

Issue Paper  
On  
Social Security For Children  
In South Africa

Prepared for the  
Commission of Enquiry  
for a  
Comprehensive Social Security System  
in South Africa

Prepared by  
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# **SOCIAL SECURITY FOR CHILDREN IN SOUTH AFRICA**

## **Issue Paper prepared for the Commission of Inquiry for a Comprehensive Social Security System in South Africa.**

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### **INTRODUCTION**

This paper seeks to identify issues, problems and gaps in the current social security provisioning for children in South Africa. It looks specifically at the Care-Dependency Grant (CDG), the Foster Grant and the Child Support Grant (CSG). It also identifies gaps in the information and further studies required, as well as other organisations involved in some way with the system.

The rights of children have been endorsed and ratified internationally and by South Africa as outlined in the Convention of the Rights of the Child and the Constitution of South Africa. It is within this context that discussions and decisions regarding social security for children must occur. The relevant rights are specified below.

#### **The Rights of Children in South Africa**

- Every child has the right to benefit from social security, including social insurance. The benefits should, where appropriate, be granted, taking into account the resources and the circumstances of the child and persons having responsibility for the maintenance of the child, as well as any other consideration relevant...  
(*Convention on the Rights of the Child*. Article 26:1,2)
- Every child has the right to a standard of living adequate for the child's physical, mental, spiritual, moral and social development. (*CRC*. 27:1).
- The child has the right to the enjoyment of the highest attainable standard of health and to facilities for the treatment of illness and the rehabilitation of health. State parties shall take appropriate measures to achieve the implementation of this right. (*CRC*. 24:1).
- A mentally or physically disabled child should enjoy a full and decent life, in conditions which ensure dignity, promote self-reliance and facilitate the child's active participation in the community (*CRC*. 23:1).
- The South African Constitution states that everyone has the right to access to social security and where appropriate, to social assistance. Section 27(1)(c).
- Every child has the right to basic nutrition, shelter, basic health care services and social services. *SA Constitution*. Section 28(1)(c). This right is not limited by the available resources of the State.
- A child's best interests are of paramount importance in every matter concerning the child. *SA Constitution*. Section 28(2).

## **CURRENT SOCIAL SECURITY PROVISIONING FOR CHILDREN IN SOUTH AFRICA**

Social assistance for children, in the form of grants, is administered by the provincial Departments of Welfare in terms of the Social Assistance Act 59 of 1992 and the Child Care Act 74 of 1983, as amended. Grants are paid by the state, when a child's parents cannot afford to meet the child's needs. The Grants available include the Child Support Grants, Foster Care Grants, Care-dependency Grants and Social Relief Grants.

The Child Support Grant is to be given to the primary carer of a child under seven years of age. The Foster Grants are for children who are placed in the care of a foster parent(s). The Social Relief Grants are for those persons who have no money and who would not survive without immediate help from the State. The Care Dependency Grant is for children with severe mental or physical disabilities who require permanent home care. There is no specific provision for children with chronic illnesses, including HIV/AIDS, requiring special care. All the grants, except the Foster grant are means-tested.

It must be noted that there exists some discrepancies between statistics regarding the numbers of persons receiving the grants and the national and provincial expenditure. In addition, other information regarding prevalence of disabilities, chronic illnesses, numbers of children requiring foster placements, etc. are unavailable. This makes it difficult to calculate scope, targeting and impact of the grants, as well as the expected increases and coverage.

## **THE CARE DEPENDENCY GRANT (CDG)**

Teresa Guthrie, Child Health Policy Institute, UCT. July 2000.

### **Introduction**

A Care Dependent Child is a child between the ages of one and 18 years who requires and receives permanent home care due to his or her severe mental or physical disability. The purpose behind this grant is to enable parents or foster parents to care for children with physical or mental disabilities in their homes.

A parent or foster parent can apply for a Care-Dependency Grant (CDG) if a medical report from a medical doctor who is employed in a government hospital shows that the child in question needs care and that the parents are in fact able to care for the child at home. Applications are made at the local welfare offices and in order to qualify, the child must remain in the care of the parents, must have adequate accommodation, food, clothing and medical care, and must be tested to determine whether he/she can attend a specialized school at the age of six years. The child must not be permanently cared for in a government hospital. The combined annual income of the family after all permissible deductions must not exceed R48 000. The grants are awarded until the child is 18 years of age, or until the child is no longer cared for by his/ her parents.

While a few children with chronic illnesses, such as epilepsy, may receive the CDG, generally this group of children, including those affected by HIV/AIDS, are not covered by the current provisioning and receive no form of assistance to meet their extra needs.

In April 1999, 17 721 beneficiaries received the CDG, this increased by 30.9% to 23 200 in April 2000. These figures suggest a take-up rate of approximately 26% of eligible children.

In line with international trends and in keeping with the Convention on the Rights of the Child and the South African Constitution, it may be stated that **Social Assistance should be a right for children with disabilities and chronic illnesses, including HIV/AIDS.**

### **Issues/ problems with the CDG**

#### **Purpose of the CDG**

- The current purpose of the CDG to enable permanent home care, only for permanently disabled children, is limiting and inadequate, and open to different interpretations.
- The purpose of the CDG should not be poverty alleviation, but rather to meet the extra needs of the child due to the illness or disability. It should be to promote their survival, development, protection and participation.
- Eligibility criteria should be determined by the need resultant from the particular disability of illness, and not dependent on the nature or severity of the disability or illness.
- Attention should be paid to the family context of the child, to improving their environment.

## **Definitions**

- There is a lack of clear definitions (disability, severe/moderate, permanent home care) in the current legislation. This has serious implications for inclusion/ exclusion criteria and makes targeting extremely difficult.
- There is lack of clear definition between non-disabling or intermittent chronic illnesses and those that lead to disablement.
- There is need to move away from a purely medical definition of disability. Economic and social aspects need to be considered, as well as the 'cost', or burden on the family.

## **Who benefits / eligibility**

- Currently the CDG benefits only severely disabled children permanently at home, and does not cater for the many others with milder disabilities, or those in day care facilities.
- There is no provisioning at all for children with chronic illnesses, including HIV/AIDS. These children have many additional needs and expenses and caring for them constitutes a large burden on the family's resources.
- It is extremely difficult for care-givers (non-parents and 'non-formal' foster parents) to access the grant. Access should be granted to this group of carers, and should include child-headed households, which will be more common in the future.
- There is a lack of clarity regarding the eligibility of children in daycare centres or LSEN schools for the CDG, and there exists differing practices among different provinces. Uniformity in definition and eligibility criteria is essential.
- There are many children who are not in receipt of the CDG and who attend state subsidized special schools, yet require special home care after school hours and during the school vacation. There are no policy guidelines for special after care.
- There is a lack of clarity with regard to foster parents receiving a foster grant as well as receiving the CDG. Some provinces do allow receipt of both grants. Again, clarification and uniformity in practice are necessary. It should be noted that the grants are for different purposes, and therefore these parents should be entitled to both. It would encourage people to foster children with disabilities and HIV/AIDS.

## **Inclusion of HIV/AIDS and other Chronic Illnesses**

- The inclusion of chronic illnesses will be difficult due to the fluctuating and sometimes temporary nature of the illnesses. Including HIV/AIDS in particular may cause children with disabilities to get swamped and lost.
- However, children with HIV/AIDS have the right to social assistance and extra lobbying should be undertaken to secure the necessary funding.
- Regarding children with HIV/AIDS, the costs of providing AZT to pregnant mothers would reduce the rates of infection of the babies by over 50%. These costs would be far less than the resultant costs in caring for sick children.
- There needs to be consideration of whether the CDG should be provided to ALL HIV-positive children, or should it be only for those children who are symptomatic. This could be considered a violation of the rights of those non-symptomatic children.

- The provision of the grant to non-symptomatic children would improve their nutritional status and well-being and thus prevent the progression of the illness, also reducing medical costs to the state.
- Determining a level of 'sickness' for eligibility would be very difficult to administer.
- **Perhaps a flat, small grant could be a universal provision, and an additional amount and other subsidies be provided to meet the additional needs due to the severity of the disability or illness. The amount should be linked to inflation.**

### Targeting

- **Means-testing:** while means-testing enables targeting of the poorest quintiles, in practice it is rarely used correctly, is administratively demanding and has been reported as demeaning.
- Sometimes the extra expenses incurred by tighter targeting mechanisms cannot be justified and make the programmes unsustainable. The costs of administration could be channelled into providing a universal grant to more recipients.
- It is therefore suggested that eligibility criteria for social assistance should be determined by a **Needs Test**, which considers the extra needs and costs incurred by the child due to his/her illness or disability. There could be a scale of benefits depending on the need.
- It is difficult to target expenditure within households, and thus to ensure that the child benefits from the social assistance. Provisioning to the primary care-giver is based on the assumption that if the household benefits, then the child within the household should also benefit. Other forms of social assistance such as vouchers and subsidies would target the child more directly.

### Assessment procedures

- Due to the unclear eligibility criteria, the assessment test can be highly subjective and open to the personal interpretation of the Medical Officer. The possibility of a multi-disciplinary assessment team should be considered.
- There is lack of training and guidelines in the assessment procedure.
- There must be consistency and clear eligibility criteria in assessment.
- Currently the assessment is on purely medical grounds. It should also take into account the costs of the required medical treatment, the level of care required (hours & intensity), the costs of assistive devices, specialised clothing and nutritional needs, transport costs and the need for special schooling.
- There are problems identifying what constitutes 'permanent home care'. Perhaps this clause should be removed entirely, and eligibility determined by need.
- Reviewing of cases must also be examined.

### Administration Problems

- Delays, inconsistencies and confusion in assessments, demeaning attitudes of officials etc. See Common Problems for further detail.

### **Other Areas requiring Research**

- Accurate prevalence data of disabilities and chronic illnesses in children. (Suggest: CASE or Child Health Policy Institute - CHPI)
- Comparative review of other countries social security systems with regard to children, disability and HIV/AIDS. (Suggest: CHPI)
- Evaluation of the effectiveness of the current CDG - its targeting, administrative efficiency and impact on the lives of the recipients. (Suggest: Servaas van der Berg, Stellenbosch University, CHPI and Black Sash)
- Full economic analysis of costs involved in the proposed extension of the CDG to children affected by HIV/AIDS. (Suggest: Servaas van der Berg, Stellenbosch University, or other economic research units).
- The needs of children with the various chronic illnesses, and the costs incurred.
- Feasibility analysis of providing a basic grant, with an additional amount (or vouchers/ subsidies) for extra costs incurred for the child's needs. (Suggest: CHPI & Black Sash).
- Economic analysis of not providing the CDG to chronic illnesses & HIV/AIDS, e.g. Hospitalisation costs. (Suggest: CHPI & Economic Unit).
- Examination of the possibility of developing a single means-test for all the grants, which must also be adapted according to the number of dependants a household may have.
- Exploration of options for fast-tracking applications for children with HIV/AIDS. (CHPI & Black Sash).

### **Organisations involved with the CDG**

- The Child Health Policy Institute, UCT
- Black Sash
- The South African Federal Council on Disability
- DiCAG
- Cape Town Child Welfare Society
- The Children's Rights Project, UWC
- The South African Law Commission

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## **THE FOSTER GRANTS**

Sonja Giese, Child Health Policy Institute, UCT. July 2000.

### **Introduction**

A foster grant is payable to a foster parent in respect of a foster child who has been legally placed in their custody in terms of the Child Care Act. The foster grant is R374.00 a month.

The number of grants paid per month has increased from 45 599 grants in September 1999 to 49 600 in April 2000, an increase of 8.8%.

In order to qualify for a foster grant:

- The child must have been legally placed in the care of the foster parent/s
- The income of the foster child must not exceed twice the annual amount of a foster child grant
- The applicant and foster child must be resident in South Africa at the time of the application

### **Issues / critical areas regarding the Foster Grant**

#### **Requirements for accessing grants**

- To qualify for a foster grant, the child has to be placed in the care of foster parents through the children's court. The court process is lengthy and inappropriate for many families who are content with caring for children who are not their own, but require some form of support. Support could be made available to these families without them having to formally and legally foster the children in their care. This is of particular relevance to communities caring for the large numbers of children orphaned by HIV/AIDS.
- Foster grants are not accessible to child-headed households.
- Problems exist with accessing foster grants for non-South African children because of the paperwork required.

#### **Abuse of the system**

- Many parents who would otherwise be able to care for their own children are abandoning their children with relatives so that these relatives can access the foster grant. The child support grant is available to these biological parents but it pays out far less than the foster grant and it only provides for children under the age of 7 years.

#### **Exploring other forms of social assistance**

- Children in foster care are legally exempt from paying school fees. In reality though, schools often discriminate against these children because they receive no compensation from the Dept of education for accepting them. The education department should compensate schools accordingly so that the foster child's right to free education can be realised. This point emphasises the need for interdepartmental co-operation around social assistance.

- Incentives could be offered to families caring for children who are not their own such as tax relief and educational / medical benefits for their biological children.
- Other forms of social assistance could include free medical care, school uniforms, transport and food vouchers. **The responsibility to provide social assistance should not rest solely with the Department of Welfare.**

### **Financing**

- Foster care should be a specialised service for children who have been removed from their families with the intent of returning them after a period of no more than two years. One of the reasons why foster placements are renewed repeatedly is the lack of financial support for adoption.

### **Gaps in information / research needed:**

- There is need to explore the possibility of subsidised adoptions so as to financially enable families to adopt their foster children.
- Research is needed into providing some form of social assistance to “informal” foster parents. Child Welfare Society would be in a good position to research this.
- How will we provide for children orphaned by HIV/AIDS? Several organisations in Kwazulu Natal are already conducting research into this problem.
- Research is needed around improving access to grants for child-headed households.
- Research is needed into the feasibility of having one standard child care grant, available to all primary caregivers (including biological parents and adoptive parents) of children up to 18 years of age, subject to a means test.

In addition to this standard grant, an add-on grant could be made available for caregivers of children with special mental, physical or emotional needs or children who need to be removed from their families for a relatively short period of time while re-construction services are being rendered.

The Child Health Policy Institute in collaboration with Black Sash could conduct this research.

- Research is needed into the extent of the problem of refugee children requiring grants. The Refugee Forum could be approached to contribute to this research.

### **Organisations involved in the Foster System**

Most organisations working on the issue of foster care are exploring alternative models of care which will place less of an emphasis on expensive legal placements and more emphasis on community based, informal care models. This process will need to run parallel to the review of alternative forms of social assistance as communities caring for children “informally” will need to be able to access some form of state support.

- The South African Law Commission is drafting comprehensive new child care legislation which will include amendments to the provisions around foster care.
- Cape Town Child Welfare Society is piloting alternative models of community based care and exploring alternatives to the foster care grant for relatives caring for children who are members of their extended family
- Thandanani (Kwazulu-Natal) is exploring alternative models of foster care for HIV+ children.
- Child Welfare Pietermaritzburg is looking at alternative forms of foster care such as cluster care.
- The foster care association of South Africa (FOCASA) has recently been established in Gauteng and is actively involved in drafting new foster care legislation and practice guidelines.

There is little research / literature available on the topic of Foster Grants.

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## THE CHILD SUPPORT GRANT

Louise Footner, Black Sash. July 2000.

### Introduction

The Child Support Grant was introduced in 1997 to replace the State Maintenance Grant. It was introduced because the State Maintenance Grant was limited in coverage and did not reach the poorest sectors of the community. As the Child Support Grant represented a redistribution of resources, rather than an increase in welfare spending, the grant was limited to R100 per child and is only payable until a child's seventh birthday.

### Issues of Concern in relation to the Grant

#### Take Up Rate

There is lack of reliable data evidencing the take up rate of the Child Support Grant. The Fiscal and Financial Commission's Preliminary Recommendations for 2001 (published February 2000) estimate a take up rate of 3.6% at the time of publication (144,000 children). These figures were calculated according to the latest SOCPEN data. By contrast, the national Department of Welfare's statistics show that by January 2000, 242 727 grants had been paid out (letter dated 05.01.2000 to Black Sash from Pat Naicker, Department of Welfare).

We note with concern the disparity between the figures provided by the FFC and the Department and believe that, **before any meaningful assessment can be made in terms of this grant, or any other welfare benefit, accurate statistics must be compiled.**

The Welfare Department confirmed a target of 640 000 grants by March 2000 (letter as above). Uptake was then 62.08% behind target. At as the end of June, 497 460 children have been reached, still 22.28% behind the March target.

There has recently been a welcome increase in uptake, largely attributable to the regulations introduced in June 1999 which simplified the administrative requirements. Nonetheless, these figures suggest serious problems with the grant in its current form.

### Issues Relating to the Amount and Limitations of the Grant

**Note : the Child Support Grant is not currently operating as an effective poverty alleviation measure. This is because it has serious limitations in terms of level and age limit. Consideration must be given to measures to make the grant a more substantive benefit.**

- **The level of the grant :** The Child Support Grant is currently R100/month. This translates to approximately R3 per day. **The amount has not increased since it was introduced.** In March 2000 the grant was valued in real terms at R94.78 (IDASA).

This is so despite the undertakings made at the time of introducing the grant that it would be linked to inflation as well as to an objective measure of need in relation to the costs of caring for young children. At that time further studies were to be carried out to assess this measure of need and the assessment would influence the level of grant. There has been no indication of whether this study has actually taken place.

The practical effect of having the grant at such a low level is that potential beneficiaries do not believe that the administrative hurdles they face are worth the effort. **It is widely accepted that R100 does not come close to meeting the basic costs of child care.** The current level of the grant clearly does not adequately discharge this obligation as it is not enough to provide for the needs stipulated in s.28.

The low level of the grant is particularly problematic in view of the disparity with other child related grants. The Foster Care Grant is R374 and the Care Dependency Grant R520. This, in turn, impacts on applications for these two grants. There is an incentive for families, rather than trying to make ends meet using the Child Support Grant, to opt to let relatives or friends take their children into formal foster care in order to qualify for the much higher Foster Care Grant. The Foster Care Grant has a vital place in the provision of child benefits but must be supported by a more substantive Child Support Grant.

- **The age limit (7 years):** the Child Support Grant does not continue once a child reaches age 7. How, at this point, is the carer expected to manage? Social workers are experiencing cases where parents are abandoning their children on their seventh birthdays as they cannot afford to keep them.

In urban areas, social welfare officers report that the age limit becomes a factor in the recommendation about whether a child should be taken into formal foster care. The Foster Care Grant has a crucial purpose which is to provide for children in need of care. If the age limit for the Child Support Grant is increased so that many informal foster carers are supported more adequately then this may relieve pressure on the Foster Care Grant.

- **Targeting: does the grant really reach the poor?** When the grant was launched it was intended that 30% of children in the eligible age group should benefit from it yet the White Paper on Transformation of Welfare Services states that at least 60% of children in this age group live in poverty.

**The age limit to eligibility for the Child Support Grant, as well as the level, are problematic. We recommend that coverage should be increased by lifting the limits. The pros and cons of choosing one option over another (ie, increasing the amount of the grant or raising the age limit) need to be further researched and consulted upon.**

**The Child Support Grant encourages family stability and it must be considered by all as the first option in the scheme of benefits with the Foster Care Grant and Care Dependency Grants to be used for their specific purposes. This will only happen if the Child Support Grant is**

**raised to a level and coverage which more closely reflect the realities of child care in South Africa today.**

- **Schooling costs:** s.29 of our Constitution provides that “everyone”, including children, has the right to basic education. The Child Support Grant stops at age seven, the age most children begin school and many do not attend because their parents cannot afford it. These children will never break out of the poverty cycle if they are denied an education.

Also, high schools report that children are undernourished and fainting from hunger during school time. The Lund Committee, which initially recommended an age limit of 9 years, did so because by this time most children would be in school where other programmes and forms of support, such as nutritional feeding schemes, could come into play (chapter 7, paragraph 3.3).

We propose that **any child whose parents are in receipt of any means tested state subsidy should be eligible for subsidised schooling.** Viable school feeding schemes for welfare beneficiaries should be extended to secondary schools as well as primary schools where they currently operate. These measures require greater co-operation with the Department of Education.

- **The need for more general poverty alleviation measures:** it is widely accepted that the Child Support Grant is not spent solely on the child in respect of whom it is paid. Rather, it is used as a general poverty alleviation measure which benefits the family as a whole. For many families, where the parents may be unemployed, it is one of their sole sources of income.

The level of the Child Support Grant was based on an assessment of the needs of one child. It was never intended to provide for other members of the family. As already argued, at its current level it does not even meet the needs of one child still less those of other members of the family. What is needed alongside the provision of the Child Support Grant is a general poverty alleviation measure from which other members of the family can benefit.

### **Problems with the Administration and Processing of the Grant**

- **Lack of awareness of the grant:** at the most fundamental level many potential beneficiaries, particularly in rural areas, are still unaware of the existence of the grant. When the State Maintenance Grant was phased out beneficiaries in rural areas did not know that there was an alternative for which they may be eligible (there was no automatic transfer, beneficiaries had to reapply for the Child Support Grant). Instead, they tightened their belts and lived under increased financial constraint.

Black Sash has received reports that, in many provinces, the funds allocated for the education campaign were not spent.

- **Bar coded ID documents and birth certificates:** many potential beneficiaries are turned away at the pay point because their identity

documents are not in order. Although the administrative requirements were relaxed by regulation last year, applicants are still required to show bar coded identification and bar coded birth certificates. In many cases, applicants do not have these documents and **must undergo a lengthy process through Home Affairs before they can even apply for the grant.** Many will have walked long distances to the pay point or incurred significant travel expense and will have spent several hours queuing for their turn.

Many applicants will give up when turned away at this stage, feeling that the effort and cost involved in getting the necessary paperwork is not worth the benefit to be obtained from the grant.

- **Lack of collaboration between Welfare and Home Affairs:** visits by mobile Home Affairs offices have been cut back and this service is now irregular. Dates and times of visits are changed at short notice. At a recent workshop, the possibility of reintroducing regular mobile Home Affairs visits or setting up Home Affairs bureaus at pay points was canvassed.

Members of the Welfare Department present, whilst acknowledging the merit of the suggestion, raised concerns as to which department would fund the bureaus. We find this attitude very obstructive. **We are concerned that the lack of co-operation between departments should be the reason applicants are denied grants to which they are entitled.** Government has long been stressing the need for an intersectoral approach to government and administration and this is one area in which collaboration between departments is urgently needed.

Also of concern are reports in Kwazulu-Natal of cases where Home Affairs has demanded R20 from applicants before issuing birth certificates. Such practices need to be investigated and stopped.

- **Lack of collaboration between Welfare, Home Affairs and Health:** another area in which lack of departmental co-operation is obstructing the processing of grants is in the issuing of maternity certificates required for the provision of birth certificates. Maternity certificates should be issued automatically after child birth but this is not happening. **The Department of Health should ensure that maternity certificates are issued when the mother leaves hospital and are forwarded to Home Affairs so that a birth certificate can be issued without delay.**
- **Lack of awareness of processing requirements by welfare officials:** many organisations report a disturbing lack of awareness on the part of welfare officials in relation to the grant and the requirements for eligibility<sup>1</sup>.

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<sup>1</sup> Organisations from Durban and Pietermaritzburg report that department officials have required an applicant provide 2 identity photographs or the payment of R10 to cover the costs of such photographs. Other officials are asking for a sworn statement that the father is missing, a letter of referral to the social worker, a letter from a community councillor providing residential status or a sworn statement from the father that he is unemployed. Applicants are being required to return to the pay point as many as five times with these extra documents. None of these documents are required under the legislation and serve only to complicate a procedure which needs to be kept as simple as possible.

These problems indicate inadequate training of officials and there needs to be standard and comprehensive training to facilitate a smooth processing procedure.

We also note that in some areas independent contractors have been brought in to assist with the processing of grants. It is too early to establish whether these contractors are having any effect but, if they are, then they should be used in all areas.

- **Attitudes of welfare officials:** more worrying still are reports that applicants are often dissuaded from persisting with an application because of the attitude of welfare officials. Access to social security is a constitutional right but applicants find the application process humiliating and degrading. Welfare officials need to be educated to recognise that they are assisting in the realisation of a constitutional right and are not simply handing out charity.
- **Delay and 3 month limitation on back pay:** one of the most serious issues in relation to the child support grant is the limitation on back pay to 3 months. Given that applications invariably take much longer to be processed this amounts to an unconstitutional limitation on the right to social security. Of particular concern are cases where a child is 6.5 years and more at the date of application<sup>2</sup>.

It is inconceivable that an efficient and effective system of administering grants will ever be realised whilst there remains a financial incentive for departments to delay the administrative procedure.

- **Means testing:** the question of means testing is complex. The Lund Committee reached initial consensus that there should be no means test. This was for reasons of efficiency and administrative simplicity as “...a means test spends too long keeping a few out, rather than drawing more people in” (Lund Report, chapter 7, paragraph 3.1).

However, in recognition of the moral and political value of excluding the rich while the levels of inequality are so extreme the Committee finally recommended a very simple test which took into consideration household income. There was a distinction between incomes in urban and rural areas and between those who live in formal and informal housing. These limits have not increased since the introduction of the grant.

The 1999 regulations provided that “personal income” should be assessed instead of “household income” and this has been a positive step forward. However, the means test still contributes to the delay in the processing of grants. In addition, the current levels at which it operates are very low and exclude many low income households. The urban limit is especially inappropriate.

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<sup>2</sup> In February of this year, the Black Sash informed the Minister that it intended to bring a constitutional challenge against the Welfare Department. The Minister responded by indicating that the regulations would be amended so that an application is backdated to the date of application, as was previously the case. **No change has yet come about.**

**There are compelling reasons to remove the means test** and we recommend below that these reasons must be further researched. If the research concludes in favour of keeping the test then the income limit needs to be raised, particularly in urban areas, to at least R1,500. Also, the two tiered test should be removed as it is complex to administer.

- **Discrepancy between provincial budgets and targets:** national and provincial statistics reveal budgetary allocations for the Child Support Grant do not match projected targets. Kwazulu-Natal, for example, had a provincial budget of R50 million for the grant and a target of 100 000 children by January 2000. By February 2000 approximately 53,000 children, just over half of its target, had been reached at a cost of approximately R63 million, already R13 million over budget. An article in the Mercury (22 June 2000) suggests that the Welfare Department only has funds (18 million) to reach 1.8 million children up until 2003. That is half of the targeted 3 million children.

If this situation is to be remedied **there needs to be an honest and accurate budgetary process to ensure that both national and provincial welfare departments are able to meet targets.**

#### **Areas where Further Research is Required**

- **Reasons for failure of education campaign:** research needs to be carried out into the reasons for the failure of the education campaign. In particular, we believe that provincial funds allocated for marketing strategies and the education of beneficiaries went unspent.
- **The benefits of means testing:** further research is required into the economic and administrative viability of means testing. The research should look at whether the urban/rural differentiation in terms of income levels is working as well as examining the viability of using the same means test for all welfare grants.

#### **Conclusion**

We firmly believe that the Child Support Grant will only become effective if the amount is increased and linked to inflation and the age limit is raised. Only then will the tension with other grants be reduced. In addition, there needs to be a concerted effort to address the administrative difficulties to ensure that the grant is accessed by all those in need and for whom it was intended.

## **Organisations involved with the Child Support Grant**

**Black Sash** : educating beneficiaries and advising on application procedure, research and monitoring the realisation of the right to social security.

**CASE** : looking at the impact of the phasing in of the Child Support Grant.

**Child Support Grant Advocacy Group, KZN** : educating beneficiaries, lobbying for wider access to the grant.

**Family Care Institute, Durban** : educating beneficiaries, advising on application procedure.

**Gender Advocacy Project, Cape Town** : raising awareness of the grant, monitoring implementation, lobbying for increase in level and age limit.

**IDASA – Children’s budget** : monitors the implementation of the Child Support Grant in terms of numbers, uptake and budgetary allocation.

**National Association of Democratic Lawyers** : research and monitoring the realisation of the right to social security

**National Council for Child Welfare** : assisting families in obtaining grants

**New Women’s Movement, Cape Town**, with regional branches : educating beneficiaries, monitoring implementation of the grant, lobbying for increase in level and raising of age limit.

**Operation Hunger, Johannesburg** : pilot research into problems with the administration of the Child Support Grant.

**Socio-Economic Rights Project, Community Law Centre, University of the Western Cape** : research and monitoring the realisation of the right to social security.

**Women on Farms, Cape Town** : educating beneficiaries, advising on the grant, lobbying for more extended coverage.

## **Available Literature**

A number of studies have recently been compiled which look closely at the Child Support Grant. These include :

CASE report into the introduction of the Child Support Grant

Haarmann, D, The living conditions of South Africa’s children, Applied Fiscal Research Centre, Research Monograph No 9, 1999.

Haarmann, D, The Use of Micro simulation in Social Policy Planning and Implementation: The Case of the Child Support Grants, Applied Fiscal Research Centre, Research Monograph No 10, March 1999.

Haarmann, C, South Africa's New Child Support Grant : A Developmental Perspective, Applied Fiscal Research Centre, Research Monograph No 11, March 1999.

Liebenberg, S, Equalisation at what cost? A case study on the new child support benefit, Development Update, quarterly journal of SANGOCO and Interfund, vol 1, no 2, 1997.

Liebenberg, S and Tilley, A, Poverty and Social Security in South Africa, Poverty hearings background paper, SANGOCO publications, 1998.

National Council for Child Welfare, memorandum on the Child Support Grant and the State Maintenance Grant, 14 April 2000.

Sloth-Nielson, J and Liebenberg, S, Summary of the proceedings of a seminar on the concept of the "Primary Care Giver" in new South African legislation : special focus - the new Child Support benefit. Community Law Centre (UWC), August 1997.

Stellenbosch Study Reference Group investigation into the effect of the phasing out of the State Maintenance Grant and introduction of the Child Support Grant in rural areas.

Robinson, S and Sadan, M, Where Poverty Hits Hardest : Children and the Budget in South Africa, IDASA, Cape Town, 1999.

Tilley, A, The New Child Support Grant : theory and practice, Black Sash, June 1998.

Zain, P, A Small Process of Dying : Impact of the Cancellation of the State Maintenance Grant, Research Report No 12, National Association of Democratic Lawyers, 2000.

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## ISSUES COMMON TO ALL THE GRANTS

### **Legislative Framework for Social Assistance for Children**

Some consideration should be given to whether social assistance for children should fall under the Social Assistance Act or the Child Care Act (currently being reviewed). There are advantages and disadvantages to both. The Child Care Act would ensure prominence given to children, rather than they being marginalised within the Social Assistance Act, and would enable a comprehensive approach. However, this might fragment the social provisioning. In addition, the Social Assistance Act is existing and functional legislation. It may be better to improve this, than to start from scratch and incur all the problems and delays involved.

A combined approach, with the Child Care Act determining the rights and the package of benefits, and the Social Assistance Act incorporating the practical administrative and regulatory details, might be useful, but cumbersome for implementation.

### **Constitutional and Budgetary Obligations**

In addition to its obligations under s.28 of our Constitution, South Africa also has a number of obligations in terms of international law to provide social security, within its available resources, for children, as well as to ensure that every child has an “adequate” standard of living. In addition, Article 9 of the International Covenant on Economic, Social and Cultural Rights provides that everyone has the right to social security and Article 10(3) provides that special measures must be taken on behalf of children. If resource constraints prevent the State from discharging all of its obligations then it must give priority to the most vulnerable sections of the community (UN General Comment No 3, Para 11). Children are one of the most vulnerable sections of our community and must therefore be given priority in terms of the allocation of available resources. Further, it must demonstrate that every effort has been made to use all of the resources that are its disposition (UN General Comment No 3, Para 10).

**This means that a proper budgetary assessment must be carried out which takes into consideration *all* the available resources of the State, not simply those in the welfare budget.** The Welfare Department, in its 10 Point Plan, has committed itself to improving services for children infected with and affected by HIV/AIDS and implicit in this commitment is an understanding that more funds will need to be released to welfare services. It is not enough for Welfare to state that there can be no increase in spending on grants because it has not been allocated enough funds by Finance. The Department of Finance must understand and acknowledge South Africa's obligations under international law to provide for the most vulnerable sections of the community and must consider how to re-prioritize the budget in order to discharge this obligation.

In addition, the problem of children affected by HIV/AIDS requires a fully integrated, holistic, interdepartmental approach. The Department of Welfare should not carry the entire financial burden of caring for these children. Other Departments could contribute in many ways, for example, free education and

medical services should be provided to children with disabilities and with chronic illnesses, including those with HIV/AIDS.

Possible options for funding the necessary extensions to the existing grants should be explored. Re-allocation of expenditure between and within departments may be necessary. Attention must be paid to the relatively small proportion of social security spending directly benefiting children.

In addition, there is not enough information of the costs incurred by disabilities and chronic illnesses, especially HIV/AIDS. There is also not enough accurate data on numbers of children affected by HIV/AIDS to adequately calculate the budget required to cater for these children.

### **Means-testing**

The question of means testing is complex. While means-testing enables targeting of the poorest quintiles, in practice it is rarely used correctly, is administratively demanding and has been reported as demeaning.

Sometimes the further expenses incurred by tighter targeting mechanisms cannot be justified and make the programmes unsustainable. The administrative costs could be channelled into providing a universal grant to more recipients.

Therefore further research into the effectiveness of the current means-testing, and of alternative options need to be investigated, such as a single means-test that entitles persons to access all the available grants.

### **Perverse Incentives**

The discrepancies in amounts between the three grants leads to perverse incentives. As described above, families may give their children to others to 'foster' them, to entitle them for the larger Foster grant.

There is need to create harmony between the three systems, to prevent this occurring.

### **Administration**

- Lack of awareness of the grants available.
- Current systems, delays and frustrations are degrading and embarrassing for carers. Any new system must be streamlined for efficiency and must have due consideration and respect for human dignity.
- Attitudes of welfare officials contribute to the process being humiliating for the applicants.
- Delay and 3 month limitation on back pay: given that applications invariably take at least 4-5 months to be processed.
- Problems with incorrect documentation.
- Lack of awareness of processing requirements and eligibility by welfare officials. This may be due to inadequate training of officials and there needs to be standard and comprehensive training to facilitate a smooth processing procedure.

- There is need for uniform standards, assessment guidelines and procedures, with the possibility of one means-test for eligibility to all the grants.
- Provincial budget allocation and administration must correlate to National standards and norms.
- Efforts must be made to educate the public on their rights, on the grants available and the procedures for accessing these.
- Lack of Inter-sectoral collaboration. This is essential to the development of a holistic approach to the provision of social security. There must be the involvement of all the relevant departments, with perhaps one department to guide and co-ordinate the process.

### **Possible forms of Social Assistance**

- cash payment
- tax relief/ incentives
- free health care services for the child until 18years of age, including primary and secondary services
- nutritional schemes for day centres
- vouchers – transport, food, nappies, medicine
- education subsidies
- counselling
- assistive devices

The voucher system and subsidies would directly benefit the child.

### **Other Issues requiring attention**

- The situation of street children, and their access to grants.
- There is need for a monitoring system to ensure that the children benefit from the grants.
- The role of the NGOs, communities and private sector in the provisioning and administration of social assistance
- Wider issue of social spending and allocation.
- Educating children on their right to social assistance.

## CONCLUSION

This paper highlights many issues and problems with regard the three grants for children. It is obvious that further research and data collection must be undertaken, as well as extensive collaboration with persons and organisations with experience in the social security system.

In the development of a comprehensive social security system, effort must be made:

- to clarify the purpose of the grants,
- to develop clear cut definitions and eligibility criteria,
- to improve targeting and accessibility,
- to simplify and speed-up the assessment process and
- to generally improve the delivery system.

In the face of the AIDS pandemic, it is vital to improve the system and consider alternative options. Such possibilities include: a single means-test for access to all the grants, fast-tracking systems to ensure HIV positive children receive a grant immediately, and the one single, universal grant, supplemented by additional grants to meet special needs. These options all require a great deal more research and collaboration, in order to determine the best approach.

The costs of providing social assistance to children should not be borne purely by the Department of Welfare. It is a problem which requires the full interdepartmental collaboration with concomitant allocation of resources. Co-ordination of the process could be done by Department of Welfare, or by the President's Office, which may ensure the participation of other relevant departments, such as Education, Housing, Transport, and Health.

It is indeed the State's Constitutional obligation to allocate the necessary resources to providing for the needs of these vulnerable children.

The Child Health Policy Institute and Black Sash wish to express their support for the Government's attempts to develop a comprehensive social security system, and commit our contributions through time and expertise to ensuring that children are at all times given "the First Call".

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