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Submission on the Social Assistance Amendment Bill

Transitioning from the FCG to the CSG Top-Up: Principles, numbers and challenges for consideration

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1. Introduction

The Children's Institute is a university-based research and advocacy unit. We aim to draw attention and seek sustainable solutions to the key challenges facing children in South Africa, namely; poverty, violence, and inequality across a range of sectors.

Over the past 20 years, the CI has contributed to the reform of laws, policies and service delivery models. These reforms have resulted in positive changes for millions of children in the areas of social grants, child protection services, early childhood development, and health care services.

Over the past decade, we have been monitoring the challenges in the foster care system, generating and presenting evidence and advocating for a comprehensive legal solution. We have been concerned about the challenges in the foster care system for three reasons:

- a. The majority of orphaned children in the care of relatives are not able to access the foster child grant (FCG), despite being legally eligible for foster care placements in terms of s150(1) (a), 180(3) (b) and 186 (2) of the Children’s Act of 2005.
- b. Those children who have been able to get onto the FCG faced long delays when first accessing the system and were at continuous risk of losing their FCGs due to extensions not being done in time. It is only as a result of the 2011 High Court Order (and the extensions to this order in 2014, 2017 and 2019 respectively) that these children have continued to receive their FCG’s without interruption.
- c. The resources used by the provincial departments of social development and children’s courts to attempt to reach all eligible orphans and ensure their foster care court orders are extended in time, is depleting the Child Protection system’s capacity to respond, protect and treat children who have been abused or neglected.

We therefore welcome the amendments to the Social Assistance Act which are aimed at introducing a higher valued Child Support Grant (CSG) for relatives caring for orphaned children.

- Section 12A, read with s32 (3) (b) gives the Minister of Social Development the authority to announce by government notice an additional payment linked to a social grant, for certain categories of beneficiaries who have a need for an additional payment. This decision will require the concurrence of the Minister of Finance.
- Section 32(2)(d) gives the Minister the authority to prescribe in *regulations* additional requirements or conditions that beneficiaries need to meet in order to access the additional payment.

If designed effectively in the *government notice* and *regulations*, this reform could ensure the majority of orphans living with relatives are able to access an adequate social grant, quickly and without interruption.

It could also have a significant impact on improving the response of the child protection system for abused and neglected children, and the quality of protection and alternative care services. It could do this by:

- Reducing the demand for foster care placements
- Reducing the foster care case load of social workers and children’s court magistrates, thereby freeing up time to provide quality protection and alternative care services
- Freeing up time for social workers to provide efficient and responsive protection services and therapeutic support to children who have been abused and neglected.

2. The CSG Top-Up as the first step towards a comprehensive legal solution to the foster care crisis.

The use of the foster care system to channel poverty relief to families has impacted negatively on the child protection system and on the families in need of the poverty relief. A more efficient and cost-effective way of providing poverty relief is already available and can rather be utilized for this purpose. This is why we support the CSG Top-Up as part of the solution. However, families caring for orphans may also have other needs, for example counselling or legal services to secure guardianship.

A comprehensive legal solution in our view has three components:

2.1 An adequate and easily accessible social grant

To put this component in place, two laws need to be amended: The Social Assistance Act as is already tabled before the committee [s12A and s32], and the Children's Act [s150(1) (a)].

The amendment to the Social Assistance Act is to enable the Minister to introduce the 'new' grant. The amendment to s150(1) (a) of the Children's Act is required to change the eligibility criteria for foster care, thereby preventing orphaned and abandoned children living with relatives being placed in foster care in order to access the higher Foster Care Grant. This amendment is unfortunately not in the draft Children's Amendment Bill that will soon be before you.

Without this amendment to s150(1) (a), orphaned children living with relatives will be eligible for either the CSG Top-Up or the FCG and the decision as to which one they get will lie with individual social workers and magistrates. This will result in inequality across the country with those in rural areas getting the lower grant and those in urban areas, with greater access to social workers and courts, accessing the higher grant. We will address this concern further in our submission on the Children's Amendment Bill.

2.2 Supportive welfare services

The Children's Act provides for a range of prevention and early intervention programmes, which should be available to all children who need them. These include grief counselling and parenting skills programmes. In theory, an orphan can be referred for grief counselling or an elderly relative caring for a challenging teenager can be assisted in a parenting support group. Each situation will require an individualized response from the social service professional assisting the family. However, due to inadequate funding in this area, these programmes are not available at the scale needed to meet the need. Provinces are not provided with sufficient budget to meet this obligation. This problem therefore cannot be solved by legislation, but rather by budget reform.

2.3 Access to the Children’s Court to obtain guardianship

While relatives caring for orphaned or abandoned children have certain parenting rights and responsibilities, they lack guardianship and are not allowed to make the full range of decisions that a biological parent or legal guardian could. Becoming a foster parent does not solve this dilemma as it also does not make the relative the child’s legal guardian.

A caregiver or foster parent who does not have legal guardianship cannot:

- register the child’s birth (there are currently many orphaned and abandoned children in need of late birth registration)
- apply for a copy of the child’s birth certificate
- assist the child to apply for an ID
- apply for a child’s passport
- administer the child’s financial assets (e.g. a pension or property inherited from their deceased parent)
- give consent to surgery on the child

Currently relatives have to apply to the High Court if they want legal guardianship and this is both physically and economically not accessible to the majority. The draft Children’s Amendment Bill that will soon be before this committee, contains an amendment that will grant jurisdiction to the Children’s Court to hear guardianship applications by relatives caring for orphaned or abandoned children. This amendment will contribute to the comprehensive legal solution.

What we are focusing on in today’s submission is the first component: the CSG Top-Up. We however wanted to take this opportunity to present the broader context.

3. The details of the CSG Top-Up

By passing the amendments to s12A & s32, Parliament is delegating its legislative authority to the Executive to decide on the details of the CSG Top-Up.

This delegation includes the authority to determine:

- which children will be eligible for the 'top-up'
- how many children will be eligible
- what 'documents' caregivers will need to provide to prove eligibility
- the amount of the top-up

The ability of the CSG Top-Up to provide an effective solution to the foster care crisis lies in these details. Furthermore, whether or not the CSG Top-Up amounts to progressive realization of the right to social assistance, or regressive action in relation to that right for the target group also lies in these details. Orphaned and abandoned children in the care of relatives are currently legally eligible to be placed in foster care and to access the FCG of R1000.¹ If this is going to be replaced by the CSG Top-Up, it is important that relatives and orphans get a 'better deal' and are not worse off.

To ensure a better deal, we recommend the following:

- **The amount should be high enough to be comparable to the current value of the FCG.** We understand the Dept is proposing a 50% top-up to the CSG, which would amount to approx. R650 in 2020. We understand this is very much influenced by the prevailing economic climate. We are concerned this is too low in comparison to the FCG of R1000. We would prefer at least R810 to ensure the grant is as attractive as the FCG and is set against the lower bound poverty line, which is published by Stats SA each year.

If this cannot be achieved when the grant starts due to a constrained fiscal environment, we suggest that the committee recommend it should be increased each year above inflation so that it can reach this level within a short period of time.

Furthermore, if the amount is set lower than R810, it will be important that the other considerations discussed below are taken seriously to ensure that the net effect for families is progressive and not regressive.

1. See *Manana and others v Presiding Officer of the Children's Court, District of Krugersdorp and others* | [2013] 3 All SA 471 (GSJ) and *SS v Presiding Officer, Children's Court, Krugersdorp and others* 2012 (6) SA 45 (GSJ)

- **The CSG Top-Up should include single orphans in cases where the other parent has abandoned the child.** Orphaned and abandoned children who are not yet in foster care, but are currently legally eligible for foster care (i.e. 'in the queue'), should all be eligible for the CSG Top-Up instead of getting the FCG through the foster care system. The CSG Top-Up therefore cannot be restricted to a narrow definition of 'double orphan' because the FCG is currently not restricted in this way.

- **The application process should be as simple as the current CSG to ensure quick access and fast uptake.** This will ensure that the new system reaches double the number that the FCG was reaching. The net effect for families will therefore be that they are better off than before, despite the amount being lower, because they will get grants for more children, more quickly, and for longer periods of time. To achieve a net effect better deal the following ingredients are important for the application process:
 - access should be directly to SASSA and should not require prior approval of a social worker or a court.
 - there will need to be a mass education campaign to make the new system known to the public, SASSA officials and social workers.
 - SASSA will need to design an an easy transition process for relatives already on the basic CSG to apply for the Top-Up amount without having to do a whole new application.

- **Orphaned and abandoned children in the care of relatives who are already in receipt of the FCG should be allowed to remain on the FCG until they 'age out' at 18, 19, 20 or 21.** To achieve this, we will need a transitional clause in the Children's Act so that when these cases come before magistrates for 'extension', the magistrates do not take the children out of foster care (resulting in them losing the FCG), and rather use s186 (2) of the Act to extend these foster care placements until the child reaches the age of 18 years. Because the FCG mainly goes to older children, this ageing out will happen fairly rapidly, thereby freeing up budget for the CSG Top-Up.

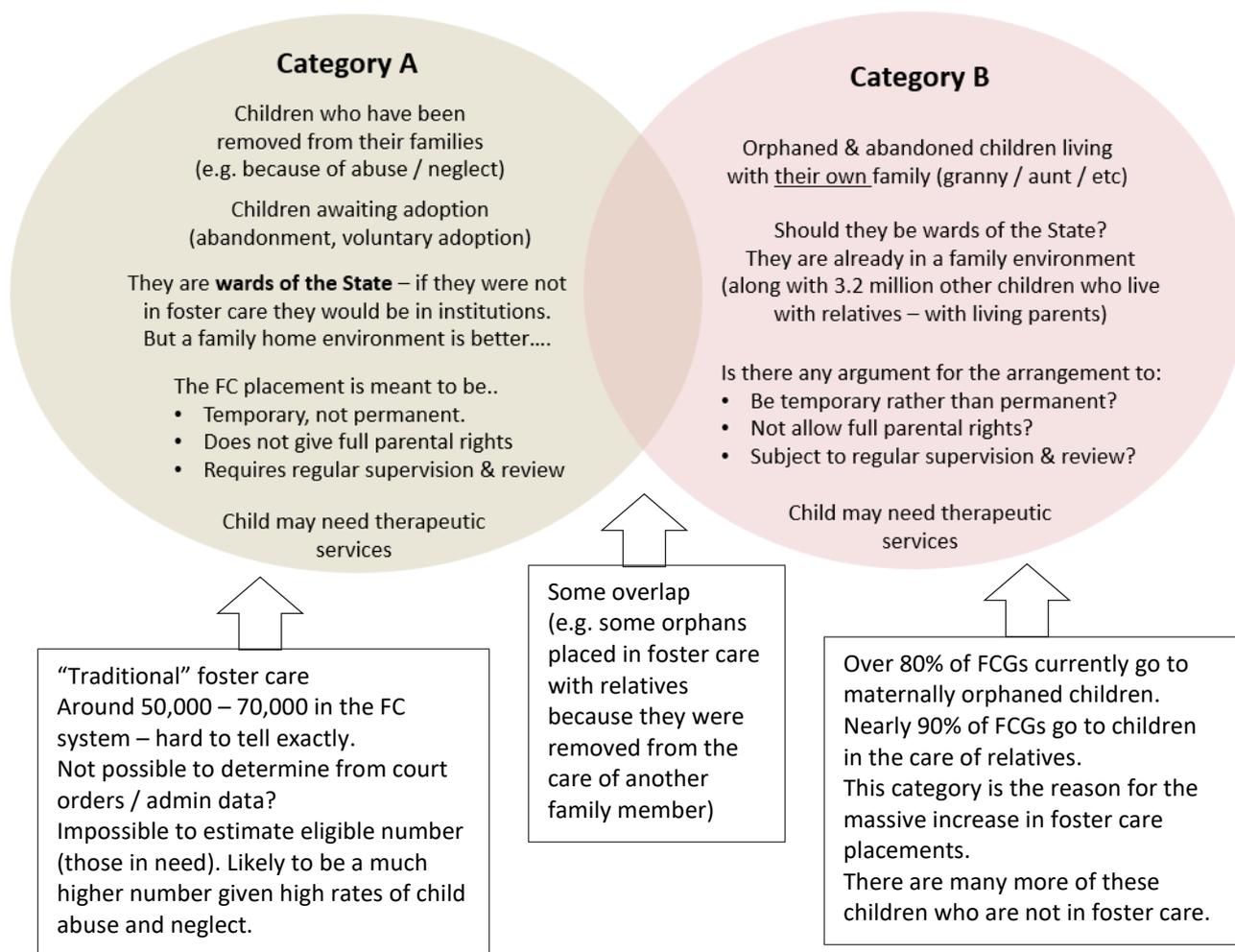
We recommend that the committee should request clarity from the Minister and her Department as to the intentions on these key details to enable the committee to make a fully informed decision.

4. The numbers and challenges that inform our recommendations

In the next section we draw on a range of sources including from SocPen (SASSA), National Treasury, and large national surveys conducted by Statistics South Africa to describe:

1. An important distinction between two categories of children currently in foster care;
2. Trends in foster care (and the FCG) over the past two decades – and the reasons for its growth and decline;
3. The insurmountable gap in numbers between those currently in foster care and those eligible for it in terms of current legislation;
4. The number of children who would be eligible for the CSG top-up (instead of foster care);
5. Practical considerations regarding the target group, proof of eligibility and the value of the CSG top-up.
6. Phasing out the FCG for orphans already in foster care

4.1 Two categories of children currently in the foster care system



The foster care system is part of the child protection system. It was designed for the temporary placement of children who have been removed from their families by the state due to abuse, neglect or exploitation, or because they are awaiting adoption.

The foster care system is designed to ensure that children who are placed with foster families receive regular visits from social workers in order to a) ensure that they are receiving adequate care by foster parents, b) assess whether they can be reunited with their parents; and c) to provide the therapeutic services that they need.

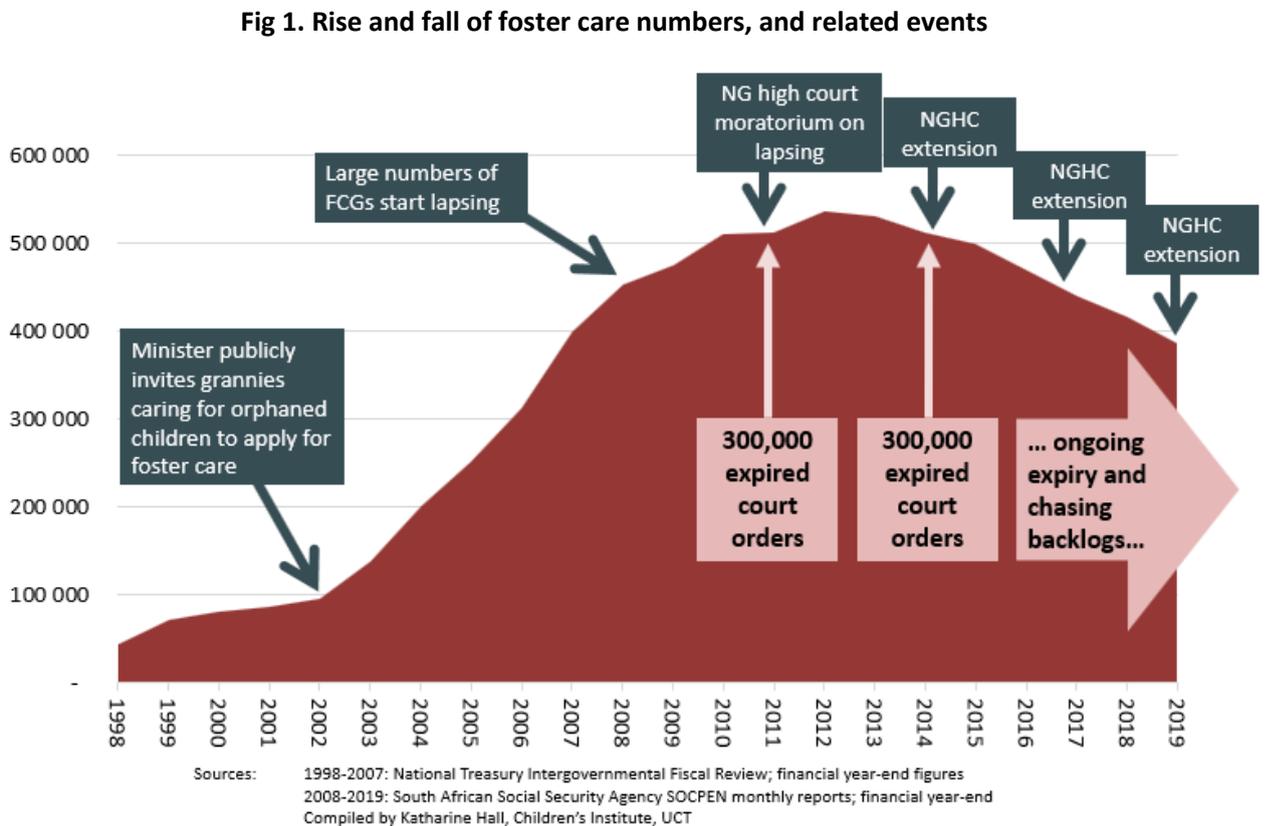
The regularity of these visits is defined in the Children's Act as a minimum of two-yearly intervals. It is for this reason that foster care orders are generally only made for a period of two years, after which the Children's Court must review the order in light of a social worker assessment. If the foster care order is not renewed then the Foster Child Grant cannot be paid, as the grant flows from the foster care placement. The grant is, in effect, a contribution from the state towards the upkeep of the child, who is technically a Ward of the State, as the child would otherwise be in a state institution. We refer to these children as **category A**.

As the effects of HIV/AIDS (and delays in anti-retroviral roll-out) resulted in escalating rates of parental death, increasing numbers of orphaned children living with relatives were included in the foster care system. These children, which we refer to as **category B**, soon outnumbered the category A children in foster care.

It is unclear whether the Department has any mechanism for distinguishing between children who are in foster care with their own family members because their parents have died or abandoned them (category B), and those who are in foster care because they have been abused or neglected and are in need of protection services (category A). There are no SASSA codes that enable this distinction, and the Department has never indicated that it is able to distinguish between the two categories. In its efforts to address the FC backlog when many court orders expired, the Department showed no sign of being able to identify or prioritise category A children, who may have been in urgent need of supervision and counselling, and whose placements really were in need of review.

4.2 Trends in foster care (and the FCG) over two decades

The graph below shows the number of children receiving the FCG in the period 1998 to 2019.



In 1998, when the CSG was introduced and before the impact of the HIV epidemic became evident in orphaning rates, there were around 50,000 children in foster care across the country – and this number had been fairly stable for many years.

In 2002, former Minister of Social Development Dr Skweyiya publicly invited grandmothers caring for orphaned children to apply for foster care, presumably using the bigger grant as an incentive to ensure that orphaned children were not abandoned by their relatives. Social workers were also instructed to place orphaned children living with relatives in foster care.

The foster care case load started increasing very rapidly, and by the mid-2000s it was clear that foster care had become the main workload of social workers, often preventing them from delivering other responsive welfare services.

Researchers warned of an impending crisis in the child protection system as early as 2003, but these warnings were ignored. The concerns of civil society groups were that, as the number of children in foster care increased exponentially, the child protection and court systems would struggle to cope with the need to review cases, and also that the need to review would reduce the capacity of the welfare system as a whole. The welfare system needs to provide responsive

services and interventions to a range of vulnerable groups, including children who are not in foster care but need protection / prevention & intervention / therapeutic services, women who are at risk of or experiencing violence and abuse, disabled people and the elderly.

By 2010 there were more than 500,000 children in foster care. At its height, the number of Foster Care placements could not be sustained: the system could not keep up with the need for regular assessment and review by social workers, and court orders were not renewed.

Over 120,000 foster care grants lapsed over the period of two years (2009 – 2011) because of expired court orders or failure to review (these are the codes recorded in SocPen). This meant that the families caring for orphaned children stopped receiving income support from the state. It also meant that those “category A” children who did need therapeutic services or might have been reunited with their families were at risk of being denied these services because they were not visited by social workers.

At the time of the 2011 High Court case, 300,000 foster care orders had expired or were expiring. Since 2011 FCGs have been kept in payment by the North Gauteng High Court order, which prevented them from lapsing even if the foster care order was not renewed.

At the end of the first High Court deadline in 2014, another 300,000 foster care orders had expired and payments would have stopped if the High Court order had not been extended. This situation continued, and even in 2019, with enormous pressure from within the DSD and from the Portfolio Committee to meet the November deadline, the backlog could not be beaten; efforts to do so used up social worker resources, limiting their ability to provide other urgent services.

Over the same period, and despite the High Court order keeping FCGs in payment even without review, the number of children in foster care has dropped. The graph shows a consistent decline: a 6% - 7% decrease year-on-year. This includes re-uptake of over-18s.

By March 2019 the number of foster care placements had dropped to below 2007 levels: 386,000 FCGs were in payment, of which 50,000 went to children aged 18-21 and only 336,000 went to children under 18.

4.3 The insurmountable gap between eligible children and those getting FCGs

There will be two kinds of “shortfall” or exclusion from Foster Care (under current law):

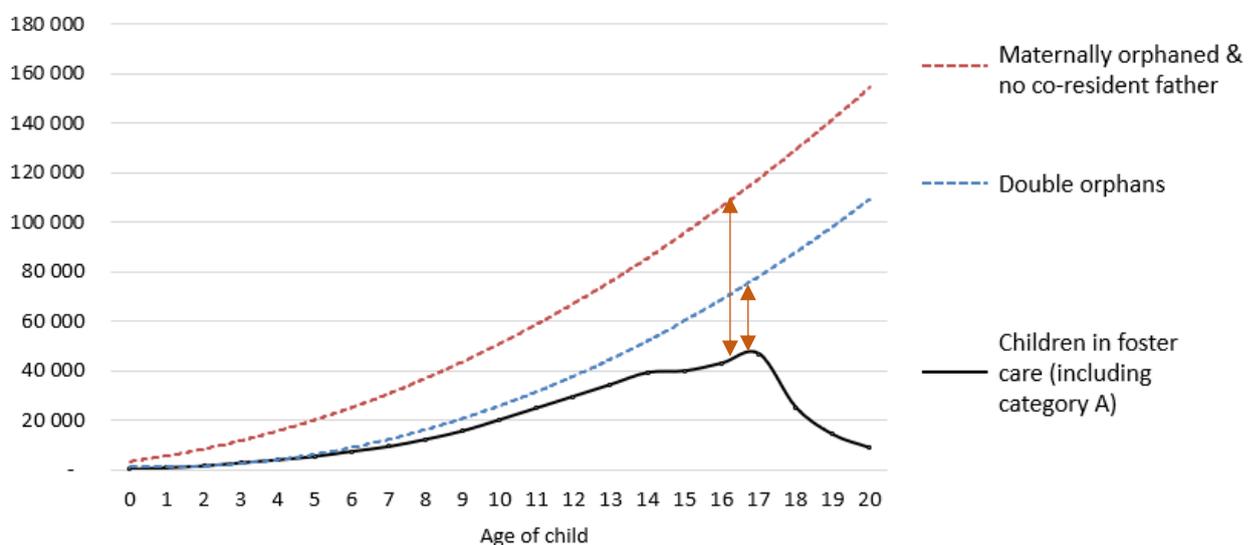
Category A children – children who need to be in the child protection system because they have been abused, neglected, exploited, etc., or are at immediate risk or need to be temporarily placed in state care (eg because they are awaiting adoption).

- We have no way of estimating the number of children in this category. We do know that child abuse and neglect are under-reported, and that even when cases are reported (even to SAPS) they are not necessarily followed up by social workers.²

Category B children – children who are orphaned or abandoned, most of whom are in the care of relatives.

- In 2019 there were 336,000 children under 18 in the foster care system. Analysis of the orphan status and care arrangements of children receiving the FCG suggests that around 80% of these children (266,000) are orphaned/abandoned and living with relatives.
- The remaining 20% (approx. 70,000) would have been placed in foster care because they needed protection from abuse & neglect (“traditional” foster care).
- This suggests that not even half of the category B children in the country are in foster care – the exclusion rate is very high, over 60%, and the programme would therefore be at risk of being found “unreasonable”.

Fig 2. Trends in foster care uptake and orphaning rates by age



² Jamieson L, Sambu W & Mathews S (2017) Out of harm’s way? Tracking child abuse cases through the child protection system in five selected sites in South Africa. Cape Town: Children’s Institute, University of Cape Town

The graph above shows that both FCG placements and orphaning rates increase with age, but that “eligibility” under the current law outstrips uptake by a large margin, especially as children get older.

For example, orphaning rates are almost zero among infants, and there are hardly any infants in foster care. Among 16 -year-olds, on the other hand, 42 000 are in foster care, but in this same age cohort there are 75 000 double orphans and nearly 120 000 maternal orphans living without their father.

Clearly, it is impossible for the foster care system to reach all these children, in addition to those who need to be placed in foster care because they are at immediate risk and need temporary statutory care.

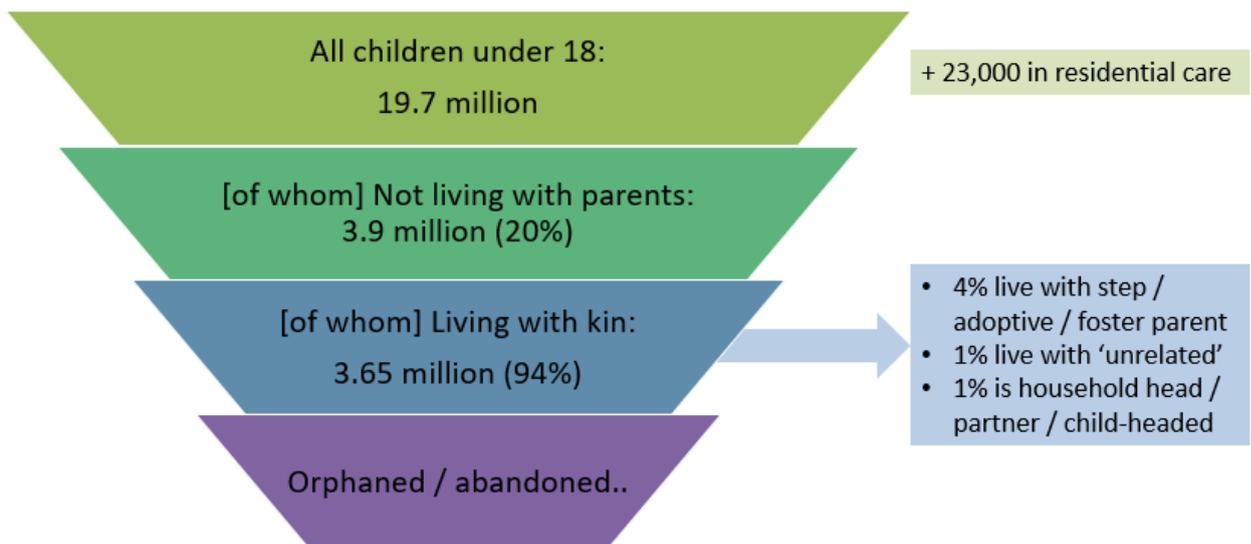
4.4 Estimating eligibility for the CSG top-up

1 million children under 18 are maternally orphaned (double / single orphans). Most (over 80%) do not live with their father. And most live with relatives. However, many absent fathers may be in contact with their children and/or support them financially. The children are not necessarily abandoned. We can estimate eligibility more accurately as follows:

A. Children living with relatives (not with parents)

We use a cascading approach, starting with all children not living with parents:

Fig 3. Cascading estimates of eligibility



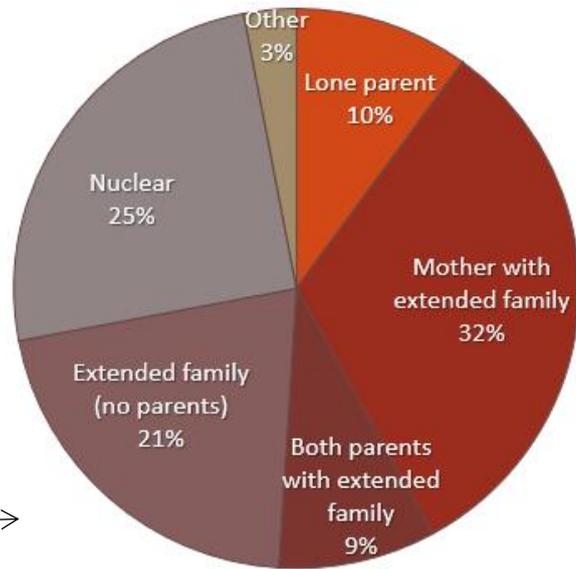
Source: Statistics South Africa: General Household Survey 2018
 Analysis by Katharine Hall, Children’s Institute, UCT

i.e. 3.65 million children live with relatives, not with their parents.

Family care is not an “unusual” arrangement (e.g. for children to live with granny). Most children do not live in nuclear families. Care arrangements may be related to labour migration; cost of child care; custom. It cannot be assumed that children are at risk simply because they live with relatives other than their parents.

Most of the children living with relatives are not orphans and most are not abandoned by parents. The care arrangements are the same as for those who are orphaned.

Fig 4. Who children live with



B. Classification of abandoned children

Next we need to estimate how many of the children living with relatives are double orphans, and how many are single orphans or non-orphans who have been abandoned by their parents. The Children’s Act defines abandonment as follows:

S1(a) A child is “abandoned”:

- a) Who has obviously been deserted by the parent, guardian or caregiver; or
- b) Who has, for no apparent reason, had no contact with the parent, guardian or caregiver for at least 3 months.

It is not possible to estimate abandonment using the Stats SA surveys, but we can impute the proportions from the National Income Dynamics study (NIDS), which asks the following questions:

How often does absent parent see the child?
• Daily / several times a week
• Several times a month
• Several times a year
• Never
Does absent parent support the child financially? [Yes / No]
“Abandoned” = No contact OR support from absent parent

Note: Only available for children under 15 years – imputed for those over 15.
A “conservative” interpretation of abandonment (compared to the 3 months in Ch Act)

C. Estimating the number orphaned and/or abandoned children living with relatives

Starting with our cascade model, and the total of 3.65 million children who live with relatives but not their parents, we can calculate the number who are orphaned (parents are dead or vital status unknown), and estimate the number who have been abandoned.

Through these analyses and imputations (which are conservative), we estimate that at least 660,000 children under 18 would be eligible for the CSG top-up, as shown in the figure below.

Fig 5. Estimates of eligibility for CSG top-up

Living with kin, not parents:
3.65 million

Category	Description	%	N	"Abandoned" (imputed from NIDS)		CSG+ eligible
"Double orphans" and/or abandoned	Both parents deceased	9.8%	358 000			449 000
	Mother dead, father vital status unknown	2.3%	84 000			
	Father dead, mother vital status unknown	0.1%	3 000			
	Both parents status unknown	0.1%	4 000			
"Half orphaned" + could be abandoned"	Mother dead, father alive but not co-resident	8.6%	315 000	35.2%	111 000	174 000
	Father dead, mother alive but not co-resident	9.3%	339 000	14.7%	50 000	
	Father vital status unknown, mother not cores	2.5%	92 000	9.6%	9 000	
	Mother vital status unknown, father not cores	0.9%	34 000	11.5%	4 000	
"Non-orphans" (could be abandoned)	Both parents alive but not co-resident	66.4%	2 425 000	1.5%	37 000	37 000
TOTAL estimated eligible population under 18 years						660 000

Source: General Household Survey 2018 & National Income Dynamics Study Wave 5 (2017). Analysis by Katharine Hall, Children's Institute, UCT

4.5 Proving orphan/abandonment status

In order to qualify for the CSG top-up, children defined here as "category B" (orphaned and/or abandoned children living with relatives) would need to provide proof of their status to the SASSA offices where they apply. As shown above, at least 660,000 children should be eligibility for the CSG top-up this way.

There will be a range of challenges regarding documentary proof, and these need careful consideration in order to ensure that the most vulnerable children are not excluded.

Definition of orphan in the Children's Act

- Current law: "a child who has no surviving parent caring for him or her."
- Draft Children's Amd Bill: "a child whose parent or both parents are deceased."

Challenges:

- Most children born before 2010 will not have their mother's details on their birth certificate (unless they have an unabridged birth certificate).
- Around 500,000 children do not have birth certificates at all – cannot be linked to any parental death through ID number because the child does not have an ID number. Most of these children are South African and most are very poor.
- DBE reports over 1 million learners for whom birth certificates are not available (children can also become 'separated' from their birth certificates, or the certificates get lost / stolen / destroyed).
- Relatives who do not have legal guardianship, cannot apply for copies of children's birth certificates from Home Affairs, therefore there is a risk of circular exclusion.
- Over 60% of children whose births are registered do not have any record of the father on their birth certificate or in the Home Affairs birth registration system (i.e. more than 12 million children cannot "prove" who their father is through official documentation).
- Therefore, if the father is deceased, and even if the family has his death certificate, there is no way of linking his ID to the child in order to verify that the child is paternally orphaned.
- At least 350,000 children have fathers whose vital status is unknown (the family does not know whether he is alive or dead). This means that the family will not be able to provide a death certificate.
- Alternative forms of proving death or abandonment by parents would need to be prescribed as options and accepted by SASSA. For example, affidavits and letters from reputable community members such as school principals or traditional leaders. Affidavits are already an option that is accepted by Magistrates when doing foster care placements.³

In the table below we make recommendations for how "proof" could be required for the different categories of children:

³ See Regulation 56 of the Regulations to the Children's Act No 38 of 2005

Fig 6. How to “prove” orphan status for purposes of the CSG top-up?

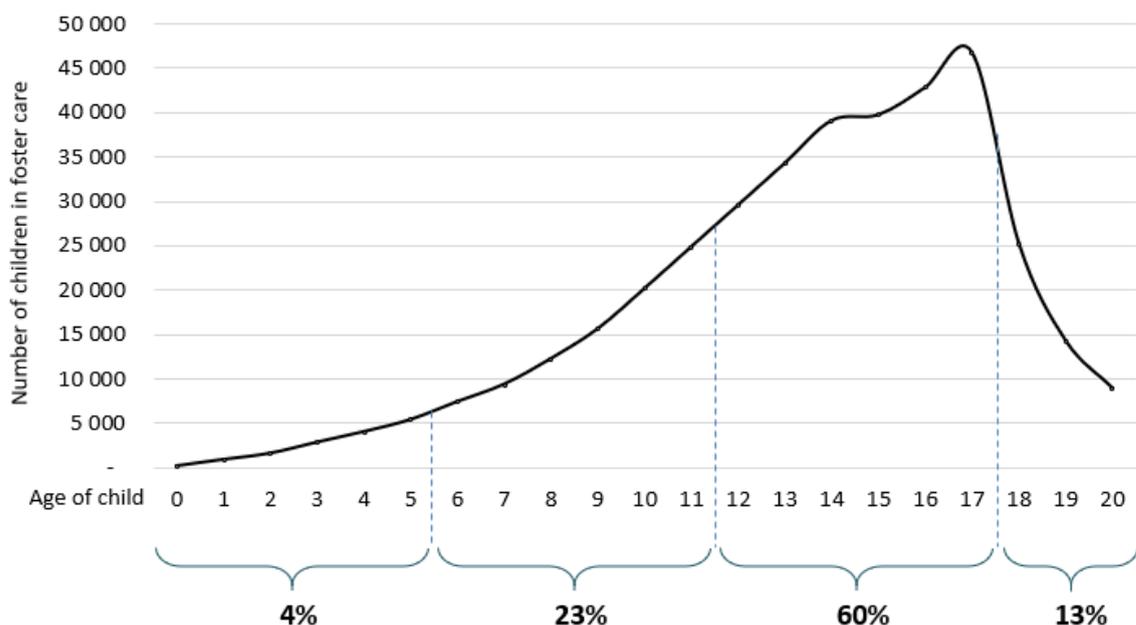
Category	Description	Possible proof
"Double orphans"	Both parents deceased	2 death certificates OR 1 death cert + prescribed affidavit
	Mother dead, father vital status unknown	1 death cert + prescribed affidavit
	Father dead, mother vital status unknown	1 death cert + prescribed affidavit
	Both parents vital status unknown	prescribed affidavit + letter from reputable person
"Half orphaned" + abandoned	Mother dead, father alive but not co-resident	1 death certificate + prescribed affidavit
	Father dead, mother alive but not co-resident	1 death certificate + prescribed affidavit
	Father vital status unknown, mother not co-res	prescribed affidavit + letter from reputable person
	Mother vital status unknown, father not co-res	prescribed affidavit + letter from reputable person
"Non-orphans" + abandoned	Both parents alive but not co-resident	prescribed affidavit + letter from reputable person

4.6 Phasing out the FCG for orphans and phasing in the CSG Top-Up

Because Foster Care has been targeted to children who are orphans, and orphaning increases with age, the FCG numbers are strongly skewed to the older age groups.

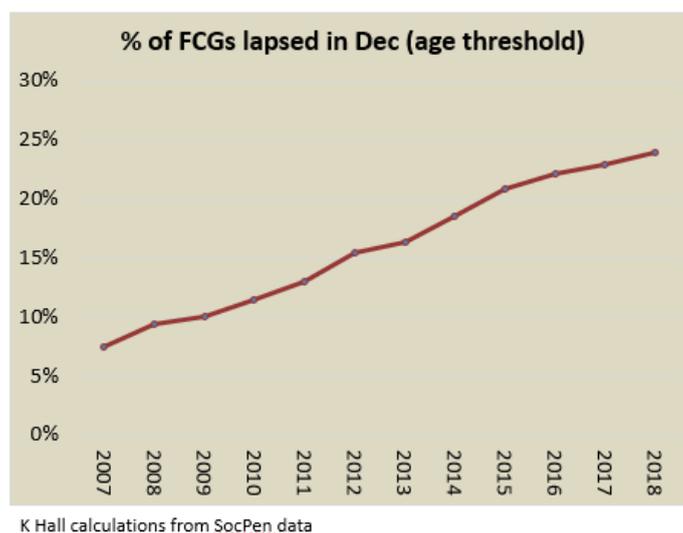
- 13% of FCGs (50,000) go to young adults over 18 but under 21.
- Another 50,000 go to 17 year-olds (and will lapse at the end of the year)
- Less than 30% go to children under 12.
- The biggest age group of recipients is teenagers.

Fig 7. Age distribution of foster care



The fact that the current foster care system is effectively targeted to older children, means that children only receive the FCG for a few years and are then kicked out of the system when they reach the age threshold.

- A quarter of all FCGs (100,000) lapse at the end of each due to the age threshold.
- By March, half of these young adults (50,000) are back in the system because they have submitted proof that they are still in education.
- This seems undue administrative effort, given the high exclusion rate generally.
- It also means that, orphans living with relatives who are already in the system will age out quickly.



The table below shows the actual number of FCGs in payment at the end of November and December each year, illustrating the growing drop-off in the share of foster placements that come to an end because of the age threshold.

Fig 8. Annual drop-off in FCGs due to ageing out

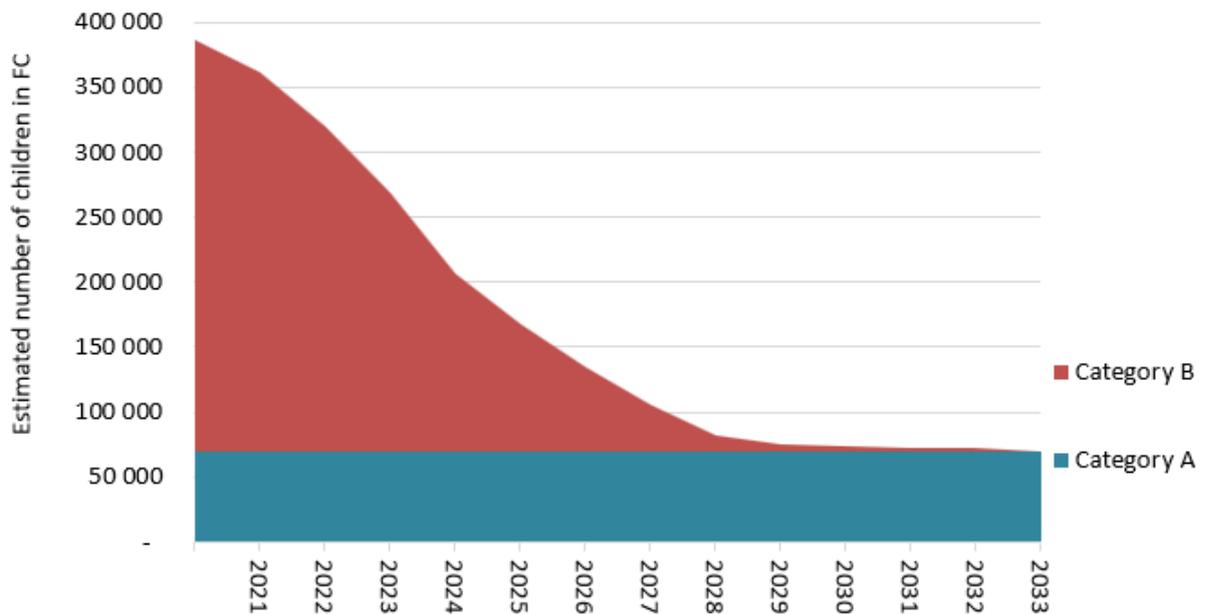
Year	FCGs in payment		Difference	% difference
	at end Nov	at end Dec		
2007	470 335	435 293	-35 042	- 8%
2008	517 004	468 661	-48 343	- 9%
2009	560 441	504 666	-55 775	- 10%
2010	541 372	479 292	-62 080	- 12%
2011	579 923	504 380	-75 543	- 13%
2012	597 068	504 893	-92 175	- 15%
2013	572 157	478 781	-93 376	- 16%
2014	559 202	455 946	-103 256	- 19%
2015	540 625	427 928	-112 697	- 21%
2016	511 805	398 774	-113 031	- 22%
2017	481 784	371 643	-110 141	- 23%
2018	454 156	345 560	-108 596	- 24%

The graph below estimates the effect of allowing orphans currently on the FCG to remain on until they reach the age threshold for termination, but not taking any new applications for this group and rather referring new applicants to the CSG +. The graph is based on the following assumptions:

- Around 70,000 children are in foster care because they really need to be in the protection system as wards of the State (category A) – and this will remain constant.

- Those who are orphaned/abandoned and living with relatives (category B) are concentrated mainly in the older age groups. They will be allowed to remain in foster care until they age out. Approx 50% will continue receiving the FCG after they turn 18, and the number will reduce by 50% each year until the cohort reaches 21.
- New category B children will be directed to the CSG top-up (i.e. no new category B in foster care unless also defined as category A).

Fig 9. Projected effect of ageing out from FCG if CSG top-up is introduced



By these estimates, the FCG budget would reduce from R4.6 bn per year in 2020 to around R1 bn by 2030 (in current rand values). At the same time, the CSG top-up would become available and those numbers and budget would increase.

The rate of uptake for the CSG top-up will depend on numerous factors, including:

- The content and effectiveness of departmental communications to social workers, SASSA staff and the public;
- The rate at which SASSA can migrate eligible children who are currently receiving the basic CSG, onto the top-up;
- The rate at which SASSA can enrol eligible children who are not currently receiving any grant.

It would be useful if the DSD could provide an overview of how it plans to communicate the legislative amendment and the technical procedures to enable uptake and migration to the CSG top-up. This information could then be used to model the expected rate of uptake, which will be necessary for budget purposes.

4.7 Considering the value of the CSG top-up

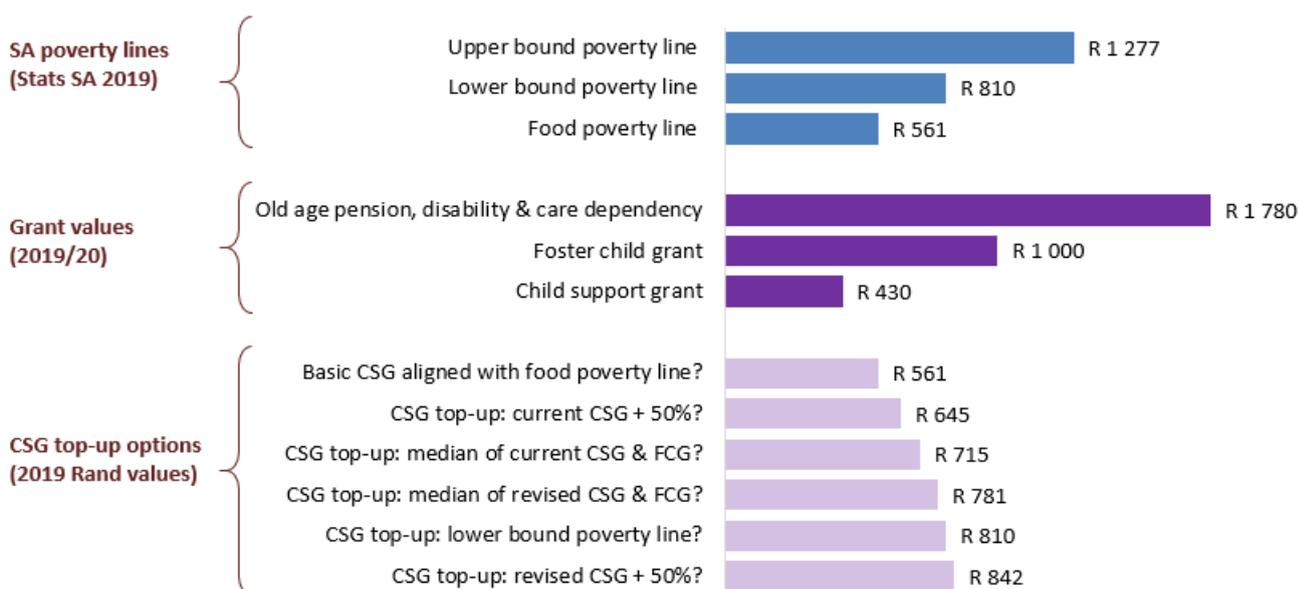
A key consideration is where the value of the CSG top-up will be set, as this will influence whether the CSG top-up is effective as part of the comprehensive solution.

An option mentioned by the Department is to set its value at one-and-a-half times the value of the CSG. At the current value of the CSG (Feb 2020), this would be equivalent to approximately R650. This is just one out of many possibilities.

It may be helpful to consider the value against the other grants, as the inflation-linked increases have meant that the values of grants are widening. For example, another option is to align the CSG top-up to the mid-point between the CSG and FCG values – this way it would be influenced by increases to the FCG as well as to the CSG.

It may also be helpful to consider the grant amount in relation to the national poverty lines (which are in turn linked to monetary measures of the minimal nutritional requirement to survive). The value of the basic CSG is now well below the food poverty line. Anyone surviving on income below the food poverty line will become malnourished as they cannot afford the minimum calories per day. Therefore there is also an opportunity to review the CSG top-up in relation to aspirational “revised” CSG value that is equivalent to the food poverty line.

Fig 10. Options for setting the value of the CSG top-up



The determination of the CSG top-up value will be deliberated at some stage after the public submissions. It will also be informed by budget constraints. Nevertheless, it would be good to have a clear and justifiable rationale for the value that is set. We provide these options and values simply for purposes of discussion and we will be willing to help model the various cost implications once the questions around eligibility and transitional arrangements have been clarified.

5. Conclusion

In summary, we support the CSG top-up as an essential part of the comprehensive legal solution. However, we caution that:

- a) The emphasis will need to be on inclusion of all eligible children, as those in the “difficult” categories are likely to be the most vulnerable and in need of social assistance. The introduction of the CSG top-up is an opportunity to harness the simple model of the CSG application, which is highly efficient and can reach large numbers of children irrespective of their care arrangements. Complicating the process will lead to exclusions.
- b) The value of the CSG top-up is important to get right. If it is too low then it will not serve as an incentive for social workers to route poor families to the CSG top-up, and it might be judged as regressive.
- c) Changes to the Social Assistance Act need to be supported by parallel amendments to the Children’s Act to clarify that orphaned & abandoned children living with relatives are not, on the basis of this status alone, eligible for foster care placement. Like all other children, they are only eligible if they are in need of protection through the statutory care system.
- d) All of the amendments and accompanying regulations need to be clearly communicated to all the officials and other role-players involved in routing children to the correct option, and well as to the public. It will probably be best to ensure close supervision of the SASSA process in the early stages, to ensure that officials do not create unlawful obstacles by demanding documents that are not required by law.

We hope that this submission is useful and wish the committee well in its deliberations.

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