

**WESTERN CAPE PROVINCIAL
GOVERNMENT POLICY ON
THE FUNDING OF NON-GOVERNMENTAL
ORGANISATIONS FOR THE RENDERING OF
SOCIAL WELFARE SERVICES**

9 MARCH 2011

**DEPARTMENT OF SOCIAL DEVELOPMENT
WESTERN CAPE PROVINCE**

TABLE OF CONTENTS

SUBJECT	PAGE NO
FOREWORD	2 - 3
CHAPTER 1	4 – 8
1. Background and reasons for policy	4
2. Guiding principles	5
3. Purpose of policy	6
4. Definitions	6
CHAPTER 2	8 – 9
5. Roles and responsibilities of social welfare partners	8
CHAPTER 3	9 – 12
6. Funding of social welfare services	9
7. Methods of funding of service delivery partners	10
8. Notification of funding opportunities	10
9. Assessment of of business plans and/ or proposals	11
10. Contracting	12
CHAPTER 4	12 – 13
11. Monitoring, Evaluation and Reporting	12
CHAPTER 5	13
12. Consultative forum	13
13. Policy implementation guidelines	13
Short title and approval	13
ANNEXURES	14 – 15
A: Legislation and Policy Framework influencing the Funding Policy	14
B: References	15

FOREWORD

It is my honour as the MEC of Social Development to present the Policy on the Funding of Social Welfare Services for the Western Cape Province. This policy revision was precipitated by a changed legislative framework, court rulings on socio-economic rights envisaged in the RSA Bill of Rights and an honest desire to engage the Department's partner service providers more constructively in respect of the funding of social welfare services in the Province.

It is common cause that many families in South Africa, and specifically in the Western Cape, are in crisis and are faced with a number of challenges which impact negatively on their ability to sustain themselves. Factors that continue to negatively influence the social cohesion within families in the Western Cape Province include poverty, unemployment, alcohol abuse, drug abuse, HIV/AIDS, TB, gangsterism, increasing cost of living, crime associated with materialism and lack of access to socio-economic services (e.g. social welfare and housing).

Needless to say that the extent of the social decay and the subsequent demand for social welfare services in the Province outweigh the supply of such services, which makes it imperative that the services that are indeed rendered, conform to acceptable efficiency and value for money standards. In this regard the revised policy emphasises clear target setting, stringent assessment of business plans and improved monitoring of outputs and outcomes.

The process of amending this policy has been a joint collaboration between this Department and civil society organisations. In this regard I want to again emphasise that the partnership between the government and civil society is vital as the demand for social welfare services is diverse and immense and government alone cannot adequately address the challenges faced by vulnerable families daily.

The policy therefore seeks to set an equitable basis for the funding of shared social welfare services in the Province in such a manner that the Department's partners positively assist us in the progressive realisation of social welfare services to all vulnerable people in the Province, specifically also to ensure that the strategic objectives of the province in relation to poverty alleviation and reduction are addressed.

The successful implementation of this policy is predominantly dependent on the quality of the partnerships that the Department have and maintains with its service providers. During the revision process I took cognisance of amongst other the inputs from the Western Cape NPO's Director's Forum and the various NPO's that participated in the October 2010 NPO Indaba, for which I am grateful. I am furthermore deeply indebted to John Wallace, Anette Stinnes and Willem Schutte of the Ilima Trust for the excellent report on the Integrity Testing of the 2010/2011 Uniform Funding Cycle process that was of tremendous aid in refining this policy. However, as much as I would have liked to incorporate all recommendations received, I was obliged to balance the recommendations against budgetary realities faced by the Department.

This revised policy in no manner whatsoever attempts to determine minimum service levels in relation to social welfare services in the Western Cape, as such endeavour has to be the result of further in-depth research. I am furthermore aware that national Department of Social

Development is attempting to determine uniform measurable norms and standards, which will undoubtedly assist with management matters such as planning, costing, objective setting and monitoring and evaluation.

Amidst many uncertainties I am however satisfied that this revised policy is an improvement on the status quo in that it represents an honest endeavour to create a more equitable basis for the determining of service provider funding that will contribute to the achievement of the progressive realisation of social welfare rights.

I furthermore concur with the Western Cape Director's Forum for NGO's that all policies are dynamic and therefore subject to change and improvement. As stated above, a more reasonable basis has now been established for funding of shared social welfare services in the Province, which I believe will further improve the relationship with our service providers.

In conclusion I wish to express my gratitude to the many NGO's that are rendering social welfare services and especially those who have been loyal partners

PATRICA DE LILLE
MEC FOR SOCIAL DEVELOPMENT
9 MARCH 2011

CHAPTER 1

Background and reasons for policy

1. The background to and reasons for the revision of the policy are:
 - (a) The National Department of Social Development developed the Policy on Financial Awards to Service Providers (PFA), which was approved for implementation in October 2004 and came into effect in April 2005;
 - (b) This policy was developed to guide the country's response to the financing of service providers in the social welfare sector. Since its implementation across all provinces, progressive social rights related legislation was promulgated;
 - (c) However, in the Free State Province, the reasonableness of certain aspects of the policy was successfully challenged in the Free State High Court. In the case of the *National Association of Welfare Organisations and NGO's and others vs MEC for Social Development, Free State and Others, CN 1719/2010, FSHC, 2010* (the "Free State case"), the court held the following view on NGO funding:
 - (i) NGO funding cannot be undertaken on a 'take it or leave it' basis and in the sole discretion of the Free State Department of Social Development ("FSDSD");
 - (ii) The FSDSD must adopt "reasonable measures to the maximum extent" within the available resources to fund the provision of statutory social welfare services to achieve the progressive social services rights pertaining to children and older persons envisaged in the RSA Constitution Act and other family- and child care legislation;
 - (iii) Own funding raised by NGO's must be declared to the FSDSD; and
 - (iv) Funding of the gap cannot be funded arbitrary by the FSDSD;
 - (d) Whilst the court in the Free State case, supported by findings and/or *obiter dicta* in the TAC¹ and Grootboom² cases, insisted that reasonable measures ought to be adopted by state institutions insofar as the progressive realisation of socio-economic rights, as contemplated in the RSA Constitution, were concerned, it remained silent on expressing it on minimum levels of services.
 - (e) It further omitted to define "reasonable measures" in relation to the determination of the "equitable funding concept". This was presumably left in omission by the court because of the common cause reality of scarce resources within government in general, and the FSDSD in particular;
 - (f) The essence of the revised policy therefore lies in the understanding of the term "reasonable measures".
 - (g) Although the courts do not have legislative powers, it certainly can direct legislation, especially when it pertains to matters incidental to the Bill of Rights;
 - (h) It is therefore essential that a liberal interpretation as possible be attached to what the court referred to as "reasonable measures". According to the Collins English Dictionary³ "reasonable" means "agreeable to reason or sound judgment" and "measures" means "a particular kind of arrangement";
 - (i) The logical contextualising of reasonable measures to be adopted in determining a funding policy therefore implies that such policy has to be rational and logical (as a principle of reasoning).
 - (j) However, the reality (the state of being real and which must be included in the logic) in relation to the funding of NGO's is the following:

- (i) The primary funding source of the DSD is the national treasury that allocates funding to provincial governments;
- (ii) The DSD's funding is entirely dependent on annual allocations from its Provincial Executive;
- (iii) The DSD's funding quantum is restricted and has very little potential for substantial increases due to government's diverse objectives;
- (iv) The DSD's operating costs increases annually due to inflation, the filling of vacancies and the cost of modernisation, which, at the current levels of funding, implies an increase in the funding gap;

Guiding principles

2. It is therefore important that the DSD and partly funded NGO's must respond to service delivery needs in accordance with the following principles:-
 - (a) **Accessibility:** Access to social welfare services shall be available to all vulnerable groups and no individual or group shall deliberately be denied access to such services;
 - (b) **Accountability:** The Parties will ensure that public funds allocated for shared social service welfare delivery are utilized for its intended purpose in such a manner that it can be accounted for to donor entities, the public and competent statutory bodies;
 - (c) **Efficiency and Cost-effectiveness:** The Parties must focus on results that meet the prioritised needs of citizens as reflected in the DSD's Annual Performance Plan, while making the best possible use of resources;
 - (d) **Equity:** Shall mean the distribution of resources based on needs and priorities as agreed between the Partners and with a view to progressively reducing the funding gap;
 - (e) **Disclosure:** The NGO's will at all times disclose the total amount of funding received from all national and provincial government departments as well as funding received from municipalities and other donors with a view to assisting the DSD to determine reasonable levels of funding;
 - (f) **Non-Proliferation:** The Partners will not unilaterally increase the quantum of specific social welfare services in the Province without consulting each other to ensure that the anticipated costs of new or restructured social welfare services are factored in the DSD's annual budgets and that the financial implications be disclosed to one another;
 - (g) **Participation:** The Parties will, where possible, create opportunities for communities, the non-profit and private sectors alike to participate in the planning, decision-making and monitoring of a social welfare sector-specific service delivery agenda for the province including the revision of the funding model for NPO's from time to time;
 - (h) **Professionalism:** The Partners will ensure that funded services are rendered in a professional manner and within the ethical framework and governing practices of professional councils such as the South African Council for Social Service Professionals, to enhance the quality of service delivery;
 - (i) **Reasonableness:** The DSD will at all times act in a reasonable manner towards beneficiary NGO's to ensure that funding allocations are void of personal bias or preference and that funding allocations will be directed in a manner that will realise shared social welfare services in the Province on a progressive basis;

- (j) Transparency: The Parties will at all times maintain access to information, openness of administrative and management procedures and decisions applicable to all parties in the partnership;
- (k) Rule of law: The Parties will settle disputes in appropriate manners provided for in the contracts between them and will adhere to relevant legislation governing social welfare services and, where necessary, abide by rulings of courts of law.

Purpose of policy

3. This policy aims:-

- (a) To establish a regulatory and administrative framework for the DSD for the equitable and reasonable allocation of funding to NGO's in exchange for the rendering of certain social welfare services which the DSD is unable to render;
- (b) To address the policy vacuum and uncertainty created by relevant legislative changes and legal precedent;
- (c) To provide for an environment within which NGO's can participate and be recognised as important partners to the DSD in the progressive realisation of socio-economic rights for the residents of the Western Cape Province;
- (d) To define and strengthen the relationship between the DSD and NGO's rendering social welfare services;
- (e) To establish an institutionalised consultative mechanism that may liaise with NGO's on an ongoing basis on matters pertaining to the funding of social welfare services;
- (f) To provide for the criteria and minimum requirements and mechanisms for the financing of NGO's rendering social welfare services;
- (g) To establish measurable monitoring and evaluation mechanisms for social welfare services funded by the DSD; and
- (h) To provide for all other matters incidental therewith.

Definitions

4 In this policy unless the context indicates otherwise –

- (i) "accounting" means the obligation to be answerable to clients, management bodies, donors and government institutions for the range and quality of services rendered in lieu of the allocation and use of resources by service providers, and the realisation of objectives;
- (ii) "agreement" means written contracts between the DSD and service providers concluded prior to the provision and transfer of a grant from the DSD to the organisations concerned for amongst other the rendering of social welfare services on behalf of the DSD or related services and may include a service level agreement (SLA) or a transfer payment agreement (TPA);
- (iii) "APP" means the Annual Performance Plan of the DSD, which is the plan that directs the programmes of the DSD that are aligned with its strategic plan;
- (iv) "beneficiary" means any person, individual or group of persons in respect of whom social welfare services are rendered, including older persons, persons with disabilities, youth, children, poor and unemployed women and men, people affected by HIV/AIDS, poverty-stricken communities and families, and recipients of social grants including, but not exclusive to, child support grants or temporary disability grants, subject to any criteria for eligibility as

- determined from time to time by the MEC;
- (v) “budget” means an estimate of the running costs and other expenditure required for services for a certain period, as well as the real and potential sources of income that will be generated during the same time period;
 - (vi) “business plan” means a detailed plan of how service providers intend to provide services to recipients and how resources are to be utilised and shall include a services implementation plan;
 - (vii) “civil society” means all individuals, groups, institutions and organisations that do not perform a public function but render social welfare services, and includes trade unions, consumer organisations, non-governmental organisations and community-based organisations, religious organisations, corporate sector, and similar entities;
 - (viii) “Constitution of the RSA” shall mean the Constitution of South Africa Act, 108 of 1996;
 - (ix) “dashboard” means the progress monitoring tool applied within all provincial departments to indicate progress, delays, blockages and achievements on projects and programmes in departmental APP’s;
 - (x) “DSD” means the national Department of Social Development and its provincial spheres of governance responsible for social welfare services. This includes any regional, district or local offices of such departments;
 - (xi) “emerging organisations” means those organisations that are new in the field of social welfare services and/or that do not yet have the capacity and resources to sustain themselves;
 - (xii) “equitable distribution” means the reasonable measures adopted in allocating and sharing of resources between two or more groups in a manner that ensures that the needs of the target group/s are met in a fair manner with the purpose of realising the socio-economic rights referred to in Sections 27 and 28 of the Constitution of the RSA;
 - (xiii) “evaluating” means a systematic and objective examination of a project to determine its efficiency, effectiveness, outputs, impacts, sustainability and relevance in terms of its objectives;
 - (xiv) “financing” means the provision of financial assistance for the rendering of social welfare programmes, projects and services by the three spheres of government and organs of state or civil society and includes any reference to funding;
 - (xv) “funding gap” means the funding shortfall in respect of the total funding required for a particular social welfare service minus the funding provided by the NGO;
 - (xvi) “impact” means the positive and negative results produced, directly or indirectly, as result of a project or programme measured over a period of time;
 - (xvii) “MEC” means the Minister of Social Development for the Western Cape Province;
 - (xviii) “monitoring” means the continuous or periodic surveillance of the physical implementation of a project during the life-cycle of such project to ensure that inputs, activities, outputs and external factors are proceeding according to plan;
 - (xix) “NGO’s” means all non-governmental organisations that are rendering or associated with social welfare services, which may include NPO’s;
 - (xx) “NPO’s” means trusts, companies or other associations of persons

- established for a public purpose and of which its income and property may not be distributed to its members or office-bearers except as reasonable compensation for services rendered;
- (xxi) "partnership" means a co-operative effort between government and/or civil society, and/or the business sector to deliver services;
 - (xxii) "parties" means the contracted partner service providers and the DSD;
 - (xxiii) "poverty" means those deprived households, individuals and/or groups that are living below the poverty line who lack resources to meet their own basic needs or the basic needs of their dependants i.e. when such people experience insufficient or no access to income, adequate nutrition, shelter, clean drinking water, sanitation facilities, basic health-care, primary education and information that enables them to improve their life circumstances;
 - (xxiv) "programme" means a group of related projects or services directed toward the attainment of specific (usually similar or related) objectives;
 - (xxv) "project" means a planned activity or sets of activities designed to achieve certain specific objectives within a given budget and within a specified period of time;
 - (xxvi) "province" means the Western Cape Province in the Republic of South Africa;
 - (xxvii) "social work" means the professional activity of helping individuals, groups or communities to enhance or restore the capacity for social functioning and creating societal conditions favourable to this goal;
 - (xxviii) "social welfare services" means a service rendered by the three spheres of government, organs of state and civil society, which has as its primary objective the promotion of developmental social welfare;
 - (xxix) "self-generated income" means income that has been raised by individual organisations;
 - (xxx) "service providers" mean individuals, organisations and structures that provide social welfare services at national, provincial and local level to individuals, groups and communities in order to enhance their social functioning and may include NGO's;
 - (xxxi) "target group" means the specific group who will benefit from the project or programme that is undertaken;
 - (xxxii) "transformation" means the process of changing existing arrangements and the manner in which services are delivered in order to comply with amended legislative and policy mandates related to the funding of service providers;
 - (xxxiii) "vulnerable sector/group" means a group of people who are susceptible to or at risk of experiencing social problems because of their circumstances.

CHAPTER 2

Roles and responsibilities of social welfare partners

- 5 (1) It is acknowledged that the national DSD is responsible to :-
- (a) Provide strategic direction for social service delivery on a national basis;
 - (b) Give guidance with the development and implementation of integrated inter-sectoral policies and programmes, at both national and provincial level;
 - (c) Develop quality assurance systems and norms and standards for social services programmes;
 - (d) Develop a uniform framework for the financing of social services programmes;

- (e) Develop, maintain and coordinate a national social services information management system;
 - (f) Ensure that proper national monitoring and reporting mechanisms are in place;
 - (g) Promote partnerships and linkages with other service partners;
 - (h) Lobby for adequate provision of resources to ensure social service delivery;
 - (i) Regulate fundraising at all levels of government;
 - (j) Funds national organisations rendering social services in accordance with the Funding Policy.
- 5 (2) The provincial DSD may:-
- (a) Formulate, coordinate, maintain and review provincial policy and planning in consultation with stakeholders;
 - (b) Review, formulate and administer social welfare legislation within the national framework;
 - (c) Plan, implement, coordinate and monitor the delivery of social welfare services in accordance with national and provincial norms and standards;
 - (d) Develop and monitor specific provincial social welfare services;
 - (e) Facilitate the establishment and maintenance of social services structures;
 - (f) Negotiate and lobby for provincial funding and maintain appropriate financial management systems within the DSD;
 - (g) Finance social welfare service programmes provided by provincial organisations in accordance with this funding policy;
 - (h) Undertake, promote and coordinate appropriate research;
 - (i) Maintain an information management system for all provincial social welfare services and programmes that must include the dashboard system;
 - (j) Manage and plan a human resource development programme within the DSD;
 - (k) Market and promote awareness regarding social welfare service programmes in the province;
 - (l) Facilitate provincial parliamentary processes relating to social welfare services;
 - (m) Promote interprovincial relations and develop and maintain transversal working agreements with other national and provincial departments and municipalities.
- 5 (3) Non Government Organisations (including NPOs) may:-
- (a) Deliver shared social welfare services within the determinations of prior concluded SLA's or TPA's;
 - (b) Provide services in an open, equitable and accountable way;
 - (c) Organise themselves in a representative body that will liaise with the DSD on all matters involving the delivery of social welfare services in the province;
 - (d) Be accountable for any public funding received and report on activities in such a manner as prescribed by relevant SLA's or TPA's.

CHAPTER 3

Funding of social welfare services

- 6 (1) The following guiding principles shall apply for the duration of this policy:-

- (a) The DSD acknowledges that it is responsible for the progressive realisation of certain social welfare services as envisaged in the Constitution of the RSA and as specifically legislated in other relevant legislation;
 - (b) The DSD is furthermore tasked with the planning of social welfare services in a reasonable manner of which the intended outcomes must be rational;
 - (c) The DSD's mandates and medium-term objectives are in its Strategic Plan, which is subject to annual review;
 - (d) The DSD's application of its allocated funding is incorporated in its annual APP, which plan is meticulously aligned with its Strategic Plan;
 - (e) The DSD has no revenue base other than the annual funding apportioned by its Provincial Executive;
 - (f) The DSD will endeavour to develop acceptable standards for funding in collaboration with the social services NGO sector, with a view to achieving greater equity in funding levels.
- 6 (2) The social welfare services funded in terms of this policy may include the following but are not exclusively limited to the services mentioned hereunder:-
- (a) Developmental social welfare services provided by the DSD;
 - (b) Statutory developmental social welfare services rendered by NGO's;
 - (c) Non-Statutory developmental social welfare services rendered by NGO's;
 - (d) Developmental social welfare services rendered in accordance with public private partnerships;
 - (e) Unsolicited bids for developmental social welfare services.

Methods of funding of service delivery partners

- 7 The following funding methods will be used to fund service delivery partners in respect of the rendering of social welfare services that are aligned to the DSD's APP:-
- (a) The unit cost funding method will, where possible, be utilised for the funding of residential and non- residential services;
 - (b) The post funding method will, where possible, be utilised to determine funding allocations specifically for community-based social welfare programmes (e.g. statutory services);
 - (c) Funding of administrative costs will, where possible, be considered to co-fund operational costs of NGO's;
 - (d) Project funding will, where possible, be considered in accordance with detailed proposals and business plans submitted by NGO's that may typically include:
 - (i) seed funding for emerging organisations and services to kick-start operations,
 - (ii) capital funding for non-consumables such as infrastructure, furniture, equipment and maintenance of infrastructure required to render a specific programme or project,
 - (iii) venture funding where the organisation will receive part of the money to carry out its activities as outlined in its business plan; and
 - (e) Matching- or partial funding, when different funders decide to fund a programme jointly or fund different parts of a comprehensive service.

Notification of funding opportunities

- 8 (1) The DSD will annually at least six (6) months before the commencement of the following financial year notify the NGO sector in all three (3) official languages of the Province of possible funding for social welfare services by calling for proposals in the form of detailed business plans to be submitted by interested NGO's;
- (2) The DSD will allow a period of at least six (6) weeks from date of calling for proposals within which proposals contemplated in 8(1) above may be submitted where-after it must begin with the assessment of the business plans received;
- (3) Notices calling for proposals must clearly state the requirements of the DSD and the notice, together with the proposal specification shall be deemed to be the DSD's total requirements in the event of a dispute;
- (4) The DSD must acknowledge receipt in writing upon receipt of business plans to avoid dispute about possible fall-outs as result of non-adherence to the closing date;
- (5) Unsolicited business plans received from the NGO sector may only be considered after the process contemplated in clause 8(1) above has been exhausted and if a certain amount of allocate-able funding remains available.

Assessment of business plans and/or proposals

- 9 (1) Only business plans and/or proposals submitted in terms of clause 8.2 above that meet the proposal/submission requirements of the DSD will be considered for adjudication;
- (2) The minimum compliance criteria for NGO's for funding by the DSD that must be met are the following:
- (a) Applicants must be registered as an NPO in terms of the Non-profit Organisations Act, 71 of 1997;
- (b) Where an applicant applies on behalf of another NGO, then such applicant must furnish proof of its mandate from and affiliation to such registered organisation;
- (c) Where applicable must also be accredited in terms of any other prescribed service-specific legislation such as the Children's Act, 2005, or the Prevention and Treatment of Substance Abuse Act, 2008;
- (d) Alternatively applicants must furnish proof of registration in terms of section 21 of the Companies Act, 61 of 1973;
- (3) Annual assessments of business plans and/or proposals submitted in terms of clause 8 hereof will be undertaken by an assessment committee that will comprise of the following members that will recommend such business plans and/or proposals for approval:
- (a) The chief financial officer of the DSD or his delegated member of staff;
- (b) The chief director within whose programme the business project falls;
- (c) The chief director business planning and strategy;
- (d) The programme and regional director within whose area of responsibility the project/ programme falls;
- (e) One (1) member with NGO specific sector experience that has no direct interest in the matters under adjudication;
- (4) Within one (1) week from date of approval of funding applications all successful applicants must be notified by the HOD of the DSD that their funding applications were provisionally successful, pending the outcome of the dispute resolution process referred to in paragraphs 9(5) to 9(7) hereunder;

- (5) Disputes arising out of the acceptance or rejection of business plans must be referred to the MEC in writing within seven (7) calendar days after despatch of such notification by the DSD to the NGO;
- (6) The MEC must, within seven (7) calendar days from closing dates for applications to consider the disputes of the disputing applicants where-after the MEC must notify all disputing applicants on the outcome of his/ her decision;
- (7) The decision of the MEC herein shall be final.

Contracting

- 10(1) The DSD must enter into written agreements with service providers in respect of every social welfare service after an award has been made to successful service providers;
- (2) Agreements concluded in terms of clause 10(1) above must, amongst other, make provision for and include the following matters:
 - (a) Contain a detailed description of the nature and extent of services to be rendered;
 - (b) Include the entire business plan and/or proposal as an integral part of the agreement;
 - (c) Reflect clear and measurable service-specific targets, results, outputs, outcomes (whichever is applicable) expected by DSD with specific reference to its alignment to the DSD's APP;
 - (d) Include financial arrangements, specifically intervals and method of payment, certification of invoices and indication of cumulative value of claims versus contract value;
 - (e) Must indicate the method and frequency of monitoring and reporting arrangements;
 - (e) Indicate evaluation arrangements and format upon conclusion of contract;
 - (f) Include pragmatic dispute resolution mechanisms that exclude cumbersome and expensive arbitration;
 - (g) Clear definitions of circumstances causing suspension, cancellation and reduction of funding;
 - (h) Reflect NGO's own contribution towards rendering of the contracted service including other funding received from other national and provincial government departments and municipalities.
- (3) The DSD may determine the term of the contract with NGO's concerned in accordance with the circumstances prevailing at the time of the awarding of the funding and the nature of the service procured.

CHAPTER 4

Monitoring, Evaluation and Reporting

- 11(1) The DSD must monitor actual performance of NGO's in accordance with Provincial and National Treasury requirements to ensure that the desired outputs are in conformity with such Treasury requirements;
- (2) The DSD must furthermore monitor the results and outputs of NGO's to ensure that such results and outputs are in conformity with its APP;

- (3) The DSD must set performance targets in the agreements to be concluded with service providers, which targets will be aligned with the planned outputs in its APP;
- (4) The performance monitoring of service providers must be undertaken on a monthly basis either through the verification of statistics or through site visits to service providers by the DSD's monitoring staff;
- (5) Partner service providers must submit written monthly reports in respect of outputs and/or outcomes in accordance with their respective agreements with the DSD;
- (6) Partner service providers must ensure that there are systems and mechanisms in place to deliver data and evidence to the DSD in respect of the services provided;
- (7) Partner service providers that continuously fail to submit their monthly reports may be disqualified from future partnerships with the DSD;
- (8) The DSD must furthermore determine the effectiveness and success of the programmes that it undertakes and must therefore translate the performance outputs into outcomes with a view to ascertaining the impact of its programmes;
- (9) Service providers must participate in the DSD's performance evaluation processes in accordance with prior and mutually agreed terms;
- (10) Notwithstanding specific contractual arrangements between the parties, service providers shall be obliged to implement the required corrective measurements emanating from such evaluation and as directed by the DSD in writing from time-to-time.

CHAPTER 5

Consultative forum

- 12 The MEC may institute a consultative forum comprising of four (4) senior managers from the DSD and two (2) members of the NGO sector to consult and advise him/ her on any matters incidental to this policy.

Policy implementation guidelines

- 13 The MEC may issue policy implementation guidelines from time to time to ensure improved implementation of this policy.

Short title

This policy shall be known as the Western Cape Policy on the Funding of Non-Governmental Organisations for the Rendering of Social Welfare Services ("the Funding Policy") and hereby rescinds all previous Funding Policies from date of its approval.

ANNEXURE A

Legislative and policy framework influencing the Funding Policy

The key legislative framework referred to herein either relates to or makes provision for the management, registration, and financing of the delivery of social welfare services.

- Constitution of the Republic South Africa, (Act 108 of 1996), with specific reference to Sections 27 and 28;
- Fundraising Act, (Act 107 of 1978);
- National Welfare Act, (Act 100 of 1978);
- Social Service Professions Act, (Act. 110 of 1978);
- Probation Services Act, (Act 116 of 1991);
- Prevention and Treatment of Drug Dependency Act, (Act 20 of 1992);
- Nonprofit Organizations Act, (Act 71 of 1997);
- National Development Agency Act, (Act 107 of 1998);
- Advisory Board on Social Development Act, (Act 3 of 2001);
- South African Social Security Agency Act, (Act. 9 of 2004);
- Social Assistance Act, (Act 13 of 2004);
- Children's Act, (Act 38 of 2005);
- Older Persons Act, (Act 13 of 2006);
- Prevention of and Treatment for Substance Abuse Act, (Act 75 of 2008).
- Public Finance Management Act, (Act 1 of 1999)
- Promotion of Administrative Justice Act, (Act 3 of 2000);
- Promotion of Access to Information Act, (Act 2 of 2000);
- Divorce Act, (Act 70 of 1979);
- Promotion of Equality and Prevention of Unfair Discrimination Act, (Act 4 of 2000);
- Maintenance Act, (Act 99 of 1998);
- Domestic Violence Act, (Act 116 of 1998).

The following policy mandates have a direct bearing on the implementation of this Policy:

- Integrated National Disability Strategy White Paper, November 1997;
- Integrated Service Delivery Model for Social Welfare, 2005;
- National Policy Framework for Families, 2001;
- White Paper on Population Policy for South Africa, 1998.

Although there are numerous other international accords that South Africa is signatory to, the following are key and to a large extent set the basis for legislation and policy in the country:

- Universal Declaration of Human Rights;
- Geneva Declaration on the Rights of the Child;
- The UN convention on Disabilities;
- UN Declaration on the Rights of the Child;
- Convention on the Rights of the Child;
- UN Protocol to Prevent Trafficking in Persons;
- Hague Convention on Inter-country Adoptions;
- United Nations Convention on the Rights of the Child.
- African Charter on the Rights and Welfare of the Child (OAU Doc. CAB/LEG/24.9/49 (1990), entered into force Nov. 29, 1999.

ANNEXURE B

References

1. Minister of Health & Others v Treatment Action Campaign & Others (CCT 15/02), 6 May 2002;
2. Government of the Republic of South Africa & Others v Grootboom & Others (CCT 11/00), 4 October 2000;
3. Complete Unabridged Collins English Dictionary, 10th Edition, Harper Collins Publishers, 2009.