

Vote 16

Social Development

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	76 007 974	76 554 151	-	546 177
<i>of which:</i>				
Current payments	422 643	431 584	-	8 941
Transfers and subsidies	75 576 636	76 113 872	-	537 236
Payments for capital assets	8 695	8 695	-	-
Executive authority	Minister for 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, integrated, sustainable and quality social development services against vulnerability and poverty, and to create an enabling environment for sustainable development in partnership with those committed to building a caring society.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Number of beneficiaries receiving social assistance	12 735 671	12 458 721
- old age grant	2 341 148	2 286 280
- war veteran grant	1 886	1 742
- disability grant	1 567 236	1 366 632
- child support grant	8 231 541	8 142 260
- foster care grant	483 992	551 667
-care dependency grant	109 868	110 140
Number of child abuse cases recorded in the national child protection register	20 000	7 184
Number of national adoptions registered	3 500	2 457
Number of role players trained on the Children's Act (2005)	1 500	1 467
Number of registered early childhood development sites captured on the national database	10 755	10 867
Number of groundbreakers trained through loveLife	500	525
Number of HIV and Aids prevention programmes	4	1
Number of youth in the National Youth Service programme	330	0
Number of youth in the Masupatsela youth pioneer programme	3 120	1 753
Number of social work scholarships awarded	3 000	1 934
Percentage of NPO applications dealt with in 2 months	80%	66%

The department is in the process of filling posts to increase capacity for dealing with non-profit organisation (NPO) applications.

Adjusted Estimates of National Expenditure 2008

Table 16.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	152 428	-	-	7 000	-	7 000	159 428
2. Comprehensive Social Security	75 318 431	-	500 000	820	27 477	528 297	75 846 728
3. Policy Development, Review and Implementation Support for Welfare Services		1 000	-	(4 820)	6 900	3 080	273 402
4. Community Development	173 394	-	-	(1 000)	-	(1 000)	172 394
5. Strategy and Governance	93 399	10 800	-	(2 000)	-	8 800	102 199
Departmental Total	76 007 974	11 800	500 000	-	34 377	546 177	76 554 151
Economic classification							
Current payments	422 643	10 800	-	(1 859)	-	8 941	431 584
Compensation of employees	196 669	-	-	(4 200)	-	(4 200)	192 469
Goods and services	225 974	10 800	-	2 341	-	13 141	239 115
Transfers and subsidies	75 576 636	1 000	500 000	1 859	34 377	537 236	76 113 872
Departmental agencies and accounts	4 779 082	-	-	65 000	34 377	99 377	4 878 459
Foreign governments and international organisations	1 480	-	-	389	-	389	1 869
Non-profit institutions	55 085	1 000	-	1 650	-	2 650	57 735
Households	70 740 989	-	500 000	(65 180)	-	434 820	71 175 809
Payments for capital assets	8 695	-	-	-	-	-	8 695
Machinery and equipment	7 866	-	-	-	-	-	7 866
Software and other intangible assets	829	-	-	-	-	-	829
Total	76 007 974	11 800	500 000	-	34 377	546 177	76 554 151

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R11.8 million

Programme 3: Policy Development, Review and Implementation Support for Welfare Services
R1 million has been rolled over for the Planned Parenthood Association.

Programme 5: Strategy and Governance

R5 million has been rolled over for an integrated management information system for the Appeals Tribunal.
R5.8 million has been rolled over for improving the social development management information systems.

Unforeseeable and unavoidable expenditure – R500 million

Programme 2: Comprehensive Social Security

Social Assistance Transfer funds

An additional amount of R500 million is requested to provide short term social relief to communities and households facing undue hardship.

Virements

Table 16.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(740)	7 740	
Current payments	(740)	7 740	
Compensation of employees	(740)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in this programme R740 000 from compensation of employees in this programme R1.71 million from compensation of employees in programme 3 R3.29 million from goods and services in programme 3 For increased cross-cutting operational costs (IT, office accommodation and water and electricity) R1.75 million from compensation of employees in programme 5 R250 000 from goods and services in programme 5 For operational costs for the social assistance debtors project
Goods and services	-	7 740	
2. Comprehensive Social Security	(65 180)	66 000	
Current payments	-	791	
Goods and services	-	791	From goods and services in programme 4 to finalise research projects and the impact evaluation study for social assistance that started in 2007/08
Transfers and Subsidies	(65 180)	65 209	
Departmental agencies and accounts	-	65 000	From households in this programme for projected overspending on contractor fees in the South African Social Security Agency
Foreign governments and international organisations	-	209	From goods and services in programme 4 for increased membership fees for the International Social Security Association due to exchange rate fluctuations
Households	(65 180)	-	Slower than projected uptake of social assistance grants: R65 million to departmental agencies and accounts in this programme R180 000 to foreign governments and international organisations in programme 3
3. Policy Development, Review and Implementation	(6 600)	1 780	
Current payments	(6 600)	-	
Compensation of employees	(1 710)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in programme 1 R3.29 million to goods and services in programme 1 R1.6 million to non-profit institutions in this programme
Goods and services	(4 890)	-	
Transfers and Subsidies	-	1 780	
Foreign governments and international organisations	-	180	From households in programme 2 for social welfare subsidies in terms of the Walvis Bay agreement.
Non-profit institutions	-	1 600	From goods and services in this programme R1.5 million for the Association of South African Social Work Education Institutions R100 000 for the Foundation for Professional Development
4. Community Development	(1 050)	50	
Current payments	(1 050)	-	
Goods and services	(1 050)	-	Delays in starting planned projects: R209 000 to foreign governments and international organizations in programme 2 R791 000 to goods and services in programme 2 R50 000 to non-profit institutions in this programme
Transfers and Subsidies	-	50	
Non-profit institutions	-	50	From goods and services in this programme for the Edwin Radithupa Mabitse Trust.
5. Strategy and Governance	(2 000)	-	
Current payments	(2 000)	-	
Compensation of employees	(1 750)	-	Delays in recruitment for and filling of vacant funded posts: To goods and services in programme 1
Goods and services	(250)	-	Delays in starting planned projects: To goods and services in programme 1
Total for Vote	(75 570)	75 570	

Other adjustments – R34.377 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 2: Comprehensive Social Security

Additional funding of R27.477 million has been allocated to cover personnel inflation related costs for South African Social Security Agency (SASSA).

Programme 3: Policy Development, Review and Implementation Support for Welfare Services

Additional funding of R6.9 million has been allocated to cover inflation related costs for the National Student Financial Aid Scheme.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 16.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	138 902	63 304	45.6	141 119	101.6	159 428	82 750	51.9
2. Comprehensive Social Security	66 637 339	34 820 162	52.3	66 661 456	100.0	75 846 728	36 832 870	48.6
3. Policy Development, Review and Implementation Support for Welfare Services	194 976	94 669	48.6	162 734	83.5	273 402	156 474	57.2
4. Community Development	163 528	74 572	45.6	153 167	93.7	172 394	81 685	47.4
5. Strategy and Governance	94 363	30 152	32.0	72 928	77.3	102 199	43 451	42.5
Total	67 229 108	35 082 859	52.2	67 191 404	99.9	76 554 151	37 197 230	48.6
Economic classification								
Current payments	385 375	133 949	34.8	321 378	83.4	431 584	186 924	43.3
Compensation of employees	169 386	61 093	36.1	133 590	78.9	192 469	86 615	45.0
Goods and services	215 989	72 851	33.7	187 471	86.8	239 115	100 309	42.0
Financial transactions in assets and liabilities	-	5	-	317	-	-	-	-
Transfers and subsidies	66 834 281	34 946 284	52.3	66 862 282	100.0	76 113 872	37 005 342	48.6
Provinces and municipalities	-	30	-	-	-	-	-	-
Departmental agencies and accounts	4 321 910	2 185 956	50.6	4 322 285	100.0	4 878 459	2 385 568	48.9
Foreign governments and international organisations	1 746	147	8.4	461	26.4	1 869	-	-
Non-profit institutions	49 854	21 000	42.1	52 214	104.7	57 735	15 292	26.5
Households	62 460 771	32 739 151	52.4	62 486 861	100.0	71 175 809	34 604 482	48.6
Payments for capital assets	9 452	2 626	27.8	7 744	81.9	8 695	4 964	57.1
Machinery and equipment	8 311	2 626	31.6	7 744	93.2	7 866	4 964	63.1
Software and other intangible assets	1 141	-	-	-	-	829	-	-
Total	67 229 108	35 082 859	52.2	67 191 404	99.9	76 554 151	37 197 230	48.6

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R37.197 billion, or 48.6 per cent of the adjusted appropriation of R76.554 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R 2.114 billion, or 6.03 per cent compared to spending in the first six months of 2007/08 which amounted to R35.083 billion, or 52.2 per cent of the 2007/08 adjusted appropriation.

The main reasons for the increases in the budget allocation for 2008/09 compared to 2007/08 are:

The budget for programme 1 increased by 14.8 per cent compared to 2007/08 due to increased capacity as part of the expansion of the department's establishment as well as an increase in the allocation for property management and the allocation for audit fees related to the social assistance transfer funds.

The budget for programme 2 increased by 13.8 per cent compared to 2007/08, mainly due to the increased allocation for the social assistance transfer funds and SASSA.

The budget of programme 3 increased by 40.2 per cent compared to 2007/08, mainly due to the increased allocation for the National Financial Student Aid Scheme from R50 million to R 111.9 million.

The budget for programme 4 increased by 5.4 per cent compared to 2007/08.

The budget for programme 5 increased by 8.3 per cent compared to 2007/08, due to increased capacity as part of the expansion of the department's establishment and related operational costs.

Expenditure for 2007/08 was 99.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 16.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	24	92	46	50.0
Interest, dividends and rent on land	28	2 210	2 207	99.9
Financial transactions in assets and liabilities	92	92	77	83.7
Total	144	2 394	2 330	97.3

Actual departmental revenue collections for the first six months of 2008/09 were R2.33 million or 97.3 per cent of the adjusted estimate of R2.4 million.

Changes to transfers and subsidies, and conditional grants

Table 16.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll- overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Comprehensive Social Security	75 279 388	-	500 000	29	27 477	527 506	75 806 894
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	4 537 815	-	-	65 000	27 477	92 477	4 630 292
South African Social Security Agency (SASSA)	4 517 815	-	-	65 000	27 477	92 477	4 610 292
Foreign governments and international organisations							
Current	584	-	-	209	-	209	793
International Social Security Association	584	-	-	209	-	209	793
Households							
Other transfers							
Current	70 740 989	-	500 000	(65 180)	-	434 820	71 175 809
Disaster Relief Fund	10 000	-	-	(10 000)	-	(10 000)	-
Social Assistance transfers	70 725 989	-	500 000	(65 180)	-	434 820	71 160 809
Social Relief Fund	5 000	-	-	10 000	-	10 000	15 000

Table 16.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. Policy Development, Review and Implementation Support for Welfare Services	157 227	1 000	-	1 780	6 900	9 680	166 907
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	105 000	-	-	-	6 900	6 900	111 900
National Student Financial Aid Scheme	105 000	-	-	-	6 900	6 900	111 900
Foreign governments and international organisations							
Current	180	-	-	180	-	180	360
Walvis Bay	-	-	-	180	-	180	180
Non-profit institutions							
Current	52 047	1 000	-	1 600	-	2 600	54 647
Planned Parenthood Association of South Africa	500	1 000	-	-	-	1 000	1 500
Association of South African Social Work Educators Institutions	-	-	-	1 500	-	1 500	1 500
Foundation for Professional Development	-	-	-	100	-	100	100
4. Community Development	139 705	-	-	50	-	50	139 755
Non-profit institutions							
Current	3 038	-	-	50	-	50	3 088
Edwin Radithupa Mabitse Trust	-	-	-	50	-	50	50