

## **CONFERENCE ON STRATEGIES TO OVERCOME POVERTY AND INEQUALITY**

(University of Cape Town 3-7 September 2012)

**THE SHORTCOMINGS OF THE DEPARTMENT OF SOCIAL DEVELOPMENT, LACK OF DECISIVE LEADERSHIP AND MISSED OPPORTUNITIES AT EXPANDED PUBLIC WORKS PROGRAMME ARE CENTRAL IN FAILURES OF GOVERNMENT POVERTY ALLEVIATION PROGRAMMES.**

**(Presented by Clarence Magatsha Mayekiso-Secretary of the Board of Thembaletu Children's Home and Programme Manager of EPWP Non State Sector Work Opportunities Programme under Nomnandi Childcare and Development Organisation)**

Through humble beginnings and religious inspiration from a Norwegian Missionary Sister Ranhild Sodahl, the Sarjou Family Mr. James and Mrs. Dorothy Sarjou left their thriving cattle farming business and concentrated on developing and managing Thembaletu Children's Home from 1984 to this day (sadly Mr. James Sarjou passed away in June 2012, may his soul rest in peace!) They leased part of their farm on a 99 year lease so that Thembaletu can be built in a safe environment. Thembaletu is a Child and Youth Care Centre that accommodates all children in need of care including children with disabilities, children living with HIV/AIDS and orphaned children. Thembaletu as its outreach Programme was also instrumental in establishing crèches around Umuziwabantu (Harding) and Ezingoleni Municipality area in the 1980's and Nomnandi Childcare and Development Organisation is one of its main success stories as it is still in operation since 1984. It is worth noting that crèches (Early Childhood Development Centres) were recently supported by the Department of Social Development (10 years ago) whilst initially they were supported by traditional authorities and Local Municipalities. We are going to examine these two Non-Governmental Organizations and their relationships with the Department of Social Development and the Programmes they implement for poverty alleviation especially Extended Public Works Programme Non- State Sector Work Opportunities Programme.

Ezingoleni Municipality is one of the poorest municipalities and is a category B Municipality and has no revenue generate through rates since it is a predominantly rural Municipality. The Nomnandi Crèche was specifically established to assist the street vendors in a small rural town of Ezingoleni who were struggling to do their street trading and also looking after small children. Up to today the backbone of the crèche is still the parents of the children who pay their monthly fees consistently whilst the Department of Social Development continuously miss payment deadlines up to 3 months due to sheer incompetence, bureaucracy and territorial battles. The Department subsidizes each child by R12-00 per day per attendance and is of great assistance when it is paid but we had decided not to rely on it since it is irregular as explained above. To our understanding the Department is supposed to be an oversight especially to assist the ECD Centres to meet norms and standards as prescribed by law. Our experiences in both this NGO'S or Non Profit Organizations is that the Department wants to micro manage the NPO and even interfere in daily operations of the NPO'S and this cause a tension between NPO's who still want independence in governance and those that are in the pockets of Department of Social Development officials who are micro managed by the Department and also get preferential treatment. The Department of Social Development is infamous for not signing Service Level Agreement on time

which has a direct bearing to the cash flow of NPO's especially Child and Youth Care Centres who have the most vulnerable children under their care on a 24 hour basis seven days a week.

I am in this conference specifically to share our suffering in the hands of uncaring and inconsiderate officials of the Department of Social Development and try to seek answers as to why the Department of Social Development has not paid a single cent of children's subsidy to Thembaletu Children's Home from April 2011 to now September 2012. Is this not a violation of the Children's Act 38 of 2005? To give insight into our dispute with the Department of Social Development, UGu District Municipality Environmental Health Department raised issues of concern with the Board of Thembaletu Children's Home regarding the building and asked us to make specific renovations so that they can renew our Compliance Certificate which we immediately raised R300000-00 from Friends of Thembaletu base in Norway and Sweden to do the renovations. Our agreement with DSD was that immediately we finish renovations the Department will come together with the District Municipality to do the inspection and give us Compliance Certificate. The Department did not fulfill its promise to come in March 2011 for inspection until we decided to invite the District Municipality to do the inspection which they did and passed the Child and Youth Care Centre and gave us a Compliance Certificate. We thought the certificate will solve our issues but it became worse, they started removing children without court orders and the worst thing is that most were school going children in the middle of academic year and they stopped when we obtained a court order restraining them from removing any more children. The main problem is that they are not paying the subsidy for children who were placed by them through court orders by refusing to renew Service Level Agreement with us and their Advocate claims that they have no constitutional obligation to sign a Service Level Agreement with us whilst on our side we have fulfilled all requirements for compliance and even the 2 Social Workers sent by the Department to do a Monitoring and Evaluation(M and E) Report on sight were pleased with the standards and service we render to children (the constitutional expects will clarify us on whether the Department's refusal to pay us is not a violation of the rights of children).

**I SUBMIT THAT SECTION 152 OF THE CHILDREN'S ACT (REMOVAL OF A CHILD TO TEMPORAL SAFE CARE WITHOUT COURT ORDER)** is flawed and should be reviewed as it is abused by Departmental officials and in most cases instructions are given by District Officials (paymasters of subsidies) and sometimes compromise hard working local social workers who are aware that the instructions from District or Provincial Office are unlawful. Section 152 (6) of the Children's Act states that;

**MISUSE OF A POWER REFERRED TO IN SUBSECTION (1) BY A DESIGNATED SOCIAL WORKER EMPLOYED IN TERMS OF THE PUBLIC SERVICE ACT OR THE MUNICIPAL SYSTEMS ACT CONSTITUTE UNPROFESSIONAL OR IMPROPER CONDUCT AS IS CONTEMPLATED IN SECTION 27 (1) (B) OF THE SOCIAL PROFESSIONS ACT OF 1978 (ACT 110 OF 1978) BY THAT SOCIAL WORKER**

This section gives powers for NPO's to challenge the officials if they abuse their powers but the reality is that it is difficult to take the same Department to court to claim your rights because they are the ones

who pay the basic costs of running the Child and Youth Care Centres. We believe that the dual role that the Department has constitutionally that of dispensing money to NPO's especially Child and Youth Care Centres and that of Oversight to ensure that the NPO'S comply with norms and standards and provisions of the act, is being used to blackmail NPO'S and fundamentally violates the rights of Children to get money for food, clothing and schooling on time and has made Child and Youth Care Centres unviable. It is my submission that the role of dispensing money to Child and Youth Care Centres should be shifted to either South African Social Security Agency (SASSA) or a new entity with a mandate to distribute money and give administrative support and the Department should be restricted to oversight over compliance with all relevant acts applicable to Child and Youth Care Centres. I also propose that a Children's Commission be constituted with the participation of NPO's to ensure that the Department does not overstep its powers as prescribed by the laws governing Children.

I propose that the Public Finance Management Act(PFMA) No. 1 of 1999 can be used to stop this practice of violating Children's Rights by delaying payments or refusing payments for no lawful reasons by putting a limit to accounting officers powers in matters relating to Child and Youth Care Centres and all vulnerable groups including the aged. The PFMA is like a supreme law regulating use of state funds and by locating these limitations within PFMA instead of the Children's Act, it might be easier to enforce a sense of urgency to Accounting Officers to prioritize Child Care Centres in their financial management and allocation systems. Section 81(2) of Public Finance Management Act states;

**AN OFFICIAL OF A DEPARTMENT, A TRADING ENTITY OR A CONSTITUTIONAL INSTITUTION TO WHOM A POWER OR DUTY IS ASSIGNED IN TERMS OF SECTION 44 COMMITS AN ACT OF FINANCIAL MISCONDUCT IF THAT OFFICIAL IF THAT OFFICIAL WILLFULLY OR NEGLIGENTLY FAILS TO EXERCISE THAT POWER OR PERFORM THAT DUTY**

My submission for addition to the PFMA

**(II) IF THE OFFICIAL OR ACCOUNTING OFFICER WITHDRAWS FUNDING OR DELAYS PAYMENT INTENDED FOR CHILDREN LIVING IN CHILD AND YOUTH CARE CENTRE OR MONEY INTENDED FOR CHILDREN AND PEOPLE WITH DISABILITIES WITHOUT A COURT ORDER AUTHORIZING SUCH DELAY OR REFUSAL FOR FUNDING, THE SAID OFFICIAL OR ACCOUNTING OFFICER WOULD HAVE COMMITTED AN ACT OF GROSS FINANCIAL MISCONDUCT PUNISHABLE BY A MINIMUM OF SIX MONTHS JAIL TERM**

On the issue of the viability of the NPO's servicing the most vulnerable groups, I submit that the Government should review its funding model and must introduce the funding model used by Department of Education where it allocates funding annually directly to Section 21 schools through their enrolment. The reason I make this submission is that the current model of monthly claims is affecting cash flows of most NPO's and prevents the NPO's from attracting skilled personnel because most NPO's without big reserves are not able to pay staff on time and no qualified person can be retained in an environment like that. This arrangement also violates basic labour rights of care givers and general workers in Child and Youth Care Centres. By paying yearly income in advance to Child and Youth Care

Centres and enforcing strict compliance with PFMA, the Department will make these important Centres for Children viable and will attract professional people and will improve service to the vulnerable.

**NON-STATE SECTOR WORK OPPRTUNITIES PROGRAMME**

Nomnandi Childcare and Development Organisation had this privilege to participate in Non-State Sector Work Opportunities Programme from the pilot phase in 2009 up to today. We have achieved milestones since then and more than 1200 work opportunities have been created by this Programme and we operate in all six municipalities under UGu District Municipality.

**PHASE 1 OF THE EXTENDED PUBLIC WORKS PROGRAMME COMMENCED ON 01 APRIL 2004 AND HAD THE GOAL OF CREATING 1 MILLION WORK OPPORTUNITIES OVER ITS FIRST 5 YEARS**

**PHASE 2 (2009-2014) OF THE EPWP IS THE AN EXTENSION OF THE FIRST PHASE WITH THE FOLLOWING ADDITIONS**

- **THE SCALE OF THE PROGRAMME HAS INCREASED SIGNIFICANTLY TO APPROXIMATELY FOUR TIMES ITS CURRENT SCALE. THE PROGRAMME AIMS TO PROVIDE 4, 5 MILLION WORK OPPORTUNITIES (2 MILLION FULL TIME EQUIVALENT JOBS) OVER THE NEXT FIVE YEARS. THE FIRST PHASE CREATED 1.6 MILLION WORK OPPORTUNITIES AND THE TARGET WAS 1 MILLION.**
- **A NEW COMPONENT CALLED THE NON STATE SECTOR PROGRAMME (NSS) HAS BEEN INTRODUCED WHICH USES WAGE SUBSIDY TO SUPPORT NON STATE SECTOR ENTITY IN PROVIDING WORK OPPORTUNITIES AS PART OF THE EPWP. THE NON-STATE SECTOR IS TO CREATE 640000 WORK OPPORTUNITIES IN THE NEXT 5 YEARS**

(Procedure Manual version 1 (2011/2012)-Department of Public Works Publication)

I will restrict myself to the Non-State sector since I have been the Programme Manager since inception in 2009. The following table illustrates the targets of creating 280 000 full time equivalents of employment and 640 000 work opportunities.

YEAR	TARGETS (FTE)	TARGET (100-DAY Work opportunity)
2009-2010 (inclusive of Community Works Programme)	8 700	20 000
2010-2011 (inclusive of Community Works Programme)	20 900	48 000
2011-2012	15 360	38 400

2012-2013	28 160	70 400
2013-2014	48 000	170 000

(Source: Procedure Manual version 1 (2011/2012)-Department of Public Works Publication

The Programme is managed by the Independent Development Trust (IDT) on behalf of Department of Public Works. The following are the positives and strengths of this Programme;

1. The Programme gives recognition to NPO that they are partners with Government in tackling poverty alleviation challenges that are facing the country.
2. The Programme is of paramount importance to rural communities where there are no industries that create employment and it becomes the only source of escaping poverty.
3. The Programme encourages communities to be economically active and work for their living and is not a grant.
4. The Programme has got positive spinoffs in cleaning and maintenance of public infrastructure like schools and clinics.
5. Beneficiaries benefit not only by getting a monthly stipend for the days they worked and also get training and sometimes accredited training which boosts their prospects of better employment opportunities.
6. Beneficiaries work a walking distance from their homes, so the financial incentive they get goes straight to them and they do not need to travel or pay rent.

The Programme is meant to create labour intensive work opportunities and our main Project is the Cleaning of the schools project where we employ 4 people per school do general cleaning, maintain and revive school gardens and maintain sports fields. This project is well received by schools and every year other schools apply to us to participate in this project and we unfortunately are limited by the budget allocated to us by IDT every year when we renew the contract. The schools buy their own cleaning material. We pay the beneficiaries directly to their bank accounts through internet banking.

The first problem with these poverty alleviation Programmes is that Government has no firm commitment to them, they are being looked at as Transit Work Opportunity Schemes to relieve people from abject poverty and hopelessness. The reality of the situation is that if these Programmes are made to long term Full Time Equivalent (FTE) there can be a serious job intervention Programme to half unemployment as per the Millennium Development Goals.

Another Problem especially with Non-State Sector there is no fixed wage incentive, it fluctuate every year and the number of days the beneficiaries work do not fit into the whole financial year, they can be between 5 to 9 months it is as if in those months they have stopped being poor and proper poverty alleviation Programmes should connect seamlessly from one financial year to another for the poor to feel prioritized.

The fundamental problem with Government is the Location of this Programme in the Department of Public Works which has huge challenges of public accountability and stability and there have been 3 different Ministers in 3 Years. The Government obsession with big money tenders which are allocated to politically connected individuals, this Sector is not lucrative since its focus is just to create work opportunities in marginalized communities and pay wage incentive and there are no super profits like in big tenders and this might be another reason. But the biggest threat to this partnership between the NPO's and the Government is captured in the recent outburst by Dr. Blade Nzimande where he said;

**"THIS THREAT WHICH IS BEING PRESENTED AS BEING THE BEST CUSTODIAN OF OUR DEMOCRACY, MANIFESTS ITSELF IN THE MUSHROOMING OF ISSUE BASED NON-GOVERNMENTAL ORGANISATION, FUNDED IN THE MAIN BY FOREIGN AND IMPERIALISTS DONORS, OFTEN UNDER THE CLAIM THAT OUR DEMOCRACY AND CONSTITUTION IS UNDER THREAT"**

The irony of it all is that this statement was articulated by a Minister of Higher Education and we should be afraid that the small gains we have made can be eroded by such statements, but a good question can be asked as to who was serving the imperialist agents, is it the Government which did not deliver books to poor African kids or NPO's who fought for the kids to get them, is it The Friends of Thembaletu based in Norway and Sweden who have been paying for the poor African Children for 16 months or the Department of Social Development which has failed to pay for the poor African children placed by them in a Child and Youth Care Centre?

The conclusion is clear that South Africa has an abundance of Social Intervention Strategies and policies of poverty and an abundance of natural resources and our problem is not the policies of poverty or lack of policies on poverty our problem is a **Marxist dilemma of Poverty of Leadership.**

#### **References;**

- a) Children's Act 38 of 2005 as amended
- b) Public Finance Management Act NO.1 of 1999 as amended
- c) Procedure Manual version 1(2011/2012) : PUBLIC WORKS PROGRAMME-NON-STATE SECTOR (Publication by Department of Public Works)
- d) Times Live: South African Politics are being Americanized; (Thando Mgaga-13 July 2012)