

Vote 17

Social Development

Adjusted budget summary

R thousand	Appropriation	2019/20		Adjusted appropriation
		Adjustments appropriation		
		Decrease	Increase	
Amount to be appropriated	184 791 972	(409 118)	339 118	184 721 972
<i>of which:</i>				
Current payments	944 726	–	88 218	1 032 944
Transfers and subsidies	183 835 614	(409 118)	–	183 426 496
Payments for capital assets	11 632	–	–	11 632
Payments for financial assets	–	–	250 900	250 900
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.

2019 National macro organisation of government

The Department of Social Development is among those affected by the 2019 national macro organisation of government. All functions pertaining to people with disabilities will be transferred to the Department of Women, Youth and Persons with Disabilities. These functions include policy development, coordination, international relations, mainstreaming, and monitoring and evaluation. The department will facilitate and report comprehensively on the translation of national and international obligations into empowerment and socioeconomic development programmes towards the realisation of fundamental rights and equal opportunities for people with disabilities. It is anticipated that the budget regarding these functions will be shifted to the Department of Women, Youth and Persons with Disabilities from 2020/21.

Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Total number of old age grant beneficiaries	Social Assistance	Outcome 13: An inclusive and responsive social protection system	3.7 million	3.6 million	–
Total number of war veterans grant beneficiaries	Social Assistance		78	76	–
Total number of disability grant beneficiaries	Social Assistance		1 million	1.05 million	–
Total number of child support grant beneficiaries	Social Assistance		12.7 million	12.6 million	–
Total number of foster care grant beneficiaries	Social Assistance		351 418	415 339	–
Total number of care dependency grant beneficiaries	Social Assistance		154 498	153 212	–
Total number of grant-in-aid beneficiaries	Social Assistance		246 910	241 258	–

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Percentage of appeals per year adjudicated within 90 days of receipt	Social Security Policy and Administration	Outcome 13: An inclusive and responsive social protection system	75%	98.6% (1 687/1 711)	–
Number of young people awarded scholarships into the social service field per year	Welfare Services Policy Development and Implementation Support		1 616	925	–
Percentage of non-profit organisation registration applications processed within 2 months of receipt	Social Policy and Integrated Service Delivery		99%	99.7% (17 120/17 165)	–

Mid-year progress

In the first half of 2019/20, a total 17.8 million beneficiaries received social grants. Although performance related to the foster care grants seems to be exceeding the annual target, there is typically a decline in the fourth quarter due to a decrease in the number of eligible beneficiaries, as 18-year-olds are no longer eligible for the grant once they leave school. During the same period, 98.6 per cent (1 687 of 1 711) of appeals were adjudicated against an annual target of 75%. This overachievement was due to the continued collaboration between the Independent Tribunal for Social Assistance Appeals and the South African Social Security Agency.

Adjusted estimates

Programme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Administration	408 374	–	–	–	–	–	–	408 374
Social Assistance	175 155 593	–	–	–	–	–	–	175 155 593
Social Security Policy and Administration	7 748 916	–	(60 000)	–	–	–	(60 000)	7 688 916
Welfare Services Policy Development and Implementation Support	1 065 807	–	60 000	–	(70 000)	–	(10 000)	1 055 807
Social Policy and Integrated Service Delivery	413 282	–	–	–	–	–	–	413 282
Total	184 791 972	–	–	–	(70 000)	–	(70 000)	184 721 972
Economic classification								
Current payments	944 726	–	88 218	–	–	–	88 218	1 032 944
Compensation of employees	527 441	–	–	–	–	–	–	527 441
Goods and services	417 285	–	88 218	–	–	–	88 218	505 503
Transfers and subsidies	183 835 614	–	(339 118)	–	(70 000)	–	(409 118)	183 426 496
Provinces and municipalities	518 228	–	–	–	–	–	–	518 228
Departmental agencies and accounts	7 835 789	–	(60 000)	–	–	–	(60 000)	7 775 789
Foreign governments and international organisations	7 085	–	232	–	–	–	232	7 317
Non-profit institutions	162 827	–	(32 750)	–	–	–	(32 750)	130 077
Households	175 311 685	–	(246 600)	–	(70 000)	–	(316 600)	174 995 085
Payments for capital assets	11 632	–	–	–	–	–	–	11 632
Machinery and equipment	11 044	–	–	–	–	–	–	11 044
Software and other intangible assets	588	–	–	–	–	–	–	588
Payments for financial assets	–	–	250 900	–	–	–	250 900	250 900
Total	184 791 972	–	–	–	(70 000)	–	(70 000)	184 721 972

Programme 1: Administration

Subprogramme		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Ministry	40 503	–	4 300	–	–	–	4 300	44 803
Department Management	75 584	–	–	–	–	–	–	75 584
Corporate Management	162 246	–	(4 300)	–	–	–	(4 300)	157 946
Finance	71 726	–	–	–	–	–	–	71 726
Internal Audit	16 040	–	–	–	–	–	–	16 040
Office Accommodation	42 275	–	–	–	–	–	–	42 275
Total	408 374	–	–	–	–	–	–	408 374
Economic classification								
Current payments	403 334	–	(4 300)	–	–	–	(4 300)	399 034
Compensation of employees	212 841	–	–	–	–	–	–	212 841
Goods and services	190 493	–	(4 300)	–	–	–	(4 300)	186 193
Transfers and subsidies	2 149	–	4 300	–	–	–	4 300	6 449
Departmental agencies and accounts	1 661	–	–	–	–	–	–	1 661
Households	488	–	4 300	–	–	–	4 300	4 788
Payments for capital assets	2 891	–	–	–	–	–	–	2 891
Machinery and equipment	2 303	–	–	–	–	–	–	2 303
Software and other intangible assets	588	–	–	–	–	–	–	588
Total	408 374	–	–	–	–	–	–	408 374

Programme 2: Social Assistance

Subprogramme		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Old Age	76 950 917	–	–	–	–	–	–	76 950 917
War Veterans	1 732	–	–	–	–	–	–	1 732
Disability	23 077 574	–	–	–	–	–	–	23 077 574
Foster Care	5 080 800	–	–	–	–	–	–	5 080 800
Care Dependency	3 429 783	–	–	–	–	–	–	3 429 783
Child Support	64 967 275	–	–	–	–	–	–	64 967 275
Grant-in-aid	1 237 512	–	–	–	–	–	–	1 237 512
Social Relief of Distress	410 000	–	–	–	–	–	–	410 000
Total	175 155 593	–	–	–	–	–	–	175 155 593
Economic classification								
Transfers and subsidies	175 155 593	–	(250 900)	–	–	–	(250 900)	174 904 693
Households	175 155 593	–	(250 900)	–	–	–	(250 900)	174 904 693
Payments for financial assets	–	–	250 900	–	–	–	250 900	250 900
Total	175 155 593	–	–	–	–	–	–	175 155 593

Programme 3: Social Security Policy and Administration

Subprogramme		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Social Security Policy Development	82 643	–	3 000	–	–	–	3 000	85 643
Appeals Adjudication	39 288	–	(3 000)	–	–	–	(3 000)	36 288
Social Grants Administration	7 552 979	–	(60 000)	–	–	–	(60 000)	7 492 979
Social Grants Fraud	68 794	–	–	–	–	–	–	68 794
Investigations	–	–	–	–	–	–	–	–
Programme Management	5 212	–	–	–	–	–	–	5 212
Total	7 748 916	–	(60 000)	–	–	–	(60 000)	7 688 916

Programme 3: Social Security Policy and Administration (continued)

Economic classification	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Current payments	119 950	–	(232)	–	–	–	(232)	119 718
Compensation of employees	73 077	–	–	–	–	–	–	73 077
Goods and services	46 873	–	(232)	–	–	–	(232)	46 641
Transfers and subsidies	7 626 426	–	(59 768)	–	–	–	(59 768)	7 566 658
Departmental agencies and accounts	7 621 773	–	(60 000)	–	–	–	(60 000)	7 561 773
Foreign governments and international organisations	4 368	–	232	–	–	–	232	4 600
Households	285	–	–	–	–	–	–	285
Payments for capital assets	2 540	–	–	–	–	–	–	2 540
Machinery and equipment	2 540	–	–	–	–	–	–	2 540
Total	7 748 916	–	(60 000)	–	–	–	(60 000)	7 688 916

Programme 4: Welfare Services Policy Development and Implementation Support

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Service Standards	32 486	–	–	–	–	–	–	32 486
Substance Abuse	20 915	–	–	–	–	–	–	20 915
Older Persons	20 528	–	–	–	–	–	–	20 528
People with Disabilities	31 134	–	–	–	–	–	–	31 134
Children	605 528	–	–	–	–	–	–	605 528
Families	10 406	–	–	–	–	–	–	10 406
Social Crime Prevention and Victim Empowerment	69 643	–	93 000	–	–	–	93 000	162 643
Youth	14 295	–	–	–	–	–	–	14 295
HIV and AIDS	127 953	–	(33 000)	–	–	–	(33 000)	94 953
Social Worker Scholarships	128 462	–	–	–	(70 000)	–	(70 000)	58 462
Programme Management	4 457	–	–	–	–	–	–	4 457
Total	1 065 807	–	60 000	–	(70 000)	–	(10 000)	1 055 807
Economic classification								
Current payments	286 724	–	93 000	–	–	–	93 000	379 724
Compensation of employees	155 114	–	–	–	–	–	–	155 114
Goods and services	131 610	–	93 000	–	–	–	93 000	224 610
Transfers and subsidies	773 739	–	(33 000)	–	(70 000)	–	(103 000)	670 739
Provinces and municipalities	518 228	–	–	–	–	–	–	518 228
Foreign governments and international organisations	837	–	–	–	–	–	–	837
Non-profit institutions	128 645	–	(33 000)	–	–	–	(33 000)	95 645
Households	126 029	–	–	–	(70 000)	–	(70 000)	56 029
Payments for capital assets	5 344	–	–	–	–	–	–	5 344
Machinery and equipment	5 344	–	–	–	–	–	–	5 344
Total	1 065 807	–	60 000	–	(70 000)	–	(10 000)	1 055 807

Programme 5: Social Policy and Integrated Service Delivery

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Social Policy Research and Development	6 334	-	-	-	-	-	-	6 334
Special Projects and Innovation	11 766	-	-	-	-	-	-	11 766
Population Policy Promotion	36 921	-	-	-	-	-	-	36 921
Registration and Monitoring of Non-Profit Organisations	40 082	-	-	-	-	-	-	40 082
Substance Abuse Advisory Services and Oversight	6 594	-	-	-	-	-	-	6 594
Community Development	95 533	-	-	-	-	-	-	95 533
National Development Agency	212 355	-	-	-	-	-	-	212 355
Programme Management	3 697	-	-	-	-	-	-	3 697
Total	413 282	-	-	-	-	-	-	413 282
Economic classification								
Current payments	134 718	-	(250)	-	-	-	(250)	134 468
Compensation of employees	86 409	-	-	-	-	-	-	86 409
Goods and services	48 309	-	(250)	-	-	-	(250)	48 059
Transfers and subsidies	277 707	-	250	-	-	-	250	277 957
Departmental agencies and accounts	212 355	-	-	-	-	-	-	212 355
Foreign governments and international organisations	1 880	-	-	-	-	-	-	1 880
Non-profit institutions	34 182	-	250	-	-	-	250	34 432
Households	29 290	-	-	-	-	-	-	29 290
Payments for capital assets	857	-	-	-	-	-	-	857
Machinery and equipment	857	-	-	-	-	-	-	857
Total	413 282	-	-	-	-	-	-	413 282

Details of adjustments to the 2019 Estimates of National Expenditure**Virements and shifts within the vote**

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 1		(4 300)	Programme 1		4 300
Goods and services	Computer services	(4 300)	Households	Retirement benefits	4 300
Shifts within the programme as a percentage of the programme budget		1.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(250 900)	Programme 2		250 900
Households	Child support grant ²	(250 900)	Payments for financial assets	Debt written off ²	250 900
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			

2019 Adjusted Estimates of National Expenditure

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(60 232)	Programme 3		232
Goods and services	Business and advisory services	(232)	Foreign governments and international organisations	International Social Security Association (increase in membership fee) ¹	232
Departmental agencies and accounts	South African Social Security Agency (grant administration) ²	(60 000)	Programme 4		60 000
			Goods and services	Government priority (gender-based violence)	60 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.8%			
Programme 4		(33 000)	Programme 4		33 000
Non-profit institutions	Transfer to HIV/AIDS organisations ¹	(33 000)	Goods and services	Government priority (gender-based violence)	33 000
Shifts within the programme as a percentage of the programme budget		3.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 5		(250)	Programme 5		250
Goods and services	Travel and subsistence	(250)	Non-profit institutions	Population Association of Southern Africa (increase in membership fee) ¹	250
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(348 682)			348 682

1. National Treasury approval has been obtained.
2. Only the legislature may approve this virement.

Declared unspent funds – R70 million

Programme 4: Welfare Services Policy Development and Implementation Support

R70 million in unspent funds has been declared on the social worker scholarship programme due to the bursary scheme being terminated in 2018/19.

Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	2018/19				2019/20				
	Adjusted appropriation	Outcome		Adjusted appropriation/Total (%)	Adjusted appropriation	Actual expenditure			
Apr 18 - Sep 18		Apr 18 - % of adjusted Sep 18 appropriation	Apr 18 - Mar 19			Apr 18 - % of adjusted Mar 19 appropriation	Apr 19 - Sep 19	Apr 19 - % of adjusted Sep 19 appropriation	
R thousand									
Administration	391 746	166 389	42.5	361 367	92.2	408 374	0.2	178 915	43.8
Social Assistance	162 860 723	80 221 119	49.3	162 709 840	99.9	175 155 593	94.8	86 566 627	49.4
Social Security Policy and Administration	7 877 021	3 782 507	48.0	7 840 561	99.5	7 688 916	4.2	3 732 874	48.5
Welfare Services Policy Development and Implementation Support	1 300 440	600 872	46.2	1 277 837	98.3	1 055 807	0.6	375 442	35.6
Social Policy and Integrated Service Delivery	392 303	210 676	53.7	390 312	99.5	413 282	0.2	222 899	53.9
Total	172 822 233	84 981 563	49.2	172 579 918	99.9	184 721 972	100.0	91 076 757	49.3

Economic classification	2018/19					2019/20			
	Adjusted appropriation	Outcome		Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure			
		Apr 18 - Sep 18	Apr 18 - Mar 19			Apr 19 - Sep 19	Apr 19 - Sep 19		
R thousand	Apr 18 - % of adjusted Sep 18 appropriation	Apr 18 - % of adjusted Mar 19 appropriation	Apr 19 - % of adjusted Sep 19 appropriation						
Current payments	886 750	351 746	39.7	819 682	92.4	1 032 944	0.6	381 382	36.9
Compensation of employees	490 351	235 636	48.1	481 139	98.1	527 441	0.3	251 375	47.7
Goods and services	396 399	116 110	29.3	338 543	85.4	505 503	0.3	130 007	25.7
Transfers and subsidies	171 924 403	84 623 100	49.2	171 751 250	99.9	183 426 496	99.3	90 693 721	49.4
Provinces and municipalities	776 863	362 167	46.6	776 863	100.0	518 228	0.3	259 682	50.1
Departmental agencies and accounts	7 967 029	3 875 914	48.6	7 966 854	100.0	7 775 789	4.2	3 829 185	49.2
Higher education institutions	1 500	–	–	1 500	100.0	–	–	–	–
Foreign governments and international organisations	7 148	899	12.6	6 302	88.2	7 317	0.0	1 856	25.4
Non-profit institutions	181 765	33 238	18.3	164 341	90.4	130 077	0.1	31 914	24.5
Households	162 990 098	80 350 882	49.3	162 835 390	99.9	174 995 085	94.7	86 571 084	49.5
Payments for capital assets	11 080	6 717	60.6	7 695	69.4	11 632	0.0	1 654	14.2
Machinery and equipment	10 023	5 943	59.3	7 695	76.8	11 044	0.0	1 654	15.0
Software and other intangible assets	1 057	774	73.2	–	–	588	0.0	–	–
Payments for financial assets	–	–	–	1 291	–	250 900	0.1	–	–
Total	172 822 233	84 981 563	49.2	172 579 918	99.9	184 721 972	100.0	91 076 757	49.3

Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R172.6 billion, 99.9 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R85 billion, 49.2 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R91.1 billion, 49.3 per cent of the adjusted appropriation of R184.7 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R6.1 billion, 7.2 per cent. This was mainly due to an increase in the number of beneficiaries accessing social assistance.

Departmental receipts

Economic classification	2018/19					2019/20				
	Adjusted estimate	Outcome		Budget estimate	Adjusted estimate	Adjusted estimate/ Total (%)	Actual receipts			
		Apr 18 - Sep 18	Apr 18 - Mar 19				Apr 19 - Sep 19	Apr 19 - Sep 19		
R thousand	Apr 18 - % of adjusted estimate	Apr 18 - % of adjusted estimate	Apr 19 - % of adjusted estimate							
Departmental receipts	16 583	1 675	10.1	50 678	305.6	12 834	27 342	100.0	653	2.4
Sales of goods and services produced by department	294	144	49.0	3	1.0	18	342	1.3	179	52.3
Interest, dividends and rent on land	8 375	223	2.7	6 844	81.7	12 816	2 000	7.3	167	8.4
Sales of capital assets	–	–	–	1 249	–	–	–	–	–	–
Transactions in financial assets and liabilities	7 914	1 308	16.5	42 582	538.1	–	25 000	91.4	307	1.2
Total	16 583	1 675	10.1	50 678	305.6	12 834	27 342	100.0	653	2.4

Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R1.7 million, 10.1 per cent of the 2018/19 adjusted estimate, whereas revenue in the first half of 2019/20 was R653 000, 2.4 per cent of the adjusted estimate of R27.3 million for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 decreased by R1 million, 61 per cent. This was mainly due to revenue from grant debtors collected by the South African Social Security Agency that was not yet paid to the department.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Administration								
Households								
Social benefits								
Current	488	–	4 300	–	–	–	4 300	4 788
Employee social benefits	488	–	4 300	–	–	–	4 300	4 788
Social Assistance								
Households								
Other transfers to households								
Current	64 967 275	–	(250 900)	–	–	–	(250 900)	64 716 375
Child support	64 967 275	–	(250 900)	–	–	–	(250 900)	64 716 375
Social Security Policy and Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	7 621 773	–	(60 000)	–	–	–	(60 000)	7 561 773
South African Social Security Agency	7 621 773	–	(60 000)	–	–	–	(60 000)	7 561 773
Foreign governments and international organisations								
Current	1 768	–	232	–	–	–	232	2 000
International Social Security Association	1 768	–	232	–	–	–	232	2 000
Welfare Services Policy Development and Implementation Support								
Non-profit institutions								
Current	66 063	–	(33 000)	–	–	–	(33 000)	33 063
HIV and AIDS organisations	66 063	–	(33 000)	–	–	–	(33 000)	33 063
Households								
Other transfers to households								
Current	125 250	–	–	–	(70 000)	–	(70 000)	55 250
National Student Financial Aid Scheme	125 250	–	–	–	(70 000)	–	(70 000)	55 250
Social Policy and Integrated Service Delivery								
Non-profit institutions								
Current	–	–	250	–	–	–	250	250
Population Association of Southern Africa	–	–	250	–	–	–	250	250