

Lotto slated for poor support to the needy

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DESPITE the National Lottery Board accumulating billions of rands every year, the National Lotteries Distribution Fund (NLDF) has been ineffective in providing support to the needy, Shelagh Gastrow, director of Inyathelo - The South African Institute for Advancement, said this week.

Gastrow said the NLDF and the National Development Agency (NDA) had not been meeting their mandates, as defined in law, of addressing SA's development challenges.

This had prompted four charity organisations - the Social Change Assistance Trust, the Community Development Resource Agency, Inyathelo and the Rural Education Access Programme - to launch a research project to analyse the funding practices of the agencies.

On the NDA and the NLDF, she said: "The scope of their funding is limited and beneficiary constituencies appear to have no say in the strategies of these agencies." She said the project came as more and more charities struggled to cope in the recession.

She said the NLDF and the NDA should have effective mechanisms to channel public resources to the non-public sector.

However, they had developed a bureaucratic approach and their technocrats had increasingly played a role in defining development, Gastrow said.

She said the aim of the research was to enable the non-profit sector to contribute to defining principles of good funding practice. A report was expected in about a year.

James Taylor, spokesman of the Community Development Resource Agency, said that action taken by civil society should be based on facts established through research and analysis.

"We plan to undertake this exercise and commit to disseminating our findings to the civil society sector, encouraging organisations to use the material and information in a myriad of ways such as in campaigns, engagement with the state or in Parliament," he said.

The research would cover issues relating to power relations, mutual accountability, decision-making, long-term planning and commitments, and the effectiveness of funding relationships and exit strategies.

National Lottery Board spokesman Sershan Naidoo said, "We cannot stop anyone from carrying on with their researches". Funding was allocated to charities in terms of mandates. "Since the inception of the lottery in 2000 and until March, R10bn was made available for charity distribution". About R8bn was allocated and R6bn paid out. The remaining R2bn is still to be paid out.

Subsequent payments were only made after beneficiaries had submitted satisfactory progress reports, he said.