



**TOWARDS SOCIAL  
WELFARE SERVICES FOR  
ALL VULNERABLE  
CHILDREN IN SOUTH  
AFRICA**

A review of policy development, budgeting and  
service delivery

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## INTRODUCTION

South Africa has a duty to all its children and most of all, to those who are vulnerable due to their circumstances. Vulnerable children need dedicated interventions to ensure that they are protected from harm, assisted during and after trauma, and given opportunities to develop. Many government departments deliver services to protect and promote development of vulnerable children. Amongst these, the national and provincial departments of social development have a key role to play. In the past, they have been responsible, *inter alia*, for the provision of social assistance grants. In the post-1994 period the spotlight in research, advocacy, policy development and programme implementation for vulnerable children has focused on the social assistance function of social development departments. Much progress has been made over recent years to ensure that this vital support system is extended to more vulnerable children in South Africa. However, comparatively little has been done to monitor the other ways in which social development departments provide other services to children in vulnerable circumstances.

The purpose of this paper is to investigate and help shed light on what progress has been made in the social development sector - besides the payment of social grants - to advance the rights of vulnerable children in South Africa. More specifically, it focuses on those programmes and interventions that may be grouped together under the term 'social welfare services' (see the sub-section immediately below regarding the difficulties attached to definitions in this sector). The kind of services that traditionally form part of this area of work include, to name but a few examples, interventions (including children's court services) where children are victim to or at risk of abuse, neglect or exploitation, the running of children's homes, the provision of early childhood development, adoption services, services to provide assistance to children living and/or working on the street, foster care placement and care for children affected by HIV/AIDS. The services under the spotlight in this paper are critical because they represent some of government's main strategies and actions (delegated to the departments of social development) to provide protection and care for the most vulnerable children in our society.

The approach adopted in this paper is to provide an overview of government policy and budgeting for social welfare services, also highlighting some of the current obstacles to service delivery. Then, to use this overview as a basis for drawing out key challenges that need to be addressed so that all vulnerable children gain access to the social welfare services which they need and to which they are entitled. While children are the primary focus of the paper, it is important to recognise that they form part of families and communities. Their rights and needs cannot be understood in isolation. It is also impossible to access budget data on social welfare that is child-specific. So while children represent a special interest throughout the paper, the discussion is framed by the more general context of social welfare services.

### **The difficulty of a plethora of slippery definitions**

A variety of terms have been used over the years (and concurrently) to denote the collection of services under discussion in this paper. They have been labelled (amongst others) as 'welfare services', 'social welfare services', 'developmental social welfare services' and 'social services'. The changes in terminology reflect, in part, shifts in ideological or methodological emphasis. However, they also bear out the lack of clarity around exactly what should make up the 'basket of services' covered by this term. There is also a sense that various relatively independent functions have been combined under this single rubric, making it difficult to arrive at a

clear term that adequately reflects the whole. Many policy makers and practitioners involved in trying to improve service welfare service delivery to the vulnerable in South Africa over the last ten years point out that the slippery definitions are at the root of a lot of the troubles of the sector.

For the purposes of this paper, the term 'social welfare services' is used to refer to the terrain under investigation. 'Social welfare services' are seen to include all those services – excluding social security and research – that are delivered by departments of social development (with the assistance of non-governmental agencies) to support, empower and fulfil the rights of vulnerable South Africans as well as help prevent vulnerability. This choice of terminology is prompted by the definition implicit in the *White Paper for Social Welfare* (1997). When used here, the term 'social welfare services' is intended to acknowledge the white paper's call for such services to be conceptualised and delivered within a developmental paradigm. As Loffell (2005 personnel correspondence) points out, social welfare services are designed to enable vulnerable and marginalised persons, groups and communities to meet their needs and achieve their potential.

Another source of potential confusion is the myriad of names attached to those government departments that deliver social welfare services. The national department was formerly known as the Department of Welfare and Population Development, but was renamed as the Department of Social Development in 1998. The provincial departments responsible for the implementation of social welfare services have a diversity of names. In this paper, the term 'Department of Social Development' is used to refer generally to the national and provincial departments responsible for social welfare services. Where a direct reference is taken from a particular provincial department, its own departmental variation is used.

### **The need to transform the social welfare system after 1994**

The aim of this introduction, besides outlining the purpose, scope and structure of the paper, is to set the scene by sketching a brief context for the investigation into social welfare service policy development, budgeting and service delivery for vulnerable children in South Africa. Doing so requires first taking a step back in time. After 1994, one of the most difficult yet urgent tasks facing the first democratic government was to transform and extend the social welfare system. The welfare system spawned by apartheid was unresponsive to the needs of the majority of South Africans and instead, favoured a small, largely white urban elite (Follentine 2004:1). At the time of transition, millions of South Africans were living in extremely difficult circumstances and in need of support. This was due to a combination of factors, including apartheid public policy, extensive structural unemployment, poverty, violence, social disintegration, disability and the spread of HIV/Aids. Civil society initiatives provided some assistance to the vulnerable, but services and facilities were far from adequate.<sup>1</sup>

The scale of suffering in South Africa called for the welfare system to be transformed and its reach to be extended. However, the need to change the system was also implicit in government's policy promises and human rights obligations. In the *Reconstruction and Development Programme* (ANC 1994), government

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<sup>1</sup> The *White Paper for Social Welfare* (Ministry for Welfare & Population Development 1997: Chapter one and pg 48) offers an overview of social welfare service delivery prior to 1994, highlighting its inadequacy and the role of civil society organisations. For a child-centred perspective, see the first issue paper relating to the review the *Child Care Act* (South African Law Commission 1998) and the recently released *National Policy Framework for the Prevention and Management of Child Abuse, Neglect and Exploitation* Draft Policy document (National Department of Social Development 2004a).

unambiguously committed itself to developing programmes to assist the poor and vulnerable. It also promised to give priority to vulnerable children in the development and implementation of programmes for the vulnerable. The principle of prioritising children was further entrenched in 1995 when government ratified the Convention on the Rights of the Child and in 1996 through the establishment of the *National Programme of Action for Children* (NPA).<sup>2</sup> Also in 1996, South Africa adopted its Constitution (Act 108 of 1996), which gives everyone and children in particular a range of political, civil, cultural and socio-economic rights. Children's rights in South Africa were given further expression through government's ratification of the African Charter on the Rights and Welfare of the Child (ACRWC). These legal instruments brought implications for the transformation of the social welfare system. More particularly, they meant that government would have to design, finance and implement policies and programmes to translate children's rights into reality.

### **The challenge of integrating children's rights into law, policy, programming and budgeting**

All children in South Africa thus have rights that are set out in the Bill of Rights in the Constitution, as well as in the CRC and ACRWC. The aim of these rights is to ensure that all children can experience a quality of life that, at the very least, protects their dignity and safety – and meets their basic needs (such as adequate food, clothing, shelter, schooling and health care). The rights are also in place to help ensure that children are not deprived of resources and care necessary for adequate development. Critically, government is legally obliged to develop laws, policies, programmes and budgets in a way that advances the realisation of these rights. As such, policy development, budgeting and service delivery in the realm of social welfare services must be informed by these child rights and obligations.

A number of constitutional rights are pertinent to the social welfare of children. In Section 27, everyone is afforded the rights to health care services, sufficient food and water, as well as social security (including social assistance). Furthermore, Section 28 gives children specifically a range of rights that are relevant to social welfare:

#### **Relevant child-specific rights in Section 28 of the Constitution**

- (1) Every child has the right -
  - a) .....
  - b) to family care or parental care, or to appropriate alternative care when removed from the family environment;
  - c) to basic nutrition, shelter, basic health care services and social services;
  - d) to be protected from maltreatment, neglect, abuse and degradation;
  - e) to be protected from exploitative labour practices;
  - f) not to be required or permitted to perform work or provide services that -
    - i) are inappropriate for a person of that child's age; or
    - ii) place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development;
  - g) not to be detained except as a measure of last resort, in which case, in addition to the rights a child enjoys under sections 12 and 35, the child may be detained only for the shortest appropriate time, and has the right to be -
    - i) kept separately from detained persons over the age of 18 years; and
    - ii) treated in a manner, and kept in conditions, that take account of the child's age;
  - h) to have a legal practitioner assigned to the child by the state, and at state expense, in civil proceedings affecting the child, if substantial injustice would otherwise result; and
  - i) not to be used directly in armed conflict, and to be protected in times of armed conflict.
- (2) A child's best interests are of paramount importance in every matter concerning the child.

<sup>2</sup> An NPA Steering Committee was formed to oversee the implementation of the NPA.

The challenge confronting government in the design of welfare policy and programming for implementation of child rights is made more difficult by the fact that the Constitution only gives vague definition to the content of the rights and to the associated government obligations to deliver services to children. For example, Section 28 does not clarify exactly what package of goods can be understood to form part of 'social services' or 'basic health care services'. In addition, government's task is made difficult by the fact that when government interprets and gives content to children's constitutional rights in South Africa, it must be done in a way that resonates with the rights given to children by the CRC and the ACRWC.

There is not yet clarity about exactly what services government is obliged to plan and budget for to protect the constitutional rights of vulnerable children, and in particular what the package 'social welfare services' should be. This is partly because the process of reviewing all child-related laws and putting in place a new set of laws is not yet quite complete. The *Children's Bill* is presently being debated in Parliament. This Bill emanated from the South African Law Commission's review of the *Child Care Act* and makes an attempt to align children's law with child rights obligations. The enactment of this bill will go some way towards clarifying the exact nature of the legal obligations on government to provide social welfare services to children, including better guidelines for what the social welfare service basket contains. However, for the Bill to translate into effective service delivery that ensures adequate care for children in vulnerable circumstances in practice it will have to be accompanied by clear policy guidelines, development of norms and standards for the different services in the Bill and costing of the different services legislated for vulnerable children.

#### **Institutional arrangements for the provision of social welfare services**

In Schedule 4 of the Constitution, welfare services are defined as a functional area of concurrent national and provincial legislative competence.<sup>3</sup> The national Department of Social Development was tasked with policy design and monitoring. In 1997, it released the *White Paper for Social Welfare: Principles, guidelines, recommendations, proposed policies and programmes for developmental social welfare in South Africa* (Ministry for Welfare and Population Development 1997). This became the key policy framework to guide the transformation of the social welfare sector (Follentine 2004:1). The *White Paper for Social Welfare* is discussed in some detail in Section 1.1 below. At this juncture, it is worth noting that the white paper called for a fundamental shift away from the 'welfare approach' used by social development departments in the past. Instead, services were now to be planned and delivered using a developmental approach.<sup>4</sup> The ultimate aim was to improve the impact of service delivery by integrating and linking the various programmes directed towards vulnerable people, including children.

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<sup>3</sup> It was envisaged that the role of local government, critical for expanding the reach of services to remote areas, would be developed at a later date once adequate municipal capacity had been established.

<sup>4</sup> The welfare approach is generally understood to focus on interventions that are clinical, symptom-led, prescriptive and fragmented. This approach works primarily at the individual level and tends to create dependencies. By contrast, a developmental approach to social welfare emphasises integrated, multi-pronged interventions that build self-reliance and foster participation in decision-making at individual, family and community level. As Loffell (2005 in personnel correspondence) points out, there are at present debates in progress as to whether the shift is away from 'welfare' as such, or away from archaic forms of practice towards forms which are properly contextualised and are consistent with the values and goals of our human-rights based democracy. These debates also have to do with the ways in which the work of the social welfare sector supports the broader development agenda of the country as a whole.

Against this policy backdrop, provincial social development departments had the primary responsibility for programme implementation. They were expected to draw on the existing capacity of non-governmental organisations (NGOs) working both in the 'formal welfare sector' (organisations already receiving some funding from government) and in the 'informal sector' (those not yet subsidised by government). To finance its function, the national department was to advocate for funds from national government's slice of total government revenue. The funds available to the national sphere are determined annually through the vertical division of revenue: the division of total revenue between national, provincial and local government. To finance their functions, the nine provincial social development departments were required to advocate for funds from total provincial revenue. The funds available to each provincial government are determined annually through the horizontal division of revenue: the sharing of total provincial revenue amongst the nine provinces. Critically, the criteria used in the vertical and horizontal division of total government revenue did not factor in the costs of welfare services based on a careful consideration of prices and anticipated demand for services. This left the door open for escalating demand for social grants in the provinces to squeeze out spending on the remaining service responsibilities of social development departments.

Eight years after the release of the white paper, the social development sector is undergoing radical change. On 1 April 2005, a newly created agency, the South African Social Security Agency (SASSA) is to begin operation.<sup>5</sup> SASSA is to take over the function of budgeting for and administering social grant payments from the provinces. SASSA was established in response to the difficulties experienced by provinces in finding sufficient funds to pay social grants, as well as ensuing litigation. These difficulties stemmed from additional demand created by the implementation of new social assistance programmes – such as the Child Support Grant (CSG) - the extension of already existing programmes to more beneficiaries, as well as increases in the value of the payment of all grants. There is fear that ballooning social assistance payments may also have been driven in part by some fraud and inefficiency in the system, particularly in respect of the disability grant. (See National Treasury, 2004a).

The introduction of SASSA involves a number of processes, including:

- the separation of the grants function from other functions (particularly social welfare services) at the provincial level;
- the transfer of relevant staff, assets, contracts and liabilities from provinces to the agency and the national department; and
- the establishment of a new funding mechanism through the national Department of Social Development to the agency, which will see a significant adjustment in the provincial equitable share and the equitable share formula (National Treasury 2004a:81).

As an interim arrangement (until the details of how the new institutional arrangement is to work), a conditional grant has been established to carry funds for paying social grants and related administration costs. The conditional grant will be disbursed to provinces for them to use to deliver grants in 2005/06. The 2005 Budget gives total estimated values of the grant for 2005/06 as well as the outer two years of the Medium Term Budget Framework Period.

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<sup>5</sup> The *Social Assistance Act* of 2004 makes the transfer of powers possible. The act provides a national legislative framework for the provision of different types of social grants, social relief of distress, the delivery of social assistance grants by a national agency and the establishment of an Inspectorate for Social Security (National Department of Social Development 2004b).

This means that provincial social development departments are now left with planning for and delivering social welfare services and support services (such as research and administration) as their core business. At this time, provincial governments are being forced to take stock of the non-social security aspects of their service delivery – which received relatively little attention between 1996 and 2003 (Follentine 2005; Quickfall 2005; Dithlage 2004). After little movement in the realm of social welfare policy, 2004 saw the release of a number of new policy documents (see Section 1).

It is important to point out that the focal point for children in government is the Office on the Rights of the Child (ORC) that is within the President's office. The ORC is responsible for leading the implementation of the NPA for advancing child rights as well as for monitoring and evaluating children's well-being. The NPA steering committee, which is in the final stages of a major restructuring, is co-ordinated through the ORC.

Meanwhile, the need for better spending on and delivery of social welfare services to vulnerable children and families' remains as urgent as it was in 1994. Little progress has been made in the fight against structural unemployment and poverty (Simkins 2004; Streak & Van der Westhuizen 2004; National Department of Social Development 2004c:6). Extensive unemployment remains stubbornly entrenched in the economy. Using the expanded definition of unemployment (which includes people who have given up looking for work), the unemployment rate was estimated to be 28.6% at the time of the transition to democracy. Recent estimates find the unemployment rate to be 41.2% using the expanded definition and 27.8% using the strict definition. This translates, respectively, into 8.4 million or 4.6 million unemployed people, depending on the definition of unemployment being used. (See Streak & Van der Westhuizen 2004:1). Increasing numbers of people, a large proportion of them children, are in need of care, support and developmental services due to the unemployment crisis, associated poverty and other factors such as crime, disability, family difficulties and HIV/AIDS.<sup>6</sup>

### **The structure of this paper**

Against this background, this paper sets out to review the provision of social welfare services through the three lenses of policy development, budgeting and service delivery. Section one investigates the policy terrain to establish what frameworks are in place to guide the delivery of social welfare services to vulnerable people - and to children more specifically. To this end, it revisits the *White Paper for Social Welfare* and shows how other general policy documents have extended the framework created by the white paper. It also offers an outline of child-specific policy development. Section one concludes by identifying important policy gaps in need of attention and expected policy delay.

Section two focuses on government's funding of social welfare services. It explains how provincial budgets for social welfare are determined and sets out the relevant programme classification for budget reporting. It then provides an overview of the priority afforded social welfare service spending and real growth trends in social welfare service programme budgets between 2000/01 and 2006/07. Finally, it considers government's financial support for non-governmental delivery agencies

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<sup>6</sup> Recent research by Child Welfare SA (cited in NACOSS 2004b:3) vividly portrays the need for social welfare service delivery. Due to AIDS, the number of orphaned children reported to Child Welfare societies in the country tripled between 2002 and 2003, compared to the previous three years.

and spotlights the financial crisis currently undermining service provision (including statutory services) to vulnerable children by the non-governmental sector.

Section three takes a brief look at service delivery in the social welfare arena. It draws attention to the lack of adequate information on how service delivery occurs in practice and the urgent need for an audit in this regard. Using the limited sources available, it flags a few discrepancies in service delivery that should be taken into account when responding to the challenges being experienced in practice. Section three goes on to convey the obstacles identified by government officials and non-governmental service providers that currently undermine the roll-out of social welfare services.

Finally, the conclusion draws out the key challenges emerging from the paper that need to be addressed so as to advance children's entitlement to adequate protection, care and development.

## SECTION 1

# POLICY FRAMEWORK FOR THE DELIVERY OF SOCIAL WELFARE SERVICES TO CHILDREN

Government policy covering the broad and vaguely defined area of 'social welfare services' is contained in four key general policy documents developed by government since 1994:

- the 1997 *White Paper for Social Welfare*;
- the *Financing Policy for Developmental Social Welfare Services* of 1999;
- the 2004 *Policy on Financial Awards to Service Providers (Third draft)*, released in June; and
- the *Service delivery model for developmental social services (Second draft)*, released in December 2004.

In addition, a number of child-specific policies have either been produced or are currently in the pipe-line. Child-specific policy development for social welfare services has been held back, at least in part, by the process – begun in 1998 by the law commission (and still underway) – to integrate child-related laws into an inclusive, multi-sectoral *Children's Bill*. As already pointed out, this process is nearing completion.

Section 1.1 below first provides an overview of the transformation strategy put forward in the White Paper for Social Welfare. Sections 1.2 and 1.3 then show how the subsequent financing and service delivery documents contributed to the emerging policy framework. In Section 1.4, the discussion turns to child-specific policies relating to social welfare services. Section 1.5 draws attention to a number of critical policy documents that are currently in the pipeline and urgently needed to plug gaps in the general policy framework.

### 1.1 THE 1997 WHITE PAPER FOR SOCIAL WELFARE

"The approach and strategies contained in this White Paper for Social Welfare will inform the restructuring of services and social welfare programmes in both the public and the private sectors" (Ministry for Welfare & Population Development 1997: Preamble).

The *White Paper for Social Welfare* (1997) explains why the then-existing welfare system was in dire need of transformation. It notes that the welfare policy framework was weak. There was no national consensus on exactly how the social welfare sector would support the development objectives set out in the Reconstruction and Development Programme (RDP). The existing system was characterised by insufficient and disparate access to services (including gender and racial discrimination and an urban bias). Service delivery was fragmented and founded on an inappropriate welfare paradigm. In addition, the social welfare system was constrained by a lack of sustainable funding, low levels of participation and an unequal partnership between government and civil society organisations (Ministry for Welfare & Population Development, 1997).

The white paper defines 'social welfare' as "an integrated and comprehensive system of social services, facilities, programmes and social security to promote social development, social justice and the social functioning of people" (*ibid*:4,7). It describes the role of the social welfare system as helping to improve the well-being of individuals, families and communities and creating a caring, just society which

respects human rights. The white paper is at pains to point out that social welfare interventions led by social development departments are only a small part of the package of interventions required from government to care for vulnerable individuals. They must be complemented by interventions led by other government departments in the form of health, nutrition, education, housing, employment-creation, rural and urban development and land reform programmes.

Critically, the white paper identifies two branches of welfare delivery: social security and social welfare services. It defines the social security aspect of the proposed system very clearly; but does not do the same for social welfare services. Social security is defined as covering “a wide variety of public and private measures that provide cash or in-kind benefits or both, first, in the event of an individual’s earning power permanently ceasing, being interrupted, never developing, or being exercised only at unacceptable social cost and such person being unable to avoid poverty. And secondly, in order to maintain children” (*ibid*:40). Four elements are identified within the social security package: private savings, social insurance, social assistance and social relief.<sup>7</sup> The white paper (including its glossary of terms) offers no explicit definition of ‘social welfare services’. However, it implies that this aspect is made up of all the facilities, programmes and services that are part of the proposed developmental social welfare system, co-ordinated by social development departments and do not fall within the package of social services defined as social security.

### **1.1.1 The vision, mission and goals of social welfare**

The vision put forward in the white paper (*ibid*:7) is the creation of “a welfare system that facilitates the development of human capacity and self-reliance within a caring and enabling socio-economic economic environment”. The mission of the social welfare strategy is “to serve and build a self-reliant nation in partnership with all stakeholders through an integrated social welfare system which maximizes its existing potential, and which is equitable, sustainable, accessible, people-centred and developmental”.

According to the white paper (*ibid*:8), the goals of the new social welfare system are:

- To facilitate the provision of appropriate social welfare services to all South Africans, especially those living in poverty, those who are vulnerable and those who have special needs. These services should include rehabilitative, preventative, developmental and protective services and facilities, as well as social security, including social relief programmes, social care programmes and the enhancement of social functioning;
- To promote and strengthen the partnership between government, the community and organisations in civil society and in the private sector who are involved with the delivery of social services;
- To promote social development inter-sectorally both within social development departments and in collaboration with other government departments and non-governmental stakeholders;

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<sup>7</sup> *Social insurance* includes, for example, joint contributions by employers and employees to pension or provident funds, or insurance covering unexpected events and/or paid by government and private people to cover accidents at work. *Social assistance* refers to non-contributory benefits paid by the state to groups such a people with disabilities or children that pass an income-based means test or are unable due to health to care for themselves. *Social relief* includes short-term measures to tide over people in need when they face a particular individual or community crisis.

- To give effect to those international conventions of the United Nations that have been ratified by government and are pertinent to developmental social welfare; and
- To realise the relevant objectives of the Constitution of the Republic of South Africa and the RDP.

### 1.1.2 Guiding principles

The white paper (*ibid*:8-9) puts forward the following eleven principles that should guide *all* social welfare delivery (including social security and social welfare services):

- *Securing basic welfare rights*: Commitment to creating the conditions necessary for the progressive achievement of every citizen's rights to social security and social welfare services through a combination of private and public financing;
- *Equity*: Distributing resources equitably and in a way that addresses racial, gender, geographical, urban/rural and sector disparities;
- *Non-discrimination*: Service delivery that promotes non-discrimination, tolerance, respect for diversity and inclusion of all groups;
- *Democracy*: The design and implementation of programmes in a manner that is informed by participation by all those involved;
- *Human rights*: Designing programmes and delivering services in a way that is congruent with human rights and the fundamental freedoms as articulated in the Constitution;
- *Sustainability*: Designing interventions so that the focus is on priority needs and interventions are financially viable, cost-efficient and effective;
- *Quality services*: Striving for excellence in social welfare provision;
- *Transparency and accountability*: Ensuring that welfare organisations and institutions are accountable and transparent at all levels;
- *Accessibility*: Welfare organisations and institutions should be accessible to all those in need and action should be taken to build access for all where there are barriers;
- *Appropriateness*: Social welfare programmes, methods and approaches are to be appropriate and responsive to the range of cultural, social and economic conditions in communities; and
- *Ubuntu*: Developing and adhering to the principle of 'caring for each others' well-being'.

The white paper then devotes separate chapters to the transformation requirements of social security services and social welfare services. The following principles are identified specifically to guide the transformation of social welfare services: (*ibid*: 49 – 50)

- **Principle 1** is a new focus on poverty in service delivery and on integrating poverty interventions with other interventions. It highlights the need for links between social welfare and other departments delivering programmes aimed at poverty alleviation and poverty reduction.
- **Principle 2** introduces a new emphasis on strengthening family life. Vulnerable individuals should be assisted in the broader context of their her family situation, with priority being given to those without families or households.
- **Principle 3** highlights the need to conduct social work within a life-cycle approach, taking cognisance of the changing needs of families and individuals over time.

- **Principle 4** is the adoption of a developmental approach in service design and delivery. Critically, the precise meaning of this is left rather vague.<sup>8</sup>
- **Principle 5** underlines the need for service delivery to be based on comprehensive, generic, family-centred, community-based models that apply the developmental approach. This involves achieving a better balance between rehabilitative, protective, preventative and developmental interventions. The white paper however recognises the importance of all these types of interventions.
- **Principle 6** relates to consultation. Social welfare policies are to be designed in a manner that all interested parties can engage in the process and give input.
- **Principle 7** focuses on citizen participation in development. Social welfare services and programmes should promote opportunities for all South Africans to play an active role in creating their own well-being and in contributing to development.
- **Principle 8** acknowledges the reality of fiscal constraints. It commits all parties to an understanding that the social welfare service vision is to be “implemented progressively” (*ibid*:50).

### **1.1.3 Social welfare service delivery to children**

The *White Paper for Social Welfare* (*ibid*:54) commits government to “giving the highest priority to the promotion of family life, and the survival, protection and development of all South African children”. In many ways, it reflects the spirit of ex-President Mandela’s special interest in and commitment to promoting the well-being of children and protecting their rights. It promises to give priority to children in social welfare service delivery and especially to children “in difficult circumstances” (*ibid*:4). The white paper (*ibid*:51-54) provides a useful list of children who should be viewed as especially vulnerable by policy-makers and service delivery agencies and who are seen to require social welfare services:

- Children from birth to 36 months;
- Pre-school children in the age group 3 to 6 years who, because of poverty and/or other factors, have insufficient access to early childhood development services;
- Children requiring out-of-home care;
- Children with disabilities;
- Children with chronic diseases, including HIV/Aids;
- Children who are abused and neglected;
- Street children;
- Children engaged in labour that decreases their well-being;
- Children abusing substances;
- Children of divorcing parents; and
- Children suffering from insufficient nutrition.

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<sup>8</sup> The document simply states that social welfare strategies and programmes should “ensure that all people have adequate economic and social protection, and have access to welfare programmes which will promote development”. It also notes that the developmental approach calls for innovative strategies to be designed for vulnerable individuals and families to increase their capacity to earn a living through employment-creation, skills development, access to credit and where possible, by facilitating a transition from informal to formal employment (cited in Follentine 2004:5). No examples are given of such ‘innovative strategies’. The question is also left hanging how such programmes would be linked to the employment-generation and empowerment programmes of other departments.

The white paper emphasises that social welfare services should be conceived and delivered in a way that treats a child's situation as an outcome of their family and community situation. In order to realise children's right to social services, it is thus necessary to take into account the developmental needs not only of vulnerable children themselves, but also of the relevant family and community. The call is for child welfare services to be delivered as part of a comprehensive package of services to vulnerable families (*ibid*:54). The aim of family and child welfare services is "to preserve and strengthen families so that they can provide a suitable environment for the physical, emotional and social development of all their members" (*ibid*). Accordingly, residential facilities are to be used as a last resort for children in need of alternative care and programmes should aim to re-integrate children back into the family (or at least the community) if they have spent time in a residential facility.

The white paper offers some very broad guidelines for the delivery of social welfare services to each of the groups of vulnerable children identified above. It also lists a number of general guidelines that are seen to apply to *all* categories of children living in difficult circumstances. The latter guidelines are:

- to protect children's rights;
- to address the fundamental cause of family disintegration;
- to foster self-reliance, capacity and empowerment;
- to concentrate interventions "first on prevention, by enhancing family functioning, then on protection, and lastly on provision of statutory services" (*ibid*:55);
- to deliver services in an integrated, comprehensive way in keeping with the developmental approach;
- to make provision for the needs of families and children according to their different stages of family development; and
- to strive for the meaningful participation of all family members in activities aimed at promoting their wellbeing.

The white paper (*ibid*: 58) flags the need for further child-specific policies and plans to be developed to guide the delivery of social welfare services to children. It specifically calls for:

- a national programme of action for South African families, children and youth;
- a national early childhood development strategy; and
- a comprehensive national plan for the protection of children against violence and child abuse.

The principles and new vision for service delivery put forward by government in the white paper was largely viewed in a positive fashion by most established non-government agencies working in the sector. However, the white paper vision did spark a concern within the ranks of established NGOs involved in service delivery that the emphasis on generic / integrated services would translate into an incorrect expectation for all NGOs to develop generic services as well as a further funding crisis for NGOs already struggling to meet the demand for specialist services. As Loffell (2005 personnel correspondence) points out, understandably specialist services are the main domain of NGOs working in the welfare sector as the way that NGO services develop is in response to a particularly social problem that needs to be addressed. Transforming service provision to provide one stop type service delivery would be a huge task for most NGOs most of which lacked the necessary funds and human skills for the challenge. The view put forward by NGOs, which is still held today – and which is now beginning to be heard by government - is that not all non

governmental service providers should be expected to deliver generic services. Instead, NGOs should be left to specialise in the services in which they have excellence – as long as there is demand and they are effective in responding. Moreover, government should fill any gap that exists in terms of basic holistic service provision. It should do this by financing and delivering a basic country-wide service network that permeates down to local government level. (Loffell, 2005 in personnel correspondence).

#### **1.4 The funding of social welfare services**

In order to understand the funding of social welfare services today, it is critical to take account of the funding situation in 1997, as outlined in the *White Paper for Social Welfare*. At the time, social welfare service delivery was already challenged by under-funding from government. There was a large funding gap that the non-governmental sector had to fill if needs were to be met. The under-funding of social welfare services by government is presented, in part, as a result of crowding out by social security spending:

“The social security component amounts to 88% of the welfare budget...While there have been significant increases in social security expenditure, the [social] welfare assistance and services component of the welfare budget has remained static and inadequate...Welfare services are inadequately funded. The government’s contribution to welfare services (excluding social security) is far smaller than that of the formal welfare sector and the informal welfare sector, i.e. the NGOs and CBOs, which are not state subsidised” (*ibid*: 35).

In order to achieve the white paper’s vision for the transformation of social welfare services, the need for additional funds is openly acknowledged. The following proposals are put forward in this regard:

- Increasing the contribution of the non-governmental partners;
- Generating more government funds through reprioritisation and efficiency gains, including:
  - ♦ targeting funds more carefully at particularly vulnerable groups;
  - ♦ streamlining administrative structures;
  - ♦ spending less on residential facilities and more on low-cost family-centred and community-based strategies;
  - ♦ switching from specialised services to one-stop or multi-purpose generic services; and
  - ♦ linking up programmes delivered by other departments involved in developmental social welfare service delivery more effectively; and
- Lastly, mobilising additional development sponsorship for social welfare programmes from other stakeholders (including the innovative use, for example, of tax policy).

The white paper proposes a change in social welfare planning and budgeting so that it is “based on budgeting from zero” (*ibid*:37). This suggestion has huge technical research and spending implications. It also calls for “appropriate procedures to be developed to prevent the use of welfare assistance and services funds to meet the shortfalls in social security costs and in relation to other functions” (*ibid*). Out of the total welfare budget, the white paper motivates for an increased proportion to be spent on social welfare services. However, it does not specify exactly how the resource pie should be divided between social security and social welfare services. Subsequently, the department adopted a proportional policy goal of 80% for social security and 20% for social welfare services (Smith 2004; Follentine 2004).

The white paper is vague when it comes to criteria for the funding of social welfare services delivered by non-government agencies and how statutory services will be funded. The aim was to address these issues in a separate financing policy document. However, the white paper does signal some broad contours:

- It proposes a shift away from calculating payments to non-governmental agencies based on a (not costed) per capita amount for social workers and a per capita amount for residents of residential facilities. It calls for programme-based financing to be introduced, linked to outputs and the principles of transformation.
- It states that “the government will finance statutory programmes, including related services and facilities and alternatives such as family placements and supervised community-based options... Appropriate and affordable criteria, norms and standards for the delivery and funding of statutory services will be developed and set. Such financing will be phased in over the five year period of the budgetary reform plan and within the limits of government resources” (Ministry for Welfare and Population Development, 1997:38).

## 1.2 TWO POLICIES ON THE FINANCING OF SOCIAL WELFARE SERVICES

### 1.2.1 The 1999 *Financing Policy for Developmental Social Welfare Services*

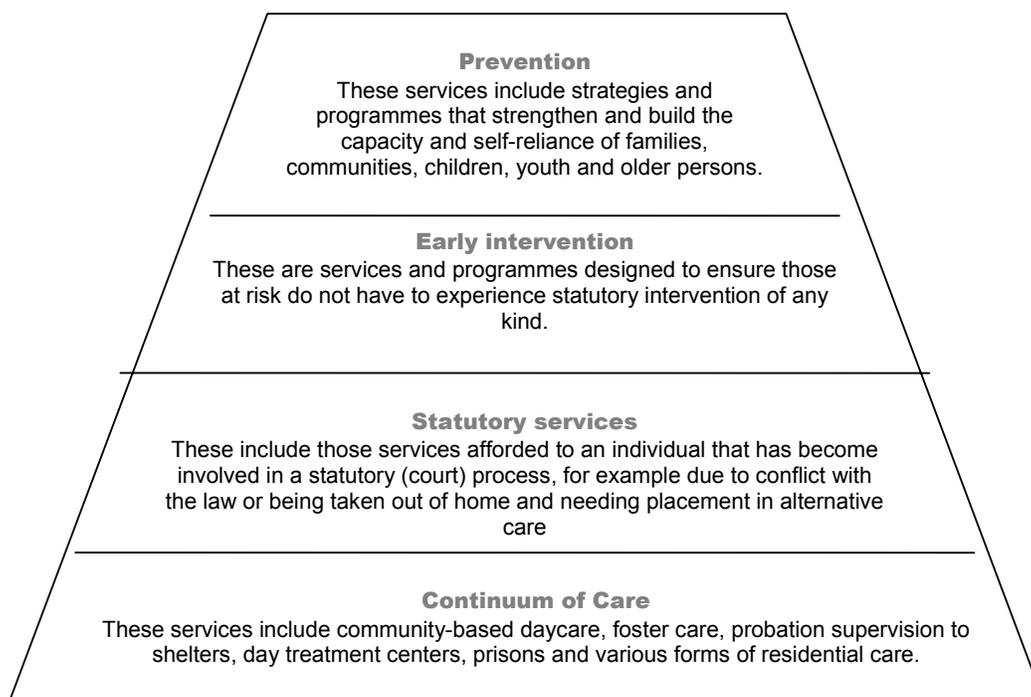
In the *Government Gazette* of March 1999, this financing policy is presented as one of the “most important policy instruments for the fundamental transformation of both service delivery and the financing thereof” (Republic of South Africa 1999: 4). However, it is made clear that the policy represents only one element in a set required to create the necessary “holistic integrated policy framework for developmental social welfare services” (Ibid:8). This is critical for understanding the policy gap that remains. The financing policy identifies, as part of the required set, three important documents. Two of these, on Norms and Standards and on Developmental Quality Assurance, are yet to be developed. The third document, *Guidelines for the Transformation of the Child and Youth Care System*, has since been produced (see Section 1.4 below).

The financing policy begins by revisiting the vision for ‘developmental social welfare’ put forward in the *White Paper for Social Welfare*. It reiterates the principles that should guide service delivery.<sup>9</sup> It also presents a pyramid diagram and a table that provide more detail on what is meant by ‘social welfare services’ as well as the required shift in approach to service delivery:

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<sup>9</sup> In the review of the principles to guide developmental social welfare services, two principles are added to those put forward in the white paper. Firstly, it adds a call for services to be delivered in a way that gives vulnerable target groups access to a range of differentiated services on ‘a continuum of care and development’. Secondly, it emphasises the importance of integrating an understanding of the African context into programme design and implementation and to consciously support the African Renaissance.

**FIGURE 1: LEVELS OF SERVICE IN THE SOCIAL WELFARE SERVICE BASKET**



Source: Republic of South Africa (1999:13).

Critically, the 1999 financing policy document described (quite correctly) the *status quo* as being that most available resources were concentrated at the lower levels (statutory processes and continuum of care), while the fewest were being deployed at the preventative level. One of the key aims of the financing policy was to reverse the service delivery pyramid so that the top layer would be the largest and the bottom layer the smallest (but highly effective). This turnaround was supposed to happen between 1999 and 2004. (*ibid* and Loffell, 2005 in personnel correspondence). Of course, unless for some reason there was substantial reduction in the need for statutory and continuum of care services (which seemed unlikely with the onset of a growing impact of HIV/AIDS and continuing unemployment and poverty as well as other problems such as violence and alcohol abuse) the call more action in the preventative service sphere implied a need for a whole lot more resources to be spent on the social welfare service sector. Without additional funding, effective delivery of statutory and continuum of care services would be undermined.

**TABLE 1: PARADIGM SHIFTS IN SOCIAL WELFARE SERVICE DELIVERY**

Shifts	Description of welfare approach	New approach
Shift 1	From a pathology and specialisation focus	To a developmental focus and developmental service methodology
Shift 2	From too few resources allocated to and focused on prevention and early intervention strategies	To an emphasis on prevention and early intervention strategies
Shift 3	From most services located at level 4, yet poorly resourced and generally ineffective	To least services located at this level, but well resourced and highly effective
Shift 4	From fragmented services across specialised areas and various sectors	To integrated services, including special development areas (such as disability, HIV/Aids and substance abuse) and across

		sectors
Shift 5	From dislocation or isolation from social assistance	To linkages and where possible integration with social assistance components
Shift 6	From inequity	To conscious targeting of inequality together with a strong anti-poverty focus throughout all services
Shift 7	From viewing residential care as institutions	To re-framing and transforming them into 'one stop' services
Shift 8	From services directed at addressing a particular pathology or problem area.	To services addressing the needs of children, youth and families and/or women and older persons.

Source: Republic of South Africa (1999:11-12).

The 1999 Financing Policy states that one of its purposes is to introduce a new output and outcomes based approach to budgeting for social welfare services. In the words of the Financing Policy: 'Budgeting for service delivery will be output- and outcomes-based and will enable the analysis and allocation of resources according to stated purpose and results' (*ibid*:15).<sup>10</sup> Other key purposes of the policy are: to address imbalances in service provision to citizens; distribute benefits more equitably; to ensure that resources are used more efficiently and effectively; and to include service organisations previously excluded from receiving financial assistance from the state. (*ibid*:16).

A set of principles to guide funding of social welfare services is introduced, some of which are so general and vague that it is difficult to see what they mean (for example there is the principle that funds will be allocated in a way that 'is mindful of human rights obligations'- what this means is not elaborated on). The most note-worthy principles appear to be the following (*ibid*).

- Allocating funds in a way that favours prevention and early intervention services;
- Allocating in a way that facilitates maximisation human resource development;
- Allocating in a way that facilitates holistic service delivery;
- Allocating in a way that takes into account historical imbalances in terms of demography and the urban-rural divide;
- Allocating in a way that promotes poverty alleviation.

To further elaborate on the new approach to funding social welfare services, the policy then outlines twelve shifts in financing, as set out in Table 2:

<sup>10</sup>This statement should be understood in the context of the budgetary reform process underway in South Africa at the time. In 1996 a system of multi-year budget planning was introduced in the form of the Medium-Term Expenditure Framework (MTEF). On an annual basis, government departments were now required to present estimates of expenditure not only for the up-coming financial year, but also for the next two years. Performance-based budgeting was also introduced to replace the system of budgeting based on past numbers. The aim was to ensure that budget allocations would now be based on services to be delivered (outputs) and the impact that service delivery will have (outcomes).

**TABLE 2: PARADIGM SHIFTS IN FINANCING SOCIAL WELFARE SERVICES**

Shifts	Old characteristic in financing	New characteristic
Shift 1	From a narrow focus on the quantity of beneficiaries serviced	To a consideration of not only quantity but also the quality (effectiveness) of service
Shift 2	From per capita financing	To programme financing <sup>11</sup> (No longer will funds allocated to residential facilities be calculated using an amount per capita as the primary cost driver or NGOs be financed according to a subsidy paid to social workers)
Shift 3	From a focus on financing specialist organisations and services	To financing of holistic services with specialist components integrated
Shift 4	From supporting racially-based structures and practices	To supporting those services and practices that promote social integration, diversity and equity
Shift 5	From financing on the basis of 'entitlement'	To financing on the basis of necessary and effective services
Shift 6	From a skewed allocation of resources (across provinces and the rural/urban areas within provinces)	Towards ensuring a more equitable distribution of funds (equal access regardless of geographical area)
Shift 7	From financing of organisations and services that disregard indigenous rights and cultural practices.	To financing of organisations that respect diversity and indigenous rights and cultures
Shift 8	From financing based on arbitrary 'thumb-suck' criteria.	To financing based on principles, value-based criteria and an output/outcomes orientation
Shift 9	From and individualist bias in financing	To recognition of collective approaches
Shift 10	From financing of fragmented, specialised or isolated services	To financing of one-stop integrated services
Shift 11	From financing services isolated from social assistance	To financing services that are linked to social assistance provision
Shift 12	From financing of services where beneficiaries have had no input	To financing services that adopt a participatory approach

Source: Adapted from Republic of South Africa 1999:16-19.

The financing policy does not provide much clarity on the types of services, programmes and facilities to be funded (in other words on the outputs that are desired).<sup>12</sup> It is similarly rather vague on outcomes. Besides the broad outline of interventions presented in the pyramid diagram, the following three categories of services are identified:

<sup>11</sup> As is pointed out by Loffell (personnel correspondence in comments on a draft of the paper), it needs to be understood that the proposed shift from payment to subsidise social worker posts to programme funding by government is a very old song that has been sung since the 1980s. The shift towards programme funding is positive if it takes the form of government meeting in full NGO service delivery agencies' calls for needed funds to deliver programmes that have been well costed and which promise effective service delivery. However, it is problematic in that it opens the door for government officials to subjectively decide on the proportion of NGOs services to fund, leaving NGO delivery agencies in a precarious position. As is pointed out in section 2.4 below, the way in which NGOs are currently funded is a mixed bag. Most funding is still based on a per capita amount for social workers and residents of residential facilities. However, there some government funding of NGO service delivery has switched to the programme approach. And, unfortunately, it appears as if instead of government meeting in full carefully costed programmes, the trend has been for government to fund a proportion of the programme costs (with little clarity being given about why the proportion has been decided upon). (*ibid*).

<sup>12</sup> The vague outline of services to be funded is perhaps best understood in the context of the plan to develop subsequent Norms and Standards policy documents.

- Direct services, further described as holistic and effective services for vulnerable groups (children, families, youth, older persons and/or women) at one or more of the four service delivery levels with integration of special development areas (HIV/AIDS, substance abuse and poverty);
- Support services, including policy management, co-ordination and monitoring of services; and
- Capacity-building, research and advocacy services (building an enabling environment).

In terms of institutional arrangements for delivery, the document calls for partnership between civil society and government. It foresees that government and civil society organisations will participate in the delivery of *each* of the three broad categories of service. The policy notes that a greater role should be played by welfare organisations falling within the informal sector and working in traditionally under-served areas. This introduces a rural bias in the financing policy. It also calls for investment in infrastructure and capacity-building at local government level, so as to allow this sphere to play a more pronounced role in social welfare service delivery (Ibid:28-29).

The policy sets out some financing options to be applied in the funding of non-governmental service agencies. Unfortunately, this section of the policy is very confusing. It also outlines the following procedure that should be carried out annually in each province (beginning from April 1999/00) for deciding on the allocation of resources to non-governmental service providers:

- Step 1 Priorities are set, based on research into the needs of the province and existing service provision pattern.
- Step 2 Information on services and needs analysis is disseminated within the sector.
- Step 3 In line with the MTEF budget cycle approach, provincial social development departments prepare budget projections for the up-coming financial year and subsequent two financial years.
- Step 4 Partner organisations in the province submit service delivery plans.
- Step 5 The plans are assessed in relation to the needs analysis and the principles for social welfare transformation and financing set out in white paper and financing policy.
- Step 6 Decisions are reached about each proposal and where there is agreement to fund, a Service Level Agreement (SLA) is entered into. Where the proposal is rejected, discussion takes place with the service provider on how to increase the possibility of partnership and government financing in the future.
- Step 7 Service delivery takes place.
- Step 8 The implementation of the programme or service is monitored using the Developmental Quality Assurance Model introduced in the financing policy.

Critically, the 1999 financing policy document is silent on how government plans to deal with the enormous challenge – highlighted in the *White Paper for Social Welfare* – of generating more funds for developmental social welfare services. It seems to assume that the initial phase of transformation must take place with the current level of funding (known to be inadequate). For example, the policy envisages that “the transition to implementation mode will take a maximum of twelve months...Provinces will be expected to use existing resources to manage the transition phase” (Ibid:41).

The document is also silent on the question of how to ensure adequate funding for statutory services. Moreover, in tune with the white paper, there is no explicit statement that government will fund statutory services in full (though of course this is

a responsibility of government). This is surprising – and a critical shortcoming - in light of the white paper's clear acknowledgement of under-funding, concern about potential crowding out of social welfare services by the social security function and obligations to deliver statutory services implied by commitment to realising children's (and others') rights.

### **1.2.2 The 2004 Policy on Financial Awards to Service Providers**

“In order to effectively meet the increasing demands of communities, the transformation mechanisms need to be significantly tightened. In addition service providers, which are largely excluded must be brought into government's funding arena” (National Department of Social Development 2004c:6).

Government's financing policy for social welfare services was given further expression in a document titled *Policy on Financial Awards to Service Providers*. It was released for comment in third draft form in June 2004. The document was prepared with little consultation with the non-governmental sector (Loffell 2004; Van Niekerk 2004). Reports suggest that the document has in fact been approved - without changes – and that policy implementation begins on 1 April 2005.

A key theme in the new financing policy is that there has been insufficient transformation of financing in the social welfare arena. The policy suggests that little progress has been made in shifting funds to emerging organisations that work in previously disadvantaged (and under-served) communities:

“Community-based and emerging organisations, which are often best placed and have the potential to render services to the marginalized poor and especially rural communities, are still largely excluded from financing or inadequately financed” (National Department of Social Development 2004c:6)

How does the 2004 financing policy differ from the 1999 policy when it comes to the funding of social welfare services? The short answer is very little (Kruger 2004; Follentine 2005). The approach is essentially the same. However, the 2004 policy is packaged in a different and hopefully more accessible way. Moreover, the following four small differences are worth noting:

- Stronger emphasis seems to be placed on equity and shifting funds to previously disadvantaged delivery organisations, particularly those operating in rural areas.
- The 2004 policy more clearly describes the financing options, types of financing and methods of payment to be used in purchasing services from non-governmental agencies.<sup>13</sup>
- The 2004 document provides more clearly for the use of tenders and gives greater room for a full purchase of service approach.
- Finally, it provides a nine-point list of criteria that need to be met before a potential service delivery agency can be eligible for financing (Ibid:23-24).

The 2004 financing policy devotes an entire section to outlining the financial pressure that undermines service delivery in the social welfare service area. It names a range of social welfare services that are “chronically under-budgeted’ (Ibid:14). Yet in

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<sup>13</sup> The document outlines three options by which government, as a contractor, may purchase services: either through subsidisation of programmes, by means of a closed tender process or through an open tender process. It further sets out various types of financing: seed financing, capital financing, venture financing, long term contractual financing, partial financing and shared financing. The methods of payment to be considered when funding services or programmes include payment in phases/stages/tranches, payment through transfer of a lump sum or payment at regular pre-determined intervals.

keeping with the 1999 policy, it does not argue for a bigger slice of the total government budget to go towards social welfare services. Again it appears to accept that service providers must work better and do more with the existing slice of the pie. The implication is that non-governmental sources are under growing pressure to come up with an ever-increasing portion of the total funds needed to deliver social welfare services. This seems at odds with government's obligations to realise human rights, its acknowledgement of the need for social welfare services and its recognition that there is a funding crisis affecting delivery in the sector.

Like the 1999 financing policy, the 2004 policy is vague about the relative roles of the NGO and government sector in funding and service delivery. It also sheds little light on what services are to be funded at what level by government. In tune with the previous policy statements, the 2004 financing policy is again vociferous on the need to develop more clear service specifications (defined by the Departments of Social Development) to guide funding and says "service specifications will...determine where, to whom and for what purpose funding will be allocated" (Ibid:16).

How did the non-governmental sector respond to the 2004 financing policy document? NGOs welcomed the clearer provision for the use of tenders and greater room for a full 'purchase of service' approach (Johannesburg Child Welfare Society 2004; NACOSS 2004b; Childline 2004). They also supported the call for financing to be shared when a similar service is offered in the same areas. In general, the NGO sector also expressed full support for most of the basic principles of transformation (Childline 2004:3; NACOSS 2004b&c). However in sum, their response to the document was more negative than positive. The concerns raised by the NGO service delivery sector (most notably NACOSS, Childline and the Johannesburg Child Welfare Society) are summarised in point form below. These concerns echo those already raised in response to the 1999 financing policy (Loffell 2004):

- There was a lack of consultation on the part of government in the development of the document (Johannesburg Child Welfare Society 2004; Childline 2004).<sup>14</sup>
- The financing policy makes use of dated and flawed analysis of the social welfare service delivery sector. Moreover, it understates the amount of transformation that has taken place in a number of the non-governmental organisations delivering social welfare services.<sup>15</sup>
- The policy document downplays the financial squeeze on established non-governmental delivery agencies. It fails to confront the challenge of generating additional funds to implement the social welfare service vision more effectively (Johannesburg Child Welfare Society 2004; Childline 2004).
- The policy also downplays the role that inadequate government funding plays in undermining service delivery and universal access to efficient and effective services (Childline 2004).
- The document focuses too narrowly on the provision of services to combat poverty. It gives insufficient attention to the host of other services and

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<sup>14</sup> According to the Johannesburg Child Welfare Society (2004:1), a "new document is needed which is based on a genuine consultative process with the NPOs on whom the department is relying on a massive scale for the delivery of social services to poor, vulnerable and marginalized persons...Only in this way will it be possible to develop a policy which engages with the realities of service delivery, and which can serve as a proper basis for the financing of the sector".

<sup>15</sup> According to the Johannesburg Child Welfare Society (Ibid:3), "[t]he document contains allegations of a general lack of transformation among social service NPOs, without any facts being presented to justify them. These allegations are...extremely unjust. They are out of line with our daily experience of our own services and those of our fellow organizations".

interventions that are related to poverty but have their own dynamic - such as child abuse, substance abuse, mental health and disability.

- With the call for more attention to be focused on prevention, early intervention and moving services to rural areas – and without more funds being promised for all service delivery – there is concern that NGO service providers may be forced to cut back on statutory services to facilitate these shifts (NACOSS 2004c:3).
- The document does not sufficiently reflect that government accepts the leading responsibility to provide for the delivery of social welfare services, especially statutory services. It does not appear to recognise that “where NPOs are available to help, this is a bonus” (Johannesburg Child Welfare Society 2004).
- The financing policy does not provide sufficient detail on the nature of the services that need to be (and will be) funded by government, how much it would cost to deliver them and how to ensure that they are financed. In the words of NACOSS (2004b:4): “The Draft contains no details on who will be funded...what will be funded, parameters of funding for various services etc...The details are apparently left entirely to provinces to work out with no national norms at all’. Linked to this, the policy lacks a principle commitment to the costing of services according to set minimum norms and the financing of NGOs on the basis of these costs (Ibid).<sup>16</sup>
- The financing policy makes no reference to the development of a national legislative framework for the financing of welfare services delivered by NGOs (NACOSS 2004b:7; 2004c:1).
- The policy uses the terminology of ‘financial award’ to NGO service providers instead of the more appropriate terminology (used in some places) of ‘purchase of services’ (Childline 2004:3).
- The inclusion of a closed tender process as a financing option was considered unacceptable and leaves the door open for corruptive practices.

### **1.3 THE 2004 DRAFT SERVICE DELIVERY MODEL**

The second draft of this document was released by the national Department of Social Development in December 2004, with an invitation to comment by 15 February 2005. According to a government official, the policy was developed, in part, to provide National Treasury with more information on exactly what kind of social welfare services were being funded through provincial social development budgets. The document thus sets out to clarify “the nature, scope and level of services in the developmental social services sector, excluding Social Security...in the context of confusion, misunderstanding, misinterpretation and debate” (National Department of Social Development, 2004c:2).

The preparation of the document did not include a formal process of consultation with non-governmental agencies working in the sector (Van Niekerk 2004 and Loffel 2004). Some government officials argue that NGO perspectives are indeed represented in the document, as the writing process made extensive use of the plans submitted by non-governmental agencies when they apply for funding.<sup>17</sup>

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<sup>16</sup> As NACOSS (2004b:4) points out: “Costing is mentioned, but there is no reference to how and when this will be undertaken”. In a submission to the Minister of Social Development, NACOSS (2004c) refers to this as the absence of a ‘quantifiable vision for social welfare services’.

<sup>17</sup> The response by some NGO representatives is that this method of ‘consultation’ is totally unacceptable as there is no two way process, leaving policy makers open to selectivity and bias.

The document begins by reiterating the need for a developmental approach to social welfare services. It also tries to clarify some key concepts relating to this terrain of work.<sup>18</sup> The *Draft Service Delivery Model* (2004) identifies two main branches of services administered by the departments of social development, namely social security and social services (which were labelled social **welfare** services in the white paper). The model then explains that the 'social services' branch is made up of two categories: social welfare services (more narrowly defined than in the white paper and financing policies) and community development services. Nevertheless, as the white paper does, it emphasises that all programmes under the social development umbrella are intended to work in an integrated way and as a "multi-pronged approach aimed at addressing the social welfare and development needs of target groups in a holistic manner" (National Department of Social Development, 2004c:16).

The document identifies a number of 'entry points' through which vulnerable people are introduced into the social welfare system. These include, for example, drop-in centres, service offices, home and community visits. Once they have entered the system, the ultimate aim of service delivery is to ensure that their short-, medium- and long-term needs are met through all programmes working in concert. Success is achieved when people exit the system and are able to function maximally within society (Ibid). The approach seeks to "promote the meeting of emergency needs of vulnerable households, individuals and communities, simultaneously assessing the cause and effect of their vulnerability, recognising their strengths and developing appropriate strategies for sustainable socio-economic development" (Ibid).

The *Draft Service Delivery Model* devotes separate chapters to provide more detail on social welfare services and community development services. Social welfare services are classified in two ways: firstly in terms of levels of intervention (in line with the financing policy of 1999) and then in terms of the nature of services.

The following levels of intervention are identified in relation to social welfare services:

1. **Prevention:** These are services aimed at building and strengthening the capacity and self-reliance of the client. At this level, the client is functioning at an adequate level but there is a possibility of 'at risk' behaviour at a later stage.
2. **Early intervention:** This level includes developmental and therapeutic services to assist those identified as being 'at risk' before they require statutory services, more intensive intervention or placement in alternative care.
3. **Statutory service, residential care or alternative care:** These services assist those who have already become involved in some form of court case or are no longer able to function adequately in the community. Services are aimed at supporting and strengthening the individual involved. At this level, the client may be removed from his/her normal place of abode to alternative care (for example, foster care) or placed in a residential facility.
4. **Reconstruction and aftercare:** Services at this level help to ensure that alternative care becomes a temporary measure and that the individual involved is fully integrated back into the community (and family, if possible).

According to the document, social welfare services can also be divided into the following five categories, based on the nature of services:

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<sup>18</sup> Initial confusion is caused by the fact that the 2004 *Draft Service Delivery Model* does not use the same terminology as the *White Paper for Social Welfare* when referring to this area service delivery. The work terrain referred to as 'social **welfare** services' in the white paper, are here termed 'social services'.

- A. **Promotion and Prevention services:** These comprise services of anticipatory actions to reduce the likelihood of undesirable conditions and the need for further service intervention.
- B. **Rehabilitation services:** These services aim to improve the social functioning of clients whose functioning is impaired as a result of injury, disability or any chronic condition. They are delivered in a wide range of settings, including home, service agencies and residential facilities.
- C. **Protection services:** These interventions aim to safeguard the well-being of individuals and families and include a range of statutory services. Most protection services are governed by a legislative and/or policy framework, in terms of which designated persons or institutions are empowered to take specific actions that are deemed necessary to protect the integrity and well-being of the person within the social context of the family and community.
- D. **Continuing care services:** These are services that maintain or improve the physical, social and psychological well-being of individuals who, for a variety of reasons, are not able to fully care for themselves. The goal is to improve independence and quality of life.
- E. **Mental health and addiction services:** These encompass the areas of mental health, addiction and family violence through prevention, treatment and aftercare that is delivered as an integrated programme to enable the affected parties to receive the care and support they need to live optimal lives.

The *Draft Service Delivery Model* explains more closely what these different types of services may mean for different target groups. Table 3 presents the outline of social welfare services targeted specifically to children:

**TABLE 3: BASKET OF CHILD-SPECIFIC SOCIAL WELFARE SERVICES**

Classification category	Description of services
Protection services	Services aimed at the prevention of child abuse, child neglect and child abandonment. Programmes are aimed at protecting and promoting the well-being of children in especially difficult circumstances. These include services to children involved in child labour and commercial exploitation, as well as services to children affected by HIV and AIDS.
Rehabilitation services	Services to children living and working on the streets, which include registration of, and provision of services in shelters for street children and drop-in centres.
Prevention services	Early childhood development services that include the establishment and registration of facilities for children below 6 years and the monitoring and evaluation of services. Another example given is the service of the Family Advocate.
Continuing care services	Foster care services, adoption services, residential care services, which include the establishment, registration and management of children's homes and places of safety, re-unification services and after care services.

Source: National Department of Social Development (2004c:23-24).

Note: The document does not provide any description of category five services rendered to children.

In describing the scope and nature of community development services, the document explains that services are rendered through community development workers working together with individuals in the community and with other relevant stakeholders. The purpose of these services is described as "to facilitate community development through the human-orientated and people-centred approaches of

participation, empowerment and ownership of the development actions by the community to address and prevent deprivation (lack of access to basic material, physical and psycho-social needs)” (Ibid:32). The scope of services includes, amongst others, the following: developing social relationships, community profiling, planning and prioritisation, implementation, evaluation of implementation, documentation of activities, and facilitation, integration and coordination.

The *Draft Service Delivery Model* presents very general guidelines for norms and standards in the provision of social development services. It also flags the need for more specific norms and standards for each different service category (Ibid:45-46).

The document sets out how provincial social development departments should structure their work streams to facilitate the delivery of services (Ibid:50). Significantly, it suggests that each provincial department establish a separate unit to co-ordinate social welfare service delivery to children. At present, only the Gauteng social development department has a dedicated team that focuses on service delivery to children.

## 1.4 CHILD-SPECIFIC POLICIES RELATING TO SOCIAL WELFARE

This review of child-specific policy to guide the delivery of social welfare services is narrow in the sense that it covers only policies developed by the national Department of Social Development.<sup>19</sup> Amongst these, no single document has the status of being an up-to-date umbrella policy to integrate, co-ordinate and guide the delivery of social welfare services to children. However, this does not mean that there are *no* policy documents relevant to various aspects of social welfare service delivery. One (rather old) policy document of 1996 deals broadly with services that form part of what it calls ‘the child and youth care system’. Another policy document addresses the delivery of services to children made vulnerable by HIV/AIDS. There are also a collection of draft policy documents in the pipeline that cover part of the social welfare services that need to be delivered to children.

### 1.4.1 *Guidelines for the Transformation of the Youth and Child Care System*

This 1996 policy document is sometimes referred to as the *Policy on the Transformation of the Youth and Child Care System*. The guidelines were developed by the Inter-Ministerial Committee (IMC) on Young People at Risk. This body was established in May 1995 to resolve problems arising from the uncoordinated release of awaiting trial children in May of that year. The mission of the IMC was to design and enable the implementation of an integrated child and youth care system, based on a developmental and ecological perspective. The policy recommendations were released at the end of 1996, with the chairperson calling for all the recommendations not in need of legislation to be implemented immediately. The policy promised that “[c]hildren and youth are our most treasured asset – they and their families are valued and capable and contribute to a caring and healthy society” (South African Law Commission 1998).

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<sup>19</sup> It is acknowledged that other departments clearly also have key programmes and services that help give effect to children’s social and economic rights and contribute to realising the kind of vision presented in the 1997 white paper (National Department of Social Development 2004a:42-69).

In keeping with the *White Paper for Social Welfare*, the financing policies and the *Draft Service Delivery Model* of 2004, this policy places children in the context of the family and ultimately of the community. The child and youth care system is defined as one that provides residential and/or community services to young people and the families of young people who are at risk of placement away from home, who have been placed in any form of residential care or who may be in trouble with the law. In dealing with a child or young person, the document advocates a process of reception, engagement, assessment and referral. This process should be rooted within the community, involve the 'significant others' in the child's life and ensure the child's participation. The policy document describes the four levels of intervention within the child and youth care system as follows:

1. **Prevention:** These programmes and services aim to prevent problems which may negatively impact on the development of or place at risk the young person, family or community. Prevention could be achieved through a range of strategies including formal education, or school-based child and youth development programmes. The document flags the need to re-orientate law and practice to introduce a new focus on prevention. It argues that prevention and early intervention services were not given adequate attention in the past).
2. **Early intervention:** This category includes school-based support services, diversion programmes, parent support programmes, intensive family preservation services, early childhood education, differentiated foster care programmes and programmes aimed at enhancing community participation in matters relating to protection and development of children.
3. **Statutory services:** These include the services provided by the children's court. The document draws attention to the need for reform in this regard, *inter alia* with respect to training and the capacity of personnel, more effective partnerships between the justice and social development departments and possible community participation in children's court matters.
4. **Continuum of care:** This group of services comprise a managed strategy of care for children removed from their families and placed in residential care facilities, including group homes, correctional facilities, secure care facilities, shelters, places of safety, reform schools, children's homes and schools of industry. The policy stresses the importance of aftercare and re-integration.

A final point worth mentioning about the IMC's document is that it explicitly called for the "child and youth care system to be supported by appropriate human and financial resources, and quality assurance" (Ibid).

#### **1.4.2 National Integrated Plan for Children Infected and Affected by HIV/AIDS**

This policy document, released in 2000, was developed by the Departments of Social Development, Health and Education to lead the government's response to mitigating the impact of HIV/AIDS on children. The overall goal of the integrated plan is "to ensure access to an appropriate and effective integrated system of prevention, care and support services for children infected and affected by HIV/AIDS" (Departments of Health, Social Development and Education cited in Streak 2002). To this end, the policy document proposed four (subsequently implemented) programmes:

- Home- and community-based care and support (HBC);
- Strengthening voluntary counselling and testing (VCT) initiatives;
- Life skills and HIV/AIDS education in primary and secondary schools; and
- Community outreach and mobilisation.

Three further guideline policy documents were produced to help give effect to the integrated plan, specifically to programme one (De Beer 2004, in conversation with Kgamphe). These are:

- *Guidelines for the Establishment of Community Purpose Centres (Drop-in Centres)* (2003);
- *Guidelines for establishing Child Care Forums*; and
- *Guidelines for Social Services to Children Infected and Affected by HIV/AIDS Community - Based Care and Support*.

### **1.4.3 Child-specific draft policies**

A number of draft policy documents have been developed to guide particular aspects of social welfare service delivery to children. One such policy is the *National Policy Framework and Strategic Plan for the Prevention and Management of Child Abuse, Neglect and Exploitation* (2004). This framework is currently in final draft form and about to be submitted to Cabinet for approval. The policy framework offers “a response to the need for action by the Department of Social Development as the lead department and other role players in the governmental and the non-governmental sector, in respect of child abuse, neglect and exploitation. The policy framework is intended to guide the country’s response to this issue” (National Department of Social Development 2004a:viii).

The broad scope of the document covers actions to help “enable government and civil society to work together in protecting all children from all forms of abuse, neglect and exploitation”. (Ibid). The approach advocated in the policy document is “accessible, integrated, coordinated, multi-disciplinary and intersectoral” (Ibid:ix). The aims of the document are two-fold. Firstly, it seeks to reduce the incidence of child abuse, neglect and exploitation in South Africa. The second aim is to ensure that cases of abuse, neglect and exploitation are managed effectively so as to prevent further maltreatment of the children concerned and to promote the healing of these children, their families and communities (Ibid).

As is pointed out by Loffell (2005 in personnel correspondence), the document represents the culmination of a very long process, which lasted ten years and involved a number of different government departments whose buy-in is critical for developing an effective strategy and system of service delivery for prevention and management of child abuse and neglect. Moreover, it is generally seen to be a policy document which has the potential - once accepted by Cabinet – to become a useful guide to programme, budgeting and service delivery. The National Child Protection Committee, which has been involved in the development of the document, has been tasked with developing a simple model for service delivery from the policy framework which can then be used as the basis for costing implementation of the strategy put forward. The Committee has also been tasked with finding out the number of children in the system, developing norms and standards, the development of appropriate mechanisms for the outsourcing of services to NGOs and attention to the training needs and service conditions of personnel in all the sectors which have child protection responsibilities.

Whilst the National Policy Framework and Strategic Plan for the Prevention and Management of Child Abuse, Neglect and Exploitation is a clearly a welcome policy development, it needs to be understood that the document is that it does not cover all the service areas of social welfare. As such, it does not constitute an umbrella policy to guide programming, budgeting and service delivery to children in this area. For

example, the policy document does not address particular key prevention services such as early childhood development.

Other documents worth noting are the *Draft Minimum Standards: South African Child and Youth Care System* (of 1998) and the *Draft Orphans and other Vulnerable Children Policy Framework* (first draft released in November 2004). In addition, a (much needed) policy document for guiding and co-ordinating delivery of early childhood development services is also in the pipe-line (Mabetwa 2004: personal correspondence).

## 1.5 GAPS AND THE DELAY IN SOCIAL WELFARE POLICY

‘We welcome the efforts made by the Department via the recently drafted Service Delivery Model to begin getting to grips with the core business of this sector. But much work has yet to be done to determine: the numbers of people in need of services of various kinds; the costs involved in delivering each category of service; which roleplayers, including DSD and local authorities, are best placed to do what kinds of work; the various available funding sources; and appropriate mechanisms for purchasing services in full from NPOs or for subsidising them, depending on what arrangements are viable and mutually acceptable for different types of service’. (National Welfare, Social Service and Development Forum, 2005a:2).

The *2004 Draft Service Delivery Model* goes some way towards setting clearer guidelines on the type of programmes and services that would translate into ‘developmental social welfare’. Yet it still leaves some gaps in this regard. Most notable is the need for clear norms and standards for each of the main service areas, as the department itself acknowledges:

“The norms and standards are required to ensure respect for human rights, ensuring social justice, redress and creating opportunities for the development of benchmarks for social service practitioners” (National Department of Social Development 2004c:45).

Norms and standards are further essential in order to define the basics that need to be costed and to inform advocacy on the amount of extra funds required for the delivery of social welfare services. It is reported that documents to flesh out norms and standards for different services are currently in the pipeline (Kruger, Mabetwa, Follentine, personal correspondence in 2004; National Department of Social Development 2004b).

The other critical gap in the general policy framework for social welfare is the costing of service delivery. In 2004, some progress was made towards a better understanding of the costs of services through a research project led by the Gauteng provincial social development department. This involved an audit and costing of a range of facilities and programmes. Anecdotal evidence suggests that the national Department of Social Development and various provincial departments are also in the process of undertaking research in costing. Hopefully, 2005 will bring more clarity on the costs of different services, which can then be used as a basis for improving the funding of social welfare services. Of course, costing must be linked to norms and standards (which are in turn linked to rights obligations) and hence, the two processes need to be linked. Another key point is that rights commitments imply a need for the norms and standards to be developed in a consultative way – it is not only up to government to set the standards for service delivery.

With regard to child-specific policy it appears as if the most important gaps that need to be filled are also norms and standards and costing of the different services children need and are entitled to. Finalisation of norms and standards relating to social welfare services for vulnerable children is absolutely critical for improving provincial government's ability to accurately cost the right services and advocate for the necessary funds to deliver them. Unfortunately, whilst it is clear that development of the norms and standards are in the pipeline it also appears as if a delay (of at least another year) is to be expected. This is because it is difficult to see how norms and standards can be finalised for child-specific social welfare services while the *Children's Bill* is still pending.

The *Children's Bill*, as stated in the introduction is currently being debated in parliament and represents the culmination of a South African Law Commission process to review all laws relating to children, including the Child Care Act of 1983, as amended<sup>20</sup>. The mission of the law commission was to develop a new legal framework for children that would facilitate service delivery congruent with child rights. The Bill fleshes out government's service obligations to vulnerable children and covers, amongst others, state service obligations in the areas of adoption, children's courts, early childhood development and alternative care for children. Reports relate that as part of the process of passing the Bill through parliament (and as required by the Public Finance Management Act), a team has just been appointed by the National Department of Social Development to cost the Bill. As part of the costing, the team has been tasked to conduct a brief situational analysis and develop norms and standards for the different service areas. A concern is that the National Department may wait for the results of this research process (expected in about a year) before it consults on and publishes norms and standards for children's social welfare service basket

Another gap in the child specific policy area – in addition to costing and norms and standards – is the absence of a holistic umbrella policy to define the roles of different actors in delivery and co-ordinate the planning, budgeting and implementation of programmes needed to give effect to vulnerable children's right to social welfare services. The creation of such an umbrella policy – which pulls together all the existing and pipeline policy documents and is informed by the *Children's Bill* – is needed to define more clearly different actors' roles and responsibilities and facilitate the necessary co-ordinated planning and implementation between different government departments and between government and the non governmental delivery sector. The policy should also put in place sound mechanisms for monitoring delivery by the different role players. Significantly, one of the key questions debated in parliament in relation to the *Children's Bill* is whether or not to legislate for the creation of a holistic policy to coordinate service delivery to children. The final draft of the *Children's Bill* put forward to Parliament by the Law Commission advocated for government to be required to develop a National Policy Framework within which all departments and spheres of government would be required to plan, budget for and coordinate their activities in relation to the needs and rights of children. The duty to develop a national policy framework for delivering services to vulnerable children has, in the process of the debate, and promoted by arguments from government, been removed from the *Bill*.

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<sup>20</sup> This act is the primary statute for the protection of children and young people in South Africa and it plays a critical role in shaping the provision of services to children (National Department of Social Development 2004c:23; September 2004).

## SECTION 2

# BUDGETING FOR SOCIAL WELFARE SERVICES

This section of the paper gives an overview of government budgeting for social welfare services, including government's funding of non-governmental delivery agencies. Because the budget data is not disaggregated to show child-specific services and programmes, the analysis looks more generally at social welfare spending.

Due to the relatively poor quality of the data in the provincial budget statements prior to 2000, the period considered is 2000/01 to 2006/07. However, budgeting in the earlier period of 1994 to 2000 provides an absolutely critical backdrop for understanding the current financial crisis in this service area (see section 2.4). The *White Paper for Social Welfare* reflected a general awareness that the budgets for social welfare spending between 1994 and 1997 were much too small relative to need. Yet they continued to grow very slowly after 1997 while social security budgets absorbed the lion's share of increasing allocations to social development departments. Within total social development spending, the proportion spent on social welfare services shrank further from the 12% for 1997 cited in the white paper. This period is thus characterised by an insufficient prioritisation of budget allocations to social welfare services, as well as a concentration on extending the social assistance net (for example through the child support grant). It is furthermore important to read these trends within the context of the fiscal discipline imposed by the GEAR development strategy (1996-2000).

The analysis of budgeting for social welfare services is divided into four sub-sections. Section 2.1 sets the scene for understanding budgets by briefly describing the process used since 1997 to determine the size of provincial social development budgets. It also explains how this process is changing with the establishment of SASSA on 1 April 2005. Section 2.2 describes the programme classification system used by provinces (as required by National Treasury) to report budget allocations and spending data for social welfare services. This illustrates the difficulty in pulling out spending on children. Section 2.3 provides a descriptive view of the size of social welfare budgets and real trends in these budgets. Section 2.4 looks at the funding of NGOs and the financial crisis in many of the delivery organisations that assist government in providing social welfare services to children and vulnerable families. Section 2.5 summarises very briefly the key points that emerge from the budget analysis.

### 2.1 THE ALLOCATION OF RESOURCES TO SOCIAL DEVELOPMENT DEPARTMENTS

It is useful to have some understanding of the decisions that affect the size of provincial social welfare budgets. Their size is firstly affected by the national government (treasury) decision about how to share total government revenue amongst the three spheres of government. The total resource envelope available for sharing amongst the three spheres of government is determined by taxation policy, revenue and the lending decisions of national government. To increase available revenue, government can therefore borrow more (or tax more). However, if it borrows it has to pay back this money with interest.

Section 214(1) of the Constitution of South Africa requires “that every year an Act of Parliament (Division of Revenue Act) determine the equitable division of resources between the spheres of government and the horizontal division among provinces” (National Treasury 2004a:243). The division of national revenue between the three spheres is known as the vertical division. The decision about how to split total revenue between the three spheres of government is not determined by a formula based on the estimated costs of services to be delivered by each sphere. Instead it is based on a consideration of past proportions, new policy and service delivery commitments in the different spheres and the capacity of the different spheres to spend effectively, as well as a fiscal policy decision about how much government can afford to borrow.

The total revenue allocated to the provincial sphere is then divided horizontally amongst the nine provinces on the basis of a formula. The formula tries to factor in the estimated demand for services in each province, but it is not based on costing of service demand from zero. The formula that was used between 2000/01 and 2004/05 has recently been replaced due to the introduction of SASSA and the shift of social security funding away from provinces. The new formula was announced with the presentation of the 2004 *Medium Term Budget Policy Statement*. For the purposes of this paper, it is not necessary to describe the new and old formulas in detail. What is important to note is that the old formula included a particular component to factor in demand for social development services in provinces, but it was based on criteria pertaining only to the demand for social security. It did not factor in the differential demand for (and cost of) social welfare services in each province. The new formula, similarly, does not contain a specific factor to represent the demand for and cost of social welfare services (Kruger 2004; National Treasury 2004b).

The total revenue available for spending in each province is thus made up of its ‘equitable share’ of the national pie and its own provincial revenue (which is minimal). How much of its total revenue each province allocates for spending on social welfare services is determined through a process of bargaining amongst political and budgeting officials within provinces. Provincial social development departments play a role in this process by estimating the funds needed to deliver their services in the province and advocating for these funds from their provincial treasury. In the past, the need for funds to finance expected growth in the demand for social assistance grants has given officials little chance to advocate for increases in funds for social welfare services. In future, provincial social development officials will only have influence over and advocate for budgets to finance social welfare services. The amount to be allocated to social security is to be determined through a separate decision and will be made (at least for 2005/06) through a conditional grant (National Treasury 2004b:71-72).<sup>21</sup>

## **2.2 PROGRAMME CLASSIFICATION FOR BUDGET REPORTING**

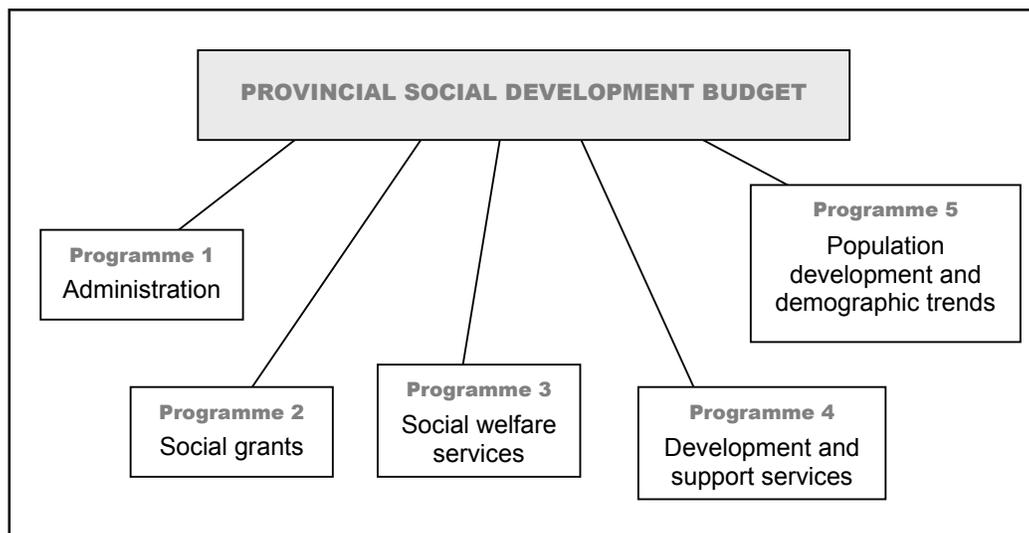
As part of post-1994 budget reform, efforts have been made to improve and standardise provincial data on budget allocations and spending. A new system was introduced to record spending on social development, one which is now mostly (but

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<sup>21</sup> The way the budget process works is of course not quite as simple as sketched above. For example, special forums have been established to ensure co-ordination between the decisions of national government and the various provincial treasuries. With the introduction of budget reform and the Medium-Term Expenditure Framework in 1997, budget planning has also been conducted according to a three-year cycle.

not completely) followed by all provincial social development departments. It should be noted that the line item (programme) called 'social welfare services' does not include all the programmes understood to form part of the terrain under investigation in this paper. The programme and sub-programme classification of this system is illustrated in figure 2 and table 4.

**FIGURE 2: MAIN PROGRAMME CLASSIFICATION FOR BUDGET REPORTING**



Source: Provincial Budget Statements 2004-05.

**TABLE 4:  
BUDGET PROGRAMMES & SUB-PROGRAMMES THAT CAN REASONABLY BE  
CLASSIFIED AS FUNDING FOR DEVELOPMENTAL SOCIAL WELFARE SERVICES**

<b>PROGRAMME</b>	<b>PROGRAMME 3 Social welfare services</b>	<b>PROGRAMME 4 Development and support services</b>
<b>SUB-PROGRAMMES</b>	1. Administration 2. Treatment and prevention of substance abuse 3. Services to the older person 4. Crime prevention and support 5. Services to persons with disabilities 6. Services to children, women & families	1. Administration 2. Youth development 3. Poverty alleviation 4. NPO and welfare organisation development

As can be seen from the programmes and sub-programmes listed in figure 2 and table 4 above, there is no one programme or sub-programme that carries all funds that are used by government for the delivery of social welfare services to children. The funds that benefit children through social welfare service provision are carried in all of programme three and four and it cannot be seen exactly which proportion of funds is spent on services that benefit children. Not only is it impossible to see from the budget data provided (in programmes three and four in the provincial budget statements) how much money is spent on services that benefit children, it is also impossible to get a decent picture from the budget data of the types of services the money in the two programmes is spent on. This is because of the very broad nature of the classification system.

## 2.3 TRENDS IN SOCIAL WELFARE BUDGETS

This overview of trends in social welfare spending is based on budget data for programmes three and four (and their sub-programmes) in the 2004/05 Provincial Budget Statements. The budget data for the years 2000/01, 2001/02 and 2002/03 relates amounts that have been audited. For 2003/04, the budget data relates estimated expenditure. For 2004/05 the budget figures are allocations and for 2005/06 and 2006/07 the budget figures are estimates of expenditure.

### 2.3.1 SHARE OF RESOURCES SPENT ON SOCIAL WELFARE

Table 5 shows the proportion of social welfare spending (2000/01-2003/04) and budget allocations (2004/05-2006/07) in total provincial spending and budget allocations. It gives a sense of the very small share taken up by social welfare budgets.

**TABLE 5: PROVINCIAL SPENDING ON SOCIAL WELFARE SERVICES AS A PROPORTION OF TOTAL PROVINCIAL SPENDING, 2000/01-2006/07 (%)**

Province	2000/01	2001/02	2002/03	2003/04	MTEF		
					2004/05	2005/06	2006/07
Eastern Cape	1.13	1.16	1.06	1.22	1.22	1.18	1.15
Free State	1.75	1.64	1.61	1.99	2.18	2.17	2.09
Gauteng	2.14	2.31	2.04	1.79	1.87	1.86	1.91
KwaZulu-Natal	0.97	1.05	0.99	1.24	1.51	1.48	1.46
Limpopo	0.53	0.59	0.60	0.90	0.82	0.77	0.75
Mpumalanga	0.81	0.85	1.16	1.21	1.17	1.11	1.99
Northern Cape	2.07	2.22	2.11	2.15	2.55	2.50	2.46
North West		0.40	0.47	1.05	1.32	1.38	1.29
Western Cape	2.74	2.52	2.27	2.37	2.25	2.12	1.99
<b>All provinces</b>	<b>1.42</b>	<b>1.37</b>	<b>1.29</b>	<b>1.45</b>	<b>1.53</b>	<b>1.50</b>	<b>1.53</b>

Source: Provincial Budget Statements 2004/05 and own calculations.

Four key points emerge from the data in table 5 as regards the relative size of provincial budgets for social welfare:

- Across all nine provinces, social welfare spending represented a tiny proportion of total provincial spending between 2000/01 and 2003/04.
- Looking at the share of social welfare spending in total provincial spending over the period 2000/01 to 2004/05, there is a slight increasing trend in most but not all provinces (for example, notice Gauteng). However, the increase is so marginal that in 2004/05 the shares remain very small. For all provinces together, the increase is from 1.42% in 2000/01 to 1.53% in 2004/05.
- Even though the share of resources dedicated to social welfare services is very small in all provinces, there is significant variation in the precise value of the proportion across provinces. For example in 2004/05, the shares of Northern Cape (2.55%), Western Cape (2.25%) and the Free State (2.18%) are large relative to Limpopo (0.82%), Mpumalanga (1.17%) and North West (1.32%).
- The projected budgets for the outer two years of the MTEF (2005/06 and 2006/07) are of concern. Here we see a static or slightly declining trend in the

proportion taken up by social welfare budgets relative to the projected total provincial budgets. These budget trends seem to signal that social welfare services are becoming even less of a priority. This is peculiar given that government has itself acknowledged that there is a huge and unmet need for such services, that these services are massively under-funded and that it is essential to focus on social welfare initiatives over and above social grants in the fight against poverty.

Table 6 illustrates social welfare service spending as a proportion of total social development spending (2000/01 to 2003/04) and social welfare service budget allocations as a proportion of total social development budget allocations (2004/05 to 2006/07).

**TABLE 6: PROVINCIAL SOCIAL WELFARE BUDGETS AS A PROPORTION OF PROVINCIAL SOCIAL DEVELOPMENT BUDGETS, 2000/01-2006/07 (%)**

Province	2000/01	2001/02	2002/03	2003/04	MTEF		
					2004/05	2005/06	2006/07
Eastern Cape	5.07	4.89	4.08	4.37	4.15	3.93	3.72
Free State	10.29	9.11	7.42	7.93	8.66	8.17	7.63
Gauteng	14.78	15.53	12.53	9.29	9.71	8.79	8.90
KwaZulu-Natal	4.91	5.22	4.19	4.67	5.53	5.07	4.82
Limpopo	2.93	3.11	2.62	3.55	3.19	2.79	2.63
Mpumalanga	4.31	4.68	5.58	5.26	4.85	4.47	7.60
Northern Cape	8.44	9.43	8.04	7.71	10.14	9.69	9.23
North West		1.94	2.05	3.94	4.81	4.66	4.12
Western Cape	14.28	13.21	10.48	10.14	9.18	8.35	7.50
<b>All provinces</b>	<b>6.90</b>	<b>7.05</b>	<b>5.82</b>	<b>5.83</b>	<b>6.01</b>	<b>5.55</b>	<b>5.46</b>

Source: Provincial Budget Statements 2004/05 and own calculations.

The data in table 6 shows that no province has come close to meeting the 'fair share' policy benchmark set in the late 1990s. In terms of this benchmark, 20% of the total social development budget was meant to be spent on social welfare services. Looking at spending on social welfare services relative to all social development spending for all provinces combined, the proportion of 5.8% in 2003/04 represents less than a third of the target set under this policy.

The declining trend that emerges when we look across the entire period of 2000/01 to 2006/07 is cause for concern. The share for all provinces combined decreases from 6.9% in 2000/01 to 5.46% in 2006/07. As is vociferously explained in National Treasury's recent publication *Trends in Intergovernmental Finances* (2004a), the declining trend is partly due to ballooning in the size of social assistance grant budgets (particularly disability and child support grants). Yet even in the context of ballooning social assistance costs, the trend could have been avoided by a higher priority being afforded to social welfare services. Hopefully, with the responsibility for social security shifting to SASSA and provincial departments now focussing only on social welfare and support services, the trend will be adjusted in the next medium-term budget cycle. This is something to look out for in the 2005 Provincial Budget Statements.

### 2.3.2 REAL GROWTH IN SOCIAL WELFARE BUDGETS

Tables 7 and 8 present consolidated provincial data for the two programmes that carry funds used to deliver social welfare services. Table 7 shows the total nominal budget allocations to these programmes, using expenditure data (for 2000/01 to 2003/04) and medium-term estimates (for 2004/05 to 2006/07). Table 8 reflects the real growth trend in the consolidated provincial budgets for the two relevant programmes and their sub-programmes.

**TABLE 7: COMBINED PROVINCIAL SOCIAL WELFARE SERVICE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNTS (IN R'000)**

Programme	2000/01	2001/02	2002/03	2003/04	MTEF		
					2004/05	2005/06	2006/07
<b>Programme 3</b>	<b>1223764</b>	<b>1411833</b>	<b>1584978</b>	<b>1855604</b>	<b>2198480</b>	<b>2372563</b>	<b>2614598</b>
Administration	216967	259891	297856	288187	475440	519735	544618
Substance abuse treatment/prevention	40772	60603	68631	74701	84568	92853	98735
Care of older persons	319608	348220	411883	392993	434618	462022	514364
Crime prevention and support	64255	80320	80823	150708	176598	189477	227891
Services to persons with disabilities	143755	160772	146257	177431	223064	244189	286719
Child & family care and protection	438407	468174	540467	734626	804192	864287	942271
Partnership and financing <sup>22</sup>		33853	39061	36958			
<b>Programme 4</b>	<b>217738</b>	<b>267991</b>	<b>302041</b>	<b>616725</b>	<b>662398</b>	<b>693160</b>	<b>736452</b>
Administration	74224	221178	246507	49801	69049	76002	80997
Youth development	1176	2545	0	10467	15178	17729	18585
HIV/AIDS	1609	9972	19991	86960	83200	90191	95479
Poverty alleviation	22289	30285	35543	362613	369982	381379	406600
NPO & welfare org. development	784	4011	0	25600	29153	32023	33203
<i>Other</i>							
Child & family care	77259						
Care, chronic illnesses & infants	10028						
Care, persons with disabilities	959						
Drug dependant care	9271						
Care of offenders	20139						
Food relief grant				53633	68185	68185	
Food security				27651	27651	27651	
<b>Programmes 3 &amp; 4 : Total social welfare services</b>	<b>1441502</b>	<b>1679824</b>	<b>1887019</b>	<b>2472329</b>	<b>2860878</b>	<b>3065723</b>	<b>3351050</b>

Source: Provincial Budget Statements 2004/05 and own calculations.

**TABLE 8: COMBINED PROVINCIAL SOCIAL WELFARE SERVICE BUDGETS, 2001/02-2006/07, REAL GROWTH (IN %)**

Programme	2001/02	2002/03	2003/04	MTEF		
				2004/05	2005/06	2006/07
<b>Programme 3</b>	<b>7.02</b>	<b>2.06</b>	<b>11.18</b>	<b>12.73</b>	<b>2.49</b>	<b>4.75</b>
Administration	11.12	4.19	-8.12	56.97	3.81	-0.39
Substance abuse treatment & prevention	37.88	2.95	3.37	7.72	4.27	1.08
Care of older persons	1.07	7.53	-9.39	5.23	0.95	5.83
Crime prevention and support	15.96	-8.52	77.08	11.49	1.89	14.33

<sup>22</sup> Some of the provincial budget statements complicate matters by adding extra programmes to the standard set required by treasury for programmes 3 and 4. For example, in the North West province, programme 3 in the provincial social development budget included a sub-programme 'Partnership and financing'. Such extra programmes and sub-programmes usually only exist for a short amount of time - one or two financial years - before being phased out. They add confusion and undermine the quest for uniformity across provincial budgets.

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Programme	2001/02	2002/03	2003/04	MTEF		
				2004/05	2005/06	2006/07
Services to persons with disabilities	3.75	-17.30	15.21	19.62	3.96	11.61
Child & family care and protection	-0.94	4.95	29.08	4.16	2.06	3.63
Partnership & financing (NW province only)		4.89	-10.15	-100		
<b>Programme 4</b>	<b>14.7</b>	<b>2.46</b>	<b>93.91</b>	<b>2.19</b>	<b>-0.62</b>	<b>0.99</b>
Administration	176.43	1.32	-80.81	31.92	4.53	1.30
Youth development	100.75	-100		37.97	10.93	-0.35
HIV/AIDS	474.92	82.25	313.10	-8.97	2.95	0.63
Poverty alleviation	26.04	6.69	868.86	-2.92	-2.11	1.34
NPO & welfare organisational development	374.59	-100.		8.35	4.32	-1.44
<i>Other</i>						
Child & family care	-100					
Care, chronic illnesses & infants	-100					
Care, persons with disabilities	-100					
Drug dependent care	-100					
Care of offenders	-100					
Food relief grant				20.96	-5.03	0.76
Food security				-4.85	-5.03	0.76
<b>Programmes 3 &amp; 4:</b>						
<b>Total social welfare services</b>	<b>8.10</b>	<b>2.12</b>	<b>24.42</b>	<b>10.10</b>	<b>1.77</b>	<b>3.90</b>

Source: Table 6a above and own calculations.

**Note:** For the conversion of nominal data into real data (to adjust budgets for inflation), the GDP inflation data provided in National Treasury's *Medium-Term Budget Policy Statement 2004* has been used with 2000/01 serving as a base year for the calculations.

The appendix to this paper presents expenditure data (for 2000/01 to 2003/04) and medium-term estimates (for 2004/05 to 2006/07) for each of the nine provinces, as regards the programmes relevant to social welfare services. It also sets out real growth rates over this period for the two programmes and their sub-programmes. It is difficult to make any general comments about the provincial data set out in the appendix.

The budget data on real growth in social welfare service programme spending over 2000/01-2006/07 reveals that real growth rates vary substantially across programmes and sub-programmes as well as across provinces. Hence it is extremely difficult to make general statements about the size of real growth. However, three general points do appear to emerge that are worth noting. The first is that between 2000/01-2003/04 real growth in spending on programme 4 services (taking all provinces together) was higher than on real growth in spending on programme 3 services. The second is that programme 3 service allocations (taking all provinces budgets together) grow faster than programme 4 services looking ahead (MTEF 2004/05-2006/07). The third point, already made in section 2.3.1 is that there is a disturbing downward trend in the real growth rate in consolidated provincial spending on social welfare services in the outer two years of the MTEF 2004/05.

The descriptive picture of real growth rates in the social welfare programme and sub-programme budgets cannot on its own be used to shed any light on the extent to which the rate of real growth in the various programmes and sub-programmes was sufficient. To answer this question requires supplementary information on need for and cost of the different services associated with the various programmes in each province as well as on spending capacity. Currently, such information is not available. Generating this type of information is necessary to permit this critical part of budget monitoring in future.

## 2.4 GOVERNMENT FUNDING OF SERVICE DELIVERY AGENCIES

“The South African welfare service system is crumbling and dying ...and it is doing so because the amount of money available for services is totally insufficient to meet the needs” (NACOSS 2004b:3).

“Despite having adopted a developmental approach to service delivery, the focus over the last decade has been predominantly on Social Security, to the detriment of other developmental social services. Indeed the crowding out effect of the Social Security budget has resulted in severe curtailment and neglect of other services. Consequently, social service practitioners have been forced to adopt a ‘make do’ approach, dictated by resource limitations rather than need, priority or statutory and international ratified obligations” (National Department of Social Development 2004d:3).

There are several obstacles to analysing government’s funding of non-governmental agencies that assist in the delivery of social welfare services to vulnerable people and children. Provincial budget statements offer very general, aggregated and sketchy data on government funding of non-profit organisations. To truly understand the financial situation facing NGOs and how government funding impacts on them, it would be necessary to interview hundreds of representatives from the relevant organisations and to examine their financial statements over a long period of time. Due to time and cost constraints, such a comprehensive undertaking could not form part of this research.

The approach adopted here was to draw relevant information from four sources:

- Consideration was given to data regarding the funding of NGOs as presented in provincial budget statements;
- Discussions were held with representatives from a number of umbrella organisations representing the interests of non-governmental service providers, including NACOSS, Childline and Child Welfare South Africa;
- The research took account of submissions made to government by NGOs in the social welfare arena relating to their funding situation; and
- Finally, interviews were conducted with government officials in National Treasury, the national Department of Social Development and in the social development departments of the Western Cape and Mpumalanga.

Tables 9 presents the sketchy (and not very useful) data available from Provincial Budget Statements 2004/05 on the value of provincial government transfers to non-profit organisations. Table 10 presents the real growth rates based on this data. The data reveals that for the most part there has been slow positive real growth in transfers but the rates vary substantially across provinces and programmes three and four. A concern is that the data also highlights a declining trend in transfers over the outer two years of the MTEF 2004/05. The data, on their own, cannot say anything about the extent of the sufficiency (or insufficiency) of the allocations.

**TABLE 9: TRANSFERS TO NON-PROFIT ORGANISATIONS, NOMINAL AMOUNTS, 2000/01-2006/07 (R'000)**

Province	2000/01	2001/02	2002/03	2003/04	Medium-term estimates		
					2004/05	2005/06	2006/07
Eastern Cape	119765	131424	146770	130884	144670	154565	162446
Programme 3	119765	131424	146770	130884	144670	154565	162446
Programme 4							

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Province	2000/01	2001/02	2002/03	2003/04	Medium-term estimates		
					2004/05	2005/06	2006/07
<b>Free State</b>	<b>58825</b>	<b>60400</b>	<b>71132</b>	<b>133246</b>	<b>101597</b>	<b>121587</b>	<b>127164</b>
Programme 3	50316	52854	59367	85423	90366	109362	113939
Programme 4	8509	7546	11765	47823	11231	12225	13225
<b>Gauteng</b>	<b>269218</b>	<b>299833</b>	<b>332087</b>	<b>365978</b>	<b>392346</b>	<b>429803</b>	<b>467405</b>
Programme 3	233983	294551	328276	310240	348942	381359	412244
Programme 4	35235	5282	3811	55738	43404	48444	55161
<b>KwaZulu-Natal</b>	<b>107821</b>	<b>125728</b>	<b>134937</b>	<b>162375</b>	<b>219052</b>	<b>238691</b>	<b>254422</b>
Programme 3	107821	125728	134937	162375	219052	238691	254422
Programme 4							
<b>Limpopo</b>	<b>31197</b>	<b>32312</b>	<b>41408</b>	<b>53971</b>	<b>52987</b>	<b>54943</b>	<b>58240</b>
Programme 3	25413	25454	33095	39138	39686	41634	44132
Programme 4	5784	6858	8313	14833	13301	13309	14108
<b>Mpumalanga</b>	<b>26692</b>	<b>39784</b>	<b>58750</b>	<b>51933</b>	<b>60634</b>	<b>65482</b>	<b>69411</b>
Programme 3	26692	39784	58750	51933	60634	65482	69411
Programme 4							
<b>Northern Cape</b>	<b>19458</b>	<b>23668</b>	<b>26110</b>	<b>28682</b>	<b>38318</b>	<b>38958</b>	<b>41295</b>
Programme 3	19458	23668	26110	28682	38318	38958	41295
Programme 4							
<b>North West</b>	<b>0</b>	<b>625</b>	<b>9161</b>	<b>53356</b>	<b>60163</b>	<b>61895</b>	<b>64392</b>
Programme 3			6707				
Programme 4		625	2454	53356	60163	61895	64392
<b>Western Cape</b>	<b>244242</b>	<b>243425</b>	<b>249347</b>	<b>251028</b>	<b>261701</b>	<b>261701</b>	<b>261701</b>
Programme 3	244242	243425	249347	251028	261701	261701	261701
Programme 4							
<b>Aggregate</b>	<b>877218</b>	<b>957199</b>	<b>1069702</b>	<b>1231453</b>	<b>1331468</b>	<b>1427625</b>	<b>1506476</b>
Programme 3	827690	936888	1043359	1059703	1203369	1291752	1359590
Programme 4	43744	13453	18030	156917	114798	122564	132778

Source: Provincial budget statements for 2004/05.

**TABLE 10: TRANSFERS TO NOT-FOR-PROFIT ORGANISATIONS, REAL GROWTH, 2000/01-2006/07(%)**

Province	2000/01 - 2001/02	2001/02 - 2002/03	2002/03 - 2003/04	2003/04 - 2004/05	2004/05 - 2005/06	2005/06 - 2006/07
<b>Eastern Cape</b>	<b>1.79</b>	<b>1.52</b>	<b>-15.31</b>	<b>5.17</b>	<b>1.46</b>	<b>-0.10</b>
Programme 3	1.79	1.52	-15.31	5.17	1.46	-0.10
Programme 4						
<b>Free State</b>	<b>-4.75</b>	<b>7.06</b>	<b>77.89</b>	<b>-27.45</b>	<b>13.65</b>	<b>-0.58</b>
Programme 3	-2.56	2.11	36.65	0.65	14.93	-0.96
Programme 4	-17.73	41.74	286.03	-77.66	3.37	2.83
<b>Gauteng</b>	<b>3.31</b>	<b>0.69</b>	<b>4.66</b>	<b>2.00</b>	<b>4.03</b>	<b>3.37</b>
Programme 3	16.78	1.32	-10.25	7.02	3.79	2.76
Programme 4	-86.09	-34.41	1288.94	-25.91	5.99	8.24
<b>KwaZulu-Natal</b>	<b>8.17</b>	<b>-2.43</b>	<b>14.28</b>	<b>28.36</b>	<b>3.48</b>	<b>1.32</b>
Programme 3	8.17	-2.43	14.28	28.36	3.48	1.32
Programme 4						
<b>Limpopo</b>	<b>-3.92</b>	<b>16.50</b>	<b>23.78</b>	<b>-6.59</b>	<b>-1.53</b>	<b>0.76</b>
Programme 3	-7.09	18.20	12.31	-3.52	-0.37	0.76
Programme 4	9.99	10.20	69.45	-14.68	-4.98	0.76
<b>Mpumalanga</b>	<b>38.26</b>	<b>34.25</b>	<b>-16.05</b>	<b>11.09</b>	<b>2.56</b>	<b>0.76</b>
Programme 3	38.26	34.25	-16.05	11.09	2.56	0.76
Programme 4						

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<b>Northern Cape</b>	<b>12.84</b>	<b>0.29</b>	<b>4.32</b>	<b>27.11</b>	<b>-3.45</b>	<b>0.76</b>
Programme 3	12.84	0.29	4.32	27.11	-3.45	0.76
Programme 4						
<b>North West</b>		<b>1232.51</b>	<b>453.11</b>	<b>7.29</b>	<b>-2.30</b>	<b>-1.11</b>
Programme 3			-100.00			
Programme 4		256.95	1964.81	7.29	-2.30	-1.11
<b>Western Cape</b>	<b>-7.55</b>	<b>-6.88</b>	<b>-4.39</b>	<b>-0.81</b>	<b>-5.03</b>	<b>-4.94</b>
Programme 3	-7.55	-6.88	-4.39	-0.81	-5.03	-4.94
Programme 4						
<b>All provinces</b>	<b>1.22</b>	<b>1.59</b>	<b>9.33</b>	<b>2.88</b>	<b>1.83</b>	<b>0.31</b>
Programme 3	5.00	1.24	-3.55	8.05	1.94	0.05
Programme 4	-71.47	21.84	726.51	-30.39	1.39	2.98

Source: Table 9 above and own calculations.

Note: For the conversion of nominal to real data, the GDP inflation data provided in the *Medium-Term Budget Policy Statement 2004* has been used with 2000/01 as a base year.

Traditionally, the financing of NGOs delivering social welfare services involved a calculation of payment based largely on a per capita amount for social workers and a per capita amount for people staying in residential facilities. One of the key aims of transformation, as set out in the 1999 financing policy, was to adopt a new method which would involve funding NGOs on the basis of well-costed programmes. Such programmes would have to demonstrate that they could efficiently produce outputs and outcomes in line with transformation goals. As already pointed out, there are instances where government has switched to the programme based approach to funding of NGO service delivery. However, it is clear that very little progress has been made in implementing the new programme based method of financing NGOs called for in the *White Paper for Social Welfare* and the 1999 and 2004 financing policies. The calculation of funds to be transferred to NGO service providers is still for the most part based on the old technique. When the programme based approach is used by government officials, it is critical for ensuring adequate service delivery to vulnerable people (including children), that programmes with clear objectives and outcomes are well costed in the funding proposals that are submitted by NGOs and that government responds by supplying the necessary funds (not an arbitrary proportion of what is being requested).

The amount paid per social worker post to non governmental delivery agencies is not supposed to cover the full salary of the social worker. It is based on a formula which includes a percentage of the salary of a social worker with a particular level of experience, plus a specified amount for administrative backup. The research revealed that the size of the subsidies paid to NGOs for social worker posts continues to lack uniformity across provinces (NACOSS 2004b). Variations also exist in the amount of the subsidy paid per capita to organisations running residential facilities, such as homes for the elderly and children's homes (NACOSS 2004b; National Department of Social Development 2004e). In addition, the subsidy paid to NGOs for social workers (and others such as child and youth care workers) is less than the amount paid to government social workers (in theory offering the same service). Although the precise proportion varies, the subsidy paid to NGOs to cover social worker salaries appears to be around 50 to 65% of what is paid to a government social worker. In order to make up the shortfall, NGOs are left with the choice of either raising funds from external donors (which is what government proposes) or with having to pay their social workers less than government social workers (Quickfall 2004; Mbonani 2005; NACOSS 2004b; Childline 2004). An issue that was raised by one representative working in the non governmental service delivery sector is that in general salaries actually paid to social workers tend to be

much higher in Gauteng and Western Province than in the other provinces. Moreover, that this is reflected in better service delivery to children in these two provinces. This is obviously a problem as it translates into inequity across provinces in terms of access to social welfare services with children in Western Cape and Gauteng in general having a better access to resources and services. (Van Niekerk, personnel communication in commenting on a draft of the paper).

It is important to note that many services provided by NGOs are in fact statutory services (for example, running a residential children's home), which it is reasonable to argue, government is responsible for funding. Even so, funds from government to NGOs that deliver statutory services are not calculated and transferred in a way that ensures the full financing of these services (September 2005; Loffell 2004; Van Niekerk 2004; Mabetwa 2004; Kruger 2004; National Department of Social Development 2004e). A recent research report on the funding of residential children's homes clearly illustrates government's failure to meet its obligations in this regard (see National Department of Social Development 2004d). According to the research, there was substantial variation across provinces in what proportion of such homes' total costs were subsidised by government – from 77% (in the Free State) to 56% (in the Western Cape). The cost and quality of homes was found to vary greatly across provinces. However, in no province was government fully funding the cost of homes. This “highlights the dire need for effective funding guidelines, which will acknowledge the fact that these services are statutory services” (*ibid*:2).

Finally, and most importantly, the research undertaken for this section of the paper confirmed that NGOs – and particularly well-established ones – have been hard hit by insufficient priority being given by government to allocating funds (in line with costed need) to social welfare services. A situation of financial crisis currently exists, due to years of under-funding, the sharing out of dwindling funds to more and more organisations and the growing demand for services. From the perspective of most non governmental service providers on the ground, it is clear that the level of real growth in social welfare service budgets and transfers to NGOs (as portrayed in the tables above) has been insufficient because it has not managed to support funding in line with need. Many organisations are struggling to deliver services in their domain, let alone expand service delivery to new areas or build capacity in previously disadvantaged organisations. In a submission made to the Minister of Social Development, NACOSS (2004b) estimates that “government financing constitutes less than 30% of total costs” (*ibid*:1). The submission outlines the challenges faced by many established NGOs as they try to continue delivering critical social welfare services in line with the transformation agenda:

“The Department's financing of welfare services often stays at the same level for years with no increases given. The time period has been up to 12 years in some cases. Yet the cost of providing the same services continually escalates, let alone the cost of expanding, reaching out to the poorest of the poor and doing more to meet the ever-increasing demands. The result is overloaded personnel who work for salaries that are half of those paid to their compatriots in the civil service with no guarantees of any annual increases....This is why NACOSS has stated that there is a crisis and that the South African welfare system is crumbling and dying and that it is doing so because the amount of money available for services is totally insufficient to meet the needs.” (*Ibid*:2).

NACOSS (*Ibid*:3) offers a vivid description of the type of impact that the financial squeeze is having on service delivery and on the people that services are designed to reach. It is worth quoting at length because it highlights why it is so critical to give social welfare services a higher priority in government budgeting. It also highlights

the need to ensure a more adequate flow of funds to those organisations who deliver the social welfare services so critical for the protection and advancement of basic rights:

“Most importantly, the lack of adequate funding impacts very seriously on communities and means that many, many children, often AIDS orphans, are ‘stuck’ in the judicial system. The children and their carers are kept in poverty as there are insufficient social workers to undertake the necessary statutory work to ensure that children are placed in foster care. NGOs report backlogs of 1 400 and more cases of foster care applications requiring investigation. For example, one organization right now has a backlog of more than 1 400 such cases that is increasing at a rate of almost 100 additional cases per month. For 15 years this organization has requested the provincial department for additional funding and has now been able to obtain funding from an overseas funder for ONE social worker for two years. This social worker will be used for intake as the current 2 social workers are overloaded with dealing with cases of abuse and neglect. In fact, one worker had 8 removals of abused children in one week. Similar examples can unfortunately be cited throughout the country.”

## 2.5 CONCLUDING POINTS FROM THE BUDGET ANALYSIS

What are the key points that emerge from the budget analysis in section two? The budget analysis illustrates first the small priority afforded social welfare service spending in total provincial government spending and social development spending over the period 2000/01-2006/07. Moreover, it indicates that government is not planning to reverse this low priority in the immediate future. The share of social welfare services in total spending is shown to be on the decline! The second key point to emerge is the problem of not being able to identify child-specific spending on social welfare services. Third, whilst the budget analysis was not able to shed any light on the size of the funding gap that exists in government’s budgeting for social welfare services, it did reveal that there is currently inadequate funding for social welfare services – particularly of service delivery by non-governmental agencies. These include a number of *statutory* services, such as the provision of children’s homes, placement of children into foster care, counselling for children involved in court procedures and other services for vulnerable children required in terms of the *Child Care Act*. The budget analysis section also suggests that there is an equity problem in the distribution across provinces of resources spent on welfare services for vulnerable children. Children in the different provinces do not seem to have an equal chance of accessing resources and services and in particular, children in Western Cape and Guateng appear to be better off. Finally, the budget analysis section highlighted once again the importance of generating good information on service needs and costs that will provide ammunition for quantifying and filling the funding gap.

## SECTION 3

# SOCIAL WELFARE SERVICE DELIVERY

### 3.1 INSUFFICIENT INFORMATION AND THE NEED FOR AN AUDIT

“There is an urgent need for an up-to-date situation analysis for our sector, derived from research which is properly designed for this purpose” (Johannesburg Council of Child Welfare 2004:2).

One of the critical problems emerging from this research paper is the lack of accessible information about the range of social welfare services being delivered to vulnerable children in South Africa. There are no comprehensive reviews of service delivery in the sector. The information provided in the provincial budget statements does not really help to shed light on what is being delivered. The programme classification is very broad, as is the description of expected outputs and outcomes from the spending in the relevant programmes and sub-programmes. In-depth research on programming and service delivery across all provinces is urgently required - but unfortunately, was impossible to conduct for this paper. Instead, this section aims to give a more general perspective on service delivery in the social welfare terrain, focussing primarily on the obstacles that undermine progress in this regard. Information for this section was derived from interviews with department officials in two provinces – the Western Cape and Mpumalanga – and discussion with a range of other stakeholders (including Johannesburg Child Welfare Society, Childline, NACOSS, the National Department of Social Development and National Treasury).

Most of the individuals interviewed for this research (both in government and in non-governmental organisations) raised the problem of insufficient information on service delivery. It is also highlighted in the *Draft Service Delivery Model*. The latter document notes that while social workers and other professional staff are required to keep good records, this has not been happening effectively in practice for a variety of reasons, including work overload. Moreover, where records are indeed kept, they are difficult to access. The document describes the situation as follows:

“Traditional administrative methods have currently collapsed under the pressure to deliver – there is no standardisation and quick or easy access to information. Case files are not updated and management feels disadvantaged by the lack of cumulative and comparative data. The major results are that there is little accountability, statistics and information to support planning and decision making, and information is not effectively managed” (National Department of Social Development 2004d:44).

The dearth of information on service delivery makes it very difficult to assess or comment on the rate at which transformation in service delivery has been occurring in practice. The national department’s 2004 financing policy strongly argues (on the basis of old research by Swilling and Russell) that transformation has been wholly inadequate in the NGO service delivery sector.<sup>23</sup> This perspective must be balanced

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<sup>23</sup>For example, in the introduction to the policy document, it is stated: “[G]overnment acknowledges that many formal organisations have the skills, expertise, infrastructure and other resources that could contribute to reconstruction, development and the provision of services. Many of these organisations have received financial support through subsidisation. Some of these organisations have made strides in realigning their services with government policies and priorities. However, this has regrettably not been the general trend and the pace of transformation must be accelerated” (National Department of Social Development 2004c:5-6).

out against the broadly accepted stance that there is as yet no rigorous research to support such an argument.

The absence of good information on what government and NGOs are doing to deliver social welfare services does not only undermine the monitoring of progress in relation to the transformation plan. More importantly, it makes it very difficult to see where the gaps are, to plan effectively to fill them (including working out how much this will cost) and to advocate successfully for the additional funds needed to extend and/or improve services as required. As Childline (2004) and others have argued, there is an urgent need for an audit of social welfare services to children (and all vulnerable individuals). Critically, the audit must put the spotlight not only on non-governmental agencies, but also on the work of government social workers, auxiliary workers, child and youth workers and community workers.

#### **Inconsistencies in service delivery**

Due to the lack of reliable information on social welfare service delivery across all provinces, it is impossible to draw any universal conclusions in this regard. However, based on discussion with experts in the social welfare terrain and interviews with officials in two provinces, a number of preliminary trends are worth noting here:

- Social welfare programmes seem to be planned and implemented very differently in the various provinces, with varying degrees of inter-sectoral collaboration.
- Role-players (even within departments) seem to have different understandings of the what 'social welfare services' are and how they are to be transformed.
- The social development departments - and their non-governmental partners - in different provinces have varying capacity to implement the transformation vision. Remarkable successes have been achieved in some provinces.
- The existence and quality of public information on social welfare services and the funding of service providers varies across provinces.
- The relative roles played by government and non-government agencies in the delivery of social welfare services differ from province to province. There is also substantial variation in the extent to which district offices and local government is involved.
- Provincial social development departments have all made varying degrees of progress in shifting the focus of their planning to the delivery of social welfare services (now that the social security function has been shifted to SASSA).
- The criteria to determine the funding of service delivery agencies are applied very differently in the various provinces: "Currently, there are wide discrepancies between the amounts paid by different provinces and even regions within some provinces for the same kind of services. There are also discrepancies in the amounts awarded to organisations within the same area for the same services. No explanations are given as to how the amounts were calculated and there is no transparency as to how the decisions are made to award a specific amount to an NGO for a specific service. This lends credence to the assumption that officials subjectively decide what amount to award" (NACOSS 2004c:5).

Sources: Quickfall 2005; Follentine 2005; Mbonane 2005; Petersen 2004; September 2005; Loffell, 2004; Van Niekerk 2004; NACOSS 2004c.

The variations above provide a critical backdrop to understanding the type of action that will be required in future to push the pace of transformation and delivery in social welfare service provisioning to vulnerable children.

### **3.2 OBSTACLES TO SOCIAL WELFARE SERVICE DELIVERY**

It would seem that it has proved more difficult than expected to implement the vision set out in the *White Paper for Social Welfare*. Various obstacles stand in the way of

extending social welfare services so that children's and other vulnerable individuals' rights can be met. The following two sub-sections highlight the key obstacles to delivery identified by government officials and by representatives from non-governmental delivery agencies.<sup>24</sup> Their comments are fleshed out with insights from the published literature on developmental social welfare service delivery. Many (though not all) of the obstacles identified are common to both sets of actors.

### **3.2.1 Obstacles raised by government officials**

1. Officials noted difficulty in understanding the concept of 'developmental social welfare' and its implications for planning, budgeting and service delivery. In this regard, Follentine (2004:1) talks about a "disjuncture between policy intention and its practical application due in large measure to a lack of common understanding of the concept".
2. Provincial officials identified insufficient guidance from the national Department of Social Development on how to translate into action the social welfare vision set out in the various (general and child-specific) policies. This point is similar to that raised as obstacle number 1.
3. The social welfare vision calls for collaborative work streams within government itself, which has proved challenging to set in place in practice. For example, in the national Department of Social Development, it is difficult to merge planning for the delivery of services to children made vulnerable by HIV/AIDS with planning for service delivery to vulnerable children in general. This is because there are separate directorates dealing with children and HIV/AIDS policy planning and monitoring.
4. Social development departments have a shortage of staff and a rapid turn-over of social workers, as well as policy and planning staff.
5. The roll-out of services to remote (and under-serviced) areas is made more difficult due to insufficient infrastructure and high costs (particularly transport costs).
6. In some provinces, weak local government capacity undermines efforts to include this sphere in the extension of services to remote areas.
7. Lack of clarity about the role of local government in provision of welfare services.
8. Dwindling social welfare budgets have to be shared (as per the financing policy and transformation agenda) amongst an ever-increasing number of non-governmental delivery agencies. At the same time, departments are faced with a growing need for services, driven by the continuing unemployment crisis and the impacts of HIV/AIDS. Follentine (2004a:9) describes as a key challenge to implementation, the "fiscal constraints that place limits on social welfare expenditure (other than social security) coupled with persistently high levels of poverty, the impact of HIV/AIDS and crime".
9. Departments find it difficult to access additional funds from provincial treasuries due to the prioritisation of statutory social grants at the cost of social welfare services.
10. Officials report that non-governmental agencies are often late in submitting their plans to apply for funds, causing delays in the transfer of funds to these service providers.

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<sup>24</sup> In order to protect individuals, the oral sources for the information provided in this section are not listed. Published documents are cited as usual.

### 3.2.2 Obstacles raised by representatives of non-governmental delivery agencies

“No financing policy can work within a dispensation which involves NPOs being handed the responsibility for poverty eradication in addition to all of their traditional responsibilities, the demand for which continues to grow daily, without their being allocated the necessary funding for this purpose.” (Johannesburg Child Welfare Society 2004).

1. The most severe obstacle raised by NGO representatives was insufficient funds to support service delivery. In this context, they repeatedly emphasised the distinction between statutory services and the rest of the social welfare services basket. At present, insufficient funding is an obstacle not only to fulfilling the transformation agenda but also to the delivery of statutory services (NACOSS 2004a, 2004b, 2004c; Childline 2004). Child Welfare South Africa (2004:16) recently estimated that approximately 63 273 children require statutory intervention in terms of the *Child Care Act*. This includes 3 000 physically abused children, 4 000 sexually abused children, 11 000 neglected children, 727 adopted children, 12 714 children in foster care, 8 000 abandoned children, 5 690 orphaned children, 78 children who were victims of commercial sexual exploitation and 900 who were moved within the system. These findings highlight the urgent need to ensure an adequate flow of funding to statutory children’s services. Insufficient funding is explained by NGO representatives to be a product not only of inadequate government funding of NGO service delivery (the main culprit) but also of insufficient access to corporate sector and donor funds. However, NGO representatives are at pains to point out that it is very problematic for government (and anyone else) to presume that the corporate and foreign donor sector will (and should) fund the funding gap created by insufficient government funding. Corporate and foreign donors are in most cases not prepared to contribute to the running costs of established services, including salaries. And, in particular, the corporate and foreign donors typically refuse to contribute to work which they view as government’s responsibility, such as statutory work and residential care services. (National Welfare, Social Service and Development Forum, 2005a:1).
2. In order to qualify for funding non-governmental service delivery agencies are expected to add poverty reduction and poverty alleviation objectives to their programming. This poses a challenge to organisations already faced with dwindling budgets and increasing demand for all services, within a context where essential basic services – for example statutory services – cannot even be provided effectively.
3. Many NGOs noted that they experienced slow responses to requests for funding and late payment of subsidies. Childline (2004) explains that the “slow response to programmes submitted for subsidy consideration leaves staff in the NGO sector continuously concerned about continuity of service delivery and job security”. When subsidies are not paid on time, NGOs are sometimes forced to negotiate expensive overdrafts to pay staff salaries and continue critical service delivery.
4. NGOs report that social workers and child and youth care workers employed by them are continually “poached” from them by government, as soon as they have been given even a basic grounding in the services they provide. They relate that they face an ongoing, crippling turnover of staff because government pays vastly more than they are able to. This is because the Department of Social

Development fails for years on end even to adjust its subsidies to NGOs for inflation, while regularly granting substantial increases to its own personnel (Johannesburg Child Welfare Society 2004; NACOSS 2004b and Jackie Loffell in personnel correspondence).

5. Too little guidance is provided by the national Department of Social Development on exactly what services should be delivered (by who and how), what the minimum standards should be and how to cost them (NACOSS 2004b, 2004c). At times, there is also the problem of provincial social development department representatives not being up to date with changes in policy and procedure. NGO representatives relate that it is then uncomfortable for them to inform the officials.
6. Service delivery is seen to be constrained by the poor quality of partnership (including distrust) between the national Department of Social Development and critical non-governmental service delivery organisations (NACOSS 2004b). This undermines the call for integrated planning and the non-duplication of services, thereby hampering transformation and the roll-out of services to fulfil children's (and everyone's) rights.
7. Changes in department structures and staffing without any notification to the NGO sector at times hampers communication around staffing and reporting.
8. Some role-players suggest that a single, comprehensive detailed legislative framework is needed to encompass all social welfare services. This obstacle is described as follows by NACOSS (2004c:6): "Ten years after the new constitutional dispensation and seven years after publishing the White Paper...there is still no legislative framework for social welfare. The *National Welfare Act*, 1978 has not been supplanted by new legislation in line with the 'new' South Africa, its vision and policies...*Ad hoc* work has been done for example on legislation for children and the aged but no work has been done on the fundamentals for the social welfare system. This is a huge gap, a critical flaw and an indictment against the total sector...The White Paper needs to be urgently transformed into a legislative framework that includes the provision of social welfare services and their financing."

## CONCLUSION

### **Actions needed to advance children's entitlement to social welfare services**

What are the key challenges that need to be addressed by government in order to make more progress in the delivery of social welfare services to all vulnerable children? A number of responses to this question have emerged from this paper, traversing the areas of policy development, research, budgeting and institutional change.

The first important task to flag here is finalisation and publication of norms and standards for different social welfare service areas. Norms and standards for the delivery of early childhood development services are apparently to be released in the near future. Using the *Children's Bill* as a basis, norms and standards need to be set for the types of service that must be provided (at minimum) to children living in various forms of alternative care. It is absolutely essential for such norms and standards to be informed by a careful consideration of government's obligations to fulfil child rights and by expert input from individuals working in non-governmental organisations to deliver children's social welfare services. Such a process may well contribute to improving the quality of partnership between government and the non-governmental delivery sector. It will also be important for government to clarify that such norms and standards are to apply to the extension of services in all provinces and as such, should be adhered to across provincial boundaries.

The second challenge is to cost the different social welfare services that need to be provided to children and their families. It is absolutely critical to quantify the service gaps that currently exist. Such data is needed to inform a strong advocacy drive for social welfare services to begin gaining the required share of the total government budget pie. Of course, the costing should be based not only on service delivery models set by the norms and standards (informed by standards linked to consideration of rights) but also on sound information about current needs and gaps in service delivery across the nine provinces. This raises the third task: the urgent need for research to profile more clearly the extent and nature of social welfare service delivery to children in practice. The mapping and costing of needs is best conducted at provincial level. There is however an important role for the national Department of Social Development to play in assisting and monitoring progress. In some provinces, more support and capacity-building will be needed than in others.

A fourth task in need of attention is to dispel all ambiguity around government's obligation to finance statutory children's services. Clear confirmation is required at policy level that government has a duty to finance 100% of the costs of delivering statutory developmental social welfare services to children. Sufficient money must be made available to fully fund statutory children's services. This obligation should be reflected in the way revenue is divided amongst the spheres of government and amongst the provinces. It should also underpin the transfer of funds from provincial social development departments to non-governmental delivery agencies. If government begins to cover in full the costs of statutory services, then NGOs could use the money they raise from private donors to develop their promotive, preventative and early intervention services, as well as to pioneer improved ways of delivering statutory services.

Higher priority must be given to social welfare services in government planning and budgeting. This fifth task is absolutely critical for making more progress in delivering these services to all children who need them. Moreover, stronger advocacy is required on the part of the relevant government officials to ensure that vulnerable children get that share of society's resources to which they are entitled. Success in this area is clearly dependent on rapid progress in defining norms and standards for the various services that are needed, and the costing of such services. National and provincial treasuries are unlikely to allocate more funds to social welfare services for children without sound plans and budgets, including clearly-defined expected outputs and outcomes. One way to add energy and capacity to advocacy, planning and resource-generation for this service area is to establish separate children's units in provincial Departments of Social Development. Such units would be able to focus on the important task of defining, costing and planning the delivery of social welfare services to children.

The sixth key challenge emerging from this paper is the need to match bigger government budgets for social welfare services with a greater flow of resources to non-governmental service delivery agencies. A monitoring mechanism is required to bring about uniformity in the application of criteria for funding and to prevent the late payment of transfers to the non-governmental sector. It will also be important to address the problem of salary discrepancies between government and non-governmental service providers.

Seventh, it is clear that much more sound, reliable and regular information is needed on the funding and delivery of welfare service to children. A system should be put in place to record information and report on the work of both non-governmental organisations and government departments. In other words, it should be easier to trace exactly what work is being done where and by whom, as well as the impact such work is having. It would also be very useful for a dataset to be developed that allows for easy monitoring of the trends in financial transfers to NGOs, relative to their service delivery needs. If possible, this should separate out statutory and other social welfare services delivered to children.

An eighth task to highlight here is the urgent need for capacity-building with social welfare role-players both within government (at the national, provincial and local level) and outside government. Such capacity-building should focus on clarifying the type of social welfare services to be delivered to children, why it is so important to prioritise their delivery and how such services should be delivered (in accordance with policy). Greater understanding of this package of services – and especially the large statutory element it contains – is essential to improve planning and budgeting for social welfare. Without it, vulnerable children will continue to suffer.

Finally, an umbrella policy is required that sets out clearly and simply what social welfare services are required for vulnerable children and explains how they should be co-ordinated, delivered and financed. Such a policy should also specify the relative roles of government and the non-governmental sector in the area of social welfare. Naturally, it would have to be informed by the new legal framework being created in relation to the *Children's Bill*. A child-specific umbrella policy for the delivery of social welfare services to those most vulnerable will go a long way towards building better partnerships and ensuring that more funds are forthcoming. It should also speed up progress in ensuring that children receive the services they desperately need for their well-being and the protection of their rights.

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## APPENDIX: PROVINCIAL PROGRAMME BUDGETS FOR SOCIAL WELFARE SERVICES

All conversions of nominal data into real data make use of the GDP inflation data in National Treasury's *Medium-Term Budget Policy Statement 2004*, with 2000/01 serving as a base year for the calculations.

**TABLE A1: EASTERN CAPE SOCIAL WELFARE PROGRAMME BUDGETS, 2000/01-2006/07, NOMINAL AMOUNT**

R'000	Audited	Audited	Audited	Est.	Medium term estimates		
	2000/01	2001/02	2002/03	Actual 2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>202131</b>	<b>219765</b>	<b>243592</b>	<b>248609</b>	<b>268282</b>	<b>284868</b>	<b>297848</b>
Administration	54502	70168	96822	81067	112175	116870	121284
Substance Abuse Treatment & Prevention	2226	2455	3646	3796	3682	3935	4135
Care of Older Persons	46356	49714	46001	49530	52141	55797	58642
Crime Prevention & Support	1112	1281	2783	3272	5202	5939	6242
Services to persons with disabilities	11500	13510	13218	15914	15791	16959	17823
Child & Family care and protection	86435	82637	81122	95030	79291	85368	89722
<b>Programme 4: Development &amp; Support Services</b>	<b>3918</b>	<b>8482</b>	<b>18458</b>	<b>112114</b>	<b>111079</b>	<b>112704</b>	<b>119316</b>
Administration	391	848	15227	3592	5063	5447	5674
Youth Development	1176	2545		2736	2594	3026	3181
HIV/AIDS			3231	7244	7089	7514	7965
Poverty Alleviation	1567	3393		97711	96133	96482	102249
NPO & Welfare Org. Development	784	1696		831	200	235	247
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>206049</b>	<b>228247</b>	<b>262050</b>	<b>360723</b>	<b>379361</b>	<b>397572</b>	<b>417164</b>

**TABLE A2: EASTERN CAPE SOCIAL WELFARE PROGRAMME BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01 - 2001/02	2001/02- 2002/03	2002/03- 2003/04	2003/04 - 2004/05	2004/05- 2005/06	2005/06- 2006/07
<b>Programme 3: Social welfare services</b>	<b>0.86</b>	<b>0.77</b>	<b>-3.08</b>	<b>2.68</b>	<b>0.84</b>	<b>-0.61</b>
Administration	19.43	25.44	-20.49	31.66	-1.06	-1.35
Substance abuse Treatment & Prevention	2.31	35.01	-1.13	-7.71	1.49	-0.11
Care of Older Persons	-0.52	-15.88	2.25	0.16	1.63	-0.10
Crime Prevention & Support	6.86	97.50	11.65	51.27	8.42	-0.09
Services to persons with disabs.	8.98	-11.06	14.34	-5.59	1.99	-0.10
Child & Family care and protection	-11.31	-10.76	11.25	-20.61	2.25	-0.09
<b>Programme 4-Development &amp; Support Services</b>	<b>100.82</b>	<b>97.83</b>	<b>476.83</b>	<b>-5.73</b>	<b>-3.64</b>	<b>0.63</b>
Administration	101.19	1532.40	-77.60	34.11	2.17	-0.98
Youth Development	100.75	-100.00		-9.79	10.78	-0.07
HIV/AIDS			112.92	-6.89	0.66	0.76
Poverty Alleviation	100.86	-100.00		-6.39	-4.69	0.74
NPO & Welfare Org. Develop.	100.67	-100.00		-77.10	11.59	-0.09
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>2.76</b>	<b>4.37</b>	<b>30.73</b>	<b>0.06</b>	<b>-0.47</b>	<b>-0.26</b>

**TOWARDS SOCIAL WELFARE SERVICES FOR  
ALL VULNERABLE CHILDREN IN SOUTH AFRICA**  
A review of policy development, budgeting and service delivery

**TABLE B1: FREE STATE SOCIAL WELFARE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNT**

R'000	Audited	Audited	Audited	Est. Actual	Medium term estimates		
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>109519</b>	<b>116574</b>	<b>133586</b>	<b>165324</b>	<b>203053</b>	<b>223831</b>	<b>231222</b>
Administration	17793	18629	28131	1488	6787	7496	7886
Treatment & Prevention of Substance Abuse	1030	915	944	1819	7187	7876	8700
Care of Older Persons	33037	34844	36457	49597	52756	57013	59844
Crime Prevention & Support	440	440	1290	1960	11833	13020	13697
Services to persons with disabilities	4557	5747	6688	10266	12605	13850	14541
Child & Family care and protection	52662	55999	60076	100194	111885	124576	126554
<b>Programme 4: Development &amp; Support Services</b>	<b>20208</b>	<b>18480</b>	<b>22241</b>	<b>65244</b>	<b>71012</b>	<b>73066</b>	<b>75734</b>
Administration	11700	10934	10476	2125	2920	3095	3250
Youth Development				1554	2885	3213	3374
HIV/AIDS	910	2956	8858	13228	15745	16781	17346
Poverty Alleviation	7598	4590	2907	46280	46231	46552	48168
NPO & Welfare Org. Development				2057	3231	3425	3596
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>129727</b>	<b>135054</b>	<b>155827</b>	<b>230568</b>	<b>274065</b>	<b>296897</b>	<b>306956</b>

**TABLE B2: FREE STATE SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01- 2001/02	2001/02 - 2002/03	2002/03- 2003/04	2003/04 - 2004/05	2004/05 - 2005/06	2005/06 - 2006/07
<b>Programme 3: Social welfare services</b>	<b>-1.26</b>	<b>4.18</b>	<b>17.53</b>	<b>16.86</b>	<b>4.68</b>	<b>-1.80</b>
Administration	-2.88	37.28	-94.98	333.98	4.89	0.00
Treatment & Prevention of Substance Abuse	-17.59	-6.21	82.99	275.93	4.07	5.00
Care of Older Persons	-2.16	-4.88	29.20	1.21	2.63	-0.22
Crime Prevention & Support	-7.24	166.53	44.29	474.43	4.49	0.00
Services to persons with disabilities.	16.99	5.79	45.77	16.83	4.35	-0.20
Child & Family care and protection	-1.36	-2.47	58.38	6.25	5.74	-3.43
<b>Programme 4: Development &amp; Support Services</b>	<b>-15.17</b>	<b>9.41</b>	<b>178.59</b>	<b>3.56</b>	<b>-2.29</b>	<b>-1.47</b>
Administration	-13.31	-12.90	-80.74	30.74	0.66	-0.18
Youth Development				76.64	5.76	-0.18
HIV/AIDS	201.33	172.42	41.82	13.25	1.22	-1.74
Poverty Alleviation	-43.96	-42.42	1411.89	-4.95	-4.37	-1.64
NPO & Welfare Organisational Development				49.45	0.67	-0.20
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>-3.43</b>	<b>4.89</b>	<b>40.52</b>	<b>13.10</b>	<b>2.88</b>	<b>-1.72</b>

**TABLE C1: WESTERN CAPE SOCIAL WELFARE BUDGETS, 2000/01-2006/07,  
NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est.	Medium term estimates		
	2000/01	2001/02	2002/03	Actual 2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>310248</b>	<b>307070</b>	<b>315789</b>	<b>335497</b>	<b>360159</b>	<b>363403</b>	<b>367213</b>
Administration	16981	6227	12014	8621	9052	9371	9795
Treatment & Prevention of Substance Abuse	12181	14560	11948	19148	20539	21056	21643
Care of Older Persons	91227	92601	144242	95632	93761	93761	93761
Crime Prevention & Support	53023	57812	59257	76361	79434	81842	84641
Services to persons with disabilities.	26302	30899	23648	25335	28269	28269	28269
Child & Family care and protection	110534	104971	64680	110400	129104	129104	129104
<b>Programme 4: Development &amp; Support Services</b>	<b>4705</b>	<b>7863</b>	<b>13034</b>	<b>52549</b>	<b>52299</b>	<b>52920</b>	<b>54728</b>
Administration				1217	1841	1924	2030
Youth Development				2500	2600	3000	3500
HIV/AIDS		983	2107	5462	5721	5966	5966
Poverty Alleviation	4705	6880	10927	36192	31137	31030	32232
NPO & Welfare Organisational Development				7178	11000	11000	11000
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>314953</b>	<b>314933</b>	<b>328823</b>	<b>388046</b>	<b>412458</b>	<b>416323</b>	<b>421941</b>

**TABLE C2: WESTERN CAPE SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01 -	2001/02 -	2002/03 -	2003/04 -	2004/05 -	2005/06 -
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>-8.19</b>	<b>-6.51</b>	<b>0.89</b>	<b>2.14</b>	<b>-4.18</b>	<b>-3.95</b>
Administration	-65.98	75.39	-31.85	-0.10	-1.69	-0.64
Treatment & Prevention of Substance Abuse	10.88	-25.40	52.19	2.06	-2.64	-2.29
Care of Older Persons	-5.84	41.61	-37.04	-6.71	-5.03	-4.94
Crime Prevention & Support	1.14	-6.82	22.38	-1.02	-2.15	-1.69
Services to persons with disabilities	8.98	-30.42	1.74	6.17	-5.03	-4.94
Child & Family care and protection	-11.90	-43.98	62.10	11.27	-5.03	-4.94
<b>Programme 4-Development &amp; Support Services</b>	<b>55.03</b>	<b>50.69</b>	<b>282.88</b>	<b>-5.31</b>	<b>-3.91</b>	<b>-1.70</b>
Administration				43.93	-0.75	0.29
Youth Development				-1.05	9.58	10.90
HIV/AIDS		94.86	146.18	-0.34	-0.97	-4.94
Poverty Alleviation	35.65	44.38	214.55	-18.14	-5.36	-1.26
NPO & Welfare Organisational development				45.81	-5.03	-4.94
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>-7.24</b>	<b>-5.08</b>	<b>12.07</b>	<b>1.13</b>	<b>-4.14</b>	<b>-3.66</b>

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**TABLE D1: NORTHERN CAPE SOCIAL WELFARE BUDGETS, 2000/01-2006/07,  
NOMINAL AMOUNT**

R'000	Audited	Audited	Audited	Est.	Medium term estimates		
	2000/01	2001/02	2002/03	Actual 2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>51001</b>	<b>58724</b>	<b>65597</b>	<b>70396</b>	<b>92863</b>	<b>99404</b>	<b>105368</b>
Administration	31543	35001	4285	31574	54545	60446	64073
Treatment & Prevention of Substance Abuse	113	99	413	1478	438	438	464
Care of Older Persons	7109	6938	7748	6598	7755	7755	8220
Crime Prevention & Support	234	261	951	6490	2504	2654	2813
Services to persons with disabilities	3505	3652	3287	4482	4075	4075	4320
Child & Family care and protection	8497	12773	48913	19774	23546	24036	25478
<b>Programme 4: Development &amp; Support Services</b>	<b>4257</b>	<b>7178</b>	<b>7629</b>	<b>18688</b>	<b>20175</b>	<b>20995</b>	<b>22255</b>
Administration	2859	3005	3825	3321	6247	6832	7242
Youth Development							
HIV/AIDS		2932	2660	3529	3930	4165	4415
Poverty Alleviation	1398	1241	1144	11838	9998	9998	10598
NPO & Welfare Organisational Development							
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>55258</b>	<b>65902</b>	<b>73226</b>	<b>89084</b>	<b>113038</b>	<b>120399</b>	<b>127623</b>

**TABLE D2: NORTHERN CAPE SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01 -	2001/02 -	2002/03 -	2003/04 -	2004/05 -	2005/06 -	2006/07 -
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	
<b>Programme 3: Social welfare services</b>	<b>6.81</b>	<b>1.55</b>	<b>1.91</b>	<b>25.51</b>	<b>1.66</b>	<b>0.76</b>	
Administration	2.93	-88.87	599.76	64.37	5.24	0.76	
Treatment & Prevention of Substance Abuse	-18.73	279.25	239.86	-71.80	-5.03	0.70	
Care of Older Persons	-9.47	1.52	-19.13	11.83	-5.03	0.76	
Crime Prevention & Support	3.47	231.24	548.09	-63.29	0.66	0.75	
Services to persons with disabilities	-3.35	-18.18	29.49	-13.49	-5.03	0.77	
Child & Family care and protection	39.45	248.13	-61.61	13.30	-3.06	0.76	
<b>Programme 4: Development &amp; Support Services</b>	<b>56.42</b>	<b>-3.38</b>	<b>132.63</b>	<b>2.72</b>	<b>-1.17</b>	<b>0.76</b>	
Administration	-2.50	15.72	-17.55	78.98	3.86	0.76	
Youth Development							
HIV/AIDS		-17.52	25.99	5.96	0.65	0.76	
Poverty Alleviation	-17.65	-16.20	882.71	-19.64	-5.03	0.76	
NPO & Welfare Organisation Development							
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>10.63</b>	<b>1.01</b>	<b>15.53</b>	<b>20.73</b>	<b>1.15</b>	<b>0.76</b>	

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**TABLE E1: NORTH WEST SOCIAL WELFARE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est.	Medium term estimates		
	2000/01	2001/02	2002/03	Actual 2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>0</b>	<b>38773</b>	<b>50510</b>	<b>77352</b>	<b>119375</b>	<b>145302</b>	<b>144308</b>
Administration		4920	11449	1624	34609	45608	40296
Treatment & Prevention of Substance Abuse				585	2010	2640	2646
Care of Older Persons				10325	23073	25719	27470
Crime Prevention & Support				5818	9080	10284	10523
Services to persons with disabilities				11683	16168	23658	26458
Child & Family care and protection				10359	34435	37393	36915
Partnerships & Financing		33853	39061	36958			
<b>Programme 4: Development &amp; Support Services</b>	<b>0</b>	<b>923</b>	<b>4257</b>	<b>62905</b>	<b>81770</b>	<b>87613</b>	<b>93427</b>
Administration		389	1270	871	15656	17828	18330
Youth Development				3154	6521	7829	7829
HIV/AIDS				7580	9270	9854	11067
Poverty Alleviation		534	2987	48971	47102	49126	53083
NPO & Welfare Organisation Development				2329	3221	2976	3118
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>0</b>	<b>39696</b>	<b>54767</b>	<b>140257</b>	<b>201145</b>	<b>232915</b>	<b>237735</b>

**TABLE E2: NORTH WEST SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01 -	2001/02 -	2002/03 -	2003/04 -	2004/05 -	2005/06 -
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>		<b>18.43</b>	<b>45.43</b>	<b>46.84</b>	<b>15.59</b>	<b>-5.59</b>
Administration		111.55	-86.53	1927.68	25.15	-16.01
Treatment & Prevention of Substance Abuse				226.92	24.73	-4.73
Care of Older Persons				112.62	5.86	1.53
Crime Prevention & Support				48.49	7.56	-2.73
Services to persons with disabilities				31.67	38.96	6.31
Child & Family care and protection				216.29	3.12	-6.16
Partnerships & Financing		4.89	-10.15	-100.00		
<b>Programme 4: Development &amp; Support Services</b>		<b>319.28</b>	<b>1303.31</b>	<b>23.68</b>	<b>1.75</b>	<b>1.37</b>
Administration		196.80	-34.87	1610.25	8.14	-2.27
Youth Development				96.72	14.02	-4.94
HIV/AIDS				16.36	0.95	6.76
Poverty Alleviation		408.51	1456.95	-8.48	-0.95	2.71
NPO & Welfare Organisation Development				31.59	-12.26	-0.41
<b>Total social welfare (Programmes 3 &amp; 4)</b>		<b>25.42</b>	<b>143.21</b>	<b>36.45</b>	<b>9.97</b>	<b>-2.98</b>

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**TABLE F1: LIMPOPO SOCIAL WELFARE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est. Actual	Medium term estimates		
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>63838</b>	<b>76942</b>	<b>92117</b>	<b>99425</b>	<b>111656</b>	<b>120231</b>	<b>127445</b>
Administration	27114	40295	34883	46141	71970	78597	83313
Treatment & Prevention of Substance Abuse	468	455	356	511	550	583	618
Care of Older Persons	9581	9255	14554	7907	8381	8884	9417
Crime Prevention & Support	2546	3050		3426	3632	3850	4081
Services to persons with disabilities	24129	23887	2317	3426	22855	24106	25552
Child & Family care and protection			40007	38014	4268	4211	4464
<b>Programme 4: Development &amp; Support Services</b>	<b>13483</b>	<b>15476</b>	<b>20070</b>	<b>96235</b>	<b>87626</b>	<b>88202</b>	<b>93494</b>
Administration	7699	8475	11757	22090	13179	13747	14571
Youth Development							
HIV/AIDS	699	1601	3135	7599	7901	7909	8384
Poverty Alleviation	5085	5400	5178	66546	66546	66546	70539
NPO & Welfare Organisational Development							
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>77321</b>	<b>92418</b>	<b>112187</b>	<b>195660</b>	<b>199282</b>	<b>208433</b>	<b>220939</b>

**TABLE F2: LIMPOPO SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>11.81</b>	<b>8.84</b>	<b>2.50</b>	<b>6.85</b>	<b>2.26</b>	<b>0.76</b>
Administration	37.86	-21.30	25.62	48.41	3.71	0.76
Treatment & Prevention of Substance Abuse	-9.81	-28.87	36.31	2.41	0.66	0.76
Care of Older Persons	-10.39	42.96	-48.41	0.85	0.67	0.76
Crime Prevention & Support	11.13	-100.00		0.87	0.67	0.76
Services to persons with disabilities	-8.17	-91.18	40.42	534.73	0.16	0.76
Child & Family care and protection			-9.76	-89.32	-6.30	0.77
<b>Programme 4: Development &amp; Support Services</b>	<b>6.48</b>	<b>17.90</b>	<b>355.36</b>	<b>-13.36</b>	<b>-4.41</b>	<b>0.76</b>
Administration	2.11	26.11	78.43	-43.23	-0.94	0.75
Youth Development						
HIV/AIDS	112.47	78.01	130.19	-1.07	-4.94	0.77
Poverty Alleviation	-1.49	-12.83	1120.48	-4.85	-5.03	0.76
NPO & Welfare Organisational Development						
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>10.88</b>	<b>10.36</b>	<b>65.63</b>	<b>-3.09</b>	<b>-0.67</b>	<b>0.76</b>

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**TABLE G1: MPUMALANGA SOCIAL WELFARE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est. Actual	Medium term estimates		
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>55028</b>	<b>69722</b>	<b>99854</b>	<b>93085</b>	<b>101957</b>	<b>110112</b>	<b>233419</b>
Administration	21274	25430	34638	36293	38999	42119	44646
Treatment & Prevention of Substance Abuse	3543	4250	5379	3478	2135	2306	3144
Care of Older Persons	7512	15547	15913	15575	18962	20478	50707
Crime Prevention & Support		346	200	3804	1596	1723	30826
Services to persons with disabilities	4500	6984	12521	8395	8575	9261	38817
Child & Family care and protection	18199	17165	31203	25540	31690	34225	65279
<b>Programme 4: Development &amp; Support Services</b>	<b>1936</b>	<b>1742</b>	<b>13907</b>	<b>46928</b>	<b>50411</b>	<b>52023</b>	<b>55144</b>
Administration		786	4876	4926	7153	7725	8188
Youth Development							
HIV/AIDS				10821	10456	11084	11749
Poverty Alleviation	1936	956	9031	3530	5151	5563	5897
NPO & Welfare Organisational Development							
Food Security				27651	27651	27651	29310
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>56964</b>	<b>71464</b>	<b>113761</b>	<b>140013</b>	<b>152368</b>	<b>162135</b>	<b>288563</b>

**TABLE G2: MPUMALANGA SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	
<b>Programme 3: Social welfare services</b>	<b>17.54</b>	<b>30.20</b>	<b>-11.47</b>	<b>4.22</b>	<b>2.56</b>	<b>101.50</b>	
Administration	10.89	23.83	-0.50	2.24	2.56	0.76	
Treatment & Prevention of Substance Abuse	11.28	15.06	-38.60	-41.59	2.57	29.60	
Care of Older Persons	91.99	-6.95	-7.05	15.84	2.56	135.38	
Crime Prevention & Support		-47.45	1706.27	-60.08	2.52	1600.65	
Services to persons with disabilities	43.97	62.98	-36.33	-2.81	2.56	298.43	
Child & Family care and protection	-12.51	65.26	-22.27	18.06	2.56	81.31	
<b>Programme 4: Development &amp; Support Services</b>	<b>-16.53</b>	<b>625.76</b>	<b>220.46</b>	<b>2.21</b>	<b>-2.00</b>	<b>0.76</b>	
Administration		463.96	-4.06	38.16	2.56	0.75	
Youth Development							
HIV/AIDS				-8.06	0.67	0.76	
Poverty Alleviation	-54.19	758.79	-62.88	38.84	2.56	0.76	
NPO & Welfare Organisational Development							
Food Security				-4.85	-5.03	0.76	
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>16.38</b>	<b>44.71</b>	<b>16.88</b>	<b>3.54</b>	<b>1.05</b>	<b>69.18</b>	

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**TABLE H1: KWAZULU-NATAL SOCIAL WELFARE BUDGETS, 2000/01-2006/07,  
NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est.	Medium term estimates		
	2000/01	2001/02	2002/03	Actual 2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>209414</b>	<b>243271</b>	<b>277015</b>	<b>331900</b>	<b>455505</b>	<b>495696</b>	<b>534501</b>
Administration	45834	55346	71200	80060	146199	158038	172042
Treatment & Prevention of Substance Abuse	10652	11918	12576	15573	16561	18499	19019
Care of Older Persons	36585	47209	47849	49443	61686	66171	68901
Crime Prevention & Support	4507	5550	3652	7833	13199	14186	14465
Services to persons with disabilities	25395	28904	32289	34463	39617	42860	43311
Child & Family care and protection	86441	94344	109449	144528	178243	195942	216763
<b>Programme 4: Development &amp; Support Services</b>	<b>3475</b>	<b>20150</b>	<b>11264</b>	<b>90805</b>	<b>116908</b>	<b>125208</b>	<b>132720</b>
Administration	3475	9044	7895	11067	15566	17869	20056
Youth Development				523	578	661	701
HIV/AIDS		1500		11996	12773	13540	14352
Poverty Alleviation		7291	3369	10606	16647	19594	19865
NPO & Welfare Organisational Development		2315		2980	3159	5359	5468
Food Relief Grant				53633	68185	68185	72278
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>212889</b>	<b>263421</b>	<b>288279</b>	<b>422705</b>	<b>572413</b>	<b>620904</b>	<b>667221</b>

**TABLE H2: KWAZULU-NATAL SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	
<b>Programme 3: Social welfare services</b>	<b>7.76</b>	<b>3.52</b>	<b>13.78</b>	<b>30.58</b>	<b>3.35</b>	<b>2.50</b>	
Administration	12.02	16.95	6.78	73.75	2.66	3.48	
Treatment & Prevention of Substance Abuse	3.79	-4.07	17.60	1.18	6.08	-2.27	
Care of Older Persons	19.70	-7.86	-1.87	18.71	1.87	-1.02	
Crime Prevention & Support	14.23	-40.18	103.69	60.33	2.07	-3.07	
Services to persons with disabilities	5.58	1.56	1.36	9.38	2.74	-3.94	
Child & Family care and protection	1.25	5.46	25.40	17.34	4.40	5.16	
<b>Programme 4: Development &amp; Support Services</b>	<b>437.90</b>	<b>-49.18</b>	<b>665.58</b>	<b>22.50</b>	<b>1.71</b>	<b>0.76</b>	
Administration	141.43	-20.64	33.12	33.83	9.02	6.69	
Youth Development				5.15	8.60	0.81	
HIV/AIDS		-100.00		1.31	0.67	0.76	
Poverty Alleviation		-57.99	198.97	49.34	11.78	-3.63	
NPO & Welfare Organisational Development		-100.00		0.86	61.10	-3.01	
Food Relief Grant				20.96	-5.03	0.76	
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>14.78</b>	<b>-0.51</b>	<b>39.25</b>	<b>28.85</b>	<b>3.01</b>	<b>2.15</b>	

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**TABLE J1: GAUTENG SOCIAL WELFARE BUDGETS, 2000/01-2006/07, NOMINAL AMOUNTS**

R'000	Audited	Audited	Audited	Est. Actual	Medium term estimates		
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>222585</b>	<b>280992</b>	<b>306918</b>	<b>434016</b>	<b>485630</b>	<b>529716</b>	<b>573274</b>
Administration	1926	3875	4434	1319	1104	1190	1283
Treatment/Prevention of Substance Abuse	10559	25951	33369	28313	31466	35520	38366
Care of Older Persons	88201	92112	99119	108386	116103	126444	137402
Crime Prevention & Support	2393	11580	12690	41744	50118	55979	60603
Services to persons with disabilities	43867	47189	52289	63467	75109	81151	87628
Child & Family care and protection	75639	100285	105017	190787	211730	229432	247992
<b>Programme 4: Development &amp; Support Services</b>	<b>165756</b>	<b>187697</b>	<b>191181</b>	<b>71257</b>	<b>71118</b>	<b>80429</b>	<b>89634</b>
Administration	48100	187697	191181	592	1424	1535	1656
Youth Development							
HIV/AIDS				19501	10315	13378	14235
Poverty Alleviation				40939	51037	56488	63969
NPO & Welfare Organisation Development				10225	8342	9028	9774
Child & Family Care	77259						
Care: Chronic illness & Infant patients	10028						
Care: Persons with disabilities	959						
Drug Dependant Care	9271						
Care of the Offenders	20139						
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>388341</b>	<b>468689</b>	<b>498099</b>	<b>505273</b>	<b>556748</b>	<b>610145</b>	<b>662908</b>

**TABLE J2: GAUTENG SOCIAL WELFARE BUDGETS, 2000/01-2006/07, REAL GROWTH**

%	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Programme 3: Social welfare services</b>	<b>17.11</b>	<b>-0.70</b>	<b>34.29</b>	<b>6.46</b>	<b>3.59</b>	<b>2.87</b>
Administration	86.64	4.02	-71.75	-20.36	2.36	2.49
Treatment/Prevention of Substance Abuse	127.99	16.90	-19.42	5.74	7.20	2.67
Care of Older Persons	-3.12	-2.18	3.85	1.92	3.43	3.29
Crime Prevention & Support	348.90	-0.38	212.39	14.23	6.07	2.91
Services to persons with disabilities	-0.21	0.73	15.27	12.60	2.61	2.64
Child & Family care and protection	22.99	-4.80	72.53	5.59	2.91	2.75
<b>Programme 4: Development &amp; Support Services</b>	<b>5.04</b>	<b>-7.40</b>	<b>-64.60</b>	<b>-5.04</b>	<b>7.40</b>	<b>5.94</b>
Administration	261.99	-7.40	-99.71	128.87	2.37	2.55
Youth Development						
HIV/AIDS				-49.67	23.17	1.15
Poverty Alleviation				18.62	5.11	7.65
NPO & Welfare Organisation Development				-22.37	2.78	2.91
Child & Family Care	-100.00					
Care: Chronic illness & Infant patients	-100.00					
Care: Persons with disabilities	-100.00					
Drug Dependant Care	-100.00					
Care of the Offenders	-100.00					
<b>Total social welfare (Programmes 3 &amp; 4)</b>	<b>11.96</b>	<b>-3.39</b>	<b>-3.67</b>	<b>4.84</b>	<b>4.07</b>	<b>3.28</b>