

Vote 17

Social Development

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	160 707 768	160 357 768	(735 400)	385 400
of which:				
Current payments	863 370	860 393	(2 977)	–
Transfers and subsidies	159 833 252	159 100 829	(732 423)	–
Payments for capital assets	11 146	11 146	–	–
Payments for financial assets	–	385 400	–	385 400
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			
Website address	www.dsd.gov.za			

Vote purpose

Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Total number of old age grant beneficiaries	Social Assistance	Outcome 13: An inclusive and responsive social protection system	3.4 million	3.3 million	–
Total number of war veterans grant beneficiaries	Social Assistance		124	159	–
Total number of disability grant beneficiaries	Social Assistance		1.061 million	1.063 million	–
Total number of child support grant beneficiaries	Social Assistance		12.3 million	12.1 million	–
Total number of foster care grant beneficiaries	Social Assistance		420 248	468 064	–
Total number of care dependency grant beneficiaries	Social Assistance		150 296	146 471	–
Total number of grant-in-aid beneficiaries	Social Assistance		187 841	175 231	–
Percentage of appeals per year adjudicated within 90 days	Social Security Policy and Administration		80%	98% (609/623)	–
Number of youth awarded scholarships into the social service field per year	Welfare Services Policy Development and Implementation Support		2 354	2 354	–
Number of persons working with children screened against the child protection register per year	Welfare Services Policy Development and Implementation Support		80 000	48 640	–
Percentage of non-profit organisations' registration applications processed within two months of receipt	Social Policy and Integrated Service Delivery		100%	99% (16 290/16 482)	–
Number of vulnerable individuals accessing food through a network of community nutrition and development centres per year	Social Policy and Integrated Service Delivery		415 000	138 056	–

Mid-year progress

At the end of September 2017, 17.2 million beneficiaries were receiving social grants. Although performance related to the foster care grant seems to be exceeding the annual target, there is typically a decline in the fourth quarter because of a decrease in the number of eligible beneficiaries, as 18-year-olds are no longer eligible for the grant unless they are still in school.

The department has met its target for awarding social service scholarships as students are enrolled at the beginning of the financial year.

Due to delays in making transfer payments to implementing agents for the food relief programme, the number of vulnerable individuals accessing food through a network of community nutrition and development centres is below target. The department will focus on ensuring it meets its annual target.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation		
R thousand								
Administration	350 788	—	—	18 000	—	—	18 000	368 788
Social Assistance	151 580 232	—	—	—	(350 000)	—	(350 000)	151 230 232
Social Security Policy and Administration	7 332 637	—	—	(9 000)	—	—	(9 000)	7 323 637
Welfare Services Policy Development and Implementation Support	1 055 255	—	—	(5 000)	—	—	(5 000)	1 050 255
Social Policy and Integrated Service Delivery	388 856	—	—	(4 000)	—	—	(4 000)	384 856
Total	160 707 768	—	—	—	(350 000)	—	(350 000)	160 357 768
Economic classification								
Current payments	863 370	—	—	(2 977)	—	—	(2 977)	860 393
Compensation of employees	476 811	—	—	—	—	—	—	476 811
Goods and services	386 559	—	—	(2 977)	—	—	(2 977)	383 582
Transfers and subsidies	159 833 252	—	—	(382 423)	(350 000)	—	(732 423)	159 100 829
Provinces and municipalities	556 392	—	—	—	—	—	—	556 392
Departmental agencies and accounts	7 408 459	—	—	—	—	—	—	7 408 459
Higher education institutions	—	—	—	477	—	—	477	477
Foreign governments and international organisations	4 465	—	—	2 500	—	—	2 500	6 965
Non-profit institutions	132 614	—	—	—	—	—	—	132 614
Households	151 731 322	—	—	(385 400)	(350 000)	—	(735 400)	150 995 922
Payments for capital assets	11 146	—	—	—	—	—	—	11 146
Machinery and equipment	10 620	—	—	—	—	—	—	10 620
Software and other intangible assets	526	—	—	—	—	—	—	526
Payments for financial assets	—	—	—	385 400	—	—	385 400	385 400
Total	160 707 768	—	—	—	(350 000)	—	(350 000)	160 357 768

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	36 018	—	—	—	—	—	—	36 018
Department Management	68 504	—	—	—	—	—	—	68 504
Corporate Management	137 642	—	—	9 000	—	—	9 000	146 642
Finance	60 020	—	—	5 000	—	—	5 000	65 020
Internal Audit	14 346	—	—	—	—	—	—	14 346
Office Accommodation	34 258	—	—	4 000	—	—	4 000	38 258
Total	350 788	—	—	18 000	—	—	18 000	368 788
Economic classification								
Current payments	346 273	—	—	18 000	—	—	18 000	364 273
Compensation of employees	193 366	—	—	—	—	—	—	193 366
Goods and services	152 907	—	—	18 000	—	—	18 000	170 907
Transfers and subsidies	1 929	—	—	—	—	—	—	1 929
Departmental agencies and accounts	1 486	—	—	—	—	—	—	1 486
Households	443	—	—	—	—	—	—	443
Payments for capital assets	2 586	—	—	—	—	—	—	2 586
Machinery and equipment	2 060	—	—	—	—	—	—	2 060
Software and other intangible assets	526	—	—	—	—	—	—	526
Total	350 788	—	—	18 000	—	—	18 000	368 788

Programme 2: Social Assistance

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Old Age	64 456 265	–	–	–	–	–	–	64 456 265
War Veterans	2 935	–	–	–	–	–	–	2 935
Disability	21 151 940	–	–	–	(200 000)	–	(200 000)	20 951 940
Foster Care	5 349 250	–	–	–	–	–	–	5 349 250
Care Dependency	2 939 454	–	–	–	–	–	–	2 939 454
Child Support	56 286 912	–	–	–	(150 000)	–	(150 000)	56 136 912
Grant-in-Aid	793 476	–	–	–	–	–	–	793 476
Social Relief of Distress	600 000	–	–	–	–	–	–	600 000
Total	151 580 232	–	–	–	(350 000)	–	(350 000)	151 230 232
Economic classification								
Transfers and subsidies	151 580 232	–	–	(385 400)	(350 000)	–	(735 400)	150 844 832
Households	151 580 232	–	–	(385 400)	(350 000)	–	(735 400)	150 844 832
Payments for financial assets	–	–	–	385 400	–	–	385 400	385 400
Total	151 580 232	–	–	–	(350 000)	–	(350 000)	151 230 232

Programme 3: Social Security Policy and Administration

Programme of Social Security Policy and Administration				2017/18				
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Social Security Policy	78 985	–	–	(3 000)	–	–	(3 000)	75 985
Development								
Appeals Adjudication	42 007	–	–	(5 000)	–	–	(5 000)	37 007
Social Grants Administration	7 144 341	–	–	–	–	–	–	7 144 341
Social Grants Fraud Investigations	61 719	–	–	–	–	–	–	61 719
Programme Management	5 585	–	–	(1 000)	–	–	(1 000)	4 585
Total	7 332 637	–	–	(9 000)	–	–	(9 000)	7 323 637
Economic classification								
Current payments	121 696	–	–	(11 500)	–	–	(11 500)	110 196
Compensation of employees	65 951	–	–	–	–	–	–	65 951
Goods and services	55 745	–	–	(11 500)	–	–	(11 500)	44 245
Transfers and subsidies	7 208 035	–	–	2 500	–	–	2 500	7 210 535
Departmental agencies and accounts	7 206 060	–	–	–	–	–	–	7 206 060
Foreign governments and international organisations	1 730	–	–	2 500	–	–	2 500	4 230
Households	245	–	–	–	–	–	–	245
Payments for capital assets	2 906	–	–	–	–	–	–	2 906
Machinery and equipment	2 906	–	–	–	–	–	–	2 906
Total	7 332 637	–	–	(9 000)	–	–	(9 000)	7 323 637

Programme 4: Welfare Services Policy Development and Implementation Support

2017/18								
Subprogramme	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Service Standards	31 028	–	–	(1 000)	–	–	(1 000)	30 028
Substance Abuse	72 453	–	–	2 500	–	–	2 500	74 953
Older Persons	21 191	–	–	(1 000)	–	–	(1 000)	20 191
People with Disabilities	30 679	–	–	(1 000)	–	–	(1 000)	29 679
Children	398 501	–	–	–	–	–	–	398 501
Families	9 359	–	–	–	–	–	–	9 359
Social Crime Prevention and Victim Empowerment	64 901	–	–	(2 500)	–	–	(2 500)	62 401
Youth	15 025	–	–	(1 000)	–	–	(1 000)	14 025
HIV and AIDS	102 789	–	–	(1 000)	–	–	(1 000)	101 789
Social Worker Scholarships	305 319	–	–	–	–	–	–	305 319
Programme Management	4 010	–	–	–	–	–	–	4 010
Total	1 055 255	–	–	(5 000)	–	–	(5 000)	1 050 255

Programme 4: Welfare Services Policy Development and Implementation Support (continued)

Economic classification		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	267 213	–	–	(5 477)	–	–	(5 477)	261 736
Compensation of employees	139 344	–	–	–	–	–	–	139 344
Goods and services	127 869	–	–	(5 477)	–	–	(5 477)	122 392
Transfers and subsidies	783 156	–	–	477	–	–	477	783 633
Provinces and municipalities	556 392	–	–	–	–	–	–	556 392
Higher education institutions	–	–	–	477	–	–	477	477
Foreign governments and international organisations	759	–	–	–	–	–	–	759
Non-profit institutions	101 819	–	–	–	–	–	–	101 819
Households	124 186	–	–	–	–	–	–	124 186
Payments for capital assets	4 886	–	–	–	–	–	–	4 886
Machinery and equipment	4 886	–	–	–	–	–	–	4 886
Total	1 055 255	–	–	(5 000)	–	–	(5 000)	1 050 255

Programme 5: Social Policy and Integrated Service Delivery

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Social Policy Research and Development	5 718	–	–	–	–	–	–	5 718
Special Projects and Innovation	10 612	–	–	–	–	–	–	10 612
Population Policy Promotion	32 439	–	–	–	–	–	–	32 439
Registration and Monitoring of Non-Profit Organisations	36 134	–	–	–	–	–	–	36 134
Substance Abuse Advisory Services and Oversight	5 921	–	–	–	–	–	–	5 921
Community Development	93 785	–	–	(4 000)	–	–	(4 000)	89 785
National Development Agency	200 913	–	–	–	–	–	–	200 913
Programme Management	3 334	–	–	–	–	–	–	3 334
Total	388 856	–	–	(4 000)	–	–	(4 000)	384 856
Economic classification								
Current payments	128 188	–	–	(4 000)	–	–	(4 000)	124 188
Compensation of employees	78 150	–	–	–	–	–	–	78 150
Goods and services	50 038	–	–	(4 000)	–	–	(4 000)	46 038
Transfers and subsidies	259 900	–	–	–	–	–	–	259 900
Departmental agencies and accounts	200 913	–	–	–	–	–	–	200 913
Foreign governments and international organisations	1 976	–	–	–	–	–	–	1 976
Non-profit institutions	30 795	–	–	–	–	–	–	30 795
Households	26 216	–	–	–	–	–	–	26 216
Payments for capital assets	768	–	–	–	–	–	–	768
Machinery and equipment	768	–	–	–	–	–	–	768
Total	388 856	–	–	(4 000)	–	–	(4 000)	384 856

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Social Assistance					
3. Social Security Policy and Administration					
4. Welfare Services Policy Development and Implementation Support					
5. Social Policy and Integrated Service Delivery					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(4 000)	Programme 1		4 000
Goods and services	Cost containment measures effected on travel and subsistence	(4 000)	Goods and services	Computer services and the development of a communications strategy	4 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(385 400)	Programme 2		385 400
Households	Child support and disability grants ²	(385 400)	Payments for financial assets	Write-off of social assistance debtors	385 400
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(11 500)	Programme 1		9 000
Goods and services	Cost containment measures effected on consultants and legal services	(9 000)	Goods and services	Fleet services, leases, municipal services and telecommunications	9 000
	Cost containment measures effected on consultants and legal services	(2 500)	Programme 3		2 500
			Foreign governments and international organisations	Transfer payment to the International Labour Organisation ¹	2 500
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 4		(5 477)	Programme 1		5 000
Goods and services	Cost containment measures effected on consultants, and travel and subsistence	(5 000)	Goods and services	Computer services	5 000
	Cost containment measures effected on travel and subsistence	(477)	Programme 4		477
			Higher education institutions	Transfer payment to the Association of South African Social Work Education Institutions ¹	477
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.5%			
Total		(406 377)	406 377		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R350 million

Programme 2: Social Assistance

R350 million in unspent funds has been declared on social grants due to lower than anticipated spending on child support and disability grants as a result of greater efficiency in eligibility assessment.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
		Apr 16 - Sep 16 % of	Apr 16 - Mar 17 % of				Apr 17 - Sep 17 % of		
R thousand	Adjusted appropriation	Apr 16 - Sep 16	adjusted appropriation	Apr 16 - Mar 17	adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	adjusted appropriation
Administration	338 512	188 077	55.6	349 746	103.3	368 788	0.2	160 127	43.4
Social Assistance	139 498 691	68 791 768	49.3	138 915 638	99.6	151 230 232	94.3	74 818 182	49.5
Social Security Policy and Administration	6 997 000	3 284 371	46.9	6 980 942	99.8	7 323 637	4.6	3 507 848	47.9
Welfare Services Policy	721 322	228 424	31.7	713 088	98.9	1 050 255	0.7	468 027	44.6
Development and Implementation Support									
Social Policy and Integrated Service Delivery	377 704	224 923	59.6	383 214	101.5	384 856	0.2	205 936	53.5
Total	147 933 229	72 717 563	49.2	147 342 628	99.6	160 357 768	100.0	79 160 119	49.4

Economic classification	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Current payments	797 487	415 287	52.1	797 075	99.9	860 393	0.5	362 544	42.1
Compensation of employees	454 357	218 999	48.2	454 163	100.0	476 811	0.3	223 905	47.0
Goods and services	343 130	196 288	57.2	342 912	99.9	383 582	0.2	138 639	36.1
Transfers and subsidies	147 125 401	72 298 687	49.1	146 538 435	99.6	159 100 829	99.2	78 796 744	49.5
Provinces and municipalities	85 500	–	0.0	85 500	100.0	556 392	0.3	224 794	40.4
Departmental agencies and accounts	7 395 243	3 467 897	46.9	7 395 173	100.0	7 408 459	4.6	3 597 507	48.6
Higher education institutions	2 469	–	0.0	2 400	97.2	477	0.0	–	0.0
Foreign governments and international organisations	4 290	2 011	46.9	4 126	96.2	6 965	0.0	2 759	39.6
Non-profit institutions	113 027	24 087	21.3	109 563	96.9	132 614	0.1	15 497	11.7
Households	139 524 872	68 804 692	49.3	138 941 673	99.6	150 995 922	94.2	74 956 187	49.6
Payments for capital assets	10 341	3 589	34.7	7 118	68.8	11 146	0.0	831	7.5
Buildings and other fixed structures	–	112	–	–	0.0	–	0.0	–	–
Machinery and equipment	9 840	3 477	35.3	6 890	70.0	10 620	0.0	794	7.5
Software and other intangible assets	501	–	0.0	–	0.0	526	0.0	37	7.0
Payments for financial assets	–	–	–	–	–	385 400	0.2	–	0.0
Total	147 933 229	72 717 563	49.2	147 342 628	99.6	160 357 768	100.0	79 160 119	49.4

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R147.3 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R79.2 billion, or 49.4 per cent of the adjusted appropriation of R160.4 billion for the year. In comparison, mid-year expenditure in 2016/17 was R72.7 billion, or 49.2 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R6.4 billion, or 8.9 per cent. This is mainly due to an increase in the value of social grants to keep them in line with inflation, and an increase in the number of social grant beneficiaries.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	49 416	199	0.4	77 546	156.9	88 698	29 964	100.0	713	2.4
Sales of goods and services produced by department	307	146	47.6	6	2.0	16	314	1.0	142	45.2
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	–	1	0.0	–	0.0
Interest, dividends and rent on land	18 011	2	0.0	20 592	114.3	11 625	15 600	52.1	10	0.1
Sales of capital assets	300	–	–	–	–	231	487	1.6	487	100.0
Transactions in financial assets and liabilities	30 798	51	0.2	56 948	184.9	76 826	13 562	45.3	74	0.5
Total	49 416	199	0.4	77 546	156.9	88 698	29 964	100.0	713	2.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R713 000, or 2.4 per cent of the adjusted revenue estimate of R30 million for the year. The estimate for 2017/18 was revised downwards from R88.7 million to R30 million due to lower than anticipated receipts from the Special Investigative Unit related to grant fraud. In comparison, mid-year revenue in 2016/17 was R199 000, or 0.4 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R514 000, or 258.3 per cent. This is mainly due to the sale of a vehicle.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Social Assistance Households								
Social benefits								
Current	77 438 852	–	–	(385 400)	(350 000)	–	(735 400)	76 703 452
Disability	21 151 940	–	–	(17 400)	(200 000)	–	(217 400)	20 934 540
Child support	56 286 912	–	–	(368 000)	(150 000)	–	(518 000)	55 768 912
Social Security Policy and Administration								
Foreign governments and international organisations								
Current	–	–	–	2 500	–	–	2 500	2 500
International Labour Organisation	–	–	–	2 500	–	–	2 500	2 500
Welfare Services Policy								
Development and Implementation								
Support								
Higher education institutions								
Current	–	–	–	477	–	–	477	477
Association of South African Social Work Education Institution	–	–	–	477	–	–	477	477

