

Children's Institute (University of Cape Town) and Community Agency for Social Enquiry

Recommendations for child-centred changes to the budget

Background: On 30th September 2010 the Children's Institute (CI) and Community Agency for Social Enquiry (CASE), in partnership with UNICEF, organised a dialogue to present a research report on the impact of government budgets on child rights and to discuss recommendations for changes. The dialogue was kindly hosted by National Treasury in the Budget Council room and attended by 35 stakeholders from national government departments, parliament's research unit, UNICEF and civil society.

The recommendations below by the CI and CASE, flow from the research report and discussions at the dialogue. They should not however be seen to represent the views of all the dialogue partners, host or participants. **Please take forward the recommendations that you agree with and debate with us those that you feel need amending.**

For more information and a copy of the research report upon which these recommendations are based, please contact paula.proudlock@uct.ac.za or debbieb@ngo.mail.za

Recommendations for budget processes and budget documents

- *Budget speeches by national and provincial ministers/MECs:* Should explicitly mention children and key developments/priorities in child law and programmes. For example, the Child Justice Act and Children's Act both came into effect in April 2010. This should be flagged in the MTBPS/Feb 2011 speech so as to encourage prioritisation of the implementation of these two child-focussed laws. Both laws have been in the making for over 10 years so their first year of implementation is a year to celebrate and focus on allocating adequate resources for their effective implementation.
- *Budget statements/votes:*
 - Should clearly state the budget amounts allocated for key child-related laws and programmes. This requires going beyond reporting only on total amounts per sub-programme and providing amounts per service area where practicable (for example, in the child care and protection sub-programme in the provincial departments of social development, show how much is allocated to child and youth care centres and how much to ECD). Another, possibly better,

option would be to re-structure the budget programmes and sub-programmes to allow for budgets for children's services to be more visible.

- All provinces should be required to report in their narratives on key child-related laws and programmes (e.g. All should report on progress in implementing ARVs for children)
 - All provinces should have standard numbers, names and service content for their sub-programmes/budget vote so as to allow comparisons between the provinces
- *Performance indicators:*
 - Each sector needs to agree on a national set of core indicators and promote use of standard indicators across provinces. This should include agreement on a small number of standard indicators that must be reported in the budget vote
 - Each sectors needs to ensure child-specific indicators are included in the standard set wherever relevant, and/or that the standard indicators are disaggregated into children/adults where relevant. This will facilitate monitoring the implementation of key child laws and programmes (e.g. in Justice they currently report on the numbers of cases referred to alternative dispute resolution (ADR) but do not say how many of these are children in diversion. They also report on convictions for sexual offences but there is no reference to how many of these convictions relate to sexual offences against children).
 - The number of performance indicators per budget programme needs to be proportionate to the relative size of the programme (e.g. in Justice most of the performance indicators are for the National Prosecuting Agency (NPA) while the NPA accounts for a relatively small percentage of the total justice budget).
 - *Annual Performance Plans (APPs):* To enable civil society and parliament to engage actively in the budgeting process, the APPs of each national and provincial department need to become publicly accessible at the same time as the budget statements/votes.
 - *Inflation-related increases should not be included as part of "additional allocations"* as was done for the (partial) inflation-related adjustment of the CSG grant amount for the 2010/11 budget year.
 - *Year 2012/13 allocations generally have minimal real increases when compared to the 2010/11 and 2011/12 allocations in the MTEF.* This needs attention.
 - *Social development services (as opposed to grants) are not adequately budgeted for at provincial level.* One reason for this could be attributable to the fact that the equitable share formula does not include a component that relates to the this sector and, in particular, the costs to the province of new legislative mandates imposed by national social development legislation. In line with s214 of the Constitution, the equitable share

formulae needs to include an explicit component for social welfare services for vulnerable groups to enable provinces to fulfil their legislative mandates into a range of new social welfare laws including:

- Children's Act
- Child Justice Act
- Older Person's Act
- Prevention of and Treatment for Substance Abuse Act

OR (alternative view)

Having an equitable share component for social development services will not solve the problem: *national politics/policy needs to shift to prioritise social development*. The current political focus is on education and health.

- *Enhancing Parliament's oversight capacity*: Parliament should as soon as possible set up its Budget office to enhance its budget oversight capacity
- *Questions to think about*:

Conditional grants - do these help ensure national laws and programmes are prioritised by provinces? Do we want to have more? Below are some of the 2010 MTEF conditional grants.

Education (National to provincial)

- FETs
- National School Nutrition Programme (NSNP)
- HIV/AIDs
- Dinaledi
- Technical schools re-capitalisation grant

Health (National to provincial)

- HIV and AIDS
- Hospital revitalisation

Social Development and Health (from National Public Works to provincial SD and Health)

- Once-off allocation for HCBC stipends

What is sometimes referred to as "earmarking" is a softer form of prioritisation in which national and related provincial departments agree on ensuring that expenditures related to particular national laws and programmes are prioritised by the provinces. For example, ECD was "earmarked" at a national level in the 2008/2009 MTEF –this did improve provinces focus on ECD.

What other areas do we want earmarked? How can we participate in the earmarking processes?

Recommendations for changes to the budget content per sector

The Minister of Finances MBTPS speech 2010 and the Budget Speech 2011

- Recommend an explicit mention of 2010 being the first year of implementation of the full Child Justice Act and Children's Act and reflecting on the subsequent need to prioritise budget allocations to the services mandated by these laws.
- Recommend explicit mentioning of what these services are to promote better understanding of what service areas need to be prioritised. For example: diversion, child protection services, child and youth care centres, foster care placement and supervision, early childhood development centres and programmes, drop in centres, home and community based care.

Justice

- Clarify how much of the Justice budget is being allocated for implementation of the Child Justice Act and the breakdown of amounts allocated per sub-programme (ie how much to legal aid, how much to NPA, how much to lower courts). While this may be easy for "additional allocations", it may be more difficult for ongoing services that have been happening prior to the new Act. For example it will not be possible to say how much of the lower courts sub-programme is allocated to children's criminal cases. However, a good first step would be clarity about the additional allocations.
- One Stop Child Justice Centres is an optional service delivery model. The key issue for effective service delivery under the Child Justice Act is inter-sectoral cooperation. One Stop Child Justice Centres optimise this but are not the only way to achieve it. The Department of Justice's budget to carry out the Child Justice Act should not become consumed by the establishment of one stop child justice centres, as the Act empowers, but does not oblige, the Minister of Justice to establish and maintain such centres. The emphasis should rather be on promoting inter-sectoral cooperation between justice, social development and the police to ensure that child offenders are assessed within 48 hours and either diverted or brought to the pre-liminary inquiry.
- The following sub-programmes need attention: Lower courts and Family Advocate. They show decreases or very small increases over the MTEF. If the Child Justice Act and Children's Act are to be effectively implemented these two sub-programmes should be showing substantive increases to reflect expansion of services.

- Thuthuzela centres for victims of sexual offences: 2011 budget narrative needs to contain a plan for government taking over the funding of these centres when the donor withdraws.
- s42(8)(d) of the Children’s Act requires Justice to ensure that courts are accessible to children with disabilities. This requires sign language interpreters, witness supporters, and physically accessible buildings. The budget needs to recognise this obligation and talk about the plans to give it effect.
- The budget narrative for the Legal Aid sub-programme mentions a long list of “priority vulnerable groups”. It does not explicitly name child offenders in its list of priority vulnerable groups despite the need to prioritise implementation of the Child Justice Act.

Social Development – National Department

- recommend that the CSG amount is increase to match inflation in the MTBPS or make an additional percentage increase in the 2011 inflation increase to make up for ground lost (due to the below inflation increase in the Feb 2010 budget).
- Move faster towards narrowing the gap between the amounts of the CSG and FCG to promote the use of the administratively simpler and more cost effective CSG amongst extended family members.
- Finalise the national policy on funding of NPOs taking into account the NAWONGO judgment
- Ensure that the shift to payment of social grants direct into caregiver’s bank accounts (as opposed to using contracted companies to make payments does not impose costs on caregivers, such as the bank charges that might be charged every time they make a withdrawal.
- Urgently finalise the white paper on services for families with due consideration of the prevention and early intervention chapter in the Children’s Act. This will assist and encourage the provinces to clearly define what programmes should be funded under the sub-programme on “family care and support”.
- Budget sub-programmes at a national level needing attention if the Child Justice and Children’s Acts are to be implemented effectively: The following sub-programme budgets show decreases or very small increases.
 - children
 - families
 - social crime prevention

- The National Development Agency has built up reserves which shows it is not channelling funding to NPOs fast enough: This needs to be monitored.
- National Department should streamline the data collection system to prevent duplication in Monitoring and Evaluation that is currently happening and to reduce the burden on NPOs in terms of having to fill in multiple data collection forms, with the data generally not being used.
- Increase all provincial ECD centre subsidies to R15/child/day.

Social Development – Provincial departments

- Note that in terms of the Children's Act, reform schools and schools of industry need to move from provincial education to provincial social development by 2012. The budgets for 2012/13 need to reflect this shift.
- The following sub-programmes in the following provinces are showing decreases or very small increases. They need to be monitored as they affect Children's Act and Child Justice Act implementation:

Child care and protection sub-programme

- North West, Western Cape, Eastern Cape

Family care and support sub-programme

- Western Cape, Free State, Gauteng
(average for all provinces is below inflation)

HIV and AIDS sub-programme

-Western Cape (-62% in 2010), Limpopo (-9% in 2010), KwaZulu-Natal (bad under spending in 2009)

Crime prevention and support sub-programme

-Limpopo, Western Cape, Gauteng

- Increase all provincial ECD subsidies to R15/child/day.
- Performance indicators:
 - need to choose a core set of indicators and have all provinces report against this same set.
 - the national list should match Children's Act service areas and include indicators that can be used to measure progress in implementing the Act. For example, the numbers of registered and funded child and youth care centres are not on the current list. National Department and Treasury need to co-ordinate their work on indicators and get provincial buy-in for a standard (and small) set.
- Reverse the trend of decreasing transfer amounts to NPOs or increases that are not keeping up with inflation. Provide more information in budget

figures and narratives to show what the trends are. Eg specify the number of NPOs funded per sub-programme and the total amount of NPO transfers per sub-programme.

- The provinces may be planning to over-provide for secure care facilities for awaiting trial children. The National Policy Framework for the Child Justice Act (page 8) states that 18 centres are being built during the current MTEF. As a secure care facility usually has 60 beds (sometimes 120) this means that 1 080 beds will be created. This is far in excess of the number of children currently in prison awaiting trial. This is a worry because it may cause children to be detained who could otherwise be channeled into diversion programmes and remain in the community. A solution may be for the secure care centres to be multi-purpose child and youth care centres that cater for both awaiting trial and sentenced youth, and which could also have a separate wing for substance abuse programmes.

Health – National Department

- The main question here is how to ensure more value for money.
- The maternal and child health sub-programme shows decreases over the MTEF. This seems to reflect lack of continuation of the expanded immunisation programmes. This needs attention.
- The Demographic and Health Survey has not been budgeted for in the 2010 MTEF. This survey is several years behind schedule. It needs to be adequately budgeted for and prioritised to ensure collection of good quality data so as to be able to reflect impact of child health programmes.

Health – Provincial Departments

- The main question here is again how to ensure more value for money.
- Recommend that all provinces be asked to report in a standardised way on key child programmes in their figures and narratives. Especially on the following programmes that will have an impact on reducing the maternal mortality and under-5 child mortality rates:
 - ARVs for children
 - PMTCT
 - Maternal and child health (especially ante-natal and post natal care for pregnant moms and babies and care for neonates).
 - Nutrition (breastfeeding and nutritional supplementation)
 - Immunisation
 - Voluntary Counselling and Testing (VCT)
 - School health
 - Integrated Management of Childhood Illnesses (IMCI)
 - Adolescent-friendly services

- Developmental screening

If these cannot be reported on separately in the budget figures, plan B would be for them to be reported on in the narratives in a standardised way by all the provinces. This would help focus attention on these critical primary health care programmes.

- Clarity is needed on staff numbers and projections for filling vacancies. It appears as if sometimes the increases in the budgets relate mainly to OSD salary increases of existing staff and will not cover increases in number of staff (e.g. Free State reports that they are abolishing 3810 unfunded vacancies as a result of needing to fund the OSD)
- Task shifting can help ensure more cost-effective health service delivery. Tasks need to be shifted from doctor to nurse to community care worker. This can also help prevent tertiary centres having to deal with primary and secondary level. For example, currently over-strict accreditation requirements in respect of facilities that can prescribe ARVs are preventing health care services for HIV-positive caregivers and children being devolved to the primary and secondary levels and thus preventing their reaching more people at lower costs.
- The nutrition sub-programme does not appear child-focussed and is not reporting on child nutrition interventions. Key interventions that need to be reported on include promoting breastfeeding and nutritional supplementation for children (eg Vitamin A).
- Provinces should report consistently on donor funding to show where the country is reliant on external funding. This will enable planning for changes in donor priorities that could affect services.
- NPOs in the provinces deliver a range of programmes that are funded by provincial departments of health. These include centres for children with disabilities and hospices for children with terminal illnesses. However, little is known about these funding streams. Provinces should report in a standardised way on transfers to NPOs.
- Performance indicators: Provinces should report in a standardised way on a standard set of performance indicators. These indicators should enable monitoring of progress in implementing the key child programmes.

Education – National Department

- The main question is how to ensure more value for money with the focus on improving quality of education.
- More information is needed in the narrative on what services/interventions the HIV/AIDS Conditional Grant aims to provide for.

Education – Provincial Departments

- The main question is how to ensure more value for money with the focus on quality of education.
- Reform schools and schools of industry need to move from provincial education to provincial social development by 2012. The budgets for 2012/13 need to reflect this shift.
- More information is needed in the narratives on what services/interventions are provided through the HIV/AIDS Conditional Grant.
- Public schools that grant school fee exemptions to poor children in terms of the school fee exemption policy need to be re-imbursed by the provincial departments. A mechanism to ensure these re-imbursments occur does not exist.
- Within the Public ordinary schools programme, provinces are not structuring their sub-programmes in the same way. In particular they do not allocate their conditional grants to sub-programmes in the same way. This makes comparisons difficult. There is also a need for more detailed reporting on the policies/services covered by each sub-programme e.g. no fee schools, learner transport and infrastructure
- The no-fee school policy needs to be expanded to cover Grade-R pupils at no-fee schools.
- There is need for an audit or release of information on existing school infrastructure, infrastructure needing up-grading and/or maintenance, and new infrastructure needed. It would be useful if the budget books could have more detail on the planned interventions in respect of different types of infrastructure such as sanitation, libraries, and computer laboratories.
- Performance indicators need to be standardised across the provinces.
- There is need for more clarity on the effect of the OSD on staff budget and numbers. The above-inflation increases in personnel budgets do not necessarily translate into more teachers, staff or better quality teaching as they are having to be used predominantly to fund the OSD increases in salaries for existing staff. Eastern Cape and Gauteng have relatively high learner: teacher ratios yet for these two provinces there are no planned increases in staff numbers over the MTEF period.
- Learner transport: Clarity is needed on which Department is ultimately responsible - ie Transport or Education. The answer should depend on

which would be better for children. Provinces should report in a standardised way on learner transport coverage and budget allocations.

Department for Women Children and People with Disabilities

- It is important to clarify the Department's mandate in relation to children before considering any major budget changes.
- The Department needs to prioritise its current core functions, especially submitting South Africa's country reports on the UN Convention on the Rights of the Child and the African Charter on the Rights and Welfare of the Child to the UN and AU respectively.
- Instead of spending money on alternative processes for drawing up an agenda of areas needing reform in order to promote the realisation of children's rights, the Department could use the treaty reporting process as an honest and open national platform for parliamentary and public debate on SA's progress in realising children's rights.
- The Department needs to ensure that the Ministers for Planning and Monitoring and Evaluation in the Presidency include child-specific plans and indicators in their strategies and monitoring systems. This will promote mainstreaming of children's issues at a high political level which should ultimately impact on budget allocation decisions.