ILO Social Protection Lectures

The Role of Stakeholders in the Social Protection Reform in South Africa

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Social Protection

Social protection ranges from the provision of basic services such as water, sanitation, health, education, housing, nutrition and counselling on the one hand. The other is a critical range of delivering social protection programmes in the form of social security, social assistance, social insurance and labour market interventions. These services are delivered by a number of government departments. (Petersen, 2016; UNRISD, 2010; Yemtsov, 2013)

Social protection is a safety net to address poverty, vulnerability and inequality. It is also described as an insurance policy for poor citizens to deal with aging, disability, illness, exclusion and reducing the impact of exposure to risks and shocks such as unemployment and disasters. It is a tool to promote social justice and inclusive development.

Social protection is defined as a set of formal and informal interventions that aim to reduce social and economic risks, vulnerabilities and deprivations for all people and facilitate equitable growth. (ILO, 2014)

Functions of SP

Protection

social assistance measures that ensure basic subsistence for poor people *(cash transfers, vouchers, supplementary feeding, food aid)*

Prevention

social insurance measures to stop vulnerable people falling into poverty *(social security, grain reserves, weather-indexed insurance)*

Promotion

livelihood support to simultaneously protect and enhance livelihoods *(asset transfer, input subsidies, school feeding, public works)*

Transformation

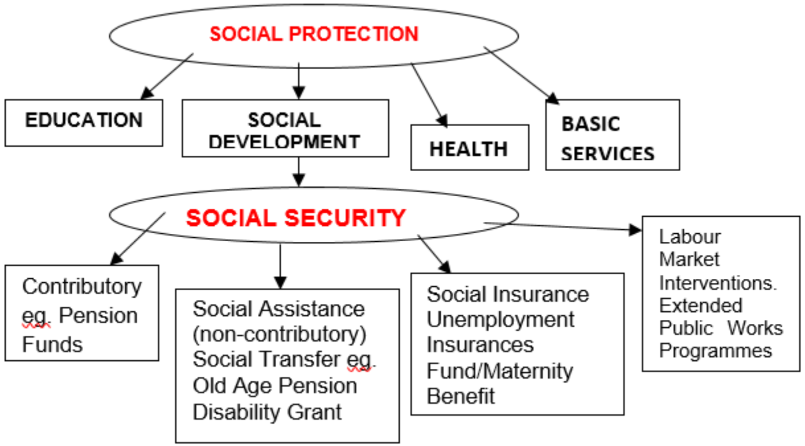
social inclusion measures that enhance social and economic rights *(grievance procedures, child labour eradication, anti-discrimination).*

Generative

social security innovation measures to enhance social and economic rights in times of crisis.

Social Security

Social security is defined as private or public measures to protect individuals, families and households against the impact of disasters, the working poor and the loss of income as a result of unemployment, old age, death, disability, work place injury, lengthy hospitalisation and rehabilitation, and maternity. (Petersen, 2016)



The governments' expenditure on social protection and in particularly social security is referred to as the "social wage".

South African SP Landscape

1. Department of Health

-Free Public Health Care

-NHI - Pilot Phase

-Occupational Health and Safety

2. Department of Basic Education

-Nutritional Support for Learners

-Free Public School Education

-Special Education

3. Department of Higher Education

-NSFAS (National Student Financial Aid Scheme)

4. Department of Agriculture

-Farming Subsidies

-LMI: Extension Workers

-Co-Operatives

5. Department of Labour

-Provident Fund

-Unemployment Insurance Fund

-Injury Support Fund

-Maternity Benefits

-TERS - Covid-19

-NEDLAC

South African SP Landscape

6. Department of Social Development

-Social Assistance Programme (SASSA)

-Covid-19 Grant

-Social Safety Net Programmes - NGO Support

7. Department of Finance

-Government Employees Pension Fund (GEPF)

-Special Pensions Fund

8. Department of Local Government & Traditional Affairs

-Free Electricity (limited)

-Free Water (limited)

9. Department of Transport

-Road Accident Fund

10. Department of Public Works

-Work Guarantee Program (EPWP)

Private Sector

-Retirement Insurance & Annuities

-Medical Aid Schemes

-Income Replacement Insurance

KEY SOCIAL PROTECTION REFORMS

- Removal of Race-based benefits
- Maintenance grant (1m) > Child Support Grant (12m)
- Public Health Services > National Health Insurance
- Early Childhood Development > Compulsory ECD
- Private Farms > Co-operatives
- Provident Fund (lumpsum) > Compulsory Annuitization of a portion For monthly retirement payment
- Government Pension (lumpsum)> Monthly payments/ one-third cash& two-thirds monthly payments – 3rd party organization
- Defined Pension Plans > Defined Contribution Pension Plans (private sector)
- Fragmented Benefits > Social Protection Floors (social wage)
- Manual Systems > Automated Systems
- Single Systems > Interoperable systems
- Unemployed vulnerable sector > LMI: Expanded Public Works (EPWP)
- Motor Vehicle Accident Fund > Road Accident Fund
- Generic Delivery Departments > SPV: Delivery Agencies: SASSA, NYDA, NDA

Change Requires a Service Quality Framework

In its simplest form, a quality framework sets out clear quality goals for an organisation to deliver value and outcomes, against the stated policy, mission and values, in the best and most cost effective manner.

Change is a movement out of a current state (how things are today), through a transition state, and to a future state (how things will be done) (Creasey, T. 2020)

Change management is the process organisations launch to improve current performance, seize new opportunities or address key issues (Jouany & Matrick. 2020)

Stakeholders should be given multiple channels to exercise their “voice”.

This requires that the social protection ecosystem, particularly the Boards & Management should be open to “listening” for successful reform design and implementation of required changes.

The Key Deliverables of a Framework

Governance - the governance of a quality framework involves several elements, such as, identifying the objectives and principles of the quality framework, and defining a government structure. It also involves identifying the stakeholders and partners and clarifying their roles and responsibilities.

Once you have established your objectives, measurements and list of the projects that will deliver the improvements, you have to map your stakeholders.

Stakeholders can be defined as the groups whose actions affect the institution: these may be staff, citizens, businesses and other.

Stakeholder Analysis

- Stakeholder analysis is one of the first steps you should take in any change project.
- It enables you to identify everyone with a concern or interest who needs to be involved.
- Once you have come up with the full list, you then need to categorise it: from people with the greatest involvement, through to more peripheral individuals or groups.
- The more important the stakeholder is to the success of the project, the more time and resources you need to devote to maintaining their involvement and commitment.

Positioning the Stakeholders

Disposition	Response to change	Actions
Commitment	Want change to happen.	Willing to create whatever structures, systems and frameworks are necessary for it to work.
Enrolment	Want change to happen and will devote time and energy to making it happen within given frameworks.	Act within the spirit of the frameworks.
Genuine compliance	See virtue in what is proposed, do what is asked of them and think proactively about what is needed.	Act within the letter of the frameworks.
Formal compliance	Can describe the benefits of what is proposed and are not hostile to them.	They do what they are asked but no more. Stick to the letter of the framework.
Grudging compliance	Do not accept that there are benefits to what is proposed and do not go along with it.	They do enough of what is asked of them not to jeopardise their position. Voice opposition and hopes for failure. Interpret the letter of the framework.
Non - compliance	Do not accept that there are benefits and have nothing to lose by opposing the proposition.	Will not do what is asked of them. Work outside the framework.
Apathy	Neither in support of, nor in opposition to the proposal - just serving time.	Don't care about the framework.

South African Stakeholders

Process of Engagement

Identification

Consultation

Reporting Mechanism

Stakeholder Types

Primary Stakeholders

- Minister (Political Mandate, Cabinet & Parliament)
- Social Cluster, Ministerial Advisory Council & NEDLAC
- Board & Executive Management
- Members & Beneficiaries
- Employer & Employees Representatives

Secondary Stakeholders

- Departments & Agency Support Staff
- Vulnerable Communities
- Third Party Service Providers
- Advocacy Groups
- Banks
- Master/VISA card
- International Agencies

SOUTH AFRICAN KEY STAKEHOLDER FORUM

National Economic, Development and Labour Council (NEDLAC)

NEDLAC ensures effective public participation in the labour market and socio-economic policy and legislation,
to facilitate consensus and co-operation between government, labour, business and community, in dealing
with South Africa's socio-economic challenges.

NEDLAC consists of representatives from government, organized labour, organized business and civil society
organization (on behalf of communities). They seek to co-operate through problem-solving and negotiation on
economic, labour and development issues and related challenges facing the country.

NEDLAC consists of 4 chambers: Labour Market, Public Finance and Monetary Policy, Development and
Trade and Industry.

NEDLAC representation:
Government:
Parliament
Cabinet- Social Cluster
Ministerial Advisory Councils and Boards
Social Transformation Committees
Departments, SOE's and Agencies

Trade Union Federations:
COSATU
FEDUSA
NACTU
CONSAWU
SAFTU

Organized Business
BUSA
Small Business Forum
Chamber of Business
Business Unity South Africa
Black Business Forum

Civil Society Organizations:
Black Sash
Treatment Action Campaign
NGO Coalition
Social Change Assistance Trust
South African Council of Churches
Academic Institutions
Child Justice Alliance
International organizations

South African Social Security Agency (SASSA) Case Study

Fact Sheet

SASSA has:

- Approximately 8 269 Staff
- 9 Regional & 46 District Offices
- 389 Local Offices
- 1 163 Service Points
- 38 Mobile Trucks
- 1740 Contracted Pay-Points
- 1 National Call Centre
- R7.6 billion Administrative Budget
- Our customers
- Older persons, people with disabilities and children

(17.8 millions social grants paid to 11 054 128 beneficiaries (Adult recipients))

- Approx. 32% of the population benefitting
- Social Assistance transfers - R162 billion p.a.
- Payment method: 71% Post Bank (Government), 29% Commercial Banks.

- SASSA is a Schedule 3A Public Entity established in April 2006 in terms of an Act of Parliament (SASSA Act, 2004)
- The objective of SASSA is to:
  - act, as the sole agent that will ensure the efficient and effective management, administration and payment of social assistance; and
  - eventually serve as an institution to manage broader social security benefits.
- The operations of SASSA and its Social Assistance Programme which includes Social Relief of Distress (SRD): fresh produce, blankets and school uniforms, are fully funded by government.
- The Social Assistance Act of 2004 provide the legal framework for the provision of social assistance.
- Aligned to NDP outcome 13 sub-outcome 4

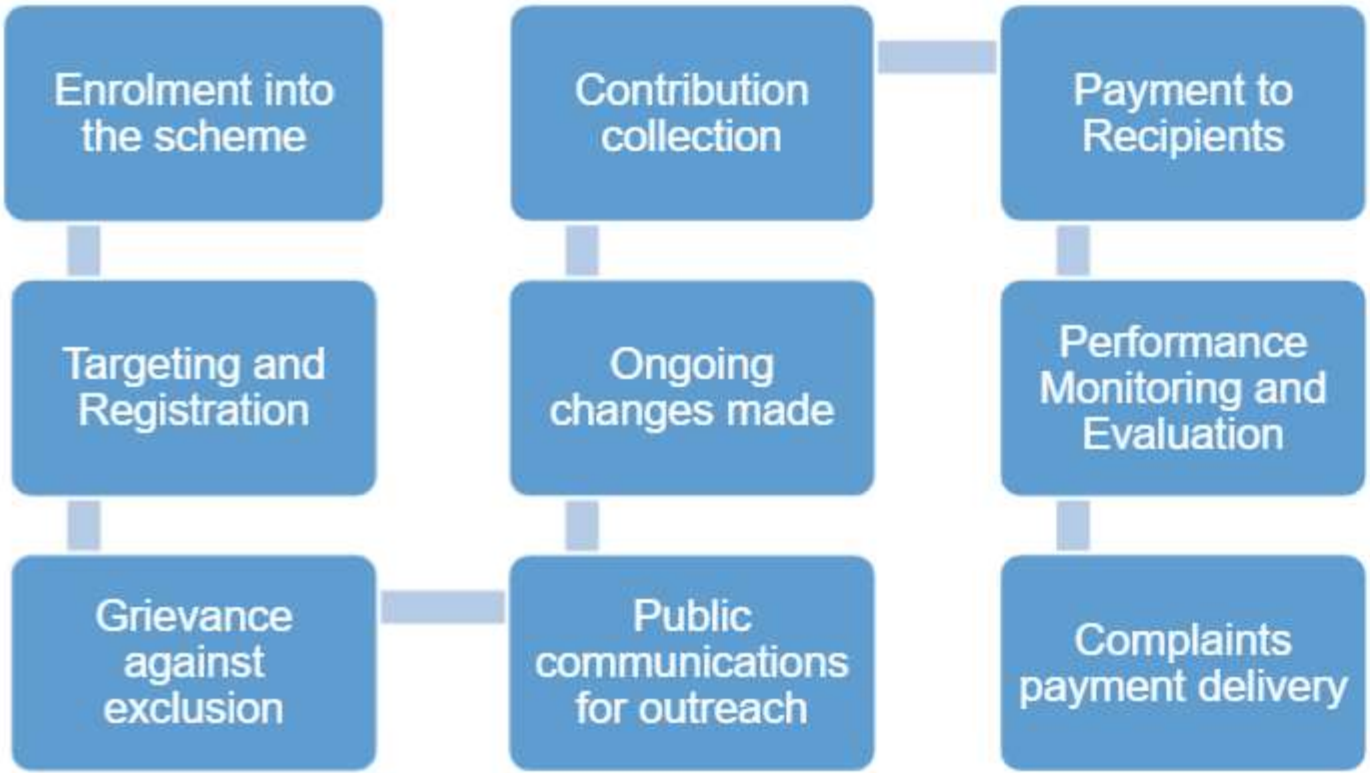
Total Number of Social Grants Paid

Care Dependency	(R 1 780.00) 150,001
Child Support	(R 430.00) 12,452,072
Foster Care	(R 1000.00) 386,019
Disability	(R 1 780.00) 1,048,255
Grant In Aid	(R 490.00) 221,989
Old Age (R1 780 / R1800.00 (>75))	3,553,317
War Veterans	(R 1 800) 92
TOTAL	**17 811 745**

Methods of Awareness and Mobilisation - South African Model

- Using Prominent/Well-known Personalities
- Communicating, Research and Analysis
- Political Outreach
- Community Meetings –Mikhondzo
- Targeted Group Outreach
- Communication Strategy
  - Radio & TV –Talk Shows & Advertisements
  - Print Media –Bill Boards, Newspapers, Posters & Brochures

Operations Cycle for Social Security



Quality Service Improvement Plan

- 1. **Targeting Mechanism**

  - New consultation and communication strategy
  - Disability targeting improvement
  - Medical and social means testing

- 2. **Registration Mechanism**

  - Re-registration
  - The use of both approaches introduced.
  - Survey Outreach Approach
    - Mikhondzo
    - ICROP
  - On demand approach registration
  - Uniforms, Name-tags, Queue Management, Call Centres

- 3. **Enrolment : Application Process Mechanism**
  - Application Form
  - Office Revamp
  - Staff Training
  - 4 Step application process
  - EPWPs
  - Automation of Registries
  - Reduced application process time

- 4. **Payment: Modern Payment Delivery Solution Mechanism**
  - Biometric Linked Smart Card
  - Extension of Payment Facility Options
  - Payment tender
  - Automation
  - Unqualified Audits

- 5. **Grievance Mechanism**

  Informal : Complaints boxes
  : Call Centres
  Formal : Internal Review Process
  : Appeals Tribunal

May 2011 – March 2012

- Payment Tender
- Payment Model
- Automation
- **Service Delivery Improvements**

A. Improvement of Local offices
   - ✓ (blue print developed; and
   - ✓ 72 improved)

B. Standardization of Grant Admin processes
   - ✓ 4- step application process from 7 steps
   - ✓ Reduction of application forms from +20 pages to 2

C. Capacity building
   - ✓ Capacity model for local office
   - ✓ Reprioritized compensation of employees to fund level 5 and 7 in LO
   - ✓ Introduced EPWPs

- Unqualified Audit

April 2012-March 2013

- Payment
  - Re-registration -20.7m
  - Migration to new payment system
- Local offices improvement (109)
- Strengthened Fraud management unit
- Capacity building:
  - Secured authorization from treasury to move funds from goods & services to COE to fund level 5 and 7
  - level 5 and 7
  - EPWPs
  - Executive posts filled (95% achievement)
- Staff Uniform introduced
- Payment Model
- Biometrics for staff
- Unqualified Audit

April 2013-March 2014

- Re-registration Back office clean-up
  - R2 billion saving
  - CSG voluntary cancellations
- Payment Model – Ministerial Advisory Committee appointed
- Local Office improvement (72)
- Linking of grant ben – cooperatives – school uniforms
- Effective Fraud management
- ICROP (– Mikondzo
- Staff Uniform
- Reviews Backlog (suspended)
- Biometrics for staff
- Unqualified audit
- Payment Tender litigation

April 2014 – March 2015

- Payment Tender (Revised, advertised and finalized
- Payment Model
  - Supported the advisory committee
  - Feasibility report on the payment technology solution
  - Analysis of finger prints
  - On-going enrolment
- Automation
  - Biometric for staff (buildings and systems)
  - Scanning solution for automation of records management centres
  - Feasibility report for co-sourcing of registries
- Service Delivery Improvements
  - Improvement of Local offices (52)
  - Pay-points (144)
  - Turn around time 10 achieved
  - Implemented Mikondzo as a vehicle to improve service delivery (714 wards visited)
- Unqualified Audit

April 2015-March 2016

- Payment Tender finalized
- Payment Model
  - Established Special projects office to support workstreams
  - Developed Transition Plan
  - On-going enrolment
  - Dispute resolution mechanism for deductions
- Automation
  - Biometric for staff (buildings and systems)
  - Scanning solution for automation of records management centres
  - Co-sourcing of registries initiated
- Service Delivery Improvements
  - Introduced project for elimination of open space pay-points (4000 identified)
  - Implemented Mikondzo as a vehicle to improve service delivery (411 and 63 wards visited through ICROP and Mikondzo)
  - Review the 4 step to 2 step process
  - Turn-around time – 10 days
- Unqualified Audit

Structure to Support the Implementation of the Service Quality Plan

The business requirements stage should consist of:

- The appointment of a project manager
- The creation of a project team
- The agreement of project governance
- The identification of all stakeholders
- The requirements analysis, prioritisation, agreement and documentation
- The determination and agreement of outline budgets.
- The resolution of potential conflict between business units and agreement on overall requirements.
- Sign-off processes for the agreed requirements and a method for agreeing and accepting changes to the agreed requirements
- Engagement plans with the stakeholders

Reporting Mechanisms

The Minister and the CEO received progress reports on the through the following methods:

- EXCO
- Top Management
- Quarterly Review Sessions
- Stakeholder Engagements
- Parliamentary Processes
- Annual Reports including Audit Reports

South Africa's Covid-19 Response

Response:

- Created a special fund (PPE, Sanitisers, Vaccines) - The Presidency
- Temporary Employment Relief Scheme (TERS)
  - -minimum R3500 per month
  - -maximum R6730 per month (previously earned R17 700 per month) - Department of Labour
- Creative arts stipend - Department of Arts & Culture
- Covid-19 testing - Public Sector Department of Health
- Social Security (SASSA) - horizontal and vertical expansion
  - -child support grant - 1 child R440 + R500 = R940 per month
    - 2 children R880 + R500 = R1380 per month
    - (May - October 2020)
  - -OAP, DG, War veterans, care dependency, grants - additional R500 per month
  - - Covid-19 SRD - R350 per month for unemployed
  - Applications via USSD/WhatsApp/E-mail
- NGO's and the Private Sector - Masks, sanitiser and food parcels

Q & A

Thank you