

**Speaker of the Eastern Cape
Hon. Helen Sauls-August
Eastern Cape Provincial Legislature
Private Bag X 0051
BHISHO
5605**

Dear Hon. Sauls-August

**RE: SUBMISSION OF DEPARTMENTAL RESPONSES TO INTERNAL WRITTEN QUESTION
PAPER (IQP) 20 DATED 17 JULY 2020**

The above matter refers.

I hereby confirm and submit the Department of Social Development's responses to **(IQP) 20 Dated
17 JULY 2020**.

Yours in Social Cohesion.

Mrs. S.I. Lusithi
Member of the Executive Council
Department of Social Development
Date: _____

Friday, 17 July 2020]

No 20 - 2020] SECOND SESSION, SIXTH LEGISLATURE

LEGISLATURE OF THE PROVINCE

OF THE EASTERN CAPE

INTERNAL QUESTION PAPER

Note:

1. Questions for oral reply will be printed in full in the Question Paper for the day for which they have been set down for reply.
2. *Indicates a question for oral reply.

QUESTIONS FOR WRITTEN REPLY

FRIDAY, 17 JULY 2020

474. Mr P E van Vuuren to ask the MEC responsible for Social Development:

- (1) Whether she has been informed of any Non-Profit Organisations (NPOs) in the province who did not receive their subsidy payments from her Department in the 2020/21 financial year: if not what is the position in this regard; if so,

RESPONSE

Yes, the Department is aware that there are NPOs in the Province that have not yet received their 2020/21 subsidy payments, and is working on processing those payments.

- (2) how many NPOs (a) per category and (b) per district did not receive any and/or partial subsidy payments from her Department for the current financial year as at the latest specified date for which information is available;

(a)

RESPONSE

Program	Funded	Not yet paid
Older Person	527	387
Disability	83	79
Families	50	50
Child Care & Protection (CPOs & CYCCs)	147	48
ECD	1570	776
HIV & AIDS	65	65
VEP	170	158
Substance Abuse	46	45
Crime Prevention	3	3
TOTAL :(Equitable Share)	2661	1611

(b) Not yet paid : Category per District

(i) **OLDER PERSONS**

Districts	Number Funded	Not yet Paid
Alfred Nzo	64	64

Amathole	96	94
BCM	43	39
Chris Hani	82	82
Joe Gqabi	47	44
NMMM	40	37
ORT	100	0
Sarah B	55	27
TOTAL	527	387

(ii) SERVICES TO PEOPLE WITH DISABILITIES

Districts	Number Funded	Not yet Paid
Alfred Nzo	4	4
Amathole	12	10
BCM	15	14
Chris Hani	10	9
Joe Gqabi	2	2
NMMM	15	15
ORT	18	18
Sarah B	7	7
TOTAL	83	79

(iii) HIV & AIDS

Districts	Number Funded	Not yet Paid
Alfred Nzo	8	8
Amathole	10	10
BCM	5	5
Chris Hani	12	12
Joe Gqabi	9	9
NMMM	5	5
ORT	10	10
Sarah B	6	6

TOTAL	65	65
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(iv) FAMILIES

Districts	Number Funded	Not yet Paid
Alfred Nzo	6	6
Amathole	7	7
BCM	5	5
Chris Hani	5	5
Joe Gqabi	4	4
NMMM	6	6
ORT	8	8
Sarah B	9	9
TOTAL	50	50

(v) CHILD CARE & PROTECTION

Districts	Number Funded	Not yet Paid
Alfred Nzo	13	5
Amathole	16	13
BCM	15	9
Chris Hani	18	1
Joe Gqabi	17	4
NMMM	34	0
ORT	19	12
Sarah B	15	4
TOTAL	147	48

(vi) EARLY CHILDHOOD DEVELOPMENT SERVICES : Equitable Share

Districts	Number Funded	Not yet Paid
Alfred Nzo	166	0
Amathole	323	323
BCM	147	0

Chris Hani	306	301
Joe Gqabi	80	77
NMMM	110	66
ORT	317	0
Sarah B	121	9
TOTAL	1570	776

(VII) VICTIM EMPOWERMENT

Districts	Number Funded	Not yet Paid
Alfred Nzo	16	16
Amathole	31	31
BCM	10	8
Chris Hani	27	27
Joe Gqabi	20	20
NMMM	19	14
ORT	28	28
Sarah B	18	14
TOTAL	169	158

(VIII) SUBSTANCE ABUSE PREVENTION AND REHABILITATION

Districts	Number Funded	Not yet Paid
Alfred Nzo	6	6
Amathole	9	9
BCM	2	1
Chris Hani	7	7
Joe Gqabi	4	4
NMMM	6	6
ORT	6	6
Sarah B	6	6
TOTAL	46	45

(IX) CRIME PREVENTION

Districts	Number Funded	Not yet Paid
Alfred Nzo	0	-
Amathole	0	-
BCM	1	1
Chris Hani	1	1
Joe Gqabi	0	-
NMMM	1	1
ORT	0	-
Sarah B	0	-
TOTAL	3	3

- (3) what total amount is still outstanding in subsidy payments to NPOs;

RESPONSE

NPOs are paid on a claim basis - in terms of the beneficiaries that they serviced and amount outstanding is determined by the beneficiaries that NPOs have serviced.

- (4) can she kindly provide the reasons as to why the subsidy payments were allegedly not paid on time for the (i) 2018/19, (ii) 2019/20 and (iii) 2020/21 financial years as at the latest specified date for which information is available?

RESPONSE

- (i) 2018/19
The technology used by the Department was outdated and was not even supported by the market. It had to be enhanced and that contributed to the delays.
- (ii) 2019/20

- a. The reasons for the delay in the disbursement of funds to NPOs were due to the fact that the Department enhanced its IT System, to have controls and even align it to respond to the current funding policy. The system is also meant to enhance information management that relate to NPOs (given their magnitude) including payments, reporting and accountability.
 - b. Despite the good intentions of the system, the unintended consequences were negative impact on the speed of capturing information for the processing of payments, such that the Department had to suspend some features of the System (like Masterlist generating) to 2020/21 financial year.
- (iii) 2020/21
- Personnel that are critical in processes of NPO Masterlists and allocation letters were on strike for six months and that affected the processes, such that there were delays in Masterlists for some programmes.
 - Service Level agreements could not be signed on time due to lockdown
 - There is ad hoc closure of Departmental offices at all levels - due to covid-19 infections and some officials critical in payment processing have only desktops and cannot work remotely.
 - Glitches as a result of incorrectly captured information in the NPO payment system needed corrections and thus, delayed the process.
 - Budget cut which came at the tail end when everything had been completed - necessitated that allocations to NPOs be reviewed
 - Glitches with Supplier registration (BAS) registration for newly funded NPOs also contributed to the delays.