

Vote 18

Social Development

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R 56 549 127 000	R 56 640 033 000		R 90 906 000
Responsible minister	Minister of Social Development			
Administering department	Social Development			
Accounting officer	Director-General of Social Development			

Aim

The aim of the Department of Social Development is to ensure the provision of comprehensive social protection services against vulnerability and poverty within the constitutional and legislative framework, and create an enabling environment for sustainable development. The department further aims to deliver integrated, sustainable and quality services in partnership with all those committed to building a caring society.

Changes to programme purposes and measurable objectives

No changes were made to programme purposes and measurable objectives.

Adjusted Estimates of National Expenditure 2005

Table 18.1: Social Development

Programme	2005/06						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	98 042	–	–	–	–	–	98 042
2. Social Security Policy and Planning	15 271	2 906	–	–	–	2 906	18 177
3. Grant Systems and Service Delivery Assurance	145 973	56 000	32 000	(10 000)	–	78 000	223 973
4. Social Assistance	55 517 024	–	–	–	–	–	55 517 024
5. Welfare Services Transformation	20 518	–	–	2 000	–	2 000	22 518
6. Children, Families and Youth Development	17 991	–	–	6 000	–	6 000	23 991
7. Development Implementation Support	535 840	–	–	–	–	–	535 840
8. HIV and AIDS	185 572	–	–	–	–	–	185 572
9. Population and Development	12 896	–	–	2 000	–	2 000	14 896
Total	56 549 127	58 906	32 000	–	–	90 906	56 640 033
Economic classification							
Current payments	432 763	58 906	–	(22 200)	–	36 706	469 469
Compensation of employees	112 007	–	–	3 650	–	3 650	115 657
Goods and services	320 756	58 906	–	(25 850)	–	33 056	353 812
Transfers and subsidies to:	56 111 169	–	32 000	10 800	–	42 800	56 153 969
Provinces and municipalities	55 932 051	–	–	–	–	–	55 932 051
Departmental agencies and accounts	121 482	–	–	10 000	–	10 000	131 482
Foreign governments and international organisations	793	–	–	–	–	–	793
Non-profit institutions	41 843	–	–	800	–	800	42 643
Households	15 000	–	32 000	–	–	32 000	47 000
Payments for capital assets	5 195	–	–	11 400	–	11 400	16 595
Machinery and equipment	5 195	–	–	11 400	–	11 400	16 595
Total	56 549 127	58 906	32 000	–	–	90 906	56 640 033

Details of adjustments to Estimates of National Expenditure 2005

Roll-overs – R58,906 million

Programme 2: Social Security, Policy and Planning

R2,906 million has been rolled over for management information systems in the provinces required as part of the disability management initiative, which came about as a result of the rapid increase in beneficiaries of the disability and care dependency grants.

Programme 3: Grant Systems and Administration

R40 million has been rolled over to finalise and roll out the management information system to improve the integrity of the disability grants programme.

R16 million has been rolled over to pay for IT that has already been delivered in provinces.

Unforeseeable and unavoidable expenditure – R32 million

R32 million has been allocated to the Disaster Relief Fund to provide relief to about 20 000 people or households in KwaZulu-Natal and the Western Cape for flood and drought disasters respectively.

Virements

Table 18.2: Social Development (Net effect of all virements)

From	R thousand	To	R thousand
Programme			
3 Grant Systems and Service Delivery Assurance	10 000	5 Welfare Services Transformation	2 000
		6 Children, Families and Youth Development	6 000
		9 Population and Development	2 000
Economic classification item			
Goods and services	25 850	Compensation of employees	3 650
		Transfers and subsidies	10 800
		Payments for capital assets	11 400

Details of savings

Programme 3: Grant Systems and Service Delivery Assurance

Savings of R10 million in the Grant Administration and Disbursement Management subprogramme are due to delays in filling funded vacant posts, as well as to delays in awarding tenders for professional and consultancy services, which also has an impact on the implementation of related projects. This will have no negative impact on the set targets of the programme.

Utilisation of savings

Programme 5: Welfare Service Transformation

R2 million has been used for costing the policy on financial awards, developing and costing generic norms and standards, costing the service delivery model, and developing the quality assurance framework, among others. It was allocated under goods and services in the Service Standards subprogramme.

Programme 6: Children, Families and Youth Development

R4 million has been used for costing and programme management activities related to the Children's Bill, national adoptions and inter-country adoptions, early childhood development, the Child Protection Unit, foster care and residential care, among others.

R2 million has been used for additional costs for the International Year of the Family event hosted at the end of the 2004/05. R5,94 million was allocated under goods and services, and R60 000 under payments for capital assets.

Programme 9: Population and Development

R2 million has been used to finance the expected over-expenditure on goods and services (R1,2 million) and compensation of employees (R800 000).

Virements within a programme

Programme 1: Administration

R5,35 million has been shifted from compensation of employees to payments for capital assets (R770 000) and goods and services (R4,58 million) for late invoices for furniture and computer assets and service providers for workshops and conferences.

Programme 2: Social Security, Policy and Planning

R220 000 was shifted from goods and services and R330 000 was shifted to payments for capital assets for furniture and computers in several subprogrammes.

Programme 3: Grant Systems and Service Delivery Assurance

R2,2 million was shifted from goods and services to compensation of employees for increased capacity in several subprogrammes.

Programme 4: Social Assistance

R20 million has been shifted from goods and services to payments for capital assets (R10 million) for computer equipment and office furniture for the newly established South African Social Security Agency and to transfers and subsidies (R10 million) for services and service providers.

Programme 5: Welfare Service Transformation

R431 000 was shifted from goods and services to payments for capital assets for furniture and computers in several subprogrammes.

Programme 7: Development Implementation Support

R12 million was shifted from goods and services to compensation of employees for increased capacity in several subprogrammes.

Programme 8: HIV and Aids

R800 000 was shifted from goods and services to increase transfer payments and R29 000 to payments for capital assets for furniture and computers in several subprogrammes.

Expenditure 2004/05 and preliminary expenditure 2005/06

Table 18.3: Social Development

Programme	2004/05				2005/06		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2004 - Sep 2004	Apr 2004 - Mar 2005	Apr 04 - Mar 05 % of adjusted appropriation	Adjusted appropriation	Apr 2005 - Sep 2005	% change 04/05 - 05/06 Apr - Sep
1.Administration	70 963	32 731	74 812	105,4	98 042	40 989	25,2
2.Social Security Policy and Planning	12 954	4 157	9 370	72,3	18 177	4 877	17,3
3.Grant Systems and Service Delivery Assurance	138 308	14 141	114 722	82,9	223 973	55 947	295,6
4.Social Assistance	3 723 458	1 278 261	3 672 779	98,6	55 517 024	29 586 542	2214,6
5.Welfare Services Transformation	17 921	7 787	18 154	101,3	22 518	10 369	33,2
6.Children, Families and Youth Development	16 701	6 584	15 359	92,0	23 991	10 993	67,0
7.Development Implementation Support	528 227	396 911	517 025	97,9	535 840	266 048	(33,0)
8.HIV and AIDS	78 890	38 242	76 735	97,3	185 572	163 895	328,6
9.Population and Development	11 153	6 267	14 405	129,2	14 896	7 867	25,5
Total	4 598 575	1 785 081	4 513 361	98,1	56 640 033	30 147 527	1588,9
Current payments	350 496	79 009	264 962	75,6	469 469	166 353	110,5
Compensation of employees	99 681	41 699	89 834	90,1	115 657	52 354	25,6
Goods and services	250 815	37 310	174 553	69,6	353 812	113 999	205,5
Financial transactions in assets and liabilities	-	-	575	-	-	-	-
Transfers and subsidies to:	4 241 973	1 703 361	4 242 144	100,0	56 153 969	29 969 453	1659,4
Provinces and municipalities	4 108 425	1 700 491	4 108 460	100,0	55 932 051	29 881 479	1657,2
Departmental agencies and accounts	109 481	-	109 571	100,1	131 482	60 741	-
Foreign governments and international organisations	737	470	580	78,7	793	733	56,0
Non-profit institutions	6 962	2 400	7 165	102,9	42 643	21 500	795,8
Households	16 368	-	16 368	100,0	47 000	5 000	-
Payments for capital assets	6 106	2 711	6 255	102,4	16 595	11 721	332,3
Machinery and equipment	6 106	2 711	4 871	79,8	16 595	11 721	332,3
Software and other intangible assets	-	-	1 384	-	-	-	-
Total	4 598 575	1 785 081	4 513 361	98,1	56 640 033	30 147 527	1588,9

Selected expenditure trends for first half of 2005/06 financial year

Expenditure in the first six months of 2005/06 amounted to R30,147 billion or 53,2 per cent of the adjusted appropriation of R56,64 billion for the year as whole.

The main increases are related to payment and administration costs for the social assistance grants function, which shifted from provincial departments to the national department to flow as conditional grants to provinces. Spending on *Programme 4: Social Assistance* has been further impacted by the additional funding for establishing the South African Social Security Agency.

The increase in spending in *Programme 8: HIV and AIDS* relates to the increased allocation for the HIV and Aids conditional grant in 2005/06 and the change in the proportional transfer of funding.

Summary of transfers and subsidies and conditional grants

Table 18.4 Summary of transfers and subsidies per programme

Table 18.5 Summary of conditional grants to provinces

Table 18.4: Summary of transfers and subsidies per programme

R thousand	2005/06						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	141	-	-	-	-	-	141
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	141	-	-	-	-	-	141
Regional Service Council levies	141	-	-	-	-	-	141
2. Social Security Policy and Planning	511	-	-	-	-	-	511
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	13	-	-	-	-	-	13
Regional Service Council levies	13	-	-	-	-	-	13
Foreign governments and international organisations							
Current	498	-	-	-	-	-	498
International Social Security Association Membership Fees	498	-	-	-	-	-	498
3. Grant Systems and Service Delivery Assurance	15 049	-	32 000	-	-	32 000	47 049
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	49	-	-	-	-	-	49
Regional Service Council levies	49	-	-	-	-	-	49
Households							
Other transfers							
Current	15 000	-	32 000	-	-	32 000	47 000
Disaster Relief Fund	10 000	-	32 000	-	-	32 000	42 000
Social Relief Fund	5 000	-	-	-	-	-	5 000
4. Social Assistance	55 405 372	-	-	10 000	-	10 000	55 415 372
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	55 405 368	-	-	-	-	-	55 405 368
Social Assistance Transfers Grant	52 023 313	-	-	-	-	-	52 023 313
Social Assistance Administration Grant	3 382 055	-	-	-	-	-	3 382 055
Municipalities							
Municipal bank accounts							
Current	4	-	-	-	-	-	4
Regional Service Council levies	4	-	-	-	-	-	4
Departmental agencies and accounts							
Public entities							
Current	-	-	-	10 000	-	10 000	10 000
South African Social Security Agency	-	-	-	10 000	-	10 000	10 000

R thousand	2005/06						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
5. Welfare Services	5 919	-	-	-	-	-	5 919
Transformation							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	16	-	-	-	-	-	6
Regional Service Council levies	16	-	-	-	-	-	16
Foreign governments and international organisations							
Current	60	-	-	-	-	-	60
International Council on Alcohol and Addiction (ICAA)	15	-	-	-	-	-	15
International Federation for the Aged	14	-	-	-	-	-	14
United Nations for Drug Abuse Control	24	-	-	-	-	-	24
Rehabilitation International	7	-	-	-	-	-	7
Non-profit institutions							
Current	5 843	-	-	-	-	-	5 843
Transfers to Non-Governmental Organisations	1 124	-	-	-	-	-	1 124
National Councils	4 719	-	-	-	-	-	4 719
6. Children, Families and Youth Development	113	-	-	-	-	-	113
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	23	-	-	-	-	-	23
Regional Service Council levies	23	-	-	-	-	-	23
Foreign governments and international organisations							
Current	90	-	-	-	-	-	90
International Social Services (ISS)	90	-	-	-	-	-	90
7. Development Implementation Support	509 499	-	-	-	-	-	509 499
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	388 000	-	-	-	-	-	388 000
Integrated Social Development Services Grant	388 000	-	-	-	-	-	388 000
Municipalities							
Municipal bank accounts							
Current	17	-	-	-	-	-	17
Regional Service Council levies	17	-	-	-	-	-	17
Departmental agencies and accounts							
Public entities							
Current	121 482	-	-	-	-	-	121 482
National Development Agency	121 482	-	-	-	-	-	121 482

R thousand	2005/06						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
8. HIV and AIDS	174 399	-	-	800	-	800	175 199
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	138 391	-	-	-	-	-	138 391
HIV and Aids (Community-base Care) Grant	138 391	-	-	-	-	-	138 391
Municipalities							
Municipal bank accounts							
Current	8	-	-	-	-	-	8
Regional Service Council levies	8	-	-	-	-	-	8
Non-profit institutions							
Current	36 000	-	-	800	-	800	36 800
Transfers to NGOs	36 000	-	-	800	-	800	36 800
9. Population and Development	166	-	-	-	-	-	166
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	21	-	-	-	-	-	21
Regional Service Council levies	21	-	-	-	-	-	21
Foreign governments and international organisations							
Current	145	-	-	-	-	-	145
International Membership Fees to Regional Institute for Population Studies	145	-	-	-	-	-	145
Total	56 111 169	-	32 000	10 800	-	42 800	56 153 969

Table 18.5: Summary of conditional grants to provinces ¹

R thousand	2005/06						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
4. Social Assistance							
Social Assistance Transfers Grants	52 023 313	-	-	-	-	-	52 023 313
Social Assistance Administration Grant	3 382 055	-	-	-	-	-	3 382 055
7. Development Implementation Support							
Poverty Alleviation and Food Security Integrated Social Development Services Grant	388 000	-	-	-	-	-	388 000
8. HIV and AIDS							
Community-based Care Programs							
HIV and Aids (Community-base Care) Grant	138 391	-	-	-	-	-	138 391
Total	55 931 759	-	-	-	-	-	55 931 759

¹ Main appropriation detail provided in the Division of Revenue Act, 2005

