

The South African Children's Budget Unit (CBU) of Idasa

Presentation for the Exploratory Dialogue on Applied Budget
Analysis for the Advancement of Economic, Social and
Cultural Rights

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Outline of the presentation:

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A. General Context

The Children's Budget Unit (CBU) was established by *Idasa's*¹ Budget Information Service (BIS) Programme² in 1995.

The CBU can best be understood in the context of the following four things.

First, the end of apartheid and establishment of SA's first democratic government in 1994

Second, the commitment by the new government to delivering socio-economic rights

This was revealed by:

- The development of a Constitution (certified in Dec 1996) which entrenches not only civil and political, but also socio-economic and cultural rights³.

¹ *Idasa* is an NGO aimed at promoting democracy in SA.

² *BIS* engages in research, training and information dissemination to make budgets more democratic and in particular responsive to needs of poor people.

³ The socio-economic rights of children appear in two places, under socio-economic rights given to all people (s26, 27, and 29) and socio-economic rights given specifically to children (s28). The socio-economic rights given to children in s28 are the rights to social security, basic health and education and shelter. The state is given the duty 'to respect, protect, promote and fulfil the rights in the Bill of Rights'. An internal limitation clause was written into the socio-economic rights given to everyone but not those given to children in s 28. The limitation clause is as follows: '*The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right*'.

- The ratification (1995) of the Convention on the Rights of the Child (CRC), which includes child socio-economic rights.
- Cabinet's approval of the National Programme of Action for Children in South Africa (NPA) in 1996⁴.

Third, the legacy of socio-economic rights violations left by apartheid

Apartheid discriminated against black people in access to resources for realisation of socio-economic rights and created extensive poverty (including child poverty).

Fourth, the significance of the budget as a tool for translating government's child rights promises into practice and need for an institution to monitor the extent to which it is used as a delivery vehicle

4 This is a strategy for implementing the child rights in the CRC and Constitution. It involves research, mobilisation and information dissemination to ensure that children are prioritised - 'put first' – in budgets and policy. The NPA was born from the collaborative efforts of Unicef and a broad movement of children's rights advocates in the NGO sector in South African, including the National Childrens Rights Committee (NCRC) which was formed in 1990 as an umbrella organisation to advocate for child rights.

B. Objectives, activities and outputs of the CBU

Immediate objective: -

conduct research, training and information dissemination on government's performance in budgeting for child rights (particularly socio-economic).

Ultimate objective:-

speed realisation of child rights in SA.

5 main activities: -

- Research on children in budgets⁵
- Research on the situation of children in SA
- Evaluation of programmes and policies⁶ targeted at promoting child rights
- Information dissemination
- Training on child rights budget analysis

⁵ Broadly speaking, this looks at the following: How much is being allocated to children's programmes in the sectors particularly important for child rights realisation; The extent to which child targeted allocations are translating into efficient and effective services; The extent of discrimination in access to child focused budget inputs and outputs; The extent to which fiscal policy is conducive to delivering child socio-economic rights.

⁶ For example thus far the unit has done an evaluation of the child sexual offences programme and is in the process of an assessment of the Protocol for the Multi-disciplinary Management of Child Abuse and Neglect.

Outputs.

➤ **Books on the situation of children and children in government's budgets**

Thus far **4** books published.

Broadly the first **3** provide information on:

- Child rights outcomes in SA
- Budget allocations to children in the social development, education, health and nutrition and justice sectors.
- Discrimination in access to child targeted budget inputs and outputs
- Service delivery problems undermining efficient and effective use of allocations to children.

➤ **Category 2 - Budget briefs**

- Short papers on the government's budgeting for children
- Driven by the budget cycle and by emerging child rights issues. For example: a brief is distributed annually after the tabling of the national and provincial budgets; and a brief was recently distributed on government's budgeting for children made vulnerable by HIV/AIDS.

➤ **Category 3 - Newspaper articles**

➤ **Category 4 – Training sessions / workshops**

C. More details on the CBU's most recent output – Children's Budget Book 4⁷

This output is most relevant to this seminar as it represents the project's most thorough attempt to *marry*:

→ child focused budget analysis

and

→ child socio-economic rights realisation.

This book looks towards the following to *uncover the obligations on government to budget for child socio-economic rights in SA*:

- The International Covenant on Social, Economic and Cultural Rights (ICSECR) and the attendant Committee at the UN's General Comment on the nature of the limitations in the obligations clause
- The Convention on the Rights of the Child (CRC)
- The SA Constitution
- The African Charter on the Rights and Welfare of the African Child (AC)
- The Constitutional Court's view of government's obligation to budget for child socio-economic rights in the first Constitutional case on non-delivery of socio-economic rights (the Grootboom Case).

⁷ The title of this book, published by Idasa late in 2001 is 'Budgeting for Child Socio-economic Rights: Government Obligations and the Child's Right to Social Security and Education'.

The book finds that in the wake of the *Grootboom Case*, obligations on government to budget for child socio-economic rights are ***different*** for children *with* and *without* parental care.

More specifically -

- It points out that the Constitutional Court found in the *Grootboom Case* that the internal limitation clause (found in the Constitution in the sections on everyone's socio-economic rights) actually also applies to the child socio-economic rights set out in s 28 (except for children without parental care).
- And this means that:
 - for children *without parental care* government is obliged to budget for *immediate delivery* of socio-economic rights
 - whereas for children *in parental care* it has to budget for *progressive realization subject to available resources*.

The book then:

- Presents a synopsis of the budget input⁸ and output⁹ obligations on government to progressively deliver the socio-economic rights of children in parental care that flow from the legal framework in SA.
- Uses these to develop a methodology for evaluating government's performance in budgeting as it should for the delivery of the socio-economic rights of children in parental care.

⁸ Child socio-economic rights budget inputs refer to the allocations made to child socio-economic rights programmes. For example, the money allocated to the child support grant programme in provincial social security budgets can be referred to as the budget inputs in the child support grant programme.

⁹ Child socio-economic rights budget outputs refer to the services produced by inputs in child socio-economic rights programmes. For example, the R110 paid per month to child beneficiaries can be referred to as the output produced (or service produced from) the budget inputs to the child support grant programme.

The synopsis of budget input and output obligations is as follows:

Provided there is a need for government to spend more and/or better on a particular socio-economic right and resources are becoming increasingly available for spending, then:

- Government is obliged to allocate *some* of its budget every year to sustain and develop programmes that deliver socio-economic rights to children in parental care. This involves allocations to child social security, housing, education and child health services (including nutrition and water). As regards *how much* government is obliged to set aside, there is no specification about how much is enough relative to what is available. However, government is obliged to:
 - allocate enough for real increases in programmes aimed at child socio-economic rights delivery;
 - allocate enough to facilitate the continuation of programmes.
- Government is obliged to spend the money that *is* allocated to programmes that deliver child socio-economic rights *efficiently and effectively*. In other words, it has obligations to use the fiscal envelope awarded to child socio-economic rights in a way that maximises the use of scarce resources and promotes operational and allocative efficiency. This implies the following budget input obligations (a-c) and budget output obligations (c-e):
 - a) The obligation to choose the socio-economic rights programmes that promise to have the most impact at least cost;
 - b) The obligation to allocate to and within the different socio-economic rights programmes in a way that prioritises basic services, targets the poorest of the poor and reduces geographical inequity and discrimination against vulnerable groups of children (those with disabilities, those in remote areas and those of particular racial categories) over time;
 - c) The obligation to spend resources allocated to programmes targeted at child socio-economic rights instead of wasting them;
 - d) The obligation to increase output (if there is still need), lower costs and improve quality in programmes targeted at child socio-economic rights over time;

e) The obligation to ensure that the outputs of child socio-economic rights programmes become increasingly accessible to a wider variety of children, particularly the most vulnerable. The latter include children with disabilities, the poorest of the poor, those in remote areas and those of racial groups traditionally discriminated against.

- Government is obliged to take steps to eliminate continuing hurdles to universal access of children to programmes aimed at realising their socio-economic rights. It is also obliged to overcome implementation problems in order to maximise the rate of progressive realisation.

The methodology flowing from this set of obligations involves a five-stage analysis that is as follows.

Stage 1 – Establishing the need for spending more and better on a child right

Aim: To establish whether there is a need for spending more and better and what the need is for the child socio-economic right in question.

Approach: This involves inquiry into the prospects for markets to help deliver the right through employment creation, looking at indicators of the right to shed light on its realisation and considering the extent to which public programmes for delivery of this right already exist and are producing effective outputs.

Stage 2 – Uncovering the availability of resources for spending on the child socio-economic right

Aim: To establish what the availability of resources in the consolidated government budgets is for spending on all public services and in the sector budgets most instrumental in delivery of the socio-economic right being investigated.

Approach: This involves inquiring after expected growth in allocated expenditure (government expenditure after interest payments and contingencies) and whether it is divided in a way that gives provinces (the tier of government that finances and delivers social services) much room for spending more on child socio-economic rights programmes. It also involves looking at the relevant provincial sector budgets to uncover how much is available.

Stage 3 – The analysis of whether government is meeting its budget input obligations

Aim: To establish the extent to which government is using budget inputs to meet its obligations in relation to the child socio-economic right in question.

Approach: This involves asking and answering the following two sets of questions about budget inputs of programmes aimed at realising the particular socio-economic right:

- The 'how much questions': How much is allocated to the programmes, what is the rate of the real increases in these

allocations and are programmes aimed at realising the right being phased out without substitutes being put in place?

- The 'allocative efficiency' questions: How much geographical inequity is there in the allocations, do they discriminate against any children, do they target the poorest of the poor and are they prioritising basic services? If the answers to these questions are yes, then how much progress is being made over time in moving towards the ideals of non-discrimination, geographical equity in allocations, targeting the poorest of the poor and prioritising basic services? Do we see waste on the input side of the budget?

Stage 4- The analysis of whether government is meeting its budget output obligations

Aim: To establish the extent to which government is using budget outputs to meet its obligations in relation to the child socio-economic right in question.

Approach: This part of the analysis involves asking and answering the following questions about budget outputs in the programmes targeted at realising the particular child socio-economic right:

- Is output increasing, costs falling and quality improving?
- Is there discrimination in access to services (for example against those in remote areas, those of a particular race, children with disabilities or girl children) and is access being increased and discrimination being reduced over time?
- What steps is government taking to remove remaining access and discrimination hurdles?

Stage 5 – The evaluation of government's performance

This involves reviewing the stage 1-4 analysis and:

- Coming to conclusions about the extent to which government is meeting its obligations;
- Explaining whether performance is lacking on the input or output side of the budget or both; and
- Making recommendations about where government must improve in its budget allocations and service delivery to ensure it uses the budget as it should to realise that particular child right.

Finally, the book pilots the new methodology by applying it to examine whether government has been budgeting – as it is obliged to – for the delivery of the child’s right to social security and education in SA.

The analysis of government’s performance in budgeting as it should for delivery of the right to social security for children in parental care involved the following five-stage analysis.

First, establishing the need for spending more and better on social security for children without parental care in South Africa. More specifically, this involved:

- Considering the extent of income poverty amongst children in parental care in South Africa.
- Considering the prospects for markets to reduce income poverty amongst children via employment creation for their parents.
- Considering the nature of the social security system to see how many programmes delivering child social security to children in parental care there are and how many children they are benefiting.

Second, inquiring after the availability of resources for increasing spending on delivery of child social security. More specifically, this involved:

- Using government’s *Estimates of National Expenditure*¹⁰ to uncover the expected trend in consolidated government spending before and after interest payments over the next three years.
- Using the *Provincial Estimates of Expenditure* to uncover what the expected trend in provincial revenue is over the next three years because it is provinces that budget for and deliver social security.
- Using the *Provincial Estimates of Expenditure* and gathering information from provincial social security officials to uncover how much provinces are planning to budget for the two programmes targeted specifically at delivering social security to children in parental care – the CSG and CDG programmes.

¹⁰ That sets out government’s expected revenue and expenditure plans for the Medium Term Expenditure Period – next three fiscal years – and is released with the Annual Budget in February each year.

Third, asking and answering the following questions to shed light on whether government has been fulfilling its budget input obligations using budget input data for the CSG and CDG.

- What is the value of payment per child beneficiary from the CSG and CDG and has it been increasing in real terms over time?
- How much have provinces set aside in their CSG and CDG budgets and are these budgets set to increase in real terms?
- Have any programmes designed to deliver social security to children in parental care recently been phased out without substitutes being developed?
- Has there been non-spending of funds in any provincial CSG and CDG budgets?
- Do the budget allocations to the CSG and CDG programmes prioritise basic service provision?
- Do the budget allocations to the CSG and CDG target the poorest of poor children and has an increasing share of the CSG and CDG budget allocations been flowing to the poorest of children over time?
- Has the distribution of funds allocated to the CSG and CDG programmes been discriminatory in the sense that children of a particular race, of a particular age or gender or with a particular disability, receive less than their fair share of funds? If so, is discrimination falling over time?
- Has the distribution of the CSG and CDG grant funds across provinces been in line with provincial shares of children that need their social security right to be realised? With other words, has there been inter-provincial equity in access across provinces to social security allocated to child social security? If not, has this discrimination been reduced over time?

The fourth part of the analysis involved asking and answering the following questions to shed light on whether government has been fulfilling its budget output obligations using budget output data for the CSG and CDG.

- Has the output – payments to child beneficiaries – from the CSG and CDG programmes been increasing over time?
- In the process of an expansion in output from these two programmes, have children of all races, with and without disabilities, of all ages, in rural and urban areas and in all

provinces benefited equally? If not, has discrimination been reduced over time?

- Has government been taking steps to overcome obstacles that remain in the way of non-discriminatory access to budget inputs and outputs in the CSG and CDG programme and speed up progress in delivering social security to children in parental care?

The fifth part of the analysis – the conclusion – pulled the analysis together by:

- Summarising the findings on the need for spending more and better on child social security for children in parental care and the availability of funds for doing so.
- Summarising the findings on where government is and is not meeting its budget input and output obligations.
- Making recommendations about where government urgently needs to take action on the input and output side of the budget to ensure that it meets its obligations to budget for the social security rights of children in parental care.

D. Actors and institutional partnerships or collaborations formed by the Unit

- The only formal partnership is with funders, the Norwegian Human Rights Institute and Save the Children Sweden.
- The CBU is part of Save the Children Sweden's International Budget Project.
- The CBU works informally with officials from the executive in the production of its research¹¹.
- The project assists on an informal basis, advocacy groups and other NGOs working in the field of child rights in South Africa¹².

¹¹ The process of gathering data from officials in the departments of social development, education, health and finance is crucial to the rigour of the unit's work.

¹² For example, the Childrens Rights Centre in Durban, the Child Health Unit at UCT and the Alliance for Children's Entitlement to Social Security in South Africa (ACCESS). The traded good is usually information about the extent of income child poverty or resource allocations by government to children in a particular sector

E. Outcomes to date

The project's ultimate aim - outcome - is to push the pace of child rights realisation in SA.

It is difficult to measure the unit's impact on this outcome.

The key channels through which the Unit is supposed to impact:

- Child rights advocacy groups using the unit's information.
- Government officials using the unit's information for better budget and policy planning.
- Information about failure to spend and deliver spurring government into dealing with delivery crisis.
- Information dissemination's making the public at large aware of what child socio-economic rights and attendant budget obligations and performance are.

The following suggest the unit may be having success in working through these channels:

- The unit's information has recently been used by ACCESS, a coalition lobbying for an extension of the child social security programme in SA to children older than six years.
- The last research findings of the unit's last two books have received good coverage in the media.
- The Unit's information is used as reference material by government.
- In 2000, as part of the research for the third children's budget book, the unit conducted an investigation into the reasons for non-spending of funds in the Integrated Nutrition Programme and in particular lack of transfer of funds to a community gardens project that could have supported many children. This research apparently went some way towards the funds beginning to flow and the project being re-established.
- Lines of communication are opening up between researchers on the project and government officials involved in budgeting for and implementation of programmes significant for delivery of these rights.

F. Short reflection on the relevance of Idasa's CBU for the other field

What is the relevance of children's *budget* analysis for child *socio-economic rights*?

Particularly in developing countries which are characterised by:

- extensive child poverty,
- limited delivery of child rights through markets
- little public resources for spending on child rights

child focused budget analysis can go a long way in helping to realise child socio-economic rights.

The budget analysis can do this by:

- Helping to identify which socio-economic rights should be prioritised in the short-term in allocation of resources.

This is obviously a contentious issue in light of the principle of indivisibility of socio-economic rights but is it not better to have democratic processes inform the allocation decisions in child socio-economic rights delivery – including children's voices – than leave prioritisation to government.

- Creating awareness around whether government is fulfilling its obligations in the realm of budgeting for child socio-economic rights.
- Probing government to become more efficient and effective in its spending on child socio-economic rights¹³

¹³ Through making noises about of discrimination in allocations and service delivery, service delivery problems and costing different policy and systems options.

G. Conclusion

In Conclusion I want to raise a concern around the link between child focused budget analysis and realization of child socio-economic rights.

This was raised clearly by the Unit's most recent research project (on devising a methodology for evaluating budgets for children based on the legal obligations on government to budget for child socio-economic rights).

The concern is as follows:

- ✗ Legal obligations on government to use budgets to realise child socio-economic rights are disappointingly *vague*. (at least in SA)
- ✗ This vagueness makes it *difficult* to construct a methodology for budget analysis aimed at socio-economic rights realisation
- ✗ And, the resultant methodology for analysing budgets makes it *easy for government to pass the test around whether it is meeting its budget obligations to child socio-economic rights* delivery and hence spending enough and right, on child socio-economic rights.

It implies that the contribution of child *budget analysis* to child *socio-economic rights realization* would be far greater if the budget obligations associated with the 'within available resources' and 'progressive realization' clauses were to become more explicit and demanding.

