

Gauteng Care Crisis Committee

****FOR IMMEDIATE RELEASE****

9 May 2024

Gauteng Care Crisis Committee urges Gauteng Department of Social Development to finalise contracts and pay NPOs

On 3 April the Gauteng Department of Social Development (GDSD) thanked non-profit organisations (NPO) for exercising patience while the department adjudicated their business plans, or applications for funding. Five weeks later, NPOs can no longer remain patient or silent. The harm being done to their beneficiaries and staff is too great.

In a press release of 7 March the GDSD stated:

The Department remains committed to working with compliant and performing NPOs and those who are successful will be informed accordingly before the end of the month of March, in line with the Department's projections.

On 20 March the DSD revised its commitment: backtracked. Organisations would not be informed of the outcomes of their applications by the end of the month – only the process of reviewing the applications would be completed by then. But they did also imply that organisations would receive their funding allocations by then:

the Department of Social Development is working tirelessly to ensure that by the end of month of March the adjudication of applications will be concluded, inline for the allocations anticipated end of April.

On 3 April, the DSD announced that it had finished reviewing the applications for funding and would begin the process of signing service level agreements (SLA), or contracts, with NPOs.

As of 7 May, GCCC member organisations had submitted a total of 267 business plans for 2024/25. But only 70 SLAs have been received by organisations, amounting to 26% of all business plans submitted by GCCC members. While more NPOs have been called by the GDSD and informed that some of their business plans had been approved, the promised SLAs have not yet materialised. In some instances, three weeks have now lapsed since the call. Callers from the GDSD are also only able to provide limited information to NPOs. They cannot tell them how much money has been allocated to the approved business plan and sometimes they cannot even say which business plan has been approved.

Only 18 organisations belonging to the GCCC have had all their business plans and received SLAs for these. Concerningly, 15 organisations have not been contacted by the DSD about any of their business plans at all. At least two organisations have had their business plans lost.

Not one organisation has been paid.

Counting contracts does not tell us anything about the impact of these delayed and shifting timelines on organisations' beneficiaries and staff. To provide insight into this impact, we present

information about the number of jobs at risk, along with the number of beneficiaries at risk of losing services. Our focus is on the disability sector, with our information drawn from 14 organisations, most of whom are members of the GCCC.

The GCCC does not include all organisations in the province, meaning that the figures we've provided offer only a snapshot into the impact of the DSD's delayed decision-making and consequent non-payment of subsidies. But the data available for 24 services shows 285 jobs at risks and 30 332 beneficiaries potentially facing the loss of services.

Service type	No. of services	No. of jobs at risk	No. of beneficiaries at risk of losing services
Protective workshops	8	28	690
Social work services	8	67	28 931
Residential services	4	134	330
Home-based care and assisted/independent living	4	56	381
TOTALS	24	285	30 332

These numbers represent the minimum number of jobs at risk, as well as the minimum number of beneficiaries affected. Page 70 of the GDSD's Annual Performance Plan for 2023/24 gives a more complete perspective on what the scale of the crisis may be in relation to residential facilities for people with disabilities. The document reported that it provided two residential facilities accommodating 167 persons with disabilities, while NPOs managed 32 residential facilities accommodating 1 694 beneficiaries.

At page 243 of the Estimates for Provincial Revenue and Expenditure issued by the Gauteng Treasury, the GDSD's entire staff complement for the social welfare services programme (which also includes services to older persons, as well as people living with HIV and AIDS) is recorded as 181 people in 2023/24, with the GDSD proposing to increase this number to 278 in 2024/25. The NPO staff complement for these 24 services to peoples with disabilities alone is 285 people. The GDSD is, therefore simply unable to step in and provide the same number of services.

Urgent steps must be taken now to finalise SLAs and pay NPOs.

**Note: The GCCC is a voluntary association of 70 NPOs in Gauteng. Member organisations services are wide-ranging and include:*

- *psycho-social support to survivors of gendered forms of violence, including shelter*
- *child protection, awareness and early intervention, as well as the operation of drop-in centres and child and youth care centres*
- *residential facilities, home-based care, and other support services to older persons, as well as persons with disabilities*
- *prevention, treatment, aftercare, and other support services to people struggling with substance use/misuse*
- *shelter and psycho-social services to people who are homeless*
- *mental health care services.*

The GCCC was formed in 2023 during the crisis caused by the GDSD's attempt to impose severe budget cuts on NPO social care service. Then GCCC members met with MEC Hlophe on 24 April 2023 to detail the impact of the cuts on organisations' services.