



A vision for social change

NPO News Bulletin – Issue 01, February 2017

Welcome!

We are excited to present the first news bulletin from the Free State Department of Social Development (FS DSD) to Free State Non-Profit Organisations (NPOs).

This news bulletin is part of transforming how the Department communicates with NPOs and is therefore intended at keeping you informed of events, updates, changes and other relevant information necessary to support our partnership.

We welcome your feedback – please contact your FS DSD District Officials if you have any questions or comments.

The way we work together is changing for the better

The FS DSD is excited to be embarking on the NPO management reform initiative aimed at transforming the way that we interact with NPOs in the province. This is also to keep abreast of changes happening in our sector. Informed by the initiatives by National Department of Social Development and National Treasury, a new era of working with NPOs is being built.

This is a journey towards our shared vision – improved outcomes for the people of the Free State, and in particular the most vulnerable. We recognise the important social welfare services that NPOs provide on behalf of government to the communities of the Free State.

The NPO Management Reform programme will address the following:

- Making it easier to work together, through clear and consistent processes and documents
- Committing to and ensuring on-time disbursement of FS DSD funding
- Reducing 'red tape' so that you can spend more time providing services, and less time on government administration
- Improving transparency with respect to the NPO funding process to help NPOs plan for the future
- Ensuring that the requirements for working together are made simpler and clearly explained
- Recognising the wealth of knowledge that NPOs have about the needs of our Free State communities and making sure we use that knowledge to inform policies and FS DSD initiatives

While a range of communication and consultation opportunities will be put in place going forward, this news bulletin will be one way that we keep you updated on what's happening and what you can expect next.

NPO Management Reform

Creating an environment for efficient, effective and sustainable relationships will not be achieved overnight. We are looking at the end-to-end processes that relate to how we work together. We have contracted KPMG to assist us with some of the key elements of this roadmap, including the funding models, processes and communications plan.

We are prioritising the things that affect NPOs the most – ensuring prompt awards, contracting and payments in order that you can provide important social welfare services to our communities. Things will continue to change each year as we continue to build – for example, moving toward a differentiated risk-based approach, whereby funding and monitoring requirements will be tailored to the NPO depending on their experience and size etc. We recognise that our NPO sector in the Free State is diverse and a 'one size fits all' model will not achieve the best outcomes for all involved.

We are trying to find a balance between doing all changes at once, which can cause more disruption, versus a phased approach appropriate which prioritises the biggest issues. Our efforts in the Free State are part of a broader initiative by the National Treasury and National DSD to review NPO legislation, policies and processes, and strengthen the information base. The Free State is excited to be the pioneer for implementing improvements to how government works with NPOs.

What progress have we made?

We have made a lot of progress in reviewing the challenges and understanding the opportunities we have for change. We would like to thank the NPOs that were part of recent focus group sessions to identify the challenges that matter most to NPOs.

Progress to date includes:

- Establishing a dedicated project team to focus on improvements to NPO processes
- Analysing full cost of services by NPOs based on recent beneficiary data and funding allocation scenarios that help ensure the best outcomes for NPOs and the people of the Free State
- Development of the draft Free State Policy on Financial Awards, which will be part of the forthcoming consultation
- Developing simplified and streamlined management processes
- Identifying the issues and opportunities at each stage of the process
- Developing a draft communications framework for how we keep NPOs informed
- Review of other provincial practices

What can you expect next?

We realise that you may not have seen the outputs of these efforts yet but we hope this communication will provide you with an understanding that the FS DSD considers NPOs to be a provincial priority and a lot of work is underway.

You can expect to see many of the changes implemented in the forthcoming financial year.

We consider one of the measures of our success to be how satisfied our NPO sector is with the forthcoming changes and we will be requesting the participation of NPOs in various briefings going forward to validate the proposed changes before we roll them out across the province. Stay tuned for such briefings!

Best wishes,

