

TAKING LEGISLATURE TO THE PEOPLE (TLP) OVERSIGHT VISITS REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH AND SOCIAL DEVELOPMENT CONDUCTED AT PHOLA YOUTH CENTRE AND KWAGUQA CENTRE FOR PEOPLE WITH DISABILITY ON 13 AND 14 MARCH 2018 RESPECTIVELY - DEPARTMENT OF SOCIAL DEVELOPMENT

1. INTRODUCTION

The Legislature conducted its Taking Legislature to the People (TLP) at Emalahleni Local Municipality from 12-16 March 2018.

The Portfolio Committee on Health and Social Development (the Committee) visited Phola Youth Centre and Kwaguqa Centre for People with Disability on 13 and 14 March 2018 respectively during the TLP programme.

2. PURPOSE OF THE TLP OVERSIGHT VISITS

The purpose of the TLP Oversight visits was to assess the progress made towards youth empowerment and also to assess the support provided by the department to the people with disability (PWDs).

3. METHOD OF WORK

The Legislature notified all departments accordingly about the TLP oversight visits to be conducted and the purpose thereof. Invitations were then sent to the respective departments including the Department of Social Development, management of the centres and the municipality requesting them to be part of the programme.

- On 13 March 2018, the Portfolio Committee on Health and Social Development conducted the oversight visit to Phola Youth Centre;

- On 14 March 2018, the Portfolio Committee on Health and Social Development conducted the oversight visit to Kwaguqa Centre for People with Disability;
- On 15 March 2018, the Social Transformation Cluster jointly with the Economic Cluster conducted a public hearing at Sy Mthimunye Stadium.

4. OBSERVATIONS

The Committee observed the following:

- Phola Youth Centre had a challenge of burst sewer pipe, polluting the environment;
- Phola Youth Centre also had a challenge of lightning that needed to be attended to by the local municipality;
- The required process was not followed to the later in the election of the new board of directors for Phola Youth Centre;
- The construction of the new structure at Kwaguqa Centre for People with Disability is of poor workmanship, the structure has serious structural defects;
- Kwaguqa Centre for People with Disability has challenges concerning financial management.

5. INTERACTION WITH THE MANAGEMENT OF THE CENTRES AND THE DEPARTMENT OF SOCIAL DEVELOPMENT

5.1 PHOLA YOUTH CENTRE

Mr. MV Mahlalela, the Head of Department, delegated the Centre Manager, Mr. Mpho Hlope to present on behalf of the department. He outlined the following on his presentation:

- The centre is located within the Thusong Multi-purpose Centre, aimed to provide information to young people on self-employment and employment opportunities, skills training, computer literacy, job preparation and entrepreneurship workshops;
- The centre was established in 2011 with the purpose of addressing illiteracy, unemployment, crime, drugs and alcohol abuse among young people;
- The centre benefits on an average 117 people monthly with an annual budget of R186 888 for the 2017/18 financial that is received quarterly. The centre has employed five youth (among which two are volunteers) receiving monthly stipend, there is also a functional board of directors elected by the community;
- The centre also provides outreach services to the youth in and around Phola. The programmes of the centre are provided in partnership with the National Youth Development Agency (NYDA) and Department of Labour;
- The board of directors was recently elected after some members of the previous board were implicated in funds mismanagement. Still some of the board members from the previous board of directors were elected in the new board;
- The Department of Cooperative Governance and Traditional Affairs recently donated additional space and 13 computers to the centre.

Youth benefiting/utilizing the Centre

The committee noted that the centre benefits on an average 117 youth monthly as per the presentation by Mr. Mahlalela, however requested for detailed breakdown on the utilization of the centre by the local youth. The department outlined the breakdown in response in a tabular form as follows:

| QUARTER | SERVICE RENDERED | TOTAL NUMBER OF YOUTH UTILIZING SERVICES |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| First (April-June 2017) | Life skills(43) CV typing(86) Copies(129) Print out(26) Substance abuse (47) Scanning(6) Information(2) Job preparation(31) Computer practice (78) | 448 |

| | | |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Second (July-September 2017) | Life skills(31) CV typing(41) Copies(111) Print out(15) Substance abuse (42) Scanning(2) Entrepreneurship(37) Computer practice (102) | 381 |
| Third (October-December 2017) | Life skills(81) CV typing(54) Copies(49) Print out(29) Substance abuse (28) Scanning(2) Information(2) Computer practice(38) Career guidance(24) | 307 |
| TOTAL | | 1136 |

The department further reported that the numbers fluctuates on a monthly basis; reflecting that the most demanding service is the computer literacy classes. The provision of the above-mentioned services reportedly yielded positive results as follows; Eugene Mashiloane (disabled) who was a volunteer at the Centre is now employed at Eskom, Tukelo Sibanyoni is now employed at the Emalahleni Local Municipality whilst Sizwe Makhubo received a learnership at the Department of Labour.

Accreditation of Trainings

The committee wanted to know if the trainings provided have certificates that are accredited. The department reported that Sizimisele Phola Youth Centre is not providing accredited training. The department reportedly acknowledged that the Centre has to be accredited and the matter was referred to the Provincial Office and there is reportedly a long term plan of ensuring that all youth development centres in the Province are duly accredited.

Stakeholder Relations

The committee enquired on the Centre's relations with the stakeholders. The Department reported that stakeholder engagement and stakeholder management are arguably the most important ingredients for successful project delivery. The centre reportedly has a good working relationship with the National Youth Development Agency

(NYDA) and the Department of Labour. They assist the Centre in terms of implementing the following programmes:

| Name of Stakeholder | Support Provided |
|------------------------------------------|-----------------------------------------------------------------------------|
| National Youth Development Agency (NYDA) | Life Skill workshops, Entrepreneurship and Job Preparation sessions |
| Department of Labour | Career Guidance, Job Preparation, Entrepreneurship and Life Skills sessions |

Mismanagement of funds

The committee requested for a detailed brief on the reported mismanagement of fund. The department reported that the previous Centre Manager and the Programme Coordinator mismanaged R15 000 of the Centre during December 2017. The management board reportedly took a decision to dismiss the afore-mentioned personnel and also opened a case of theft and fraud at the local South African Police Services on the 16 March 2018, following the advice of the Portfolio Committee. The department reported that a full report on the mismanagement of funds will be submitted in due time.

Filling of vacancy (Board)

The committee noted with concern that the vacancies were filled immediately after the previous Centre Manager and Programme Coordinator were released from their responsibilities, citing that proper procedures for filling the vacancies were not followed accordingly. The department reported that the appointment of the young people was meticulous to ensure that the right persons are appointed, following the incident of mismanagement of funds. The executive committee of the centre and representative from the Department of Social Development were reportedly part of the team that appointed the new staff. The guideline on appointment of staff requires that the posts be advertised and the applicants are shortlisted and appointed, however, the department reported that the board took a resolution to deviate from the normal recruitment procedure seeing that there were already youth volunteering at the centre, and afforded them first priority with a view of ensuring continuity in the implementation of programmes.

5.2 FINDINGS MADE BY THE COMMITTEE

After the interaction with the department and centre management, the committee found that:

- a. There was a burst pipe on the date of the oversight visit and it has not been fixed to date;
- b. The department failed to advise the management board to follow correct procedure during the recruitment process after the previous Centre Manager and Programme Coordinator were released from their responsibilities following mismanagement of funds;
- c. Members of the management board does not have the necessary financial management and operational management skills;
- d. The centre recently received a donation in a form of additional space with fitted thirteen (13) computers from the Department of Cooperative Governance and Traditional Affairs;
- e. A case of theft (on the mismanagement of funds) has been opened with the South African Police Services against the previous Centre Manager and Programme Coordinator.

5.3 RECOMMENDATIONS MADE BY THE COMMITTEE

After the deliberations and the in loco inspection, the committee recommended that the Department must implement the following and **submit a detailed progress report by 31 May 2018:**

- a. Ensure that the local municipality attends to the burst pipe urgently;

- b. Ensure that the correct recruitment processes are always followed to the latter;
- c. Ensure that financial management and operational management trainings/workshops are provided periodically to the management board with close and continuous monitoring for improved Centre operation;
- d. Outline the impact of the additional space and the computers on the local youth and services provided;
- e. Update the Committee on the progress of the pending theft case.

5.4 KWAGUQA CENTRE FOR PEOPLE WITH DIASBILITY

Mr. MV Mahlalela, the Head of Department, delegated a Social Work Supervisor, Ms. PK Maseko to present on behalf of the Department. She outlined the following on her presentation:

- The centre was established in 1986, founded by the late Mr. David Mashabane. The founder was a people with disability himself and saw the need to support people with disability in the community. Mr Mashabale was appointed Centre Manager till his passing in July 2017;
- The centre benefits 41 beneficiaries with an allocated annual budget of R111 600 for the 2017/18 financial year, received in trenches - quarterly. The budget is however approved for 31 beneficiaries. The Centre currently has 41 beneficiaries, thirty two males and nine females;
- The centre operates five days weekly and provides meals daily to the beneficiaries;
- The following services are offered at the centre; carpentry, wood craft and vegetable gardening. Some beneficiaries also repair wheelchairs for community members. The produce from the vegetable garden are sold and profit made is

- shared among the beneficiaries, amounting up to R 200-00 monthly stipend depending on the profit made;
- The centre is registered as a protective workshop. It is monitored and support by Ms. N Ncongwane (Social Auxiliary Worker), Ms. P Sibambo (Social Worker) and Mr. R Lamola (Community Development Practitioner) from the Department of Social Development;
- The centre is governed by the beneficiaries themselves, they have a functional management committee made of six members. They perform day to day running of the centre responsibilities and also administrative work. The passing of Mr. Mashabane negatively affected the Centre in that no one was capacitated to take over from him as Centre Manager;
- The centre has three volunteers serving at the Centre and receiving monthly stipends;
- The centre received a donation of R 30 000-00 in 2016 from Eskom and the funds were used for organizational running costs and also for payment of stipends;
- In 2015, the centre received a donation of R 1 000 000-00 from Bantu Bonke Trust for infrastructure development. Construction is underway with serious structural defects and the contractor has since disappeared;
- The centre has good working relations with the Department of Social Development, Department of Health, South African Police Services, Disabled People of South Africa DEAFSA and the Human Rights Commission.

Financial Management

The committee expressed concern on the mention of mismanaged R1, 000,000.00 (One million Rand) donation, incomplete structure and the disappearance of the appointed building contractor; and requested for a detailed report on the matter. The department reported that an amount of R1, 000,000-00 (One Million Rand) was donated to KwaGuqa Disabled Centre towards the construction of a more conducive structure by the Bantu Bonke Trust. The centre did not declare the donation to the departmental Official who is assigned to do monthly monitoring. It is, however, regrettable that the departmental official assigned to do monitoring to the organization did also not enquire and probe about the new building and who the donor was during her routine visits. The

department reported that the Supervisor, Ms PK Maseko, only became aware of the new construction during her visit when preparing the profile of the centre. Upon probing further in respect of the new structure, the following information was brought to her attention that:

- An amount of one million rand (R1,000,000-00) was donated to the centre for the construction of a new structure;
- The contractor was stopped by building inspectors for non-compliance with the building regulations and specifications;
- The contractor failed to correct the findings by the inspectors and has since disappeared and attempts to trace him were unsuccessful;
- An amount of R500, 000-00 was spent towards building material and payment of the contractor, with a balance of R400, 000-00 left in the bank account of the centre. The exact figures could, however, not be provided by the Treasurer who attributed this to the fact that then, the late Centre Manager was the only one responsible for the administrative matters and finances of the Centre. It is alleged that he did not take any other person or the committee in his confidence with regard to the financial management of the Centre;
- The other R100, 000-00 was reportedly used for operational costs.

The department further reported that according to the audited financial statements for the financial year 2014/2015, although money donated is reflected, there is no indication of mismanagement or any irregularities from the narrative that would have prompted further probing about the donation. Non-Profit Organizations are directly accountable in respect of donations made to the donors.

The department reported that following her visit to the Centre, the Supervisor deemed it necessary to bring her findings to the District Office; a decision was then taken to have the matter reported to the Departmental Internal Auditors for further investigation. The Acting Centre Manager was reportedly assisted to open a case at the South African Police Services against the appointed contractor. The Department further reported that all Social Workers, Social Auxiliary Workers and Community Development Practitioners in Emalahleni responsible for monitoring of NPOs, will be retrained on financial management by 15 April 2018. The Department has reportedly advised the Centre

committee and will also assist to develop a plan for the completion of the structure in progress.

Wellbeing of Beneficiaries

The committee enquired on the wellbeing of the beneficiaries and how they were benefiting in terms of services rendered. The department reported that the centre is a day care facility offering stimulation, developmental programmes and training in various life skills which contributes positively to their sense of worth, self-esteem and instils a sense of pride to the beneficiaries. The department emphasized that the centre also serves as a safe haven for some of the beneficiaries who might be exposed to undue exploitation and abuse during the day when their family members are at work.

The department also outlined that the centre is working not only with the Department of Social Development, but has a close working relationship with other departments and other relevant stakeholders as well to ensure that the beneficiaries are optimally and meaningfully occupied throughout the day. Occupational therapists of the Department of Health reportedly visits the Centre to provide training to beneficiaries. They also assisted beneficiaries who are in need of assistive devices to access them. The said unit also reportedly provided training on how to repair broken wheelchairs and currently the beneficiaries are repairing damaged wheelchairs for members of the community.

The department reported that some of the beneficiaries joined the centre having challenges with eye-hand coordination due to their disability, but due to the involvement of the Department of Health, most of them who were previously unable to engage in daily activities and do certain things for themselves, were seen gaining some level of independency and improving on their functionality; e.g. menial tasks like buttoning of a shirt, tying of shoe laces, etc.

The Mpumalanga Regional Training Trust also reportedly provided training in welding and carpentry. The centre is subsequently manufacturing dog kennels, chairs and tables although on a minimal scale due to their level of competency, which they in turn sell to the local community and get a stipend monthly from the production. The stipend ranges from R80-00 to R200-00 monthly, depending on the member's contribution and the profit made.

The Department of Agriculture, Rural Development, Land Administration and Environmental Affairs reportedly educated the beneficiaries on nutritious food and encouraged them to do their own gardening on the premises, which enables them currently to use (eat and sell) their own produce.

The Department of Social Development, in collaboration with the Department of Sport, Culture and Recreation reportedly observe and celebrate calendar events like the International Day for People with Disabilities where beneficiaries are urged to participate in sporting activities to encourage active living, socialization with their peers and enhancing their self-esteem.

Funding of the Centre

The committee noted with great concern in terms of monitoring and evaluation after it was reported that the centre has not been receiving their subsidy since the passing of the then centre manager in July 2017. The department reported that the Centre was paid for all four quarters as per the claims submitted to the Department of Social Development. This information was verified and confirmed with the Financial Unit at the Provincial Office. The first quarter payment was reportedly paid in June 2017, the second quarter in August 2017. The department acknowledged that the passing of the Centre Manager left a huge void in the Centre, as he was virtually the only person responsible for all the administrative and financial responsibilities. The centre reportedly struggled with the submission of their third and fourth quarter claims which was as a result submitted late due to the fact that certain administrative processes had to be finalized first, such as co-opting new signatories for submission to the bank to enable them to get financial statements which are needed when claims are submitted to the department.

The department reported that the third and fourth quarter claims were therefore both finalized during February 2018 and the payment was done on 2 March 2018. There is thus no outstanding payment for the 2017/2018 financial year owed by the Department of Social Development to the KwaGuqa Disabled Centre.

R30, 000-00 Donation by ESKOM

The committee requested for a detailed report on the donation received from Eskom. The department reported that according to the centre committee, the donation from Eskom was requested specifically for payment of stipends and running costs, and was subsequently used for that purpose. The department outlined that Donors are very strict on how donated funds are utilized unless a written request is made for deviation to use other than the intended purpose. Although the Department of Social Development has a responsibility to provide support to the Centre, much caution is exercised to avoid interfering as organizations are encouraged to operate independently and encouraged by the NPO Act to seek professional advice as much as possible from registered financial service providers when dealing with their finances. The department outlined that the actual breakdown of the R30 000 between the stipend and running cost could not be provided by the Centre committee.

Monitoring and Evaluation

The committee noted the commitment by the Department of Social Development to intensify monitoring and support services to the KwaGuqa Disabled Centre to ensure compliance with the NPO Act, Act 71 of 1997 and to guide them to source funding from other donors to augment the departmental subsidy. The department also committed that the new board members will be strengthened through capacity building on financial management and other related trainings that would be provided by the department in the next financial year to optimise their functioning. The integration of services with other relevant stakeholders is reported to continue for the benefit of the beneficiaries.

The department further committed that findings and recommendations from the Internal Audit Unit with regard to the investigation in the financial matters of the centre will be discussed with the management committee and implemented without fail.

5.5 FINDINGS MADE BY THE COMMITTEE

- a. The centre is funded for 31 beneficiaries but presently serving 41 beneficiaries;

- b. The centre management needs operational and financial management training and continuous monitoring by the department;
- c. The beneficiaries insist of managing themselves (the management is comprised of the people with disability) and this negatively affects the operation of the centre due to the cognitive skills needed that are lacking as a result of the disability;
- d. Construction of the new structure is of poor workmanship and progress has since halted following the disappearance of the appointed contractor;
- e. A case has been opened with the South African Police Services against the appointed contractor following his disappearance

5.6 RECOMMENDATIONS MADE BY THE COMMITTEE

After the deliberations and the in loco inspection, the committee recommended that the department must implement the following and **submit a detailed progress report by 31**

May 2018:

- a. Review the funding provided and the effects thereof and consider increasing the number of beneficiaries funded (thus increasing the budget allocated);
- b. Plan for and periodically run trainings and workshops on operational and financial management to the Non-Profit Organizations and improve on the level of monitoring and evaluation done;
- c. Establish means of better assisting the centre for improved operations;
- d. Consider Mpumalanga Regional Training Trust to assist with the completion of the construction project on site;

- e. Keep the Committee updated on the reported case against the appointed contractor who has since disappeared.

6. YOUTH EMPOWERMENT STAKEHOLDER AT LYNVILLE HALL

Substance Abuse

The community of Emalahleni are very concern about the level of drug abuse, Nkangala District is ranking high in the Province on drug abuse. It was reported by the public that the drug of choice in Emalahleni is Nyaope, an alarming number of young people are addicted to the drug among other drugs. It was also reported by the public/youth that unemployment, lack of sporting fields and recreational centers contributes to the high rate of drug use. It is also alleged that the youth are less motivated to pursue education because of the limited employment opportunities.

The Department of Social Development reported to have noted the growing drug use in the Province, particularly in Nkangala District. It was reported that since there is only one substance abuse treatment centre in the Province, Swartfontein Substance Abuse Treatment Centre located in the Ehlanzeni District, construction of another one is reportedly in progress in the Nkangala District; at 70% completion. It was reported that admission of users was scheduled to commence in the new financial year of 2018/19. This is envisaged to address the challenge and afford the Department of Social Development the opportunity to educate the public about prevention and also support drug users in the communities within the Nkangala District.

The Committee emphasized the need for improved campaigns and outreach programmes on anti-drug use in the Nkangala District and also for public education against drug abuse and treatment.

7. RECOMMENDATIONS MADE BY THE COMMITTEE

- The Department of Social Development must plan and effectively implement campaigns and outreach programmes on anti-drug use and treatment and also public education on drug abuse and treatment. The Department must provide progress report in this regard;
- And also to provide a detailed progress report on the construction of Nkangala Substance Abuse Treatment Centre and services rendered if any by 31 May 2018.

The Chairperson requests the House to adopt the report with its findings and recommendations and that a progress report on the implementation of House resolutions be provided on or before Thursday, 31 May 2018.

8. CONCLUSION

The Chairperson would like to express her heartfelt gratitude to all the Honourable Members of the Portfolio Committee on Health and Social Development for their attendance and active participation during the TLP Programme. She further wishes to thank the Department, the municipality and the management of the Centers for the services rendered and the Legislature staff for providing support to the Committee.



HON. DP MANANA

**CHAIRPERSON: PORTFOLIO COMMITTEE ON HEALTH
AND SOCIAL DEVELOPMENT**

18.04.2018

DATE