



File no.: 18/5/5  
Reference: 20230725-6684

Management Accounting Minute: 0001/2023

To: Deputy Directors-General, Chief Directors, Directors, Circuit Managers, Heads: Management and Governance, Deputy Directors and Principals and governing body chairpersons of public schools

**Subject: National quintile classification and fee status appeals**

## 1. Background on school quintiles

- 1.1 The Department of Basic Education (DBE) establishes the National Poverty Distribution Table (NPDT), which is published in the *Government Gazette* with the National Norms and Standards for School Funding (NNSFF). The NPDT provides for a system in terms of how learners in ordinary public schools are divided into quintiles. These quintiles provide for the equal distribution of learners per quintile across the country, i.e. 20% of all learners across the country constitute Quintile 1 etc. This implies therefore that 60% of the country's learners will be classified as poor learners to be placed in no-fee schools (Quintiles 1–3).
- 1.2 The DBE bases the poverty scores, used to compile the tables on the relative poverty of communities, on Statistics South Africa's national census data. This prescript limits the extent to which the Western Cape Education Department (WCED) may allocate schools to other quintiles, unless schools in the desired quintile close or merge.
- 1.3 The NPDT is also set out per quintile per province, aligned to the province's poverty rankings. The Western Cape is still regarded as one of the least poor provinces, resulting in the Western Cape's poverty distribution only allocating 40% of its learners to Quintiles 1–3.
- 1.4 Each provincial education department allocates schools to quintiles according to the NPDT. Provincial education departments have to allocate schools to quintiles according to the percentages contained in the tables for each province. These percentages determine the number of schools that departments may allocate to each quintile.

## 2. **How school quintiles are allocated**

- 2.1 The Directorate: Management Accounting receives an email notification from the Directorate: Infrastructure Delivery Management about the intended opening of a new school.
- 2.2 New schools are plotted by the Directorate: Research on the Geographic Information System using Global Positioning System technology. The Directorate: Research provides the Directorate: Management Accounting with a geographical printout of the school's location in relation to its surroundings/ward.
- 2.3 The Directorate: Research also assists with poverty statistics for communities and confirms in which community boundary the new school resides.
- 2.4 The Directorate: Management Accounting subsequently determines the appropriate poverty score and quintile status for the school, according to the NPDT as issued by the DBE, in line with the school's surrounding community.
- 2.5 The Directorate: Management Accounting sends the national quintile and poverty score allocated to the school to the Head of Department, via the relevant branch management, for approval. Then the Directorate: Management Accounting communicates the approved national quintile and poverty score allocated to all relevant stakeholders.

## 3. **Appeals against quintile classification and/or fee status**

- 3.1 Section 39(7) of the South African Schools Act (SASA), 1996 (Act 84 of 1996), states that: *Despite subsection (1), the Minister must by notice in the Government Gazette annually determine the national quintiles for public schools or part of such quintiles which must be used by the Member of the Executive Council to identify schools that may not charge school fees.*
- 3.2 In terms of the amended NNSFF, published in *Government Gazette* No. 29179 of 31 August 2006, schools are ranked based on the poverty of the community surrounding the school and not on the poverty of the individual learners.
- 3.3 This placement of schools is done in accordance with the NPDT published in the NNSFF. **Only schools in their second year of operation may apply for a deviation** where the school believes that it warrants special consideration. The WCED is obligated to apply a fair and transparent process in dealing with these applications.

### 3.4 Compliance with section 39(7) of SASA

In order to comply with the SASA and the NNSSF, the following procedures as well as roles and responsibilities will apply:

#### 3.4.1 Schools must submit the following information:

- a) Profile of the learners attending the school, i.e. a brief description of the demographic profile of the community that the learners find themselves in, taking into consideration the employment status of parents e.g. unemployed or temporarily employed/high, middle- or low-income earners/skilled or unskilled labour, the reliance on social grants, rural/farming versus metropole/informal settlement/mixed settlement communities, parent composition i.e. single/grandparent/guardian/foster, parents claiming fee exemption, etc.
- b) Evidence of financial hardship experienced as a result of the school's fee-status, i.e. a summary of economic and social hardships encountered by learners i.e. crime, poverty, gangsterism, substance abuse, domestic violence etc.
- c) The school debt management policy.
- d) Evidence of debt collection efforts applied in previous years and reasons indicating why it was not successful.
- e) Copy of governing body meeting minutes where the decision was taken, dated and signed by the governing body chairperson and secretary. The minutes should not be older than six months.

#### 3.4.2 District offices must submit the following to Head Office:

- a) Recommendation letter in support of the appeal, signed by the relevant circuit manager and district director.
- b) The latest audited Annual Financial Statements (AFS), e.g. for a 2023 appeal application, the school's 2022 audited AFS must be used.
- c) Budget in relation to the AFS submitted.

3.4.3 The Deputy Director: Corporate Services at the relevant district office must review every appeal for completeness, economy and appropriateness by using the information provided by the school and either recommend or decline the appeal with reasons.

### 3.5 Submission of appeals

3.5.1 **Schools** must submit appeals for the Provincial Minister's approval, signed by the principal and chairperson of the governing body and accompanied by the documentation referred to above, to the District Director at the relevant district office.

3.5.2 **District offices** must submit reviewed appeals with recommendations and the relevant supporting documentation as follows:

By email to:

[WCED.NormsandStandards@westerncape.gov.za](mailto:WCED.NormsandStandards@westerncape.gov.za)

(and cc [Elton.Bezuidenhout@westerncape.gov.za](mailto:Elton.Bezuidenhout@westerncape.gov.za))

[wcedonline.westerncape.gov.za](http://wcedonline.westerncape.gov.za)

Employment and salary enquiries: 0861 819 919 | Safe Schools: 0800 45 46 47

Western Cape Education Department

Or hand deliver to:

Western Cape Education Department  
7<sup>th</sup> Floor, 1 North Wharf Square  
2 Lower Loop Street  
Foreshore  
Cape Town  
8001

Or via post to:

Head: Education  
For attention: Directorate: Management Accounting  
Western Cape Education Department  
Private Bag X9114  
Cape Town  
8000

- 3.5.3 Appeals must be complete. Incomplete appeals will be cancelled and referred back to the district office for finalisation.
- 3.5.4 Appeals must be submitted to Head Office via the Directorate: Management Accounting **as from July up until 30 September annually** for consideration and approval by the Provincial Minister. This will ensure the availability of the latest audited AFS to be used and allow sufficient time to communicate the outcome on or before the beginning of the new financial year, 01 April.
- 3.5.5 Late applications will not be considered and a new application must be submitted during the new cycle, as evidence might have changed and the relevant audited AFS at that time will be applicable.
- 3.6 Once the appeal has been considered, written feedback will be communicated to the school within four months via the relevant district office regarding the decision taken by the Provincial Minister and whether the request has been deemed in the best interests of the school.
- 3.7 Successful appeals will only be for the following financial year, i.e. with effect from 01 April.
4. This minute repeals paragraph 3 of Circular 0027/2019.
5. Kindly bring the contents of this minute to the attention of all concerned.

**SIGNED:** L ELY

**DEPUTY DIRECTOR GENERAL: CORPORATE SERVICES**

**DATE:** 2023-08-07

