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## PORTFOLIO COMMITTEE ON SOCIAL DEVELOPMENT

**An assessment of the effectiveness and efficiency of the Department's monitoring and evaluation capacity towards funded NPOs and how it advances service delivery.**

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Committee Details		Department Details	
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Which Financial Year	2020/21 FY	Dept. Budget Vote Nr.	6
Which SOM Imperative	Annual Report	Hon. MEC	Morakane Mosupye
Committee Approvals			
	Name	Signed	Date
Hon. Chairperson	Refiloe Kekana		
Adoption and Tabling			
Date of Final Adoption by Committee		Scheduled date of House Tabling	
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## Content Page

1. Introduction.....	4-5
2. Aims and Objectives .....	5
3. Process Followed .....	6
4. Methodology .....	7
5. Oversight on Strategic Priorities.....	7-8
6. Committee Findings .....	9-13
7. Concerns and Recommendations .....	13
8. Acknowledgements .....	14
9. Adoption.....	14

**17 May 2022**

The Hon. Chairperson of the Portfolio Committee on Social Development, Ms Refiloe Kekana, hereby tables the Committee Focused Intervention Study Report of the Department of Social Development for the 2020/21 FY as follows:

## **1. INTRODUCTION**

After the presentation of the above topic the Committee convened a Webinar on the 10<sup>th</sup> of September 2021 to have a dialogue with all relevant stakeholders as guided by the above problem statement, aims and objectives.

The Department was also given an opportunity to give a presentation on their plans and strategies in dealing with monitoring and evaluation of NPOs. Nevertheless, the findings of deliberations on the presentations were that the Department gave details on the processes that must be followed by each NPO prior to registration and receiving a certificate, the processes to be followed once funding is sought.

One of the emphasis made by the Department was the importance of NPOs complying with the municipal by-laws and ensure that they have the certificates that are required before funding can be granted. Also, stating the need for nutritional programmes to have health certificates over and above. The non-attainment of the compliance certificates by most NPOs exacerbate the operation of illegal organisations. Furthermore, the Department emphasized their role in ensuring that NPOs are assisted where necessary to comply with guiding legislation. According to the Department, the norms and standards as guided by legislation are set out and each NPO must also comply with in the provision of services. Through their capacity building all NPOs will be provided with training to ensure understanding and adherence to such norms and standards.

The Department also reported that assessments and verification of the applications would be followed by site visits to NPOs, with findings being used to either approve or reject the application for funding.

The Department's presentation focused mostly on the registration processes prior to funding, not much information was presented on the monitoring of the funds awarded to NPOs. The Committee did not get a sense on the processes that unfolds following subsidy payments. Lack of such information deprived the FIS from responding to the objectives relating to:



- exploring the capacity of the NPO unit within the scope of monitoring and evaluation of funded NPOs;
- assessing the internal processes and controls in place, to verify whether money is spent in terms of the SLA; and
- examining the monitoring and evaluation indicators to ascertain their relevance and response to improved service delivery.

The lack of information and or report from the Department in relation to the above-mentioned objectives as were identified, has short-changed and or limited the scope of the Committee in its effort to conduct robust oversight over this matter and to also respond to the directive given by Auditor-General on this issue.

### ***What is the NPO Act meant to do?***

The Non-profit Organisations Act No. 71 of 1997 (the NPO Act) became law in South Africa on 03 December 1997. The aim of the Act is to provide for an environment in which non-profit organisations can flourish; to establish an administrative and regulatory framework within which non-profit organisations can conduct their affairs; to repeal certain portions of the Fundraising Act, 1978; and to provide for matters connected therewith.<sup>1</sup>

Through the Act, government hopes to support the sector, by providing a legislative environment that will:

- support NGOs to flourish.
- provide an administrative and regulatory framework within which NGOs can conduct their affairs.
- encourage NGOs to maintain adequate standards of governance, transparency and accountability and to improve these standards.
- allow for public access to information concerning registered NGOs; and
- promote a spirit of co-operation and shared responsibility within government, donors and amongst others interested persons in their dealings with NGOs.<sup>2</sup>

In view of the findings of the recent webinar and through the various engagements with the Department and some NPOs, the Committee is also not ignorant of the fact that NPOs also have a role to play in ensuring that whatever is also entrusted to them is accountable for. Although the Department is the Accounting Office on behalf of the NPOs as it is the body that

has been granted funds for efficient service delivery, the Committee is of the view that to effectively zoom into the monitoring and evaluation of the Department towards NPOs, there is also a need to review the accountability of NPOs and how they are able to impact positive outcomes on service delivery.

Even though the Committee had engaged the Department on monitoring and evaluations of NPOs, the Committee was still unsatisfied with the response of the Department on the same matter. Also, the Department's presentation did not speak to monitoring of funded NPOs. This has also been exacerbated by the findings of the Auditor-General for 2020/21 financial year, which stated that "*Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by treasury regulation 8.4.1.*". Moreover, to this issue which had been in AG report for 3 consecutive financial years, the Committee was still inundated with complaints from the various NPOs, which would ordinarily be resolved should the M&E processes be effectively executed. The Committee is of the view that they should continue with the same FIS, focusing on the non-responded objectives on Monitoring and Evaluation, and zoom into the functionality of NPOs in providing services. This will provide an opportunity to also look into the findings of the Auditor-General.

## 2. Aims and Objectives

- To explore the capacity of the NPO unit within the scope of monitoring and evaluation of funded NPOs,
- To assess the internal processes and controls in place, to verify whether money is spent in terms of the Service Level Agreements,
- To examine the monitoring and evaluation indicators to ascertain their relevance and response to improved service delivery, and
- To review the contribution of the funded NPOs in improving the lives of the vulnerable communities.

## 3. METHODOLOGY

- Presentation by Department. (Monitoring and evaluation, more focus on post funding. A presentation by the Department should also provide a demonstration of the systems used to process funding to NPOs)

- Presentations by sample of funded NPOs (who will share on the funding received and how such would have been utilized in 2020/21 FY to provide services and share on the challenges and successes).

#### **4. PROCESS FOLLOWED**

- 4.1. On 23 February 2022, the Committee deliberated and adopted the FIS topic arising from the Annual Report for 2020/21 financial year.
- 4.2. On the 17 March 2022, the Committee conducted a Roundtable Discussion with NPOs that are funded by the Department.
- 4.3 On the 17 May 2022, the Committee deliberated and adopted the FIS report.

#### **5. COMPLIANCE AND QUALITY**

##### **5.1 Timeframes**

The department provided the information that was required within the stipulated time frame.

##### **5.2 Format**

This department aligned its report to the format used by other executive departments, and it has also linked its performance to the outcome-based approach adopted by government.

##### **5.3 Controls**

The information submitted to the Legislature was signed off by the Accounting Officer and the Executive Authority. The approval by the most senior authority in the department demonstrates that an effort is made to ensure that the reports are accurate.

##### **5.4 Quality Parameters**

The report controls within the department have proven to be adequate to ensure compliance with the necessary requirements of the Focus Intervention Study.

#### **6. OVERSIGHT ON STRATEGIC PRIORITIES**

##### **6.1 NATIONAL PRIORITIES**

- Rebuilding of family, community and social relations
- Integrated poverty eradication strategy
- Comprehensive social security system

- Violence against women and children, older persons and other vulnerable groups
- HIV/AIDS
- Youth Development
- Accessibility of social welfare services
- Service's to people with disabilities
- Commitment to co-operative governance
- Train, educate, re-deploy, and employ a new category of workers in social development

## 6.2 PROVINCIAL PRIORITIES

- Reforming the welfare sector through legislative and policy reform. The department seek to expand services by ensuring adequate numbers and training of social service professionals, review of the funding model and the role assigned to non-profit organizations
- Improve access to quality Early Childhood Development (ECD) through the provision of comprehensive ECD services as an instrument to make investments in health, development of capabilities and mitigate vulnerabilities and to serve as the building blocks for future resilience.
- Deepening social assistance and extending the scope for social security to address both issues of coverage and policy instruments including the defining of social protection floor that provides a minimum set of guarantees coupled with a framework of progressive realization of rights.
- Enhancing social protection systems and strengthening of monitoring and evaluation of services so as to ensure that interventions are responsive and yield sustainable outcomes.
- Enhancing the capabilities of the identified groups and communities to achieve sustainable livelihoods and household food and nutrition security through a combination of income, direct provision and support to local economies through local procurement.

## 6.3 MILLENIUM DEVELOPMENT GOALS

MDG 1: Eradicate Extreme Poverty and Hunger

MDG 2: Promote Gender Equality and Empowerment of Women

MDG 6: Combat HIV/AIDS, Malaria and other Diseases



## 7. Committee Findings

### Presentation by the Department of Social Development

#### Payment system & capacitation to ensure compliance

The Department reported that all approved NPOs should be registered on Central Supplier Database (CSD) of National Treasury and the purpose of this is to manage the registration and verification of banking details and easy linkage to the Departments NPO payment system (Supatsela), Gauteng Provincial Government system and BAS system. This also help to ensure smooth electronic funds transfers (EFT) from the Department to NPO.

The Committee was informed that at the beginning of every Financial Year, the Department profiles and identifies newly funded NPOs and provide training on Service Level Agreements (SLA) terms & conditions including the reporting requirements.

### METHODOLOGY & APPROACH ON FINANCIAL MONITORING

The Department reported that it undertakes scheduled & unscheduled monitoring visits regularly and the frequency in most cases is informed by the risk profile of each funded organisations.

The frequency of the visit takes place at least once a quarter or once in six months depending on the capacity of the Department.

The Department further reported that it conducts interviews with relevant representatives of the funded NPO to gather and verify data/information/supporting documents as reported by the organisation itself. Monitoring activities broadly covers the overall financial aspects from budgeting, accounting to value for money, performance monitoring around the beneficiaries reached & quality of service provided and value adding monitoring that should governance, human resource management, etc. The Department also provide periodic feedback to organisations monitored in pursuit of service delivery improvement.

#### West Rand Association for Persons with Disabilities

The Association were established in 1947 as the then West Rand Cripple Care Association, as a direct result of the outbreak of a Polio epidemic. The Association had, since then evolved

and developed, and it is now assisting persons with physical and intellectual disabilities. It is now called “**West Rand Association for Persons with Disabilities**” (WRAPD). Social work services and medical services were rendered to post-polio patients.

In the early 1980’s a group of occupational therapists started a protective workshop for Adult persons with physical disabilities.

### Services Offered by WRAPD

- Social work services to families with persons with disabilities
- Residential Care for 30 Adults with disabilities
- Protective Workshop for 30 Adults with disabilities (due to the disabilities these adults cannot function in the open labour market)
- Outreach program for 26 Adults and children in communities focusing on social relief.
- Day Care facility for 30 Children with Multi-Disabilities in Randfontein and this facility is funded by Department of Health.

### Funding

West Rand Association for Persons with Disabilities reported that it is currently funded by the Department of Social Development and the following post are funded, 1 chief social worker, 3 social workers, 2 social auxiliary workers and 6 admin staff.

### Challenges faced by WRAPD

- Covid-19 had impacted on donor funding as a result there was a decline in the amount received from donors, all reserved funds allocated the ensure sustainability of the association.
- No fundraising events could be organised during the Lockdown level 5-3.
- The staff members did not qualify for the TERS UIF the organisation receive subsidies for the social work posts, but staff was paid during the Lockdown.
- The Costing framework that is used for Residential care and Protective workshops is the same and the needs are totally different. This leads to a situation where it looks as if organisations underspent, but they actually have a huge deficit, e.g. the allocated percentage for a secure and safe facility, that includes water and electricity, telephone, stationery and rent is only 1% of the subsidy.

## **A CHANCE TO PLAY SOUTH AFRICA (ACTP)**

A Chance to Play South Africa (ACTP) was established in 2012 and was registered as a Non-Profit Organisation in 2013. A chance to play South Africa promotes the rights of all children in South Africa, from birth to 18 years, to have access to safe, age- and ability-appropriate play as part of their development and wellbeing. A chance to play South Africa is currently not funded by the Department of Social Development but will consider applying for funding in future.

ACTP seeks to address the lack of knowledge of the benefits of child-led play and the shortage of play facilities and play opportunities – for all children but especially those in poorer communities, tweens, and teens and for children with special needs.

ACTP goal is to enable more play on the ground is achieved through, training - distance, online and in-person training programmes, community-led play forums, a play champion movement the provision of free resources on our website, information-sharing through networking and the website.

## **Teddy Bear Clinic for abused children**

Teddy Bear Foundation (TBF) was established in 1986 as a medico legal outpatient facility for abused children. Over 36 years it has grown into a comprehensive one stop centre for abused children, Victim Empowerment and Diversion Services, as well as completing outreach preventative work and support as the Rapid Response Team for School Crises. Teddy Bear Foundation is the official Rapid Response Team for the Department of Education for School Crisis interventions

Its services were extended to other regions by the opening of two additional branches in Soweto and Krugersdorp, to decentralise services for Victims.

## **Funding**

Teddy Bear Foundation (TBF) is partially funded by the Department of Social Development with post funding only for staff at all our branches and for the posts of the Diversion Staff. The funding that is received from the Department funding is spent on payment of Salaries of the Program implementing staff.

### **Services rendered by Teddy Bear Clinic**

**Support Programme for Abuse Reactive Children (SPARC)-** This is a diversion programme for youth sexual offenders.

### **Safe and Friendly Environment (SAFE)**

This is an outreach and support program which re-enforcing prevention and rights and responsibilities.

### **Global Action Day**

Teddy Bear uses its SAFE Schools outreach programme as a platform to launch a Global Action Day Campaign. According to the foundation, this is done by placing big red branded post-bins in each school, for children to anonymously post their problems.

The children's responses have helped the foundation to better understand what their greatest challenges at school are, and they also gave an evidence-base on which to develop informed call to action media and advocacy campaigns.

### **Crime Prevention Program**

This is an outreach programme aimed at sensitizing and educating communities. It also reinforcing the fact that Actions has Consequences. This is awareness raising and addressing children coming into conflict with the law before it happens and identifying children who are at high risk.

### **GBV Preventative Program.**

An ongoing preventative programme in the form of information sessions that are provided at schools from ECD level to High School and also in communities to groups of civil society and at Faith Based Organizations.

### **Sexual Violence Initiative Programme (Sevissa)**



The programme focuses on the development of prosocial skills for children enabling them to distinguish between risky and protective behavior's and giving them sufficient information to make informed choices.

### **Educator's and ECD Practitioner Training**

The training provides focuses on child abuse protocol training to educator's, administrative and support staff, including school governing bodies and parents within schools and the Department of Education.

### **Parental Guidance Program**

The programme focuses workshop with parents on how they are parenting and working on their unresolved issues and enabling them to become better parents and role models.

## **8.COMMITTEE CONCERNS**

**The Concerns of the Committee are as follows:**

- 8.1 The costing framework that is used for residential care and protective workshops.
- 8.2 Lack of internal capacity leading to inadequate Monitoring and Evaluation of NPOs.
- 8.3 Ineffective and inefficient records management and non-submission of expenditures reports by NPOs.

## **9. RECOMMENDATIONS**

**The Committee recommends as follows:**

The Committee recommends the following and requests for responses by **30 June 2022**.

- 9.1 The Department should review the costing framework for residential care and protective workshop as their needs are different and cannot be treated the same.
- 9.2 The Department should ensure that Monitoring and Evaluation Unit is capacitated, especially the Regional Offices and officials responsible for M&E should be properly trained on all aspects that are related to Monitoring and Evaluation.
- 9.3 The Department should ensure that NPOs are properly monitored and where possible, training should be provided to those that are unable to submit required evidence due to capacity or skills related issues. The progress report should be submitted.

- 9.4 The Department should review the accountability of NPOs and how they are able to impact positively to service delivery. The Committee is of the view that there must be value for money for every cent that is allocated to NPOs.

## 10. ACKNOWLEDGEMENTS

The Portfolio Committee on Social Development wishes to thank the Gauteng Department of Social Development, West Rand Association for People with Disabilities, A chance to play South Africa (ACTP), The Teddy Bear Foundation for Abused Children, Gauteng Welfare and Development Services, for availing themselves and participating in the roundtable discussion and providing valuable information.

I would also like to express my appreciation to Members of the Committee: T. Magagula, R. Ntse'khe, A. Ndlovana, B. Engelbrecht, B. Badenhorst, M. Mofama and D. Ledwaba for their commitment to the oversight process. I commend them for their diligence during deliberations on the Focus Intervention Study Report.

The Committee would also like to thank officials that supports the Committee Mr S. Nqwala, Ms Z. Pantshwa-Mbalo, Ms S. Nenweli, Ms N. Jikolo, Ms L. Manthata, Mr J. Moloi, Ms T.Nzuke, Ms D Ngwenya, Ms N Ntlebi, and Mr K. Xulu and H. Ngobeni for their dedication in assisting the Committee to achieve its mandate.

## 11. ADOPTION OF THE REPORT

The Portfolio Committee on Social Development unanimously adopted the FIS Report on Gauteng Department of Social Development emanating from the Annual Report for 2020/21 financial year. In accordance with Rule 117(2)(c) read together with Rule 165, the Committee hereby recommends that this report be adopted by the House, taking into account concerns and recommendations made in this report.