



*cutting through complexity*

# Improving Services, Improving Lives

KPMG's Human  
and Social  
Services Practice

South Africa







## Foreword

Providing basic economic and social security to citizens has long been acknowledged as a fundamental responsibility of government. Today, across a broad portfolio – from child welfare and income security to women’s empowerment and youth employment and development – the need to adopt a business-like, results-oriented approach to the delivery of human and social services is quickly moving up the public sector agenda.

Our country has experienced great changes since 1994. South Africa’s social welfare system is one of the largest in the developing world, and has helped narrow the gap of income inequality, using world leading technological innovations . Social and cultural norms relating to violence against women and children are being challenged. The number of people living in formal homes, as opposed to informal settlements, has significantly increased. However, there is still a lot to do, and progress on many fronts will require all partners and stakeholders to take a long-term view, while being pragmatic in the short-term. The abilities of our institutions to manage change, build new capabilities, efficiently deliver programmes and services that meet the needs of citizens and communities, and drive economic growth will be key factors to our continued progress and success.

Like you, KPMG is committed to contributing to a better South Africa for all. As an indication of that commitment and passion, KPMG has a dedicated Human and Social Services (HSS) practice which serves public, private, NGO and multi-national organisations in their work to support communities and vulnerable or disadvantaged populations.

Our team of professionals brings together a wealth of experiences, insightful research and practical advice. Supported by a global Centre of Excellence for HSS, the hands-on experience and deep knowledge we have gained from working with governments and stakeholders around the world combined with our local insights allows us to tailor solutions to fit our clients’ needs.

We welcome the opportunity to share ideas and hear your perspectives on South Africa’s social development initiatives. Please do not hesitate to contact us using the information in this document.

**Tshidi Mokgabudi**  
Chairperson Advisory

**Roy Muller**  
Head of Human and Social Services



“South Africa’s social grant network is one of the largest in the developing world, with projected expenditures of USD 12 billion for 2014”

*‘South Africa’s Welfare Success Story II: Poverty Reducing Social Grants’, Haroon Borat and Aalia Cassim, Brookings Institute*

## What are Human and Social Services?

Human and Social Services (HSS) is a broad term that encompasses all the government services related to citizens’ economic and social welfare. The ‘basket’ of services tends to include a wide range of activities such as: early childhood and youth development, child welfare, income security, nutritional support, employment training/welfare to work, support for senior citizens, disability services, and social housing and other services aimed at preventing homelessness. And, while the term ‘human and social services’ is certainly not universally used, all functioning governments around the world provide a level of these services to some part of their population. Human and social services agencies tend to occupy a unique place in the government service provision world. Unlike revenue agencies, tourism or even health services, human and social services agencies do not tend to directly recoup their costs or drive revenues for government, but rather provide essential services to sections.



## Social Transformation – A 20 year review

	What was inherited	1994 - 2014	What next?
Income, poverty and inequality	South Africa one of the most inequitable countries, GINI coefficient (measure of inequality) was 0.65  Poverty levels high at 45 per cent	Average earnings increase for households headed by women  Living standards increase - poverty reduced to 38 per cent	Despite improvements in living standards, real median earnings remain almost unchanged  The richest 10 per cent of households hold more than 50 per cent of national income  Women, children and people with disabilities are those who remain most vulnerable to poverty
Education and skills	No real evidence of early childhood development (ECD)  Most learners not able to attend schools for basic education. Poor pass rates	ECD Facilities now accommodate more than 4 million children under 4 years of age  Public spending per learner increases to R 11 000 per year  High levels of teenage pregnancy and learner drop out rates have not improved	Majority of poor children still do not have access to ECD  Continued backlog of school infrastructure  Youth development and availability of jobs remains a key concern for government
Food security	Poverty levels high and access to food difficult	South Africa is on track to meet its millennium development goals and is noted as one of three African countries considered ‘food secure’	However, 13.8 million people have insufficient access to food. High costs of food remain a priority for government
Women and gender equality	No right to own property, limited access to education, glaring inequalities in the workplace and few legal rights	The Employment Equity Act of 1998 facilitates a more equitable representation of gender, race and disability	There is still inequalities between the salaries of men and women. Lack of access to basic support services prevent women from participating in the economy  Social inequality remains high with high prevalence of violence against women
Human settlements	A housing system that resulted in a large number of people living in informal settlements	More than 5 million formal homes delivered by government and private sector, increasing the number of people living in formal housing to 78 per cent in 2011	Development of new subsidy programmes to address housing delivery challenges



# KPMG’s Human and Social Services Practice

Our mission is to support our clients to develop and implement high quality human and social services programs that lead to improved outcomes for all South Africans

Our team of professionals combines extensive skills, international experience and local knowledge for the purpose of supporting our clients to develop and implement high quality human and social services programmes that lead to improved outcomes for all South Africans. We support our clients by:

- **Service Delivery Support**

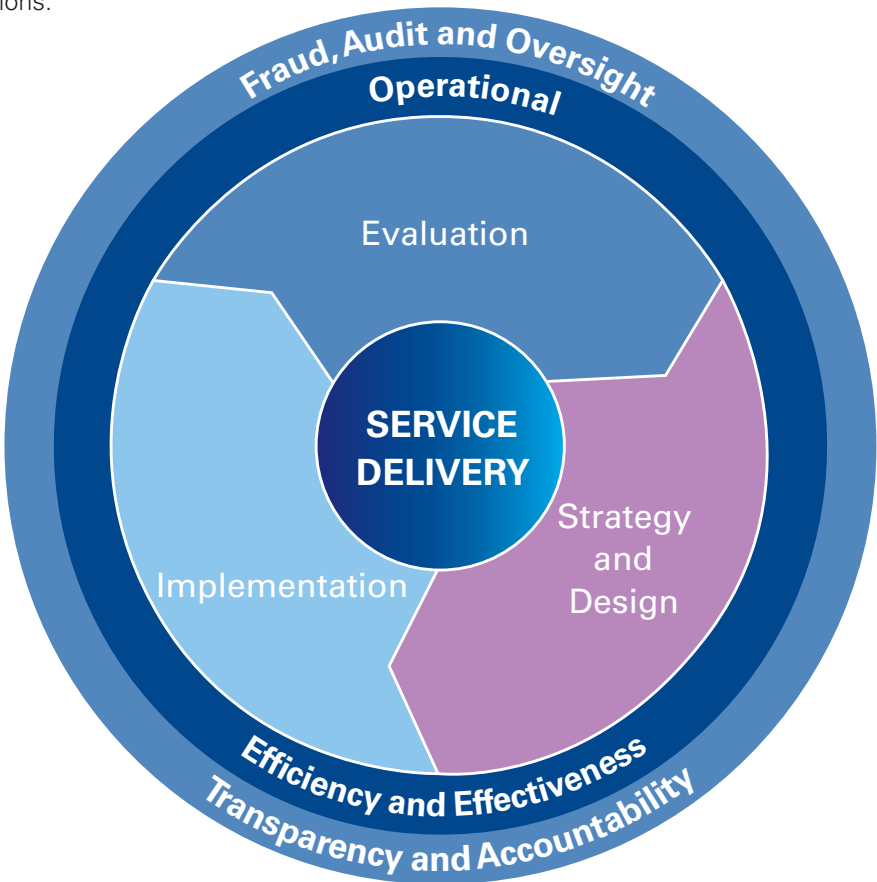
KPMG services support the full lifecycle of service delivery from strategic planning and programme design, through implementation support, and monitoring and evaluation. We focus on supporting our clients to provide more integrated service delivery to help ensure that people’s individual needs are better assessed for eligibility and entitlement, and holistic service provision. Our evaluation services are frequently called upon by management, donors and executive boards to provide an independent assessment of impact, and critically, realistic and pragmatic recommendations to inform future design and delivery.

- **Operational Efficiency and Effectiveness**

Our advisory services are world leading in helping clients achieve operational efficiency and effectiveness. We are global leaders in shared services and business transformation, and have deep skills in information technology, financial management, human resources and governance.

- **Transparency and Accountability**

Public and donor funded organisations face specific commitments to transparency and accountability. With each donor having very specific—and often very stringent—reporting requirements, it is imperative that governments, NGOs, and other development partners meet these requirements through timely and accurate financial reporting. Our services in this area include but are not limited to: external and internal audit services; pre-grant and grant evaluations; fraud, waste and abuse, and forensic investigations.



## Our HSS practice is built around five pillars of client service objectives:

Adding Value

At KPMG we strive to exceed your expectations of a professional services firm, in everything we do. Our goal is bring multi-disciplinary teams with deep skills and knowledge that add real value to the work we do. We focus on transferring our skills and knowledge to your teams so that the impact of our work can continue beyond our engagement.

Trusted Advisor

While known for our audit expertise, our advisory practice is globally one of our largest strengths. We support our clients every step of the way to achieve their organisational goals. We share success with you and help you to navigate complex public service delivery environments. Above all, we strive to support you every step of the journey.

Global Experience

We are a network of global KPMG firms, supported by a global HSS Centre of Excellence which shares best practices and innovative thinking from our clients and KPMG member firms across the globe. KPMG produces topical, thought provoking thought leadership, to keep you one step ahead of changes in the sector.

Local Knowledge

Our local team comprises professionals who have worked directly in South African government and NGOs. As KPMG professionals, we serve public sector clients every day, so understand the local challenges and environment in which you work.

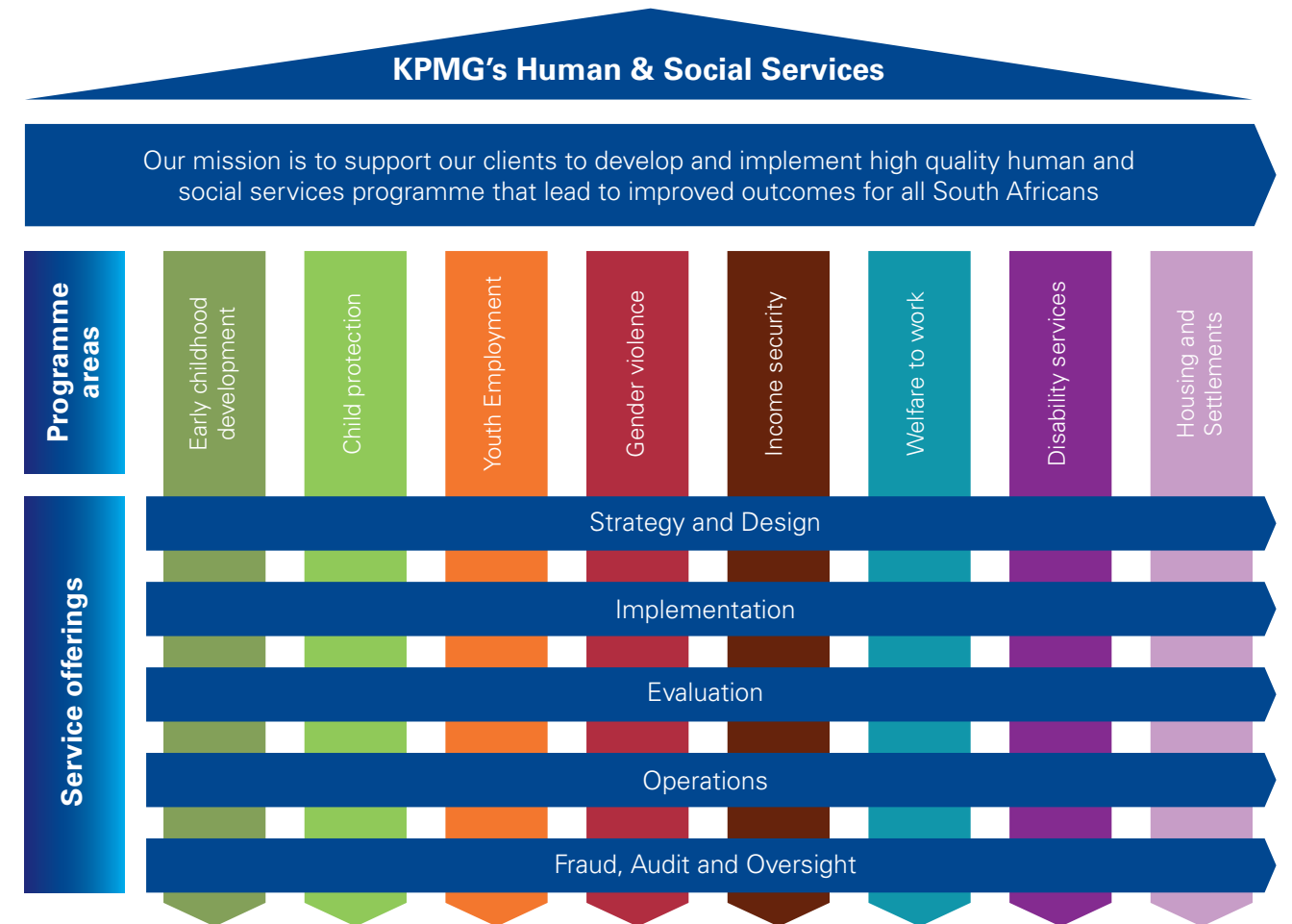
Shared Values

Above all, we share your passion for improving the lives of our fellow people. Many of our KPMG professionals dedicate significant personal time to volunteer at, and even lead, community organisations. We share your values and vision for a better South Africa.





## Our Services



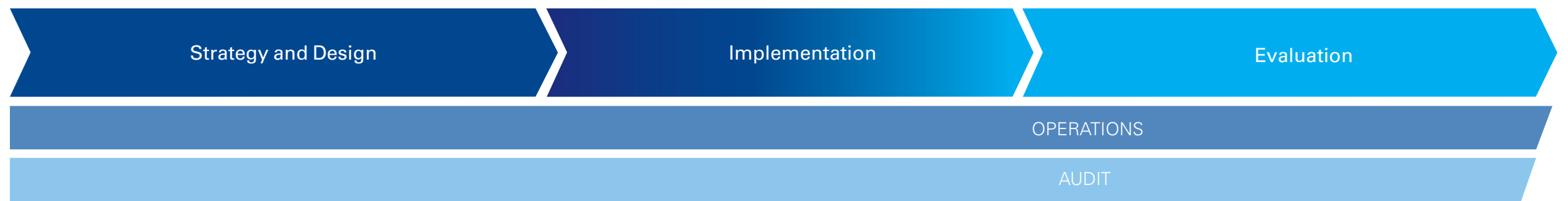
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While the public discourse on social grants is often critical and negative, research indicates that social grants have actually had a tremendous and noticeably positive socio-economic impact on poverty and inequality outcomes in South Africa

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*'South Africa's Welfare Success Story II: Poverty Reducing Social Grants', Haroon Bhorat and Aalia Cassim, Brookings Institute*





# What we do

## STRATEGY & DESIGN

- We can help you to define your priorities, develop **strategy and business** plans and develop **policy solutions**, and will work with you to develop **implementation action plans**. Our expert **programme design** services tailor solutions to fit the requirements of the environment in which they will operate.

## IMPLEMENTATION

- We can design and help you implement **integrated service delivery** solutions, including client eligibility and case management systems, and have proven global expertise in this important area.
- Leveraging **shared services** opportunities, we can help you reduce costs and deliver core services efficiently and effectively.
- We can help you **streamline and automate grants** management, while maintaining a focus on compliance, transparency and outcomes monitoring.
- We can work with you to **improve service delivery** through both innovative and established ways of strengthening public service management. We deliver informed and practical recommendations supported by real-world examples and leading practices.
- We have global experience in realising **cost efficiencies** and reducing risk by **outsourcing** services to the non-government and private sectors, to achieve greater flexibility and agility within the service environment. We are experienced in helping governments to implement best practice **commissioning** and service purchasing approaches.
- Our approaches build capacity by helping clients and their partners strengthen their ability to respond to **change** and manage programs, empowering them to represent the interests of their stakeholders more effectively.
- We are **project management experts**, managing single projects or wider portfolios, and use KPMG professionals who are certified by/in Project Management Institute, PRINCE2 and MSP. We tailor our methodology to suit every project's requirements.
- We can help you identify and realise **improvement opportunities** and develop frameworks that provide access to information that supports decision-making, effective management and better citizen outcomes.
- We can help you to **reduce partnership risks** by independently assessing partner strengths and identify areas for improvement, and provide practical recommendations to improve them.
- We are skilled in using **data analytics** to consolidate and transform simple data into information that drives policy development and management decisions. We will assist you to capitalise on the value of your data – including real time, historical and predictive insights –to support strategic, programmatic and operational decisions.

## EVALUATION

- Our expert **monitoring and evaluation** services support the development, implementation and assessment of systems and plans that leverage key performance information and enhance programme delivery. We are experienced in undertaking **independent evaluations** of programmes and service delivery frameworks and develop workable recommendations for improvement. We are skilled in all forms of evaluation methodologies including social return on investment.

## OPERATIONS

- We can work with you to **align technology** with **organisational and programme strategy**, vision and goals. We can provide **IT implementation quality assurance** over software development executed by a third party.
- We can assist you to implement **business transformation** and **change management** initiatives by using tested tools and methodologies to help you **manage change** in complex social and political environments.
- We are experienced in **enterprise risk management** and can assist you to develop an organisation-wide approach to the identification, assessment, communication, and management of risk.
- We understand **procurement** processes and know how to drive sustainable improvements that will make procurement a source of value and innovation across your organisation.
- We offer **human resource** services and **training** solutions to help you implement proactive approaches for attracting, motivating, and retaining employees.

## AUDIT

- Our **compliance services** help you and your partners achieve compliance with funding requirements and regulations, and develop internal capacity to support compliance.
- We can help you develop strategies that are proactive and robust enough to prevent fraud risks before they occur to protect your budgets and your reputation.
- KPMG provides **independent** and **professional audit services** to assure you that business risks are effectively managed, opportunities are realised, and potential losses and fraud are prevented.

## Contact us



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