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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2966**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 27 NOVEMBER 2020**

**INTERNAL QUESTION PAPER NUMBER: 50 - 2020**

**2966. Mr A N Sarupen (DA) to ask the Minister of Social Development:**

(1) With regard to the subsidy from her department to the Springs Child Welfare, what (a) were the reasons that the subsidy was not paid for the month of October 2020 and (b) was the total amount that was paid to the Springs Child Welfare in November 2020;

(2) whether her department was informed that the late payment caused the Springs Child Welfare to close its doors in October due to its dire financial circumstances; if not, what is the position in this regard; if so, what steps will be taken to ensure that payment will be made on time in future? NW3792E

‘The centre is based in Gauteng’.

**REPLY:**

(1)(a) Gauteng Social Development scheduled the third quarter subsidy payment of Springs Child Welfare which was due end of October 2020 earlier in the same month but could not release it due to system glitches.

(b) However, once the system glitches were resolved, an amount of R 488,353 was paid on 10 November 2020 which was an advance subsidy payment for the months of October to December 2020.

(2) Yes, Gauteng Social Development was informed about the possibility of Springs Child Welfare closing its doors due to late subsidy payment and the Department urged Springs Child Welfare not to do so, as their funding delays were receiving urgent attention. The subsidy was eventually paid on 10 November 2020 which was 10 days later than the cut-off date of 30 October 2020.

With regards to the consequences of payment delays, Gauteng Social Development endeavours to minimise the adverse impact of subsidy delays by providing alternative measures to NPOs such as giving assurance letters to be utilised to access short finance/funds from the banks.

Gauteng Social Development is currently upgrading its payment system which will come into effect mid-financial year of 2021/22. The system upgrade is geared to resolve the various glitches that causes payment delays and we expect to see improvement post implementation.