

# State must move faster towards full funding of child welfare

The Financial and Fiscal Commission has called on the government to act speedily to put in place a funding plan to move towards full funding of minimum norms and standards for child welfare services.

Releasing a report on the provision and funding of child welfare services, the commission's acting chairperson Bongani Khumalo, warned that in light of a number of pending court cases which risked undermining the stability of the Fiscus, the state must act with haste to put a plan in place to cover the full cost of child-welfare services.

In terms of the Constitution and the Children's Act, the state has an obligation to provide social services, however at present child welfare services are only partially funded by provincial social development departments.

Debbie Budlender and Paula Proudlock from UCT's Children's Institute estimate that the state will spend about R5.7bn in 2013/14 on child-welfare services - less than half or 44% of the cost for a low implementation path towards full funding of child welfare services.

Though past court decisions have noted the budgetary constraints faced in the provision of child-welfare services and have so far avoided a prescriptive approach, Khumalo said he was concerned that any future court judgments may still force the state to allocate monies which it had not budgeted for.

"The concern from the commission's point of view is that if we don't act the impact on Fiscus could be quite serious if a decision has to be made against the government by the courts," he said

Non-profit organisations are facing severe financial problems because of the increase in demand for their services, coupled with a decline in funding and delays in transfers from the government.

The economic slowdown, combined with the move by donor agencies to bilateral agreements with the government and the decrease in access to lottery funds, has resulted in funding to non-profit organisations drying up.

The commission has recommended that with the decline in funding to non-profit organisations that the government find other sources for funding child welfare services and also eliminate delays in the disbursement of financial awards.

The Department of Social Development, it said, should also carry out an audit on the entire value chain for the transfer system to identify bottlenecks and inefficiencies - in both the non-profit sector and in social development departments in the provinces.

While the commission said some non-profits have also not been able to account for how their government grants are used, provincial social development departments continued to underspend despite funding difficulties faced by welfare agencies.

On aggregate 4% of the government's child care and protection sub-programme went unspent by provinces between 2009/10 and 2011/12, with R227m unspent in 2011/2012 alone

The commission said the Department of Social Development also needed to put in place better monitoring measures, with the report noting that it is often difficult to hold the department to account because provincial social development departments don't report on key indicators in a consistent way.

The commission also called for provinces to adhere to standardised funding norms per child so that regional disparities in service provision could be reduced.

It pointed out that among provinces significant differences existed in funding child welfare services - ranging from R412 per child in the Northern Cape, compared to R81 per child in KwaZulu-Natal.

Khumalo said South Africa does not fair doing badly in child welfare compared to other similar emerging countries, but stressed that going on the large number of court cases pending on the provision of child-welfare services indicated that things were not working well.

For more, visit: <https://www.bizcommunity.com>