

# Vote 16

## Social Development

### Adjusted budget summary

2009/10				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>86 408 338</b>	<b>86 508 187</b>	<b>–</b>	<b>99 849</b>
<i>of which:</i>				
Current payments	449 155	462 149	–	12 994
Transfers and subsidies	85 949 425	86 036 280	–	86 855
Payments for capital assets	9 758	9 758	–	–
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			
Website address	www.dsd.gov.za			

### 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.*

### Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2009/10 as published in the 2009 ENE	Achieved in the first six months of 2009/10 (April to September)	Change of estimate for 2009/10
As published in the 2009 ENE	Programme linked to the indicator			
Total number of old age grant beneficiaries	Comprehensive Social Security	2.5 million	2 478 910	–
Total number of war veterans grant beneficiaries	Comprehensive Social Security	1 386	1 412	–
Total number of disability grant beneficiaries	Comprehensive Social Security	1.4 million	1 284 696	–
Total number of child support grant beneficiaries	Comprehensive Social Security	9.7 million	9 122 325	–
Total number of foster care grant beneficiaries	Comprehensive Social Security	536 260	524 804	–
Total number of care dependency grant beneficiaries	Comprehensive Social Security	110 145	108 696	–
Total number of registered early childhood development sites captured on the national database	Policy Development, Review and Implementation Support for Welfare Services	16 276	14 170	–
Total number of social work scholarships awarded	Community Development	5 250	6 502	6 502

The estimated total number of social work scholarships awarded in 2009/10 has been increased because the fees on average were lower than projected and the department could support more students.

## Adjusted Estimates of National Expenditure 2009

Programme	2009/10							Adjusted appropriation
	Main appropriation	Additional appropriation					Total additional appropriation	
R thousand		Roll-over	Unforeseeable/unavoidable	Virement	Function shift	Other adjustments		
1. Administration	156 374	–	1 078	11 198	–	–	12 277	168 651
2. Comprehensive Social Security	85 573 159	52 412	34 918	(2 894)	–	–	84 436	85 657 595
3. Policy Development, Review and Implementation Support for Welfare Services	329 324	–	1 473	(1 913)	1 500	–	1 060	330 384
4. Community Development	248 361	1 055	1 002	(1 542)	–	–	514	248 875
5. Strategy and Governance	101 120	–	6 411	(4 849)	–	–	1 562	102 682
<b>Total</b>	<b>86 408 338</b>	<b>53 467</b>	<b>44 882</b>	<b>–</b>	<b>1 500</b>	<b>–</b>	<b>99 849</b>	<b>86 508 187</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>449 155</b>	<b>–</b>	<b>10 390</b>	<b>1 104</b>	<b>1 500</b>	<b>–</b>	<b>12 994</b>	<b>462 149</b>
Compensation of employees	220 000	–	5 390	–	–	–	5 390	225 390
Goods and services	229 155	–	5 000	1 104	1 500	–	7 604	236 759
<b>Transfers and subsidies</b>	<b>85 949 425</b>	<b>53 467</b>	<b>34 492</b>	<b>(1 104)</b>	<b>–</b>	<b>–</b>	<b>86 855</b>	<b>86 036 280</b>
Departmental agencies and accounts	5 489 186	–	34 492	–	–	–	34 492	5 523 678
Foreign governments and international organisations	1 915	–	–	(104)	–	–	(104)	1 811
Non-profit institutions	63 018	1 055	–	(1 000)	–	–	55	63 073
Households	80 395 306	52 412	–	–	–	–	52 412	80 447 718
<b>Payments for capital assets</b>	<b>9 758</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9 758</b>
Machinery and equipment	9 195	–	–	–	–	–	–	9 195
Software and other intangible assets	563	–	–	–	–	–	–	563
<b>Total</b>	<b>86 408 338</b>	<b>53 467</b>	<b>44 882</b>	<b>–</b>	<b>1 500</b>	<b>–</b>	<b>99 849</b>	<b>86 508 187</b>

## Details of adjustments to Estimates of National Expenditure 2009

### Roll-overs – R53.467 million

Programme 2: Comprehensive Social Security

R52.412 million has been rolled over for social relief of distress commitments.

Programme 4: Community Development

R545 000 has been rolled over for the transfer payment to the National Association of People Living with HIV and Aids.

R510 000 has been rolled over for the transfer payment to the National Association of Burial Societies of South Africa.

### Unforeseeable and unavoidable expenditure – R44.882 million

Programme 1: Administration

An additional R1.078 million is allocated for higher salary increases than the main budget provided for.

Programme 2: Comprehensive Social Security

An additional R34.918 million is allocated for the National Department and the South African Social Security Agency for the higher salary increases than the main budget provided for.

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

An additional R1.473 million is allocated for higher salary increases than the main budget provided for.

**Programme 4: Community Development**

An additional R1.002 million is allocated for higher salary increases than the main budget provided for.

**Programme 5: Strategy and Governance**

An additional R1.411 million is allocated for higher salary increases than the main budget provided for and an additional R5 million is allocated to settle outstanding social assistance litigation costs.

**Virements**

<b>Programmes</b>					
1. Administration					
2. Comprehensive Social Security					
3. Policy Development, Review and Implementation Support for Welfare Services					
4. Community Development					
5. Strategy and Governance					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 2</b>		<b>(2 894)</b>	<b>Programme 1</b>		<b>2 894</b>
Goods and services	Reduction in travel and subsistence, and venues	(2 130)	Goods and services	For lease agreement	2 130
	Reduction in travel and subsistence, and venues	(764)	Goods and services	For lease agreement	764
<b>Programme 3</b>		<b>(2 093)</b>	<b>Programme 1</b>		<b>1 913</b>
Goods and services	Reduction in travel and subsistence, and venues.	(643)	Goods and services	For lease agreement	643
	Reduction in travel and subsistence, and venues	(1 270)	Goods and services	For lease agreement	1 270
	Reduction in travel and subsistence, and venues.	(180)	<b>Programme 3</b>		<b>180</b>
			Foreign governments and international organisations (current)	For social welfare subsidies in terms of Walvis Bay agreement	180
<b>Programme 4</b>		<b>(1 542)</b>	<b>Programme 1</b>		<b>1 111</b>
Goods and services	Reduction in travel and subsistence, and venues	(101)	Goods and services	Outstanding commitments from 2008/09	1 111
Non-profit institutions (current)	Reduction in transfer to the National Religious Leaders Forum	(1 000)			
Foreign governments and international organisations (current)	Reduction in transfer to the South African Youth Workers Association	(441)	<b>Programme 5</b>		<b>431</b>
			Goods and services	Outstanding commitments from 2008/09	431
<b>Programme 5</b>		<b>(5 437)</b>	<b>Programme 5</b>		<b>157</b>
Goods and services	Reduction in travel and subsistence, and venues	(157)	Foreign governments and international organisations (current)	For Partners in Population and Development	157
	Reduction in travel and subsistence, and venues	(5 280)	<b>Programme 1</b>		<b>5 280</b>
			Goods and services	For leasing the Appeals Tribunal	5 280
<b>Total</b>		<b>(11 966)</b>			<b>11 966</b>

**Function shifts – R1.5 million**

R1.5 million is shifted from the Department of Justice and Constitutional Development for developing a national diversion accreditation framework.

## Expenditure for 2008/09 and preliminary expenditure for 2009/10

Programme	2008/09 Expenditure outcome					2009/10 Preliminary expenditure		
	Adjusted appropriation	Apr 08 - Sep 08	Apr 08 - Sep 08 % of adjusted appropriation	Apr 08 - Mar 09	Apr 08 - Mar 09 % of adjusted appropriation	Adjusted appropriation	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted appropriation
R thousand								
1. Administration	156 189	82 750	53.0	163 764	104.8	168 651	94 403	56.0
2. Comprehensive Social Security	75 846 728	36 832 870	48.6	75 392 314	99.4	85 657 595	44 933 763	52.5
3. Policy Development, Review and Implementation Support for Welfare Services	211 245	156 474	74.1	265 261	125.6	330 384	257 167	77.8
4. Community Development	237 790	81 685	34.4	171 991	72.3	248 875	110 607	44.4
5. Strategy and Governance	102 199	43 451	42.5	103 350	101.1	102 682	63 872	62.2
<b>Total</b>	<b>76 554 151</b>	<b>37 197 230</b>	<b>48.6</b>	<b>76 096 680</b>	<b>99.4</b>	<b>86 508 187</b>	<b>45 459 812</b>	<b>52.5</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>431 584</b>	<b>186 924</b>	<b>43.3</b>	<b>428 671</b>	<b>99.3</b>	<b>462 149</b>	<b>249 046</b>	<b>53.9</b>
Compensation of employees	192 469	86 615	45.0	184 067	95.6	225 390	102 654	45.5
Goods and services	239 115	100 309	42.0	242 552	101.4	236 759	146 392	61.8
Financial transactions in assets and liabilities	–	–	0.0	2 052	0.0	–	–	0.0
<b>Transfers and subsidies</b>	<b>76 113 872</b>	<b>37 005 342</b>	<b>48.6</b>	<b>75 659 700</b>	<b>99.4</b>	<b>86 036 280</b>	<b>45 208 516</b>	<b>52.5</b>
Departmental agencies and accounts	4 878 459	2 385 568	48.9	4 878 459	100.0	5 523 678	2 775 661	50.3
Foreign governments and international organisations	1 869	–	0.0	1 359	72.7	1 811	292	16.1
Non-profit institutions	57 735	15 311	26.5	55 709	96.5	63 073	11 350	18.0
Households	71 175 809	34 604 463	48.6	70 724 173	99.4	80 447 718	42 421 213	52.7
<b>Payments for capital assets</b>	<b>8 695</b>	<b>4 964</b>	<b>57.1</b>	<b>8 309</b>	<b>95.6</b>	<b>9 758</b>	<b>2 250</b>	<b>23.1</b>
Machinery and equipment	7 866	4 964	63.1	8 309	105.6	9 195	2 250	24.5
<b>Total</b>	<b>76 554 151</b>	<b>37 197 230</b>	<b>48.6</b>	<b>76 096 680</b>	<b>99.4</b>	<b>86 508 187</b>	<b>45 459 812</b>	<b>52.5</b>

## Main expenditure trends for the first half of 2009/10

Total expenditure for 2008/09 was 99.4 per cent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 was R45.460 billion, or 52.5 per cent of the adjusted appropriation of R86.508 billion for the year as a whole. In comparison, mid-year expenditure in 2008/09 was R37.197 billion, or 48.6 per cent of the 2008/09 adjusted appropriation. Expenditure in the first six months of 2009/10 increased by R8.263 billion or 22.2 per cent, compared to expenditure in the first six months of 2008/09.

The main expenditure increase compared to 2008/09 is due to the increased take-up of social assistance grants and increased salaries.

## Departmental receipts

	2008/09					2009/10			
	Audited outcome					Actual receipts			
R thousand	Adjusted estimate	Apr 08 - Sep 08	Apr 08 - Sep 08 % of adjusted estimate	Apr 08 - Mar 09	Apr 08 - Mar 09 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate
<b>Departmental receipts</b>	<b>2 394</b>	<b>2 330</b>	<b>97.3</b>	<b>16 484</b>	<b>688.6</b>	<b>163</b>	<b>163</b>	<b>2 503</b>	<b>1 535.6</b>
Sales of goods and services produced by department	92	46	50.0	95	103.3	28	28	34	121.4
Interest, dividends and rent on land	2 210	2 207	99.9	14 490	655.7	30	30	2 256	7 520.0
Financial transactions in assets and liabilities	92	77	83.7	1 899	2 064.1	105	105	213	202.9
<b>Total</b>	<b>2 394</b>	<b>2 330</b>	<b>97.3</b>	<b>16 484</b>	<b>688.6</b>	<b>163</b>	<b>163</b>	<b>2 503</b>	<b>1 535.6</b>

## Main departmental revenue trends for the first half of 2009/10

Departmental revenue collection in the first six months of 2009/10 was R2.5 million, or 1535.6 per cent of the adjusted revenue estimate of R163 000 for the year as a whole. In comparison, mid-year revenue collection in 2008/09 was R2.3 million, or 97.3 per cent of the 2008/09 adjusted estimate. Departmental revenue collection in the first six months of 2009/10 increased by R173 000 or 7.4 per cent, compared to revenue collected in the first six months of 2008/09.

The main revenue increase compared to 2008/09 is due to payments made by debtors and interest earned on advance payments for grants into the regional bank account.

## Changes to transfers and subsidies, and conditional grants

### Summary of changes to transfers and subsidies

		2009/10						
		Additional appropriation						
R thousand	Main appropriation	Roll-over	Unforeseeable/unavoidable	Virement	Function shift	Other adjustments	Total additional appropriation	Adjusted appropriation
<b>2. Comprehensive Social Security</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>5 114 404</b>	–	<b>34 492</b>	–	–	–	<b>34 492</b>	<b>5 148 896</b>
South African Social Security Agency	5 114 404	–	34 492	–	–	–	34 492	5 148 896
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>80 380 306</b>	<b>52 412</b>	–	–	–	–	<b>52 412</b>	<b>80 432 718</b>
Social Assistance transfers	80 380 306	52 412	–	–	–	–	52 412	80 432 718
<b>3. Policy Development, Review and Implementation</b>								
<b>Support for Welfare Services</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>28</b>	–	–	<b>180</b>	–	–	<b>180</b>	<b>208</b>
International Council on Alcohol and Addiction	18	–	–	(10)	–	–	(10)	8
United Nations International Drug Control Programme	10	–	–	10	–	–	10	20
Walvisbay	–	–	–	180	–	–	180	180
<b>4. Community Development</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>441</b>	–	–	<b>(441)</b>	–	–	<b>(441)</b>	<b>–</b>
South African Youth Workers Association	441	–	–	(441)	–	–	(441)	–
<b>Non-profit institutions</b>								
<b>Current</b>	<b>2 245</b>	<b>1 055</b>	–	<b>(1 000)</b>	–	–	<b>55</b>	<b>2 300</b>
National Association of Burial Societies of South Africa	825	510	–	–	–	–	510	1 335
National Association of People Living with HIV and Aids	420	545	–	–	–	–	545	965
National Religious Leaders Forum	1 000	–	–	(1 000)	–	–	(1 000)	–
<b>5. Strategy and Governance</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>157</b>	–	–	<b>157</b>	–	–	<b>157</b>	<b>314</b>
Partners in Population and Development	157	–	–	157	–	–	157	314

