

# **Estimates of Public Expenditure**

**2009**

## **Social Development**

**National Treasury  
Republic of South Africa**



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# Vote 16

## Social Development

### Budget summary

R thousand	2009/10				2010/11	2011/12
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	156 374	152 036	–	4 338	167 579	177 569
Comprehensive Social Security	85 573 159	41 819	85 530 656	684	93 777 414	101 351 187
Policy Development, Review and Implementation Support for Welfare Services	329 324	99 463	227 255	2 606	352 719	381 296
Community Development	248 361	57 346	190 177	838	263 877	279 219
Strategy and Governance	101 120	98 491	1 337	1 292	110 512	116 658
<b>Total expenditure estimates</b>	<b>86 408 338</b>	<b>449 155</b>	<b>85 949 425</b>	<b>9 758</b>	<b>94 672 101</b>	<b>102 305 929</b>
Executive authority	Minister of Social Development					
Accounting officer	Director-General of Social Development					
Website address	<a href="http://www.dsd.gov.za">www.dsd.gov.za</a>					

### Aim

*The aim of the Department of Social Development is to provide protection against vulnerability and poverty and ensure the provision of a comprehensive, integrated and sustainable social development service.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Manage and provide support and advisory services to the ministry and department.

#### Programme 2: Comprehensive Social Security

**Purpose:** Develop social protection policy and provide income support to the elderly, children, disabled and other vulnerable groups.

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

**Purpose:** Develop, support implementation and oversee integrated social welfare services policy.

#### Programme 4: Community Development

**Purpose:** Develop, support implementation and oversee policy for the practice of community development.

#### Programme 5: Strategy and Governance

**Purpose:** Coordinate strategic management, monitoring and evaluation for the department and the sector, including public entities.

## **Strategic overview: 2005/06 – 2011/12**

The Department of Social Development continues to give effect to its constitutional mandate by providing leadership in developing, implementing and monitoring social policy and related anti-poverty strategies to respond more effectively to the material and social needs of the poor, vulnerable and marginalised members of society. These objectives are underpinned by a range of legislation and policy documents.

### **Strategic and operational priorities**

Over the medium term, the department will focus on the following key priorities: tackling poverty; promoting the development of youth and social cohesion; strengthening links between civil society and communities; improving governance and institutional development; and promoting regional and international solidarity and support.

### **Key activities**

#### *Extending social assistance*

While current social assistance policies provide for children in poor households, the disabled and the elderly, further efforts are required to address vulnerability in other groups such as the youth, caregivers and the unemployed.

To ensure the sustainability of the social assistance system, the department intends to develop policy proposals that will foster greater responsibility and self-reliance, and link social safety net benefits to training and employment.

#### *Access to nutritious food*

Current high inflation means that the poor are less able to access adequate, nutritious food. To mitigate the impact of this, the department is participating in the integrated food security and nutrition task team led by the Department of Agriculture. The community food bank concept, as a mechanism to improve access to adequate and nutritious food, is being explored.

#### *Social cooperatives*

The main objective of social cooperatives is to create employment for disadvantaged and vulnerable groups through the provision of social services. A 2008 report on building sustainable livelihoods concluded that, apart from early childhood development and home community based care, there are other gaps in social service delivery that could be used to pilot social cooperatives. Examples are waste removal and the provision of water, mainly in rural areas. The department is currently developing a concept document and guidelines for establishing and managing social cooperatives.

#### *Quality developmental welfare services*

Meeting the ongoing need to provide quality developmental social welfare services will be further addressed through skills development and the development of policies, norms and standards, and appropriate processes and systems to support service delivery.

#### *Key legislative developments*

The department aims to develop and finalise the following legislation over the medium term: the Prevention of and Treatment for Substance Abuse Bill; the Social Service Professions Act (1978); the Nonprofit Organisations Act (1997); the Social Assistance Amendment Bill; and new legislation for the social and disaster relief disbursements and services provided by the department.

*Improving working conditions*

The department will continue to implement programmes and strategies to improve the working conditions of social service professionals and professionalise community development practice and youth work. This will ensure that these two categories of professionals are guided by specific codes of conduct.

*Community development practitioners*

Standardising the education and training of community development practitioners is at an advanced stage. This will lead to the registration of community development unit standards and qualifications at national qualifications framework levels 4 to 6. Guidelines for community development practice will also be developed in 2009/10 to guide practitioners and ensure improved and efficient service delivery.

*Social security*

Since its election to the Bureau of the International Social Security Association, the department has taken up significant responsibilities in the arena of international social security policy development. The department's representatives fill the deputy chair positions of two of the bureau's subcommittees. The department will coordinate the activities of the Southern African regional office until 2010, when South Africa will host the association's 29<sup>th</sup> general assembly meeting and the second World Social Security Forum. The department has also identified the need to undertake benchmark social security policy research in Africa rather than Latin America, an initiative aimed at developing African based research.

In line with the social security service delivery model, the Independent Tribunal for Social Assistance Appeals is being established as a specialised quasi judicial business enterprise. Its main function will be to provide appeals services to social assistance grant applicants who would like to appeal against a decision by the South African Social Security Agency. The backlog of cases dates from 2004. Most have been inherited from the provinces following the transfer of the social assistance function. Urgent interventions are required, as well as medium to long term solutions.

## Selected performance and operations indicators

**Table 16.1 Social Development**

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Total number of old age grant beneficiaries	Comprehensive Social Security	2.1 million	2.2 million	2.2 million	2.3 million	2.5 million	2.6 million	2.7 million
Total number of war veterans grant beneficiaries	Comprehensive Social Security	3 343	2 832	2 340	1 649	1 386	1 164	977
Total number of disability grant beneficiaries	Comprehensive Social Security	1.3 million	1.4 million	1.4 million	1.4 million	1.4 million	1.4 million	1.4 million
Total number of child support grant beneficiaries	Comprehensive Social Security	7 million	7.9 million	8.2 million	9.1 million	9.7 million	9.9 million	10.1 million
Total number of foster care grant beneficiaries	Comprehensive Social Security	312 614	400 503	443 191	487 510	536 260	589 886	648 873
Total number of care dependency grant beneficiaries	Comprehensive Social Security	88 889	94 263	98 631	105 909	110 145	114 552	119 133
Total number of registered early childhood development sites captured on the national database	Policy Development, Review and Implementation Support for Welfare Services	–	8 000	9 726	10 755	16 276	23 639	26 000
Total number of social work scholarships awarded	Community Development	–	–	983	2 900	5 250	5 625	6 125

## Expenditure estimates

Table 16.2 Social Development

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
1. Administration	103 113	109 050	139 093	156 189	154 589	156 374	167 579	177 569
2. Comprehensive Social Security	54 703 563	61 279 489	66 661 456	75 846 728	75 694 428	85 573 159	93 777 414	101 351 187
3. Policy Development, Review and Implementation Support for Welfare Services	38 540	45 839	109 965	211 245	206 645	329 324	352 719	381 296
4. Community Development	189 563	201 856	207 962	237 790	235 290	248 361	263 877	279 219
5. Strategy and Governance	33 061	39 853	72 928	102 199	102 199	101 120	110 512	116 658
<b>Total</b>	<b>55 067 840</b>	<b>61 676 087</b>	<b>67 191 404</b>	<b>76 554 151</b>	<b>76 393 151</b>	<b>86 408 338</b>	<b>94 672 101</b>	<b>102 305 929</b>
Change to 2008 Budget estimate				546 177	385 177	2 515 812	4 221 870	6 437 673
<b>Economic classification</b>								
<b>Current payments</b>	<b>220 169</b>	<b>252 180</b>	<b>321 378</b>	<b>431 584</b>	<b>420 584</b>	<b>449 155</b>	<b>485 023</b>	<b>514 267</b>
Compensation of employees	93 203	111 060	133 590	192 469	181 469	220 000	231 203	244 960
Goods and services	126 773	140 651	187 471	239 115	239 115	229 155	253 820	269 307
<i>of which:</i>								
Administrative fees	1 660	2 276	2 679	4 476	4 476	4 467	7 006	7 655
Advertising	7 108	10 170	10 740	9 559	9 559	10 034	10 541	11 066
Assets less than R5 000	2 559	1 007	2 416	3 133	3 133	3 295	3 465	3 644
Audit costs: External	2 775	2 827	12 431	14 182	14 182	15 554	16 343	17 170
Bursaries: Employees	576	382	486	717	717	753	791	830
Catering: Departmental activities	2 104	1 699	1 647	4 551	4 551	4 781	5 023	5 277
Communication	5 205	5 129	5 429	6 261	6 261	6 575	6 906	7 252
Computer services	6 301	3 595	8 240	15 764	15 764	12 311	16 509	17 851
Consultants and professional services: Business and advisory services	28 292	9 059	31 356	84 268	84 268	71 457	80 348	85 435
Consultants and professional services: Legal costs	1 684	668	1 448	546	546	574	602	632
Contractors	5 379	5 096	7 189	1 501	1 501	1 576	1 655	1 738
Agency and support / outsourced services	9 986	22 899	24 892	6 900	6 900	10 871	12 731	14 019
Entertainment	1 456	294	260	755	755	793	833	875
Government motor transport: Trading account	6	44	83	-	-	-	-	-
Inventory: Food and food supplies	103	-	3	-	-	-	-	-
Inventory: Learner and teacher support material	48	183	12	-	-	-	-	-
Inventory: Materials and supplies	1 284	70	223	346	346	239	251	264
Inventory: Other consumables	1 445	531	656	82	82	86	90	94
Inventory: Stationery and printing	6 428	6 610	5 193	11 807	11 807	12 400	13 023	13 676
Lease payments	2 975	9 628	11 070	14 822	14 822	10 747	11 805	12 510
Owned and leasehold property expenditure	252	126	858	-	-	-	-	-
Travel and subsistence	27 200	37 553	38 190	41 541	41 541	44 102	46 425	48 865
Training and development	1 437	7 194	2 908	6 391	6 391	6 714	7 051	7 407
Operating expenditure	3 809	5 419	7 592	530	530	290	305	321
Venues and facilities	6 701	8 192	11 470	10 983	10 983	11 536	12 117	12 727
Financial transactions in assets and liabilities	193	469	317	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>54 843 922</b>	<b>61 420 236</b>	<b>66 862 282</b>	<b>76 113 872</b>	<b>75 963 872</b>	<b>85 949 425</b>	<b>94 177 262</b>	<b>101 781 121</b>
Provinces and municipalities	342	78	-	-	-	-	-	-
Departmental agencies and accounts	3 714 849	4 315 758	4 322 285	4 878 459	4 878 459	5 489 186	5 968 441	6 457 424
Universities and technikons	-	4 790	461	-	-	-	-	-
Foreign governments and international organisations	205	979	461	1 869	1 869	1 915	2 031	2 148
Non-profit institutions	41 842	48 504	52 214	57 735	57 735	63 018	65 639	69 382
Households	51 086 684	57 050 127	62 486 861	71 175 809	71 025 809	80 395 306	88 141 151	95 252 167
<b>Payments for capital assets</b>	<b>3 749</b>	<b>3 671</b>	<b>7 744</b>	<b>8 695</b>	<b>8 695</b>	<b>9 758</b>	<b>9 816</b>	<b>10 541</b>
Machinery and equipment	3 565	3 662	7 744	7 866	7 866	9 195	9 271	9 967
Software and other intangible assets	184	9	-	829	829	563	545	574
<b>Total</b>	<b>55 067 840</b>	<b>61 676 087</b>	<b>67 191 404</b>	<b>76 554 151</b>	<b>76 393 151</b>	<b>86 408 338</b>	<b>94 672 101</b>	<b>102 305 929</b>

## Expenditure trends

Total expenditure grew from R55.1 billion in 2005/06 to R76.6 billion in 2008/09, at an average annual rate of 11.6 per cent, and is expected to increase to R102.3 billion in 2011/12, at an average annual rate of 10.1 per cent. The provision for social assistance constitutes the largest portion of the department's budget, approximately 93 per cent (R80.4 billion) in 2009/10. Other large transfers in 2009/10 include R5.1 billion to the South African Social Security Agency for grant administration, R144.8 million to the National Development Agency, R210 million for social work bursaries and R41 million to loveLife. Total transfers in 2009/10 amount to 99.5 per cent of the department's budget, leaving an operational budget of around R458 million in 2009/10, growing to R524.8 million in 2011/12 at an average annual rate of 7 per cent over the MTEF period.

Expenditure on compensation of employees is expected to increase from R192.5 million in 2008/09 to R245 million in 2011/12 at an average annual rate of 8.4 per cent. The department intends to fill all currently funded vacancies during 2009/10, with a view to consolidating functions and reviewing current business processes as part of a comprehensive human capital strategy for the national and provincial departments. This strategy will inform future changes to the organisational structure of the department.

Additional allocations over the MTEF period include:

- R10 million per year to establish an appeals tribunal in terms of the South African Social Security Agency Act (2004) and the Social Assistance Act (2004)
- R2.3 billion in 2009/10, R3.8 billion in 2010/11 and R5.9 billion in 2011/12 for inflation adjustments to the social assistance grants, the age equalisation of the old age pension, and revisions to the means tests
- R6.8 million in 2009/10, R7.1 million in 2010/11 and R7.4 million in 2011/12 for the shortfall in compensation of employees for salary increases following the 2007 Public Service Coordinating Bargaining Council resolution
- R255.3 million in 2009/10, R388 million in 2010/11 and R319.1 million in 2011/12 to the South African Social Security Agency to augment the handling fees budget, implement an anti-fraud strategy, and for salary increases following the 2007 resolution.

## Savings and reprioritisation

Efficiency savings of R212.4 million have been identified over the MTEF period under the following items: R56.7 million in goods and services and R155.7 million in transfers to public entities.

The department is currently reviewing its operational systems to facilitate improved service delivery and operations and to accommodate the decrease in the baseline allocations for the department's operations over the MTEF period. This includes streamlining its business processes to reduce costs related to travelling, hosting meetings and workshops, and outsourced professional services.

## Departmental receipts

As a policy making department, the Department of Social Development does not generate income. The major revenue item relates to interest earned on social assistance transfer funds deposited into the bank accounts of cash payment contractors before they are disbursed to beneficiaries. Other departmental receipts include interest on debt, cancellation of uncashed cheques, parking fees for senior managers, recoveries of private telephone expenses, and breach of study contracts.

The major once-off revenue item of R865 million in 2006/07 was made up of interest earned on social assistance transfers and unspent conditional grant funding on social assistance transfers to provinces.

**Table 16.3 Departmental receipts**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
<b>Departmental receipts</b>	<b>304</b>	<b>865 273</b>	<b>236 957</b>	<b>2 394</b>	<b>116</b>	<b>163</b>	<b>173</b>	<b>185</b>
Sales of goods and services produced by department	63	82	84	92	77	28	30	35
Interest, dividends and rent on land	45	22 622	9 821	2 210	10	30	32	35
Sales of capital assets	181	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	15	842 569	227 052	92	29	105	111	115
<b>Total</b>	<b>304</b>	<b>865 273</b>	<b>236 957</b>	<b>2 394</b>	<b>116</b>	<b>163</b>	<b>173</b>	<b>185</b>

## Programme 1: Administration

### Expenditure estimates

**Table 16.4 Administration**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Minister <sup>1</sup>	1 406	1 081	1 235	1 019	1 725	1 832	1 936
Deputy Minister <sup>1</sup>	1 380	895	902	828	1 420	1 509	1 595
Management	6 074	6 728	6 572	5 446	6 366	6 676	7 360
Corporate Services	86 150	92 157	121 499	138 680	134 971	145 197	152 822
Property Management	8 103	8 189	8 885	10 142	11 182	12 317	13 056
Government Motor Transport	–	–	–	74	710	48	800
<b>Total</b>	<b>103 113</b>	<b>109 050</b>	<b>139 093</b>	<b>156 189</b>	<b>156 374</b>	<b>167 579</b>	<b>177 569</b>
Change to 2008 Budget estimate				7 000	(2 446)	(3 283)	(1 658)

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included.

Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

#### Economic classification

	101 421	107 096	135 956	153 190	152 036	163 480	173 110
<b>Current payments</b>							
Compensation of employees	40 566	52 757	58 761	71 125	82 342	86 859	92 087
Goods and services	60 682	53 987	76 990	82 065	69 694	76 621	81 023
of which:							
Administrative fees	297	762	1 102	571	602	635	671
Advertising	1 486	1 446	1 059	1 640	1 719	1 810	1 896
Assets less than R5 000	1 422	112	1 391	1 577	1 656	1 739	1 826
Audit costs: External	2 775	2 827	12 431	14 182	15 554	16 343	17 170
Bursaries: Employees	350	382	486	567	595	625	656
Catering: Departmental activities	945	288	346	701	736	773	812
Communication	4 931	4 356	5 020	4 917	5 163	5 421	5 692
Computer services	5 437	2 271	3 621	9 225	5 445	9 300	10 281
Consultants and professional services: Business and advisory services	8 115	–	7 247	11 927	6 164	5 691	5 806
Consultants and professional services: Legal costs	1 410	7	–	96	101	106	111
Contractors	2 518	3 029	2 467	457	480	504	529
Agency and support / outsourced services	4 951	6 178	6 418	1 000	1 050	1 103	1 158
Entertainment	1 200	138	173	703	738	775	814
Government motor transport: Trading account	6	44	82	–	–	–	–
Inventory: Food and food supplies	2	–	3	–	–	–	–
Inventory: Learner and teacher support material	30	66	12	–	–	–	–

Table 16.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Current payments</b>	<b>101 421</b>	<b>107 096</b>	<b>135 956</b>	<b>153 190</b>	<b>152 036</b>	<b>163 480</b>	<b>173 110</b>
<i>Inventory: Materials and supplies</i>	1 197	66	211	699	93	98	103
<i>Inventory: Other consumables</i>	1 414	507	609	–	–	–	–
<i>Inventory: Stationery and printing</i>	2 927	2 147	1 293	2 978	3 127	3 283	3 447
<i>Lease payments</i>	1 143	9 383	9 594	14 480	10 386	11 425	12 111
<i>Owned and leasehold property expenditure</i>	218	126	270	–	–	–	–
<i>Travel and subsistence</i>	12 626	15 606	15 637	11 755	11 533	12 210	12 921
<i>Training and development</i>	746	1 142	1 202	2 476	2 600	2 730	2 867
<i>Operating expenditure</i>	2 273	1 920	4 254	365	116	122	128
<i>Venues and facilities</i>	2 263	1 184	2 062	1 749	1 836	1 928	2 024
Financial transactions in assets and liabilities	173	352	205	–	–	–	–
<b>Transfers and subsidies</b>	<b>125</b>	<b>35</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	123	35	–	–	–	–	–
Departmental agencies and accounts	2	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>1 567</b>	<b>1 919</b>	<b>3 137</b>	<b>2 999</b>	<b>4 338</b>	<b>4 099</b>	<b>4 459</b>
Machinery and equipment	1 480	1 919	3 137	2 589	3 963	3 749	4 088
Software and other intangible assets	87	–	–	410	375	350	371
<b>Total</b>	<b>103 113</b>	<b>109 050</b>	<b>139 093</b>	<b>156 189</b>	<b>156 374</b>	<b>167 579</b>	<b>0177 569</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>123</b>	<b>35</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	123	35	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Gifts and donations	2	–	–	–	–	–	–

## Expenditure trends

Expenditure grew at an average annual rate of 14.8 per cent between 2005/06 and 2008/09 and is projected to increase at an average annual rate of 4.4 per cent between 2008/09 and 2011/12. Expenditure covers, among others: the progressive improvement of the department's management and operational capacity; the increased demand for litigation management and administration in line with the Social Assistance Act (2004); and the devolution of accommodation funds from the Department of Public Works from 2009/10 (R11.2 million in 2009/10, R12.3 million in 2010/11, and R13.1 million in 2011/12).

## Programme 2: Comprehensive Social Security

- *Social Assistance* provides for developing and reviewing social assistance policies and legislation. Funding is based on the operational requirements of the subprogramme and research planned over the MTEF period.
- *Social Insurance* provides for developing policies and legislation for contributory income support related to employment based risks and other contingencies. Funding is based on the operational requirements of the subprogramme and research planned over the MTEF period.
- *Policy Implementation Support* supports the establishment of institutional arrangements and service delivery. Funding is based on the operational requirements of the subprogramme.
- *Social Assistance Transfers* provides for social assistance transfers to households. Funding is based on the projected number of social grant beneficiaries.

- SASSA provides for the transfer payment to the South African Social Security Agency for the operational costs of the agency. Funding is based on the projected number of social grant beneficiaries and the agency's operational requirements.
- SASSA MIS provides for the transfer payment to the agency for the establishment of a management information system. Funding is earmarked for establishing the registry and archiving management information system.
- *International Social Security* contributes to regional and international social security policy developments. Funding is based on the operational requirements of the unit and membership fees to international organisations.
- *Administration*.

## Objectives and measures

- Reduce poverty and vulnerability by diminishing people's exposure to risk and increasing their capacity to protect themselves against life cycle hazards and shocks that threaten their livelihood by:
- providing social assistance to all eligible beneficiaries over the MTEF period
  - introducing a new legislative framework for social and disaster relief in 2009
  - determining the extent of vulnerability among youth, caregivers of social assistance beneficiaries, and unemployed adults, and developing options for addressing this by 2011
  - developing options for a mandatory system of retirement provision by 2009.

## Service delivery and spending focus

The *Social Assistance* subprogramme developed a comprehensive micro simulation model to simulate and cost social security policy options, which should improve budgeting and planning for social assistance spending in the future.

**Table 16.5 Social grants beneficiary numbers and expenditure by type of grant**

Social grants beneficiary numbers by type of grant				Projections				Percentage average annual growth
Type of grant	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
Old age	2 144 117	2 195 018	2 218 993	2 324 615	2 498 312	2 643 822	2 678 191	3.8 %
War veterans	2 832	2 340	1 963	1 649	1 386	1 164	977	(16.3%)
Disability	1 319 536	1 422 808	1 413 263	1 404 884	1 373 673	1 359 531	1 386 722	0.8%
Foster care	312 614	400 503	443 191	487 510	536 260	589 886	648 873	12.9%
Care dependency	94 263	98 631	101 836	105 909	110 145	114 552	119 133	4.0%
Child support	7 044 901	7 863 841	8 195 524	9 061 711	9 701 032	9 895 053	10 092 955	6.2%
<b>Total</b>	<b>10 918 263</b>	<b>11 983 141</b>	<b>12 374 770</b>	<b>13 386 278</b>	<b>14 220 808</b>	<b>14 604 008</b>	<b>14 926 851</b>	<b>5.4%</b>
Social grants expenditure by type of grant								
R million								
Old age	19 470	21 222	22 801	26 409	30 153	33 930	36 216	10.9%
War veterans	28	25	22	19	17	15	14	(11.4%)
Disability	14 099	14 261	15 280	15 913	16 572	17 459	18 745	4.9%
Foster care	1 996	2 851	3 414	3 791	4 345	4 993	5 678	19.0%
Care dependency	916	1 006	1 132	1 201	1 331	1 475	1 617	9.9%
Child support	14 111	17 559	19 625	23 367	27 735	30 009	32 706	15.0%
Grant in aid	57	67	87	88	95	103	108	11.3%
Relief of distress	32	41	106	372	132	143	153	29.8%
<b>Total</b>	<b>50 709</b>	<b>57 032</b>	<b>62 467</b>	<b>71 161</b>	<b>80 380</b>	<b>88 126</b>	<b>95 237</b>	<b>11.1%</b>

Source: *Intergovernmental Fiscal Review, Socpen, National Department of Social Development*

Beneficiary numbers are expected to increase from 13.4 million in 2008/09 to about 15 million by 2011/12. These increases are mainly due to recent changes to the Social Assistance Act (2004) and regulations, which make the old age grant available to men from the age of 60 (progressively over the MTEF period), extend the child support grant to 14 year olds, and adjust the means test thresholds for most of the grants.

By September 2007, feasibility studies had been conducted and policy proposals relating to retirement reform submitted. A concept document was developed on linking social assistance to employment. The international social security liaison office was launched to support regional social security initiatives, and the department hosted the first conference on African regional social security.

## Expenditure estimates

**Table 16.6 Comprehensive Social Security**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Social Assistance	55 255	37 927	30 588	29 618	31 919	33 082	34 170
Social Insurance	–	6 494	3 786	13 941	14 106	16 139	18 455
Policy Implementation Support	6 289	1 032	1 615	3 897	3 550	3 761	3 858
Social Assistance Transfers	51 039 684	57 031 781	62 471 939	71 160 809	80 380 306	88 126 151	95 237 167
South African Social Security Agency	3 593 365	4 136 599	4 072 747	4 610 292	5 114 404	5 568 972	6 027 700
South African Social Security Agency: Management Information System	–	55 772	70 000	20 000	20 000	20 000	20 000
International Social Security Administration	4	419	–	793	946	1 000	1 059
	8 966	9 465	10 781	7 378	7 928	8 309	8 778
<b>Total</b>	<b>54 703 563</b>	<b>61 279 489</b>	<b>66 661 456</b>	<b>75 846 728</b>	<b>85 573 159</b>	<b>93 777 414</b>	<b>101 351 187</b>
Change to 2008 Budget estimate				528 297	2 514 738	4 218 282	6 418 960

### Economic classification

Current payments	22 969	36 055	31 357	39 201	41 819	45 567	49 489
Compensation of employees	7 703	8 966	9 971	16 096	17 580	18 446	19 507
Goods and services	15 251	27 077	21 281	23 105	24 239	27 121	29 982
<i>of which:</i>							
<i>Administrative fees</i>	383	520	165	57	482	737	871
<i>Advertising</i>	79	3 716	2 925	80	84	89	95
<i>Assets less than R5 000</i>	201	99	61	997	1 052	1 110	1 171
<i>Bursaries: Employees</i>	125	–	–	15	16	17	18
<i>Catering: Departmental activities</i>	138	34	164	590	622	656	692
<i>Communication</i>	40	67	100	244	257	271	286
<i>Computer services</i>	842	1 324	544	–	–	–	–
<i>Consultants and professional services: Business and advisory services</i>	6 544	2 332	7 419	15 901	16 217	18 430	20 719
<i>Consultants and professional services: Legal costs</i>	5	11	507	–	–	–	–
<i>Contractors</i>	1 443	129	250	24	25	26	27
<i>Agency and support / outsourced services</i>	2 796	10 118	2 522	–	–	–	–
<i>Entertainment</i>	–	–	17	–	–	–	–
<i>Inventory: Learner and teacher support material</i>	5	–	–	–	–	–	–
<i>Inventory: Other consumables</i>	3	2	4	–	–	–	–
<i>Inventory: Stationery and printing</i>	388	508	536	464	490	517	545
<i>Lease payments</i>	–	16	43	100	106	112	118
<i>Owned and leasehold property expenditure</i>	4	–	404	–	–	–	–
<i>Travel and subsistence</i>	1 167	2 403	2 850	3 321	3 504	3 697	3 900
<i>Training and development</i>	179	5 091	470	488	515	543	573
<i>Operating expenditure</i>	1	246	375	110	116	122	129
<i>Venues and facilities</i>	908	461	1 925	714	753	794	838
<i>Financial transactions in assets and liabilities</i>	15	12	105	–	–	–	–

**Table 16.6 Comprehensive Social Security (continued)**

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Transfers and subsidies</b>	<b>54 680 124</b>	<b>61 243 320</b>	<b>66 629 608</b>	<b>75 806 894</b>	<b>85 530 656</b>	<b>93 731 123</b>	<b>101 300 926</b>
Provinces and municipalities	75	8	–	–	–	–	–
Departmental agencies and accounts	3 593 365	4 192 371	4 142 747	4 630 292	5 134 404	5 588 972	6 047 700
Foreign governments and international organisations	–	814	–	793	946	1 000	1 059
Households	51 086 684	57 050 127	62 486 861	71 175 809	80 395 306	88 141 151	95 252 167
<b>Payments for capital assets</b>	<b>470</b>	<b>114</b>	<b>491</b>	<b>633</b>	<b>684</b>	<b>724</b>	<b>772</b>
Machinery and equipment	470	114	491	573	664	703	749
Software and other intangible assets	–	–	–	60	20	21	23
<b>Total</b>	<b>54 703 563</b>	<b>61 279 489</b>	<b>66 661 456</b>	<b>75 846 728</b>	<b>85 573 159</b>	<b>93 777 414</b>	<b>101 351 187</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>75</b>	<b>8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	75	8	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>3 593 365</b>	<b>4 192 371</b>	<b>4 142 747</b>	<b>4 630 292</b>	<b>5 134 404</b>	<b>5 588 972</b>	<b>6 047 700</b>
South African Social Security Agency	3 593 365	4 136 599	4 072 747	4 610 292	5 114 404	5 568 972	6 027 700
South African Social Security Agency: Management Information System	–	55 772	70 000	20 000	20 000	20 000	20 000
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>–</b>	<b>814</b>	<b>–</b>	<b>793</b>	<b>946</b>	<b>1 000</b>	<b>1 059</b>
International Social Security Association	–	814	–	793	946	1 000	1 059
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>51 039 684</b>	<b>57 037 131</b>	<b>62 471 939</b>	<b>71 160 809</b>	<b>80 380 306</b>	<b>88 126 151</b>	<b>95 237 167</b>
Social assistance transfers	51 039 684	57 037 131	62 471 939	71 160 809	80 380 306	88 126 151	95 237 167
<b>Households</b>							
<b>Other transfers to households</b>							
<b>Current</b>	<b>47 000</b>	<b>12 996</b>	<b>14 922</b>	<b>15 000</b>	<b>15 000</b>	<b>15 000</b>	<b>15 000</b>
Disaster relief fund	42 000	10 000	10 000	–	–	–	–
Social relief fund	5 000	2 996	4 922	15 000	15 000	15 000	15 000

## Expenditure trends

Social assistance transfers increased from R51 billion in 2005/06 to R71.2 billion in 2008/09. This growth catered for normal inflationary increases and in-year adjustment to grants due to high food prices. Spending on the old age grant grew from R19.5 billion in 2005/06 to R26.4 billion in 2008/09, representing an increase of R6.9 billion. Spending on the old age grants constitutes the largest portion of the budget in 2008/9 (R26.4 billion), followed closely by the child support grant at R21.6 billion and the disability grant at R17.7 billion.

Overall, spending on social assistance grants is projected to grow by an average annual 10.2 per cent over the MTEF period to reach R95.2 billion in 2011/12. This is mainly due to inflation adjustments, the extension of the child support grant to the qualifying age of 15, the equalisation of the old age pension for men, and adjustments to the means tests for all grants. An additional R12 billion is allocated over the MTEF period to cater for these interventions.

The budget of the South African Social Security Agency increases by an average annual 9.3 per cent over the MTEF period to cater for the operationalisation of the institution and the increase in delivery costs due to an increase in the number of eligible beneficiaries.

## Public entities

### South African Social Security Agency

#### Strategic overview: 2005/06 – 2011/12

The South African Social Security Agency derives its mandate from the South African Social Security Agency Act (2004), which is to administer and pay social assistance grants to eligible beneficiaries.

The agency identified the following key priorities over the medium term:

- continuation of institutional reforms, which includes projects related to the restructuring of the organisation to produce a more streamlined and efficient entity
- reforms and improvements to benefit grants administration and payment services by introducing new policy and regulatory initiatives and revised financial and administrative processes
- fraud prevention and detection
- implementation of social assistance legislation and policy, with particular emphasis on the disability management initiatives.

The South African Social Security Agency provides administration and management services for grants, from application to payment, and is systematically moving towards expanding its services to include referral services to other social welfare institutions. Over the medium term, the agency will aim to improve social grants service delivery and administrative stability, while at the same time promoting and implementing social security reforms, as directed by the minister and the interministerial committee on social security reform. The agency will thus focus on increasing access to social grants, improving social grants administration and payments, and implementing improved systems for applying the different means tests for the different social grants.

The existing structural and operational challenges relating to the current cash payment system of social grants will be reviewed, with the aim of developing a more cost effective service through partnerships with other government institutions such as the South African Post Office, and private parties such as banks and private payment service providers.

The improved grant application process project has been initiated and is set to resolve challenges related to processing grant applications across the agency's regions. The project aims to improve service delivery by streamlining the current process to ensure that all application processes across the regions are standardised.

The integrated community registration outreach programme, aimed at promoting accessibility to grants by eligible beneficiaries in remote areas, has been initiated. Since its launch in May 2007, about 112 000 beneficiaries, mainly from rural communities, have been able to access services through its mobile units.

Further improvements are planned, which will include the rollout of a registry and archiving management information system across all provinces. This will improve controls, as demonstrated in Eastern Cape, which has achieved significant improvements in its audit reports.

#### Selected performance and operations indicators

**Table 16.7 South African Social Security Agency**

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Average cost of administering social assistance (R/beneficiary)	R25.37	R29.16	R27.84	R29.40	R28.37	R27.48	R26.87
Average cost of manual payment of grants (R/beneficiary)	R16.27	R14.01	R14.71	R21.04	R23.08	R26.99	R31.20
Ratio of administration costs to social assistance disbursements	0.066:1	0.067:1	0.073:1	0.063:1	0.062:1	0.060:1	0.060:1
Percentage of beneficiaries receiving payments through the banking system	14.45% (1 158 083)	16.67% (1 437 433)	20.02% (1 777 429)	21.63% (2 101 915)	22.48% (2 687 260)	28.9% (3 455 755)	33.81% (4 418 119)

## Service delivery and spending focus

In collaboration with the Department of Justice's special investigating unit, the agency was able to investigate and prosecute 4 020 public servants and other fraudulent beneficiaries of grants. About 9 391 people signed acknowledgment of debt valued at R50.8 million. Launched in 2005, the indemnity project ran concurrently with the special investigating unit project and was completed in the agency's eight regions.

Significant progress has been made with the management information system project, which started at the end of 2005/06. Beneficiary files are currently stored at the regional offices, but the department is working towards having a central warehouse in each region. To date, bulk volume capturing has been implemented in all eight regions except Western Cape, where scoping has been completed and implementation is scheduled to start.

The agency has successfully incorporated the operations of all nine regions. Its focus over the medium term will be to realign and standardise the business processes inherited from regions and rationalise its human resources to become more efficient and cost effective. Key to this initiative will be a review of how grants are currently paid, with a focus on using more affordable payment options. There will be significant cost reductions and these savings will be used to improve service delivery.

The overall integrity and improvement of the social grants administration has been identified as a priority to improve service delivery and mitigate fiscal risks in the social assistance system. This includes expanding and improving access to beneficiaries through building new sites and upgrading existing ones, and expanding the mobile services to rural areas.

The agency has also developed and approved a fraud prevention policy. Additional allocations for Project Dossier, an upgrade of existing information systems, will allow for linkages with other government databases.

## Expenditure estimates

**Table 16.8 South African Social Security Agency: Financial information**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Statement of financial performance</b>							
<b>Non-tax revenue</b>	–	1 269	6 661	6 646	7 571	7 743	7 904
Sale of goods and services other than capital assets: Administration fees	–	1 055	1 743	1 364	2 130	2 195	2 250
Other non-tax revenue	–	214	4 918	5 282	5 441	5 548	5 654
<b>Transfers received</b>	<b>3 323 665</b>	<b>4 192 371</b>	<b>4 142 747</b>	<b>4 630 292</b>	<b>5 134 404</b>	<b>5 588 972</b>	<b>6 047 700</b>
<i>Social assistance administration</i>	3 323 665	4 136 599	4 072 747	4 610 292	5 114 404	5 568 972	6 027 700
<i>Management information system</i>	–	55 772	70 000	20 000	20 000	20 000	20 000
<b>Total revenue</b>	<b>3 323 665</b>	<b>4 193 640</b>	<b>4 149 408</b>	<b>4 636 938</b>	<b>5 141 975</b>	<b>5 596 715</b>	<b>6 055 604</b>
<b>Current expense</b>	<b>3 090 821</b>	<b>3 655 565</b>	<b>4 440 716</b>	<b>4 492 269</b>	<b>4 845 314</b>	<b>5 362 224</b>	<b>5 808 144</b>
Compensation of employees	570 745	710 684	1 079 723	1 355 631	1 407 843	1 595 543	1 708 736
Goods and services	2 520 076	2 944 881	3 360 993	3 136 638	3 437 471	3 766 681	4 099 408
<i>of which:</i>							
<i>Payment contractors</i>	2 131 301	2 015 056	2 189 941	2 485 964	2 687 531	2 956 153	3 133 522
<i>Consultants, contractors and special services</i>	169 977	175 413	183 114	148 765	100 987	107 046	113 469
<i>Travel and subsistence</i>	57 018	80 820	109 032	111 332	61 864	67 741	70 789
<i>Other</i>	161 780	673 592	878 906	390 577	587 089	635 741	781 628
<b>Transfers and subsidies</b>	<b>595</b>	<b>1 426</b>	<b>1 272</b>	<b>9 669</b>	<b>15 795</b>	<b>16 973</b>	<b>18 110</b>
Provinces and municipalities	595	490	115	40	–	–	–
Other government agencies	–	–	–	8 000	15 052	16 181	17 282
Households	–	936	1 157	1 629	743	792	828
<b>Payments for capital assets</b>	<b>232 249</b>	<b>162 182</b>	<b>108 885</b>	<b>135 000</b>	<b>280 866</b>	<b>217 518</b>	<b>229 349</b>
Buildings and other fixed structures	145 097	100 100	–	–	–	–	–
Machinery and equipment	87 152	57 120	107 847	80 688	222 190	155 629	164 036
Software and other intangible assets	–	4 962	1 038	54 312	58 676	61 889	65 313
<b>Total expense</b>	<b>3 323 665</b>	<b>3 819 173</b>	<b>4 550 873</b>	<b>4 636 938</b>	<b>5 141 975</b>	<b>5 596 715</b>	<b>6 055 604</b>
<b>Surplus / (deficit)</b>	<b>–</b>	<b>374 467</b>	<b>(401 465)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Expenditure trends

The agency's budget allocation for 2007/08 was R4.1 billion and approval was obtained to retain an accumulated surplus of R374.5 million in 2006/07 for claims against the agency and outstanding commitments. The agency overspent by R26 million in 2008/09, resulting in total expenditure of R4.6 billion.

R4.6 billion is allocated to the 2008/09 administration budget, an increase of 11.8 per cent on the 2007/08 main appropriation, excluding the surplus from the previous year. The payment to the cash payment contractors accounts for approximately 53 per cent of the administration budget, followed by compensation of employees at approximately 29 per cent, and 18 per cent for other operational expenditure.

Over the medium term, the administration budget increases by 10.9 per cent from R4.6 billion in 2008/09 to R5.1 billion in 2009/10. It grows by a further 8.8 per cent to R5.6 billion in 2010/11, and 8.2 per cent to R6 billion in 2011/12.

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

- *Service Standards* coordinates overarching policies, legislation and norms and standards for social welfare services delivered by both government and the non-government sector.
- *Substance Abuse and Central Drug Authority* develops, supports and monitors the implementation of policies, legislation and norms and standards for substance abuse.
- *Older Persons* develops, supports and monitors the implementation of policies, legislation and norms and standards for social welfare services to older people.
- *People with Disabilities* develops, supports and monitors the implementation of policies, legislation and norms and standards for social welfare services to people with disabilities.
- *Children* develops, supports and monitors the implementation of policies, legislation and norms and standards for social welfare services to children.
- *Families* develops, supports and monitors the implementation of policies, legislation and programmes to strengthen families.
- *Victim Empowerment* develops, supports and monitors the implementation of policies, legislation and programmes to empower victims of crime and violence.
- *Social Crime Prevention* develops, supports and monitors the implementation of policies, legislation and programmes to protect, empower and support child, youth and adult offenders in the criminal justice system.
- *Service Provider Support and Management* provides management and support to national councils and other professional bodies, and administers payments to these institutions.
- *Contributions and Affiliations to Other Bodies* provides for transfers to international federations and organisations.
- *Administration*.

Funding for all subprogrammes, except the *Contributions and Affiliations to other Bodies* subprogramme, relates to operational requirements. Funding for the *Contributions and Affiliations to other Bodies* subprogramme is based on membership fees.

## Objectives and measures

- Improve welfare service delivery by developing, piloting and implementing norms and standards for delivering social welfare services by 2009/10.
- Reduce substance abuse by developing regulations for substance abuse by 2010/11.
- Transform services to older people by developing service delivery guidelines by 2010/11.
- Protect and promote the rights of people with disabilities by:
  - facilitating the development and implementation of policies, legislation and strategies on disability by 2011/12

- developing programmes for residential facilities by 2011/12.
- Improve the protection and care of children by facilitating the implementation of the Children’s Act (2005) as amended, in 2009/10, through developing policies, strategies and programmes to promote children’s rights.
- Empower families by developing an integrated plan for implementing the family policy by 2009/10 and minimum norms and standards by 2010/11.
- Protect people affected by violence and crime by:
  - developing a shelter strategy and an integrated plan for implementing the victim empowerment policy by 2009/10
  - developing guidelines on dealing with human trafficking, rape, domestic violence and violent crimes by 2009/10.
- Strengthen probation services, social crime prevention and integrated child justice services by developing a social crime prevention strategy and diversion accreditation framework by 2009/10.
- Improve welfare service delivery by:
  - providing adequate funding to national bodies over the MTEF period
  - amending the Social Service Professions Bill and finalising the policy on social services by 2009/10.

### Service delivery and spending focus

The business plan for the rollout of phase 2 and 3 of the norms and standards development process has been approved. Provincial visits have been made to introduce the business plan, and programme management structures have been set up to facilitate implementation. Completion is scheduled for 2009/10.

8 681 students were reached through career fairs in 2007/08. 983 bursaries were awarded in 2007/08 and 1 917 in 2008/09. The number of bursaries is expected to increase to over 3 000 in 2009/10, with about 515 graduate placements expected in 2009, depending on results.

In 2008/09, the following activities were conducted: 12 Ke Moja drug abuse awareness ambassadors were appointed; a mini drug master plan was developed and implemented; training workshops on the implementation of the national drug master plan were held in Gauteng, KwaZulu-Natal, Western Cape, Limpopo and Free State; and 200 service providers were reached. The Prevention of and Treatment of Substance Abuse Bill will be finalised in 2009.

To meet the ongoing need for quality welfare services, the department will promote skills development and complete the development of norms and standards in 2009. The department aims to develop and finalise the following legislation over the medium term: the Prevention of and Treatment for Substance Abuse Bill and regulations, and amendments to the Social Service Professions Act (1978) and the Nonprofit Organisations Act (1997).

### Expenditure estimates

**Table 16.9 Policy Development, Review and Implementation Support for Welfare Services**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Service Standards	2 831	5 150	55 696	124 016	226 627	244 193	266 216
Substance Abuse and Central Drug Authority	3 809	5 793	9 526	12 748	13 278	13 605	14 971
Older Persons	3 605	4 654	5 033	5 940	7 291	7 740	8 106
People with Disabilities	1 809	3 259	3 594	4 740	4 878	5 155	5 453
Children	9 483	10 945	13 232	22 681	24 327	26 333	27 741
Families	3 167	3 457	2 553	5 993	6 452	6 811	7 192
Victim Empowerment	3 871	2 152	3 961	5 526	6 021	6 278	6 627
Social Crime Prevention	1 543	1 293	4 192	6 947	7 635	7 964	8 410
Service Provider Support and Management	5 342	6 194	8 714	13 588	22 417	23 654	25 034
Contributions and Affiliations to Other bodies	60	11	299	182	191	202	223
Administration	3 020	2 931	3 165	8 884	10 207	10 784	11 323
<b>Total</b>	<b>38 540</b>	<b>45 839</b>	<b>109 965</b>	<b>211 245</b>	<b>329 324</b>	<b>352 719</b>	<b>381 296</b>
Change to 2008 Budget estimate				4 270	1 069	4 825	(57 028)

Table 16.9 Policy Development, Review and Implementation Support for Welfare Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Current payments</b>	<b>32 586</b>	<b>37 593</b>	<b>50 813</b>	<b>86 240</b>	<b>99 463</b>	<b>105 652</b>	<b>112 939</b>
Compensation of employees	16 864	18 287	22 948	41 047	47 022	49 194	52 238
Goods and services	15 720	19 292	27 863	45 193	52 441	56 458	60 701
<i>of which:</i>							
Administrative fees	298	144	188	670	1 377	2 157	2 921
Advertising	1 736	996	2 129	5 416	5 687	5 971	6 270
Assets less than R5 000	572	374	160	102	107	112	118
Catering: Departmental activities	663	691	694	2 269	2 382	2 501	2 626
Communication	151	548	107	430	452	475	499
Computer services	–	–	22	100	105	110	116
Consultants and professional services: Business and advisory services	–	338	4 173	10 864	11 075	10 998	11 658
Consultants and professional services: Legal costs	198	521	656	–	–	–	–
Contractors	896	907	1 476	102	107	112	118
Agency and support / outsourced services	1 620	2 476	3 053	5 900	9 821	11 628	12 861
Entertainment	1	40	60	38	40	42	44
Inventory: Food and food supplies	101	–	–	–	–	–	–
Inventory: Learner and teacher support material	–	114	–	–	–	–	–
Inventory: Materials and supplies	2	–	10	(142)	–	–	–
Inventory: Other consumables	14	16	18	14	15	16	17
Inventory: Stationery and printing	1 154	1 729	1 974	5 637	5 919	6 215	6 526
Lease payments	1 658	–	1 293	39	41	43	45
Owned and leasehold property expenditure	30	–	51	–	–	–	–
Travel and subsistence	4 018	5 970	6 318	9 388	10 728	11 264	11 827
Training and development	172	272	350	1 374	1 443	1 515	1 591
Operating expenditure	790	1 473	1 869	–	–	–	–
Venues and facilities	1 646	2 683	3 262	2 992	3 142	3 299	3 464
Financial transactions in assets and liabilities	2	14	2	–	–	–	–
<b>Transfers and subsidies</b>	<b>5 454</b>	<b>7 670</b>	<b>58 463</b>	<b>122 407</b>	<b>227 255</b>	<b>244 290</b>	<b>265 406</b>
Provinces and municipalities	52	14	–	–	–	–	–
Departmental agencies and accounts	–	–	50 000	111 900	210 000	226 000	246 000
Foreign governments and international organisations	60	11	299	360	191	202	223
Non-profit institutions	5 342	7 645	8 164	10 147	17 064	18 088	19 183
<b>Payments for capital assets</b>	<b>500</b>	<b>576</b>	<b>689</b>	<b>2 598</b>	<b>2 606</b>	<b>2 777</b>	<b>2 951</b>
Machinery and equipment	433	576	689	2 389	2 538	2 705	2 875
Software and other intangible assets	67	–	–	209	68	72	76
<b>Total</b>	<b>38 540</b>	<b>45 839</b>	<b>109 965</b>	<b>211 245</b>	<b>329 324</b>	<b>352 719</b>	<b>381 296</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>52</b>	<b>14</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	52	14	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>50 000</b>	<b>111 900</b>	<b>210 000</b>	<b>226 000</b>	<b>246 000</b>
National Student Financial Aid Scheme	–	–	50 000	111 900	210 000	226 000	246 000

**Table 16.9 Policy Development, Review and Implementation Support for Welfare Services (continued)**

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Details of transfers and subsidies</b>							
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>60</b>	<b>11</b>	<b>299</b>	<b>360</b>	<b>191</b>	<b>202</b>	<b>223</b>
International Council on Alcohol and Addiction	–	–	–	17	18	20	22
International Federation for the Aged	–	11	11	28	30	35	38
International Social Services	60	–	288	126	133	136	150
United Nations International Drug Control Programme	–	–	–	9	10	11	13
Walvis Bay	–	–	–	180	–	–	–
<b>Non-profit institutions</b>							
<b>Current</b>	<b>5 342</b>	<b>7 645</b>	<b>8 164</b>	<b>10 147</b>	<b>17 064</b>	<b>18 088</b>	<b>19 183</b>
National Councils	5 342	6 194	7 468	8 547	17 064	18 088	19 183
Transfers to Non Government Organisations	–	1 451	696	–	–	–	–
Association of South African Social Work Educators Institutions	–	–	–	1 500	–	–	–
Foundation for Professional Development	–	–	–	100	–	–	–

## Expenditure trends

Expenditure grew from R38.5 million in 2005/06 to R211 million in 2008/09 at an average annual rate of 76.3 per cent, and is expected to increase to R381.3 million in 2011/12 at an average annual rate of 21.8 per cent. The strong growth is mainly due to the introduction and rapid expansion of the social work scholarships in 2007/08 and increased funding for personnel to strengthen capacity and provide leadership on provincial welfare service delivery.

To align the budget and programme structure with the department's strategic objectives, the *HIV and AIDS* subprogramme, previously under this programme, has been moved to the *Community Development* programme.

## Programme 4: Community Development

- *Sustainable Livelihoods* develops and provides support for the implementation of programmes, strategies and tools for sustainable livelihoods, and manages service delivery partners.
- *Community Development Policy and Service Standards* develops and facilitates the implementation of policies, guidelines, norms and standards to ensure the effective and efficient delivery of community development services.
- *Youth* develops and facilitates the implementation of policies, legislation and programmes to protect vulnerable youth.
- *Non-Profit Organisations* facilitates the implementation of the Nonprofit Organisations Act (1997) and provides programmes and tools for empowering non-profit organisations.
- *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 2007 to 2011 national strategic plan for HIV and AIDS and sexually transmitted infections. The *HIV and AIDS* subprogramme has been moved to the *Community Development* programme to align the budget and programme structure with the department's strategic objectives.
- *National Development Agency* provides for and oversees the transfer to the National Development Agency.
- *Contributions and Affiliations to Other Bodies* provides for contributions to international federations and organisations.
- *Administration*.

Funding for the first seven subprogrammes relates to operational requirements. Funding for the *National Development Agency* subprogramme is based on grant funding for community development projects

administered by the agency. Funding for the *Contributions and Affiliations to Other Bodies* subprogramme is based on membership fees.

## Objectives and measures

- Protect and empower vulnerable youth by:
  - auditing youth services by March 2010
  - researching the type, dimensions and impact of poverty on vulnerable youth by March 2011
  - overseeing the implementation of the Masupatsela youth pioneer programme, which recruits, trains and absorbs unemployed and out-of-school youth in their local communities, over the MTEF period.
- Strengthen the capacity of practitioners and communities to achieve sustainable livelihoods by:
  - completing and launching the sustainable livelihoods toolkit for community development practitioners by March 2010
  - training 100 community development practitioners to use the sustainable livelihoods toolkit by March 2010.
  - developing implementation guidelines for social cooperatives by March 2012.
- Improve community food security by:
  - developing a concept document on community food banks by March 2010
  - facilitating the establishment of 2 community food banks by March 2011 and 3 by March 2012.
- Improve community development practice by:
  - developing a national community development policy framework by March 2011
  - producing a discussion document on the professionalisation of community development practice by March 2010
  - producing a skills development plan by March 2010.
- Ensure efficiency in the non-profit organisation registration facility by:
  - registering all non-profit organisations within 2 months of receiving applications by March 2010
  - drafting amendments to the Nonprofit Organisations Act (1997) and preparing cost estimates by March 2010
  - developing a reference manual on good governance by March 2011.
- Reduce vulnerability to HIV infection and mitigate the impact by:
  - developing guidelines to promote behaviour change by 2009/10
  - monitoring the implementation of loveLife during 2009/10
  - strengthening the capacity of home community based care organisations and developing systems and processes for monitoring their compliance with norms and standards by 2011/12.

## Service delivery and spending focus

Following extensive consultation with community development stakeholders, a base document on community development, outlining the need for a community development policy framework, was developed in December 2007. The department will continue to coordinate the development of this framework to streamline and integrate community development activities across government departments and civil society.

A scoping exercise of community development unit standards and qualifications at National Qualification Framework levels 4 to 6 was conducted in consultation with the South African Qualifications Authority and the Standards Generating Body. The department aims to improve the community development practice and strengthen the capacity of community development practitioners. This requires standardising community development education and training and professionalising the practice.

6 799 non-profit organisations were registered in terms of the Nonprofit Organisations Act (1997) within 2 months of applications being received, increasing the total number of registered organisations to 54 059. 333 community development practitioners and 43 programme managers in all provinces were trained on non-profit organisation governance and the requirements for registering a non-profit organisation. The registration process was analysed, and a standard procedure manual was developed in the second quarter of 2008/09.

The Masupatsela youth pioneer programme, which emanated from the cooperation agreement signed between Cuba and South Africa in September 2007, was conceptualised and approved in November 2007. This programme, aimed at instilling in young people a strong sense of patriotism, will be implemented at the provincial level over the MTEF period. The department monitor the implementation and strengthen areas where gaps are identified.

A strategy on behaviour change for the prevention of HIV and AIDS was developed in July 2008. During 2007/08, 1 500 home and community based care organisations were funded and 2.1 million orphans and vulnerable children received counselling and support through these organisations. 847 child care forums and 407 drop-in centres were established and supported. During the first half of 2008/09, 1 304 home and community based care organisations were funded and 619 598 orphans and vulnerable children received support through these organisations. 135 home and community based care organisations have been trained, mentored and monitored under the management capacity building programme for these organisations. A study on child headed households has also been completed.

## Expenditure estimates

**Table 16.10 Community Development**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Sustainable Livelihoods	10 921	10 638	6 832	9 371	8 635	8 809	9 263
Community Development Policy and Service Standards	3 196	4 636	3 913	6 900	8 355	8 818	9 399
Registration and Institutional Capacity Building of Non-Profit Organisations	3 337	4 244	6 744	9 841	12 719	13 435	13 175
Youth	1 513	2 976	4 571	7 801	5 361	5 730	6 149
HIV and AIDS	43 555	50 111	51 260	61 116	61 530	66 275	69 833
National Development Agency	121 482	123 012	129 163	136 267	144 782	153 469	163 724
Contributions and Affiliations to Other Bodies	–	–	–	400	441	467	488
Administration	5 559	6 239	5 479	6 094	6 538	6 874	7 188
<b>Total</b>	<b>189 563</b>	<b>201 856</b>	<b>207 962</b>	<b>237 790</b>	<b>248 361</b>	<b>263 877</b>	<b>279 219</b>
Change to 2008 Budget estimate				(2 190)	(2 036)	(2 172)	73 109

### Economic classification

	30 615	37 642	34 694	52 481	57 346	62 549	64 917
<b>Current payments</b>							
Compensation of employees	16 375	16 464	18 730	28 258	30 276	32 033	33 757
Goods and services	14 237	21 087	15 960	24 223	27 070	30 516	31 160
<i>of which:</i>							
Administrative fees	107	–	182	1 088	1 168	2 124	1 350
Advertising	2 608	2 577	3 640	1 007	1 057	1 110	1 166
Assets less than R5 000	209	24	263	115	121	127	133
Bursaries: Employees	–	–	–	55	58	61	64
Catering: Departmental activities	200	255	243	260	273	287	301
Communication	35	44	62	65	68	72	75
Computer services	–	–	2	30	32	34	36
Consultants and professional services: Business and advisory services	2 241	5 852	2 844	8 296	9 544	11 214	11 775
Consultants and professional services: Legal costs	71	129	285	350	368	386	405
Contractors	271	330	677	870	914	960	1 008
Agency and support / outsourced services	390	1 158	1 585	–	–	–	–
Entertainment	–	–	–	14	15	16	17
Inventory: Learner and teacher support material	–	3	–	–	–	–	–
Inventory: Materials and supplies	–	–	1	(350)	–	–	–
Inventory: Other consumables	1	2	2	7	7	7	7
Inventory: Stationery and printing	914	1 179	289	1 441	1 513	1 589	1 668
Lease payments	162	229	71	150	158	166	174

Table 16.10 Community Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Current payments</b>	<b>30 615</b>	<b>37 642</b>	<b>34 694</b>	<b>52 481</b>	<b>57 346</b>	<b>62 549</b>	<b>64 917</b>
<i>Owned and leasehold property expenditure</i>	–	–	126	–	–	–	–
<i>Travel and subsistence</i>	6 243	7 494	4 717	7 369	8 144	8 551	8 979
<i>Training and development</i>	202	267	113	730	767	805	845
<i>Operating expenditure</i>	198	250	275	30	32	34	36
<i>Venues and facilities</i>	385	1 294	583	2 696	2 831	2 973	3 122
Financial transactions in assets and liabilities	3	91	4	–	–	–	–
<b>Transfers and subsidies</b>	<b>158 038</b>	<b>163 772</b>	<b>172 624</b>	<b>184 255</b>	<b>190 177</b>	<b>200 487</b>	<b>213 411</b>
Provinces and municipalities	56	13	–	–	–	–	–
Departmental agencies and accounts	121 482	123 012	129 163	136 267	144 782	153 469	163 724
Universities and technikons	–	–	461	–	–	–	–
Foreign governments and international organisations	–	–	–	400	441	467	488
Non-profit institutions	36 500	40 747	43 000	47 588	44 954	46 551	49 199
<b>Payments for capital assets</b>	<b>910</b>	<b>442</b>	<b>644</b>	<b>1 054</b>	<b>838</b>	<b>841</b>	<b>891</b>
Machinery and equipment	880	433	644	1 054	838	841	891
Software and other intangible assets	30	9	–	–	–	–	–
<b>Total</b>	<b>189 563</b>	<b>201 856</b>	<b>207 962</b>	<b>237 790</b>	<b>248 361</b>	<b>263 877</b>	<b>279 219</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>56</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	56	13	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>121 482</b>	<b>123 012</b>	<b>129 163</b>	<b>136 267</b>	<b>144 782</b>	<b>153 469</b>	<b>163 724</b>
National Development Agency	121 482	123 012	129 163	136 267	144 782	153 469	163 724
<b>Universities and technikons</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>461</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
University of South Africa	–	–	461	–	–	–	–
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>400</b>	<b>441</b>	<b>467</b>	<b>488</b>
South African Youth Workers Association	–	–	–	400	441	467	488
<b>Non-profit institutions</b>							
<b>Current</b>	<b>36 500</b>	<b>40 747</b>	<b>43 000</b>	<b>47 588</b>	<b>44 954</b>	<b>46 551</b>	<b>49 199</b>
Non-Profit Organisations Partnership Fund	–	241	1 000	388	409	431	457
National Association of Burial Societies of South Africa	–	–	–	750	825	910	956
National Association of People Living with HIV and AIDS	–	–	–	400	420	450	473
Khanya-aicdd (Africa Institute for Community Driven Development)	–	–	–	1 500	1 000	500	513
Edwin Radithupa Mabitse Trust	–	–	–	50	–	–	–
loveLife	36 500	40 000	41 000	41 000	41 000	43 460	45 600
Planned Parenthood Association of South Africa	–	–	–	1 500	–	–	–
National Religious Leaders Forum	–	–	–	1 500	1 000	500	700
United Nations International Drug Control Programme	–	506	–	–	–	–	–
National Association of People Living with HIV and AIDS	–	–	1 000	500	300	300	500

## Expenditure trends

The average annual growth rate is 7.8 per cent between 2005/06 and 2008/09, and it is expected to be 5.5 per cent over the MTEF period. Expenditure in this programme is dominated by the *HIV and AIDS* subprogramme and transfers to the National Development Agency, which jointly account for 83.1 per cent of the programme budget in 2009/10.

The stable trend in expenditure growth is set to continue over the MTEF period.

## Public entity

### National Development Agency

#### Strategic overview: 2005/06 – 2011/12

The National Development Agency is a statutory body established in terms of the National Development Agency Act (1998). The main mandate of the agency is to contribute towards the eradication of poverty and its causes by granting funds to civil society organisations to implement development projects for poor communities, and to strengthen the institutional capacity of other civil society organisations that provide services to the poor. Its secondary mandate is to promote consultation and dialogue between civil society organisations and relevant organs of state.

Over the past few years, the agency has managed to ensure organisational stability and it has also implemented improved corporate governance standards. Capacity building of its staff will continue and processes and procedures, including performance management systems, will be enhanced to facilitate improved service delivery.

The agency provides grant funding to income generating and food security projects and intends to improve its project identification systems by conducting focused research that is in line with government priorities, as well as taking the unique local opportunities and needs of a province into consideration.

The capacity building of community organisations will be prioritised, partnerships with key stakeholders will be developed and research on improving policy development and service delivery integration and implementation will also be carried out.

#### Selected performance and operations indicators

**Table 16.11 National Development Agency**

Indicator	Activity / Objective / Programme / Project	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of civil society organisation development and support intervention programmes	Capacity building interventions	1 567	2 141	3 212	818	900	990	1 069
Number of functional business systems	Efficient business processes and systems	480	300	317	340	630	500	500
Number of monitoring and evaluation reports	Project visit, monitoring and support	3 685	4 572	4 709	4 430	4 873	5 287	5 657
Value of grants paid each year	Approval of projects, commitments and payout of grants	R55.7m	R92.4m	R133.1m	R80.1m	R94.1m	R99.8m	R106.4m

#### Service delivery and spending focus

From 2005/06 to 2007/08, after a series of corruption scandals that were damaging to its reputation and that also revealed some organisational weaknesses, the agency went through a process of structural transformation. It has now achieved organisational stability by: improving the performance management system, strengthening organisational capacity through the new human resources unit, filling critical vacancies, intensifying training and education of staff, putting appropriate policies in place, improving governance through stricter compliance measures, and increasing the organisation's visibility through relationship building with stakeholders and brand

promotion. The agency has managed to get unqualified audits for the last two years and intends to keep this record.

A partnering for development strategy has been devised and is being considered by the board. In addition to an extensive organisational promotion campaign, the agency also strengthened collaborations with strategic partners in the implementation of projects, especially local municipalities and relevant government departments.

As part of its commitment to community empowerment through sustainable development, R89.9 million in grant funding was made available to 78 civil society organisations, non-governmental organisations and cooperatives in 2007/08 and 2008/09. This was aimed at funding poverty eradication and development projects across the country, especially in rural areas. This has benefited 9 725 people directly and 229 361 indirectly across the country.

The second phase of capacity building for civil society organisations, which was started in 2007/08, was successfully implemented in 2008/09 with a grant of R25.7 million. 643 organisations are benefiting from the project through the agency's training programmes.

Over the MTEF period, the agency aims to respond to the call by government to implement the integrated and comprehensive anti-poverty strategy that responds to the most affected sectors of the population. These interventions are aimed at contributing to job creation and the participation of poor communities in the mainstream economy by strengthening their capacity and fostering social entrepreneurship.

In 2007/08, the agency completed commissioned research projects on: the state of civil society organisations, the municipal poverty profile and resource flows, and the provincial poverty profile and resource flows.

The agency intends to achieve the following in the next three years: establish and maintain a strategic national database of civil society organisations and other key developmental role players measure the socioeconomic impact of the agency's strategic programmes and government policies on the poor establish and maintain strategic partnerships with development agencies, research organisations and institutions of higher learning nationally and internationally link the agency with other knowledge partners to ensure accountability, build networks and promote dialogue and public participation carry out knowledge sharing and learning networks.

## Expenditure estimates

**Table 16.12 National Development Agency: Financial information**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
<b>Statement of financial performance</b>							
<b>Revenue</b>							
<b>Non-tax revenue</b>	51 230	27 706	26 499	28 454	23 214	25 289	27 723
<i>Other non-tax revenue</i>	51 230	27 706	26 499	28 454	23 214	25 289	27 723
<b>Transfers received</b>	121 482	123 012	129 163	136 267	144 782	153 469	163 724
<b>Total revenue</b>	172 712	150 718	155 662	164 721	167 996	178 758	191 447
<b>Expenses</b>							
<b>Current expense</b>	64 508	70 847	84 034	80 110	81 127	86 676	93 211
Compensation of employees	33 365	33 328	38 312	41 130	43 510	46 773	50 515
Goods and services	30 096	36 911	44 463	37 074	35 520	37 649	40 274
Depreciation	1 047	608	1 259	1 906	2 097	2 254	2 423
<b>Transfers and subsidies</b>	59 553	92 376	133 073	84 611	86 869	92 081	98 235
<b>Total expenses</b>	124 061	163 223	217 107	164 721	167 996	178 758	191 447
<b>Surplus / (Deficit)</b>	48 651	(12 505)	(61 445)	-	-	-	-
<b>Statement of financial position</b>							
Carrying value of assets	2 496	2 847	5 639	4 469	3 491	2 467	1 397
<i>of which: Acquisition of assets</i>	1 161	975	4 081	880	1 118	1 230	1 353
Receivables and prepayments	3 285	2 418	4 037	240	1 245	1 245	105
Cash and cash equivalents	261 458	279 880	278 650	246 135	256 528	269 556	250 418
<b>Total assets</b>	267 239	285 145	288 326	250 845	261 264	273 268	251 920
Accumulated surplus / (deficit)	(2 255)	(1 167)	(1 869)	(3 676)	(3 116)	(2 132)	(1 054)
Trade and other payables	8 126	10 829	6 569	4 172	4 548	4 934	5 354
Managed funds	261 368	275 483	283 626	250 349	259 833	270 465	247 621
<b>Total equity and liabilities</b>	267 239	285 145	288 326	250 845	261 264	273 267	251 921

## Expenditure trends

The main source of funding for the National Development Agency is transfers from the Department of Social Development and interest earned on this. Transfers received grew at an average annual rate of 3.9 per cent between 2005/06 and 2008/09, and are set to grow at an average annual rate of 6.3 per cent over the MTEF period. Non-tax revenue declined by 45.9 per cent in 2006/07 because less interest was earned on cash due to the increased use of reserves which had previously been earning interest.

Compensation of employees, one of the biggest expenditure items, increased at an average annual rate of 7.2 per cent between 2005/06 and 2008/09, and is expected to increase by 7.1 per cent over the MTEF period.

The increase of 22.6 per cent in goods and services between 2005/06 and 2006/07 is due to marketing costs. The increased expenditure on marketing was due to a management decision to reposition the National Development Agency brand. The subsequent increase between 2006/07 and 2007/08 is mainly due to once-off expenditure, which related to ineligible expenditure on European Union funded projects. According to European Union criteria, the agency did not spend according to the stipulations of their contract. The agency took a decision to pay for project from its own funds.

## Programme 5: Strategy and Governance

- *Strategy Development, Business and Programme Performance* develops the department's strategic plan, promotes effective planning in the sector, improves operational efficiency, develops social policies and programmes, and considers mechanisms to improve customer satisfaction across the sector.
- *Monitoring and Evaluation* develops and oversees the implementation of a comprehensive monitoring and evaluation system to improve service delivery across the sector.
- *Entity Oversight* oversees all entities, agencies and boards reporting to the department.
- *Social Policy Coordination* provides strategic guidance on social policy development, coordination and evaluation.
- *Special Project Coordination* provides for integrated project management and reporting on special social sector cluster projects, such as the expanded public works programme.
- *Population and Development* provides policy, monitoring and planning advice on government's population policy.
- *Appeals Service Centre* provides an impartial adjudication service for social assistance appeals. Funding is for the establishment costs for the centre, and operational funding based on the projected number of appeals lodged per year, including current backlogs.
- *Contributions and Affiliations to Other Bodies* provides for contributions to international federations and organisations.
- *Administration*.

Funding for all subprogrammes, except the *Appeals Service Centre* and *Contributions and Affiliations to Other Bodies* subprogrammes, is based on operational requirements. Funding in the *Appeals Service Centre* subprogramme includes the establishment costs for the tribunal and operational funding, and is based on the number of appeals per year, including existing backlogs. Funding for the *Contributions and Affiliations to Other Bodies* subprogramme is based on membership fees.

## Objectives and measures

- Improve planning and service delivery in the social development sector by:
  - revising and finalising the department's strategic plan by January each year
  - providing ongoing assistance to provincial departments with strategic planning processes
  - developing a customer centred service delivery model by 2010.
- Improve accountability and promote service delivery across the sector by:
  - implementing a comprehensive monitoring and evaluation system
  - conducting annual performance analyses and departmental reviews, and submitting quarterly reports to the minister within 6 weeks of the end of every quarter

- coordinating quarterly performance review meetings, and conducting 3 programme evaluations per year.
- Improve corporate governance of public entities, bodies and boards by:
  - developing and rolling out a performance management framework by March 2010
  - conducting quarterly performance assessments of public entities.
- Integrate population trends and dynamics into departmental planning by:
  - developing the 5-year population and development strategy by March 2010
  - producing an annual publication of research reports on population trends and dynamics.
- Ensure fairness in the grant application process by:
  - operationalising the appeals tribunal by July 2009
  - eliminating all backlogs by March 2011.

## Service delivery and spending focus

The department developed and tabled its 3-year strategic plan in 2007/08. A sector planning handbook was finalised to guide the sector and promote strategic planning for improved outcomes. A customer care and local front office model was approved by the forum for ministers and members of provincial executive councils. A gender mainstreaming programme was implemented and the gender policy initiated. A short term immovable asset management plan and business process improvement plan were also completed.

To monitor the implementation of the department's strategy, an institutional performance monitoring framework was developed. A web based electronic system was developed to facilitate online reporting and accelerate the turnaround times of the submission of performance reports. Following the training of users, the system will be fully implemented in 2009/10. Quarterly reports, annual reports and performance measurement reports were completed on time and submitted to the relevant authorities in line with the department's performance guidelines.

A study to further investigate the potential of the expanded public works programme in the social sector, beyond the two pilot areas of early childhood development and home and community based care, was completed in May 2007. The study recommended expansion into 13 new areas, with the potential to create 500 000 work opportunities. The framework to integrate expanded public works programme principles into these areas was also developed in May 2007. 147 000 work opportunities were created against the initial target of 150 000 for the first 4 and a half years, as set out in the social sector plan.

The department developed an appeals enterprise support mechanism, aimed at overseeing activities such as case management, pre-assessment, and secretariat and related administrative support. Medical assessment mechanisms were developed for adjudicating care dependency and disability social grants. Staff were recruited for the Independent Tribunal for Social Assistance Appeals, and members were enlisted and appointed to serve on the panel. An estimated backlog of more than 50 000 appeals will be a key focus area over the MTEF period.

## Expenditure estimates

**Table 16.13 Strategy and Governance**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Strategy Development, Business and Programme Performance	–	3 635	14 685	11 023	6 849	7 200	7 609
Monitoring and Evaluation	15 622	2 574	9 884	16 043	11 453	14 332	15 570
Entity Oversight	–	672	3 799	16 960	15 522	18 607	20 121
Social Policy Coordination	–	5 228	2 231	2 932	5 193	5 365	5 826
Special Projects Coordination	–	–	4 803	5 693	7 110	7 348	6 938
Appeals Service Centre	–	–	1 141	25 628	31 048	32 455	33 942
Population and Development	14 744	20 720	33 891	20 122	19 963	21 001	22 202
Contributions and Affiliations to Other Bodies	145	154	537	316	337	362	378
Administration	2 550	6 870	1 957	3 482	3 645	3 842	4 072
<b>Total</b>	<b>33 061</b>	<b>39 853</b>	<b>72 928</b>	<b>102 199</b>	<b>101 120</b>	<b>110 512</b>	<b>116 658</b>
Change to 2008 Budget estimate				8 800	4 487	4 218	4 290

Table 16.13 Strategy and Governance (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Economic classification</b>							
<b>Current payments</b>	<b>32 578</b>	<b>33 794</b>	<b>68 558</b>	<b>100 472</b>	<b>98 491</b>	<b>107 775</b>	<b>113 812</b>
Compensation of employees	11 695	14 586	23 180	35 943	42 780	44 671	47 371
Goods and services	20 883	19 208	45 377	64 529	55 711	63 104	66 441
<i>of which:</i>							
Administrative fees	575	850	1 042	2 090	838	1 353	1 842
Advertising	1 199	1 435	987	1 416	1 487	1 561	1 639
Assets less than R5 000	155	398	541	342	359	377	396
Bursaries: Employees	101	–	–	80	84	88	92
Catering: Departmental activities	158	431	200	731	768	806	846
Communication	48	114	140	605	635	667	700
Computer services	22	–	4 051	6 409	6 729	7 065	7 418
Consultants and professional services: Business and advisory services	11 392	537	9 673	37 280	28 457	34 015	35 477
Consultants and professional services: Legal costs	–	–	–	100	105	110	116
Contractors	251	701	2 319	48	50	53	56
Agency and support / outsourced services	229	2 969	11 314	–	–	–	–
Entertainment	255	116	10	–	–	–	–
Government motor transport: Trading account	–	–	1	–	–	–	–
Inventory: Learner and teacher support material	13	–	–	–	–	–	–
Inventory: Materials and supplies	85	4	1	139	146	153	161
Inventory: Other consumables	13	4	23	61	64	67	70
Inventory: Stationery and printing	1 045	1 047	1 101	1 287	1 351	1 419	1 490
Lease payments	12	–	69	53	56	59	62
Owned and leasehold property expenditure	–	–	7	–	–	–	–
Travel and subsistence	3 146	6 080	8 668	9 708	10 193	10 703	11 238
Training and development	138	422	773	1 323	1 389	1 458	1 531
Operating expenditure	547	1 530	819	25	26	27	28
Venues and facilities	1 499	2 570	3 638	2 832	2 974	3 123	3 279
Financial transactions in assets and liabilities	–	–	1	–	–	–	–
<b>Transfers and subsidies</b>	<b>181</b>	<b>5 439</b>	<b>1 587</b>	<b>316</b>	<b>1 337</b>	<b>1 362</b>	<b>1 378</b>
Provinces and municipalities	36	8	–	–	–	–	–
Departmental agencies and accounts	–	375	375	–	–	–	–
Universities and technikons	–	4 790	–	–	–	–	–
Foreign governments and international organisations	145	154	162	316	337	362	378
Non-profit institutions	–	112	1 050	–	1 000	1 000	1 000
<b>Payments for capital assets</b>	<b>302</b>	<b>620</b>	<b>2 783</b>	<b>1 411</b>	<b>1 292</b>	<b>1 375</b>	<b>1 468</b>
Machinery and equipment	302	620	2 783	1 261	1 192	1 273	1 364
Software and other intangible assets	–	–	–	150	100	102	104
<b>Total</b>	<b>33 061</b>	<b>39 853</b>	<b>72 928</b>	<b>102 199</b>	<b>101 120</b>	<b>110 512</b>	<b>116 658</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>36</b>	<b>8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Regional Services Council levies	36	8	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>–</b>	<b>375</b>	<b>375</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Human Science Research Council	–	375	375	–	–	–	–

Table 16.13 Strategy and Governance (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Details of transfers and subsidies</b>							
<b>Current payments</b>	<b>32 578</b>	<b>33 794</b>	<b>68 558</b>	<b>100 472</b>	<b>98 491</b>	<b>107 775</b>	<b>113 812</b>
<b>Universities and technikons</b>							
<b>Current</b>	-	4 790	-	-	-	-	-
University of Pretoria	-	4 790	-	-	-	-	-
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>145</b>	<b>154</b>	<b>162</b>	<b>316</b>	<b>337</b>	<b>362</b>	<b>378</b>
United Nations Population Fund	145	154	162	170	180	191	200
Partners in Population and Development	-	-	-	146	157	171	178
<b>Non-profit institutions</b>							
<b>Current</b>	-	112	1 050	-	1 000	1 000	1 000
Transfers to Non Government Organisation: Soul City	-	112	1 050	-	1 000	1 000	1 000

## Expenditure trends

Expenditure grew at an average annual rate of 45.7 per cent between 2005/06 and 2008/09, mainly as a result of additional allocations of R20 million in 2007/08 and R30 million in 2008/09 to establish an inspectorate. This is supplemented with additional allocations of R7 million in 2008/09, R10 million in 2009/10 and R13 million in 2010/11 to strengthen the department's regulatory and oversight functions for the South African Social Security Agency and facilitate the establishment of key social security institutions.

An additional R30 million is allocated over the MTEF period to increase the capacity of the appeals tribunal (R10 million, R10 million, and R10 million).

A once-off allocation was made to the University of Pretoria in 2006/07 to establish a partnership for economic research on social protection.

## Provincial expenditure

While the national Department of Social Development provides policy direction and oversight for welfare service delivery, provincial departments are responsible for actual service delivery, mainly in partnership with civil society organisations. The national department and provincial departments are very closely aligned. Provinces have about a tenth of the total budget.

## Total national and provincial expenditure

Table 16.14 Total social development expenditure estimates

Total social development programme	Audited outcome			Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Social Assistance	50 709 000	57 037 000	62 484 765	71 211 809	80 405 306	88 151 151	95 264 167
Grants Administration and Policy Administration	4 027 563	4 288 489	4 300 691	5 310 919	5 328 853	5 797 263	6 272 020
Welfare Services	1 101 825	1 408 183	1 635 469	2 219 785	2 085 865	2 218 897	2 371 283
Community Development	2 617 473	3 094 695	4 109 264	5 681 628	6 531 293	7 449 301	8 325 842
	832 011	936 590	890 235	1 211 364	1 395 721	1 628 336	1 731 277
<b>Total</b>	<b>59 287 872</b>	<b>66 764 957</b>	<b>73 420 424</b>	<b>85 635 505</b>	<b>95 747 038</b>	<b>105 244 948</b>	<b>113 964 589</b>

Total national and provincial expenditure on social development almost doubles over the seven-year period, from R59.3 billion in 2005/06 to R113.9 billion in 2011/12, reflecting average annual growth of 11.5 per cent. The growth is mainly in the *Social Assistance* programme's budget, which grows from R50.7 billion in 2005/06 to R95.3 billion in 2011/12.

In 2008/09, estimated expenditure in the *Social Assistance* programme makes up about 83.2 per cent of total estimated expenditure on social development, the *Welfare Services* programme 6.8 per cent, the *Grants Administration and Policy* programme 6.2 per cent, the *Community Development* programme 1.4 per cent and the *Administration* programme 2.6 per cent. Expenditure on *Social Assistance* in relation to total expenditure on social development decreases slightly from 85.5 per cent in 2005/06 to 83.5 per cent of total expenditure in 2011/12. Expenditure in the *Grants Administration and Policy* programme decreases relative to total expenditure, from 6.8 per cent in 2005/06 to 6.2 per cent in 2008/09, declining further to 5.5 per cent over the MTEF period. Expenditure in the *Welfare Services* and *Community Development* programme increased from 5.8 per cent of total expenditure in 2005/06 to 8 per cent in 2008/09 and remains relatively constant at just under 9 per cent over the MTEF period.

Expenditure in the *Grants Administration and Policy* programme, which includes the budget of the South African Social Security Agency and non-social assistance expenditure within the comprehensive social security programme at the national department, grows at 7.7 per cent over the seven-year period, from R4 billion in 2005/06 to an estimated R6.3 billion in 2011/12.

The shift of social assistance to the national sphere of government in 2005/06 has allowed provinces to focus their resources solely on welfare service delivery and community development. This is evident in the strong growth in spending in the *Welfare Services* and *Community Development* programmes, which grow from about 86.4 per cent of the *Grants Administration and Policy* programme's budget in 2005/06 to approximately 160.3 per cent in 2011/12.

The main policy interventions impacting provincial social development departments are the strengthening of welfare service delivery, the massification of expanded public works programme initiatives, and improving services to children and children in conflict with the law.

## Expenditure by province

**Table 16.15 Expenditure estimates by province**

Provinces	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08			2009/10	2010/11	2011/12
R thousand				2008/09				
Eastern Cape	539 649	730 319	880 426	1 396 525	1 396 525	1 434 015	1 655 389	1 830 595
Free State	382 906	442 985	426 048	555 947	555 902	683 462	734 975	802 435
Gauteng	816 182	1 011 634	1 338 898	1 741 619	1 771 035	1 935 797	2 173 298	2 362 264
KwaZulu-Natal	746 226	941 579	1 015 188	1 207 052	1 275 578	1 376 681	1 664 207	1 871 577
Limpopo	358 169	401 924	416 492	725 606	725 606	761 600	822 527	925 615
Mpumalanga	223 673	249 898	457 545	658 732	682 753	792 343	899 243	993 120
Northern Cape	175 446	216 793	304 418	373 847	365 418	407 893	456 799	498 327
North West	324 330	368 432	438 477	614 429	614 429	724 527	837 472	927 573
Western Cape	653 512	719 516	901 363	1 233 796	1 233 796	1 162 502	1 268 449	1 378 778
<b>Total</b>	<b>4 220 093</b>	<b>5 083 080</b>	<b>6 178 855</b>	<b>8 507 553</b>	<b>8 621 042</b>	<b>9 278 820</b>	<b>10 512 359</b>	<b>11 590 284</b>

Source: *Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)*

There has been strong growth in provincial expenditure since 2005/06, with most provinces' budgets growing by between 20 and 30 per cent between 2005/06 and 2008/09. Expenditure for provincial departments almost triples over the seven-year period, growing from R4.2 billion in 2005/06 to an estimated R11.6 billion in 2011/12.

## Expenditure by provincial programme

**Table 16.16 Expenditure estimates by provincial programme**

Provincial programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08			2009/10	2010/11	2011/12
R thousand				2008/09				
1. Administration	998 712	1 299 133	1 496 376	2 063 596	2 185 106	1 929 491	2 051 318	2 193 471
2. Social Welfare Services	2 578 933	3 048 856	3 999 299	5 470 383	5 475 725	6 201 969	7 096 582	7 944 755
3. Development and Research	642 448	734 734	682 273	973 574	960 211	1 147 360	1 364 459	1 452 058
4. Other	–	357	907	–	–	–	–	–
<b>Total</b>	<b>4 220 093</b>	<b>5 083 080</b>	<b>6 178 855</b>	<b>8 507 553</b>	<b>8 621 042</b>	<b>9 278 820</b>	<b>10 512 359</b>	<b>11 590 284</b>

Source: *Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)*

Expenditure in the *Welfare Services* programme grows strongly at an average annual rate of 20.6 per cent over the seven-year period, from R2.6 billion in 2005/06 to an estimated R8 billion in 2011/12. This is mainly as a result of the strong focus on welfare services since 2005/06, which has included: preparing for and implementing amendments to key welfare legislation, such as the Children's Act (2005), the Older Person's Act (2006) and the Prevention and Treatment of Drug Dependency Act (1992); the training and employment of social service professionals (including the occupation specific dispensation); improvements in services to children in conflict with the law, orphans and other vulnerable children; and the rapid expansion of the social services expanded public works programmes, which relate mainly to early childhood development services and, to a lesser extent, home and community based care.

## Provincial expenditure by economic classification

**Table 16.17 Expenditure estimates by economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
<b>Current payments</b>	<b>2 168 103</b>	<b>2 560 163</b>	<b>3 123 350</b>	<b>4 463 064</b>	<b>4 564 060</b>	<b>4 897 071</b>	<b>5 466 371</b>	<b>5 856 840</b>
Compensation of employees	1 350 759	1 532 983	1 935 415	2 715 643	2 717 836	3 218 853	3 651 272	3 893 583
Goods and services	802 286	1 017 287	1 154 024	1 741 594	1 840 397	1 672 391	1 808 716	1 956 574
Interest and rent on land	238	–	3 244	5 827	5 827	5 827	6 383	6 683
Financial transactions in assets and liabilities	14 820	9 893	30 667	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>1 906 197</b>	<b>2 286 173</b>	<b>2 763 132</b>	<b>3 424 036</b>	<b>3 430 210</b>	<b>3 715 127</b>	<b>4 415 277</b>	<b>5 117 429</b>
<i>of which:</i>								
Provinces and municipalities	15 430	11 692	6 871	8 000	8 000	8 000	8 000	8 000
Departmental agencies and accounts	4 920	4 059	4 210	4 124	3 474	3 756	4 000	4 251
Universities and technikons	–	–	1 015	2 921	2 921	1 883	1 254	1 329
Public corporations and private enterprises	36 031	141 944	64 957	29 733	34 986	76 943	120 385	128 389
Non-profit institutions	1 688 723	2 091 902	2 492 412	3 121 645	3 118 817	3 410 901	4 050 020	4 726 892
Households	161 093	36 576	193 667	257 613	262 012	213 644	231 618	248 568
<b>Payments for capital assets</b>	<b>145 793</b>	<b>236 744</b>	<b>292 373</b>	<b>620 453</b>	<b>626 772</b>	<b>666 622</b>	<b>630 711</b>	<b>616 015</b>
<i>of which:</i>								
Buildings and other fixed structures	89 076	147 611	213 684	501 165	506 804	534 906	487 192	474 028
Machinery and equipment	55 154	88 369	78 675	119 288	119 968	131 716	143 519	141 987
Software and other intangible assets	1 563	764	14	–	–	–	–	–
<b>Total</b>	<b>4 220 093</b>	<b>5 083 080</b>	<b>6 178 855</b>	<b>8 507 553</b>	<b>8 621 042</b>	<b>9 278 820</b>	<b>10 512 359</b>	<b>11 590 284</b>

Source: Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)

Welfare services were strengthened mainly through employment strategies such as the occupation specific dispensation for welfare service professionals and the recruitment and training of social workers and social auxiliary workers. As a result, compensation of employees grows at an average annual rate of 26.2 per cent between 2005/06 and 2008/09. This strong growth continues, at 18.5 per cent from 2008/09 to 2009/10, and slowing to average annual growth of 12.7 per cent over the MTEF period.

Improving services to children in conflict with the law involves a substantial investment in secure care centres, either for modernising existing centres or building new ones. To accommodate this, the budget for buildings and other fixed structures grew at an average annual rate of 78.5 per cent between 2005/06 and 2008/09, when it reached R500 million, albeit off a low base of R89 million in 2005/06. The budget remains relatively constant at around R500 million per year over the MTEF period.

Transfers to non-profit institutions grew by 22.7 per cent between 2005/06 and 2008/09, and grows by 14.9 per cent over the MTEF period. This is mainly due to the rapid expansion of early childhood development programmes, and an increase in transfers for children's homes.

## National Department additional tables

**Table 16.A Summary of expenditure trends and estimates per programme and economic classification**

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2007/08		2007/08	2008/09			2008/09
1. Administration	134 808	135 208	139 093	149 189	7 000	156 189	154 589
2. Comprehensive Social Security	66 638 839	66 637 339	66 661 456	75 318 431	528 297	75 846 728	75 694 428
3. Policy Development, Review and Implementation Support for Welfare Services	140 717	138 317	109 965	206 975	4 270	211 245	206 645
4. Community Development	229 881	223 881	207 962	239 980	(2 190)	237 790	235 290
5. Strategy and Governance	87 863	94 363	72 928	93 399	8 800	102 199	102 199
<b>Total</b>	<b>67 232 108</b>	<b>67 229 108</b>	<b>67 191 404</b>	<b>76 007 974</b>	<b>546 177</b>	<b>76 554 151</b>	<b>76 393 151</b>

**Economic classification**

<b>Current payments</b>	<b>389 836</b>	<b>385 375</b>	<b>321 378</b>	<b>422 643</b>	<b>8 941</b>	<b>431 584</b>	<b>420 584</b>
Compensation of employees	169 386	169 386	133 590	196 669	(4 200)	192 469	181 469
Goods and services	220 450	215 989	187 471	225 974	13 141	239 115	239 115
Financial transactions in assets and liabilities	–	–	317	–	–	–	–
<b>Transfers and subsidies</b>	<b>66 832 820</b>	<b>66 834 281</b>	<b>66 862 282</b>	<b>75 576 636</b>	<b>537 236</b>	<b>76 113 872</b>	<b>75 963 872</b>
Departmental agencies and accounts	4 321 910	4 321 910	4 322 285	4 779 082	99 377	4 878 459	4 878 459
Universities and technikons	–	–	461	–	–	–	–
Foreign governments and international organisations	1 285	1 285	461	1 480	389	1 869	1 869
Non-profit institutions	48 854	50 315	52 214	55 085	2 650	57 735	57 735
Households	62 460 771	62 460 771	62 486 861	70 740 989	434 820	71 175 809	71 025 809
<b>Payments for capital assets</b>	<b>9 452</b>	<b>9 452</b>	<b>7 744</b>	<b>8 695</b>	<b>–</b>	<b>8 695</b>	<b>8 695</b>
Machinery and equipment	8 311	8 311	7 744	7 866	–	7 866	7 866
Software and intangible assets	1 141	1 141	–	829	–	829	829
<b>Total</b>	<b>67 232 108</b>	<b>67 229 108</b>	<b>67 191 404</b>	<b>76 007 974</b>	<b>546 177</b>	<b>76 554 151</b>	<b>76 393 151</b>

**Table 16.B Summary of personnel numbers and compensation of employees**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Permanent and full time contract employees</b>							
Compensation (R thousand)	78 294	107 639	129 189	187 163	214 043	224 746	237 994
Unit cost (R thousand)	210	231	209	274	298	300	317
Personnel numbers (head count)	372	466	619	684	719	750	750
<b>Part time and temporary contract employees</b>							
Compensation (R thousand)	12 554	1 433	1 988	2 455	2 845	3 023	3 321
Unit cost (R thousand)	182	96	99	98	71	76	83
Personnel numbers (head count)	69	15	20	25	40	40	40
<b>Interns</b>							
Compensation of interns (R thousand)	2 355	1 988	2 413	2 851	3 112	3 434	3 645
Unit cost (R thousand)	32	36	37	38	39	40	43
Number of interns	74	55	65	75	80	85	85
<b>Total for department</b>							
<b>Compensation (R thousand)</b>	<b>93 203</b>	<b>111 060</b>	<b>133 590</b>	<b>192 469</b>	<b>220 000</b>	<b>231 203</b>	<b>244 960</b>
<b>Unit cost (R thousand)</b>	<b>181</b>	<b>207</b>	<b>190</b>	<b>245</b>	<b>262</b>	<b>264</b>	<b>280</b>
<b>Personnel numbers (head count)</b>	<b>515</b>	<b>536</b>	<b>704</b>	<b>784</b>	<b>839</b>	<b>875</b>	<b>875</b>

Table 16.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Compensation of employees (R thousand)	93 203	111 060	169 386	196 669	220 000	231 203	244 960
Training expenditure (R thousand)	886	2 212	1 686	1 967	2 085	2 355	2 477
Training as percentage of compensation	1.0%	2.0%	1.0%	1.0%	0.9%	1.0%	1.0%
Total number trained in department (head count)	337	487	487	–			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	234	382	301	–			
<i>Internships trained (head count)</i>	34	66	15	–			
Households receiving bursaries (R thousand)	–	–	50 000	105 000	–	–	–
Households receiving bursaries (head count)	–	190	1 428	–			

Table 16.D Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Medium-term expenditure estimate					
						2005/06	2006/07	2007/08	Estimate	2009/10	2010/11	2011/12		
<b>R thousand</b>														
<b>Foreign</b>														
<b>In cash</b>														
United Kingdom Department for International Development	Strengthening analytical capacity for evidence based decision making	Strategy and Governance	52 717	Goods and services	Strengthening analytical capacity for evidence based decision making	10 679	2 022	9 297	18 519	8 000	4 200	-	-	-
Canadian International Development Agency	Child protection surveillance project	Policy Development, Review and Implementation Support for Welfare Services	30 500	Goods and services	Research study on child abuse, neglect and exploitation	-	-	-	1 404	8 105	10 391	10 600		
United Nations Children's Fund	Costing a national policy framework on prevention of child abuse	Policy Development, Review and Implementation Support for Welfare Services	382	Goods and services	Costed national policy framework on neglected and abused children	-	-	382	-	-	-	-	-	-
<b>In kind</b>														
Japan International Cooperation Agency	Establishing a monitoring and evaluation system for home community based care	Policy Development, Review and Implementation Support for Welfare Services	9 000	Goods and services	Comprehensive monitoring and evaluation system for comprehensive home community based care implemented at all levels of government	-	1 219	2 772	1 071	4 147	-	-	-	-
European Commission	Assisting the victim empowerment programme	Policy Development, Review and Implementation Support for Welfare Services	264 330	Goods and services	Improving the implementation of the victim empowerment programme	-	-	-	-	-	-	-	-	-
United Nations Office on Drugs and Crime	Establishing a one-stop centre – Mitchells Plain	Policy Development, Review and Implementation Support for Welfare Services	4 900	Goods and services	Establishing a one-stop centre to counteract violence	-	-	4 900	-	-	-	-	-	-
United Nations Office on Drugs and Crime	Establishing a one-stop centre – Gauteng and North West	Policy Development, Review and Implementation Support for Welfare Services	14 434	Goods and services	Establishing a one-stop centre to counteract violence	-	-	-	-	-	-	-	-	-
<b>Total</b>			<b>376 263</b>			<b>10 679</b>	<b>3 241</b>	<b>17 351</b>	<b>20 994</b>	<b>20 252</b>	<b>14 591</b>	<b>10 600</b>		