

# BUDGET 2013



ESTIMATES OF NATIONAL EXPENDITURE

**VOTE 19: Social Development**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**



# **Estimates of National Expenditure**

## **2013**

**National Treasury**

**Republic of South Africa**

27 February 2013



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The Estimates of National Expenditure 2013 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za).

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

# Foreword

The 2013 Budget is set within the context of a prolonged and slow economic recovery globally and domestically; arising as an overhang from the global financial crisis of 2008, domestic structural constraints and recent supply side disruptions emanating from the mining sector. The fiscal stance underpinning this year's Budget balances support for the economy in the short term with the objective of rebuilding fiscal space in the medium to long term. This approach is informed by a growing belief that some of the slowdown in growth and revenue is in fact structural. Accordingly, strong measures have been instituted to contain government's consumption expenditure.

The 2012 medium term budget policy statement (MTBPS) presented an expenditure framework that kept the budget baselines for the first two years of the 2013 medium term expenditure framework (MTEF) unchanged since their publication in February 2012. Spending agencies had been advised to reprioritise spending within their baseline allocations to accommodate new priorities or the expansion of existing programmes. However, in response to the cumulative effects of the slowdown in growth and revenue, government has appropriately decided to reduce aggregate spending by R10.4 billion relative to the 2013 MTEF announced in the 2012 MTBPS. In addition, R52.1 billion has been shifted from within institutional baselines for reprioritisation to key government priority programmes. All of this has been done in a manner that does not compromise the attainment of the priorities set out in the MTBPS.

In guiding departments on how to approach the 2013 Budget, the Ministers' Committee on the Budget stated: 'In response to difficult global economic circumstances, we have expanded government's contribution to the economy. ... Financing this expansion at the same time as declining government income has meant a significant increase in borrowing. Since 2008/09, our stock of debt has more than doubled, and with it, the cost of servicing our debt has also accelerated. Higher borrowing and interest costs have meant that fiscal space is being eroded and our economy will have to finance a relatively larger government interest bill for many years. This means less money will be available for other purposes.' (2012 Medium Term Expenditure Framework Guidelines)

Indeed, departments and spending agencies do have to learn to do more with less. In the period ahead, improvements in outcomes have to come from qualitative improvements in the use of available budgets and other inputs. All institutions need to increase their efficiency and effectiveness in terms of service delivery, particularly in relation to infrastructure development. The National Development Plan 2030 sets out the planning framework for improving delivery in the public sector. The National Development Plan is the first long term plan for South Africa. Future budgets will therefore facilitate stronger alignment of institutional planning with the National Development Plan.

With our well established budgeting processes and practices, we have a good basis for the changes we need to make into the future in order to continue to ensure fiscal sustainability, while simultaneously increasing government performance in line with the expectations of South Africans. In the 2012 Open Budget Index Survey, conducted independently by the International Budget Partnership, South Africa was rated second out of the 100 countries participating in this assessment of budget transparency. South Africans can be proud of the comprehensiveness of the budget information that is available and should strive to make good use of the information in discussions with government regarding its policies and practices.

The expenditure estimates on the votes are the product of extensive consultative processes of policy review at the technical and executive level, designed to ensure the efficient allocation of public funds. These took place under difficult economic circumstances. I am grateful to our colleagues in national departments and agencies for their partnership, contributions and advice, during both the budget process and the finalisation of this publication. Special appreciation goes out to the team at National Treasury, who worked tirelessly to produce a document, the substance and quality of which are a source of great pride.



**Lungisa Fuzile**  
**Director-General: National Treasury**



# Introduction

## The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. In pursuit of an ever-improving representation of information, many changes have been introduced in the 2013 ENE publications. In terms of the non-financial information, it is noted in these publications how vote activities are envisaged to align with the National Development Plan 2030 over the long term, and how they are contributing to government's 12 outcomes and other key service delivery goals. Performance information has been further emphasised and in the 2013 ENE publications forms an integral part of the discussion of the financial information in the expenditure trends section of every programme within each of the votes. The personnel information has also been disaggregated and moved to the programme level. This allows for a more holistic discussion of budget plans at the programme level and gives greater effect to South Africa's Programme Budgeting by function approach.

Essentially, performance, personnel and finances are discussed together in respect of the impact they have on the programme plans. The analyses of the average growth of different categories of personnel and expenditure over time, as well as the magnitude this represents relative to the total, are now shown in the publication tables. This makes the narrative in the text less cluttered and more specifically focused on performance and related discussions. Expenditure information is in addition now shown for selected subprogrammes by economic classification, together with tables showing personnel numbers according to salary level for these subprogrammes. Progress made on the implementation of key existing and new infrastructure projects is discussed with all infrastructure projects shown in an additional table.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za).



# **Social Development**

**National Treasury  
Republic of South Africa**



# Contents

<b>Budget summary .....</b>	<b>1</b>
<b>Aim .....</b>	<b>1</b>
<b>Mandate.....</b>	<b>1</b>
<b>Strategic goals.....</b>	<b>2</b>
<b>Programme purposes .....</b>	<b>2</b>
<b>The national development plan .....</b>	<b>3</b>
<b>Expenditure estimates .....</b>	<b>3</b>
<b>Personnel information .....</b>	<b>5</b>
<b>Expenditure trends.....</b>	<b>5</b>
<b>Departmental receipts.....</b>	<b>6</b>
<b>Programme 1: Administration .....</b>	<b>6</b>
<b>Programme 2: Social Assistance .....</b>	<b>8</b>
<b>Programme 3: Social Security Policy and Administration .....</b>	<b>10</b>
<b>Programme 4: Welfare Services Policy Development and Implementation Support.....</b>	<b>13</b>
<b>Programme 5: Social Policy and Integrated Service Delivery .....</b>	<b>20</b>
<b>Public entities and other agencies .....</b>	<b>25</b>
<b>Additional tables .....</b>	<b>31</b>

# Vote 19

## Social Development

### Budget summary

R million	2013/14				2014/15	2015/16
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	264.0	261.5	–	2.5	278.8	293.3
Social Assistance	113 006.8	–	113 006.8	–	121 482.1	129 493.3
Social Security Policy and Administration	6 417.9	104.4	6 312.3	1.2	6 682.5	6 950.8
Welfare Services Policy Development and Implementation Support	513.1	191.0	320.2	1.9	525.7	545.7
Social Policy and Integrated Service Delivery	289.7	81.5	207.5	0.8	310.2	327.0
<b>Total expenditure estimates</b>	<b>120 491.6</b>	<b>638.4</b>	<b>119 846.8</b>	<b>6.4</b>	<b>129 279.4</b>	<b>137 610.1</b>
Executive authority	Minister of Social Development					
Accounting officer	Director General of Social Development					
Website address	www.dsd.gov.za					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, public entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, expenditure on skills training, a revised spending estimate for the current financial year, and expenditure information at the level of service delivery, where appropriate.*

### Aim

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

### Mandate

The White Paper for Social Welfare (1997) sets out the principles, guidelines, policies and programmes for developmental social welfare in South Africa. It has provided the foundation for social welfare in the post-1994 era. The Department of Social Development is not established in terms of a single act; several pieces of legislation determine its mandate:

- the Social Assistance Act (2004) provides a legislative framework for providing social assistance. It sets out the different types of grants payable as well as the qualifying criteria. It also makes provision for the establishment of the inspectorate for social assistance.
- the Non-Profit Organisations Act (1997) establishes an administrative and regulatory framework within which non-profit organisations can conduct their affairs, and provides for their registration by the department.
- the Older Persons Act (2006) establishes a framework for empowering and protecting older persons, and promoting and maintaining their status, rights, wellbeing, safety and security. It provides for older persons to enjoy good quality services while staying with their families in their communities for as long as possible. It also makes provision for older persons to reside within residential care facilities if they are unable to stay with their families.
- the Children's Act (2005) sets out principles relating to the care and protection of children, and defines parental responsibilities and rights. It deals with early childhood development and early intervention, children in alternative care, foster care, child and youth centres and drop-in centres and the adoption of children.
- the Prevention and Treatment of Drug Dependency Act (1992) is currently being used to regulate substance abuse services and facilities. New legislation is pending.

## Strategic goals

The department has made a strategic decision to accelerate implementation in key areas of work. Its strategic goals over the medium term are to:

- reduce income poverty by providing social assistance to eligible individuals
- increase household food security
- improve service delivery by standardising social welfare services
- prevent new HIV infections, address the structural and social causes of HIV and tuberculosis, and mitigate the impact of these diseases
- create an enabling and conducive environment within which non-profit organisations can operate
- improve the quality of early childhood development and partial care services, and increase their accessibility
- reduce the demand for illegal and addictive substances within communities
- facilitate social change and sustainable development, targeting the youth and adults within their communities.

## Programme purposes

### Programme 1: Administration

**Purpose:** Provide leadership, management and support services to the department and the sector.

### Programme 2: Social Assistance

**Purpose:** Provide income support to vulnerable groups.

### Programme 3: Social Security Policy and Administration

**Purpose:** Provide for social security policy development and fair administration of social assistance.

### Programme 4: Welfare Services Policy Development and Implementation Support

**Purpose:** Create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards, and best practices. Provide support to implementation agencies.

### Programme 5: Social Policy and Integrated Service Delivery

**Purpose:** Support community development and promote evidence based policy making in the department and the social development sector.

## Selected performance indicators

**Table 19.1 Social Development**

Indicator	Programme	Outcome to which it contributes	Past			Current	Projections		
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Total number of old age grant beneficiaries	Social Assistance	Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all	2.5 million	2.6 million	2.7 million	2.9 million	2.9 million	3.0 million	3.1 million
Total number of war veterans grant beneficiaries	Social Assistance		1 236	963	771	596	477	378	299
Total number of disability grant beneficiaries	Social Assistance		1.3 million	1.2 million	1.2 million	1.2 million	1.2 million	1.2 million	1.2 million
Total number of child support grant beneficiaries	Social Assistance		9.4 million	10.2 million	10.7 million	11.4 million	11.7 million	11.9 million	12.1 million
Total number of foster care grant beneficiaries	Social Assistance		489 322	490 390	518 224	529 424	569 314	604 328	633 060
Total number of care dependency grant beneficiaries	Social Assistance		118 972	120 917	121 627	130 423	135 347	140 466	145 788
Total number of grant-in-aid beneficiaries	Social Assistance		49 000	58 500	66 150	68 010	71 879	75 583	80 124

**Table 19.1 Social Development**

Indicator	Programme	Outcome to which it contributes	Past			Current	Projections		
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Percentage of appeals adjudicated within a period of 90 days	Social Security Policy and Administration	Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship	– <sup>1</sup>	– <sup>1</sup>	37% (574)	45% (800)	50% (1 000)	60% (1 200)	65% (1 300)
Number of social work scholarship graduates per year	Welfare Services Policy Development and Implementation Support		1 244	1 127	1 307	1 660	1 526	1 487	2 130
Number of youth trained through loveLife as Groundbreakers <sup>2</sup> to implement social and behaviour change programme	Welfare Services Policy Development and Implementation Support	Outcome 2: A long and healthy life for all South Africans	500	500	525	532	540	540	540
Number of youth reached through loveLife as Mpintshis <sup>3</sup> to implement social and behaviour change programme	Welfare Services Policy Development and Implementation Support		2 700	2 700	2 700	2 700	2 700	2 700	2 700
Total number of registered early childhood development centres captured on the national database	Welfare Services Policy Development and Implementation Support	Outcome 1: Improved quality of basic education	15 837	18 826	19 971	21 968	24 165	26 581	29 239
Percentage of non-profit organisation applications for registration processed within 2 months	Social Policy and Integrated Service Delivery	Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship	77% (18 393)	98% (14 961)	95% (17 573)	90% (15 621)	90% (17 183)	95% (18 901)	95% (20 791)
Number of people accessing food through food banks each year	Social Policy and Integrated Service Delivery	Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all	– <sup>4</sup>	– <sup>4</sup>	377 998	450 000	700 000	1 million	1.3 million

1. New function, which only began full operation in 2011/12.

2. Groundbreakers refer to young people aged 18 to 25 who are recruited to work for a year on implementing the loveLife programme.

3. Mpintshis are volunteer peer motivators who work with Groundbreakers.

4. No data in this year as food banks programme became fully operational in 2011/12.

## The national development plan

The national development plan recognises the important role social assistance plays in alleviating poverty in the country, as well as the importance of a coordinated social security system. It makes specific reference to the establishment of a national register of grant beneficiaries. The South African Social Security Agency, through its new payment system, has developed a national database of all social grant beneficiaries that is biometrically based. The provision of social assistance by the department is growing steadily, and is projected to reach 17.2 million people by 2015/16. The number of social service professionals is set to increase as a result of the department's social work scholarship programme and the training of child and youth care workers through the Isibindi model. The number of jobs created in the social sector through the expanded public works programme, which the department will spearhead, is set to increase over the medium term. The development plan also emphasises the importance of early childhood development, and the department will focus on increasing access to development services for the 0-4 year age cohort. The number of early childhood development sites to be registered will increase to 29 239 by 2015/16.

## Expenditure estimates

**Table 19.2 Social Development**

Programme	Audited outcome				Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
	2009/10	2010/11	2011/12	2012/13					2009/10 - 2012/13	2013/14	2014/15			2015/16
R million														
Administration	217.7	226.6	244.0	253.7	253.7	5.2%	0.2%	264.0	278.8	293.3	5.0%	0.2%		
Social Assistance	79 259.7	87 492.9	95 973.0	104 887.9	104 239.4	9.6%	93.1%	113 006.8	121 482.1	129 493.3	7.5%	93.9%		
Social Security Policy and Administration	5 253.8	5 768.1	6 228.3	6 216.7	6 212.8	5.7%	6.0%	6 417.9	6 682.5	6 950.8	3.8%	5.3%		
Welfare Services Policy Development and Implementation Support	375.9	399.2	449.1	525.0	506.4	10.4%	0.4%	513.1	525.7	545.7	2.5%	0.4%		
Social Policy and Integrated Service Delivery	211.0	144.3	244.9	260.3	260.3	7.2%	0.2%	289.7	310.2	327.0	7.9%	0.2%		
<b>Total</b>	<b>85 318.2</b>	<b>94 031.0</b>	<b>103 139.2</b>	<b>112 143.6</b>	<b>111 472.5</b>	<b>9.3%</b>	<b>100.0%</b>	<b>120 491.6</b>	<b>129 279.4</b>	<b>137 610.1</b>	<b>7.3%</b>	<b>100.0%</b>		
Change to 2012 Budget estimate				(73.2)	(744.2)			(416.2)	(796.8)	1 550.4				

Table 19.2 Social Development

Economic classification	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12					2012/13	2013/14	2014/15		
	R million											
<b>Current payments</b>	<b>464.9</b>	<b>500.5</b>	<b>523.1</b>	<b>627.7</b>	<b>605.2</b>	<b>9.2%</b>	<b>0.5%</b>	<b>638.4</b>	<b>649.0</b>	<b>673.4</b>	<b>3.6%</b>	<b>0.5%</b>
Compensation of employees	220.1	247.0	273.6	310.8	307.0	11.7%	0.3%	340.7	358.8	383.7	7.7%	0.3%
Goods and services of which:	244.7	253.5	249.5	316.8	298.2	6.8%	0.3%	297.7	290.2	289.7	-1.0%	0.2%
Administration fees	3.5	2.7	3.2	8.5	8.5	34.2%	0.0%	11.3	11.9	12.4	13.2%	0.0%
Advertising	8.1	5.7	13.6	21.0	20.4	36.1%	0.0%	9.0	8.9	8.7	-24.6%	0.0%
Assets less than the capitalisation threshold	0.6	0.7	1.7	3.8	3.4	82.4%	0.0%	2.2	2.3	2.4	-10.8%	0.0%
Audit cost: External	11.6	9.8	12.7	10.0	10.0	-4.9%	0.0%	10.1	10.4	10.8	2.7%	0.0%
Bursaries: Employees	0.7	1.1	0.8	1.1	1.1	17.8%	0.0%	1.3	1.3	1.4	8.2%	0.0%
Catering: Departmental activities	2.5	3.8	6.3	6.7	6.7	38.7%	0.0%	4.5	4.4	4.7	-11.5%	0.0%
Communication	10.5	11.0	10.3	7.9	7.9	-8.8%	0.0%	6.1	6.5	6.8	-5.1%	0.0%
Computer services	9.6	23.5	9.4	12.6	12.6	9.7%	0.0%	12.2	12.5	13.1	1.1%	0.0%
Consultants and professional services: Business and advisory services	74.1	51.3	29.8	82.6	66.0	-3.8%	0.1%	92.4	74.7	74.4	4.1%	0.1%
Consultants and professional services: Infrastructure and planning	-	-	3.0	2.3	2.3		0.0%	2.4	2.6	2.7	6.0%	0.0%
Consultants and professional services: Legal costs	5.1	11.5	12.5	0.1	0.1	-71.6%	0.0%	0.3	0.4	0.4	52.9%	0.0%
Contractors	4.8	5.1	7.4	5.9	5.9	7.5%	0.0%	5.3	5.5	5.8	-0.7%	0.0%
Agency and support / outsourced services	2.4	3.4	3.4	4.7	4.7	25.1%	0.0%	5.8	6.1	6.4	11.1%	0.0%
Entertainment	0.8	0.4	0.4	0.5	0.5	-12.1%	0.0%	0.4	0.5	0.5	0.9%	0.0%
Inventory: Fuel, oil and gas	0.1	0.0	0.0	0.0	0.0	-54.6%	0.0%	0.1	0.1	0.1	169.5%	0.0%
Inventory: Materials and supplies	0.0	0.0	0.0	0.1	0.1	133.9%	0.0%	0.2	0.2	0.2	13.3%	0.0%
Inventory: Other consumables	0.3	0.5	0.3	0.3	0.3	5.5%	0.0%	0.9	1.0	1.1	46.5%	0.0%
Inventory: Stationery and printing	13.0	10.1	14.7	17.9	17.9	11.4%	0.0%	19.8	18.9	18.7	1.3%	0.0%
Operating leases	18.1	23.3	24.0	31.2	31.2	19.9%	0.0%	30.7	32.3	33.7	2.6%	0.0%
Property payments	1.8	3.4	5.4	1.7	1.7	-2.7%	0.0%	-	-	-	-100.0%	0.0%
Transport provided: Departmental activity	-	-	1.7	-	-		0.0%	-	-	-		
Travel and subsistence	56.1	56.4	58.9	60.3	59.3	1.9%	0.1%	52.2	56.8	52.8	-3.8%	0.0%
Training and development	4.7	3.3	3.6	5.9	5.9	7.4%	0.0%	7.1	7.5	7.8	10.1%	0.0%
Operating payments	1.8	2.2	4.8	3.8	3.8	28.0%	0.0%	3.2	3.5	3.6	-1.7%	0.0%
Venues and facilities	14.6	24.1	21.7	27.7	27.7	23.7%	0.0%	20.0	21.9	21.2	-8.5%	0.0%
Interest and rent on land	0.1	0.0	0.0	-	-	-100.0%	0.0%	-	-	-		
<b>Transfers and subsidies</b>	<b>84 849.4</b>	<b>93 524.1</b>	<b>102 587.9</b>	<b>111 502.6</b>	<b>110 854.1</b>	<b>9.3%</b>	<b>99.5%</b>	<b>119 846.8</b>	<b>128 623.7</b>	<b>136 929.7</b>	<b>7.3%</b>	<b>99.5%</b>
Departmental agencies and accounts	5 523.7	5 940.9	6 549.0	6 542.0	6 542.0	5.8%	6.2%	6 732.8	7 019.9	7 301.0	3.7%	5.5%
Foreign governments and international organisations	1.9	1.5	2.4	2.4	2.4	8.4%	0.0%	2.9	3.0	3.1	9.9%	0.0%
Non-profit institutions	61.1	63.8	71.9	70.3	70.3	4.8%	0.1%	104.3	118.6	132.2	23.4%	0.1%
Households	79 262.8	87 518.0	95 964.5	104 887.9	104 239.4	9.6%	93.2%	113 006.8	121 482.1	129 493.3	7.5%	93.9%
<b>Payments for capital assets</b>	<b>3.8</b>	<b>6.2</b>	<b>17.9</b>	<b>13.3</b>	<b>13.3</b>	<b>51.5%</b>	<b>0.0%</b>	<b>6.4</b>	<b>6.7</b>	<b>7.0</b>	<b>-19.1%</b>	<b>0.0%</b>
Machinery and equipment	3.8	5.9	16.9	12.9	12.9	50.1%	0.0%	6.0	6.2	6.5	-20.3%	0.0%
Software and other intangible assets	-	0.3	1.0	0.4	0.4		0.0%	0.4	0.5	0.5	10.3%	0.0%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.2</b>	<b>10.2</b>	<b>-</b>	<b>-</b>		<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>85 318.2</b>	<b>94 031.0</b>	<b>103 139.2</b>	<b>112 143.6</b>	<b>111 472.5</b>	<b>9.3%</b>	<b>100.0%</b>	<b>120 491.6</b>	<b>129 279.4</b>	<b>137 610.1</b>	<b>7.3%</b>	<b>100.0%</b>

## Personnel information

**Table 19.3 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>**

Post status as at 30 September 2012		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate <sup>3</sup>			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2011/12			2012/13			2013/14			2014/15			2015/16					2012/13 - 2015/16
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
<b>Social Development</b>																			
Salary level	789	47	748	273.6	0.4	767	307.0	0.4	782	340.7	0.4	789	358.8	0.5	792	383.7	0.5	1.1%	100.0%
1 – 6	200	18	200	28.6	0.1	205	32.5	0.2	207	37.5	0.2	208	39.8	0.2	208	42.5	0.2	0.5%	26.5%
7 – 10	291	18	275	73.6	0.3	291	86.0	0.3	287	92.7	0.3	288	97.4	0.3	290	104.3	0.4	-0.1%	36.9%
11 – 12	179	4	165	82.3	0.5	170	89.7	0.5	173	98.9	0.6	173	104.1	0.6	173	111.2	0.6	0.6%	22.0%
13 – 16	119	7	108	89.1	0.8	101	98.8	1.0	115	111.5	1.0	120	117.6	1.0	121	125.7	1.0	6.2%	14.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The main spending focus over the medium term will be on the payment of social assistance grants, which on average comprise 93.8 per cent of total budget allocations between 2012/13 and 2015/16. These grants aim to boost the income of poor households, which suffer the brunt of the unemployment, poverty and inequality that persists in South African society. It is estimated that social grants will be paid to 17.2 million beneficiaries by the end of 2015/16.

Significant spending increases were evident between 2009/10 and 2012/13, mainly in the *Social Assistance* programme, as a result of the extension of the child support grant to 18 years and the equalisation of the old age grant at 60 years. Over the medium term, expenditure on the payment of social assistance grants is expected to increase to a lesser extent than during the previous three years because beneficiary growth is slowing as coverage of affected groups improves. In 2011/12 the *Social Security Policy and Administration* programme incurred additional expenditure due to increased litigation costs as a result of social assistance appeals. Spending in the *Social Policy and Integrated Service Delivery* programme decreased in 2010/11 due to a once-off reduction of R70 million in the amount transferred to the National Development Agency because of the agency's favourable cash reserves that year.

The department has a funded establishment of 789 posts, of which 22 are expected to be vacant at the end of 2012/13. Vacancies were prevalent at salary levels 11-12 and 13-16, mainly due to most posts being held in abeyance as a result of restructuring. The total number of funded posts on the establishment is expected to increase to 792 in 2015/16. This increase over the medium term is due to contract positions being converted to permanent posts to give effect to the department's mandate. These positions are already funded, and the expected growth in compensation of employees accommodates these appointments to the permanent staff. The ratio of support to line function staff is 1:1.

Spending on consultants is equivalent to 24 per cent of the department's budget allocation for compensation of employees over the medium term. R41 million was allocated in the 2012 Budget for consultants to perform an audit of early childhood development centres in South Africa. The nature and extent of this audit required significant technical and human capacity, which meant it was not possible for the work to be carried out by personnel employed within the department. Over the medium term, expenditure on consultants includes the payment of panel members who are part of the social grant appeals adjudication process, and the establishment of an inspectorate for social assistance whose main function will be to investigate financial misconduct and implement necessary interventions to combat leakage and fraud associated with the social assistance administration system.

The 2013 Budget includes additional allocations of R35.6 million in 2013/14, R47.2 million in 2014/15 and R2 billion in 2015/16. These allocations include: R1.9 billion in 2015/16 for a projected shortfall in the payment

of social assistance grants; R30 million, R40 million and R50 million to FoodBank South Africa for food relief; and R5.6 million, R7.2 million and R12.6 million to the department for improved conditions of service.

As part of Cabinet approved budget reductions, the department will reduce spending by R451.8 million in 2013/14, R844 million in 2014/15 and R412.3 million in 2015/16. Of this, R945.8 million has been reduced from transfers to public entities, mainly due to a reduced rate paid to contractors responsible for the payment of social grants and R700 million has been reduced from social assistance transfers due to lower than projected expenditure. A further R62.3 million has been reduced from spending on goods and services, and to effect this, the department will review its policies on travel, accommodation, venues and communication to ensure that spending on these non-core service delivery items is reduced.

## Departmental receipts

Table 19.4 Receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt/total: Average (%)
	2009/10	2010/11	2011/12					2012/13	2009/10 - 2012/13	2013/14		
<b>Departmental receipts</b>	<b>30 617</b>	<b>10 508</b>	<b>103 183</b>	<b>27 192</b>	<b>34 539</b>	<b>4.1%</b>	<b>100.0%</b>	<b>15 957</b>	<b>17 991</b>	<b>19 842</b>	<b>-16.9%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>-</b>	<b>-</b>	<b>208</b>	<b>192</b>	<b>210</b>	<b>-</b>	<b>0.2%</b>	<b>221</b>	<b>225</b>	<b>229</b>	<b>2.9%</b>	<b>1.0%</b>
Sales by market establishments	-	-	94	93	116	-	0.1%	99	100	101	-4.5%	0.5%
<i>of which:</i>												
Parking rental	-	-	94	93	111	-	0.1%	99	100	101	-3.1%	0.5%
Transport fees	-	-	-	-	5	-	-	-	-	-	-100.0%	-
Other sales	-	-	114	99	94	-	0.1%	122	125	128	10.8%	0.5%
<i>of which:</i>												
Sale of tender documents	-	-	5	7	7	-	-	9	10	11	16.3%	-
Insurance commission and garnishee order	-	-	109	92	87	-	0.1%	113	115	117	10.4%	0.5%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>-</b>
<i>of which:</i>												
Paper	-	-	2	-	-	-	-	4	5	5	-	-
<b>Interest, dividends and rent on land</b>	<b>17 591</b>	<b>4 083</b>	<b>2 636</b>	<b>7 000</b>	<b>9 329</b>	<b>-19.1%</b>	<b>18.8%</b>	<b>2 647</b>	<b>2 649</b>	<b>2 654</b>	<b>-34.2%</b>	<b>19.6%</b>
Interest	17 591	4 083	2 636	7 000	9 329	-19.1%	18.8%	2 647	2 649	2 654	-34.2%	19.6%
<b>Sales of capital assets</b>	<b>105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions in financial assets and liabilities</b>	<b>12 921</b>	<b>6 425</b>	<b>100 337</b>	<b>20 000</b>	<b>25 000</b>	<b>24.6%</b>	<b>80.9%</b>	<b>13 085</b>	<b>15 112</b>	<b>16 954</b>	<b>-12.1%</b>	<b>79.4%</b>
<b>Total</b>	<b>30 617</b>	<b>10 508</b>	<b>103 183</b>	<b>27 192</b>	<b>34 539</b>	<b>4.1%</b>	<b>100.0%</b>	<b>15 957</b>	<b>17 991</b>	<b>19 842</b>	<b>-16.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Expenditure estimates

Table 19.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14			2014/15
R thousand												
Ministry	31 680	25 683	31 438	20 868	-13.0%	11.6%	21 452	22 788	24 230	5.1%	8.2%	
Department Management	48 830	49 760	47 112	53 750	3.3%	21.2%	58 819	62 152	66 272	7.2%	22.1%	
Corporate Management	70 842	83 817	89 292	88 557	7.7%	35.3%	91 260	95 931	100 345	4.3%	34.5%	
Finance	46 927	39 947	45 646	48 930	1.4%	19.3%	51 440	54 757	57 149	5.3%	19.5%	
Internal Audit	3 001	4 996	5 119	11 743	57.6%	2.6%	12 808	13 579	14 300	6.8%	4.8%	
Office Accommodation	16 462	22 378	25 369	29 827	21.9%	10.0%	28 224	29 622	30 985	1.3%	10.9%	
<b>Total</b>	<b>217 742</b>	<b>226 581</b>	<b>243 976</b>	<b>253 675</b>	<b>5.2%</b>	<b>100.0%</b>	<b>264 003</b>	<b>278 829</b>	<b>293 281</b>	<b>5.0%</b>	<b>100.0%</b>	
Change to 2012 Budget estimate				(1 602)			(542)	(1 014)	565			

Table 19.5 Administration (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2013/14	2014/15		
R thousand											
<b>Current payments</b>	<b>213 767</b>	<b>223 347</b>	<b>231 662</b>	<b>249 094</b>	<b>5.2%</b>	<b>97.4%</b>	<b>261 513</b>	<b>276 188</b>	<b>290 518</b>	<b>5.3%</b>	<b>98.9%</b>
Compensation of employees	95 765	104 974	122 192	135 269	12.2%	48.6%	144 301	152 651	163 379	6.5%	54.7%
Goods and services	117 908	118 328	109 446	113 825	-1.2%	48.8%	117 212	123 537	127 139	3.8%	44.2%
of which:											
Administration fees	859	367	1 506	5 063	80.6%	0.8%	4 492	4 889	4 920	-1.0%	1.8%
Advertising	1 119	2 004	1 706	2 350	28.1%	0.8%	1 207	1 301	1 359	-16.7%	0.6%
Assets less than the capitalisation threshold	338	100	948	1 235	54.0%	0.3%	1 805	1 905	1 991	17.3%	0.6%
Audit cost: External	11 603	9 768	12 670	9 992	-4.9%	4.7%	10 056	10 353	10 829	2.7%	3.8%
Bursaries: Employees	678	1 136	818	962	12.4%	0.4%	1 073	1 127	1 179	7.0%	0.4%
Catering: Departmental activities	1 069	394	663	937	-4.3%	0.3%	1 103	1 175	1 294	11.4%	0.4%
Communication	9 932	6 642	5 975	3 955	-26.4%	2.8%	2 958	3 214	3 362	-5.3%	1.2%
Computer services	8 884	22 890	8 557	8 748	-0.5%	5.2%	9 247	9 350	9 780	3.8%	3.4%
Consultants and professional services: Business and advisory services	24 643	14 060	6 621	11 568	-22.3%	6.0%	15 923	17 194	17 981	15.8%	5.8%
Consultants and professional services: Infrastructure and planning	-	-	-	2 300	-	0.2%	2 422	2 622	2 743	6.0%	0.9%
Consultants and professional services: Legal costs	-	359	286	117	-	0.1%	346	400	418	52.9%	0.1%
Contractors	2 532	778	4 879	2 590	0.8%	1.1%	4 302	4 520	4 728	22.2%	1.5%
Agency and support / outsourced services	1 326	1 856	1 225	2 814	28.5%	0.8%	2 957	3 108	3 251	4.9%	1.1%
Entertainment	72	129	80	357	70.5%	0.1%	230	266	300	-5.6%	0.1%
Fleet services (including government motor transport)	-	-	-	6	-	-	-	-	-	-100.0%	-
Inventory: Fuel, oil and gas	70	15	3	5	-58.5%	-	125	130	136	200.7%	-
Inventory: Materials and supplies	10	1	28	19	23.9%	-	4	9	10	-19.3%	-
Inventory: Other consumables	242	219	212	254	1.6%	0.1%	259	313	325	8.6%	0.1%
Inventory: Stationery and printing	4 274	1 973	4 363	4 358	0.7%	1.6%	5 699	5 987	6 263	12.8%	2.0%
Operating leases	17 262	20 682	22 327	28 333	18.0%	9.4%	26 589	27 874	29 157	1.0%	10.3%
Property payments	1 765	3 121	4 145	510	-33.9%	1.0%	-	-	-	-100.0%	-
Transport provided: Departmental activity	-	-	9	-	-	-	-	-	-	-	-
Travel and subsistence	25 148	25 062	26 137	20 344	-6.8%	10.3%	18 867	19 784	18 697	-2.8%	7.1%
Training and development	2 060	2 491	1 452	2 927	12.4%	0.9%	3 471	3 643	3 811	9.2%	1.3%
Operating payments	1 210	1 212	1 402	1 025	-5.4%	0.5%	1 441	1 559	1 630	16.7%	0.5%
Venues and facilities	2 812	3 069	3 434	3 056	2.8%	1.3%	2 636	2 814	2 975	-0.9%	1.1%
Interest and rent on land	94	45	24	-	-100.0%	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 433</b>	<b>41</b>	<b>191</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	1 433	41	191	-	-100.0%	0.2%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>2 542</b>	<b>3 032</b>	<b>11 811</b>	<b>4 581</b>	<b>21.7%</b>	<b>2.3%</b>	<b>2 490</b>	<b>2 641</b>	<b>2 763</b>	<b>-15.5%</b>	<b>1.1%</b>
Machinery and equipment	2 542	2 740	10 820	4 226	18.5%	2.2%	2 085	2 186	2 287	-18.5%	1.0%
Software and other intangible assets	-	292	991	355	-	0.2%	405	455	476	10.3%	0.2%
<b>Payments for financial assets</b>	<b>-</b>	<b>161</b>	<b>312</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>217 742</b>	<b>226 581</b>	<b>243 976</b>	<b>253 675</b>	<b>5.2%</b>	<b>100.0%</b>	<b>264 003</b>	<b>278 829</b>	<b>293 281</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>			<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>		

## Details of transfers and subsidies

Households											
Social benefits											
Current											
Employee social benefits	1 433	41	191	-	-100.0%	0.2%	-	-	-	-	-

## Personnel information

Table 19.6 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>

Post status as at 30 September 2012		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual 2011/12			Revised estimate <sup>3</sup> 2012/13			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2013/14			2014/15			2015/16					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16		
Administration	361	25	361	122.2	0.3	358	135.3	0.4	358	144.3	0.4	360	152.7	0.4	362	163.4	0.5	0.4%	100.0%
Salary level 1 – 6	117	9	119	16.0	0.1	116	17.3	0.1	117	20.2	0.2	118	21.4	0.2	118	22.9	0.2	0.6%	32.6%
7 – 10	130	12	135	35.1	0.3	140	39.4	0.3	138	43.1	0.3	138	45.2	0.3	139	48.6	0.3	-0.2%	38.6%
11 – 12	59	1	53	26.0	0.5	55	29.5	0.5	54	30.1	0.6	54	31.9	0.6	54	34.1	0.6	-0.6%	15.1%
13 – 16	55	3	54	45.1	0.8	47	49.1	1.0	49	50.9	1.0	50	54.1	1.1	51	57.7	1.1	2.8%	13.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The bulk of this programme's spending over the medium term goes towards compensation of employees, which constitutes on average 54.7 per cent of the budget, and operating leases for office accommodation, which constitutes on average 10.3 per cent of budget allocations. Spending on this programme increased steadily over the seven-year period, mainly due to additional funding for improved conditions of service.

In addition to corporate services responsibilities, the *Administration* programme coordinates the department's strategic vision and provides overall monitoring support through the *Department Management* subprogramme. Expenditure in the *Internal Audit* subprogramme increased significantly in 2012/13 to provide for the strengthening of departmental oversight structures and mechanisms as required by the auditor general. Office Accommodation expenditure increased between 2009/10 and 2012/13 due to the acquisition of additional office floor space.

The programme has a funded establishment of 361 posts, of which 3 are expected to be vacant at the end of 2012/13. The total number of people employed in this programme is due to increase to 362 by 2015/16.

As part of the Cabinet approved budget reductions, the programme will reduce spending over the medium term by R5.1 million on non-essential goods and services items, such as accommodation, travel, and the hiring of venues and facilities.

## Programme 2: Social Assistance

### Objectives

- Ensure the provision of social assistance to eligible beneficiaries by extending income support over the MTEF period to:
  - 3 095 339 older persons by 2015/16, from 2 710 441 million in 2011/12, where their income and assets fall below the set thresholds
  - 1 181 386 disabled persons by 2015/16, from 1 172 258 million in 2011/12, where their income and assets fall below the set thresholds
  - 12 115 973 children by 2015/16, from 10 675 214 million in 2011/12, where their caregivers receive an income that falls below the set threshold
  - 145 788 children with serious disabilities who are beneficiaries of a care dependency grant by 2015/16, from 121 627 million in 2011/12, where their caregivers earn an income that falls below the set threshold
  - 633 060 foster children by 2015/16, from 518 224 million in 2011/12.

## Subprogrammes

- *Old Age* provides income support to persons above the age of 60 earning an annual income of below R49 920 where they are single, and R99 840 where married, and whose assets do not exceed R831 600 if single, and R1.7 million if married. As at 30 September 2012, 2.8 million persons were in receipt of the old age grant. There is no staff complement in this subprogramme.
- *War Veterans* provides income support for the men and women who fought in World War II and the Korean War. As at 30 September 2012, 655 veterans were in receipt of the grant. There is no staff complement.
- *Disability* provides income support for persons with permanent or temporary disabilities earning an annual income below R49 920 if single, and R99 840 if married, and whose assets where single do not exceed R831 600, and R1.7 million where married. As at 30 September 2012, 1.2 million disabled people were in receipt of the grant. There is no staff complement.
- *Foster Care* provides grants for children placed in foster care through court orders in terms of the Children's Act (2005). As at 30 September 2012, 566 256 foster children were in receipt of the grant. There is no staff complement.
- *Care Dependency* grant provides income support to caregivers supporting a child who is mentally or physically disabled where they earn an annual income below R151 200 if single, and R302 400 if married. 122 809 care dependent children were in receipt of this grant by the end of September 2012. There is no staff complement.
- *Child Support* provides income support to primary caregivers of children under 18 where the caregiver earns an annual income below R34 800 if they are single, and R69 600 if they are married. As at 30 September 2012, 11.1 million children were in receipt of this grant. There is no staff complement.
- *Grant-in-aid* is an additional grant to the recipients of the old age grant, disability grant and war veterans grant who require regular attendance from another person due to their physical or mental condition. There is no staff complement.
- *Social Relief* provides temporary income support, food parcels or other forms of relief to those facing undue hardship. There is no staff complement.

## Expenditure estimates

**Table 19.7 Social Assistance**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
Old Age	29 826 420	33 750 600	37 129 812	39 323 119	9.7%	38.1%	44 328 024	47 913 265	51 464 236	9.4%	39.0%
War veterans	16 644	13 976	11 848	12 902	-8.1%	-	8 167	6 840	5 659	-24.0%	-
Disability	16 566 681	16 840 182	17 375 021	19 062 534	4.8%	19.0%	18 775 972	19 754 371	20 659 406	2.7%	16.7%
Foster Care	4 434 346	4 616 442	5 010 915	5 951 842	10.3%	5.4%	5 576 084	6 176 403	6 719 023	4.1%	5.2%
Care Dependency	1 434 143	1 586 452	1 736 431	1 856 901	9.0%	1.8%	2 058 799	2 252 870	2 444 150	9.6%	1.8%
Child Support	26 669 761	30 341 465	34 319 636	38 237 293	12.8%	35.2%	41 793 203	44 854 945	47 619 211	7.6%	36.8%
Grant-in-aid	146 295	170 052	204 026	188 144	8.7%	0.2%	247 336	274 195	303 421	17.3%	0.2%
Social Relief	165 458	173 737	185 298	255 181	15.5%	0.2%	219 256	249 212	278 172	2.9%	0.2%
<b>Total</b>	<b>79 259 748</b>	<b>87 492 906</b>	<b>95 972 987</b>	<b>104 887 916</b>	<b>9.8%</b>	<b>100.0%</b>	<b>113 006 841</b>	<b>121 482 101</b>	<b>129 493 278</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2012 Budget estimate				-			(200 000)	(500 000)	1 900 000		
<b>Economic classification</b>											
Transfers and subsidies	79 259 748	87 492 906	95 963 142	104 887 916	9.8%	100.0%	113 006 841	121 482 101	129 493 278	7.3%	100.0%
Households	79 259 748	87 492 906	95 963 142	104 887 916	9.8%	100.0%	113 006 841	121 482 101	129 493 278	7.3%	100.0%
Payments for financial assets	-	-	9 845	-	-	-	-	-	-	-	-
<b>Total</b>	<b>79 259 748</b>	<b>87 492 906</b>	<b>95 972 987</b>	<b>104 887 916</b>	<b>9.8%</b>	<b>100.0%</b>	<b>113 006 841</b>	<b>121 482 101</b>	<b>129 493 278</b>	<b>7.3%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	92.9%	93.0%	93.1%	93.5%			93.8%	94.0%	94.1%		

Table 19.7 Social Assistance (continued)

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>79 259 748</b>	<b>87 492 906</b>	<b>95 963 142</b>	<b>104 887 916</b>	<b>9.8%</b>	<b>100.0%</b>	<b>113 006 841</b>	<b>121 482 101</b>	<b>129 493 278</b>	<b>7.3%</b>	<b>100.0%</b>
Old Age	29 826 420	33 750 600	37 119 967	39 323 119	9.7%	38.1%	44 328 024	47 913 265	51 464 236	9.4%	39.0%
War Veterans	16 644	13 976	11 848	12 902	-8.1%	-	8 167	6 840	5 659	-24.0%	-
Disability	16 566 681	16 840 182	17 375 021	19 062 534	4.8%	19.0%	18 775 972	19 754 371	20 659 406	2.7%	16.7%
Foster Care	4 434 346	4 616 442	5 010 915	5 951 842	10.3%	5.4%	5 576 084	6 176 403	6 719 023	4.1%	5.2%
Care Dependency	1 434 143	1 586 452	1 736 431	1 856 901	9.0%	1.8%	2 058 799	2 252 870	2 444 150	9.6%	1.8%
Child Support	26 669 761	30 341 465	34 319 636	38 237 293	12.8%	35.2%	41 793 203	44 854 945	47 619 211	7.6%	36.8%
Grant-in-Aid	146 295	170 052	204 026	188 144	8.7%	0.2%	247 336	274 195	303 421	17.3%	0.2%
Social Relief	165 458	173 737	185 298	255 181	15.5%	0.2%	219 256	249 212	278 172	2.9%	0.2%

## Expenditure trends

The child support, old age and disability grants make up the bulk of the programme's expenditure over the medium term, and reflect government's commitment to supporting the most vulnerable in society, namely children, the elderly and the disabled, by providing income support. The number of social assistance grant beneficiaries increased from 15.2 million in March 2012 to over 15.9 million as at 31 December 2012. It is projected that the number of beneficiaries will further increase to approximately 17.2 million by the end of March 2016.

Significant growth in spending is evident between 2009/10 and 2012/13, mainly due to the extension of the child support grant to 18 year olds, and the equalisation of the old age grant at the age of 60 years. In 2011/12, the means test for the adult grants was increased as part of the broader social security reform process. Greater awareness is being generated about the *Grant-in-aid* and *Care Dependency* subprogrammes, and expenditure is therefore projected to increase over the MTEF period. Expenditure on the payment of social assistance grants is expected to increase to provide for inflation related increases in the grant values of the individual grant types, and for the growth in beneficiary numbers. The growth in beneficiaries is projected to slow significantly in 2013/14 compared to the previous three years given that most eligible beneficiaries are now in receipt of a grant, and there is a levelling off of the child population.

Spending reductions of R200 million in 2013/14 and R500 million in 2014/15 have been effected against this programme as part of the Cabinet approved budget reductions. This is mainly due to lower expenditure projections. An additional R1.9 billion has been allocated in 2015/16 to provide for an estimated shortfall in the budget allocations for the payment of social assistance grants, due to an increase in the number of social grant beneficiaries.

This programme provides only for the budget allocations related to payments to social assistance grant beneficiaries by the South African Social Security Agency, and has no staff.

## Programme 3: Social Security Policy and Administration

### Objectives

- Oversee, ensure and monitor the efficient and effective administration of social grants by the South African Social Security Agency over the MTEF period by:
  - monitoring monthly social grant beneficiary take up rates and expenditure
  - updating social grant beneficiary and expenditure projections every month.
- Improve the integrity of the social assistance framework and system over the MTEF period by establishing an inspectorate for social security by 2015/16 that will be responsible for systematic assessments of

legislative compliance, investigations of financial misconduct, and any other necessary intervention to combat leakage and fraud associated with the social assistance administration system.

- Provide an effective, efficient and accessible social assistance appeals service by adjudicating 65 per cent of appeals lodged within 90 days of their receipt by 2015/16.
- Improve access to social assistance by:
  - finalising the development of policy addressing income support for orphaned children who are cared for by relatives by 2013/14
  - reviewing the means tests for social assistance over the MTEF period by investigating the possibility that the means threshold for adult grants can be raised to the same level as the tax liability threshold
  - designing a support package for youth that focuses on job placements by 2014/15.

## Subprogrammes

- *Social Security Policy Development* provides for the development and reviewing of social assistance policies and legislation, and for the development of policies and legislation for contributory income support to protect households against lifecycle contingencies such as unemployment, ill health, retirement, disability or death of a breadwinner. In 2012/13, research was conducted into providing income support for pregnant women, as well as making the child support grant universal. In 2013/14, the focus will be on publishing a social budget and investigating the feasibility of providing social assistance support for orphaned children cared for by relatives. Further work in developing a support package for unemployed youth will also be undertaken. This subprogramme had a staff complement of 57 in 2012/13.
- *Appeals Adjudication* provides a fair and just adjudication service for social assistance appeals. As at 30 September 2012, 641 appeals cases were adjudicated within 90 days, an increase of 12 per cent from the previous year. Over the medium term, an integrated appeals business information system will be developed to facilitate the effective and efficient management and administration of appeal cases to ensure the reduction of the number of cases that are older than 90 days. This subprogramme had a staff complement of 46 in 2012/13.
- *Social Grants Administration* provides for the operational costs of the South African Social Security Agency. In 2013/14, R6.3 billion will be transferred to the agency for administering the programme's grants, the agency's own operations, the management information system, and reimbursing payment contractors. This subprogramme has no staff complement.
- *Social Grants Fraud Investigations* provides for the funding of fraud investigations conducted by the South African Social Security Agency in partnership with law enforcement agencies. This entails transferring funds to the agency, which is also increasing its own internal capacity to handle fraud cases. This subprogramme has no staff complement.

## Expenditure estimates

**Table 19.8 Social Security Policy and Administration**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
Social Security Policy Development	29 482	71 164	38 567	49 740	19.0%	0.8%	56 112	51 226	53 707	2.6%	0.8%
Appeals Adjudication	47 772	56 055	43 076	38 179	-7.2%	0.8%	45 621	48 322	51 062	10.2%	0.7%
Social Grants Administration	5 168 896	5 631 387	6 070 568	6 053 026	5.4%	97.7%	6 240 467	6 502 173	6 761 601	3.8%	97.3%
Social Grants Fraud Investigations	–	–	73 089	66 744	–	0.6%	70 581	75 416	78 885	5.7%	1.1%
Programme Management	7 604	9 476	2 995	8 971	5.7%	0.1%	5 139	5 403	5 590	-14.6%	0.1%
<b>Total</b>	<b>5 253 754</b>	<b>5 768 082</b>	<b>6 228 295</b>	<b>6 216 660</b>	<b>5.8%</b>	<b>100.0%</b>	<b>6 417 920</b>	<b>6 682 540</b>	<b>6 950 845</b>	<b>3.8%</b>	<b>100.0%</b>
Change to 2012 Budget estimate				(92 040)			(226 671)	(311 903)	(365 342)		

Table 19.8 Social Security Policy and Administration (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2013/14	2014/15		
R thousand											
<b>Current payments</b>	<b>81 758</b>	<b>108 749</b>	<b>82 321</b>	<b>93 948</b>	<b>4.7%</b>	<b>1.6%</b>	<b>104 403</b>	<b>102 335</b>	<b>107 623</b>	<b>4.6%</b>	<b>1.6%</b>
Compensation of employees	25 329	32 988	34 868	46 290	22.3%	0.6%	52 481	55 103	58 969	8.4%	0.8%
Goods and services	56 429	75 761	47 453	47 658	-5.5%	1.0%	51 922	47 232	48 654	0.7%	0.7%
of which:											
Administration fees	1 735	1 162	204	290	-44.9%	-	183	192	202	-11.4%	-
Advertising	1 274	203	485	705	-17.9%	-	770	808	844	6.2%	-
Assets less than the capitalisation threshold	36	459	497	251	91.0%	-	92	97	101	-26.2%	-
Bursaries: Employees	-	-	(6)	50	-	-	53	56	59	5.7%	-
Catering: Departmental activities	147	1 170	99	211	12.8%	-	375	393	411	24.9%	-
Communication	117	3 063	1 321	1 425	130.1%	-	1 015	1 065	1 113	-7.9%	-
Computer services	11	649	793	2 644	521.8%	-	2 965	3 143	3 288	7.5%	-
Consultants and professional services:	28 184	22 002	12 749	23 154	-6.3%	0.4%	26 818	20 500	20 791	-3.5%	0.3%
Business and advisory services	-	-	2 951	-	-	-	-	-	-	-	-
Consultants and professional services: Infrastructure and planning	4 977	10 846	11 661	-	-100.0%	0.1%	-	-	-	-	-
Legal costs	-	-	-	100	-	-	158	166	174	20.3%	-
Contractors	233	3 928	287	960	60.3%	-	397	416	435	-23.2%	-
Agency and support / outsourced services	1 007	1 351	1 264	1 105	3.1%	-	2 292	2 404	2 491	31.1%	-
Entertainment	7	153	13	67	112.3%	-	59	62	65	-1.0%	-
Fleet services (including government motor transport)	-	-	-	10	-	-	-	-	-	-100.0%	-
Inventory: Materials and supplies	-	-	-	100	-	-	158	166	174	20.3%	-
Inventory: Other consumables	9	207	26	29	47.7%	-	19	20	21	-10.2%	-
Inventory: Stationery and printing	2 895	1 614	1 298	2 175	-9.1%	-	3 126	3 325	3 478	16.9%	-
Operating leases	75	2 288	1 492	2 414	218.1%	-	3 567	3 811	3 987	18.2%	0.1%
Property payments	81	279	1 186	1 190	144.9%	-	-	-	-	-100.0%	-
Travel and subsistence	10 804	13 491	6 672	7 250	-12.5%	0.2%	6 799	7 381	7 646	1.8%	0.1%
Training and development	489	149	1 141	1 256	36.9%	-	1 734	1 819	1 902	14.8%	-
Operating payments	388	543	1 712	972	35.8%	-	855	897	938	-1.2%	-
Venues and facilities	3 960	12 204	1 608	1 400	-29.3%	0.1%	645	677	708	-20.3%	-
<b>Transfers and subsidies</b>	<b>5 171 790</b>	<b>5 657 053</b>	<b>6 145 300</b>	<b>6 120 938</b>	<b>5.8%</b>	<b>98.4%</b>	<b>6 312 277</b>	<b>6 578 889</b>	<b>6 841 846</b>	<b>3.8%</b>	<b>98.4%</b>
Departmental agencies and accounts	5 168 896	5 631 387	6 143 657	6 119 770	5.8%	98.3%	6 311 048	6 577 589	6 840 486	3.8%	98.4%
Foreign governments and international organisations	897	864	1 141	1 168	9.2%	-	1 229	1 300	1 360	5.2%	-
Non-profit institutions	500	-	-	-	-100.0%	-	-	-	-	-	-
Households	1 497	24 802	502	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>206</b>	<b>2 272</b>	<b>651</b>	<b>1 774</b>	<b>105.0%</b>	<b>-</b>	<b>1 240</b>	<b>1 316</b>	<b>1 376</b>	<b>-8.1%</b>	<b>-</b>
Machinery and equipment	206	2 272	651	1 774	105.0%	-	1 240	1 316	1 376	-8.1%	-
<b>Payments for financial assets</b>	<b>-</b>	<b>8</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 253 754</b>	<b>5 768 082</b>	<b>6 228 295</b>	<b>6 216 660</b>	<b>5.8%</b>	<b>100.0%</b>	<b>6 417 920</b>	<b>6 682 540</b>	<b>6 950 845</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.2%</b>	<b>6.1%</b>	<b>6.0%</b>	<b>5.5%</b>			<b>5.3%</b>	<b>5.2%</b>	<b>5.1%</b>		

## Details of transfers and subsidies

<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>5 168 896</b>	<b>5 631 387</b>	<b>6 143 657</b>	<b>6 119 770</b>	<b>5.8%</b>	<b>98.3%</b>	<b>6 311 048</b>	<b>6 577 589</b>	<b>6 840 486</b>	<b>3.8%</b>	<b>98.4%</b>
South African Social Security Agency	5 168 896	5 631 387	6 143 657	6 119 770	5.8%	98.3%	6 311 048	6 577 589	6 840 486	3.8%	98.4%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FinMark Trust	500	-	-	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>-</b>	<b>18</b>	<b>502</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	-	18	502	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>897</b>	<b>864</b>	<b>1 141</b>	<b>1 168</b>	<b>9.2%</b>	<b>-</b>	<b>1 229</b>	<b>1 300</b>	<b>1 360</b>	<b>5.2%</b>	<b>-</b>
International Social Security Association	897	817	1 091	1 118	7.6%	-	1 179	1 250	1 308	5.4%	-
International Organisation of Pension Supervisors	-	47	50	50	-	-	50	50	52	1.3%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>1 497</b>	<b>24 784</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Social relief	1 497	24 784	-	-	-100.0%	0.1%	-	-	-	-	-

## Personnel information

**Table 19.9 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>**

Post status as at 30 September 2012		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate <sup>3</sup>			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)						
		2011/12		Unit Cost	2012/13		Unit Cost	2013/14		Unit Cost	2014/15		Unit Cost			2015/16		Unit Cost			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16				
Social Security Policy and Administration		105	6		83	34.9	0.4	87	42.4	0.5	103	52.5	0.5	107	55.1	0.5	107	59.0	0.6	7.1%	100.0%
Salary level																					
1 – 6	25	3			26	5.1	0.2	27	6.0	0.2	26	6.2	0.2	26	6.6	0.3	26	7.0	0.3	-1.3%	26.0%
7 – 10	33	2			22	6.2	0.3	25	8.8	0.4	31	10.5	0.3	31	11.1	0.4	31	11.8	0.4	7.4%	29.2%
11 – 12	22	–			18	9.0	0.5	18	9.5	0.5	22	12.9	0.6	22	13.4	0.6	22	14.4	0.7	6.9%	20.8%
13 – 16	25	1			17	14.5	0.9	17	18.2	1.1	24	22.9	1.0	28	24.1	0.9	28	25.8	0.9	18.1%	24.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The spending focus over the medium term will continue to be on making transfers to the South African Social Security Agency to provide for the cost of the administration and payment of social assistance grants. The agency is projected to pay out social assistance grants to 17.2 million beneficiaries by 2015/16, and to continue improving its fraud management system. Social grant administration costs constitute 6.9 per cent of the budget allocation for social assistance grants in 2009/10, and will decline to 5.4 per cent in 2015/16 partly due to efficiencies from the new payment contract which was implemented in 2012/13. The programme will also improve the appeals management system to speed up turnaround times by increasing the number of appeals adjudicated within a period of 90 days to 65 per cent in 2015/16.

The significant growth in expenditure in the *Social Security Policy* subprogramme in 2010/11 was due to the once-off additional funding received for hosting the international social security conference. Expenditure in the *Appeals Adjudication* programme declined between 2009/10 and 2012/13 due to improvements in the administration of social assistance as a result of reduced expenditure on litigation costs from social assistance appellants. The projected growth in expenditure in this programme over the medium term period provides for the development of an integrated appeals business information system.

As part of a Cabinet approved budget reduction of R868.5 million over the medium term, there will be a reduction in the programme's allocation. This will mainly be absorbed through lower unit prices for payment contractors as a result the new payment contract being implemented.

Between 2012/13 and 2015/16, expenditure on consultants is equivalent to 43 per cent of the programme's budget allocation for compensation of employees. Expenditure on consultants includes the payment of panel members for the social grant appeals adjudication process and the establishment of the inspectorate. Spending on consultants is expected to decline over the medium term as the department increases its capacity to undertake more of the work internally. This can be seen from the growth in the compensation budget over this period as this programme increases the number of people employed to perform the inspectorate and appeals functions. As at 30 September 2012, the programme had a funded establishment of 105 posts, 18 of which are expected to be vacant at the end of 2012/13. The vacancies are mainly because of the lengthy process of establishing the inspectorate. By 2015/16 the number of people employed is expected to reach 107 mainly as a result of the full establishment of the inspectorate.

## Programme 4: Welfare Services Policy Development and Implementation Support

### Objectives

- Promote a standardised approach to the delivery of social welfare services by:

- finalising the revised financial awards policy to comprehensively address the funding of non-governmental organisations by June 2013
- finalising the development of funding models for welfare services by 2013/14
- monitoring the implementation of regulations for funded non-profit organisations
- conducting an in-depth study of the state of welfare services in South Africa by March 2014
- drafting legislation on the professionalisation and regulation of social service practitioners by March 2014
- increasing the number of social worker graduates from the scholarship programme to 2 130 in 2015/16.
- Create an environment that enables the protection and promotion of older persons' rights by:
  - ensuring compliance with the norms and standards, on an ongoing basis, of conditionally registered community based care services and residential facilities
  - reviewing the Older Persons Act (2006), to determine if it still addresses the needs of older persons, by March 2016.
- Protect and promote the rights of people with disabilities by:
  - drafting legislation dealing with services to people with disabilities by March 2014
  - developing norms and standards for residential facilities by March 2014
  - training 360 officials to mainstream disability issues in 2013/14.
- Facilitate the improvement of services to children in their first 1 000 days after birth by:
  - providing access to early childhood development centres, as well as nutritious food, and early learning
  - developing a policy framework for early childhood development and partial care by March 2014.
- Strengthen child protection services through the implementation of child care and protection measures by:
  - increasing the number of children adopted by 10 per cent each year
  - developing guidelines for the registration of drop in centres in terms of the Children's Act (2005) by March 2014
  - monitoring the implementation plan to transform child and youth care centres in 9 provinces by 2015/16
  - increasing by 20 per cent the screening of people working with children, against part B of the child protection register, from 28 178 people screened by March 2013 to 33 814 by March 2014
  - continually monitoring the implementation of the Isibindi model in all provinces.
- Promote and strengthen families in South Africa by facilitating the establishment of family service forums in three provinces to coordinate services to families at provincial level by March 2014.
- Reduce the incidence of substance abuse in communities by providing treatment and prevention services by:
  - monitoring the progress registered by national government departments involved in the implementation of the national anti-substance abuse programme of action by March 2014
  - capacitating 120 stakeholders to roll out the implementation of the Prevention of and Treatment for Substance Abuse Act (2008) by March 2014
  - developing and monitoring the implementation of the national drug master plan by March 2014.
- Contribute to reducing the incidence of social crime by:
  - training 63 quality assurance panel members, by March 2014, to provide them with an understanding of the programmes and services available in terms of the Child Justice Act (2008)
  - facilitating the implementation of the policy framework on accreditation of diversion services in all provinces by March 2014
  - enhancing the capacity, through training, of stakeholders in social crime prevention programmes by March 2014
  - monitoring the implementation of an integrated social crime prevention strategy within the social development sector over the MTEF period.
- Improve the provision of victim empowerment services in provinces by:
  - drafting legislation on victim empowerment support services by 2014

- developing a policy framework for the accreditation of services and programmes run by organisations rendering services to victims of human trafficking by 2014
- facilitating training on the implementation of gender based violence prevention programmes in provinces by 2014.
- Develop and facilitate the implementation of responsive and focused youth mobilisation services and youth development by:
  - creating opportunities for 4 500 young people to participate in community dialogues by March 2015
  - ensuring participation of 4 600 young people in leadership camps by March 2016
  - establishing 6 youth forums in the remaining 6 provinces by 2015.
- Contribute to the reduction of new HIV and AIDS infections by 50 per cent through the implementation of social and behavioural change programmes by March 2016.
- Mitigate the impact of HIV and AIDS, tuberculosis and other chronic illnesses by increasing the number of people made vulnerable by HIV and AIDS receiving psychosocial support services from 1.2 million in 2011/12 to an estimated 2.1 million in 2015/16.
- Strengthen the capacity of community based organisations by:
  - ensuring that home and community based care organisations are compliant with monitoring and evaluation systems by 2014/15
  - training 440 community based organisations (120 in 2013/14, 180 in 2014/15 and 140 in 2015/16) on a home and community based care management capacity building programme by March 2016.

## Subprogrammes

- *Service Standards* ensures the transformation and standardisation of social welfare services by developing and coordinating policies and legislation that promote integration and quality driven and professional social welfare service delivery. In 2011/12 and 2012/13, progress was made in reviewing the financial awards policy and developing costing models for social welfare services. This included hosting consultative sessions with provinces and the non-governmental organisation sector. Key projects in 2013/14 include finalising the financial awards policy, developing a standardised approach to funding non-governmental organisations, and conducting an in depth study on the state of welfare services in the country. This subprogramme had a staff complement of 23 in 2012/13.
- *Substance Abuse* develops, supports and monitors the implementation of policies, legislation, and norms and standards for the prevention and treatment of substance abuse. In 2011/12, the substance abuse programme of action was rolled out to all provinces. In 2012/13, a treatment model for substance abuse was developed and amended regulations in terms of the Prevention of and Treatment for Substance Abuse Act (2008) were finalised. This subprogramme had a staff complement of 9 in 2012/13.
- *Older Persons* develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to elderly people. Over the medium term, the focus will be on reviewing the Older Persons Act (2006). This subprogramme had a staff complement of 8 in 2012/13.
- *People with Disabilities* develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to people with disabilities. In 2012/13, the department was in the process of obtaining approval for the policy on social development services to persons with disabilities. Planned activities in 2013/14 include auditing residential facilities, standardising services, and developing a legislative framework regulating services to people with disabilities. This subprogramme had a staff complement of 8 in 2012/13.
- *Children* is discussed in more detail below.
- *Families* develops, supports and monitors the implementation of policies, legislation and programmes to strengthen families. In 2012/13, the White Paper on Families was developed and presented to the relevant cluster before submission to Cabinet for final approval. A key activity over the medium term will be to provide training on the white paper. This subprogramme had a staff complement of 9 in 2012/13.
- *Social Crime Prevention and Victim Empowerment* develops, supports and monitors the implementation of policies, legislation and programmes to protect, empower and support victims of crime and violence as well

as child, youth and adult offenders. In 2012/13, the national policy guidelines on victim empowerment were reviewed to inform the development of legislation. In 2013/14, R9.8 million will be spent on consultants to implement the integrated justice system, which requires the department to provide services to victims of crime and to youth offenders. Key activities over the medium term will include drafting legislation on victim support services, and enhancing the delivery and monitoring of social crime prevention programmes. This subprogramme had a staff complement of 23 in 2012/13.

- *Youth* develops and facilitates the implementation of policies, legislation and programmes to protect vulnerable youth. As at 30 September 2012, 771 youth had participated in community dialogues. Over the medium term, the department intends to host bi annual youth camps to provide a platform for youth to interact and share the challenges they experience. This subprogramme had a staff complement of 8 in 2012/13.
- *HIV and AIDS* develops, supports and monitors the implementation of policies, programmes and guidelines to prevent and mitigate the impact of HIV and AIDS in line with the government's strategic plan for 2012-2016. By September 2012, 68 funded home and community based organisations were provided with management training, with 142 reporting into the monitoring and evaluation reporting system. These will both be ongoing focus areas over the medium term. R48.1 million has been made available in 2013/14 for non-profit organisations and the loveLife campaign, which aims to train 540 Groundbreakers and 2 700 Mpintshis each year over the MTEF period to implement social and behavioural change programmes. (Groundbreakers are young people aged 18 to 25 who are recruited to work for a year on implementing the loveLife programme. Mpintshis are volunteer peer motivators working with Groundbreakers.) This subprogramme had a staff complement of 31 in 2012/13.
- *Social Worker Scholarships* provides full scholarships for students interested in studying social work. In 2012/13, 6 339 were sponsored at various universities. By 2015/16, this drops to 4 248 students who will be provided with financial assistance. This subprogramme has no staff complement.

## Expenditure estimates

**Table 19.10 Welfare Services Policy Development and Implementation Support**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
Service Standards	17 393	19 838	21 475	20 381	5.4%	4.5%	25 250	26 172	25 503	7.8%	4.6%
Substance Abuse	7 667	12 152	14 937	13 993	22.2%	2.8%	11 440	12 561	12 620	-3.4%	2.4%
Older Persons	10 446	8 046	11 086	15 016	12.9%	2.5%	10 058	12 016	11 087	-9.6%	2.3%
People with Disabilities	8 877	7 670	8 272	8 631	-0.9%	1.9%	9 907	10 343	10 921	8.2%	1.9%
Children	30 109	31 935	40 731	76 452	36.4%	10.2%	65 511	51 825	52 808	-11.6%	11.7%
Families	6 250	5 852	6 938	7 757	7.5%	1.5%	7 714	8 057	8 516	3.2%	1.5%
Social Crime Prevention and Victim Empowerment	14 930	14 649	21 428	38 459	37.1%	5.1%	39 541	42 011	44 213	4.8%	7.8%
Youth	5 138	4 631	5 597	9 314	21.9%	1.4%	6 657	6 968	7 369	-7.5%	1.4%
HIV and AIDS	58 193	60 943	66 856	70 864	6.8%	14.7%	77 076	81 354	85 488	6.5%	14.9%
Social Worker Scholarships	210 000	226 000	244 000	256 000	6.8%	53.5%	250 000	264 000	276 144	2.6%	49.6%
Programme Management	6 882	7 435	7 746	8 181	5.9%	1.7%	9 951	10 442	11 056	10.6%	1.9%
<b>Total</b>	<b>375 885</b>	<b>399 151</b>	<b>449 066</b>	<b>525 048</b>	<b>11.8%</b>	<b>100.0%</b>	<b>513 105</b>	<b>525 749</b>	<b>545 725</b>	<b>1.3%</b>	<b>100.0%</b>
Change to 2012 Budget estimate				11 224			(16 098)	(17 541)	(22 556)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>106 226</b>	<b>110 678</b>	<b>137 426</b>	<b>195 947</b>	<b>22.6%</b>	<b>31.5%</b>	<b>191 016</b>	<b>185 336</b>	<b>189 654</b>	<b>-1.1%</b>	<b>36.1%</b>
Compensation of employees	61 180	68 634	73 639	79 060	8.9%	16.2%	86 463	90 653	96 725	7.0%	16.7%
Goods and services	45 040	42 044	63 787	116 887	37.4%	15.3%	104 553	94 683	92 929	-7.4%	19.4%
of which:											
Administration fees	420	341	810	1 917	65.9%	0.2%	6 036	6 206	6 598	51.0%	1.0%
Advertising	5 363	2 658	8 348	16 227	44.6%	1.9%	4 916	4 554	4 171	-36.4%	1.4%
Assets less than the capitalisation threshold	117	77	204	2 135	163.3%	0.1%	124	128	134	-60.3%	0.1%
Bursaries: Employees	-	-	-	16	-	-	16	17	18	4.0%	-
Catering: Departmental activities	847	1 781	3 731	2 740	47.9%	0.5%	2 142	1 934	2 024	-9.6%	0.4%
Communication	219	828	1 483	1 486	89.3%	0.2%	952	1 001	1 047	-11.0%	0.2%
Computer services	2	-	-	1 243	753.4%	0.1%	-	-	-	-100.0%	0.1%

Table 19.10 Welfare Services Policy Development and Implementation Support (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
<i>Consultants and professional services:</i>	15 231	11 689	8 474	36 423	33.7%	4.1%	44 369	32 874	31 282	-4.9%	6.9%
<i>Business and advisory services</i>											
<i>Consultants and professional services:</i>	16	245	553	–	-100.0%	–	–	–	–	–	–
<i>Legal costs</i>											
<i>Contractors</i>	904	311	1 672	2 039	31.1%	0.3%	482	507	530	-36.2%	0.2%
<i>Agency and support / outsourced services</i>	20	31	210	415	174.8%	–	251	266	278	-12.5%	0.1%
<i>Entertainment</i>	124	104	214	61	-21.1%	–	134	141	147	34.1%	–
<i>Fleet services (including government motor transport)</i>	–	–	–	10	–	–	–	–	–	-100.0%	–
<i>Inventory: Fuel, oil and gas</i>	–	–	–	2	–	–	1	1	1	-20.6%	–
<i>Inventory: Materials and supplies</i>	–	6	–	9	–	–	1	2	2	-39.4%	–
<i>Inventory: Other consumables</i>	28	10	23	28	–	–	648	684	715	194.5%	0.1%
<i>Inventory: Stationery and printing</i>	3 761	4 780	6 726	9 051	34.0%	1.4%	6 498	5 386	5 635	-14.6%	1.3%
<i>Operating leases</i>	600	177	139	324	-18.6%	0.1%	343	349	365	4.1%	0.1%
<i>Property payments</i>	–	28	74	–	–	–	–	–	–	–	–
<i>Transport provided: Departmental activity</i>	–	–	1 707	–	–	0.1%	–	–	–	–	–
<i>Travel and subsistence</i>	10 672	11 607	15 984	24 189	31.4%	3.6%	22 006	23 973	23 632	-0.8%	4.4%
<i>Training and development</i>	1 130	544	450	1 248	3.4%	0.2%	1 221	1 272	1 330	2.1%	0.2%
<i>Operating payments</i>	145	166	445	1 243	104.7%	0.1%	545	574	601	-21.5%	0.1%
<i>Venues and facilities</i>	5 441	6 661	12 540	16 081	43.5%	2.3%	13 868	14 814	14 419	-3.6%	2.8%
<i>Interest and rent on land</i>	6	–	–	–	-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>268 905</b>	<b>288 085</b>	<b>306 814</b>	<b>323 517</b>	<b>6.4%</b>	<b>67.9%</b>	<b>320 197</b>	<b>338 410</b>	<b>353 977</b>	<b>3.0%</b>	<b>63.3%</b>
<i>Departmental agencies and accounts</i>	210 000	226 000	244 000	256 000	6.8%	53.5%	250 000	264 000	276 144	2.6%	49.6%
<i>Foreign governments and international organisations</i>	375	237	422	243	-13.5%	0.1%	257	272	285	5.5%	0.1%
<i>Non-profit institutions</i>	58 414	61 848	61 756	67 274	4.8%	14.3%	69 940	74 138	77 548	4.9%	13.7%
<i>Households</i>	116	–	636	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>754</b>	<b>383</b>	<b>4 805</b>	<b>5 584</b>	<b>94.9%</b>	<b>0.7%</b>	<b>1 892</b>	<b>2 003</b>	<b>2 094</b>	<b>-27.9%</b>	<b>0.5%</b>
<i>Machinery and equipment</i>	754	383	4 805	5 584	94.9%	0.7%	1 892	2 003	2 094	-27.9%	0.5%
<b>Payments for financial assets</b>	<b>–</b>	<b>5</b>	<b>21</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>375 885</b>	<b>399 151</b>	<b>449 066</b>	<b>525 048</b>	<b>11.8%</b>	<b>100.0%</b>	<b>513 105</b>	<b>525 749</b>	<b>545 725</b>	<b>1.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.5%</b>			<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>		
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>210 000</b>	<b>226 000</b>	<b>244 000</b>	<b>256 000</b>	<b>6.8%</b>	<b>53.5%</b>	<b>250 000</b>	<b>264 000</b>	<b>276 144</b>	<b>2.6%</b>	<b>49.6%</b>
National Student Financial Aid Scheme	210 000	226 000	244 000	256 000	6.8%	53.5%	250 000	264 000	276 144	2.6%	49.6%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>58 414</b>	<b>61 848</b>	<b>61 756</b>	<b>67 274</b>	<b>4.8%</b>	<b>14.3%</b>	<b>69 940</b>	<b>74 138</b>	<b>77 548</b>	<b>4.9%</b>	<b>13.7%</b>
loveLife	41 000	43 460	43 360	45 600	3.6%	9.9%	48 100	50 986	53 331	5.4%	9.4%
Tshwane Leadership Foundation Trust	–	–	–	200	–	–	–	–	–	-100.0%	–
Service standards	1 035	1 374	1 703	1 550	14.4%	0.3%	1 628	1 726	1 805	5.2%	0.3%
Substance abuse	1 969	2 212	1 681	3 160	17.1%	0.5%	2 603	2 760	2 887	-3.0%	0.5%
Older persons	1 592	1 825	1 572	2 046	8.7%	0.4%	2 148	2 277	2 382	5.2%	0.4%
Disabilities	2 876	2 875	3 068	3 222	3.9%	0.7%	3 383	3 586	3 751	5.2%	0.7%
Children	5 545	5 666	6 046	6 504	5.5%	1.4%	6 831	7 241	7 574	5.2%	1.3%
Families	1 238	1 002	1 068	1 147	-2.5%	0.3%	1 210	1 283	1 342	5.4%	0.2%
Social crime prevention	2 809	3 134	2 538	3 509	7.7%	0.7%	3 684	3 905	4 085	5.2%	0.7%
Cape Town Child Welfare Society	–	–	400	–	–	–	–	–	–	–	–
National Association of People Living with HIV and AIDS	250	300	320	336	10.4%	0.1%	353	374	391	5.2%	0.1%
Foundation for Professional Development	100	–	–	–	-100.0%	–	–	–	–	–	–
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>116</b>	<b>–</b>	<b>636</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	116	–	636	–	-100.0%	–	–	–	–	–	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>375</b>	<b>237</b>	<b>422</b>	<b>243</b>	<b>-13.5%</b>	<b>0.1%</b>	<b>257</b>	<b>272</b>	<b>285</b>	<b>5.5%</b>	<b>0.1%</b>
Walvis Bay	179	141	227	–	-100.0%	–	–	–	–	–	–
United Nations International Drug Control Programme	25	25	25	38	15.0%	–	40	42	44	5.0%	–
International Federation for the Aged	23	–	8	40	20.3%	–	42	45	47	5.5%	–
International Social Service	148	71	162	165	3.7%	–	175	185	194	5.5%	–

## Personnel information

**Table 19.11 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>**

Post status as at 30 September 2012		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts additional to the establishment	Actual 2011/12			Revised estimate <sup>3</sup> 2012/13			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2013/14			2014/15			2015/16						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16			
Welfare Services Policy Development and Implementation Support		192	9	184	73.6	0.4	190	79.1	0.4	193	86.5	0.4	193	90.7	0.5	193	96.7	0.5	0.5%	100.0%
Salary level																				
1 – 6	33	–	29	3.5	0.1	31	4.1	0.1	33	5.5	0.2	33	5.7	0.2	33	6.1	0.2	2.1%	16.9%	
7 – 10	70	4	69	20.3	0.3	70	22.0	0.3	69	22.9	0.3	69	23.9	0.3	69	25.5	0.4	-0.5%	36.0%	
11 – 12	67	3	64	32.7	0.5	67	34.4	0.5	67	38.3	0.6	67	40.3	0.6	67	43.0	0.6	–	34.9%	
13 – 16	22	2	22	17.2	0.8	22	18.6	0.8	24	19.8	0.8	24	20.7	0.9	24	22.1	0.9	2.9%	12.2%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The spending focus over the medium term will continue to be on making transfer payments to loveLife, to increase the number of HIV and AIDS awareness prevention and management programmes it runs, and to the National Student Financial Aid Scheme through the *Social Worker Scholarships* subprogramme in order to increase the number of scholarships to social work students. 4 248 students will have been awarded scholarships by 2015/16. An increase in the number of social workers is essential for providing a standardised approach to social welfare services. The transfer to loveLife is a key part of government's HIV and AIDS prevention programme, with the focus on training 540 Groundbreakers and 2 700 Mpintshis each year over the medium term to implement social and behavioural change programmes.

Between 2009/10 and 2012/13, expenditure in the *Social Crime Prevention and Victim Empowerment* subprogramme increased significantly in giving effect to the new responsibilities created by the implementation of the Child Justice Act (2008). Similarly, expenditure in the *Substance Abuse* subprogramme increased in 2011/12 and 2012/13, to enhance the department's capacity to develop regulations for the Prevention and Treatment of Substance Abuse Act (2008). Expenditure on goods and services increased substantially in 2011/12 and 2012/13 mainly due to additional allocations for the early childhood development audit, and the establishment of systems to facilitate the rollout of the Isibindi model. The department embarked on a series of outreach programmes in those years to increase public awareness of its services. This resulted in increased spending on advertising, catering, travel and subsistence, and venues and facilities in these years.

Expenditure in the *Service Standards* subprogramme is expected to increase by 24 per cent in 2013/14, as the department begins a study to determine the state of welfare services in the country. Expenditure on consultants is expected to increase by 22 per cent in the same year as the study requires the appointment of commissioners identified as experts.

The programme has a funded staff establishment of 192 posts, 2 of which are expected to be vacant at the end of 2012/13. The number of people employed will reach 193 by 2015/16.

The 2013 Budget sets out additional allocations to this programme of R1.4 million in 2013/14, R1.8 million in 2014/15 and R3.2 million in 2015/16 for improved conditions of service.

Reductions of R65.4 million, as part of the Cabinet approved budget reductions, have been effected over the medium term in the *Social Worker Scholarships* programme, which funds the employment of social work graduates at provincial level.

## Subprogramme: Children

This subprogramme develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to children. A key activity in 2013/14 will be the finalisation of the early childhood development audit.

## Expenditure estimates

Table 19.12 Children

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)			
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14			2014/15	2015/16	2012/13 - 2015/16
	R thousand													
<b>Current payments</b>	<b>24 239</b>	<b>26 031</b>	<b>33 760</b>	<b>69 231</b>	<b>41.9%</b>	<b>85.5%</b>	<b>57 922</b>	<b>43 782</b>	<b>44 395</b>	<b>-13.8%</b>	<b>87.3%</b>			
Compensation of employees	18 028	19 533	21 307	22 313	7.4%	45.3%	26 393	28 020	29 908	10.3%	43.2%			
Goods and services	6 211	6 498	12 453	46 918	96.2%	40.2%	31 529	15 762	14 487	-32.4%	44.1%			
of which:														
Administration fees	15	118	146	514	224.8%	0.4%	355	390	408	-7.4%	0.7%			
Advertising	298	103	616	6 571	180.4%	4.2%	1 906	908	950	-47.5%	4.2%			
Assets less than the capitalisation threshold	10	72	52	100	115.4%	0.1%	41	41	43	-24.5%	0.1%			
Catering: Departmental activities	98	346	386	608	83.7%	0.8%	596	297	311	-20.0%	0.7%			
Communication	39	180	377	545	140.9%	0.6%	134	134	140	-36.4%	0.4%			
Consultants and professional services: Business and advisory services	1 928	166	2 197	29 204	147.4%	18.7%	19 499	6 881	6 198	-40.4%	25.1%			
Consultants and professional services: Legal costs	–	8	553	–	–	0.3%	–	–	–	–	–			
Contractors	41	12	124	330	100.4%	0.3%	22	22	23	-58.8%	0.2%			
Agency and support / outsourced services	–	–	–	160	–	0.1%	–	–	–	-100.0%	0.1%			
Entertainment	7	2	1	16	31.7%	–	26	26	27	19.1%	–			
Inventory: Other consumables	4	3	5	13	48.1%	–	32	32	33	36.4%	–			
Inventory: Stationery and printing	66	1 318	763	2 387	230.7%	2.5%	1 998	500	523	-39.7%	2.2%			
Operating leases	433	46	26	147	-30.2%	0.4%	243	244	255	20.2%	0.4%			
Travel and subsistence	1 910	2 864	2 908	3 847	26.3%	6.4%	3 034	3 014	2 653	-11.7%	5.1%			
Training and development	80	31	95	256	47.4%	0.3%	377	378	395	15.6%	0.6%			
Operating payments	104	62	109	320	45.4%	0.3%	41	41	43	-48.8%	0.2%			
Venues and facilities	1 178	1 167	4 095	1 900	17.3%	4.7%	3 225	2 854	2 485	9.4%	4.2%			
<b>Transfers and subsidies</b>	<b>5 693</b>	<b>5 737</b>	<b>6 410</b>	<b>6 669</b>	<b>5.4%</b>	<b>13.7%</b>	<b>7 006</b>	<b>7 426</b>	<b>7 768</b>	<b>5.2%</b>	<b>11.7%</b>			
Foreign governments and international organisations	148	71	162	165	3.7%	0.3%	175	185	194	5.5%	0.3%			
Non-profit institutions	5 545	5 666	6 046	6 504	5.5%	13.3%	6 831	7 241	7 574	5.2%	11.4%			
Households	–	–	202	–	–	0.1%	–	–	–	–	–			
<b>Payments for capital assets</b>	<b>177</b>	<b>162</b>	<b>561</b>	<b>552</b>	<b>46.1%</b>	<b>0.8%</b>	<b>583</b>	<b>617</b>	<b>645</b>	<b>5.3%</b>	<b>1.0%</b>			
Machinery and equipment	177	162	561	552	46.1%	0.8%	583	617	645	5.3%	1.0%			
<b>Payments for financial assets</b>	<b>–</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>			
<b>Total</b>	<b>30 109</b>	<b>31 935</b>	<b>40 731</b>	<b>76 452</b>	<b>36.4%</b>	<b>100.0%</b>	<b>65 511</b>	<b>51 825</b>	<b>52 808</b>	<b>-11.6%</b>	<b>100.0%</b>			
Proportion of total subprogramme expenditure to programme expenditure	8.0%	8.0%	9.1%	14.6%			12.8%	9.9%	9.7%					

## Personnel information

Table 19.13 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>

Post status as at 30 September 2012		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate <sup>3</sup>		Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)						
		2011/12		2012/13		2013/14		2014/15		2015/16				2012/13 - 2015/16					
		Number	Unit Cost	Number	Unit Cost	Number	Unit Cost	Number	Unit Cost	Number	Unit Cost								
<b>Children</b>																			
Salary level	59	3	55	21.3	0.4	60	22.3	0.4	60	26.4	0.4	60	28.0	0.5	60	29.9	0.5	–	100.0%
1 – 6	18	–	13	1.3	0.1	17	1.9	0.1	18	2.8	0.2	18	3.0	0.2	18	3.2	0.2	1.9%	29.6%
7 – 10	14	2	14	4.5	0.3	15	4.8	0.3	14	5.2	0.4	14	5.5	0.4	14	5.9	0.4	-2.3%	23.8%
11 – 12	22	–	22	10.9	0.5	22	11.0	0.5	22	13.2	0.6	22	14.1	0.6	22	15.0	0.7	–	36.7%
13 – 16	5	1	6	4.6	0.8	6	4.6	0.8	6	5.1	0.9	6	5.4	0.9	6	5.8	1.0	–	10.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The spending focus in the *Children* subprogramme over the medium term will be on reviewing the Children's Act (2005), rolling out the Isibindi model across the country, and developing a policy framework to facilitate increased access to early childhood development services. This focus is reflected mainly in increased spending

on compensation of employees and on the consultants who will perform the audits of the early childhood development facilities.

Increases in expenditure between 2009/10 and 2012/13 are mainly related to the additional funding received for early childhood development (R24 million) and Isibindi (R6.7 million), which related to goods and services only. This subprogramme also continuously monitors the extent of access to early childhood development services by capturing the number of children accessing these services on its national database, and by keeping track of the number of registered early childhood development centres, which are set to increase to 29 239 by 2015/16.

Expenditure is expected to decline over the medium term due to once-off budget allocations for the audit of early childhood development facilities in South Africa in 2012/13 and 2013/14. To date, 5 487 early childhood development and partial care centres have been audited, and an additional 7 513 facilities will be audited in 2013/14. In addition, the early childhood development diagnostic review report was developed and finalised in 2012/13. The report, laying out the key recommendations from the early childhood development conference, was approved by Cabinet in October 2012. The implementation of the adoption policy framework and strategy, which is expected to help increase the adoption rate by 10 per cent each year, was supported by capacity building in provinces, community dialogues, and the holding of a national adoption workshop.

The subprogramme had a funded staff establishment of 59 posts, with no vacancies, in 2012/13. The number of people employed over the medium term remains constant.

## **Programme 5: Social Policy and Integrated Service Delivery**

### **Objectives**

- Build research, evidence based policy making and social policy capacity and expertise in the department and in the social development sector by:
  - training 50 policy makers in government per year in social policy and social policy analysis
  - reviewing and developing at least 1 evidence based policy per year
  - developing a research coordination and management strategy by 2014.
- Coordinate the implementation of the social cluster public employment programmes such as the expanded public works programme by facilitating the creation of 255 000 job opportunities by 2013/14.
- Support and monitor the implementation of community development services and programmes by:
  - training 200 community development practitioners by March 2014
  - training 400 community based organisations on community development practice by March 2014.
- Facilitate and monitor the implementation of the Food For All campaign in South Africa by ensuring that 1.3 million people access the department's food security programmes in 2015/16.
- Improve efficiency in registering non-profit organisations by:
  - processing 95 per cent of all non-profit organisations' applications within 2 months of receiving them by 2015/16
  - establishing help desks in four provinces, to assist non-profit organisations with registration, by March 2014
  - training 2 500 non-profit organisations on governance and compliance with the Non-profit Organisations Act (1997) by March 2014.
- Promote implementation of government's population policy by:
  - increasing awareness and building capacity annually to integrate population factors into development plans and programmes
  - increasing understanding of the state of South Africa's population, by producing annual thematic reports on progress made with the implementation of the population policy.

## Subprogrammes

- *Social Policy Research and Development* provides strategic guidance on social policy development, coordination and evaluation; and supports the department's responsibilities in the United Nations (UN), the United Nations Educational, Scientific and Cultural Organisation (UNESCO), the African Union (AU) and the Southern African Development Community (SADC), in areas relating to social policy, research and evidence based policy making. This subprogramme had a staff complement of 4 in 2012/13.
- *Special Projects and Innovation* provides for the coordination, incubation and innovation of departmental and social cluster initiatives such as the expanded public works programme. 112 057 jobs were created in the social sector expanded public works programme between April and September 2012. Transfers of R1 million will be made in each of 2013/14 and 2014/15, and R1.1 million in 2015/16 to Soul City for the Kwanda television programme. This subprogramme had a staff complement of 9 in 2012/13.
- *Population Policy Promotion* supports, monitors and evaluates the implementation of population policy for South Africa by conducting research on population trends and dynamics, raising awareness on population and development concerns, and supporting and building technical capacity to implement the policy. By the end of 2011/12, 800 people were trained on HIV and AIDS, gender mainstreaming and local population trends. In 2013/14, the focus will be on completing the 15-year review of progress in implementing the population policy, and finalising the framework strategy for national adolescent sexual and reproductive health and rights. This subprogramme had a staff complement of 38 in 2012/13.
- Registration and Monitoring of Non-Profit Organisations is discussed in more detail below.
- *Substance Abuse Advisory Services and Oversight* monitors the implementation of policies, legislation, and norms and standards for substance abuse; and monitors and provides support for implementing the national drug master plan through the Central Drug Authority, whose secretariat is the department's responsibility. A key output in 2012/13 was the finalisation of the national drug master plan, with monitoring of its implementation set to continue over the medium term. This subprogramme had a staff complement of 4 in 2012/13.
- *Community Development* develops and facilitates the implementation of policies, guidelines, and norms and standards to ensure the effective and efficient delivery of community development services and programmes. By 30 September 2012, 12 398 households had been profiled for community development services. The focus over the medium term will be on increasing household food security, social and community mobilisation for sustainable livelihoods, completing the community development strategy and policy, improving the capacity and competence of community development practitioners and community based organisations to provide relevant and appropriate community development services and programmes, and increasing the number of people accessing food through FoodBank South Africa to 1.5 million in 2015/16. This subprogramme had a staff complement of 27 in 2012/13.
- *National Development Agency* provides grants to civil society organisations through transfers to implement sustainable community driven projects that address food security, early childhood development and create employment and income opportunities. The agency also focuses on building capacity in non-profit organisations. This subprogramme has no staff complement.

## Expenditure estimates

**Table 19.14 Social Policy and Integrated Service Delivery**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2009/10 - 2012/13	Average (%)	2013/14	2014/15	2015/16		
R thousand											
Social Policy Research and Development	5 270	3 398	3 739	5 866	3.6%	2.1%	6 468	6 686	7 043	6.3%	2.2%
Special Projects and Innovation	6 392	6 680	11 719	6 965	2.9%	3.7%	7 762	8 375	8 523	7.0%	2.7%
Population Policy Promotion	20 413	19 116	24 685	22 422	3.2%	10.1%	24 494	26 298	25 435	4.3%	8.3%
Registration and Monitoring of Non-Profit Organisations	11 023	12 458	14 313	22 992	27.8%	7.1%	19 308	20 204	20 379	-3.9%	7.0%
Substance Abuse Advisory Services and Oversight	3 332	3 484	5 904	4 859	13.4%	2.0%	6 343	6 369	6 550	10.5%	2.0%
Community Development	17 421	14 512	21 557	28 930	18.4%	9.6%	50 630	60 856	71 479	35.2%	17.8%

Table 19.14 Social Policy and Integrated Service Delivery (continued)

Subprogramme	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
R thousand											
National Development Agency	144 782	83 469	161 360	166 263	4.7%	64.6%	171 713	178 337	184 381	3.5%	59.0%
Programme Management	2 398	1 193	1 581	1 956	-6.6%	0.8%	3 013	3 034	3 181	17.6%	0.9%
<b>Total</b>	<b>211 031</b>	<b>144 310</b>	<b>244 858</b>	<b>260 253</b>	<b>7.2%</b>	<b>100.0%</b>	<b>289 731</b>	<b>310 159</b>	<b>326 971</b>	<b>7.9%</b>	<b>100.0%</b>
Change to 2012 Budget estimate				9 209			27 115	33 616	37 707		

**Economic classification**

<b>Current payments</b>	<b>63 157</b>	<b>57 759</b>	<b>71 712</b>	<b>88 678</b>	<b>12.0%</b>	<b>32.7%</b>	<b>81 476</b>	<b>85 160</b>	<b>85 639</b>	<b>-1.2%</b>	<b>28.7%</b>
Compensation of employees	37 849	40 384	42 868	50 209	9.9%	19.9%	57 427	60 422	64 657	8.8%	19.6%
Goods and services	25 308	17 375	28 844	38 469	15.0%	12.8%	24 049	24 738	20 982	-18.3%	9.1%
of which:											
Administration fees	511	819	704	1 243	34.5%	0.4%	574	603	632	-20.2%	0.3%
Advertising	341	879	3 092	1 731	71.9%	0.7%	2 153	2 258	2 361	10.9%	0.7%
Assets less than the capitalisation threshold	61	58	84	130	28.6%	-	140	148	154	5.9%	-
Bursaries: Employees	-	-	-	81	-	-	137	144	150	22.8%	-
Catering: Departmental activities	459	496	1 807	2 840	83.6%	0.7%	846	887	930	-31.1%	0.5%
Communication (G&S)	198	511	1 472	1 082	76.1%	0.4%	1 167	1 223	1 281	5.8%	0.4%
Computer services	686	1	-	-	-100.0%	0.1%	2	2	2	-	-
Consultants and professional services: Business and advisory services	6 034	3 524	1 981	11 446	23.8%	2.7%	5 323	4 138	4 324	-27.7%	2.1%
Consultants and professional services: Legal costs	98	10	-	-	-100.0%	-	-	-	-	-	-
Contractors	1 090	113	518	330	-32.8%	0.2%	98	102	107	-31.3%	0.1%
Agency and support / outsourced services	28	202	700	325	126.4%	0.1%	343	360	377	5.1%	0.1%
Entertainment	563	7	57	35	-60.3%	0.1%	20	22	23	-13.3%	-
Inventory: Fuel, oil and gas	5	-	1	-	-100.0%	-	-	-	-	-	-
Inventory: Other consumables	15	19	5	34	31.3%	-	21	22	23	-12.2%	-
Inventory: Stationery and printing	2 035	1 728	2 310	2 350	4.9%	1.0%	4 485	4 215	3 294	11.9%	1.2%
Operating leases	191	160	67	153	-7.2%	0.1%	209	221	232	15.0%	0.1%
Property payments	-	3	6	1	-	-	-	-	-	-100.0%	-
Travel and subsistence	9 452	6 208	10 066	8 538	-3.3%	4.0%	4 569	5 652	2 788	-31.1%	1.8%
Training and development	1 047	122	601	419	-26.3%	0.3%	691	725	760	22.0%	0.2%
Operating payments	69	316	1 206	561	101.1%	0.3%	403	423	442	-7.6%	0.2%
Venues and facilities	2 425	2 199	4 167	7 169	43.5%	1.9%	2 868	3 593	3 102	-24.4%	1.4%
<b>Transfers and subsidies</b>	<b>147 565</b>	<b>86 053</b>	<b>172 487</b>	<b>170 263</b>	<b>4.9%</b>	<b>67.0%</b>	<b>207 465</b>	<b>224 261</b>	<b>240 559</b>	<b>12.2%</b>	<b>71.0%</b>
Departmental agencies and accounts	144 782	83 469	161 360	166 263	4.7%	64.6%	171 713	178 337	184 381	3.5%	59.0%
Foreign governments and international organisations	588	408	881	956	17.6%	0.3%	1 395	1 438	1 495	16.1%	0.4%
Non-profit institutions	2 192	1 932	10 187	3 044	11.6%	2.0%	34 357	44 486	54 683	161.9%	11.5%
Households	3	244	59	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>309</b>	<b>486</b>	<b>642</b>	<b>1 312</b>	<b>61.9%</b>	<b>0.3%</b>	<b>790</b>	<b>738</b>	<b>773</b>	<b>-16.2%</b>	<b>0.3%</b>
Machinery and equipment	309	486	642	1 312	61.9%	0.3%	790	738	773	-16.2%	0.3%
<b>Payments for financial assets</b>	<b>-</b>	<b>12</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>211 031</b>	<b>144 310</b>	<b>244 858</b>	<b>260 253</b>	<b>7.2%</b>	<b>100.0%</b>	<b>289 731</b>	<b>310 159</b>	<b>326 971</b>	<b>7.9%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.2%	0.2%	0.2%	0.2%			0.2%	0.2%	0.2%		

**Details of transfers and subsidies**

<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>144 782</b>	<b>83 469</b>	<b>161 360</b>	<b>166 263</b>	<b>4.7%</b>	<b>64.6%</b>	<b>171 713</b>	<b>178 337</b>	<b>184 381</b>	<b>3.5%</b>	<b>59.0%</b>
National Development Agency	144 782	83 469	161 360	166 263	4.7%	64.6%	171 713	178 337	184 381	3.5%	59.0%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>2 192</b>	<b>1 932</b>	<b>10 187</b>	<b>3 044</b>	<b>11.6%</b>	<b>2.0%</b>	<b>34 357</b>	<b>44 486</b>	<b>54 683</b>	<b>161.9%</b>	<b>11.5%</b>
National Association of People Living with HIV and AIDS	-	191	473	500	-	0.1%	530	562	588	5.6%	0.2%
Soul City	1 000	1 000	4 500	1 000	-	0.9%	1 000	1 000	1 046	1.5%	0.3%
National Association of Burial Societies of South Africa	386	455	-	-	-100.0%	0.1%	1 050	1 113	1 164	-	0.3%
Africa Institute for Community Driven Development	806	286	214	544	-12.3%	0.2%	577	611	639	5.5%	0.2%
Population Association of Southern Africa	-	-	-	-	-	-	200	200	200	-	0.1%
FoodBank South Africa	-	-	5 000	1 000	-	0.7%	31 000	41 000	51 046	271.0%	10.4%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3</b>	<b>244</b>	<b>59</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	3	244	59	-	-100.0%	-	-	-	-	-	-

Table 19.14 Social Policy and Integrated Service Delivery (continued)

R thousand	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
<b>Details of transfer and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	588	408	881	956	17.6%	0.3%	1 395	1 438	1 495	16.1%	0.4%
United National Research Institute for Department of Social Development	100	105	100	110	3.2%	-	120	127	133	6.5%	-
Organisation for Economic Cooperation and Development	-	-	304	300	-	0.1%	300	300	314	1.5%	0.1%
United Nations Population Fund	180	191	200	210	5.3%	0.1%	444	471	498	33.4%	0.1%
Partners in Population and Development	308	112	277	336	2.9%	0.1%	531	540	550	17.9%	0.2%

## Personnel information

Table 19.15 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>

Post status as at 30 September 2012	Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate <sup>3</sup>			Medium-term expenditure estimate						Average growth rate (%) 2012/13 - 2015/16	Salary level/total: Average (%)			
			2011/12		2012/13		2013/14		2014/15		2015/16								
<b>Social Policy and Integrated Service Delivery</b>			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	131	7	120	42.9	0.4	132	50.2	0.4	128	57.4	0.4	129	60.4	0.5	130	64.7	0.5	-0.5%	100.0%
1 – 6	25	6	26	4.1	0.2	31	5.1	0.2	31	5.7	0.2	31	6.0	0.2	31	6.4	0.2	-	23.9%
7 – 10	58	-	49	12.0	0.2	56	15.9	0.3	49	16.3	0.3	50	17.1	0.3	51	18.4	0.4	-3.1%	39.7%
11 – 12	31	-	30	14.5	0.5	30	16.1	0.5	30	17.6	0.6	30	18.5	0.6	30	19.8	0.7	-	23.1%
13 – 16	17	1	15	12.3	0.8	15	13.0	0.9	18	17.8	1.0	18	18.7	1.0	18	20.1	1.1	6.3%	13.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The bulk of spending in this programme over the medium term comprises transfer payments made to the National Development Agency to implement sustainable community driven projects that address support to non-profit organisations for food security, employment creation and income opportunities.

Between 2012/13 and 2015/16, expenditure is expected to increase due to an additional allocation of R120 million to FoodBank South Africa to strengthen the Food for All programme in the *Community Development* subprogramme. This allocation will result in 3 million people being fed through a network of food banks operated by FoodBank South Africa by 2015/16. In order to increase awareness of the services offered by the department to communities, a series of outreach programmes were implemented between 2011/12 and 2012/13, contributing to the growth in spending in the *Community Development* subprogramme. The significant increase in expenditure on consultants in 2012/13 relates to the review of the National Development Agency, also funded within the *Community Development* subprogramme. The review of the agency had to be an independent study, and consultants were therefore appointed.

Greater focus was placed on anti-substance abuse campaigns in 2011/12, resulting in increased expenditure on the *Substance Abuse Advisory Services and Oversight* subprogramme. This will continue over the medium term. The increases in expenditure on goods and services items such as catering, venues and advertising between 2009/10 and 2012/13 relate to the non-profit organisations summit and dialogues held in 2012/13. These increases also account for the increased spending in the *Registration and Monitoring of Non Profit Organisations* subprogramme for the same year.

The 2013/14 allocation also include reductions of R12 million from the National Development Agency, and R18.7 million from non-essential goods and services items, as part of the Cabinet approved budget reductions. The decrease in expenditure on goods and services over the medium term is also explained by these reductions.

The programme has a funded establishment of 131 posts. The position of deputy director general for the programme has been vacant for more than two years, but is in the process of being filled. Appointments for some posts have been approved and are awaiting the candidates' acceptance of offers, and the remaining posts are being advertised. By 2015/16 the programme will employ 130 people.

## Subprogramme: Registration and Monitoring of Non-Profit Organisations

This subprogramme provides for the registration of non-profit organisations in terms of the Non-Profit Organisations Act (1997). By July 2012, over 100 000 non-profit organisations were registered on the Non-Profit Organisations database. A key output in 2012/13 was the development of an online registration system for non-profit organisations. Over the medium term, the focus will be on creating efficiencies in registering these organisations and investigating the feasibility of establishing a regulatory body for them.

## Expenditure estimates

Table 19.16 Registration and Monitoring of Non-Profit Organisations

Economic classification	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
R thousand											
<b>Current payments</b>	<b>10 938</b>	<b>12 224</b>	<b>14 072</b>	<b>22 787</b>	<b>27.7%</b>	<b>98.7%</b>	<b>19 091</b>	<b>19 974</b>	<b>20 138</b>	<b>-4.0%</b>	<b>98.9%</b>
Compensation of employees	7 645	8 642	9 270	13 013	19.4%	63.5%	15 306	16 279	17 420	10.2%	74.8%
Goods and services	3 293	3 582	4 802	9 774	43.7%	35.3%	3 785	3 695	2 718	-34.7%	24.1%
of which:											
Administration fees	37	38	33	316	104.4%	0.7%	121	129	135	-24.7%	0.8%
Advertising	–	500	–	509	–	1.7%	9	10	10	-73.0%	0.6%
Assets less than the capitalisation threshold	47	51	39	32	-12.0%	0.3%	34	36	38	5.9%	0.2%
Bursaries: Employees	–	–	–	49	–	0.1%	51	54	56	4.6%	0.3%
Catering: Departmental activities	15	13	335	632	248.0%	1.6%	34	36	38	-60.8%	0.9%
Communication	18	100	687	43	33.7%	1.4%	45	48	50	5.2%	0.2%
Consultants and professional services: Business and advisory services	1 965	925	909	1 949	-0.3%	9.5%	505	381	412	-40.4%	3.9%
Consultants and professional services: Legal costs	4	–	–	–	-100.0%	–	–	–	–	–	–
Contractors	50	5	103	261	73.5%	0.7%	3	4	4	-75.2%	0.3%
Agency and support / outsourced services	28	202	209	324	126.2%	1.3%	340	361	378	5.3%	1.7%
Entertainment	2	2	2	6	44.2%	–	7	7	7	5.3%	–
Inventory: Other consumables	4	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Stationery and printing	81	694	342	1 135	141.1%	3.7%	1 192	1 263	821	-10.2%	5.3%
Operating leases	36	44	11	43	6.1%	0.2%	45	48	50	5.2%	0.2%
Travel and subsistence	712	912	1 029	1 221	19.7%	6.4%	1 059	1 123	515	-25.0%	4.7%
Training and development	137	77	288	162	5.7%	1.1%	170	177	185	4.5%	0.8%
Operating payments	–	9	815	100	–	1.5%	–	–	–	-100.0%	0.1%
Venues and facilities	157	10	–	2 992	167.1%	5.2%	170	18	19	-81.5%	3.9%
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	–	–	4	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>85</b>	<b>234</b>	<b>237</b>	<b>205</b>	<b>34.1%</b>	<b>1.3%</b>	<b>217</b>	<b>230</b>	<b>241</b>	<b>5.5%</b>	<b>1.1%</b>
Machinery and equipment	85	234	237	205	34.1%	1.3%	217	230	241	5.5%	1.1%
<b>Total</b>	<b>11 023</b>	<b>12 458</b>	<b>14 313</b>	<b>22 992</b>	<b>27.8%</b>	<b>100.0%</b>	<b>19 308</b>	<b>20 204</b>	<b>20 379</b>	<b>-3.9%</b>	<b>100.0%</b>
<b>Proportion of total subprogramme expenditure to programme expenditure</b>	<b>5.2%</b>	<b>8.6%</b>	<b>5.8%</b>	<b>8.8%</b>			<b>6.7%</b>	<b>6.5%</b>	<b>6.2%</b>		

## Personnel information

Table 19.17 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>

Post status as at 30 September 2012	Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate <sup>3</sup>			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2011/12		Unit Cost	2012/13		Unit Cost	2013/14		Unit Cost	2014/15		Unit Cost			2015/16		Unit Cost
<b>Registration and Monitoring of Non-Profit Organisations</b>			<b>Number</b>	<b>Cost</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Cost</b>		
Salary level	47	5	37	9	0.3	48	13	0.3	43	15	0.4	44	16	0.4	45	17	0.4	-2.1%	100.0%
1 – 6	12	5	12	2	0.2	17	3	0.2	17	3	0.2	17	3	0.2	17	4	0.2	–	37.8%
7 – 10	27	–	20	4.4	0.2	26	7.2	0.3	19	6.6	0.3	20	7.0	0.3	21	7.5	0.4	-6.9%	47.8%
11 – 12	4	–	3	1.1	0.4	3	1.4	0.5	3	1.7	0.6	3	1.8	0.6	3	1.9	0.6	–	6.7%
13 – 16	4	–	2	1.7	0.8	2	1.7	0.9	4	3.8	0.9	4	4.0	1.0	4	4.3	1.1	26.0%	7.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

## Expenditure trends

The spending focus over the medium term will be on improving the current system for registration, developing an efficient process for compliance monitoring of non-profit organisations, as well as investigating the feasibility of establishing a regulatory body for these organisations. The increased expenditure will lead to 95 per cent of non-profit organisation applications for registration being processed within 90 days by 2015/16, and to the training of 2 500 non-profit organisations on aspects of governance in accordance with the Non-Profit Organisations Act (1997).

Expenditure on goods and services increased significantly in 2012/13 due to a once-off allocation for the non-profit organisations dialogues and summit held that year. These dialogues provided a platform for government and the non-profit sector to engage with each other.

The subprogramme has a funded staff establishment of 47 posts, with no vacancies at the end of 2012/13. In 2012/13, contract workers were hired to deal with the backlog of non-profit organisation registrations. The total number of people employed on the establishment will stabilise at 45 by 2015/16.

## Public entities and other agencies

### South African Social Security Agency

#### Mandate and goals

The South African Social Security Agency Act (2004) provides for the establishment of the South African Social Security Agency, whose objectives are to ensure the effective and efficient administration, management and payment of social assistance. The core business of the agency is to administer, finance and pay social assistance transfers.

The agency's strategic goals over the medium term are to:

- improve the effectiveness and efficiency of the administration of the social assistance programme
- ensure that eligible beneficiaries receive benefits due to them
- improve the quality of service delivery
- achieve a fully integrated and automated social assistance system
- ensure that the agency is optimally capacitated for service delivery; and to decrease the incidence of payment of fraudulent grants.

Other key focus areas over the medium term include improvements to the administration of social relief of distress; and to the management information system, the call centre, and the agency's infrastructure.

## Selected performance indicators

**Table 19.18 South African Social Security Agency**

Indicator	Programme/ Activity/Objective	Past			Current	Projections		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Average cost of administering social assistance (R/beneficiary) <sup>1</sup>	Grants administration and customer services	34.08	30.23	29.30	29.80	33.44	34.10	34.31
Administration cost as a percentage of social assistance transfers budget <sup>2</sup>	Grants administration and customer services	6.9% (R5bn)	5.9% (R5.2bn)	5.5% (R5.3bn)	5.5% (R5.7bn)	5.8% (R6.6bn)	5.6% (R6.9bn)	5.4% (R7.1bn)
Number of pay points improved <sup>3</sup>	Grants administration and customer services	- <sup>3</sup>	- <sup>3</sup>	300	310	310	310	310
Number of local offices improved <sup>4</sup>	Corporate services	- <sup>4</sup>	- <sup>4</sup>	- <sup>4</sup>	30	72	72	72

1. The historical figures may vary from the 2012 ENE due to revised numbers.

2. The historical figures may vary from the 2012 ENE due to revised numbers.

3. New project that started in 2011/12.

4. New project that started in 2012/13.

## Programmes/activities/objectives

Table 19.19 South African Social Security Agency

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16		
R thousand											
Executive management	235 020	257 438	140 422	221 524	-2.0%	3.9%	229 371	240 839	251 918	4.4%	3.6%
Corporate services	739 288	699 370	698 505	850 744	4.8%	13.8%	1 011 599	1 096 978	1 059 634	7.6%	15.3%
Finance	2 770 030	2 539 350	2 518 404	2 430 083	-4.3%	47.4%	2 542 669	2 614 578	2 658 635	3.0%	39.2%
Information technology	472 505	347 396	379 908	446 455	-1.9%	7.6%	517 509	544 805	601 246	10.4%	8.0%
Grants administration and customer services	1 140 345	1 224 458	1 448 742	1 697 600	14.2%	25.4%	2 160 794	2 240 191	2 355 042	11.5%	32.1%
Strategy and business development	21 453	22 468	21 910	37 892	20.9%	0.5%	39 900	40 984	42 213	3.7%	0.6%
Internal audit	86 818	85 840	65 813	70 948	-6.5%	1.4%	74 495	77 567	80 548	4.3%	1.2%
<b>Total expense</b>	<b>5 465 459</b>	<b>5 176 320</b>	<b>5 273 704</b>	<b>5 755 246</b>	<b>1.7%</b>	<b>100.0%</b>	<b>6 576 337</b>	<b>6 855 942</b>	<b>7 049 236</b>	<b>7.0%</b>	<b>100.0%</b>

## Expenditure estimates

Table 19.20 South African Social Security Agency

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16		
R thousand											
<b>Revenue</b>											
<b>Non-tax revenue</b>	<b>13 260</b>	<b>7 669</b>	<b>16 018</b>	<b>1 115</b>	<b>-56.2%</b>	<b>0.2%</b>	<b>1 224</b>	<b>1 349</b>	<b>1 411</b>	<b>8.2%</b>	<b>0.0%</b>
Sale of goods and services other than capital assets	-	712	658	650	-	0.0%	714	786	822	8.1%	0.0%
of which:											
Sales by market establishment	-	712	658	650	-	0.0%	714	786	822	8.1%	0.0%
Other non-tax revenue	13 260	6 957	15 360	465	-67.3%	0.2%	510	563	589	8.2%	0.0%
<b>Transfers received</b>	<b>5 168 896</b>	<b>5 631 387</b>	<b>6 143 657</b>	<b>6 119 770</b>	<b>5.8%</b>	<b>99.8%</b>	<b>6 311 048</b>	<b>6 577 589</b>	<b>6 840 486</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>5 182 156</b>	<b>5 639 056</b>	<b>6 159 675</b>	<b>6 120 885</b>	<b>5.7%</b>	<b>100.0%</b>	<b>6 312 272</b>	<b>6 578 938</b>	<b>6 841 897</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Expenses</b>											
<b>Current expenses</b>	<b>5 452 922</b>	<b>5 157 030</b>	<b>5 263 488</b>	<b>5 735 242</b>	<b>1.7%</b>	<b>99.7%</b>	<b>6 554 723</b>	<b>6 833 247</b>	<b>7 025 498</b>	<b>7.0%</b>	<b>99.7%</b>
Compensation of employees	1 563 502	1 623 468	1 781 597	2 018 113	8.9%	32.2%	2 385 405	2 526 145	2 664 433	9.7%	36.5%
Goods and services	3 835 733	3 472 322	3 417 170	3 651 524	-1.6%	66.4%	4 104 190	4 238 721	4 299 415	5.6%	62.2%
of which:											
Agency and support/outourced services	100 722	86 595	94 083	92 709	-2.7%	1.7%	147 629	155 510	162 130	20.5%	2.3%
Consultants and professional services	64 759	68 497	49 292	78 313	6.5%	1.2%	71 826	89 275	97 056	7.4%	1.3%
Payment contractors	2 439 789	2 232 186	2 203 692	2 091 578	-5.0%	41.5%	2 040 000	2 074 000	2 156 960	1.0%	30.6%
Communication	103 140	101 976	90 685	93 501	-3.2%	1.8%	115 581	121 244	126 095	10.5%	1.8%
Computer services	255 185	254 451	202 177	387 011	14.9%	5.0%	496 200	521 984	544 559	12.1%	7.6%
Travel and subsistence	77 445	84 555	57 615	90 000	5.1%	1.4%	95 577	100 260	104 270	5.0%	1.5%
Depreciation	51 535	59 441	63 829	64 790	7.9%	1.1%	64 270	67 483	60 712	-2.1%	1.0%
Interest, dividends and rent on land	2 152	1 799	892	815	-27.7%	0.0%	858	898	938	4.8%	0.0%
<b>Transfers and subsidies</b>	<b>12 537</b>	<b>19 290</b>	<b>10 216</b>	<b>20 004</b>	<b>16.9%</b>	<b>0.3%</b>	<b>21 614</b>	<b>22 695</b>	<b>23 738</b>	<b>5.9%</b>	<b>0.3%</b>
<b>Total expenses</b>	<b>5 465 459</b>	<b>5 176 320</b>	<b>5 273 704</b>	<b>5 755 246</b>	<b>1.7%</b>	<b>100.0%</b>	<b>6 576 337</b>	<b>6 855 942</b>	<b>7 049 236</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Surplus / (Deficit)</b>	<b>(283 303)</b>	<b>462 736</b>	<b>885 971</b>	<b>365 639</b>	<b>-208.9%</b>		<b>(264 064)</b>	<b>(277 004)</b>	<b>(207 339)</b>	<b>-182.8%</b>	
<b>Statement of financial position</b>											
Carrying value of assets	508 164	450 576	476 477	441 996	-4.5%	53.0%	391 361	365 560	348 962	-7.6%	30.8%
of which:											
Acquisition of assets	86 588	23 317	92 808	5 582	-59.9%	6.3%	5 579	5 580	5 580	-0.0%	0.5%
Inventory	14 869	13 703	8 836	22 578	14.9%	1.6%	9 889	9 984	10 027	-23.7%	1.0%
Receivables and prepayments	20 274	34 646	32 793	33 396	18.1%	3.2%	38 196	40 106	41 951	7.9%	3.2%
Cash and cash equivalents	9 321	199 043	1 039 611	1 265 827	414.0%	42.2%	978 797	712 318	518 294	-25.7%	65.1%
<b>Total assets</b>	<b>552 628</b>	<b>697 968</b>	<b>1 557 717</b>	<b>1 763 797</b>	<b>47.2%</b>	<b>100.0%</b>	<b>1 418 243</b>	<b>1 127 968</b>	<b>919 234</b>	<b>-19.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(600 274)	(137 537)	748 433	1 114 073	-222.9%	-4.3%	850 009	573 005	365 666	-31.0%	53.4%
Borrowings	310 838	-	-	-	-100.0%	14.1%	-	-	-	-	-
Managed funds (e.g. poverty alleviation fund)	3 682	2 533	3 371	3 425	-2.4%	0.4%	3 502	3 599	3 605	1.7%	0.3%
Trade and other payables	491 820	511 095	388 789	250 000	-20.2%	50.3%	122 546	109 812	106 860	-24.7%	11.0%
Provisions	346 562	321 877	417 124	396 299	4.6%	39.5%	442 186	441 552	443 103	3.8%	35.2%
<b>Total equity and liabilities</b>	<b>552 628</b>	<b>697 968</b>	<b>1 557 717</b>	<b>1 763 797</b>	<b>47.2%</b>	<b>100.0%</b>	<b>1 418 243</b>	<b>1 127 968</b>	<b>919 234</b>	<b>-19.5%</b>	<b>100.0%</b>

## Personnel Information

**Table 19.21 South African Social Security Agency**

Salary level	Post status estimated for 31 March 2013		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number	
	Number of funded posts	Number of vacant posts	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)
			2011/12			2012/13			2013/14			2014/15			2015/16				
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
	9 727	385	8 437	1 781.6	0.2	9 342	2 018.1	0.2	9 910	2 385.4	0.2	9 910	2 525.6	0.3	9 910	2 664.3	0.3	2.0%	100.0%
1 – 6	6 491	341	5 326	793.3	0.1	6 150	759.9	0.1	6 674	1 120.1	0.2	6 674	1 186.4	0.2	6 674	1 266.6	0.2	2.8%	67.0%
7 – 10	2 552	39	2 458	613.5	0.2	2 513	842.3	0.3	2 552	771.8	0.3	2 552	817.0	0.3	2 552	851.5	0.3	0.5%	26.0%
11 – 12	478	4	458	233.7	0.5	474	259.9	0.5	478	286.6	0.6	478	303.5	0.6	478	320.5	0.7	0.3%	4.9%
13 – 16	206	1	195	141.1	0.7	205	156.0	0.8	206	206.9	1.0	206	218.6	1.1	206	225.6	1.1	0.2%	2.1%

1. Rand million.

## Expenditure trends

Both the spending and strategic focus of the South African Social Security Agency over the medium term remains the administration and payment of social grants. The bulk of the budget goes towards payments to cash contractors, who are hired by the agency to disburse social grants to beneficiaries. The second largest allocation on the budget is on personnel expenditure. These two items on average make up 37 per cent and 32 per cent of the total budget over the medium term. Included in the budget under goods and services are allocations for projects aimed at improving the manner in which services are provided to social grant beneficiaries. These include improvements to the condition of the infrastructure at pay points, and aim to ensure that grant beneficiaries are provided services under humane conditions. The target is to improve 310 pay points and 72 local offices each year. Other projects include automation, which aims to achieve efficiency in service delivery through the improvement of the turnaround time for grant approval. The aim is to process all new grant applications within 21 working days from the time of application. The agency also intends to strengthen the authentication and authorisation of social pension system personnel by implementing a biometrics system as an additional measure to reduce fraud. These interventions contribute to the expected growth in the IT programme over the medium term.

Expenditure in the grants administration and customer services programme over the medium term is largely driven by spending on personnel, and the statutory requirements that the agency is obliged to meet. The Social Assistance Act (2004) requires the agency to perform certain activities in relation to the administration of grants, such as the review of the status of grant beneficiaries. The purpose of reviews and life certifications is to ensure the continued eligibility of beneficiaries for social grants, and to ensure that they are still alive. Another significant allocation goes to the assessment fees that are paid to medical practitioners who are contracted to perform medical assessments on those intending to apply for disability related grants. These assessments are conducted to ensure that the persons who are approved to receive disability grants are indeed eligible for them. The budget also provides for an allocation that is focused on improving access to grants by citizens living in remote rural areas. This will be achieved under the integrated community registration outreach programme. All this expenditure is reflected under goods and services.

Spending in the finance programme mainly comprises payment of contractor fees for the payment of social grants. Expenditure decreases over the medium term as a result of the new payment contract. The cost of paying out social grants has been reduced from an average of R32 to a standard fee of R16. Linked to the new payment system is the re-registration of all social grants beneficiaries throughout the country on the agency's new payment system. This process involves capturing the personal data and biometric information of beneficiaries, including all 10 finger prints and a photograph, and issuing them with a South African Social Security Agency card. This new payment solution will enable the agency to have a solid database of all beneficiaries. An advantage for beneficiaries is that they will now also be able to receive their grants anywhere in the country, unlike in the past where they only had access to their grants at their local pay points. This project resulted in increased expenditure in goods and services in 2012/13.

The increases in spending on compensation of employees over the medium term are mainly the result of vacant critical posts being filled following a 2011/12 investigation, which revealed that the agency was experiencing service delivery problems as there was no standard capacity model for all local offices. The investigation revealed that a total of 648 critical posts will need to be filled over the medium term. The agency has a funded staff establishment of 9 727 posts. As at 30 December 2012, 9 342 posts were filled, resulting in 385 vacancies as a result of a moratorium the agency had placed on filling posts until its deficit had been cleared. Now that the agency has cleared the deficit and built up some savings, additional people will be employed. The vacant posts were prevalent in levels 1-6 and 7-10. The number of people employed will reach 9 910 in 2013/14. In this regard, R360.5 million is reprioritised from goods and services in 2013/14 to spend on compensation of employees for the planned acquisition of human capital, particularly at district and local offices. This will see the agency expand its services to remote rural areas and improve the delivery of services to grant beneficiaries in general. The agency has also taken a strategic decision that the ratio of support staff to line staff will be 1:4, meaning that the majority of posts to be filled will be at local offices that deal with the day-to-day administration of social grants.

The use of consultants accounts for 1 per cent of the total budget. Currently, consulting services are used in the area of enterprise resource planning, and over the medium term, consultants will be used for the development of the new payment model. An advisory panel will be established to do this, and will be paid from the budget item for consultants.

As a result of cost containment measures and other interventions, an accumulated overdraft of R839.4 million at the end of 2008/09 has now been cleared, and the agency had a net surplus of R747.8 million in 2011/12.

## National Development Agency

### Mandate and goals

The National Development Agency's mandate is outlined in the National Development Agency Act (1998). The agency's primary mandate is to contribute to eradicating poverty and its causes by granting funds to civil society organisations to implement development projects in poor communities, and strengthening the institutional capacity of civil society organisations that provide services to the poor. Its secondary mandate promotes: consultation, dialogue, and the sharing of development experience between civil society organisations and relevant organs of state; research; and publications intended to provide the basis for development policy.

The agency's strategic goal was developed in the context of the five government priorities: the creation of decent work and sustainable livelihoods, education, health, rural development, and food security and land reform.

The agency's strategic goal over the medium term is to make use of strategic partnerships to enable poor communities to achieve sustainable livelihoods and so eradicate poverty. It aims to do this primarily by increasing the number of funded civil society organisations that are involved in development, and increasing the number of civil society organisations which have developed capabilities in areas such as financial management and governance.

The agency's mandate is being reviewed, as it has been acknowledged that it is not sufficiently focused. This may result in the agency changing its strategic focus over the medium term.

### Selected performance indicators

**Table 19.22 National Development Agency**

Indicator	Programme/ Activity/Objective	Past			Current	Projections		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Amount of funds committed to poverty eradication projects	Development management	R95m	R42.4m	R81.1m	R74.8m	R60m	R82.5m	R88m
Number of projects and programmes funded	Development management	77	43	69	65	65	75	80
Number of civil society organisations capacitated in civil society organisation management and technical skills	Capacity building	34	101	199	210	239	254	270
Number of jobs created through funded projects	Development management	1 761	1 613	1 528	1 277	933	1 042	1 070
Percentage (and amount) of expenditure allocated to administration	Administration and governance	26% (R42.2m)	36% (R43.5m)	35% (R58.9m)	33% (R60.4m)	31% (R55m)	30% (R57.2m)	29% (R58.1m)

## Programmes/activities/objectives

**Table 19.23 National Development Agency**

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16	
R thousand											
Development management	111 520	70 910	97 345	110 586	-0.3%	61.4%	112 570	120 745	129 197	5.3%	62.8%
Capacity building	2 684	1 841	6 897	3 539	9.7%	2.3%	4 000	5 000	7 000	25.5%	2.6%
Research and development	5 937	7 499	3 527	6 224	1.6%	3.8%	8 001	8 218	7 528	6.5%	4.0%
Administration and governance	42 205	43 460	58 864	60 438	12.7%	32.5%	55 014	57 219	58 067	-1.3%	30.7%
<b>Total expense</b>	<b>162 346</b>	<b>123 710</b>	<b>166 633</b>	<b>180 787</b>	<b>3.7%</b>	<b>100.0%</b>	<b>179 585</b>	<b>191 182</b>	<b>201 792</b>	<b>3.7%</b>	<b>100.0%</b>

## Expenditure estimates

**Table 19.24 National Development Agency**

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16	
R thousand											
<b>Revenue</b>											
<b>Non-tax revenue</b>	<b>16 289</b>	<b>10 206</b>	<b>6 092</b>	<b>11 000</b>	<b>-12.3%</b>	<b>7.7%</b>	<b>6 000</b>	<b>7 000</b>	<b>17 411</b>	<b>16.5%</b>	<b>5.4%</b>
<i>Other non-tax revenue</i>	16 289	10 206	6 092	11 000	-12.3%	7.7%	6 000	7 000	17 411	16.5%	5.4%
<b>Transfers received</b>	<b>144 782</b>	<b>83 469</b>	<b>163 391</b>	<b>169 787</b>	<b>5.5%</b>	<b>92.3%</b>	<b>173 585</b>	<b>184 182</b>	<b>184 381</b>	<b>2.8%</b>	<b>94.6%</b>
<b>Total revenue</b>	<b>161 071</b>	<b>93 675</b>	<b>169 483</b>	<b>180 787</b>	<b>3.9%</b>	<b>100.0%</b>	<b>179 585</b>	<b>191 182</b>	<b>201 792</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Expenses</b>											
<b>Current expenses</b>	<b>80 018</b>	<b>83 318</b>	<b>94 596</b>	<b>106 619</b>	<b>10.0%</b>	<b>58.1%</b>	<b>102 395</b>	<b>106 244</b>	<b>106 944</b>	<b>0.1%</b>	<b>56.1%</b>
Compensation of employees	46 397	51 439	54 215	59 679	8.8%	33.9%	63 113	66 861	69 145	5.0%	34.3%
Goods and services	32 085	30 846	38 686	45 104	12.0%	23.2%	37 662	38 183	36 481	-6.8%	21.0%
Depreciation	1 536	1 033	1 695	1 836	6.1%	1.0%	1 620	1 200	1 318	-10.5%	0.8%
<b>Transfers and subsidies</b>	<b>82 328</b>	<b>40 392</b>	<b>72 037</b>	<b>74 168</b>	<b>-3.4%</b>	<b>41.9%</b>	<b>77 190</b>	<b>84 938</b>	<b>94 848</b>	<b>8.5%</b>	<b>43.9%</b>
<b>Total expenses</b>	<b>162 346</b>	<b>123 710</b>	<b>166 633</b>	<b>180 787</b>	<b>3.7%</b>	<b>100.0%</b>	<b>179 585</b>	<b>191 182</b>	<b>201 792</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(1 275)</b>	<b>(30 035)</b>	<b>2 850</b>	<b>-</b>	<b>-100.0%</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>											
Carrying value of assets	4 817	4 030	4 014	3 580	-9.4%	3.0%	2 512	1 853	1 488	-25.4%	2.2%
<i>of which:</i>											
<i>Acquisition of assets</i>	1 278	530	1 527	1 057	-6.1%	0.8%	450	697	600	-17.2%	0.7%
Receivables and prepayments	1 299	901	1 805	405	-32.2%	0.8%	433	460	496	7.0%	0.4%
Cash and cash equivalents	216 142	110 689	113 383	109 638	-20.2%	96.1%	103 041	103 283	99 355	-3.2%	97.4%
<b>Total assets</b>	<b>222 258</b>	<b>115 620</b>	<b>119 202</b>	<b>113 623</b>	<b>-20.0%</b>	<b>100.0%</b>	<b>105 986</b>	<b>105 596</b>	<b>101 339</b>	<b>-3.7%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	42 102	12 066	14 917	14 917	-29.2%	13.8%	14 917	14 917	14 917	-	14.0%
Capital reserve fund	-	-	9 772	-	-	2.0%	-	-	-	-	-
Trade and other payables	4 431	3 632	6 655	4 751	2.4%	3.7%	4 798	5 685	4 434	-2.3%	4.6%
Provisions	175 725	99 923	87 857	93 955	-18.8%	80.5%	86 270	84 993	81 967	-4.4%	81.4%
<b>Total equity and liabilities</b>	<b>222 258</b>	<b>115 621</b>	<b>119 201</b>	<b>113 623</b>	<b>-20.0%</b>	<b>100.0%</b>	<b>105 985</b>	<b>105 595</b>	<b>101 318</b>	<b>-3.7%</b>	<b>100.0%</b>

## Personnel information

**Table 19.25 National Development Agency**

Post status estimated for 31 March 2013		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of vacant posts	Actual			Revised estimates			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2011/12			2012/13			2013/14			2014/15					2015/16			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost	
Salary level	111	–	92	54.2	0.6	111	59.7	0.5	111	63.1	0.6	111	66.9	0.6	111	69.1	0.6	–	100.0%
1 – 6	15	–	11	1.3	0.1	15	1.6	0.1	15	1.6	0.1	15	1.7	0.1	15	1.8	0.1	–	13.5%
7 – 10	23	–	19	6.1	0.3	23	6.8	0.3	23	7.2	0.3	23	7.6	0.3	23	8.0	0.3	–	20.7%
11 – 12	45	–	39	23.1	0.6	45	23.9	0.5	45	25.4	0.6	45	26.9	0.6	45	28.4	0.6	–	40.5%
13 – 16	28	–	23	23.7	1.0	28	27.4	1.0	28	28.9	1.0	28	30.6	1.1	28	31.0	1.1	4.1%	25.2%

1. Rand million.

## Expenditure trends

The spending focus over the medium term for the National Development Agency will be on granting funds through the development management programme to civil society organisations that provide services to poor communities for development projects such as early childhood development, food security and job creation. This can be seen from the expenditure against transfers and subsidies. The programme intends to fund 80 projects, targeting 12 311 beneficiaries by 2015/16, when a total of R129 million will be available for project funding. Funds in this programme were reprioritised away from goods and services to transfers, resulting in negative growth against goods and services.

Spending in the capacity building programme is expected to increase over the MTEF period in order to increase the number of civil society organisations that receive training in governance and financial management, and in this way to make them compliant with the Non-Profit Organisations Act (1997). The agency expects to have taken 270 organisations through the capacity building programme by 2015/16.

The slower increase in spending in the administration programme over the medium term is in line with a decision made by the board in 2009/10 to reduce the ratio of administrative costs to line function expenditure. Various cost savings initiatives were put in place, such as the installation of a telephone management system, which resulted in less use of telephones and the use of communications technology such as Skype to reduce travelling costs. In this way, communication costs were reduced by about 32.5 per cent, and as a result, administration expenses will make up 30.7 per cent of the budget over the medium term compared to 32 per cent previously.

The number of filled posts is expected to remain constant over the medium term, at 111. There were no vacant posts at the end of September 2012. The positions filled in 2012/13 were classified as critical in the areas in which the agency is mandated to deliver on its key strategic objectives. The agency is projected to spend R5.6 million over the medium term on consultants who will develop a system to help the agency devise a new strategic focus to fulfil its capacity building role.

## Additional tables

**Table 19.A Summary of expenditure trends and estimates per programme and economic classification**

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		2011/12	Additional	Adjusted	
R thousand							
Administration	234 024	240 300	243 976	255 277	(1 602)	253 675	253 675
Social Assistance	97 560 213	97 103 213	95 972 987	104 887 916	–	104 887 916	104 239 415
Social Security Policy and Administration	6 244 402	6 244 549	6 228 295	6 308 700	(92 040)	6 216 660	6 212 805
Welfare Services Policy Development and Implementation Support	450 824	449 617	449 066	513 824	11 224	525 048	506 398
Social Policy and Integrated Service Delivery	243 234	246 208	244 858	251 044	9 209	260 253	260 253
<b>Total</b>	<b>104 732 697</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>112 216 761</b>	<b>(73 209)</b>	<b>112 143 552</b>	<b>111 472 546</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>543 743</b>	<b>544 860</b>	<b>523 121</b>	<b>626 808</b>	<b>859</b>	<b>627 667</b>	<b>605 162</b>
Compensation of employees	267 822	279 892	273 567	307 718	3 110	310 828	306 973
Goods and services	275 921	264 968	249 530	319 090	(2 251)	316 839	298 189
Interest and rent on land	–	–	24	–	–	–	–
<b>Transfers and subsidies</b>	<b>104 177 097</b>	<b>103 724 800</b>	<b>102 587 934</b>	<b>111 583 230</b>	<b>(80 596)</b>	<b>111 502 634</b>	<b>110 854 133</b>
Departmental agencies and accounts	6 549 017	6 549 017	6 549 017	6 622 533	(80 500)	6 542 033	6 542 033
Foreign governments and international organisations	1 938	2 741	2 444	2 344	23	2 367	2 367
Non-profit institutions	65 929	69 829	71 943	70 437	(119)	70 318	70 318
Households	97 560 213	97 103 213	95 964 530	104 887 916	–	104 887 916	104 239 415
<b>Payments for capital assets</b>	<b>11 857</b>	<b>14 227</b>	<b>17 909</b>	<b>6 723</b>	<b>6 528</b>	<b>13 251</b>	<b>13 251</b>
Machinery and equipment	11 392	13 762	16 918	6 368	6 528	12 896	12 896
Software and other intangible assets	465	465	991	355	–	355	355
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>10 218</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>104 732 697</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>112 216 761</b>	<b>(73 209)</b>	<b>112 143 552</b>	<b>111 472 546</b>

**Table 19.B Summary of expenditure on training**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Compensation of employees (R thousand)	220 123	246 980	273 567	310 828	340 672	358 829	383 730
Training expenditure (R thousand)	5 416	4 446	3 956	6 959	8 395	8 803	9 205
Training spend as percentage of compensation	2.5%	1.8%	1.4%	2.2%	2.5%	2.5%	2.4%
Total number trained (headcount)	400	437	429	423			
<i>of which:</i>							
Employees receiving bursaries (headcount)	74	75	95	118			
Learnerships (headcount)	13	58	–	–			
Internships (headcount)	64	43	53	49			
Households receiving bursaries (R thousand)	210 000	226 000	244 000	256 000	250 000	264 000	276 144
Households receiving bursaries (headcount)	5 250	5 625	4 844	6 339			

Table 19.C Summary of donor funding

Donor	Project	Departmental programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2012/13	Medium-term expenditure estimate		
							2009/10	2010/11	2011/12		2013/14	2014/15	2015/16
R thousand													
<b>Foreign In cash</b>													
United Kingdom Department for International Development	Programme for the development and evidence base for pro-poor policy in South Africa	Social Policy and Integrated Service Delivery	2004-2010	24 986	Goods and services	Concluded sectoral HIV and AIDS capacity building programme	7 578	-	696	-	-	-	-
Kreditanstalt Für Wiederaufbau (German Development Bank)	Support for orphans and other vulnerable children	Welfare Services Policy Development and Implementation Support	2010-2013	51 570	Goods and services	Constructed and refurbished extended community care centres and developed and implemented training	-	-	-	20 000	20 000	11 570	-
Global Fund	Strengthening monitoring and evaluation systems for orphans and other children made vulnerable by HIV and AIDS	Welfare Services Policy Development and Implementation Support	2010-2013	5 687	Goods and services	Developed orphans and vulnerable children district or municipality advocacy kits	-	-	-	1 777	3 910	-	-
Canadian International Development Agency	Child protection study	Welfare Services Policy Development and Implementation Support	2008-2013	30 000	Goods and services	Child protection study / register	2 419	3 617	4 141	6 000	8 000	-	-
<b>In kind</b>													
United Nations Children's Fund	Building capacity of social work professionals on child protection	Welfare Services Policy Development and Implementation Support	2010	3 000	Goods and services	Ensured an effective response to managing child protection cases	3 000	-	-	-	-	-	-
United States Agency for International Development	Development of norms, standards and practice guidelines for the Children's Act (2005)	Welfare Services Policy Development and Implementation Support	2009	1 764	Goods and services	Promoted uniform implementation of the Children's Act (2005)	1 764	-	-	-	-	-	-
United States Agency for International Development	Development of a monitoring and evaluation framework for the Children's Act (2005)	Welfare Services Policy Development and Implementation Support	2009	1 645	Goods and services	Monitored the implementation of the Children's Act (2005)	1 645	-	-	-	-	-	-
United States Agency for International Development	Development of training on the DVD on the Children's Act (2005)	Welfare Services Policy Development and Implementation Support	2009	919	Goods and services	Promoted audio visual overview and training on the Children's Act (2005)	919	-	-	-	-	-	-
United States Agency for International Development	Development of a national policy framework for the Children's Act (2005)	Welfare Services Policy Development and Implementation Support	2009	1 157	Goods and services	Ensured that the Children's Act (2005) is implemented in a coordinated, uniform and integrated manner	1 157	-	-	-	-	-	-
United States Agency for International Development	Thogomelo project	Welfare Services Policy Development and Implementation Support	2009/10	11 553	Goods and services	Registered a skills development programme on psychosocial wellbeing with the Health and Welfare Sector Education and Training Authority. 607 learners received training	11 553	-	-	-	-	-	-
United Nations Children's Fund	Training provided by Dr R Rist	Administration	2011/12	163	Goods and services	Capacity building	-	-	163	-	-	-	-
United Nations Children's Fund	Printing of comic grant book in partnership with the United Nations Children's Fund	Social Security Policy and Administration	2011/12	217	Goods and services	Information sharing	-	-	217	-	-	-	-

**Table 19.C Summary of donor funding (continued)**

Donor	Project	Departmental programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
United Nations Population Fund	Population environment development in integrated development plan training	Social Policy and Integrated Service Delivery	2011/12	150	Goods and services	Capacity building	-	-	150	-	-	-	-
United Nations Population Fund	Pan Africa population and climate change training course	Social Policy and Integrated Service Delivery	2011/12	400	Goods and services	Capacity building	-	-	400	-	-	-	-
United Nations Population Fund	Applied population sciences training and research capacity building programme- University of KwaZulu-Natal	Social Policy and Integrated Service Delivery	2011/12	270	Goods and services	Capacity building	-	-	270	-	-	-	-
United Nations Population Fund	Continuation of North West University partnership initiative towards a centre of excellence in population and demography studies	Social Policy and Integrated Service Delivery	2011/12	140	Goods and services	Capacity building	-	-	140	-	-	-	-
United Nations Children's Fund	Edit, design and layout of advocacy document on research done on prevention and early intervention programme in South Africa	Welfare Services Policy Development and Implementation Support	2011/12	150	Goods and services	Prevention and early intervention programmes aligned with chapter 8 of the Children's Act (2005)	-	-	150	-	-	-	-
United Nations Children's Fund	Develop a risk assessment tool for use by social work professionals: Phase 1	Welfare Services Policy Development and Implementation Support	2011/12	372	Goods and services	Prevention and early intervention programmes aligned with chapter 8 of the Children's Act (2005)	-	-	372	-	-	-	-
United Nations Children's Fund	Develop a risk assessment tool for use by social work professionals, phase 2	Welfare Services Policy Development and Implementation Support	2011/12	900	Goods and services	Prevention and early intervention programmes aligned with chapter 8 of the Children's Act (2005)	-	-	900	-	-	-	-
United States Agency for International Development	Implementation plan for the treatment of child abuse, neglect and exploitation	Welfare Services Policy Development and Implementation Support	2011-2013	3 584	Goods and services	Implementation plan for the treatment of child abuse, neglect and exploitation	-	-	704	2 880	-	-	-
United States Agency for International Development	Development of conceptual framework for accredited training in child protection for social workers	Welfare Services Policy Development and Implementation Support	2011-2013	3 558	Goods and services	Development of conceptual framework for accredited training in child protection for social workers	-	-	1 157	2 401	-	-	-
United States Agency for International Development	Thogomelo training of community caregivers	Welfare Services Policy Development and Implementation Support	2011/12	12 000	Goods and services	Training of community caregivers	-	-	12 000	-	-	-	-
Japan International Cooperation Agency	Training 4 officials in Japan	Social Security Policy and Administration	2011/12	410	Goods and services	Training officials in Japan	-	-	410	-	-	-	-
Japan International Cooperation Agency	Donate a vehicle for people with disabilities	Social Security Policy and Administration	2011/12	458	Asset	Donate a vehicle for people with disabilities	-	-	458	-	-	-	-
Japan International Cooperation Agency	Design a poster and banner	Social Security Policy and Administration	2011/12	54	Goods and services	Design a poster and banner	-	-	54	-	-	-	-
Japan International Cooperation Agency	Comic book translation	Social Security Policy and Administration	2011/12	9	Goods and services	Comic book translation	-	-	9	-	-	-	-

Table 19.C Summary of donor funding (continued)

Donor	Project	Departmental programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Japan International Cooperation Agency	Banner	Social Security Policy and Administration	2011/12	1	Goods and services	Banner	-	-	1	-	-	-	-
Japan International Cooperation Agency	Print comic book and poster	Social Security Policy and Administration	2011/12	147	Goods and services	Printing of comic book and banner	-	-	147	-	-	-	-
Japan International Cooperation Agency	Print Z-cards	Social Security Policy and Administration	2011/12	154	Goods and services	Printing of Z cards	-	-	154	-	-	-	-
United Nations Children's Fund	Test norms and standards for cluster foster care	Welfare Services Policy Development and Implementation Support	2011/12	432	Goods and services	Testing of norms and standards for cluster foster care	-	-	432	-	-	-	-
United Nations Children's Fund	Develop the assessment tool for children in alternative care	Welfare Services Policy Development and Implementation Support	2011/12	400	Goods and services	Development of the assessment tool for children in alternative care	-	-	400	-	-	-	-
United Nations Children's Fund	Master training on the assessment tool	Welfare Services Policy Development and Implementation Support	2011/12	160	Goods and services	Master training on the assessment tool	-	-	160	-	-	-	-
United Nations Children's Fund	Audit of the unregistered child and youth care centres	Welfare Services Policy Development and Implementation Support	2011/12	880	Goods and services	Audit of the unregistered child and youth care centres	-	-	880	-	-	-	-
United States Agency for International Development	Production, launch and distribution of the children service directory	Welfare Services Policy Development and Implementation Support	2011/12	929	Goods and services	Production, launch and distribution of the children service directory	-	-	929	-	-	-	-
United States Agency for International Development	Contract data capturers	Welfare Services Policy Development and Implementation Support	2011/12	22	Goods and services	Contract data capturers	-	-	22	-	-	-	-
United States Agency for International Development	Establish the Helpdesk for the home community based care information technology system	Welfare Services Policy Development and Implementation Support	2011/12	60	Goods and services	Establishment of the Helpdesk for the home community based care information technology system	-	-	60	-	-	-	-
United States Agency for International Development	Development of social and behaviour change strategy and a workshop	Welfare Services Policy Development and Implementation Support	2011/12	700	Goods and services	Development of social and behaviour change strategy and a workshop	-	-	700	-	-	-	-
European Union	Victim empowerment	Welfare Services Policy Development and Implementation Support	2008-2012	220 000	Goods and services	Victim empowerment projects	9 581	9 000	10 000	-	-	-	-
United Nations Children's Fund	Capacity building for HIV and AIDS in government	Welfare Services Policy Development and Implementation Support	2008-2012	150 000	Goods and services	Capacity building for HIV and AIDS in government	100	-	-	-	-	-	-
United Kingdom Department for International Development	Strengthen analytical capacity building	Welfare Services Policy Development and Implementation Support	2004-2010	53 200	Goods and services	Strengthening analytical capacity building	250	-	-	-	-	-	-
<b>Local In cash</b>													
Health and Welfare Sector Education and Training Authority	Training	Welfare Services Policy Development and Implementation Support	2012-2013	5 115	Goods and services	Offered a bursary	-	-	-	2 000	3 115	-	-
Health and Welfare Sector Education and Training Authority	Leadership for children and youth	Welfare Services Policy Development and Implementation Support	2009-2012	1 969	Goods and services	Provided leadership (ongoing)	164	490	1 315	-	-	-	-
<b>Total</b>				<b>589 285</b>			<b>40 130</b>	<b>13 107</b>	<b>37 591</b>	<b>35 058</b>	<b>35 025</b>	<b>11 570</b>	<b>-</b>



**BUDGET 2013**  
ESTIMATES OF NATIONAL EXPENDITURE

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**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA