

# Social Development

## Introduction

Social welfare services are preventative, developmental and interventionist in nature and therefore provide services to a wide range of people. They may be needy children, the aged, disabled people or people that have been victims of crime. The focus is on the most vulnerable members of our society. Where appropriate, programmes are combined with skills development and capacity building so that people are enabled to escape from the poverty trap that is often the root cause of their vulnerability.

*Social welfare services target the vulnerable in a wide range of focus areas*

Over the past two years the sector has undergone a fundamental restructuring. Responsibility for the social assistance function (i.e. social grants) has been shifted from the provincial sphere of government to the national sphere. To this end, the South African Social Security Agency (SASSA) has been established and as of 2006/07 the budget for social assistance no longer gets transferred to provinces either through the equitable share or by means of conditional grants. Subsequent to the transfer of the social assistance function, provinces are left with two main programmes, namely:

*Social assistance grants no longer part of provincial finances*

- Social Welfare Services
- Development and Research.

Prior to 2005/06, there were ongoing concerns that the budgets for these two areas of service delivery were being squeezed by the statutory obligation to pay social assistance grants. The shift of this function to national government has alleviated this pressure and provinces are now able to focus on improving the funding and delivery of developmental social welfare services.

This chapter reviews:

- The role of provincial social development in the context of vulnerability.
- The institutional arrangements underpinning social development.
- Policy initiatives and legislative reforms.

- Spending, budget and service delivery trends in the sector as well as focusing on overall expenditure and performance in the different programmes and large subprogrammes.

### **Role of provincial social development in the context of vulnerability**

*Social welfare services encompass a wide range of prevention, intervention, protection and care services*

Social welfare services encompass what is generally known as ‘social work’ and include the provision of prevention, intervention, protection and alternative care services.

- *Prevention services* aim to strengthen communities, families and individuals to enable them to resolve potential problems as early as possible, and thus prevent problems from escalating. Examples of such programmes include the provision of early childhood development for children aged 0 to 4, drug awareness campaigns, programmes for the youth, family support services and campaigns against the abuse of women and children.
- *Early intervention services* are provided in instances where problems are already evident. The aim of these services is to enable people to overcome the challenges they face and re-integrate into their families and communities. Intervention services range from basic counselling through to probation services, drug rehabilitation, victim empowerment, and the promotion of strategies to integrate persons with disabilities into communities.
- *Protection services* (also referred to as statutory intervention) address cases of abandonment, neglect and abuse whether they be of children, the aged, women or other vulnerable individuals, and increasingly the needs of children that have been orphaned. Protection services invariably include a statutory element which has to be performed by appropriately qualified and registered members of the social work profession.
- *Alternative care* involves caring for the needs of individuals whose families are unable to care for them; who have to be removed from situations of abuse or neglect; or who do not have families to care for them. Often these individuals are placed in the care of the state by court order and as such are ‘wards of the state’.
- *Reintegration and after care* aims to re-integrate individuals, particularly children, who have been removed from their communities or families into alternative care arrangements. The services include family counselling, life skills and parenting programmes, and support services to enhance self-reliance and optimal social functioning.

*Community development services focus on empowering people*

Community development focuses on the participation of people themselves in efforts to improve their level of living, developing a sense of ownership, taking initiative and contributing meaningfully to joint planning, decision making and implementation. To support such initiatives, social development departments are involved through the sustainable livelihoods programme, in the mobilisation and provision of resources and the creation of opportunities that encourage self-help

initiatives. This programme aims to link social grant beneficiaries to sustainable livelihood opportunities, particularly co-operatives, so as to reduce their dependence on the state.

The provision of *social assistance* in the form of social grants remains one of the most important government interventions to alleviate poverty and vulnerability. It also plays a complementary role to the services provided by the provincial social development departments. The General Household Survey of July 2005 found that the income support provided by the social grants extends well beyond the immediate beneficiaries of the grants. It showed that about 7 to 10 per cent of persons who were not employed relied on persons receiving an old age or disability grant. This survey also showed that slightly more than 1 in 10 of those interviewed indicated that they had made use of welfare services during 2005. Individuals in Limpopo (18,6 per cent) and Eastern Cape (18,3 per cent) made the greatest use of welfare services.

***While social welfare services are key, social assistance grants remain a key programme to alleviate poverty and vulnerability***

## **Institutional arrangements**

Social development is a concurrent function. The national Department of Social Development is responsible for developing policy frameworks and protocols for the delivery of the different services, providing support to provinces and monitoring and evaluating the delivery of services by the provinces. In addition, the national department now exercises oversight of the South African Social Security Agency (SASSA), which is responsible for the actual delivery or paying out of grants to beneficiaries.

***National and provincial governments cooperate to ensure sustained delivery of social welfare services***

With the shift of the social assistance function from provinces to national government, the provincial departments of social development are now able to focus on the delivery of social welfare and community development services in line with the national policy frameworks and the statutory requirements of the relevant Acts. They do this either directly, or through subsidising non-profit organisations (NPO) to deliver services on their behalf or by commissioning agents in the private sector to deliver services. The extent to which provincial departments rely on NPOs to deliver services is strongly influenced by the historical distribution of NPOs across provinces.

***Provinces in a better position to focus on the delivery of welfare services***

NPOs are valuable partners in the provision of developmental welfare services, due to their ability to:

***NPOs are key delivery agents of services***

- identify local needs and resources
- respond speedily to needs of individuals, families and communities
- promote community participation and mobilization
- coordinate action at community level
- create awareness among communities about what services are available
- promote grass-roots participation in decision making and direct service delivery.

## Policy initiatives and legislative reforms

### ***Transformation of welfare services underway***

The national Department of Social Development's *Integrated Service Delivery Model* provides the framework for the transformation of social welfare services and also defines the nature, scope and levels of services. It outlines the respective roles of the different spheres of government and organs of civil society in social welfare service delivery and the promotion of sustainable livelihoods.

Progress has been made with a number of legislative reforms. Parliament has approved the Older Person's Bill. The Bill seeks to empower older persons, combat their abuse, protect their rights and promote their dignity and respect.

Legislation (i.e. the two sections of the Children's Bill) to give effect to a range of children's rights that are set out in the Constitution is being finalised.

### ***Provinces continue to strengthen interventions targeted at vulnerable children***

Despite the fact that the Child Justice Bill has not been passed by Parliament, provinces have been implementing certain services that transform the child justice system in line with the Constitution, which requires that children should only be detained as a measure of last resort and for the shortest possible period of time. This includes the employment of additional probation officers to implement probation services, provision for the increased use of diversion programmes, the development of one-stop child justice centres, and increased usage of secure care facilities.

The social development sector has also proceeded to amend the Prevention and Treatment of Drug Dependency Act (1992), as well as the Social Services Professionals Act (1978). This will influence the institutional arrangements of the Central Drug Authority and the Social Services Professionals Council. There is also a move to legislate the Financial Awards Policy so that there is a legislative framework to govern the funding of NPO social welfare service providers.

### ***Stepping up of home and community based care and early childhood development through EPWP***

The social development sector plays a lead role in implementing the expanded public works programmes (EPWP) in the social sector. These programmes provide for the expansion of existing home and community based care (HCBC) and early childhood development (ECD) services. The provincial social development departments finance ECD focussing on poor children from 0 to 4 years old. The key aspects of the EPWP are the expansion of services, training of practitioners and job creation. The social development sector was given additional allocations for EPWP in 2006 to increase the level of the ECD subsidy from the current provincial base ranging from as little as R2 per child per day in some provinces, to the national norm of R9 per child per day. The remainder of the funding was to provide for accredited training to HCBC practitioners.

## Provincial social development budget trends

There is steady growth in provincial social development budgets. Table 4.1 shows that after adjusting the historical figures on social development budgets to exclude social assistance grants, combined expenditure for the sector was R2,7 billion in 2002/03 and grows at 15,4 per cent per year to R4,2 billion in 2005/06. This sees the share of social development spending in total provincial spending growing from 2,4 per cent to 2,9 per cent over the period. The period ahead will see a further strengthening of social welfare services with spending expected to grow 20,8 per cent annually.

*Social development budgets growing steadily*

Average growth in social welfare budgets over the medium term varies widely across provinces, from a low of 7 per cent in Free State to a high of 34,3 per cent in Mpumalanga.

**Table 4.1 Provincial social development expenditure, 2002/03 – 2008/09**

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Eastern Cape	382	485	419	513	763	957	1 235
Free State	206	282	291	383	418	443	469
Gauteng	598	667	788	816	982	1 143	1 391
KwaZulu-Natal	432	512	542	746	895	939	998
Limpopo	177	146	357	358	432	466	696
Mpumalanga	162	169	224	250	430	471	606
Northern Cape	108	128	139	175	215	263	312
North West	216	274	262	324	428	595	689
Western Cape	462	545	630	654	727	867	1 035
<b>Total</b>	<b>2 743</b>	<b>3 209</b>	<b>3 650</b>	<b>4 220</b>	<b>5 289</b>	<b>6 145</b>	<b>7 430</b>
Percentage growth (average annual)	2002/03 – 2005/06			2005/06 – 2008/09			
Eastern Cape	10,4%			34,0%			
Free State	22,9%			7,0%			
Gauteng	10,9%			19,4%			
KwaZulu-Natal	20,0%			10,2%			
Limpopo	26,4%			24,8%			
Mpumalanga	15,5%			34,3%			
Northern Cape	17,7%			21,1%			
North West	14,5%			28,6%			
Western Cape	12,2%			16,6%			
<b>Total</b>	<b>15,4%</b>			<b>20,8%</b>			

Source: National Treasury provincial database

The sharp growth in the budgets reflects government's commitment to strengthen the delivery of social welfare services over the medium term to progressively realise the Constitutional rights of individuals, particularly children, the elderly and the vulnerable.

Given the restructuring of the sector, allocations are still in a state of flux, but the question that needs to be asked is: What is an appropriate level of expenditure on social welfare relative to other priorities? More particularly - what is an appropriate level given that this

expenditure is used to address vulnerable people's most basic needs, and seeks to ensure sustainable community development?

Table 4.2 below presents information on the preliminary expenditure outcomes of the provincial social development departments for 2005/06.

**Table 4.2 Provincial social development preliminary expenditure outcome, 2005/06**

R million	Adjusted appropriation	Preliminary outcome	Under(+) / over(-) expenditure	
				%
Eastern Cape	543	513	30	5,6%
Free State	428	383	46	10,6%
Gauteng	860	816	43	5,0%
KwaZulu-Natal	903	746	157	17,3%
Limpopo	398	358	40	10,0%
Mpumalanga	255	250	5	2,1%
Northern Cape	191	175	15	8,0%
North West	364	324	39	10,8%
Western Cape	695	654	41	5,9%
<b>Total</b>	<b>4 636</b>	<b>4 220</b>	<b>416</b>	<b>9,0%</b>

Source: National Treasury provincial database

**Spending capacity needs to be improved**

Provinces collectively underspent their 2005/06 adjusted budgets by R416 million or 9 per cent. Provincial social development departments will have to improve their absorptive capacity considering the need to step up social welfare services in the country.

Table 4.3 shows that, excluding Programme 1: Administration, overall per capita spending on social welfare services grows from R51 per person in 2002/03 to R104 in 2008/09 in real terms. However, there are significant spending inequalities across the provinces with Limpopo spending the lowest at R50 per person in 2005/06 compared to R144 per person in the Northern Cape. The gap in per capita spending does not appear to narrow to any significant degree over the MTEF.

**Table 4.3 Real per capita expenditure on Welfare services**

Rand	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Eastern Cape	43	57	43	58	79	97	127
Free State	60	80	73	94	98	94	100
Gauteng	71	57	66	68	71	80	96
KwaZulu-Natal	35	43	44	57	68	69	69
Limpopo	23	40	40	50	55	57	76
Mpumalanga	43	44	52	62	99	104	132
Northern Cape	96	110	115	144	168	202	234
North West	51	64	51	64	80	108	116
Western Cape	86	91	94	111	106	120	137
<b>Total</b>	<b>51</b>	<b>58</b>	<b>57</b>	<b>69</b>	<b>79</b>	<b>89</b>	<b>104</b>

Source: National Treasury provincial database

## Spending by economic classification

Table 4.4 shows that at 45,6 per cent, transfers and subsidies make up the largest share of total social development spending in 2005/06, and is mainly due to transfers to NPOs. Transfers and subsidies grew by 19,0 per cent per year between 2002/03 and 2005/06 and are budgeted to grow at an average annual rate of 17,1 per cent over the medium term. NPOs are a critical delivery vehicle for social welfare services and are responsible for more than 90 per cent of the social welfare facilities and attending to more than 60 per cent of clients.

*NPOs remain a critical delivery vehicle of social welfare services*

**Table 4.4 Social Development economic classification, 2002/03 – 2008/09**

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
<b>R million</b>							
Compensation of employees	949	1 102	1 225	1 352	1 843	2 161	2 436
Other current payments	530	667	750	799	1 056	1 248	1 510
Transfers and subsidies	1 143	1 323	1 506	1 924	2 151	2 438	3 093
<i>of which:</i>							
<i>Non-profit institutions</i>	1 128	1 225	1 403	1 671	1 876	2 153	2 717
Payments for capital assets	122	116	169	145	239	298	391
<b>Total</b>	<b>2 743</b>	<b>3 209</b>	<b>3 650</b>	<b>4 220</b>	<b>5 289</b>	<b>6 145</b>	<b>7 430</b>
<b>Percentage of total</b>							
Compensation of employees	34,6%	34,3%	33,6%	32,0%	34,8%	35,2%	32,8%
Other current payments	19,3%	20,8%	20,5%	18,9%	20,0%	20,3%	20,3%
Transfers and subsidies	41,7%	41,2%	41,2%	45,6%	40,7%	39,7%	41,6%
<i>of which:</i>							
<i>Non-profit institutions</i>	41,1%	38,2%	38,4%	39,6%	35,5%	35,0%	36,6%
Payments for capital assets	4,4%	3,6%	4,6%	3,4%	4,5%	4,8%	5,3%
<b>Total</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>
<b>Percentage growth (average annual)</b>		<b>2002/03 – 2005/06</b>			<b>2005/06 – 2008/09</b>		
Compensation of employees		12,5%			21,7%		
Other current payments		14,7%			23,6%		
Transfers and subsidies		19,0%			17,1%		
<i>of which:</i>							
<i>Non-profit institutions</i>		14,0%			17,6%		
Payments for capital assets		6,0%			39,2%		
<b>Total</b>		<b>15,4%</b>			<b>20,8%</b>		

Source: National Treasury provincial database

A large portion of social welfare services is dependent on social workers. Spending on compensation of employees increased by 12,5 per cent per year from R949 million in 2002/03 to R1,4 billion in 2005/06 and is set to grow at an average annual rate of 21,7 per cent over the MTEF to R2,4 billion by 2008/09. This level of growth will put the sector in a better position to retain and attract social workers through improved service conditions.

*Salaries of social workers rising*

From a low base, spending on capital is set to triple and reach R391 million by 2008/09 resulting in its share of social development spending growing from 4,4 per cent to 5,3 per cent over the period. This level of spending will start to address the infrastructure backlogs

and inter provincial inequities in the sector. Capital expenditure as percentage of the department's budget ranges from 10 per cent in Limpopo to 0,8 per cent in the Western Cape.

### Programme expenditure

Table 4.5 shows that the social welfare services programme, which funds integrated welfare services, makes up the largest share (62,2 per cent in 2005/06) of social development budgets followed by administration (23,6 per cent) and development and research (14,2 per cent).

**Table 4.5 Social Development programmes, 2002/03 – 2008/09**

R million	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
Administration	699	740	1 091	994	1 354	1 513	1 693
Social Welfare Services	1 853	1 977	2 221	2 625	3 244	3 846	4 767
Development and Research	191	492	339	601	691	786	969
<b>Total</b>	<b>2 743</b>	<b>3 209</b>	<b>3 650</b>	<b>4 220</b>	<b>5 289</b>	<b>6 145</b>	<b>7 430</b>
<b>Percentage of total</b>							
Administration	25,5%	23,0%	29,9%	23,6%	25,6%	24,6%	22,8%
Social Welfare Services	67,5%	61,6%	60,8%	62,2%	61,3%	62,6%	64,2%
Development and Research	7,0%	15,3%	9,3%	14,2%	13,1%	12,8%	13,0%
<b>Total</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>
<b>Percentage growth (average annual)</b>	<b>2002/03 – 2005/06</b>			<b>2005/06 – 2008/09</b>			
Administration	12,4%			19,4%			
Social Welfare Services	12,3%			22,0%			
Development and Research	46,4%			17,3%			
<b>Total</b>	<b>15,4%</b>			<b>20,8%</b>			

Source: National Treasury provincial database

### Administration

Total administration costs for strategic management and support, grew by 12,4 per cent annually between 2002/03 and 2005/06 and is set to grow at a rate of 19,4 per cent per year over the next three years to reach R1,7 billion by 2008/09. The extent to which the high administrative costs can be attributed to the establishment of the South African Social Security Agency (SASSA) must be investigated, particularly as far as the personnel shifted/not shifted to the agency. A clear picture on administration expenditure will emerge once SASSA is fully established and personnel matters are resolved.

Except for North West, most provinces are planning to reduce their administration share of spending over the MTEF. Their efforts will also be reinforced by the clarification of roles and rationalisation of functions following the shifting of the social assistance function. This will release resources that are critically needed for welfare services.



### Social welfare services

The social welfare services programme funds the provision of integrated social welfare services, which includes child care and protection services, care and services to older persons, substance abuse, prevention and rehabilitation, crime prevention and support, services to people with disabilities, victim empowerment, HIV and Aids, and care and support services to families.

At 61,3 per cent in 2006/07, social welfare service makes up the largest share of total social development spending. Table 4.6 shows that expenditure on social welfare services will grow 22,0 per cent a year from R2,6 billion in 2005/06 to nearly R4,8 billion in 2008/09 and varies across provinces. In general, provinces have prioritised the provision of social welfare services relative to other services provided by the department. Limpopo and Free State appear not to have prioritised social welfare services relative to other services.

**Social welfare services makes up the largest share of programme funding**

Much of the growth is to improve the conditions of service of social work professionals, extend the expanded public works programme to social welfare services, and expand welfare services in line with the requirements of approved and pending legislation.

**Table 4.6 Social welfare services expenditure, 2002/03 – 2008/09**

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Eastern Cape	247	263	258	331	449	584	763
Free State	142	170	194	213	260	219	254
Gauteng	436	431	517	569	633	763	991
KwaZulu-Natal	277	317	359	491	564	602	643
Limpopo	95	123	162	180	205	224	305
Mpumalanga	106	96	125	146	259	290	414
Northern Cape	68	73	91	100	126	166	205
North West	163	175	135	163	282	418	476
Western Cape	318	329	380	433	467	579	718
<b>Total</b>	<b>1 853</b>	<b>1 977</b>	<b>2 221</b>	<b>2 625</b>	<b>3 244</b>	<b>3 846</b>	<b>4 767</b>
<b>Percentage of total provincial social development expenditure</b>							
Eastern Cape	64,7%	54,1%	61,6%	64,4%	58,9%	61,0%	61,8%
Free State	69,0%	60,2%	66,8%	55,5%	62,1%	49,4%	54,1%
Gauteng	72,9%	64,6%	65,6%	69,8%	64,5%	66,8%	71,3%
KwaZulu-Natal	64,2%	61,9%	66,2%	65,8%	63,0%	64,1%	64,4%
Limpopo	53,7%	84,4%	45,4%	50,2%	47,5%	48,0%	43,8%
Mpumalanga	65,4%	56,7%	55,9%	58,3%	60,1%	61,5%	68,4%
Northern Cape	63,4%	57,2%	65,5%	57,0%	58,4%	63,1%	65,6%
North West	75,2%	63,9%	51,5%	50,3%	65,9%	70,4%	69,1%
Western Cape	68,9%	60,4%	60,4%	66,2%	64,2%	66,8%	69,3%
<b>Total</b>	<b>67,5%</b>	<b>61,6%</b>	<b>60,8%</b>	<b>62,2%</b>	<b>61,3%</b>	<b>62,6%</b>	<b>64,2%</b>

Source: National Treasury provincial database

In most provinces a large proportion of the funds allocated to this programme go towards subsidising NPOs to provide social welfare services on behalf of government.

*Expenditure within social welfare services*

Table 4.7 shows that, while from a low base, all core social welfare services are gradually getting emphasis in provincial budgets.

**Table 4.7 Social welfare services by sub-programme, 2002/03 – 2008/09**

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
<b>R million</b>							
Administration	473	399	417	546	749	917	1 077
Substance Abuse Prevention and Rehabilitation	69	65	78	92	108	120	139
Care and Services to Older Persons	427	390	407	440	485	552	686
Crime Prevention and Support	82	134	159	193	279	362	449
Services to Persons with Disabilities	146	165	178	169	215	241	270
Child Care and Protection Services	620	732	852	977	1 103	1 264	1 597
Victim Empowerment	3	8	3	–	42	50	105
HIV and Aids	33	84	126	209	208	273	362
Social Relief	–	–	0	–	24	25	30
Care and Support Services to Families	–	–	–	–	32	40	53
<b>Total</b>	<b>1 853</b>	<b>1 977</b>	<b>2 221</b>	<b>2 625</b>	<b>3 244</b>	<b>3 846</b>	<b>4 767</b>
<b>Percentage growth (average annual)</b>	<b>2002/03 – 2005/06</b>			<b>2005/06 – 2008/09</b>			
Administration	4,9%			25,4%			
Substance Abuse Prevention and Rehabilitation	10,1%			14,9%			
Care and Services to Older Persons	1,0%			15,9%			
Crime Prevention and Support	32,9%			32,5%			
Services to Persons with Disabilities	4,8%			17,0%			
Child Care and Protection Services	16,3%			17,8%			
Victim Empowerment	-100,0%			–			
HIV and Aids	85,1%			20,1%			
Social Relief	–			–			
Care and Support Services to Families	–			–			
<b>Total</b>	<b>12,3%</b>			<b>22,0%</b>			

Source: National Treasury provincial database

**Significant growth in child care and protection services budgets**

Within social welfare services, Child Care and Protection Services (at 23,1 per cent) makes up the largest share of social welfare services and is set to grow over 32 per cent per year from R620 million in 2002/03 to R1,6 billion in 2008/09. Provincial specific expenditure on child care as a percentage of social welfare services varies between 8,0 per cent in North West and 31,3 per cent in Gauteng.

The care and services to older persons programme, after slow growth up to 2005/06, grows 15,9 per cent per year over the MTEF to R686 million by 2008/09. This level of growth will allow the sector to develop progressively and implement integrated welfare services for the care, support and protection of older persons. While growing, spending across all provinces on this programme remains low.

Other key social welfare service programmes that show moderate growth and need further expansion in years to come include:

- *Substance Abuse, Prevention, Rehabilitation and Treatment* focuses on rehabilitation services which is a statutory function. The NGO sector focuses on prevention and treatment in private clinics. Awareness campaigns have as objective the prevention of drug addictions and drug abuse.
- *Crime Prevention and Support* which develops, and implements social crime prevention programmes and probation services targeting children, youth and adult offenders in the criminal justice process. The services include pre-trial diversion assessments, diversion programmes, home-based supervision for awaiting trial and sentenced children and the establishment and management of secure care centres for children.
- *Services to People with Disabilities* which promotes the well being and socio economic empowerment of people with disabilities.
- *Victim Empowerment* develops and implements programmes and services to support, care and empower victims of crime and violence, particularly women and children. This includes providing shelters, trauma counselling and paralegal services.
- *HIV and Aids* which provides services to people, families and communities affected by HIV and Aids, encourages community participation, and seeks to mitigate the economic impact of Aids. Services include the provision of home/community based care, training of caregivers, awareness raising and providing material support to children orphaned by HIV and Aids.
- *Care and Support Services to Families* which focuses on family preservation services, parenting groups, preventative programmes, as well as financial fitness training. This is a relatively new sub-programme with only the Free State, KwaZulu-Natal, Mpumalanga, North West and the Western Cape currently allocating funds to it.

### ***Development and Research***

The Development and Research programme focuses on activities related to creating sustainable livelihoods. The paradigm shift within social development towards developmental welfare services explains the priority given to this programme. Between 2002/03 and 2005/06 expenditure on this programme grew at an average annual rate of 46,4 per cent, from R191 million to R601 million. This trend is set to continue but at a slightly lower rate of just less than 17,3 per cent per year.

***Development and research services key for sustainable livelihoods***

## Key inputs for social development delivery

### Personnel

#### *A need to step up the recruitment of social workers*

Delivery of social welfare services is personnel intensive. Social workers constitute the backbone of the delivery of these services. Table 4.8 shows that as at 2005/06, there were 2 818 social workers in the employ of provincial social development departments and 2 245 employed by NPOs who render a number of social welfare services on behalf of government.

**Table 4.8 Service delivery model**

	Total population	Social Workers: Government	Social Workers: NPO	Total Social Workers	Norm / standard: Number of individuals per social worker	Current: Number of individuals per social worker
Eastern Cape	7 039 300	510	245	755	3 000	9 324
Free State	2 953 100	148	165	313	3 000	9 435
Gauteng	9 018 000	532	564	1 096	5 000	8 228
KwaZulu-Natal	9 651 100	429	536	965	4 500	10 001
Limpopo	5 635 000	361	92	453	3 000	12 439
Mpumalanga	3 219 900	208	48	256	3 000	12 578
Northern Cape	902 300	108	98	206	3 000	4 380
North West	3 823 900	238	60	298	3 000	12 832
Western Cape	4 645 600	284	437	721	4 500	6 443
<b>Total</b>	<b>46 888 200</b>	<b>2 818</b>	<b>2 245</b>	<b>5 063</b>		

Source: Findings Report on the Financial Awards to Service Providers, 2005

#### *Initiatives to retain and attract social workers to the profession*

After a thorough investigation of the remuneration packages of social workers, government improved their conditions of service in 2005. In addition to increasing government social workers' salaries, progress has been made on other key personnel related matters:

- The declaration of social work as a scarce skill.
- The development of a Recruitment and Retention Strategy for Social Workers.
- New generic job descriptions, which provide opportunities for career pathing and also define areas of specialisation for social workers.
- The recognition of specialisation within the social work field, up to the level of deputy director.
- The provision of 190 scholarships for social workers to the amount of R2,8 million (which is over and above the normal bursaries allocated by government at provincial and national level).

Various social welfare legislation currently before Parliament will increase the demand for social workers even further. This highlights the importance of:

- retaining the current social workers working in the system

- attracting social workers that have left back into the system
- increasing the supply of social workers through a vastly expanded bursary scheme.

### Support to NPO partners

As noted above, provincial governments can not meet the current demand for social welfare services. Their partnerships with NPOs are thus critical to the delivery of social welfare services. This is highlighted by the following table 4.9 which compares the services provided directly by provincial social development departments and those provided by NPOs.

Table 4.9 shows that of the total amount of funds that provincial departments allocate to be spent on the delivery of welfare services about 59 per cent is transferred to and spent by NPOs. However, NPOs are responsible for running more than 90 per cent of the social welfare facilities and attending to more than 60 per cent of clients. Many of the services in question are statutory services, either involving legal processes or the care of persons that are wards of the state.

*59 per cent of social development budgets are transferred to NPOs*

**Table 4.9 Social welfare services - departmental vs the NPO sector, 2005/06**

	Department share of budget	NPO share of budget	NPO's percentage share of spending on social welfare services
<b>R thousands / Number</b>			
<b>Funding</b>	<b>1 079 015</b>	<b>1 546 026</b>	<b>58,9%</b>
	Departmental service level	NPO service level	Percentage of service provided by NPOs
<b>Indicators</b>			
<b>Facilities</b>			
Substance Abuse Rehabilitation Centres	5	28	84,8%
Homes for the Aged	5	357	98,6%
Protective Workshops	4	224	98,2%
Homes for the disabled	2	118	98,3%
Secure Care Centres	8	2	20,0%
<b>Clients served</b>			
Children court enquiries executed	41 384	3 067	6,9%
Children court cases execute to place aids orphans in foster care	2 925	1 444	33,1%
Clients admitted to Substance Abuse Rehabilitation Centres	396	3 520	89,9%
Clients counselled at Substance Abuse Rehabilitation Centres	5 290	32 774	86,1%
Clients admitted to Homes for the Aged	335	25 221	98,7%
Aged clients counselled at Homes for the Aged	5 883	14 826	71,6%
Clients employed in Protective Workshops	729	13 429	94,9%
Clients admitted to homes for the disabled	52	11 317	99,5%
Disabled clients counselled at centres	2 218	5 619	71,7%
Children served in managed Secure Care Centres	681	366	35,0%

Source: National Treasury provincial database

Table 4.10 shows that overall transfers to NPOs amounted to R1,7 billion in 2005/06 and is set to grow 17,6 per cent annually to R2,7 billion. Transfers to NPOs more than double by 2008/09 compared to 2002/03.

**Table 4.10 Transfers to non-profit institutions expenditure, 2002/03 – 2008/09**

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Eastern Cape	147	132	146	181	221	272	351
Free State	71	131	106	124	150	133	162
Gauteng	347	331	401	438	461	519	703
KwaZulu-Natal	135	164	185	260	261	274	293
Limpopo	46	59	91	91	104	130	165
Mpumalanga	59	56	79	101	151	167	222
Northern Cape	26	28	38	39	49	63	76
North West	46	66	61	59	84	102	126
Western Cape	252	257	297	378	396	493	618
<b>Total</b>	<b>1 128</b>	<b>1 225</b>	<b>1 403</b>	<b>1 671</b>	<b>1 876</b>	<b>2 153</b>	<b>2 717</b>
<b>Percentage of total provincial social development expenditure</b>							
Eastern Cape	38,5%	27,2%	34,7%	35,3%	29,0%	28,4%	28,4%
Free State	34,5%	46,3%	36,4%	32,3%	35,9%	30,0%	34,5%
Gauteng	58,1%	49,7%	50,9%	53,6%	46,9%	45,4%	50,6%
KwaZulu-Natal	31,3%	32,0%	34,2%	34,9%	29,2%	29,2%	29,4%
Limpopo	25,7%	40,6%	25,4%	25,4%	24,1%	27,9%	23,7%
Mpumalanga	36,2%	33,0%	35,2%	40,5%	35,1%	35,5%	36,7%
Northern Cape	24,3%	21,9%	27,6%	22,2%	22,7%	24,0%	24,3%
North West	21,5%	24,2%	23,2%	18,3%	19,6%	17,1%	18,3%
Western Cape	54,5%	47,2%	47,1%	57,8%	54,5%	56,9%	59,8%
<b>Total</b>	<b>41,1%</b>	<b>38,2%</b>	<b>38,4%</b>	<b>39,6%</b>	<b>35,5%</b>	<b>35,0%</b>	<b>36,6%</b>

Source: National Treasury provincial database

The transfers that the provinces make to NPOs vary with Limpopo, Northern Cape and the North West transferring less than 30 per cent of their total social development budgets to NPOs, while those provinces with historically strong NPO sectors transfer over 45 per cent of their budget to NPOs, namely the Western Cape and Gauteng. There is a balance between transfers to NPOs and the capacity that is being developed within provincial social development departments, thus the smaller share of the budget transferred to NPOs by Limpopo, Northern Cape and North West.

### Social welfare infrastructure

#### Recovery in capital spending

Social welfare infrastructure, primarily facilities such as children's homes, old age homes, etc. is characterised by not enough facilities in absolute terms in the country, and the highly unequal distribution of facilities. Capital spending, while from a low base, shows recovery and is set to be sustained over the medium term to gradually deal with the demands for infrastructure as the outreach of social welfare services is extended.

## Performance of the social welfare sector

This section looks at different dimensions of service delivery performance in relation to services to children, older persons, substance abuse and rehabilitation and the creation of sustainable livelihoods.

### Services to children

Table 4.11 shows that provinces with historically strong NPO sectors are at an advantage when it comes to service delivery.

**Table 4.11 Child care and protection services, 2005/06**

Number	Preliminary outcome	Per Capita funding for children (excluding grants)	Sub-subsidised creches	Children / youth getting services at subsidised creches	Non-subsidised creches	Children / youth getting services at non-subsidised creches	Children's homes	Children / youth getting services at Children's homes
	R thousand	Rand	NPO					
Eastern Cape	95 482	31	1 236	63 300	1 068	53 400	30	1 425
Free State	108 154	99	421	24 800	1 165	16 828	25	1 100
Gauteng	255 644	92	224	19 515	316	13 469	49	2 810
KwaZulu-Natal	201 949	50	1 180	43 519	n/a	39 053	45	3 568
Limpopo	57 305	22	1 176	56 484	n/a	5 960	3	267
Mpumalanga	29 617	22	254	11 110	366	6 225	10	575
Northern Cape	25 795	77	165	10 084	n/a	n/a	7	637
North West	25 933	18	184	12 560	385	15 563	2	392
Western Cape	176 737	113	852	58 844	132	18 616	37	1 791
<b>Total</b>	<b>976 616</b>	<b>54</b>	<b>5 692</b>	<b>300 216</b>	<b>3 432</b>	<b>169 113</b>	<b>207</b>	<b>12 565</b>
Number	Places of Safety	Children / youth getting services at Places of Safety	Children / youth counselled		Secure Care Centres		Children served in Secure Care Centres	
	Government		Govt.	NPO	Govt.	NPO	Govt.	NPO
Eastern Cape	4	342	1 280	n/a	1	1	121	129
Free State	1	170	9 235	7 364	1	n/a	n/a	n/a
Gauteng	6	1 304	2 021	n/a	4	1	571	785
KwaZulu-Natal	7	1 058	101 125	21 587	2	n/a	256	n/a
Limpopo	1	120	123	267	n/a	1	n/a	70
Mpumalanga	n/a	n/a	4 043	2 558	1	n/a	96	n/a
Northern Cape	1	87	87	n/a	2	n/a	278	n/a
North West	1	n/a	168	286	1	n/a	72	n/a
Western Cape	7	577	657	53	5	2	n/a	258
<b>Total</b>	<b>28</b>	<b>3 657</b>	<b>118 738</b>	<b>32 115</b>	<b>17</b>	<b>5</b>	<b>1 393</b>	<b>1 241</b>

Source: National Treasury provincial database

What is also evident is that current levels of service delivery fall far short of the demand for services. An analysis of the 2004 General Household Survey indicates that:

- 11,9 million children (66 per cent) live in households with less than R1 200 monthly income. Limpopo has the highest number of children in this category (81 per cent) with the Western Cape having the lowest (35 per cent).
- 18 per cent of all children have been orphaned.
- There are 106 741 children (0,6 per cent) living in 53 000 child-headed households. More than 60 per cent of all children living in child-headed households in July 2004 were located in Limpopo (38 754) and the Eastern Cape (28 718).
- These children will all require some form of state intervention due to the new provisions in the Children's Bill.

### Services to older persons

There are eight government run homes for the aged, compared to 414 homes run by the NPO sector. Together these homes cater for the residential care of about 26 458 elderly persons. Considering that there are approximately 3 million elderly persons in the country the supply of facilities is very low, more so given the impact that HIV and Aids is having on family structures that would normally be the first port of call for the elderly.

Per capita funding for the elderly also exhibits huge inter-provincial variances with funding being as low as R26 per elderly person in Limpopo and as high as R290 per elderly person in the Western Cape. The higher level of per capita funding in the Western Cape can be attributed to the fact that nearly 34 per cent of homes for the aged shown in this table are located in this province.

**Table 4.12 Care and services to older persons, 2005/06**

	Preliminary outcome	Per Capita funding for the aged (excluding grants)	Homes for the Aged		Clients admitted to Homes for the Aged		Aged clients counselled at Homes for the Aged		Clients served at Service Centres for the Aged
			Govt.	NPO	Govt.	NPO	Govt.	NPO	
Number	R million								
Eastern Cape	66 242	118	1	54	25	1 805	404	2 342	n/a
Free State	52 918	276	2	38	138	1 044	817	696	967
Gauteng	104 617	211	1	44	10	89	3 287	81	2 562
KwaZulu-Natal	65 086	115	1	61	46	5 215	747	4 881	1 337
Limpopo	9 403	26	2	6	194	536	4 548	637	366
Mpumalanga	14 508	86	n/a	19	n/a	1 325	n/a	454	287
Northern Cape	7 200	103	n/a	25	n/a	1 123	n/a	918	190
North West	23 780	97	1	26	127	2 014	2 413	3 102	n/a
Western Cape	96 387	290	n/a	142	n/a	10 473	22	560	170
<b>Total</b>	<b>440 141</b>	<b>147</b>	<b>8</b>	<b>414</b>	<b>540</b>	<b>23 625</b>	<b>12 238</b>	<b>13 672</b>	<b>5 878</b>

Source: National Treasury provincial database



### Substance abuse rehabilitation services

Approximately 18 638 people received services in 2005/06 from 42 rehabilitation centres at an estimated cost to government of R91,6 million. The bulk of services were provided in Gauteng through 9 rehabilitation centres and a budget of R32,5 million servicing 7 911 clients, whereas KwaZulu-Natal which also has 9 rehabilitation centres, only serviced 3 006 clients at a budget of R18 million.

**Table 4.13 Substance abuse, prevention, rehabilitation and treatment, 2005/06**

Number	Preliminary outcome R million	Substance Abuse Rehabilitation / Treatment Centres		Clients admitted to Substance Abuse Rehabilitation / Treatment Centres		Clients counselled at Substance Abuse Rehabilitation / Treatment Centres	
		Govt.	NPO	Govt.	NPO	Govt.	NPO
Eastern Cape	3 741	n/a	3	n/a	287	n/a	968
Free State	3 295	n/a	1	n/a	403	749	1 171
Gauteng	32 499	1	8	227	2 481	980	4 223
KwaZulu-Natal	18 012	2	7	193	457	986	1 370
Limpopo	3 863	n/a	n/a	n/a	n/a	1 392	464
Mpumalanga	5 566	1	1	88	60	95	48
Northern Cape	515	n/a	1	n/a	313	52	302
North West	1 520	1	1	n/a	98	375	58
Western Cape	22 570	1	14	55	133	173	439
<b>Total</b>	<b>91 581</b>	<b>6</b>	<b>36</b>	<b>562</b>	<b>4 231</b>	<b>4 801</b>	<b>9 044</b>

Source: National Treasury provincial database

### Conclusion

The shift of the social assistance function to the national sphere of government with the establishment of SASSA creates an opportunity for provinces to give more attention and resources to social welfare services. However, to be able to take advantage of this space, government needs to find ways to attract, retain and equip social workers within both the government and the NPO sectors. The current shortage of social work professionals is the greatest obstacle to the expansion of social welfare services.

The provincial social development departments have an exceptionally important role to play in addressing the needs of the most vulnerable members of society. To meet this challenge, the provincial departments need to strengthen their capacity to plan for and implement the required services. They also need to strengthen their partnerships with the NPO sector and ensure that all available capacity is optimally utilised.

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