



Children's Institute analysis of the 2009/10 budget for the Eastern Cape Department of Social Development

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To see where the Eastern Cape stands in relation to the other provinces, please see the comparative analysis of the budgets of all nine provincial departments of social development on www.ci.org.za

Is the Eastern Cape social development budget adequate to implement the Children's Act?

Introduction

Section 7(2) of the Bill of Rights in the South African Constitution places an obligation on the State to give effect to all the rights in the Bill of Rights. This includes children's rights to family care or alternative care, social services, and protection from abuse and neglect. To meet its obligation government must ensure that the required conditions and services to fulfil these rights are available. The new Children's Act [No 38 of 2005] as amended by the Children's Amendment Act [No 41 of 2007] now clearly sets out what services government must provide to give effect to the rights listed above. These include:

- partial care facilities (crèches)
- early childhood development programmes
- prevention and early intervention services
- drop-in centres
- protection services (including a support scheme for child headed households)

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- foster care and cluster foster care
- adoption
- child and youth care centres (children's homes, places of safety, schools of industry, reform schools, secure care facilities, and shelters for street children).

To make these services available for the many vulnerable children that need them, government must allocate adequate budget to each service. The Act says that the provincial MECs for Social Development are responsible for providing and funding all these services with the budgets allocated to them by the provincial legislatures. Monitoring the budget allocations and expenditure for these services is therefore a good way of measuring a province's progress in giving effect to the Children's Act and therefore in giving effect to the rights of children.

This document therefore examines what the most recent budget estimates for the Eastern Cape Department of Social Development, as recorded under Vote 4, tell us about the provincial government's intentions in respect of implementing the Children's Act.³

Which parts of Vote 4 are relevant for the Children's Act?

This submission focuses on the budget for the social welfare services programme (programme 2 of the department's budget), as it is this programme that provides for the majority of the services envisaged in the Act. There are three sub-programmes in the social welfare services programme which clearly contain Children's Act funding, namely:

- child care and protection;
- HIV and AIDS; and
- care and support to families.

We also discuss the sub-programme for crime prevention and support. This sub-programme is important for at least two reasons. Firstly, it includes some services prescribed by the Children's Act. Secondly, it covers services related to the Child Justice Act, and there are a range of linkages between the Children's Act and the Child Justice Act.

Other sub-programmes such as victim empowerment (within the social welfare services programme) and youth development (within the research and development programme) also

³ As we write this paper, in the first half of 2009, the Children's Act has not come into full effect. Thus at this point the child care and protection system is still governed by the Child Care Act [No 74 of 1983]. However the founding clauses of the Children's Act are also in effect which means that the Child Care Act needs to be implemented taking into account these provisions of the new Children's Act. For the purpose of budget allocation, section 4 of the Children's Act, which is already in effect, is particularly pertinent. Section 4(2) obliges all spheres and departments of government to 'take reasonable measures to the maximum extent of their available resources to achieve the realisation of the objects of this Act'. Therefore even though the Children's Act is not yet in full effect, government is obliged to have already started allocating resources to enable the full implementation of the Act. A further factor to take into consideration in the budget analysis is that even though the new Children's Act is not in full effect, the majority of the services in the new Act are already required under the Child Care Act of 1983, which is in full effect. The Costing Report on the Children's Bill that was done in 2006 showed that government was only funding 25% of the services that it was obliged to fund under the Child Care Act of 1983 (Barberson, 2006). Therefore even under the Child Care Act there is an existing statutory obligation on government to prioritise rapid budget and service delivery growth for child care and protection services.

contain pockets of Children's Act funding but they are small in comparison to the other four. They are therefore not analysed here.

The analysis is based primarily on budget statement 2, the thick document that is tabled in the provincial legislature on budget day in early 2009 and that includes a separate chapter for each department (or "vote").

Analysis of the 2009/10 budget

The budget documents that are tabled each year include the estimates for the coming budget year (in this case, 2009/10), as well as medium-term expenditure framework (MTEF) estimates for the following two "outer" years (2010/11 and 2011/12 in this case). Only the first of the three years is voted on by the legislature and becomes the official budget. The numbers for the two outer years are what government plans to spend in those two years, but with the understanding that plans for these two years might change. The publication of estimates for the outer two years allows us in the following year to compare government's proposed official budget for the "new" first year with the second year estimate of the previous year, and also to compare the "new" second year estimate with the third year estimate of the previous year. This shows us clearly how government's plans for specific years have changed between 2008 and 2009.

Table 1 compares the estimates published in the 2008/09 budget statement with those published in the 2009/10 budget statement for the four sub-programmes. The table illustrates both changes in amounts recorded for each year, as well as the annual percentage changes in amounts. The estimates for 2008/09 in the table in respect of the 2009 budget statement are the adjusted estimates, i.e. the original allocation plus any adjustment decided on in the mid-year supplementary budget.

The **child care & protection services** sub-programme is the sub-programme that most directly relates to the Children's Act. It is also the biggest of the four sub-programmes studied in financial terms. Comparison of the absolute amounts recorded in 2008 and 2009 reveals that the absolute amount is lower in 2009 than in 2008 for every year. This is found despite the fact that the inflation rate was higher than expected during the 2008/09 financial year. The percentage increases are also lower in two of the three corresponding years than in 2008. And while the percentage increase for 2010/11 is now higher than it was in the 2008 budget statement, this is only because of the planned substantial decrease – of 21% - in the allocated amount between 2008/09 and 2009/10.

For both 2009/10 and 2010/11 the absolute amounts allocated in the 2009 budget statement are only around half of what was published in the 2008 budget books. Aggravating the situation is that the adjusted estimate for 2008/09 is 20% less than the original allocation for that year published in last year's budget book. Combined, these figures mean that the allocation for this sub-programme over the three years is 43% lower than what was published in the 2008 budget book. Yet this sub-programme accounts for the largest part of Children's Act services.

Another worrying indicator is that the province has substantially reduced the relative importance of the child care and protection sub-programme relative to other sub-programmes. In this year's budget statement, the 2009/10 allocation for this sub-programme accounts for only 20% of the welfare services programme. In last year's budget statement, the MTEF estimate for 2009/10 accounted for 43% of the estimate for the welfare services programme. The percentage allocated has thus been more than halved.

Table 1. Eastern Cape estimates for child-related programmes, 2007/08-2011/12 (R1 000s)

	2007/08	2008/09	2009/10	2010/11	2011/12
Child care & protection					
2008/09 budget document	157844	269953	368321	431949	
% increase over previous year		71%	36%	17%	
2009/10 budget document	145230	216595	171748	217045	303204
% increase over previous year		49%	-21%	26%	40%
Care & support to families					
2008/09 budget document	5354	8396	4485	4059	
% increase over previous year		57%	-47%	-9%	
2009/10 budget document	9416	9396	4869	4460	4652
% increase over previous year		0%	-48%	-8%	4%
HIV and AIDS					
2008/09 budget document	43674	76910	68063	74574	
% increase over previous year		76%	-12%	10%	
2009/10 budget document	47299	79444	68188	74711	78220
% increase over previous year		68%	-14%	10%	5%
Crime prevention and support					
2008/09 budget document	55937	99715	89186	105596	
% increase over previous year		78%	-11%	18%	
2009/10 budget document	37028	77380	81163	100792	105433
% increase over previous year		109%	5%	24%	5%

For the sub-programme **care & support to families**, the allocations for each year are higher than they were in the 2008 budget statement. However, the amount falls by nearly half between 2008/09 and 2009/10 in both budget books, and there is a further, smaller decrease in the absolute amount planned for 2010/11. It is not clear why this sub-programme, which has always been neglected and receives a small overall amount, is to be further penalised.

The amounts recorded for **HIV and AIDS** in 2009 are higher for each year than the corresponding figures published in 2008. The change between the recorded numbers in the two years is, however, so small for 2009/10 and 2010/11 that it would probably disappear if the numbers were adjusted for inflation. Further, the substantial decrease in the nominal amount of the allocation between 2008/09 and 2009/10 that was found in the 2008 budget book is repeated in this year's book. Despite this absolute decrease, the budget document states that the department plans to extend the home- and community-based care programme to all local municipalities.

Like child care and support services, the **crime prevention and support** sub-programme also shows serious decreases in allocations if we compare the amounts published in the 2008 and

2009 budget books. Firstly, for 2008/09 the adjusted estimate is 22% lower than the original budget allocation. The estimates for 2009/10 and 2010/11 are, respectively, 9% and 5% lower than the estimates published for these budget years in 2008. Overall, the allocation over the three years is 12% lower than estimated in the 2008 budget book.

Table 2 summarises the information in relation to percentage increases. It adds to the information in the previous allocation by giving three-year average increases for the MTEF period. The table shows that the allocation for child care and protection should, on average, increase by more than inflation over the three-year period. However, as noted above, the 2008/09 adjusted budget was substantially lower than the original allocation, and the increase is thus off a low base. Further, Eastern Cape’s average increase of 12% is lower than for all other eight provinces. Yet Eastern Cape currently has the fourth-lowest per capita allocation if we divide the total allocation for this sub-programme by the estimated population aged 0-19 in 2007. Eastern Cape’s per capita allocation for 2009/10 is estimated at R69 per child, as against R92 per child for all provinces combined.

For care and support to families, the average change is a shocking negative 21%. For HIV and AIDS, the average decrease is 1%. In real terms the decreases will be much bigger than this, as these percentages are calculated on the nominal amounts. With inflation around 8% at the time of writing – although expected to fall – these patterns are very worrying.

Table 2. Nominal annual increases in budgets

	2009/10	2010/11	2011/12	3-year average
Child care & protection	-21%	26%	40%	12%
Care & support to families	-48%	-8%	4%	-21%
HIV and AIDS	-14%	10%	5%	-1%
Crime prevention and support	5%	24%	5%	11%

The Eastern Cape’s budget statement acknowledges that there have been drastic changes in the budget for the social welfare programme as a whole. The overall increase in the programme’s budget between 2008/09 and 2009/10 is 5.0%. This is likely to just cover inflation if the hoped-for decrease in the inflation rate occurs during 2009/10. However, it will almost certainly not provide for a real increase in the value of the money available for spending on social welfare services.

Further, the overall amount for the social welfare programme is divided in a different way than before. Money to pay government employees (called “compensation of employees” in the budget book) increases by a third (33.4%). This increase understates the extent of the focus on employees because scholarship allocations fall under programme 1, administration. The increase in employee compensation in programme 2 is balanced by a substantial decrease in other items, including a 13% decrease in the amount allocated for non-profit organisations (NPOs.) The penalising of NPOs seems counter-productive given that the department relies on NPOs to provide many services and NPOs often have more capacity and flexibility to expand their services to reach more children.

Transfers to non-profit organisations

A large proportion of social welfare services are provided by NPOs (both non-governmental organisations and community-based organisations) rather than by the department. In some cases, the department subsidises the NPOs concerned, although these subsidies generally do not cover the full cost or scope of the services. In some other provinces, the budget documents record the amount within each sub-programme that consists of “transfers to other institutions”. In Eastern Cape, the amount is only given for each programme as a whole. The relevant allocations are shown in Table 3.

Table 3. Estimates for transfers to NPOs within social welfare services programme, 2006/07-2011/12 (R1 000s)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Total allocation	411 340	548 816	819 276	859 973	946 211	1 075 055
Transfers	245 273	322 029	419 850	371 274	404 470	499 452
Transfer as % of social welfare allocation	59.6%	58.7%	51.2%	43.2%	42.7%	46.5%

The percentage of the social welfare programme budget allocated for transfers to NPOs shows a steep decline from 59.6% in 2006/07 to 43.2% in this budget year of 2009/10. A further smaller decrease in the percentage is planned for 2010/11, followed by an increase to 46.5% in 2011/12. In absolute terms, the allocation for 2009/10 is only R371.2 million, compared to R419.9 million in 2008/09.

The Eastern Cape provides a summary of transfers according to categories. Despite the fact that the first column of the table is headed “Receiving Organisation”, not all the transfers reflect payments to NPOs. For example, the first item is “leave gratuities” while a later item is “households”. However, it seems that the bulk of the transfers would be to NPOs.

The summary is for the department as a whole rather than for a single programme. Nevertheless, one can often be fairly certain that a particular category aligns with a particular sub-programme. Table 4 below lists the allocations that are likely to be for the four sub-programmes analysed in this paper. These transfers come to a total of R237.6 million, or about half (49%) of total transfers of R484.6 million for the Department as a whole. The R92m for early childhood development (ECD) is the single largest item on the list.

Table 4. Children’s Act related transfers for 2009/10 (R1 000s)

Receiving organisation	Amount
Secure care centres	3 305
Ex-offenders programme	2 286
Community-based sentences	2 647
Places of safety	14 128
Development foster care programme	1 644
Home and social services organisations	17 102
Special day care centres	3 360
Children’s homes	32 000
Early childhood development	92 000
Shelters for children	4 000
Welfare organisations	2 000
Community based centres (foster homes)	3 200
Partial care	490
Home community based care centres	58 396
Family resource centre	500
Family preservations	300
Single parents’ association	267
Total	237 625

These transfers do not all necessarily relate to the Children’s Act, or even to children. For example, the ex-offenders programme and community-based sentences allocations almost certainly come under the crime prevention and support sub-programme. But the activities are probably directed at adults or – even if for youth – would relate to the Child Justice Act rather than the Children’s Act. It is also not clear what “home and social services” organisations are, and whether these fall under our chosen sub-programmes. And while there are probably more welfare organisations that service children than any other group, it is not clear if the allocation for this category falls under one of our four sub-programmes. The list under-states allocations falling under the Children’s Act to the extent that the R2.2m reflected as “NPO subsidies” is omitted. Some of this money might reflect subsidies to NPOs that are offering statutory services in relation to children.

The budget documents of some other provinces record “earmarked” allocations for ECD for 2010/11. In the 2008 budget documents, there were also earmarked allocations for other items, including recruitment of social workers and social auxiliary workers, and children’s homes. These allocations often were made for every year of the MTEF and should therefore have carried through into this year’s budget. The earmarked allocations represent monies which the National Treasury has stipulated (through internal government communication) should be spent on particular items. The Eastern Cape budget document says that the increase in the department’s overall budget for 2009/10 is partly explained by carry-over of earmarked allocations from 2008/09. However, it does not say anything about new earmarked allocations. It also does not explain what the carried-over earmarked allocations will be used for.

Allocations for government personnel

While budgets for NPOs have been squeezed, this is not the case for government employees in Eastern Cape. For the department as a whole, there is a 24.2% increase, from R516 million in the adjusted estimate for 2008/09 to R641 million in the new allocation for 2009/10. The narrative on page 132 states that this increase is the:

result of a strategic shift in the priorities of the department where the appointment of social workers, probation officers, community development workers and other professional staff have been prioritised to deal with the backlog in social welfare services. Funds have been shifted from transfers and subsidies to fund the filling of vacant posts. The personnel budget represents 45 per cent of the departmental total budget.

In terms of staff numbers, Eastern Cape notes that it was able to fill 799 posts during 2008/09, including the appointment of 55 social workers and 55 social auxiliary workers. The budget statement says that social workers and social auxiliary workers were “prioritised”, but a simple calculation reveals that together these two occupations account for only 14% of the posts filled. Further, at present only 404 of the 707 social worker posts in the department’s organogram are filled. In the future, the department hopes to employ 258 social work students to whom it is providing financial assistance. The department also hopes that the occupation-specific dispensation (OSD) will help with retention, and that provision of subsidised vehicles to qualifying staff will serve as a further attraction. The OSD had not yet been finalised at the time the budget was tabled but finalisation was expected soon (The agreement for social workers was finally concluded in the first week of May 2009).

As noted above, while salaries for programme staff are included in the budgets of the relevant programmes, allocations for scholarships fall under programme 1, administration. The narrative on programme 1’s budget states that 400 social workers will participate in an accredited reorientation programme, 200 social welfare service managers will be trained on how to manage development programmes and 40 student social workers from rural areas will benefit from scholarships. These plans do not specifically mention the Children’s Act, but an increase in available skills could assist with implementation of the Act. What is not clear is why scholarships are discussed in the province’s budget document as it is the national department that is meant to be responsible for scholarship and bursary allocations. Further, under programme 2, which is meant to cover only salary and related payment, the narrative states that the “programme will finalise the appointment of social services professionals through the provision of bursary funding to 2009/10 academic year” (page 129). This suggests that the budget narrative is not always strictly aligned with the way the budget is allocated.

While personnel budgets increase substantially in 2009/10 and continue to increase in the outer years of the MTEF budget, the table on staff numbers shows exactly the same numbers for each of the three programmes of the department for 2008/09, 2009/10 and 2010/11. It is only for 2011/12 that an increase in staff numbers is planned. It is therefore not clear why large increases in staff budgets are planned for 2009/10 and 2010/11.

For social welfare services, the plan is to have 1 660 staff in each of the years 2008/09 to 2010/11, with an increase to 1 685 in 2011/12. The research and development programme shows a much bigger planned increase in 2011/12, from 234 to 297. This might correspond

with Eastern Cape’s plans in respect of the “War on Poverty”. Elsewhere in the budget statement Eastern Cape notes that it has developed a “war room”, is developing a provincial poverty line, and has commissioned poverty-related research to identify the poor. We would argue, however, that increased staff and services for children might well be more effective than these activities in preventing and alleviation poverty-related problems.

Performance indicators

All programmes are required to publish performance (output) indicators. Some provinces record planned targets only for the immediate budget year. Eastern Cape is better than this in that it publishes targets for each of the MTEF years. It does not, however, publish numbers reflecting performance in 2008/09. This makes assessment of the targets more difficult as we cannot compare the plans with what is currently provided.

More serious than this omission is that Eastern Cape publishes a total of only 13 indicators for the whole social welfare programme. These include one for child care and protection, one for care and support to families, one for HIV and AIDS, and two for crime prevention and support. Yet a nationally agreed list specifies 49 indicators for child care and protection, eight for care and support to families, 18 for HIV and AIDS, and 19 for crime prevention and support.⁴ Some other provinces also do not publish the full list. Eastern Cape is, however, one of the worst performers on this score. Further, the province seems to be coming less transparent over time in that it lists fewer indicators in 2009 than in 2008.

Table 5 lists the relevant indicators that are included for the four sub-programmes on which our analysis focuses. All indicators show substantial planned increases in outputs over the MTEF period, which is pleasing. It is only in respect of probation officers employed by government that there is not an increase for both years. The worry is how these targets will be achieved with the budgets that are listed in the document, especially in the two sub-programmes – care and support for families and HIV and AIDS – in which allocations tend to decrease over the MTEF period.

Table 5. Performance indicators for the selected four sub-programmes

Performance indicator	2009/10	2010/11	2011/12
Child care and protection			
Number of professionals employed by government to render child care and protection services within the community	655	675	720
Care and support services to families			
Number of cases dealt with	3340	3674	4042
HIV and AIDS			
Number of community care givers rendering care and support services in HCBC organisations	3128	3536	3944
Crime prevention and support			
Number of children in conflict with the law in home-based supervision	500	600	750
Number of probation officers employed by Government	269	377	377

⁴ See the appendix of the comparative analysis of all nine provincial budgets for this national list. www.ci.org.za.

The planned increases in the number of professionals and probation officers employed by government also contradicts the fact that another table in the budget statement suggests that the overall number of government employees is not planned to increase between 2009/10 and 2010/10.

What is puzzling about the paucity of indicators is that the earlier review of past performance gives very detailed numbers in respect of children in conflict with the law. It reports as follows on pages 127-8:

The following indicates the movement of children within the Nerina Centre in Port Elizabeth: Through the monitoring of movement of children within the One Stop Youth Justice Centre 656 children were arrested and 501 of the arrested children were assessed and 109 of them were sent through diversion programmes. A number of 184 children were admitted at Enkusekweni, 78 were discharged, 4 absconded and 6 were referred to children's court. The total occupancy of Secure Care Centres in Port Elizabeth was 184 and occupancy on the 31 December 2008 was 38.

Indicated here is the record of movement of children awaiting trial in the Secure Care Centres: 195 children were admitted at Sikebuselekile, Erica and John X Merriman, 75 were discharged and there were no abscondments. From the end of May, admission of children at John X Merriman has been temporarily suspended due to major renovation in the centre. In responding to skills development, 3 872 Caregivers participated in job opportunities through skills development, training and stipends in the 6 district municipalities and the Nelson Mandela Metro. 19 Ex-offenders at Emalableni were awarded certificates after completing training on tiling.

On HIV and AIDS the province's budget statement reports on page 127 that:

Transfer payments of 2nd tranches to 92 Home Community Based Care Projects in an amount of R26 million have been effected. 3 872 caregivers participated in job opportunities through skills development, training and stipends in the 6 district municipalities and the Metro municipality.

It thus seems that the province would be able to report further indicators in respect of at least some services without much difficulty. It might be that all that is required is that officials from different parts of the department, such as those responsible for the budget and those responsible for implementation, communicate with each other. Some people might ask why indicators are necessary when this type of detail is provided in the narrative. Our response is that indicators are important as they tell us what government plans to do with the budget for the coming year, while the narrative tells us what happened in the past. We need both types of information to be able to assess and monitor government's budget and performance.

Comparing what has been allocated to what is actually needed

The costing of the Children's Bill commissioned by government from Cornerstone Economic Research⁵ provides the basis for comparison of what is needed with what has been allocated. There are some limitations in this comparison. Firstly, the costing assumed that the 2005/06

⁵ Barberton C (2006) *The cost of the Children's Bill: Estimate of the cost to government of the services envisaged by the comprehensive Children's Bill for the period 2005 to 2010*. Pretoria: Cornerstone Economic Research.

budget year would be the first year of implementation. We are now discussing the 2009/10 budget, and there has been fairly substantial inflation over the intervening three years. To accommodate this, we adjust the Cornerstone estimates using the latest consumer price index of 151.0 (for January 2008) and the index of 125.4 of three years earlier (January 2005). We use the 2008 inflation rate so that our analysis will be easily comparable with the analysis we did of the 2008 budgets of all provinces.

The second limitation is that the bill used as the basis for the costing underwent some changes before being passed by Parliament. We have not been able to adjust for these changes, but they should not make a significant difference to the overall costs.

Thirdly, as discussed above, it is not possible to determine exactly which allocations relate to services to children covered in the Children's Act. For the purposes of the comparison, we take the full allocations for child care and protection, HIV and AIDS and care & support services to families. This over-estimates the amount allocated for implementation of the Children's Act as some of the expenditure for HIV and Aids and care & support to families are not related to the Act. This over-estimate must be balanced against some allocations in other sub-programmes that will help with implementation of the Children's Act. For example, as noted above, some of the allocation for crime prevention and support should be used for activities related to the Children's Act.

The costing team considered four different scenarios, namely:

- ♀ Implementation Plan (IP) low scenario
- ♀ Implementation Plan(IP) high scenario
- ♀ Full Cost (FC) low scenario
- ♀ Full Cost (FC) high scenario

The IP and FC scenarios use different estimates of demand. For the IP scenarios, the costing team asked each department to describe current levels of delivery for each service and how they planned to increase delivery in line with the Bill. Thus these levels do not measure total demand or actual need. Instead, they mainly measure (very inadequate) current service delivery. For the FC scenarios, the costing team used other evidence to estimate how many children actually need services.

The high and low scenarios reflect different levels of quality of service delivery. The high scenario costs 'good practice' standards for all services, while the low scenario uses 'good practice' standards for services classified by the costing team as important, but lower standards for services classified by the costing team as non-priority.

To simplify matters, for the purpose of this comparison we consider only the highest and lowest estimates, namely the IP low and FC high. We look only at the estimates for Years 1-3, which we take as the basis for comparison with the three MTEF years. It is, in fact, open to debate as to which of the costing year's government should currently be making allocations. The Children's Act was passed in 2005, but the Amendment Act was passed only in 2007 and the full Act (as amended) will only be put into full effect in late 2009 at the earliest. Ideally, government should have started implementing and making related allocations in 2007/08 after the 2005 Act was partially put into effect in July 2006. However, the Amendment Act covers the services for which provinces are responsible, and one could thus argue that 2009/10

should be treated as Year 1. We use this conservative approach, and thus compare the allocation for 2009/10 with year 1.

An additional reason why this approach is conservative is that the costing report shows that many of the services prescribed in the Children’s Act (as amended) were already required in terms of the Child Care Act of 1983 and should, therefore, have been adequately funded even before the Children’s Act comes into effect.

Table 6 shows the estimated costs for years 1-3 for Eastern Cape Social Development, including both the original estimates and the estimates adjusted for inflation. As can be seen, the inflation adjustment makes a fairly substantial difference. For year 1, for example, the IP low original estimate was R734m while the adjusted estimate is R884m.

Table 6. Costing estimates for Eastern Cape Social Development (Rm)

	Original estimate			Adjusted for inflation		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
IP low	734	1 009	1 246	884	1 215	1 500
FC high	6 504	7 460	8 484	7 832	8 983	10 216

Table 7 shows the sum of the allocations in the 2009/10 budget documents that might facilitate implementation of the Children’s Act. For 2009/10, the sum of the allocations for the three sub-programmes is R68.2m, rising to R74.7m in 2010/11 and R78.2m in 2011/12. The final rows of the table show that this total amounts to between 24% and 28% of the IP low costing estimate for the three years, and only 3-4% of the FC high estimate. This is clearly seriously inadequate given that the costing suggested that the first year of the IP low scenario met only about 30% of the total demand for services provided for in the Bill when using the most reliable estimates available of objective need.

Table 7. Combined Children’s Act-related allocations (R1 000s)

	2009/10	2010/11	2011/12
Child care & protection	171 748	217 045	303 204
Care & support to families	4 869	4 460	4 652
HIV and Aids	68 188	74 711	78 220
Total	244 805	296 216	386 076
As % of IP low	28%	24%	26%
As % of FC high	3%	3%	4%

Comparison with allocations of other provinces reveals that Eastern Cape’s allocations are the lower percentage-wise than all other provinces when calculated against both the IP and FC costing scenarios. Across all provinces, the allocations represent between 45% and 48% of the IP estimate for the three years, and around 5% of the FC estimate over the same period. Eastern Cape’s allocations are thus only around half, percentage-wise, of the national average.

Conclusion

The budget document for Eastern Cape includes the following sentences on page 125:

Our target as the Department of Social Development is the vulnerable groups of society, the poor, and the marginalized and disadvantaged groups. The department has identified children, women, youth, people with disabilities and the aged as focus groups for targeted for service delivery. It is for these groups that we make a clarion call for a “caring society.”

The allocations described in this paper suggest that children, the first-named group, are not being at all well-targeted. The allocations for the sub-programmes that are meant to provide services prescribed in the Children’s Act show either decreases or very small increases in budget allocations. Allocations for NPOs, which deliver the bulk of the services, decrease in absolute terms. Allocations for government personnel increase, but the budget statement presents contradictory information as to whether this will result in a real increase in staff who can manage and deliver services.

None of the provinces have budgets that provide adequately for implementation of the Children’s Act. However, the Eastern Cape stands out as one of the worst performers. Equally worrying is the fact that the province’s performance seems to be deteriorating over time on some important measures.

References

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Child Care Act No 74 of 1983

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