



# THE FUNDING OF CHILD WELFARE SERVICES

## INTRODUCTION

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9 April 2013

*For an Equitable Sharing of National Revenue*

# INTRODUCTION (1)

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- By June 2012, there were approximately 100 000 registered NPOs in South Africa, with 40% in social services providing support to children, the elderly, the disabled and victims of abuse
- Many NPOs facing financial difficulties as a result of an increase in demand for their services coupled with a decline in external funding
- NPOs provide a range of statutory services that are partly subsidized by government and receive support from corporate and other donors

# INTRODUCTION (2)

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- The FFC has been involved in research work on progressive realisation of socio-economic rights of children since its inception
- The research on the funding provision of child welfare services is a continuation of previous work in this area
  - Economic impact of the recession on children
  - Other ongoing work for 2014/15 DOR is a project on the Economic and social value of social grants

# OBJECTIVES OF PUBLIC HEARINGS

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- The FFC has convened these hearings to:
  - Share, validate and expand our understanding of the problems, preliminary findings and outcomes of the draft paper
  - Provide a platform for stakeholders to engage and exchange views on the funding and service delivery challenges and possible solutions in the child welfare services sector
  - Listen to the views of major stakeholders before making its recommendations to Parliament
- FFC Public Hearings on Local Govt Fiscal Framework and on Housing Finance

# PROCESS TO DATE

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- Project commenced in May 2012
- Workshop held with National and Provincial DoSD (November 2012)
- Invited written submissions on the revised draft report (March 2013)
- **Public Hearings with stakeholders (April 2013)**
- Table final report with Recommendations in Parliament (September 2013)

# RECENT DEVELOPMENTS (1)

- In the 2013 Budget, Government announced additional funding of R600 million over MTEF period for NPOs
  - Provincial departments are instrumental in making sure these funds reach NPOs and that targeted beneficiaries benefit from these resources
  - This cash injection is a welcome short-term solution but does not detract from the long-term sustainability issues that must still be addressed (i.e. financial management capacity, quality of service provision, future financial stability, etc)

# RECENT DEVELOPMENTS (2)

- Government is increasingly involving NPOs in public employment programmes such as ECD and home-community based care
- The revised policy framework for NPOs and the de-registration of many NPOs creating uncertainty in the sector
- We need to do things differently in funding services that ensure children's rights. FFC invites stakeholders to engage with us about how this can be done.

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THANK YOU!