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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2041**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 27 MAY 2022**

**INTERNAL QUESTION PAPER NUMBER: 20 - 2022**

**2041. Ms L L van der Merwe (IFP) to ask the Minister of Social Development:**

What (a) plans has her department put in place to ensure that subsidies for nongovernmental organisations (NGOs) are increased to keep up with the cost of living in each province and (b) steps has her department taken since 2020 to comply with the National Association of Welfare Organisations and Non-Governmental Organisations judgment, to address the shortfall in funding provided to NGOs who fulfil the constitutional and statutory obligations of her department by providing social care and/or welfare services?

 NW2346E

**REPLY: EASTERN CAPE**

1. The Eastern Cape Department of Social Development is currently having a challenge on increasing subsidies due to shrinking fiscus however the Department has started a multi-year funding approach towards NPOs during 2022/2023 Financial Year.

1. The Department has increased subsidies to Child and Youth Care Centres from R2000 to R4000 from 2019/2020 Financial Year from the allocation that was in line with National Department of Social Development directive in order to comply with the National Association of Welfare Organisations and Non-Governmental Organisations judgment.

**REPLY: FREE STATE**

1. The Free State Department of Social Development

relies solely on allocations from Treasury. On specific priority programmes earmarked funds are allocated.

Over the 2022 MTEF period, the Free State Department of Social Development has increased budget allocations towards NPO’s in the different programmes as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Programme** | **2022/23** | **2023/24** | **2024/25** |
| Social Welfare Services | 5% | 7% | 17% |
| Children and Families \*\*\* | -217% | 13% | 11% |
| Restorative Services | 3% | 0% | 0% |

* The decrease under Children and Families in 2022/23 is due to the migration of Early Childhood Development to the Department of Basic Education.
* The focus of the department is on Children, Older Persons and Persons with Disabilities.
* For most part, in terms of priority areas, increases are above CPI inflation of 4.2 percent (2022/23), 4.3 percent (2023/24) and 4.5 percent (2024/25) respectively.

b)With regards to the steps taken by the Free State Department of Social Development to comply with the National Association of Welfare Organisations and Non-Governmental Organisations judgment, the Department received budget from the Provincial and National Treasury. This allocation was utilised towards increase on Child and Youth Care centres which is a top priority service.

The budget benefited 1 120 children at a R4 000 allocation per child per month. This demonstrates the Departments’ intention for progressive realization of the rights of vulnerable service beneficiaries in line with the court judgement.

Below is the budget allocation towards that purpose:

|  |  |  |  |
| --- | --- | --- | --- |
| **Source of funding** | **2020** | **2021** | **2022** |
| Provincial Treasury | R10 000 000 | R11 000 000 | R12 000 000 |
| National Treasury | R12 547 000 | R13 237 000 | R25 135 000 |

**REPLY: GAUTENG**

1. Gauteng DSD has ensured that any NPI budget increment received from Provincial Treasury is allocated to the NPO sector as subsidy increases to keep up with inflation. Therefore, Gauteng DSD has been implementing inflationary increases for the past five years ranging from 3% to 6% on an annual basis.
2. In terms of the steps that the Gauteng DSD has taken since 2020 to comply with the National Association of Welfare Organisations and Non-Governmental Organisations judgment, the Department has substantially increased the subsidy rates of Child and Youth Care Centres (CYCCs) from the 2019/20 financial year with the additional financial resources that were received from the National Treasury.

Thereafter, the Department made annual inflationary increases to the baseline of the 2019/20 financial year to keep up with inflation. In addition, the Department provided each CYCC with additional funding for the appointment of a social worker or auxiliary social worker over and above the capita subsidy rate.

**REPLY: KWA-ZULU NATAL**

a) The Kwa Zulu-Natal Province received an additional allocation from Treasury during the 2022/23 MTEF which has enabled the Department to give Non-Profit Organisation (NGOs) and increase of 5% to keep up with the cost of living.

b) The KwaZulu-Natal Province has been increased funding of R4000.00 per child per month since 2019/2020 financial year for CYCCs.

**REPLY: LIMPOPO**

1. Due to budget cut that the department encountered, no increases were effected on subsidies to NPOs, however, as, and when there are savings the department does consider NPOs rendering programmes for increment.
2. With regards to steps taken to comply with the NAWONGO Court judgement, the department has increased the monthly subsidy of CYCC from R2 500 to R4 000 per child per month following the NAWONGO judgement. Within the current financial year (2022-23) the subsidy has increased from R4000 to R4500.

**REPLY: MPUMALANGA**

1. The Mpumalanga province has submitted a budget request to Provincial Treasury, and an additional **R16,6** million was allocated to Transfers during 2022/23.

Noting that the subsidies for social worker posts was last increased during 2013/14, these funds have been earmarked to increase the funding of social work posts.

This has translated into the following increases:

|  |  |  |
| --- | --- | --- |
| **Occupational Category** | **2021/22****Monthly****subsidy** | **2022/23****Monthly****subsidy** |
| **Social Worker** | **R9 056** | **R16 000** |
| **Senior Social Worker** | **R11 247** | **R19 000** |

Due to the limited budget allocation, only organisations employing social workers will benefit from this current increase. Increases could also not be provided to other occupational categories, however these will be prioritised in the outer years, should additional allocation be made available by the Provincial Treasury.

1. During 2019/20, the department increased the unit cost per child per month (through a special allocation received from National Treasury) from **R2500 to R3900** per child per month.

In 2020/21 the subsidy was further increased from **R3900 to R4000** per child per month.

In 2021/22 the subsidy was increased for children with special needs from **R4000 to R4500** per child per month.

In 2021/22 the province further provided additional funding to Child and Youth Care Centres to employ Social Workers as a response to the NAWONGO Court Judgement.

**REPLY: NORTH WEST**

**(a)(b)**

Response from North West not yet received at time of submission.

**REPLY: NORTHERN CAPE**

**(a)(b)**

Increases were given for subsidies to all NGO’s within the allocated budget, as indicated below.

In addition to the increases in subsidy of 5%, the increase for running cost was also included.

|  |  |  |  |
| --- | --- | --- | --- |
| **SUBSIDISED CATEGORY** | **2020/21** | **2021/22** | **2022/23** |
| Social Workers | R13 525.18  | R14 201.43 | R14 911.50 |
| Social Auxiliary Workers | R6 973.10  | R7 321.75 | R7 687.83  |
| Community Development Workers | R6 655.97  | R6 988.76 | R7 338.19 |
| Child and Youth Care Workers | R3 500.00  | R4 100.00 | R4 305.00  |
| Children in CYCC’s | R4 150.00  | R4 375.50 | R4 480.00 |

**REPLY: WESTERN CAPE**

1. Budget restrictions has limited the initiatives by the Western Cape Department of Social Development to increase funding to NGOs. Budgets have unfortunately been cut across various programmes and funding has been sustained for the Victim Empowerment Programme and NGO CYCCs.
2. With regards to steps taken to comply with the NAWONGO Court judgement, the Western Cape Department of Social Development experienced budget constraints, thus limited effect could be given to the Court judgement. However, with NGO CYCCs an all-inclusive unitary fee was introduced since April 2022. All NGO CYCCs are now funded on the same fee structure.