



GAUTENG PROVINCE

SOCIAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

TO: ALL MEDIA

ATTENTION: NEWS EDITORS

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FOR IMMEDIATE RELEASE

GAUTENG DEPARTMENT OF SOCIAL DEVELOPMENT RESPONSE TO GROUNDUP PROBE INTO NPOs

The Gauteng Department of Social Development notes the GroundUp article titled “Beauty academy gets R64-million government subsidy in midst of budget cuts” released yesterday.

The article exposes millions of rands allocated to two NPOs; The Beauty Hub and Daracorp. The Department would like to assure the public that the NPOs in question form part of the investigation taking place in the Department on NPO funding and some officials have been placed on precautionary suspension. As indicated by Premier Panyaza Lesufi in his State of the Province Address (SOPA) our provincial government is concerned about the numerous allegations we have received on malpractices and questionable funding practices in the Department. Accordingly the investigation seeks to probe whether funding is allocated correctly and ascertain if we are receiving value for money.

Gauteng provides the highest NPO grant funding in the country and this funding is geared at ensuring that we address socioeconomic challenges faced by the vulnerable. Whilst the investigation ensues, the Department has begun addressing areas of concern stemming from our oversight bodies, and as part of these measures is the creation of an independent NPO Evaluation and Adjudication panel, to scrutinise evaluate, and adjudicate applications for funding from the NPO sector, and make recommendations on funding as aligned to the priorities and mandates of the Department. Further the Panel is required to perform independent monitoring and evaluation of funded NPOs periodically during each financial year.

“In the current financial year, the NPO sector is funded to the tune of R2.3 billion to help the Department in delivering much needed care services to the vulnerable. We remain committed to working and supporting hardworking NPOs in our communities and through the investigation we seek to weed out maladministration and questionable funding practices” commented MEC Hlophe.

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Issued by the Gauteng Department of Social Development

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