

20: WELFARE

AIM

The aim of the Department of Welfare is to facilitate sustainable human development through the provision of welfare services and developmental projects in a globalised and human rights context.

EXPENDITURE ESTIMATES

Table 20.1 Expenditure by programme

R million	Expenditure outcomes			Preliminary outcome	Medium term expenditure estimates		
	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Administration	15,5	20,8	21,2	22,4	29,9	32,2	35,0
Social security	–	–	–	67,8	76,0	75,0	6,7
Strategic planning ¹	20,5	15,3	28,5	26,1	4,8	4,9	5,1
Developmental social welfare services ¹	17,6	23,8	30,0	25,0	10,9	10,4	9,3
Social development	–	–	56,8	108,3	7,9	8,3	8,6
Population and development	12,5	7,1	8,4	9,0	6,8	7,6	8,0
Auxiliary and associated services	0,1	–	–	0,2	0,3	0,3	0,3
RDP Projects	0,8	–	–	–	–	–	–
Total	67,0	67,0	144,9	258,8	136,6	138,7	73,0

¹ Spending by programme has been reclassified in terms of current programme structure.

The Department of Welfare is organised into seven programmes.

- ◆ *Administration* comprises management support services, communication, legal services, welfare rights and international welfare liaison.
- ◆ *Social security* involves policies and strategies for a comprehensive social security system.
- ◆ *Strategic planning* facilitates strategic plans, research and efficiency evaluation in the welfare sector.
- ◆ *Developmental social welfare services* aims to transform and effectively deliver social welfare services through setting a policy framework and related legislation.

- ◆ *Social development* involves policies for community development and public-private partnerships.
- ◆ *Population and development* advocates sustainable development of the population.
- ◆ *Auxiliary and associated services* provides for miscellaneous activities.

Donor-funded expenditure

Government spending on the vote Welfare included R2,0 million in 1998/99 funded by donor support. It is expected that donor-financed spending will also supplement this vote during the MTEF period.

Table 20.2 Economic classification of expenditure

R million	Expenditure outcomes			Preliminary outcome 1998/99	Medium term expenditure estimates		
	1995/96	1996/97	1997/98		1999/00	2000/01	2001/02
Current							
Personnel expenditure ¹	23,2	29,1	30,6	33,5	34,6	40,1	43,8
Other current expenditure	19,8	21,8	54,1	124,0	100,6	97,5	28,3
Transfer payments	23,7	15,7	60,1	100,4	–	–	–
Capital							
Transfer payments	0,1	–	–	–	1,4	1,1	0,9
Acquisition of capital assets	0,2	0,4	0,1	0,9	–	–	–
Total	67,0	67,0	144,9	258,8	136,6	138,7	73,0

¹ Departmental personnel expenditure includes employer's contributions to pension funds at a rate of 17 per cent of basic salary in 1998/99 and 15 per cent of basic salary in subsequent years.

Shifting priorities and policy directions necessitated several adjustments to the programme structure and expenditure classification in recent years. This year, a new branch dealing with social security will be introduced.

In 1997/98 the programme *Welfare planning and development* was replaced by two separate programmes, *Strategic policy development and planning* and *Social development*. This reflects the premise that welfare should not only focus on income support but also empower people to become economically self-sufficient. This stance was also evident in the renaming of *Social welfare, fields of service and funds* to *Developmental social welfare services*. Table 20.1 shows allocations according to the new structure.

OUTPUTS AND SERVICE DELIVERY TRENDS

Division of responsibility

Welfare expenditure is the fourth-largest functional area of government expenditure, totalling R18 600 million in 1998/99. However, the national Department of Welfare spends comparatively little, with a budget of R137 million for 1999/00. It focuses on policy development, guidelines and monitoring, while provinces are responsible for funding and delivering welfare services and social grants. Such grant payments comprise more than 90 per cent of welfare expenditure.

The Minister regulates grant payments after consultation with provincial welfare policy-makers and departments. Consultation occurs through the Departmental Committee for Developmental Social Services (DCDSS) comprising national and provincial department heads, meetings of Ministers and provincial members of executive councils (MinMECs) and discussions with national and provincial treasuries at Joint Meetings of Ministers and MECs (Joint MinMECs).

Delivery of grants

Each month the provincial Welfare departments distribute approximately R1,3 billion to nearly 3 million beneficiaries. Old-age pensions account for two-thirds of both the number of beneficiaries and the total expenditure on grants. Disability grants account for a quarter.

About two-thirds of grant recipients are women. Women are more likely to receive grants targeted at care-givers, such as maintenance, care dependency, child support and foster care grants. Seven out of ten old-age pensioners are women, reflecting a lower eligibility age, higher average longevity and greater poverty among women.

Attainments

The Department has:

- ◆ Completed the amalgamation of a fragmented welfare system.
- ◆ Substantially cleaned up welfare rolls and re-registered significant numbers of grant beneficiaries.
- ◆ Started to implement the Child Support Grant.
- ◆ Become more development oriented, piloting several programmes to this end.

Flagship programmes for unemployed women with children under five years.

This programme, launched in 1996, demonstrates the new developmental approach to welfare by combining skills training and early childhood development with income-generation activities. The programme seeks to give unemployed women, who were previously excluded from economic empowerment, basic life skills training and co-operative employment opportunities.

Pilot projects have been established in all nine provinces. By early September 1998, a total of R2,9 million had been spent and 1 448 women and 1 863 children were reached through the programmes.

POLICY DEVELOPMENTS

White Paper for Social Welfare

In 1994 the welfare sector inherited a fragmented system riddled with inequalities and disparities and lacking policy direction. Social grants were associated with inadequate control mechanisms and their long-term sustainability was in doubt. The White Paper provided a new policy framework, giving clear policy direction to the sector and addressing issues of efficiency and sustainability in service delivery.

The White Paper aims to transform expensive institutional models of service delivery to a developmental model which empowers individuals and communities to become self-reliant. It promotes minimal reliance on grants, combined with activities to enhance the capacity of people to generate their own livelihoods.

Amalgamation and clean-up

The White Paper addressed fraud and corruption and initiated the process towards amalgamation of fourteen different administration systems into one national and nine provincial departments. The amalgamation has been successful and all departments have been integrated into the central SOCPEN payment system for grant administration. During the 1997/98 re-registration process, an estimated 192 000 beneficiaries were suspended, yielding a possible initial saving of R319 million a year. In addition, a link to the record systems of the Unemployment Insurance Fund, PERSAL and civil pensions uncovered 25 000 cases of unlawful receipt of benefits. Monthly reports on data discrepancies are also submitted to provinces for resolution.

Some activities to improve system efficiency are funded by a conditional grant to provinces. In 1998/99, R100 million was allocated to improving social security delivery and financial systems.

Child support grant

April 1998 saw the introduction of the Child support grant and a start to phasing out of the racially discriminatory State Maintenance Grant. The Child support grant of R100 per month is targeted at the poorest 30 per cent of children below the age of seven. This means-tested grant is payable to the primary caregiver, contributing to equitable social service provision and strengthening the social safety net. While initial take-up has been slow, it has accelerated significantly in recent months and obstacles to access are being addressed.

Developmental social welfare services

Recent policies reflect a shift from expensive, unsustainable institutional models of care to cost-effective, sustainable, community-based methods of care, treatment and prevention.

Ageing

The Department's policy on ageing now clearly states that only frail older persons, who cannot be cared for by their families or community, should be accommodated in old age homes. A new funding formula and assessment instruments were implemented in 1998.

An Ombuds-system is to be piloted to address abuse and neglect in residential care facilities. Community-based care and support facilities for the elderly are also being developed.

People with disabilities

The trend in social security for the disabled is to facilitate integration into the mainstream of society by empowering caregivers and providing training and skills development. Substantial work is still required to develop a viable model for community-based rehabilitation.

Children and youth

The policy recommendations of the Inter-Ministerial Committee (IMC) on Young People at Risk aim to transform the child and youth care system and give effect to the "first call for children". Ten projects are being piloted under the leadership of Welfare to test the policies of the IMC. To date, 4 000 children and families have been reached through referral and reception centres, alternatives to residential care, secure care facilities, family group conferencing, specialised foster care, the integrated child and family court system, and others.

Initiatives to implement the National Plan of Action (NPA) for Children are:

- ◆ The Child Care Amendment Act, which came into effect on April 1998, providing measures to protect children at risk through a National Child Protection Register, registration of street shelters and a broad definition of marriage to include customary marriages.
- ◆ The National Strategy on Child Abuse and Neglect, which provides a coherent policy and a clear inter-sectoral framework to transform child protection services.
- ◆ The 1998 Action Plan to Prevent and Combat the Commercial Sexual Exploitation of Children provides a national policy framework to implement the recommendations of the World Congress on this issue.
- ◆ The following policy documents are still being drafted: Child Pornography and the Internet; Policy Issues and Strategic Guidelines on Street Children; Transformation of Early Childhood Development Services; Foster Care Guidelines; the Transformation of Adoption Practice.

HIV

The needs of people living with HIV/Aids were emphasised in the White Paper for Social Welfare and the 1997 plan provides a clear role for Welfare in combating the epidemic.

During 1998/99 and 1999/00 the focus will be on developing policies on children suffering from HIV/Aids. The rights of people living with HIV/Aids will be promoted in collaboration with all stakeholders. Pilot projects will be launched to identify best practice and to develop appropriate services.

Substance abuse

A Drug Master Plan was approved by Cabinet in 1998 and promotes a multi-dimensional and inter-sectoral approach to combating drug abuse and drug trafficking.

The Department is developing a community-based treatment and prevention model for substance abuse. This could facilitate new programmes and treatment services in previously under-serviced or rural areas.

National Crime Prevention Strategy (NCPS)

The Department plays a central role in the NCPS, which was officially launched in May 1996. It is the lead department of the Victim Empowerment Programme (VEP) and Project Go, and is also responsible for convening the Committee on the Management of Juveniles Awaiting Trial (COMJAT).

The VEP empowers victims of crime and violence through victim-centred policies and programmes. Victim empowerment training programmes for SAPS personnel have been instituted and two outreach centres for domestic violence established. Project Go provides alternatives such as secure care facilities to children released from prison. COMJAT aims to remove children awaiting trial from prison cells, and facilitates programmes for such children as an interim measure, until secure care facilities have been established.

Financing of welfare services

A new financing policy for welfare services is being devised, moving away from subsidising social work posts and unit costs to financing social welfare programmes.

Community Development

A comprehensive community development policy is being developed to integrate community development into welfare service delivery and to put gender in the mainstream of welfare policy.

Economic empowerment programmes

The 1997 allocation of R50 million for poverty alleviation enabled the Department to support community-based economic empowerment projects. It allocated R40 million to non-governmental organisations and R10 million to National Councils, all for income generating projects.

The Department also supports Small, medium and micro enterprises development and contributes to poverty eradication by promoting pro-poor programmes, especially for women.

White Paper for Population Policy

The 1998 White Paper for a Population Development Policy holds that population issues are integral to socio-economic development planning. New legislation, policy initiatives, pilot programmes and administrative systems over the last four years reflect the Department's success in shifting its focus, improving delivery and administration and ensuring sustainability.

DISCUSSION OF PROGRAMMES

Table 20.3 provides an overview of departmental programmes, objectives and outputs.

Table 20.3 Departmental programmes and objectives

Programme	Objectives	Outputs
Administration	Overall management of the Department.	Policy formulation by the offices of the Minister and Director-General. Provision of centralised support services, management of administration as well as control. Promotes understanding of welfare issues.
Social security	The development, implementation and monitoring of policies and strategies for a comprehensive social security system.	Co-ordination of policy development and strategies for the implementation of social insurance, social assistance and disaster relief. Evaluation of social security programmes.
Strategic planning	Strategic planning, research and efficiency evaluation.	Business repositioning through business re-engineering and integrated planning. Commissioned research to inform policy development, financial planning and service delivery. Development of key performance areas and evaluation of efficiency and impact of service delivery in national and provincial departments.
Developmental social welfare services	The transformation and delivery of effective social welfare services to children, youth and families, women and older persons.	Policy framework, national strategies and legislation on welfare services.
Social development	The development, implementation and monitoring of policies for community development and public-private partnerships in welfare.	Community development policy. Management of anti-poverty strategies. Policy on non-profit organisations. Transfers to national councils. Financing measures for social development.
Population and development	Advocacy for sustainable development of the population.	National population policy. Implementation support for population policy. Research on population and development.
Auxiliary and associated services	Miscellaneous activities.	

Programme 1: Administration

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	32,6	35,5	22,4	32,4	32,0	–
1999 Budget	–	–	–	29,9	32,2	35,0

Programme 2: Social security

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
R million						
1998 Budget	–	107,4	67,8	–	–	–
1999 Budget	–	–	–	76,0	75,0	6,7

The new *Social security* programme reflects a strengthened focus on policy development and efficient delivery of social grants.

The adjusted appropriation includes a R100 million conditional grant for improving delivery and financial management. This will be used to build capacity in provinces through appointing high-level financial managers, developing management information systems and facilitating re-registration and re-engineering of social security.

As these allocations were late in being finalised, they will not all be spent in 1998/99. It was therefore decided to decrease the amount to R50 million in 1999/00 and to extend it again to 2000/01 by another R50 million.

The budget for this programme also includes an allocation to facilitate the implementation of the new Child Support Grant in the provinces.

Programme 3: Strategic planning

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
R million						
1998 Budget	115,1	39,7	26,1	115,0	15,0	–
1999 Budget	–	–	–	4,8	4,9	5,1

Strategic planning will focus on re-engineering the business process in welfare delivery, by implementing the Social Welfare Action Plan (SWAP) after its costing. The sharp decline in the budget in 1999/00 reflects the transfer of social security aspects to the new Programme 2.

Programme 4: Developmental social welfare services

	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
R million						
1998 Budget	12,1	43,7	25,0	12,5	11,1	–
1999 Budget	–	–	–	10,9	10,4	9,3

The R43,7 million figure includes R31,7 million awarded during the Adjustments Estimate. The largest expenditure items are Secure Care (R12,7 million), Victim Empowerment (R14,9 million) and participation in the National Crime Prevention Strategy.

Programme 5: Social development

R million	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	8,0	214,2	108,3	9,0	9,8	–
1999 Budget	–	–	–	7,9	8,3	8,6

The adjusted appropriation for 1998/99 reflects the bulk of the R203 million allocation for Poverty Alleviation in the 1998/99 Adjustments Estimate. This will fund projects established during the previous year and also support new initiatives. Given time constraints, under-spending on this programme could be substantial and no allocation for poverty alleviation has yet been made for 1999/00. Donor funding of R2 million is also included here.

Programme 6: Population and development

R million	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	9,3	9,1	9,0	10,2	11,0	–
1999 Budget	–	–	–	6,8	7,6	8,0

Programme 7: Auxiliary and associated services

R million	Budget estimate	Adjusted appropriation 1998/99	Preliminary outcome	Medium term expenditure estimates		
				1999/00	2000/01	2001/02
1998 Budget	0,1	0,2	0,2	0,1	0,1	–
1999 Budget	–	–	–	0,3	0,3	0,3

