

FISCAL AND FINANCIAL COMMISSION

**PROVISION AND FUNDING OF CHILD
WELFARE SERVICES IN SA**

9-10 APRIL 2013

KEY PROBLEMS WITH CURRENT FUNDING SYSTEM

- **Subsidies bear no relation to actual costs**
- **No automatic adjustment for inflation**
- **No data collection to establish extent of needs for planning purposes**
- **No involvement of NPOs in provincial budgeting and target-setting**
- **No provision for special education or other disability-related needs of children**

KEY PROBLEMS WITH CURRENT FUNDING SYSTEM (cont.)

- Unrealistic notions regarding availability of private funding**
- NPOs thrown into competition with each other and with govt for fundraising purposes**
- High costs of fundraising**
- Govt bilateral arrangements exclude NPOs from foreign funding sources**

KEY PROBLEMS WITH CURRENT FUNDING SYSTEM (cont.)

- **Public perception that costs of child protection are/should be carried by govt**
- **Lack of special provision for NPOs with regard to municipal property rates and service charges**

RECOMMENDATIONS

- **NPOs to be consulted in the national and provincial budgeting processes**
- **Budgets to be based on an accurate audit of social welfare needs in each province**
- **Funding to cover agreed core costs of constitutionally and legally mandated services and those required by international agreements and national policies**

RECOMMENDATIONS (cont.)

- **NPOs carrying out state mandates to be exempt from property rates and eligible for reduced service charges**
- **All subsidies to incorporate costs of mainstreaming of special needs and disability provision**
- **Automatic annual increases to be provided for to cover inflation**
- **NPOs to be enabled to pay salaries at the same level as government in order to stabilise the workforce**