below age 15 will be sought

In analysing the learners that enrolled for Kha Ri Gude in 2012 and 2013, it was evident that youngsters who should have achieved literacy through the normal schooling system, were enrolled for Kha Ri Gude. As schooling has been compulsory since 1996, people in the age group of 1 – 32 should not be enrolling in literacy programmes. However, 117 676 (18%) of the learners registered in 2012 and 115 846 (17%) in 2013[19], fell within the three lowest age groups:

The following graph presents the learner registrations per age group in the 2012 and 2013 campaign:

Figure 10: Learner registrations per age group for 2012

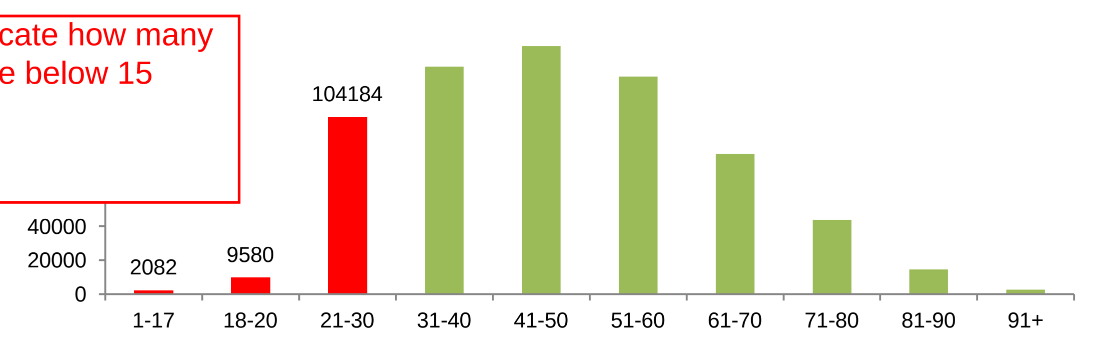


please use the ages 15 for the lower age spread

[19] *Learner numbers as at 29 November 2013*

Figure 11: Learner registrations per age 2013

please indicate how many learners are below 15 years



The retention rate of KRG at 90%+ is recognised internationally as being exceptional in adult basic education and moreso for a campaign.

2.2 Learners attending Kha Ri Gude classes did not always successfully complete their education. Some dropped out during the training period while others did not submit their LAPs at the required standard. This negatively affected the achievement of the target to reduce illiteracy in South Africa. A survey conducted by the department in 2013 revealed that learners dropped out due to family matters, sickness, death and some had lost interest.

Table 6: Learner drop out numbers

Year	Nr of learners enrolled[20]	Nr of learners completed[21]	Dropped out	% dropout
2008	357 195	342 000	15 195	4
2009	613 643	545 666	67 977	11
2010	610 850	486 000	124 850	20
2011	incorrect 660 924	612 450	48 474	7
2012	669 815	532 197	137 618	21
	2 912 427	**2 518 313**	**394 114**	**14**

2.3 The learner target for the 2013 campaign was 676 800. By 10 January 2014, the number of learners on the database totalled 638 904, which is 37 896 less than the target. Although learner particulars were captured, verification and authorisation processes were still in progress and this number could drop due to duplications on the database.

The *Kha Ri Gude* literacy campaign was launched in April 2008 after a two year process of investigation and development. Some 357,195 learners were enrolled in 2008, 613,643 in 2009, 609,199 in 2010, 660,924 in 2011, and 676,323 in 2012.
2. At the end of of March 2013 SAQA conducted the fifth annual moderation of the *Kha Ri Gude* adult literacy campaign. A sample of 36,228 Learner Assessmemnt Portfolios (LAPs) was scrutinized by 220 *Kha Ri Gude* moderators and verifiers with oversight by the six senior verifiers from the SAQA team. This sample represents 5.7% of the 635,270 LAPs returned at the end of 2012.
iii

Recommendations

2.4 The department should analyse the learner database and identify the children that should be enrolling in mainstream schools. These children should be located and reasons for non-attendance at basic schools should be investigated.

it is unlikely that there are children below age 15 except in exceptional circumstances.

2.5 The department shoul ons for dropout/losing interest and encourage learners t the campaign to complete their training.

2.6 The department should enhance their recruitment efforts and reduce the dropout rates to achieve heir targeted number of learners each year.

3. Recruitment and training

3.1 The department did not have a formal recruitment policy or strategy in place for Kha Ri Gude. It also did not have formal policy on the qualifications needed by VEs[22]. The operational plan of 2007 that was approved by Cabinet stated that most VEs are likely to have no literacy teaching qualification training although ideally VEs would be qualified with the national qualification framework (NQF) Level 4 (Grade 12) or NQF Level 5 (one year post grade 12 qualification). The Portfolio Committee on Higher Education and Training in Limpopo was notified in November 2009 that the minimum qualification for VEs was grade 12. However, this was not implemented. Although the contract with the project management company requires that recruitment criteria be set by the department, this was not done.

The Campaign always aimed to recruit educators with a matric. In some circumstances educators didnot have a matric but had been trained by operation upgrade or had another certificate or prior experience and these were included. These requirements were dropped for bind and deaf.

In a circular issued during July 2013, it was indicated that a matric certificate is not a requirement for teaching Kha Ri Gude. However, the expectation was that VEs would have at least attempted matric.

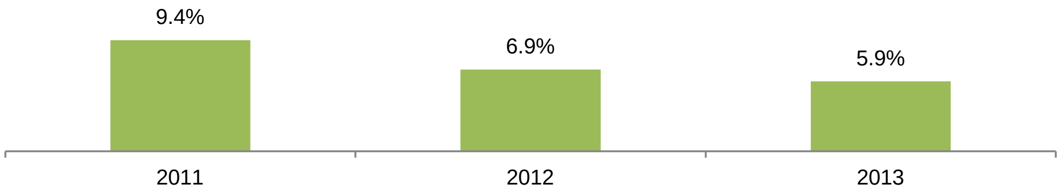
The department explained that it was possible that educators who had prior experience in teaching or community or development work, or who had another post school qualification, was recruited. Exceptions to the rule of having a

[22] *The finding only relates to the volunteer educators, and does not include coordinators, supervisors or helpers.*

minimum number of qualified educators were permitted. For example, the campaign accepted deaf and blind educators with a lower qualification because of their scarce skills (sign or Braille) and helpers were also permitted with lower qualifications. Not all ABET practitioners had matric, but was trained, and were therefore allowed to become volunteers in Kha Ri Gude.

3.2 An analysis of the 2011, 2012 and 2013 educator database indicated that there were many VEs[23] without a matric qualification:

Figure 12: % Volunteer Educators without matric



The department did not evaluate qualifications of VEs before appointment. For example:

- Five VEs as young as 16 years of age were registered on the database during 2012 and 2013.

these data need to be verified.

- VEs were also identified as having previously registered as Kha Ri Gude learners. It is estimated that 30 000 learners were taught by these educators.

the spread sheet received from the Ag in this regard showed lists of blind and deaf learners and not educators.

Table 7: Number of Kha Ri Gude learners that became VEs in subsequent years

Year in which Kha Ri Gude was undertaken	Year in which learners became VEs	
	2012	**2013**
2011	799	840
2012	-	661
Total	**799**	**1 501**

these figures need to be verified by withdrawing the registration forms. it is likely that these VEs had been captured wrongly

The number of 2013 VEs that were previously learners represents 4% of the total number of VEs.

[23] *The finding only relates to the volunteer educators, and does not include coordinators, supervisors or helpers.*

All VEs were trained. They all received a step by step instruction guide for each lesson. Often VEs do not indicate their qualifications on their forms.

As at 24 October 2013, 1 013 VEs[24] had already resigned and were replaced. Of these, 20,8% did not have a matric qualification. Some VEs were replaced at the beginning of the 2013 Kha Ri Gude teaching period because they lacked a matric certificate, but to avoid a total disruption of the programme, the current VEs were retained regardless of their qualification. It was decided that the situation would be rectified in 2014.

ommendations

3.3 The department should formalise qualification criteria and ensure their consistent application throughout the provinces.

3.4 Monitoring processes should be enforced to ensure that qualifications are evaluated before the appointment of staff.

3.5 The department should investigate instances where previous Kha Ri Gude learners became VEs. The department should also determine the impact of using these VEs on the achievement of the campaign objectives.

this is an error. The databases received from the AG were learner data bases for blind and deaf learners

4. Monitoring

4.1 An effective monitoring process was not in place to ensure quality teaching and service delivery. The roles and responsibility of monitors were outlined in Circular 2010/M1 issued in June 2010, which highlighted that the role of a monitor was to strengthen monitoring, training and support. Visits to the learning sites needed to be done with a view to confirming the following:

- The existence of the learning sites
- That learners attend classes regularly
- That VEs teach regularly and effectively
- That learners and VEs are motivated.

All the quality measures are included in the training manual.
These include QA measures for learners self assessment and for supervisors and monitors to use.
Educators receive a day by day lesson plan that is explicit in what the teacher must do.
Each lesson follows a 10 step simple plan.

[24] *The finding only relates to the volunteer educators, and does not include coordinators, supervisors or helpers.*

The responsibility of site visits vested primarily with the monitors and supervisors, and this was again highlighted during the workshop in April 2011 and a subsequent circular.

4.2 The existence of two of the four learning sites (50%) in KwaZulu-Natal could not be physically verified when the audit team conducted site visits during November 2013.

Table 8: Two learning sites in KwaZulu-Natal which existence could not be verified during the audit team's site visits

	Site	Coordinator number	Supervisor number	VE number
1	Jozini	419	41902	4190208
2	Tatane village	430	43016	4301604

4.2.1 The following shortcomings were noted:

a) At each visit, there was no Kha Ri Gude class even though hours were scheduled.

b) At each visit, the community had no knowledge of Kha Ri Gude. At Tatane Village for example, the team visited three different locations, one of which was an ABET centre. However, the team could not locate a Kha Ri Gude class being presented

c) Neither the supervisor nor coordinator for both sites made themselves available for an interview. Interview questionnaires were provided to the coordinators via email but as at 31 January 2014 they had not responded.

d) Both VEs are 16 years old and two of the three youngest VEs in the 2013 campaign.

e) The VE for Jozini could not be contacted during the audit team's site visit as a contact number was not provided. Although the supervisor is responsible for supervising and managing the VEs, the supervisor informed the team that she was writing exams and did not have details of the classes running at the time. During a follow up visit to the site by the project management company on 7 January 2014, the supervisor confirmed that she had very little understanding of the recruitment process. The VE confirmed that she did not have matric in 2013 and would not be part of Kha Ri Gude in 2014.

this is unfortunate Payments should not be made to these structures and an investigation should be conducted

f) The VE for Tatane Village could not be reached during the site visit, as well as the subsequent follow up visit by the project management company in January 2014. The supervisor insisted that the VE, although only 16 years of age, had matriculated and would submit her matric certificate as proof. By 31 January 2014, this has however not been submitted.

4.2.2 In addition, the following deficiencies on the database were identified relating to the two sites:

- ID numbers were registered as learners in both coordinators' structures[25] that registered on the national Department of Home Affairs' database as deceased prior to 2013.

Table 9: ID numbers registered as learners also registered as deceased people on Department of Home Affairs' database

	Coordinator	Number of IDs registered as deceased	Number of learners in the structure	% ID numbers that registers as deceased
1	419	69	3 598	2
2	430	122	3 858	3

- In terms of coordinator 430, included in the 122 IDs registered as deceased prior to 2011 were registered as learners in 2011, 2012 and 2013:
  - ID number (6702105317080) was registered as a learner in all three years for this coordinator (430).
  - ID number (6808295379085) was registered as a learner in all three years but under different coordinators in KwaZulu Natal for 2012 and 2011.

The house in Jozini that was indicated as a Kha Ri Gude site was empty upon arrival.

The team visited three different possible sites for Kha Ri Gude in the Loskop Escourt area but was greeted by empty venues each time.

[25] *A filled structure consists of 3 600 learners per coordinator*

Recommendations

4.3 The department should investigate the high number of discrepancies reported on these sites and institute action against those responsible for misbehaviour if necessary.

4.4 The department should strengthen their monitoring functions by independently verifying the monitoring, training and support provided by the monitors.

5. Database

5.1 The department did not have an accurate and reliable database of Kha Ri Gude learners over the campaign period. As a result, the numbers reported as part of the success of the campaign are significantly overstated and the campaign's contribution to reducing illiteracy is less than reported.

Computer assisted audit techniques (CAATS) were performed on the database and the following shortcomings were noted.

5.1.1 Shortcomings on the completed learner database for 2011 and 2012

(a) A significant amount of the ID numbers of learners registered as having completed in 2011 and 2012, were not registered as enrolled in the same year.

Table 10: Number of IDs that was registered as completed but not as enrolled in the same year.

Year	Nr of IDs completed but not registered as enrolled
2011	207 524
2012	8 623

SABT needs to verify these statistics. It is unlikely that a VE would not wish to be paid for teaching these learners

(b) A test of the learner ID numbers to identify duplicated ID numbers revealed 6 651 records for 2011 and 2 850 records for 2012. Some ID numbers were duplicated as many as four times.

As SABT explained all records are captured onto the suspense database and moved to the operational database once verified. The AG used the suspense database as a source and not the cleaned database.

5.1.2 Shortcomings on the enrolled learner database for 2011, 2012 and 2013

(a) A significant amount of ID numbers that were registered as enrolled could not be confirmed on the national population register (NPR).

Table 11: Number of IDs that could not be confirmed on the national population register

Year	Nr of IDs not on the national population register
2011	136 032 (22%)
2012	99 100 (15%)
2013	78 622 (12%)

Many records had the learner's date of birth instead of the identifiable 13 character ID number in the ID number field on the database. This was a main contributor to the number of IDs that could not be confirmed on the NPR. The database did not prevent the capturing of unidentifiable or duplicate ID numbers and resulted in ID numbers that were duplicated on the database and ID numbers that could not be verified.

letter from SABT regarding deceased that were still alive

(b) Many ID numbers registered as enrolled learners were registered as deceased prior to the enrolment year.

Table 12: Number of IDs registered as learners that also registered as deceased prior to enrolment

Year	Nr of IDs registered as deceased
2011	3 650
2012	3 873
2013	4 482

(c) Ten ID numbers that were registered at the Department of Home Affairs as deceased prior to 2011, were registered as enrolled learners in 2011, 2012 and 2013.

(d) Site Ntolwane in KwaZulu-Natal was identified with several learner ID number deficiencies:

- One learner ID number (learner A) was registered as deceased on 28 October 2008, but was registered in this centre as a learner in 2012 and 2013.
- Two learner ID numbers (learner Band learner C) were duplicated at other Kha Ri Gude sites.
- One learner ID number was duplicated at this site (learner D and learner E).

Because the campaign started late it ran into December which is problematic for learner attedance.

T registered at this site, only seven attended the Kha Ri Gude classes on these days. Learner A, B and C did not attend the class. Learner D attended the class and the VEs explained that as Learner E (not in attendance) did not have his ID number with him when he registered, the VE used the same ID number as learner D to register learner E.

Coordinators need to be made aware of this kind of practice

(e) A test to identify duplicated ID numbers revealed a significant number of duplications. Up to 5% of ID numbers were duplicated for the 2012 year. The table below lists the number of learners that were duplicated on the database per year.

Table 13: Duplicate ID numbers

Year	Nr of learner IDs duplicated on enrolled database	Nr of records affected on the database	% duplicate ID numbers on the database
2011	25 344	53 046	4
2012	30 175	62 363	5
2013	20 081	41 666	3

the data capturing company is instructed to clean the data base and to check and verify duplicate IDs. These kinds of errors were avoided when the campaign database was checked against home affairs.

ID number 621224 5555 086 was listed 11 times on the 2011 enrolled database against different Kha Ri Gude learners. The same name and surname was registered for this ID number in the Nkangala district in Mpumalanga, but 11 different addresses were recorded.

Recommendations

5.2 The department should ensure that a capturing process for learners and VEs is implemented which will ensure timely and accurate capture of all information.

5.3 Verification processes should be implemented to ensure that information on the database is accurate and reliable going forward.

5.4 The department should investigate the discrepancies on the database and ensure that it is resolved. Actual progress on the campaign should be calculated.

6. Performance

Introduction

Kha Ri Gude uses a form of assessment that is formative and based on a series of assessment tasks which are completed by the learner when the learner is competent. It allows the learner to reattempt the task (some remedial intervention) if he/she is not able to demonstrate achievement. Consequently, learners who complete will generally all be competent. However all achievement scores below 40% are considered failures.

6.1 The average pass rate of the campaign was calculated as 89,6%. The number of learners that completed the campaign up to 2012, was reported as 2 518 313[26]. If the pass rate is applied, only 2 251 615 learners passed. Taking all deficiencies on the database into account, this number is even less.

sabt to extract the number of learner below 40%. it is likely to be 1 - 2 %

Table 14: Number of learners that passed Kha Ri Gude

Year	Number of learners completed[27]	Learner % passed	Actual number of learners that passed
2008	342 000	95	324 900
2009	545 666	89	485 643
2010	486 000	80	388 800
2011	612 450	91	557 330
2012	532 197	93	494 943
Total	**2 518 313**	**89,6**	**2 251 615**

566,190 LAPs returned at the end of 2010.

635,270 LAPs returned at the end of 2012

[26] *This number is overstated, refer to page 35, paragraph 5.1*

[27] *As reported in the budget of the Department of Basic Education*

6.2 Kha Ri Gude recognises the seriousness of assessing a student's progress, and the quality of marking of LAPs is independently assessed by South African Qualifications Authority (SAQA). Although there was an improvement in the standard of marking over the period of the campaign, the 6% and 3% of marking for 2011 that was classified as inaccurate or inconsistent and problematic is cause for concern. This has not been decisively addressed by the department, as there was little change in these two categories for the 2012 year. The table below shows the verification outcomes since 2008:

Table 15: Verification outcomes on the Kha Ri Gude Mass literacy campaign by SAQA

Year	Learners	Learner Assessment Portfolios (LAPs) submitted (%)	% LAPs moderated	Standard of Marking			
				Excellent %	Acceptable %	Inaccurate or inconsistent %	Problematic %
2008	357 195	342 000 (96%)	8	57	30	7	5
2009	613 643	545 666 (89%)	8,2	28	58	10	4
2010	609 199	566 190 (93%)	9,2	16	74	7	3
2011	660 924	612 450 (93%)	4,1	21	69	6	3
2012	678 323	635 270 (95%)	4,5	20	73	5	2

6.3 The monthly stipends paid to VEs deviated from the procedure manual. Payment Criteria is agreed and signed off at the start of every academic year by the project management company and the department. Experience gained through the years in managing the campaign has informed the decision on agreeing the payment criteria. The recruitment of learners for the academic year starts as early as March of the specific academic year with the actual classes starting only in June of that year. With the delay of registration and start of classes, some learners do not arrive at the training venue on time during the first month. Therefore the decision was taken to do a snapshot of the attendance of learners in the second month. This snapshot is then utilised throughout the remainder of the three months to calculate and pay the VE stipend. Once the snapshot is taken the VE will not be able to increase his/her learner numbers in order to receive an increased stipend. The last and final stipend is not based on the snap shot but rather on the number of Learner

Assessment Portfolio's submitted by the VE. Detail on the database did not agree to the attendance and payment details on the system. For example:

- In KwaZulu–Natal Volunteer 4370402 enrolled 18 learners in 2012, but only two learners were registered as completed on the database. However, attendance information on the system indicated that 17 learners submitted their LAPs. The volunteer received full payment of R1 400 per month (R8 400 in total). The VE only qualifies for R200 per month for two learners.

An array of statistics show that the marking was credible (see the various appendices), and the probability of misrepresentation of achievement is low and within tolerable bounds. The evidence from the moderators is consistent and clear. The majority of the marking (93%) was judged excellent or acceptable.
(SAQA report 2012)

Recommendations

6.4 The department follows:

- Training on marking of LAPs should be intensified. There should be a clear difference between excellent marking and simply acceptable standard of marking.
- New educators as well as educators, whose standard of marking was found to be inaccurate, inconsistent or problematic, should be supervised to ensure that tasks are executed at an acceptable standard.

6.5 The department should investigate and follow-up on information inconsistencies between the learner database and the attendance information on the system. The department should also consider enhancing the information system used to identify these discrepancies as part of the system functionalities. All discrepancies should then be follow-up by the department.

Chapter 3: Learner and Teacher support material

Introduction

Kha Ri Gude provides its learners and VEs with a complete set of stationery and work books for the duration of the classes. Workbooks, stationery and bags are supplied by a number of suppliers to a central logistics and distribution centre. Once received, the learner and volunteer packs are picked-and-packed to include the stationery and work books for distribution to the volunteers. These activities need to be concluded prior to the start of the classes in June every year.

1. Needs assessments

The excess English books were ordered by Vernon Jacobs prior to the establishment of the KRG unit. Only English LAPS and English FAL books were ordered. The LAPS were used for training educators. The design of the laps changed over the years and new LAPS were ordered.

1 More English books were printed than were required because the need was overestimated. Although the average distribution of the different English books were 3 846 per year up to 2011 and sufficient stock was on hand, the department still ordered new books. The department distributed only 5 297 and 5 361 of these books during 2012 which resulted in a large surplus of English books at the end of the 2012 Kha Ri Gude term. The printing cost of the total number of English books on hand in November 2013 amounted to R1 017 992.

able 16: Movement of English books on hand since 2011 to 2013

scription	2011	2012				2013			
	Opening Stock	Credits	Received	Sales	Closing stock	Credits	Received	Sales	Closing stock
glish meracy	24 161	176	19 760	5 297	38 800	162	-	6 887	32 075
glish sessment rtfolio	16 372	176	20 000	5 361	31 187	170	-	6 858	24 499
glish Language Book	33 710	176	-	5 297	28 589	152	-	6 909	21 832

pl check

1.2 Based on the average number of English numeracy books issued over the last five years, it will take up to 6,9 years before the books remaining at the end of 2013 are distributed from the central logistics and distribution centre. However, only two years of the campaign remain.

books ordered prior to KRG Unit established

Table 17: The stock of English books remaining after the 2013 Kha Ri Gude term

Description	2013 Closing Stock	Nr of years' Stock on hand
English Numeracy	32 075	6,91
English Assessment Portfolio	24 499	4,92
English Language Book	21 832	4,72

Storage costs of the 2013 remaining English books amount to R105 per day.

1.3 On 25 November 2013, after all 2013 volunteer and learner packs were distributed, 205 955 books were still in stock at the warehouse. Printing costs for these books amount to R2 732 830.

Undelivered/excess workbooks and training manuals stored in the warehouse as at 20 November 2013.

1.4 The contract for the warehousing was allocated by the department to a service provider on an annual basis. However, the contract included the warehousing of current and previous years' materials, such as workbooks, stationery and backpacks, administrative documents and all LAPs from 2008 to date. This long-term need for storage makes the movement of stock difficult and expensive should a different service provider be appointed every year. Refer to page 46, paragraph 2 for the detailed findings on appointment.

Recommendations

1.5 The department should compile a plan on how to utilise the remaining books at the end of the campaign.

the books could be issued to urban learners who will encounter English and who may wish to go beyong the English communication programme

1.6 The department should also ensure that accurate needs determinations are done before additional books are printed during the remaining period of the campaign.

2. Service provider

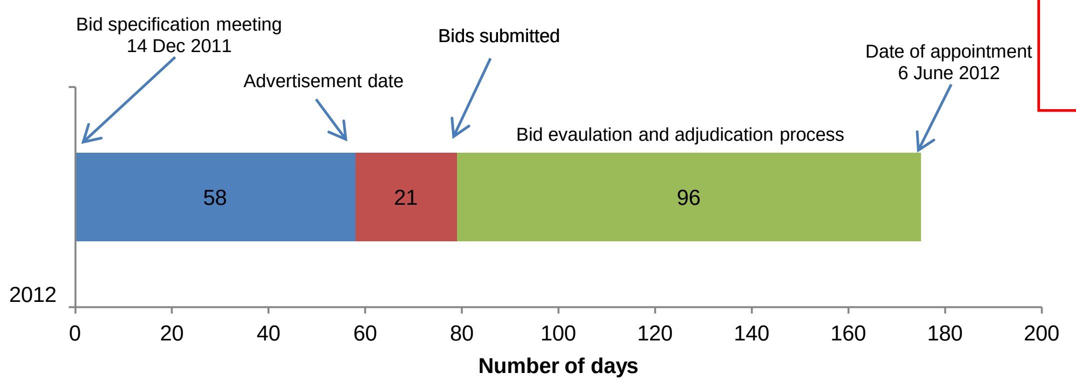
Introduction

Bongani Rainmaker Logistics (Pty) Ltd was appointed as the service provider for the warehousing, picking and packing, distribution and collection of materials since 2009. The project management company was originally responsible for appointing the service provider. In 2011-12 the department took the procurement process over as the project management company did not comply with government procurement regulations.

2.1 The appointment of Bongani Rainmaker Logistics (Pty) Ltd for 2012 was not done on time. Bongani Rainmaker Logistics (Pty) Ltd was only appointed for the period 1 June 2012 to 31 May 2013, two months after the required start date of 1 April 2012. The prolonged tender process delayed the service provider's appointment.

beyond the control of the KRG unit

Figure 13: Tender process for 2012



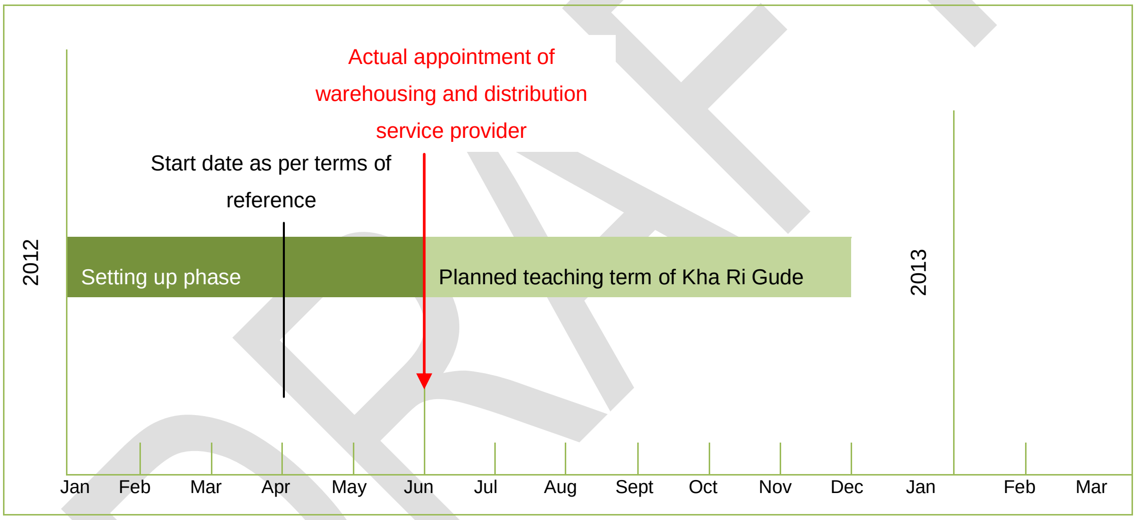
Note: *Bids are only valid for 90 days*

2.2 Bongani Rainmaker Logistics (Pty) Ltd was required to deliver services for the setting up phase of the 2012 campaign although they were only appointed during June 2012. This was to ensure that the campaign's execution was not affected. Their previous contract had ended on 31 March 2012. The approved extension for two months (up to May 2012) was limited to the storage of material. During the extension, Bongani Rainmaker Logistics (Pty) Ltd was required to:

- receive and warehouse 678 000 learner and 30 000 educator stationery packs and 678 000 learner and 40 000 educator bags delivered by the appointed service providers for the 2012 campaign.
- receive and warehouse 3 200 000 workbooks delivered by the appointed service providers for the 2012 campaign.
- store all campaign materials since 2008.
- pick and pack learner support materials and teacher support materials as ordered by the volunteer educators for the 2012 campaign.

Bongani Rainmaker Logistics (Pty) Ltd could only invoice the department for the additional work done after the tender was awarded in June 2012.

Figure 14: Timeline illustrating the delay in appointing Bongani compared to the planned start date and teaching term of Kha Ri Gude



2.3 Once appointed, Bongani Rainmaker Logistics (Pty) Ltd received a number of requests from the Kha Ri Gude unit that needed to be completed to ensure the success of the 2012 campaign. These tasks did not form part of the original scope of the work as indicated in the terms of reference and Bongani had not been paid as at 23 January 2014. These additional tasks included:

- Extracting and delivering of LAP samples for moderation and collection thereof after assessment for the 2011 and 2012 SAQA Moderation
- Supply of LAP packaging materials
- Collection of the 2011 Braille machines
- Distribution of the 2010 and 2011 certificates
- Special collection and requests from the Department Of Basic Education.

2.4 The department underestimated the volume of LAPs. Bongani Rainmaker Logistics (Pty) Ltd collected approximately 240 000kg of LAPs, nearly double the estimated weight of the 135 500kg specified in the terms of reference.

2.5 More learners enrolled for the 2012 Kha Ri Gude than was anticipated and an additional 16 000 packs had to be distributed. The increase in learner packs also resulted in more LAPs being collected when the classes were completed. This contributed to an increase in delivery and collection costs.

2.6 The department incurred additional expenditure of R3 624 191,20 during 2012, which represents a 10,58% increase on the awarded tender amount of R34 253 790,40. By 23 January 2014, the department had not paid the additional expenditure.

2.7 In 2013, the appointment of a service provider was again overdue. Bongani Rainmaker Logistics (Pty) Ltd was appointed on 1 June 2013, although timeframes or deadlines for eight (57%) deliverables listed in the terms of reference had already passed. Table 18 lists the timeframes or deadlines as reflected in the terms of reference for the eight deliverables.

Table 18: The list of deliverables' due dates that had already passed when the service provider was appointed

Deliverables	Timeframes
1. **Picking and packing of learner and educator packs**	Completed before 20 May 2013
2. **Distribution of campaign documents, LSM and ESM packs spread out in the 9 provinces residing in both urban and rural areas**	Distribution should be completed by 31 May 2013 prior to commencement of the literacy classes in June
3. **Collection every month of the campaigns administrative documents**	Starting in June until end of literacy classes in November 2013.
4. **The campaign runs for a period of 6 months from June to November and the timeframes must be strictly adhered to:**	
a) **Distribution of admin documents and monthly reports**	Completed by April 2013

b) **Orders to be submitted**	30 April
c) **Database preparation**	30 April
d) **Distribution of LSM and ESM packs**	20 May
e) **Classes to start**	1 June

2.8 The department incurred additional expenditure of R3 816 825,60 during 2013, which represents a 9,56% increase on the awarded tender amount of R39 933 850. As at 23 January 2014, the department had not paid the additional expenditure.

2.9 Workbooks, training manuals and administrative documents could not be delivered to the learning sites at the end of May 2013 because the warehousing, delivery and distribution service provider had not been appointed for the 2013-14 campaign year. In addition, tenders for items such as stationery and carrier bags for the workbooks and stationery had not been awarded. These three tenders were awarded by the department during June 2013.As a result, classes in the Eastern Cape and KwaZulu-Natal commenced during July 2013 whilst the classes in the other seven provinces started during August 2013.

problem of new procurement process

2.10 During the site visits, 40% of the learners indicated that LTSM was not delivered on time and that there was a delay of up to one month in starting the Kha Ri Gude class. Some VEs used material from the previous year as an interim measure, and a site did not have class prior to the LTSM being delivered.

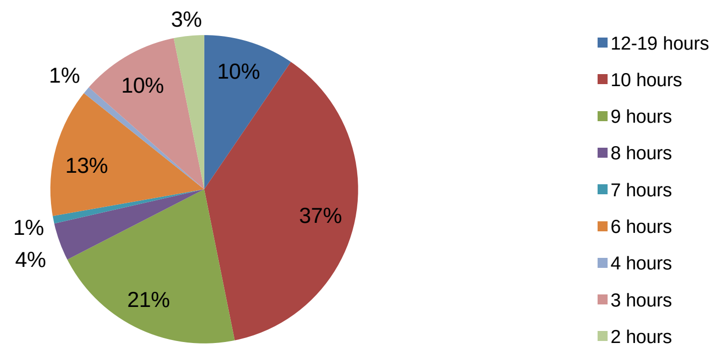
2.11 The late start of classes put a strain on the teaching VEs are required to teach 40 hours a month, which is equal to 240 hours in six months. However, as classes in seven provinces only started during August 2013, teaching hours had to be increased per month to complete the work by December 2013. Staff were reminded that quality should not be compromised.

was this a KRG survey? Which VEs teach fewer hours?

2.12 A survey by the department during the 2013 Kha Ri Gude term revealed that only 48% of the VEs provided 10 hours and more of teaching in a week. The other 52% offered less than the required 10 hours in a week. Up to 3% of VEs who are they?

offered only two hours of classes in a week. This is a serious infringement as learners did not receive the full benefit of the hours set for teaching and learning and could not achieve the outcomes anticipated from the campaign.

Figure 15: Hours of teaching



In addition, the survey revealed that 21% of VEs stated that the 10 hours allocated for teaching per week were not adequate for illiterate learners.

this is a contradiction if they were not teaching 10 hours

Recommendations

2.13 The department should follow required procurement processes to obtain approval for the variations to the 2012 and 2013 contracts. The department should also consider the additional requirements that gave rise to the extra costs when appointing a new service provider for 2014-15.

2.14 The department should commence with the procurement process timely to ensure that service providers could be appointed when their services are required.

beyond control of KRG

2.14 The impact on the teaching hours as a result of the delay in starting Kha Ri Gude on time should be investigated and the department should take all necessary steps to ensure that the 2014 campaign starts on time.

Chapter 4: Project implementation, management and monitoring

Introduction

SAB&T Ubuntu Holdings (Pty) Ltd was appointed from 1 April 2008 to 31 March 2013 to render project, human resource and financial management services for Kha Ri Gude. The contract was extended twice and SAB&T was awarded a second contract from 2 October 2013 to September 2016. The service provider is also expected to manage and maintain an electronic information management system and a database for the campaign.

1. Needs assessment and appointment

1.1 In 2013, the department extended the contract with SAB&T Ubuntu Holdings (Pty) Ltd twice over a period of six months before appointing them for the second time on 2 October 2013 through a competitive bidding process. This was because the department did not initiate a competitive procurement process in time. The department paid a 6,36% administration fee during the extension period. However, the second contract had a lower administration fee of 4,99%. The department could have saved up to R1 495 237 during the extension period as a result of the difference in administration fee, as reflected in table 19.

Table 19: The potential saving that was lost to the department as a result of the delay in the competitive bidding process

Admin fee paid during extension period at 6,36%	Admin fee calculated at 4,99%	Potential saving
R6 941 391,96	R5 446 155,01	R1 495 236,95

Recommendations

1.2 The periods of service providers' appointments should be managed and monitored closely and proper planning must be done to ensure timely appointments where contracts end.

2. Performance

2.1 The department did not institute action against SAB&T Ubuntu Holdings (Pty) Ltd in instances of non-delivery. This was despite the contract providing for such penalties and other remedial actions to be taken. Instances of non-delivery included the following:

- SAB&T Ubuntu Holdings (Pty) Ltd experienced delays in updating the learner database. Although classes for the Kha Ri Gude teaching period started during July and August 2013, the learner database verification and authorisation processes were still in progress on 10 January 2014. Priority was given to the VE database to ensure the valid payment of stipends each month.
- SAB&T Ubuntu Holdings (Pty) Ltd did not verify all the ID numbers with the Department of Home Affairs records. As a result, a number of discrepancies were identified on the learner database, refer to page 37, paragraph 5.1.

Despite several attempts in 2012 by SAB&T Ubuntu Holdings (Pty) Ltd to secure a contact person at the Department of Home Affairs to assist in ID verification, the exercise was fruitless. The assistance of the department was requested in 2013. The Kha Ri Gude unit prepared a submission in July 2013 for the director-general to engage with the Department of Home Affairs and, in August 2013 the international relationship office was requested to assist. As at 23 January 2014, the service provider still did not have a contact person. SAB&T Ubuntu Holdings (Pty) Ltd started doing their own checks on the Department of Home Affairs' webpage. However, it was impossible to verify each of the 40 000 VEs and approximately 670 000 learner ID numbers per year on the webpage. Due to the discrepancies on the database, the total number of learners reported is overstated.

Recommendations

2.2 Proper project management practices should be implemented to manage the work performed by the project management company. Regular progress meetings should take place where deliverables in terms of the contract is measured and signed off by the department.

2.3 The department should ensure that complete and accurate information is obtained from the project management company and that this information is used for planning, executing and reporting purposes.

2.4 The department should support the service provider in executing its responsibilities in terms of the contract.

ACRONYMS AND ABBREVIATIONS

ABET	Adult Basic Education and Training
AGSA	Auditor-General of South Africa
CAATS	Computer Assisted Audit Techniques
EFA	Education for all
EPWP	Expanded Public Works Programme
ID	Identification
Kha Ri Gude	Kha Ri Gude Mass Literacy Campaign
LAPs	Learner Assessment Portfolios
LTSM	learner and teacher support materials
MCL	Ministerial Committee on Literacy
NPR	National population register
NQF	National Qualification Framework
SANLI	South African National Literacy Initiative
SAQA	South African Qualifications Authority
The department	Department of Basic Education
VE	Volunteer educator