



COMMUNITY ADVICE OFFICES IN SOUTH AFRICA

DEVELOPING A FUNDING MODEL

Structure of report

SECTION I: Introduction

SECTION 2: Current funding of CAOs

SECTION 3: Funding approaches

SECTION IV: Lessons for designing a CAO basket fund



**Free
Legal Advice?**
You're at the right place!



SECTION I: INTRODUCTION

Background

Response to 2 calls for research on community advice offices (CAOs):

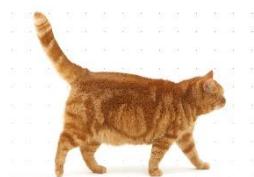
- OSFSA TORs on basket fund for CAOs
- Nadcao concept paper on CAO Sustainability Fund: design and monitoring of implementation

Both calls envisage government funding of CAOs

Currently Department of Justice (DOJCD) channels EU funds to specially created Foundation for Human Rights (FHR) that funds CAOs

EU funding will be discontinued in 2018

This research could be followed by second phase monitoring of implementation



**Free
Legal Advice?**
You're at the right place!



SECTION II: CURRENT FUNDING OF CAOs

Non-government funders

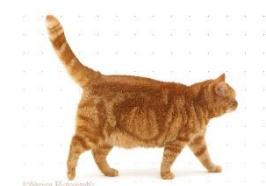
Direct to CAOs:

- Hivos: Intermediary, manages MAGI in which 24 of 43 current grants are to CAOs
- Social Change Assistance Trust: Intermediary, currently funds 36 CBOs
- Foundation for Human Rights: Intermediary for EU/DOJCD: About 85 CAOs annually
- French Embassy: Occasional one-off funding of CAO network

Through intermediaries: European Union (through DOJCD/FHR), CS Mott, Ford, OSFSA, RAITH, Social Justice Initiative

Not funding CAO sector: Constitutionalism Fund, USAID

None of the funders focus only on CAOs



Government and government-linked agencies 1

Department of Labour: Funds 32 CAOs for farmworker training on occupational health legislation

Department of Public Works: Non-state Expanded Public Works funded 6 CAOs in 2015/16 but not for core business

National Lotteries Commission: Funded 15 CAOs 2015-2017. New criteria will not favour CAOs

National Development Agency: Increased focus on capacity building rather than funding: Target areas do not include CAOs.

Department of Social Development: Funding for CAOs providing victim support services through provincial departments.



Government and government-linked agencies 2

Department of Justice and Constitutional Development:

Channels EU CAO funding to FHR in unique arrangement for EU

Legal Aid South Africa (funded by DOJCD)

- Provides decentralised legal advice itself, including through paralegals
- Provides backup litigation support to approximately 150 CAOs to extend reach of services
- Supports and advises Nadcao
- Chairperson favours additional support to CAOs



Non-governmental organisation support

Several larger NGOs have supported CAOs through a cluster approach.
Many no longer do this, but two continue.

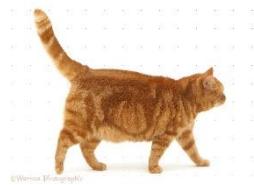
Centre for Community Justice and Development

Supports, trains & manages funding for 15 CAOs in KwaZulu-Natal

Association of University Legal Aid Institutions Trust

Support, trains and funds 30 CAOs in 3 provincial clusters

Administered DOJCD funding of R10-12 million per year in 2008-12 for clinics to appoint candidate attorneys. DOJCD stopped funding because of budget constraints.



The view from the CAO sector 1

Central organisations

In 2005 of donors established Nadcao as a (temporary) service and support organisation for the sector.

One of its tasks was to establish a representative (member) organisation for the sector.

ACAOSA was launched in November 2013.

By March 2017 ACAOSA had 222 CAOs as members and elected structures in all 9 provinces

ACAOSA autonomous from Nadcao as from January 2017.

ACAOSA does not charge member fees (and thus needs funding).



The view from the CAO sector 2

Size, shape and funding of CAO sector

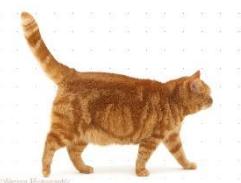
March 2017, 348 functioning CAOs on database (+- 150 non-functional)

2014 cost-benefit study modelled annual funding of 236 CAOs at (a) R250 000 and (b) R500 000 per CAO. Costing based on “stylised” CAO with 4 full-time staff - office manager, 2 paralegals, administrator.

Core costs: salaries, volunteer stipends, workshops, rent, transport, ICT and promotional, training and institutional development (including case management).

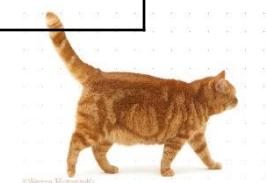
ACAOSA estimates that CAOs’ actual funding currently ranges from about R2 400 to more than R80 000 per month.

Some CAOs get rental-free accommodation, e.g. from municipalities.



Core activities of CAOs

1. Case work		3. Institutional lobbying <ul style="list-style-type: none">• Local and district municipality• Provincial government• Private sector• State institutions
Paralegal services <ul style="list-style-type: none">• Civil e.g. debt• Employment• Rights infringement e.g. housing, land• Social security	Other services <ul style="list-style-type: none">• IDs• Birth certificates• Government grants• Pensions	
2. Community mobilisation <ul style="list-style-type: none">• Campaigns• Workshops• Rights education		4. Projects <ul style="list-style-type: none">• Employment creation• HIV & AIDS• Local economic development• Youth development



**Free
Legal Advice?**
You're at the right place!



SECTION IV: LESSONS FOR DESIGNING A CAO BASKET FUND

Insights emerging from the research 1

Advantages of basket fund for donors:

Cost-effective because economies of scale

Easier control of “double dipping”

Disadvantages:

Contribution of individual donor less visible

Restricts opportunities for CAOs who are rejected by fund

Government participation could introduce political restrictions



Insights emerging from the research 2

No donors said that they would definitely join a basket fund.

Some unlikely to join if government does not commit funds.

All agree CAOs should not be 100% dependant on government funding.

DOJCD generally seen as the lead government agency.

Research suggests that government participation very uncertain.

Basket fund is not new discussion.

Several basket funds already exist (FHR, MAGI, Constitutionalism Fund)
(Why are these not appropriate?)



Insights emerging from the research 3

General agreement that fund could allow for differences across donors in what to fund, funding cycle, period, size of contribution.

But danger that fund could become too diverse and complicated.

Role of fund in non-financial support and training not clear.

Differing views on regulation:

- Provides confidence that funding good quality services.
- Prevents “mushrooming” of organisations claiming to be CAOs when funding becomes available
- Could increase level of funding from beyond government
- Existing basket funds have operated well without regulation



Preliminary suggestions on a basket fund 1

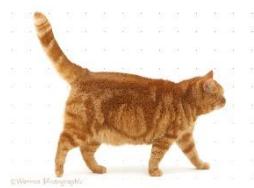
Assumes firm commitment from government to allocate CAO funding.

Collaboration rather than basket fund:

- Partners agree what each will fund
- Partners share information on past, current and planned funding.

Legal Aid SA as lead government partner and main funder of CAOs

- Responsible for standard grant that covers basic operating costs
- Would channel funding as standard NPO transfers
- Would not consider CAOs' stance in respect of government
- Would avoid placing unnecessary requirements on CAOs
- May have requirements such as minimum years of operation, registration, and employment of a paralegal.



Preliminary suggestions on a basket fund 2

Other government agencies continue with own channels but can be part of collaboration.

Other donors could consider CAOs that don't (yet) meet Legal Aid SA's requirements.

Other donors would not channel funds through government system

Other donors would fund other costs (e.g. support, training, specialised services) through intermediaries, existing basket funds or directly.

Other donors would fund ACAOSA and (temporarily) Nadcao.

ACAOSA and Nadcao would participate in meetings but not in decisions on funding of specific organisations.

