

Vote 19

Social Development

	2003/04 To be appropriated	2004/05	2005/06
MTEF allocations	R1 952 502 000	R4 225 805 000	R7 269 343 000
Statutory amounts	–	–	–
Responsible Minister	Minister of Social Development		
Administering Department	Department of Social Development		
Accounting Officer	Director-General of the Department of Social Development		

Aim

The aim of the Department of Social Development is to enable the poor, the vulnerable and the excluded within South African society to secure a better life for themselves, in partnership with them and with all those who are committed to building a caring society.

Programme purpose and measurable objectives

Programme 1: Administration

Purpose: Provide for policy formulation by the Ministry and top management and for overall management and support services to the Department.

Programme 2: Social Security, Policy and Planning

Purpose: Formulate, implement and monitor policies on social security and social assistance, and assess the social, economic and fiscal impact of social security programmes.

Measurable objective: To develop policy and strategies for social assistance to children, families, people with disabilities and older people and to advise on the social, economic and fiscal implications of social security and assistance policy.

Programme 3: Grant Systems and Administration

Purpose: Design strategies and operate systems to ensure that efficient and effective services are provided to social assistance and disaster relief beneficiaries.

Measurable objective: To provide management, administrative and information services in support of the timely payment of social assistance and disaster relief, and to monitor service delivery and compliance.

Programme 4: Welfare Services Transformation

Purpose: Facilitate the transformation of welfare services for the delivery of effective and appropriate developmental social welfare services in order to empower children, families and communities.

Measurable objective: To develop policies, strategies and programmes to empower and support vulnerable individuals, households and communities, and to facilitate and monitor implementation.

Programme 5: Development Implementation Support

Purpose: Develop strategies for poverty reduction and community development, develop strategies to mitigate the impact of HIV/Aids, and support non-profit organisations.

Measurable objective: To design, fund and monitor strategies and programmes for poverty reduction, community development, and counter the impact of HIV/Aids, and to register and support non-profit organisations.

Programme 6: Population and Development

Purpose: Provide research and advice to Government on population policy and planning and development issues, and build capacity to integrate population issues into development strategies.

Measurable objective: To research, analyse and interpret population and development trends to inform policy making and planning, including monitoring and evaluation of the population policy and facilitation of population policy implementation through intergovernmental programmes, and develop capacity to integrate population issues into development.

Strategic overview and policy developments: 1999/00 – 2005/06

Since the Minister and his provincial counterparts introduced and adopted the Ten Point Plan for Social Development in January 2000, significant policy, strategy and organisational developments have taken place. Key developments relate to overseeing the extension of the system of social assistance and improving service delivery to grant beneficiaries. The Department has adopted a more comprehensive approach to addressing poverty, underdevelopment and the impact of HIV/Aids. The approach marks a shift from the traditional welfare framework to one which promotes sustainable social development and increasing self-reliance amongst communities. The Department fosters a partnership-based approach to development.

Widening the social safety net

The last five years have seen a significant expansion of means-tested cash transfers to South Africans. The number of total grant beneficiaries doubled from 2,5 million at the beginning of 1997 to well over 5 million by the end of 2002. Most of the growth has been due to the implementation of the Child Support Grant from 1998 – with nearly 2,5 million children now benefiting every month. However, there has been marked growth in beneficiary numbers for all grants, including the Old Age Grant, the Disability Grant and the Foster Care Grant.

The Committee of Inquiry into a Comprehensive Social Security System appointed by the Minister of Social Development in 2000 submitted its report to Cabinet in July 2002. The work of the Committee was one of the strategic initiatives of the Department of Social Development to assess the current state of South African social security and to advise Government on the appropriate reforms. The inquiry covered social assistance (grants) as well as social insurance programmes (such as retirement and unemployment insurance). It made wide-ranging recommendations, which included: extending the Child Support Grant; the governance of social insurance and social assistance; and a variety of social insurance mechanisms, including the steps required to establish a social health insurance system.

Amendments to the Regulations under the Social Assistance Act (59 of 1992) have recently been gazetted. The Regulations stipulate that beneficiaries are entitled to grants from the day of application and not approval, as in the past. The Amended Regulations also ensure equitable access to disability grants and set out proper procedures for reviewing entitlements to grants. Given a range of issues related to the current Social Assistance Act, including the division of

functions between national and provinces, the social assistance legislation is currently being reviewed and new legislation will be submitted to Cabinet in 2003.

Extending the Child Support Grant

Because of the stubbornly high levels of deprivation and poverty, in particular amongst children, and the fact that social grants are proven to be effective at alleviating poverty, Government has decided to extend the Child Support Grant. The target group has been widened from the original category of poor children below the age of seven, to include poor children below the age of 14. Approximately 3,6 million children between the ages of nought and seven are estimated to be currently eligible for the Child Support Grant. Of these nearly 2,5 million are currently receiving grants, leaving another 1 million to gain access. The extension to children below the age of 14 will add another 3,2 million eligible beneficiaries over the next three years. In order to make sure that there is enough capacity to administer these large numbers, and that the extension can properly be targeted to the most vulnerable, the Department has adopted a phased approach: seven- and eight-year olds will be able to apply for grants in 2003/04; nine- and ten-year olds in 2004/05; and the remaining age groups in 2005/06. In order to fund this rollout Government will make available R1,1 billion, R3,4 billion and R6,4 billion as a conditional grant to provinces in each of the next three financial years.

Improving grant delivery

A key priority for Government, and a requirement for the further extension of the safety net, is to improve service delivery to beneficiaries. Delayed approvals of grants, inadequate infrastructure at pay points, and litigation around administration are some of the challenges compromising the effectiveness and significant extension of the grant system. Following a review of social assistance administration in July 2001 and an audit of pay points, the Department has launched a comprehensive grant administration improvement programme.

The grant improvement initiative aims to apply national norms and standards in the following areas: applications and other grant administration processes; communication and customer care; pay points infrastructure and facilities; and information technology (IT). The first phase of implementation was initiated late in 2002, and more specific components of the programme will be implemented in 2003/04 and 2005/06. These include a standardised application form, training staff and upgrading the National Call Centre to provide a standardised initial interface between Government and potential beneficiaries. The replacement of Socpen (the social pensions IT system) remains a priority and the Department is busy exploring alternative options for procuring a new system, which may involve a public-private partnership. In the interim the current system will have to be upgraded.

To further strengthen processes for improving service delivery, Cabinet has given in-principle approval for establishing a dedicated national public entity to administer and pay grants. This means that full responsibility for the social grant function may shift to national Government. Further recommendations relating to the entity were submitted to Cabinet early in 2003. Anticipated advantages are standardised and more effective and economical administration of grants, more even access, and coherent oversight and management of the function. The entity would have a significant impact on the Department's budget, as provision will have to be made for adequate capacity to oversee it. Also, the funding of grant payments will have to flow through the national Department, and not from the provincial equitable share as is currently the case.

Welfare services

In 2003 progress will be made in drafting a comprehensive Child Care Bill, and the Child Justice Bill will be considered by Parliament. The latter aims to divert children in trouble with the law to alternative processes to the criminal justice system and imprisonment. A detailed costing of the

Child Justice Bill has been prepared (required in terms of the Public Finance Management Act (1 of 1999) (PFMA) before legislation with provincial implications can be submitted to Parliament).

Over the next three years children are being prioritised through extended access to social assistance and the provision of more care and support to children in families affected and infected by HIV/Aids and by other circumstances which add to their vulnerability. In particular, the national Department and its provincial counterparts will be implementing measures to prevent and combat abuse, neglect and the exploitation of children, and give attention to children with special needs. These include reducing the number of children awaiting trial in police cells and prisons through expanded diversion programmes, establishing secure care facilities, appropriate placement of children through the assessment of probation officers, appropriate sentencing options, and continuous monitoring of children in prisons. The Department will also be finalising the strategic plan on the management of child abuse, neglect and exploitation during 2003.

Over the medium term a range of issues will be addressed in order to ensure the transformation of welfare services. These include the development and costing of norms and standards for social welfare services; the design of social welfare service delivery models and a comprehensive financing policy for welfare services providers; formulation of a national empowerment strategy for families and victims of violence; a policy on older people; a national strategy on delivery of services to people with disabilities; and a national strategy to reduce drug and alcohol abuse.

Fighting poverty and the impact of HIV/Aids

In addition to its leadership role in the fields of social assistance and social welfare, the Department also co-ordinates a poverty relief programme funded from Government's special poverty relief allocation. This is in line with the strong current focus on sustainable development and income-generation initiatives. The current poverty relief programme started in 2001/02. It focuses on sustainability, and on programmes rather than projects. This means that it is a more dynamic, activity-driven process. In all activities emphasis is placed on providing access to economic opportunities for specific target groups such as women, youth, children, the infirm, the disabled and the aged. Most of the programmes are located in the three provinces with the highest poverty rates – the Eastern Cape, Limpopo and KwaZulu-Natal – the 13 rural nodes and the 7 urban renewal nodes.

Because of the impact on the poor of the recent rise in food prices, R230 million was made available to the Department in 2002/03 for food relief initiatives. This will be strengthened by allocations of R400 million per year in each of 2003/04, 2004/05 and 2005/06.

The transfer of responsibility for the National Development Agency (NDA) to the Minister of Social Development in October 2001 has brought new challenges and opportunities relating to the capacity of civil society to participate in development programmes. The Department administers transfers to the National Development Agency to enable the Agency to fulfil its mandate as a statutory funding agency whose primary focus is to contribute towards eradicating poverty and to strengthen the capacity of civil society organisations to combat poverty.

Social development activities in relation to HIV/Aids are the provincial community-based care initiatives, funded from a conditional grant to provinces. Available funding is set to grow significantly over the medium term.

Expenditure estimates

Table 19.1: Social Development

Programme	Expenditure outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome					
R thousand	1999/00	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
1 Administration	32 194	38 910	43 164	50 681	50 307	59 268	62 623	67 605
2 Social Security Policy and Planning	31 365	24 865	5 138	7 348	6 927	7 871	8 244	8 730
3 Grant Systems and Administration	81 391	124 695	2 098 362	82 033	76 515	1 201 293	3 528 497	6 553 592
4 Welfare Services Transformation	34 227	14 617	9 592	13 061	12 370	16 681	17 978	18 446
5 Development Implementation Support	312 744	262 525	165 687	487 923	488 792	657 989	598 507	610 415
6 Population and Development	7 776	6 434	6 039	9 205	9 205	9 400	9 956	10 555
Total	499 697	472 046	2 327 982	650 251	644 116	1 952 502	4 225 805	7 269 343
Change to 2002 Budget Estimate				240 990	234 855	1 546 300	3 868 059	

Economic classification

Current	489 871	470 435	2 324 533	647 807	641 672	1 949 846	4 223 289	7 266 139
Personnel	30 877	34 102	41 658	56 607	53 345	66 914	71 255	75 564
Transfer payments	394 335	356 456	2 225 056	506 443	506 443	1 749 114	3 989 142	7 000 344
Other current	64 659	79 877	57 819	84 757	81 884	133 818	162 892	190 231
Capital	9 826	1 611	3 449	2 444	2 444	2 656	2 516	3 204
Transfer payments	–	–	–	–	–	–	–	–
Acquisition of capital assets	9 826	1 611	3 449	2 444	2 444	2 656	2 516	3 204
Total	499 697	472 046	2 327 982	650 251	644 116	1 952 502	4 225 805	7 269 343

Standard items of expenditure

Personnel	30 877	34 102	41 658	56 607	53 345	66 914	71 255	75 564
Administrative	8 833	12 964	15 416	15 693	16 885	21 292	22 786	24 155
Inventories	3 696	4 534	5 902	5 044	5 286	4 060	4 231	4 480
Equipment	10 857	4 925	7 282	5 288	4 138	6 117	5 207	6 079
Land and buildings	–	–	–	–	–	–	–	–
Professional and special services	50 673	58 699	32 548	61 176	58 019	105 005	133 184	158 721
Transfer payments	394 335	356 456	2 225 056	506 443	506 443	1 749 114	3 989 142	7 000 344
Miscellaneous	426	366	120	–	–	–	–	–
Total	499 697	472 046	2 327 982	650 251	644 116	1 952 502	4 225 805	7 269 343

Expenditure trends

Year-on-year comparisons of *Social Development* expenditure are complicated by the fact that in recent years the Department has received a range of special allocations for specific programmes. Some were once-off, such as the special appropriation of R2 billion in 2001/02 (managed by the *Grant Systems and Administration* programme) to deal with social grant arrears as a result of regulation changes. Others that have been phased out over the past three years include conditional grants for implementing the Child Support Grant and improving the social security system. Two further allocations of R100 million and R71 million have been earmarked for poverty relief in 2002/03 and 2003/04 respectively. These are managed by the *Development Implementation Support* programme and have not been finalised beyond 2003/04.

The core budget of the Department, which comprises allocations to support its key policy-making and monitoring role, grew strongly from about R82 million in 1999/00 to R145 million in 2002/03. It is set to grow strongly again over the medium term to about R267 million, as capacity in all

areas is strengthened and preparations are made for the replacement of the social assistance information and payment system (Socpen) under the *Grant Systems and Administration* programme. Allocations for home and community-based HIV/Aids programmes increase significantly from R13,4 million in 2001/02 to R76,1 million in 2005/06.

Large increases in 2003 on the Department's 2002 Budget baseline support the core capacity of the Department but also fund key government initiatives to strengthen the social safety net and to confront the impact of high food prices on the poor. Additional allocations in 2003/04 are:

- R1,1 billion in 2003/04, R3,4 billion in 2004/05 and R6,4 billion in 2005/06 to fund the extension of the means-tested Child Support Grant up to a child's fourteenth birthday, with the bulk of the money flowing to provinces in the form of a conditional grant.
- R400 million in each of 2003/04, 2004/05 and 2005/06 to provide food relief where it is most urgently needed, again to be disbursed mainly in the form of conditional grants to provinces.
- R20 million in 2003/04, R40 million in 2004/05 and R60 million in 2005/06 for the improvement of the social security system, primarily for the replacement of the social grant information and payment system.
- R10,8 million in 2003/04, R11,3 million in 2004/05 and R11,7 million in 2005/06 to enhance monitoring, evaluation and information management.
- R6,2 million in 2003/04, R7,2 million in 2004/05 and R8,2 million in 2005/06 to expand capacity in the *Welfare Services Transformation* programme to manage HIV/Aids programmes and fund the office of the newly created Deputy Minister.

Departmental receipts

The Department of Social Development is a policy-making department and is therefore not involved in income generation. Departmental receipts, such as the interest on debt, cancellation of uncashed cheques, parking fees for senior managers, recoveries of private telephone expenses and breach of study contracts are the Department's main revenue sources. All departmental receipts are deposited into the National Revenue Fund.

Table 19.2: Departmental receipts

	Revenue outcome			Adjusted appropriation	Medium-term revenue estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Tax revenue	–	–	–	–	–	–	–
Non-tax revenue	34	58	52	60	61	62	64
Interest	19	29	23	28	29	29	30
Dividends	–	–	–	–	–	–	–
Rent	–	–	–	–	–	–	–
Sales of goods and services	15	29	29	32	32	33	34
Fines, penalties and forfeits	–	–	–	–	–	–	–
Miscellaneous	–	–	–	–	–	–	–
Sales of capital assets (capital revenue)	–	–	–	–	–	–	–
Financial transactions (recovery of loans and advances)	200	202	404	–	–	–	–
Total departmental receipts	234	260	456	60	61	62	64

Programme 1: Administration

Administration provides for policy formulation by the Ministry and for overall management and support services to the Department, including legal and office support services, human resource

management and development, financial management and administration, communication and international liaison.

Expenditure estimates

Table 19.3: Administration

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Minister ¹	1 030	849	824	685	746	791	835
Deputy Minister ²	–	–	–	–	607	643	679
Management	2 764	2 866	2 640	3 794	4 718	5 001	5 301
Corporate Services	27 877	35 195	39 700	45 715	53 196	56 187	60 090
Government Motor Transport	523	–	–	487	1	1	700
Total	32 194	38 910	43 164	50 681	59 268	62 623	67 605
Change to 2002 Budget Estimate				(95 137)	(97 529)	(104 912)	

¹ Payable as from 1 April 2002. Salary: R552 984. Car allowance: R138 246.

² Payable as from 1 April 2002. Salary: R449 460. Car allowance: R112 365.

Economic classification

Current	30 795	37 906	40 128	48 938	57 789	61 203	65 543
Personnel	17 243	18 943	23 087	28 920	32 350	34 395	36 519
Transfer payments	–	–	–	–	–	–	–
Other current	13 552	18 963	17 041	20 018	25 439	26 808	29 024
Capital	1 399	1 004	3 036	1 743	1 479	1 420	2 062
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	1 399	1 004	3 036	1 743	1 479	1 420	2 062
Total	32 194	38 910	43 164	50 681	59 268	62 623	67 605

Standard items of expenditure

Personnel	17 243	18 943	23 087	28 920	32 350	34 395	36 519
Administrative	5 324	6 576	8 155	8 098	13 194	14 084	14 930
Inventories	1 851	2 183	1 360	2 385	1 920	2 042	2 164
Equipment	1 394	1 358	3 756	3 164	2 747	2 777	3 501
Land and buildings	–	–	–	–	–	–	–
Professional and special services	6 163	9 609	6 686	8 114	9 057	9 325	10 491
Transfer payments	–	–	–	–	–	–	–
Miscellaneous	219	241	120	–	–	–	–
Total	32 194	38 910	43 164	50 681	59 268	62 623	67 605

Expenditure trends

Expenditure on *Administration* increased strongly between 1999/00 and 2002/03, growing by an average annual 16,3 per cent as capacity was expanded and vacant posts filled. Over the medium term growth moderates but remains high, partly because of the new portfolio of Deputy Minister, the continued filling of posts and increased administrative expenditure.

Programme 2: Social Security, Policy and Planning

Social Security, Policy and Planning formulates, implements and monitors policies on social security and social assistance, and assesses the social, economic and fiscal impact of social

security programmes. In addition to provisions for administration of the programme, activities are organised into four subprogrammes:

- Children and Family Benefits develops and monitors policy for social assistance for children and families, and supports implementation.
- Disability and Retirement Benefits develops and monitors policy for social assistance for people with disabilities and older people, and supports implementation.
- Finance and Economics develops policies and strategies for the financing of social assistance programmes in line with macroeconomic goals and development objectives. It also focuses on the analysis of demographic and expenditure trends impacting on social assistance grants.
- Contribution provides for transfers to international social security organisations and congresses.

Expenditure estimates

Table 19.4: Social Security, Policy and Planning

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Children and Family Benefits	111	524	941	2 106	2 054	2 177	2 308
Disability and Retirement Benefits	30 433	21 174	1 136	2 259	2 401	2 545	2 698
Finance and Economics	–	–	485	1 123	1 587	1 611	1 699
Contribution	281	180	–	472	470	470	498
Administration	540	2 987	2 576	1 388	1 359	1 441	1 527
Total	31 365	24 865	5 138	7 348	7 871	8 244	8 730
Change to 2002 Budget Estimate				1 289	1 955	2 072	
Economic classification							
Current	31 346	24 673	5 055	7 167	7 766	8 145	8 627
Personnel	1 644	2 392	1 928	3 467	4 339	4 599	4 876
Transfer payments	17 281	17 080	–	472	470	470	498
Other current	12 421	5 201	3 127	3 228	2 957	3 076	3 253
Capital	19	192	83	181	105	99	103
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	19	192	83	181	105	99	103
Total	31 365	24 865	5 138	7 348	7 871	8 244	8 730
Standard items of expenditure							
Personnel	1 644	2 392	1 928	3 467	4 339	4 599	4 876
Administrative	297	1 746	1 339	1 492	1 057	1 120	1 188
Inventories	706	1 147	373	360	193	205	217
Equipment	103	233	132	300	278	283	296
Land and buildings	–	–	–	–	–	–	–
Professional and special services	11 317	2 245	1 366	1 257	1 534	1 567	1 655
Transfer payments	17 281	17 080	–	472	470	470	498
Miscellaneous	17	22	–	–	–	–	–
Total	31 365	24 865	5 138	7 348	7 871	8 244	8 730
Transfer payments per subprogramme							
Disability and Retirement Benefits							
Child Support Grant Implementation	17 000	16 900	–	–	–	–	–
Contribution							
International Social Security Association	281	180	–	472	470	470	498
Total	17 281	17 080	–	472	470	470	498

Expenditure trends

The decline in expenditure between 1999/00 and 2002/03 was due to the phasing out of support for implementing the Child Support Grant in the provinces. Expenditure is set to grow moderately over the medium term.

Service delivery objectives and indicators

Recent outputs

The programme oversaw the completion of the Report of the Committee into a Comprehensive System of Social Security and facilitated the discussion of the Report within Government. Key proposals, such as those on the extension of the Child Support Grant and the change in overall governance arrangements for a comprehensive social security system, were developed further.

During 2002/03 draft policies on older people and social relief of distress were finalised for consultation. Tenders have also been awarded for carrying out an impact study of social assistance programmes and for developing an assessment tool for disability grants. The assessment tool aims to assist community panels to determine the eligibility of potential beneficiaries for disability grants.

Medium-term output targets

Social Security, Policy and Planning

Measurable objective: To develop policy and strategies for social assistance to children, families, people with disabilities and older people, and to advise on the social, economic and fiscal implications of social security and assistance policy.

Subprogramme	Output	Measure/Indicator	Target
Children and Family Benefits	Policy for social benefits to children and families, and implementation support	Comprehensive policy and implementation framework for child grants	Final, costed policy document by December 2003 and implementation framework by November 2004
		Comprehensive policy and implementation framework on social relief of distress	Final, costed policy document by December 2003 and implementation framework by November 2004
		Revised social assistance legislation	Cabinet approval by October 2003
Disability and Retirement Benefits	Policy on social benefits to the disabled and elderly, and implementation support	Assessment tool for disability grants and implementation framework finalised	November 2003
		Training manual and training for the assessment tool for the Disability Grant	Manual by January 2003, 1 500 officials trained by February 2004
		Revised policy on the Old Age Grant	Draft document by September 2003
		Policy on deductions from social grant payments	Draft policy document by October 2003

Subprogramme	Output	Measure/Indicator	Target
Finance and Economics	Analysis of factors impacting on social security policy and reports on impact and implications of social security policy	Reports on impact of demographic and economic trends on social development	Quarterly
		Projections of costs and financial implications of social assistance policies	Bi-annually
		Reports on impact and implications of social assistance programmes	Bi-annually
		Costing of new policies	Costing of social relief by August 2003 and new social assistance legislation by January 2003

Programme 3: Grant Systems and Administration

Grant Systems and Administration designs strategies and operates systems to ensure that social assistance and disaster relief beneficiaries receive efficient and effective services. Key services are in the area of management, administration and information. The programme also monitors service delivery against approved norms and standards. In addition to administration, the programme comprises the following subprogrammes:

- Grant Administration and Disbursement Management develops service delivery norms and standards for grant administration, and manages relief funds and facilitates their implementation.
- Grant Information and Payment Services maintains appropriate IT systems in support of grant administration.
- Monitoring and Evaluation assesses and evaluates policy implementation, and the processes and procedures of the social assistance system.
- Audit and Compliance Support supports the prevention and detection of fraud within the social assistance system.
- Institutional Reform facilitates the establishment and monitoring of institutions to deliver social grants and specifically executes the Cabinet mandate relating to a national public entity (in terms of Schedule 3A of the PFMA) for grant administration.

Expenditure estimates

Table 19.5: Grant Systems and Administration

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Grant Administration and Disbursement Management	80 623	123 685	2 082 537	55 941	1 119 078	3 419 321	6 420 482
Grant Information and Payment Services	768	999	14 624	21 511	66 789	90 971	112 390
Monitoring and Evaluation	–	–	674	3 770	6 021	6 606	6 954
Audit and Compliance Support	–	–	–	–	4 425	4 560	4 665
Institutional Reform	–	–	–	–	4 000	6 000	8 000
Administration	–	11	527	811	980	1 039	1 101
Total	81 391	124 695	2 098 362	82 033	1 201 293	3 528 497	6 553 592
Change to 2002 Budget Estimate				6 087	1 130 863	3 451 581	

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Economic classification							
Current	73 439	124 663	2 098 256	81 865	1 200 815	3 528 174	6 553 249
Personnel	519	997	2 985	5 885	6 541	7 168	7 597
Transfer payments	50 409	80 004	2 065 236	25 800	1 115 000	3 415 000	6 415 000
Other current	22 511	43 662	30 035	50 180	79 274	106 006	130 652
Capital	7 952	32	106	168	478	323	343
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	7 952	32	106	168	478	323	343
Total	81 391	124 695	2 098 362	82 033	1 201 293	3 528 497	6 553 592

Standard items of expenditure

Personnel	519	997	2 985	5 885	6 541	7 168	7 597
Administrative	219	244	1 809	2 228	1 728	1 832	1 942
Inventories	75	212	2 473	703	510	541	573
Equipment	8 028	2 831	3 101	683	909	936	997
Land and buildings	–	–	–	–	–	–	–
Professional and special services	22 132	40 405	22 758	46 734	76 605	103 020	127 483
Transfer payments	50 409	80 004	2 065 236	25 800	1 115 000	3 415 000	6 415 000
Miscellaneous	9	2	–	–	–	–	–
Total	81 391	124 695	2 098 362	82 033	1 201 293	3 528 497	6 553 592

Transfer payments per subprogramme

Grant Administration and Disbursement							
Management							
Disaster Relief Board	13 004	50 004	60 000	10 000	10 000	10 000	10 000
Social Relief Fund	–	–	–	5 000	5 000	5 000	5 000
Improvement of the Social Security System (conditional grant)	37 405	30 000	10 236	10 800	–	–	–
Social Security Arrears Grant (conditional grant)	–	–	1 995 000	–	–	–	–
Child Support Grant Extension (conditional grant)	–	–	–	–	1 100 000	3 400 000	6 400 000
Total	50 409	80 004	2 065 236	25 800	1 115 000	3 415 000	6 415 000

Expenditure trends

Once-off allocations for specific short-term cases swelled the budget of *Grants Systems and Administration* in 2000/01 and 2001/02. These included additional amounts for disaster relief in 2000/01 and 2001/02 of R50 million in each year. In 2001/02, there was a special appropriation of R2 billion, most of which flowed as conditional grants to provinces to pay arrears on social grants. The once-off nature of these allocations, as well as the phasing out of the provincial conditional grant, explains the low expenditure in 2002/03 compared to previous years.

Over the medium term the allocation for core functions to *Grants Systems and Administration* is set to nearly double, reflecting Government's commitment to improving social grant service delivery. Funding will be used to replace IT and payment systems, to strengthen capacity for ensuring audit and compliance with norms and standards, and to execute the mandate for institutional reform, which involves establishing a dedicated public entity to administer and pay grants. Funding of the extension of the Child Support Grant through a conditional grant to provinces will flow through this programme, increasing allocations by R1,1 billion (2003/04), R3,4 billion (2004/05), and R6,4 billion (2005/06).

Service delivery objectives and indicators

Recent outputs

In addition to building capacity for support and monitoring (such as financing a national social assistance fraud strategy and establishing a compliance audit unit), the first phase of implementing norms and standards for grant administration went ahead in 2002. Key aspects included the development of a standardised application form, the design and implementation of training programmes, developing an administration manual and auditing 90 per cent of social grants pay points.

During 2002/03 a procedures manual was developed, the Social Assistance Customer Charter was distributed to provinces in all official languages, and about 2 100 officials were trained in customised social assistance to standardise procedures and processes. Using a range of media, communication to beneficiaries about entitlements was also intensified. Socpen (the central information and payment system for social assistance grants, now managed by the State Information Technology Agency (Sita)) is being maintained and upgraded while options for procuring alternative systems are being developed.

In October 2002, on the basis of a business case prepared by the Department of Social Development, Cabinet in principle approved the establishment of a national public entity to administer social grants. A transition committee under the leadership of the Department of Social Development is currently preparing to brief Cabinet on the implications of and requirements for completing such a process. This initiative has the potential to increase equitable access to grants, to improve service delivery, and to reduce the cost of social grant administration.

Emergency relief funds amounting to R5 million were allocated to the Red Cross to be disbursed in Limpopo, the Eastern Cape and Mpumalanga provinces during 2002/03. Close to 50 000 beneficiaries affected by disaster in the Western Cape, KwaZulu-Natal, the Eastern Cape, the North West and Limpopo received disaster relief payments approximating R40 million.

Medium-term output targets

Grant Systems and Administration

Measurable objective: To provide management, administrative and information services in support of the timely payment of social assistance and disaster relief, and to monitor service delivery and compliance.

Subprogramme	Output	Measure/Indicator	Target
Grant Administration and Disbursement Management	Effective and efficient grant and relief administration	Reduction in application processing time	Average application processing cycle time of 54 days reduced by 20% to 43 days by April 2004
		Increase in coverage of eligible beneficiaries	Registration campaign implemented by May 2003
Implementation of norms and standards for grants administration		Time taken to assess disaster after notification received, and time delay in payment of disaster victims	All assessments within 48 hours and payments within 4 months
		Blueprints developed for standardised application, verification, approval and review processes	December 2004
		Optimal service delivery infrastructure network model	Development and consultation by August 2003
		Training of social assistance staff	All social assistance staff trained by March 2004

Subprogramme	Output	Measure/Indicator	Target
Grant Information and Payment Service	IT services (Socpen system)	Extent of up-time of system and data integrity Accurate and timely information transfer to provinces and payment agents to effect payments Socpen enhancements to support standardised application, verification, approval and review	99% up-time and 95% data integrity by April 2004 Monthly or as required Ongoing
	New grant payment system to replace Socpen (phase 1)	Feasibility study for new payment system completed	Report by January 2004
Monitoring and Evaluation	Monitoring of compliance	Coverage and timeliness of compliance reports Reports on social assistance trends	Quarterly for all 9 provinces Monthly
	Monitoring of impact	Reports on impact of social grants on quality of life	Annually
Audit and Support Compliance	Implementation of fraud prevention and detection strategy	Number and coverage of audits	Minimum of 1 audit per province per year
Institutional Reform	Institutional restructuring	Strategy for public entity for social grants administration	Report back to Cabinet in July 2003 and finalisation of mandate

Programme 4: Welfare Services Transformation

Welfare Services Transformation facilitates the transformation of welfare services for delivery of effective and appropriate developmental social welfare services in order to empower children, families and communities. An overarching Service Standards subprogramme develops overall policies, programmes, and norms and standards to ensure the transformation of welfare services. Other subprogrammes develop and monitor policies in specific areas. These include Child Care and Protection Services, Families and Victim Empowerment, Services to People with Disabilities, Social Crime Prevention and Youth Development, Prevention and Rehabilitation of Substance Abuse, and Care and Services to Older Persons.

Expenditure estimates

Table 19.6: Welfare Services Transformation

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Service Standards	411	548	1 078	1 718	2 675	2 853	2 900
Child Care and Protection Services	15 823	5 500	1 347	2 629	3 227	3 550	3 590
Families and Victim Empowerment	5 677	2 100	1 394	1 592	2 050	2 080	2 100
Social Crime Prevention and Youth Development	4 000	1 944	1 209	1 309	1 509	1 800	1 850
Prevention and Rehabilitation of Substance Abuse	3 000	1 350	1 333	2 358	1 734	1 938	2 000
Care and Services to Older Persons	3 000	1 175	1 127	1 227	2 027	2 124	2 188
Services to People with Disabilities	1 500	1 150	1 177	1 277	1 596	1 650	1 704
Contribution	100	100	100	100	115	130	150
Administration	716	750	827	851	1 748	1 853	1 964
Total	34 227	14 617	9 592	13 061	16 681	17 978	18 446
Change to 2002 Budget Estimate				(1 017)	2 042	2 461	

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary Outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Economic classification							
Current	33 992	14 435	9 540	12 897	16 277	17 555	18 005
Personnel	5 633	6 186	5 040	6 185	10 286	10 903	11 531
Transfer payments	17 278	62	98	1 100	1 115	1 430	1 550
Other current	11 081	8 187	4 402	5 612	4 876	5 222	4 924
Capital	235	182	52	164	404	423	441
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	235	182	52	164	404	423	441
Total	34 227	14 617	9 592	13 061	16 681	17 978	18 446

Standard items of expenditure

Personnel	5 633	6 186	5 040	6 185	10 286	10 903	11 531
Administrative	1 476	2 879	1 966	1 646	1 458	1 714	1 817
Inventories	737	520	1 145	523	604	561	594
Equipment	826	232	74	287	1 621	561	609
Land and buildings	–	–	–	–	–	–	–
Professional and special services	8 189	4 693	1 269	3 320	1 597	2 809	2 345
Transfer payments	17 278	62	98	1 100	1 115	1 430	1 550
Miscellaneous	88	45	–	–	–	–	–
Total	34 227	14 617	9 592	13 061	16 681	17 978	18 446

Transfer payments per subprogramme

Service Standards							
Transfers to NGO's	–	–	80	1 000	1 000	1 300	1 400
Contribution							
International Membership Fees	18	62	18	100	115	130	150
Child Care and Protection Services							
Criminal Justice System	13 390	–	–	–	–	–	–
Social Crime Prevention and Youth Development							
Victim Empowerment	3 870	–	–	–	–	–	–
Total	17 278	62	98	1 100	1 115	1 430	1 550

Expenditure trends

The completion of special projects for victim empowerment and upgrading places of safety, implemented through transfer payments and grants to provinces, was responsible for the decline in expenditure between 1999/00 and 2002/03. Over the medium term there is significant growth averaging about 12 per cent per year. Most of the growth is located in personnel expenditure as capacity is expanded to lead policy development and implementation in this key area.

Service delivery objectives and indicators

Recent outputs

During 2002, draft minimum standards were developed in relation to victim empowerment, shelters for abused women and children, and services to children and youth, older persons and disabled persons. An audit of homes for the elderly was finalised. The Country Report on Ageing was compiled and submitted at the Second World Assembly on Ageing, along with a discussion paper as background for drafting new legislation on the elderly. A strategy for reducing drug and

alcohol abuse amongst young people was developed, and a policy for addressing drugs in schools was gazetted for comments.

A draft Children's Bill was developed and wide consultation sought. The Child Justice Bill was finalised for submission to Parliament along with a detailed costing, in line with the PFMA. The Child Protection Register was launched as one of a number of mechanisms for co-ordinating and enhancing child protection services.

Medium-term output targets

Welfare Services Transformation

Measurable objective: To develop policies, strategies and programmes to empower and support vulnerable individuals, households and communities, and to facilitate and monitor implementation.

Subprogramme	Output	Measure/Indicator	Target
Service Standards	Norms and standards for welfare services	Norms and standards for welfare services developed and approved	Approval by March 2004
		Costing model for the funding of welfare services developed and approved	December 2003
		Audit on social welfare facilities in all provincial departments	March 2004
		Curricula for Probation Officers and Child and Youth Care Workers developed	January 2004
Child Care and Protection Services	Policy and programmes to care for and protect children	New child care legislation adopted	March 2004
		Strategy to combat child abuse, neglect and exploitation	August 2003
		Computerised national Child Protection Register implemented	March 2004
		Guidelines to regulate the operation of early childhood development facilities approved	December 2003
		Maintenance of adoptions register	Ongoing
Families and Victim Empowerment	Policy and programmes to support families developed and implemented	National Family Strategy to guide service delivery to families developed and approved	March 2004
		Expansion of family preservation projects extended	March 2004
		Policy and standards for Victim Empowerment Programme developed	March 2004
		Impact analysis of Victim Empowerment Programme	March 2004
Social Crime Prevention and Youth Development	Policy and programmes to protect and support persons affected by crime	Training of probation officers	December 2003
		Expansion of diversion and home-based supervision programmes	March 2004
		Expansion of secure care centres	March 2004
	Youth development	Youth development strategy developed, approved and training provided	February 2004

Subprogramme	Output	Measure/Indicator	Target
Care and Services to Older Persons	Policy and programmes to protect and support older persons	Policy and legislation for older persons finalised	September 2003
		National Plan of Action developed and approved	March 2004
Services to People with Disabilities	Policy and programmes to support people with disabilities	Transformation of workshops for disabled people facilitated	March 2004
		Strategy for delivery of social welfare services to the disabled	March 2004
		50% of officials, non-governmental staff and volunteers trained in new policies related to disabled people	March 2004
Prevention and Rehabilitation of Substance Abuse	Policy and programmes to prevent and treat substance abuse	Drug Master Plan developed and approved	March 2004
		Expansion of programme to treat youth addicts in child and youth care centres	December 2003
		Prevention and treatment of Drug Dependency Act (20 of 1992) reviewed and amendments approved	March 2004
		Financial and technical assistance to Central Drug Authority (CDA)	June 2003
		Fully functioning CDA secretariat in place	June 2003

Programme 5: Development Implementation Support

Development Implementation Support develops strategies for poverty reduction and community development, strategies to mitigate the impact of HIV/Aids, and strategies to support non-profit organisations. In addition to programme-specific administration, activities are organised into five subprogrammes:

- Poverty Eradication develops, co-ordinates and manages sustainable income-generating projects.
- HIV/Aids ensures the availability of integrated programmes for prevention and coping with the impact of the disease on households and communities.
- Community Development develops strategies and programmes which contribute towards maintaining the well-being and social integration of vulnerable individuals, groups and communities.
- The Non-Profit Organisations subprogramme aims to develop policies and programmes to create an enabling environment for non-profit organisations.
- National Development Agency transfers funds to the National Development Agency and monitors the entity.

Expenditure estimates

Table 19.7: Development Implementation Support

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary Outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Poverty Eradication	206 536	160 230	51 221	331 334	472 934	402 051	402 174
HIV/Aids	–	5 620	14 955	50 725	70 273	74 790	79 277
Community Development	493	463	549	1 424	2 542	2 695	2 856
Non-Profit Organisations	5 048	5 311	5 757	6 848	7 571	8 025	8 507
Administration	667	901	515	847	1 386	1 465	1 552
National Development Agency	100 000	90 000	92 690	96 745	103 283	109 481	116 049
Total	312 744	262 525	165 687	487 923	657 989	598 507	610 415
Change to 2002 Budget Estimate				328 728	508 325	516 183	

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Economic classification							
Current	312 704	262 346	165 637	487 809	657 864	598 375	610 275
Personnel	2 201	1 771	4 106	5 900	6 714	7 105	7 531
Transfer payments	309 301	259 244	159 645	478 945	632 400	572 113	583 159
Other current	1 202	1 331	1 886	2 964	18 750	19 157	19 585
Capital	40	179	50	114	125	132	140
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	40	179	50	114	125	132	140
Total	312 744	262 525	165 687	487 923	657 989	598 507	610 415

Standard items of expenditure

Personnel	2 201	1 771	4 106	5 900	6 714	7 105	7 531
Administrative	603	571	1 230	1 308	3 136	3 324	3 524
Inventories	267	306	458	733	584	619	656
Equipment	153	240	67	408	361	384	406
Land and buildings	–	–	–	–	–	–	–
Professional and special services	184	373	181	629	14 794	14 962	15 139
Transfer payments	309 301	259 244	159 645	478 945	632 400	572 113	583 159
Miscellaneous	35	20	–	–	–	–	–
Total	312 744	262 525	165 687	487 923	657 989	598 507	610 415

Transfer payments per subprogramme

Poverty Eradication							
Poverty Relief: Independent Development Trust	205 272	157 678	48 663	100 000	71 000	–	–
Flagship	539	2 273	1 337	–	–	–	–
Emergency Food Relief (Conditional grant)	–	–	–	230 000	388 000	388 000	388 000
HIV/AIDS							
NGO's	–	–	–	700	–	–	–
HIV/Aids (Conditional grant)	–	5 620	13 400	47 500	65 917	70 180	74 391
Non-Profit Organisations							
National Councils	3 490	3 673	3 555	4 000	4 200	4 452	4 719
National Development Agency	100 000	90 000	92 690	96 745	103 283	109 481	116 049
Total	309 301	259 244	159 645	478 945	632 400	572 113	583 159

Expenditure trends

A special allocation for poverty relief and transfers to the National Development Agency, a public entity reporting to the Minister of Social Development, dominated expenditure for this programme until 2001/02. Fluctuating expenditure up to 2001/02 results from the delays in disbursing poverty relief money and implementing projects, due to the adoption of the more activity-driven programmatic approach. Allocations for poverty relief increase from almost R50 million in 2001/02 to R100 million in 2002/03 and R71 million in 2003/04. No allocation has been made for 2004/05, pending the review of the special allocations for poverty relief.

Allocations for supporting home and community care related to HIV/Aids, as part of the National Integrated Plan for Children Infected and Affected by HIV/Aids, increase from R48 million in 2002/03 to R74 million in 2005/06.

Funding for food relief initiatives in response to recent food price increases (R230 million in 2002/03 and R400 million per year after that) explains the large increases in expenditure in 2002/03 and 2003/04. From the R400 million allocation, R388 million is a conditional grant to

provinces while R12 million is directed towards the building of administrative monitoring capacity in the Department.

Service delivery objectives and indicators

Recent outputs

From the poverty relief allocation, which is administered by the Poverty Eradication subprogramme, all funding has been allocated to the 365 projects which have been established through the national and provincial offices. Twenty-four per cent of projects were in Integrated Sustainable Rural Development Programme (ISRDP) nodal points. The programme is expected to yield the following outputs between 2001/02 and 2003/04:

- 100 rural food production clusters of 100 households each, with an emphasis on households affected by HIV/AIDS
- 94 community-based initiatives providing social and economic support in rural communities with a high prevalence of HIV/Aids to complement the home and community-based HIV/Aids programmes currently being implemented in the provinces
- 12 urban renewal (social crime prevention) projects, focusing on skills development and employment opportunities for 500 youth per project
- 104 local economic development projects for women
- 104 multi-purpose centres that focus on craft and daytime childcare by older persons.

The new HIV/Aids Directorate became fully operational during 2002/3. This facilitated the improved management of scaling up the home and community-based care and support programme in the provinces, and proper management of the R48 million allocated to this programme. Appropriate mechanisms, such as guidelines on implementation and capacity building of community-based organisations (CBOs), and monitoring systems have been developed and are being implemented.

The improved management of the programme is clear from the increase in the number of communities, families and individuals who are accessing services provided through this programme. The establishment or strengthening of partnerships (with other government departments, non-governmental organisations (NGOs), community-based organisations, faith-based organisations (FBOs), People Living with Aids, and international agencies), in order to extend the reach of service delivery to people affected by HIV/Aids, has also increased, both at national and provincial levels. The national conference on Co-ordinated Action for Children Infected and Affected by HIV/Aids was held in June 2002, and culminated in a plan of action. Progress has also been made in incorporating initiatives targeting youth such as the loveLife Groundbreaker programme.

Capacity-building needs assessments were undertaken for some projects, and a capacity-building programme on financial management was facilitated in collaboration with the International Labour Organisation, reaching 29 projects and a total of 116 trainees.

A total of 5 199 certificates of registration were issued to non-profit organisations during 2001/2002, with more than 10 000 organisations in all being registered by the end of March 2002. As registration is now a condition for receiving tax benefits, interest in registration is set to increase. Due to non-compliance, 293 organisations were de-registered. A total of 650 organisations have been trained in registration and reporting requirements.

Medium-term output targets**Development Implementation Support**

Measurable objective: To design, fund and monitor strategies and programmes for poverty reduction, community development, and counter the impact of HIV/Aids, and to register and support non-profit organisations.

Subprogramme	Output	Measure/Indicator	Target
Poverty Eradication	Develop, implement, manage and co-ordinate sustainable poverty relief projects	An anti-poverty strategy developed Poverty relief impact study Provide financial assistance and programme support from the poverty relief allocation to communities Support for the integration of people with disabilities into the different poverty relief projects	Draft strategy ready by March 2004 Report on 60% of funded projects by March 2004 Annual poverty relief allocation to reach projects/beneficiaries by end of each financial year (31 March 2003 and 2004) At least 2% of project members to be people with disabilities by March 2004
Community Development	Monitor and evaluate the implementation of community development and capacity building Capacity-building programmes for communities to participate in development Facilitation and co-ordination strategies and mechanism to institutionalise integrated development and service delivery by the Department	Integrated community development strategies Capacity assessment and pilot capacity intervention for the 100 projects Co-ordinating plan and mechanism for integrated departmental services to communities in nodal areas	Broadly canvassed concept document March 2004 By September 2003 April 2003
HIV/Aids	Integrated strategy on HIV/Aids Home and community-based care and support programme Appropriate protection measures for orphans and vulnerable children affected by HIV/Aids Measures to reduce the risk of HIV/Aids amongst vulnerable groups	Integrated strategy document on HIV/Aids Financial and technical assistance to provinces and NGOs for the home and community-based programme targeting children and families infected and affected by HIV/Aids Policy on co-ordinated measures to protect orphans and vulnerable children affected by HIV/Aids Programme to mitigate the risk of HIV/Aids amongst youth	Approval by December 2003 400 home and community-based care and support projects supported by 2004 Policy document approved, and co-ordinated action formalised by end of 2003 200 trained Groundbreakers through the loveLife programme by 2004
Non-Profit Organisations	An enabling legal environment for non-profit organisations	Registration of organisations in terms of Non-Profit Organisations Act (71 of 1997) Payment of subsidies to national councils Institutionalisation of volunteerism	5 000 certificates issued by March 2004 Funds transferred on time Allocations according to government priorities Volunteer Co-ordinating Committees functional in at least 5 provinces by March 2004

Programme 6: Population and Development

Population and Development researches and advises Government on population policy and planning and development issues, and builds capacity to integrate population issues into development strategies. In addition to Administration, the programme has four subprogrammes:

- Population and Development Strategy provides policy and planning advice on population and development trends, and monitors the implementation of Government's population policy.
- Population and Development Research manages population development and social development research, in support of policy development.
- Population and Development Support Programmes implements intergovernmental population and development programmes, and disseminates population and development information.
- Contributions manages Government's contributions to the United Nations Population Fund (UNFPA) and other population and development concerns.

Expenditure estimates

Table 19.8: Population and Development

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Population and Development Strategy	4 500	2 681	2 301	3 398	3 001	3 193	3 400
Population and Development Research	2 484	2 790	2 187	3 088	3 187	3 221	3 305
Population and Development Support Programmes	–	–	–	–	1 742	1 947	2 171
Contributions	66	66	77	126	129	129	137
Administration	726	897	1 474	2 593	1 341	1 466	1 542
Total	7 776	6 434	6 039	9 205	9 400	9 956	10 555
Change to 2002 Budget Estimate				1 040	644	674	

Economic classification

Current	7 595	6 412	5 917	9 131	9 335	9 837	10 440
Personnel	3 637	3 813	4 512	6 250	6 684	7 085	7 510
Transfer payments	66	66	77	126	–	–	–
Other current	3 892	2 533	1 328	2 755	2 651	2 752	2 930
Capital	181	22	122	74	65	119	115
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	181	22	122	74	65	119	115
Total	7 776	6 434	6 039	9 205	9 400	9 956	10 555

Standard items of expenditure

Personnel	3 637	3 813	4 512	6 250	6 684	7 085	7 510
Administrative	914	948	917	921	719	712	754
Inventories	60	166	93	340	249	263	276
Equipment	353	31	152	446	330	395	407
Land and buildings	–	–	–	–	–	–	–
Professional and special services	2 688	1 374	288	1 122	1 418	1 501	1 608
Transfer payments	66	66	77	126	–	–	–
Miscellaneous	58	36	–	–	–	–	–
Total	7 776	6 434	6 039	9 205	9 400	9 956	10 555

Transfer payments per subprogramme

Contributions							
Regional Institute for Population Studies	66	66	–	66	–	–	–
United Nations Population Fund	–	–	77	60	–	–	–
Total	66	66	77	126	–	–	–

Expenditure trends

Expenditure in 1999/00 was abnormally high due to the hosting of the major international conference, the Third African Population Conference. During restructuring, a number of vacant posts were not filled, which also led to declining expenditure up to 2001/02. The strong increase in 2002/03 relates to filling these posts and the full-scale implementation of a new population and development research strategy, which emphasises the impact of HIV/Aids. Programme expenditure is set to grow slowly over the medium term.

Service delivery objectives and indicators

Recent outputs

The second 'State of South Africa's Population Report' was completed, as well as a comprehensive report on government departments' implementation of the Population Policy for the period 1998–2003. The first volume of 14 good practice case studies of non-governmental HIV/Aids projects was completed. Advocacy and information, education and communication activities included the commemoration of World Population Day in all provinces, a poster competition sponsored by the UNFPA and a joint seminar with the Human Sciences Research Council (HSRC) on fertility trends in South Africa. The second Country Support Programme of the UNFPA was developed and launched in November 2002. This programme will primarily focus on the Eastern Cape, Limpopo and KwaZulu-Natal, and will be implemented over a five-year period through a R72 million contribution by the UNFPA.

Several major studies were undertaken to assess the impact of HIV/Aids, and to appraise, monitor and evaluate HIV/Aids projects. The HSRC completed a study for the Department, to assess the impact of HIV/Aids and identify social indicators that are sensitive to HIV/Aids. A database of social research on HIV/Aids by departments in all three spheres of Government was developed to improve collaboration on and co-ordination of HIV/Aids research. Appraisal studies on home and community-based care were conducted in all provinces, and included training for provincial government officials. A situation analysis study of orphans in the Eastern Cape, Limpopo and KwaZulu-Natal was undertaken with the United Nations Children's Fund (UNICEF), and will be completed in the next financial year. Six case studies of good practice local government HIV/Aids projects were completed.

Implementation of the Primary HIV/Aids Capacity Building Course for government planners proceeded, which included training 578 planners from eight provinces in 2002/03. The Population and Development Information Service responded to 22 per cent more enquiries about population development than in the previous year, and subscription to its services increased by 690 per cent.

Medium-term output targets

Population and Development

Measurable objective: To research, analyse and interpret population and development trends to inform policy-making and planning, including monitoring and evaluation of the population policy and facilitation of population policy implementation, through intergovernmental programmes, and develop capacity to integrate population issues into development.

Subprogramme	Output	Measure/Indicator	Target
Population and Development Strategy	Advise and monitor policy and plans on population and development trends	Monitor implementation of population policy and publish report	Report released in December 2003 and draft 'State of South Africa's Population Report 2003/04' by March 2004
		Population and development advocacy and information, education and communication activities	Monthly workshops and publications

Sub-programme	Output	Measure/Indicators	Target
Population and Development Research	Research on national population and social development policies and trends (with specific reference to the impact of HIV/Aids)	6 case studies / home and community-based care project evaluation reports conducted 6 major research reports released and published: social indicators, social development, 10- year review, flagship programme, migration policy 6 draft research reports: family policy, older persons, social policy, South African demographic and health survey	March 2004
Population and Development Support Programmes	Implement intergovernmental programmes and disseminate information on population policy and trends	Intergovernmental programmes and projects incorporating population issues into development planning Create access for 2 000 users and regular update of information service	1 500 government, and non-profit organisation planners trained in primary HIV/Aids programme, and support to various planning processes December 2004

Public entities reporting to the Minister

National Development Agency

Presidential Proclamation R61 of 2001 transferred the National Development Agency (NDA) to the Ministry of Social Development on 19 October 2001.

The NDA is a statutory funding agency whose primary focus is to contribute towards the eradication of poverty and its causes and strengthen the capacity of civil society organisations in combating poverty. The NDA was established in terms of the National Development Agency Act (108 of 1998) and replaced the Transitional National Development Trust (TNDT). The first phase of the NDA's operation (September 1999 to April 2000) focused on completing the work of the TNDT.

The NDA is governed by a board of representatives from Government and civil society. The NDA's CEO is the Accounting Officer and is accountable to the NDA board. The primary sources of income of the NDA are an allocation from the National Revenue Fund and donor funding.

The key strategic objectives of the NDA prescribed in its founding legislation are:

- To grant funds to civil society organisations for the purpose of meeting the developmental needs of poor communities
- To strengthen the institutional capacity of organisations for long-term sustainability
- To proactively source funds for the NDA
- To promote consultation, dialogue, and sharing of developmental experiences to debate and influence developmental policies
- To develop strategies to collaborate with local community development trusts, foundations, government clusters and civil society organisations.

The key programmes of the NDA are: funding, capacity building, policy and research, policy dialogue and impact assessment.

Revenue is expected to increase from R96,7 million in 2002/03 to R116,1 million in 2005/06.

Annexure

Vote 19: Social Development

Table 19.9: Summary of expenditure trends and estimates per programme

Table 19.10: Summary of expenditure trends and estimates per economic classification

Table 19.11: Summary of expenditure trends and estimates per standard item

Table 19.12: Summary of personnel numbers and costs

Table 19.13: Summary of expenditure on training

Table 19.14: Summary of information and communications technology expenditure

Table 19.15: Summary of conditional grants to provinces

Table 19.16: Summary of donor support

Table 19.9: Summary of expenditure trends and estimates per programme

	Expenditure outcome							Medium-term expenditure estimate			
	Audited	Audited	Preliminary outcome	Main appropriation	Additional appropriation	Adjusted appropriation	Revised estimate	Current	Capital	Total	
	1999/00	2000/01	2001/02								
R thousand					2002/03				2003/04		2004/05
1 Administration	32 194	38 910	43 164	49 073	1 608	50 681	50 307	57 789	1 479	59 268	62 623
2 Social Security, Policy and Planning	31 365	24 865	5 138	6 059	1 289	7 348	6 927	7 766	105	7 871	8 244
3 Grant Systems and Administration	81 391	124 695	2 098 362	75 946	6 087	82 033	76 515	1 200 815	478	1 201 293	3 528 497
4 Welfare Services Transformation	34 227	14 617	9 592	14 078	(1 017)	13 061	12 370	16 277	404	16 681	17 978
5 Development Implementation Support	312 744	262 525	165 687	255 940	231 983	487 923	488 792	657 864	125	657 989	598 507
6 Population and Development	7 776	6 434	6 039	8 165	1 040	9 205	9 205	9 335	65	9 400	9 956
Total	499 697	472 046	2 327 982	409 261	240 990	650 251	644 116	1 949 846	2 656	1 952 502	4 225 805
Change to 2002 Budget Estimate						240 990	234 855			1 546 300	3 868 059

Table 19.10: Summary of expenditure trends and estimates per economic classification

	Expenditure outcome				Medium-term expenditure estimate							
	Audited	Audited	Preliminary outcome	Main appropriation	Additional appropriation	Adjusted appropriation	Revised estimate	Current	Capital	Total		
	1999/00	2000/01	2001/02								2002/03	2003/04
R thousand												
Current	489 871	470 435	2 324 533	407 303	240 504	647 807	641 672	1 949 846	-	1 949 846	4 223 289	7 266 139
Personnel	30 877	34 102	41 658	53 564	3 043	56 607	53 345	66 914	-	66 914	71 255	75 564
Salaries and wages	25 123	27 149	35 170	45 402	2 340	47 742	45 296	52 193	-	52 193	55 578	58 940
Other	5 754	6 953	6 488	8 162	703	8 865	8 050	14 721	-	14 721	15 677	16 624
Transfer payments	394 335	356 456	2 225 056	274 531	231 912	506 443	506 443	1 749 114	-	1 749 114	3 989 142	7 000 344
Subsidies to business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Other levels of government	-	-	-	-	-	-	-	-	-	-	-	-
social security funds	-	-	-	-	-	-	-	-	-	-	-	-
universities and technikons	305 272	247 678	141 433	196 745	230 000	426 745	426 745	174 283	-	174 283	109 481	116 049
extra-budgetary institutions	72 204	54 793	2 019 973	57 300	1 000	58 300	58 300	1 553 917	-	1 553 917	3 858 180	6 862 391
provincial government	-	-	-	-	-	-	-	-	-	-	-	-
local government	16 560	53 743	63 632	19 126	700	19 826	19 826	19 329	-	19 329	19 581	19 856
Households and non-profit institutions	299	242	18	1 360	212	1 572	1 572	1 585	-	1 585	1 900	2 048
Foreign countries and international credit institutions	64 659	79 877	57 819	79 208	5 549	84 757	81 884	133 818	-	133 818	162 892	190 231
Other	9 826	1 611	3 449	1 958	486	2 444	2 444	-	2 656	2 656	2 516	3 204
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Transfer payments	-	-	-	-	-	-	-	-	-	-	-	-
Other levels of government	-	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	-	-	-	-	-	-	-	-	-	-	-	-
Movable capital	9 826	1 611	3 449	1 958	486	2 444	2 444	-	2 656	2 656	2 516	3 204
Motor vehicles (transport)	-	-	-	-	486	486	486	-	1	1	1	700
Equipment - Computers	9 079	1 091	2 498	832	-	832	832	-	1 691	1 691	1 673	1 681
Equipment - Other office equipment	747	520	951	1 126	-	1 126	1 126	-	964	964	842	823
Other	-	-	-	-	-	-	-	-	-	-	-	-
Fixed capital	-	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total	499 697	472 046	2 327 982	409 261	240 990	650 251	644 116	1 949 846	2 656	1 952 502	4 225 805	7 269 343

Table 19.11: Summary of expenditure trends and estimates per standard item

	Expenditure outcome			Main appropriation	Additional appropriation	Adjusted appropriation	Revised estimate	Medium-term expenditure estimate			
	Audited	Audited	Preliminary outcome					Current	Capital	Total	
	1999/00	2000/01	2001/02								
R thousand	1999/00	2000/01	2001/02		2002/03			2003/04		2004/05	2005/06
Personnel	30 877	34 102	41 658	53 564	3 043	56 607	53 345	66 914	–	71 255	75 564
Administrative	8 833	12 964	15 416	11 583	4 110	15 693	16 885	21 292	–	22 786	24 155
Inventories	3 696	4 534	5 902	3 006	2 038	5 044	5 286	4 060	–	4 231	4 480
Equipment	10 857	4 925	7 282	3 822	1 466	5 288	4 138	3 461	2 656	5 207	6 079
Land and buildings	–	–	–	–	–	–	–	–	–	–	–
Professional and special services	50 673	58 699	32 548	62 755	(1 579)	61 176	58 019	105 005	–	133 184	158 721
Transfer payments	394 335	356 456	2 225 056	274 531	231 912	506 443	506 443	1 749 114	–	3 989 142	7 000 344
Miscellaneous	426	366	120	–	–	–	–	–	–	–	–
Total	499 697	472 046	2 327 982	409 261	240 990	650 251	644 116	1 949 846	2 656	4 225 805	7 269 343

Table 19.12: Summary of personnel numbers and costs¹

Personnel numbers	1999/00	2000/01	2001/02	2002/03	2003/04
	1999/00	2000/01	2001/02	2002/03	2003/04
1 Administration	166	146	198	198	206
2 Social Security, Policy and Planning	6	6	15	17	20
3 Grant Systems and Administration	9	8	26	34	42
4 Welfare Services Transformation	31	31	35	50	59
5 Development Implementation Support	26	23	30	37	39
6 Population and Development	25	27	28	29	30
Total	263	241	332	365	396
Total personnel cost (R thousand)	30 877	34 102	41 658	56 607	66 914
Unit cost (R thousand)	117.4	141.5	125.5	155.1	169.0

¹ Full-time equivalent

Table 19.13: Summary of expenditure on training

	Expenditure outcome				Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome			2003/04	2004/05	2005/06
			1999/00	2000/01				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	
1 Administration	172	240	215	279	324	344	365	
2 Social Security, Policy and Planning	16	17	28	30	43	46	49	
3 Grant Systems and Administration	5	17	25	43	65	72	76	
4 Welfare Services Transformation	58	62	71	80	103	109	115	
5 Development Implementation Support	20	24	36	49	67	71	75	
6 Population and Development	36	43	59	55	67	71	75	
Total	307	403	434	536	669	713	756	

Table 19.14: Summary of information and communications technology expenditure

R thousand	Expenditure outcome	Adjusted appropriation	Medium-term expenditure estimate			
			2001/02	2002/03	2003/04	2004/05
2 552		2 642		2 843	2 908	3 082
2 466		2 547		2 733	2 788	2 955
86		95		110	120	127
83		181		166	137	145
83		181		166	137	145
–		–		–	–	–
14 056		15 168		15 162	15 172	16 082
56		168		162	172	182
14 000		15 000		15 000	15 000	15 900
73		164		149	158	167
73		164		149	158	167
–		–		–	–	–
54		114		90	95	101
54		114		90	95	101
–		–		–	–	–
122		74		65	69	73
122		74		65	69	73
–		–		–	–	–
16 940		18 343		18 475	18 539	19 651

Table 19.15: Summary of conditional grants to provinces¹

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06
	1999/00	2000/01	2001/02				
R thousand							
2 Social Security, Policy and Planning							
Child Support Implementation Grant	17 000	16 900	-	-	-	-	-
3 Grant Systems and Administration							
Improvement of Social Security System	37 405	30 000	10 236	10 800	-	-	-
Social Security	-	-	1 995 000	-	-	-	-
Extension of child support grant	-	-	-	-	1 100 000	3 400 000	6 400 000
4 Welfare Services Transformation							
Criminal Justice System	13 390	-	-	-	-	-	-
Victim Empowerment	3 870	-	-	-	-	-	-
5 Development Implementation Support							
HIV/Aids	-	5 620	13 400	47 500	65 917	70 180	74 391
Women Flagship	539	2 273	1 337	-	-	-	-
Emergency Food Relief	-	-	-	-	388 000	388 000	388 000
Total	72 204	54 793	2 019 973	58 300	1 553 917	3 858 180	6 862 391

¹ Detail provided in the Division of Revenue Act, 2003.

Table 19.16: Summary of donor support

ODA programme/project name	Donor	Cash or Kind	Outcome			2002/03	Medium-term expenditure estimate		
			1999/00	2000/01	2001/02		2003/04	2004/05	2005/06
R thousand									
Improvement of the social security system	World Bank	Cash	155	-	2 408	-	-	-	-
National consultative process on social development	United Nations Development Fund	Cash	-	157	-	-	-	-	-
Promotion and protection of rights of vulnerable and orphaned children	UNICEF	Cash	-	-	157	-	-	-	-
Welfare and population development programme	Danish Aid	Cash	-	197	-	-	-	-	-
Sectoral budget support programme	Netherlands	-	-	6 810	3 253	-	-	-	-
			155	7 164	5 818	-	-	-	-