

Motivation

The South African government has invested a great deal in Early Childhood Development (ECD) in the last few years and enrolment in ECD programs has increased rapidly. Government support for ECD has taken mainly two forms: (i) expansion of Grade R mainly in public schools, funded by the Department of Education (DOE); and (ii) subsidies by the Department of Social Development (DSD) to private community-based ECD facilities serving mainly children too young for Grade R.

Objectives

This study was undertaken to get a better understanding of the magnitude, scope, quality and resources in ECD, and particularly to understand whether public resources reach the intended beneficiaries (i.e. children) and are used effectively to achieve the intended objective, i.e. the early development of children so as to provide an improved foundation for their learning once these children enter the formal school system. It also allowed an analysis of the fiscal incidence of spending on ECD, i.e. whether public spending on ECD was reaching those most in need of it.

Main findings

Broadly speaking, the survey presents a relatively encouraging picture of the sector. Overall quality of services appears to be moderate, as reflected in teacher-pupil ratios, training and experience of staff members, planning of classroom activities and program quality. However, several ECD facilities have limited space and poor infrastructure, they receive inadequate community support, there are issues around adequacy of nutrition, and few facilities put enough effort into development of children.

Leakage

In aggregate, facilities reported slightly higher inflows of grants than what DSD data indicated. There is no evidence of systematic diversion of DSD grants before they reached the facilities they were intended for. It is possible that there were instances of such diversion, e.g. where data was missing and facilities were thus dropped from the sample, or where data was misleading.

Absenteeism

The average absenteeism rate is almost 20% and is at its highest in the rich Province and the richest quintiles. This would seem to indicate that such seemingly high absentee rates are not overwhelmingly the result of over-reporting of enrolment by facilities, as DSD subsidies are not as widespread in the richer province and quintiles. Nevertheless, exceedingly high absentee rates are relatively common: 44 facilities in the sample had absenteeism rates in excess of 40% and 18 even had rates of above 60%.

Other findings

Out of the 318 registered community-based ECD facilities visited, only 221 kept annual financial statements. Only 141 facilities out of 182 who admitted receiving funds from DSD could provide information on how much they received in 2008; although almost all facilities charge fees, only 194 could provide information on income from fees. Only 105 facilities that kept financial records recorded any expenditure on groceries and only 114 on salaries. The dominant expenditure component was salaries, making up just over half (51%) of all expenditure, although this share was quite a lot lower in the very poor Province at 31%.

Sample

The survey held in three provinces in more than 300 public schools offering Grade R, more than 300 community-based ECD facilities registered with the DSD, and 90 non-registered community-based ECD facilities.

Sample design

- Stratified sampling methodology within provinces
- 3 provinces were first selected
- Key stratification variables: district municipality, local municipality, Grade R in public schools and community-based ECD facilities. Further disaggregation was done using quintiles for Grade R in public schools and districts, and the distinction between subsidized and unsubsidized registered community-based facilities.

Resources monitored

- Subsidies and other funds from the Department of Social Development
- Subsidies and other funds from the DOE
- School fees
- Municipal grants
- Donations to facilities by businesses or other institutions and own fundraising
- Other sources of income

Recommendations

After the extremely rapid expansion of ECD in recent years, more emphasis is now needed on dealing with the quality of delivery and improving monitoring of services and finances. Government must continue to complement private community-based provision and offer public provision in schools. Formal community oversight mechanisms in community-based facilities should be encouraged. Regular audits must be undertaken to ensure that enrolment numbers used to determine subsidies are not inflated.

Main report

Unicef (2010) "Tracking public expenditure and assessing service quality in Early Childhood Development in South Africa"