

Vote 11

Department of Social Development

Adjusted Budget Summary

Table 11.1: Adjustment Budget Summary

2014/15			
R thousand	Main appropriation	Adjusted appropriation	(Decrease) / Increase
Amount to be appropriated	651 206	660 623	9 417
<i>of which</i>			-
Current payments	436 654	432 679	(3 975)
Transfers and subsidies	198 127	204 833	6 706
Payments for capital assets	16 425	23 111	6 686
Payments for financial assets			
Direct Charge against the Provincial Fund			
Executing authority	MEC: Social Development		
Accounting officer	Head of Department : Department of Social Development		
Website Address	Socdev.ncpg.gov.za		

Aim

To provide together with all partners, quality welfare services, especially to all the needy and vulnerable.

Changes to programme purposes, objectives and measures

There were no changes to the programme purpose and/or measurable objectives.

Adjusted Estimates of Provincial Expenditure 2014

Table 11.2: Adjusted Estimate of Provincial Expenditure

2014/15								
Programme	Main appropriation	Additional appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
R thousand								
Administration	106 970			611			611	107 581
Social Welfare Services	93 095	2 986		(1 640)			1 346	94 441
Children And Families	219 115			(260)			(260)	218 855
Restorative Services	120 696			3 744			3 744	124 440
Development And Research	111 330			(2 455)		6 431	3 976	115 306
Total	651 206	2 986				6 431	9 417	660 623
Economic classification								
Current payments	436 654			(3 975)			(3 975)	432 679
Compensation of employees	286 723			(7 014)			(7 014)	279 709
Goods and services	149 931			3 039			3 039	152 970
Interest and rent on land								
Transfers and subsidies to:	198 127			275		6 431	6 706	204 833
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	1 733							1 733
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	189 992					6 431	6 431	196 423
Households	6 402			275			275	6 677
Payments for capital assets	16 425	2 986		3 700			6 686	23 111
Buildings and other fixed structures	3 500			2 000			2 000	5 500
Machinery and equipment	12 925	2 986		1 700			4 686	17 611
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	651 206	2 986				6 431	9 417	660 623

Details of Adjustments to Estimates of Provincial Expenditure 2014

Roll-over of funds –R2.986 million

A total amount of R2.986 million is approved to be rolled over from 2013/14 to 2014/15 in respect of 20 sedans procured to increase the department fleet.

Other adjustments – R6.431 million

An additional amount of R6.431million has been provided as a to top up to the Expanded Public Works Programme (EPWP) grant from the equitable share towards the creation of job opportunities in the form of stipends for cooks at soup kitchens and drop in centres.

Virements and shifts

Virements have been made from programmes 2, 3 and 5 to programmes 1 and 4. An amount of R7.014 million has been shifted from compensation of employees, of which R3.039 million is allocated to goods and services for maintenance of buildings and legal costs, R0.275 million is directed to transfers and subsidies for leave gratuity and R3.700 million is allocated to payments for capital assets to make provision for infrastructure security requirements of secure centres.

Programme 1: Administration

Table 11.2.1: Programme 1: Administration

2014/15								
Subprogramme	Main appropriation	Additional appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		Total adjustment appropriation
R thousand								
Office of the MEC	8 052			1 100			1 100	9 152
Corporate Management Services	54 501			1 115			1 115	55 616
District Management	44 417			(1 604)			(1 604)	42 813
Total	106 970			611			611	107 581
Economic classification								
Current payments	104 266			(764)			(764)	103 502
Compensation of employees	81 693			(2 708)			(2 708)	78 985
Goods and services	22 573			1 944			1 944	24 517
Interest and rent on land								
Transfers and subsidies to:	172			124			124	296
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	172							172
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households				124			124	124
Payments for capital assets	2 532			1 251			1 251	3 783
Buildings and other fixed structures								
Machinery and equipment	2 532			1 251			1 251	3 783
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	106 970			611			611	107 581

Virements and shifts

Funds have been moved from district management sub programme to goods and services and payments to capital assets within the office of the MEC and corporate management services sub programmes.

An amount of R2.708 million has been shifted from compensation of employees to goods and services to defray excess expenditure on legal costs and R1.251million is moved to machinery and equipment to procure capital assets, while R0.124 million is provided for leave gratuity under transfers to households.

Programme 2: Social Welfare Services

Table 11.2.2: Programme 2: Social Welfare Services

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Management and Support	49 359	2 986		(1 640)			1 346	50 705
Services to Older Persons	12 780							12 780
Services to the Persons with Disabilities	5 216							5 216
HIV and AIDS	19 448							19 448
Social Relief	6 292							6 292
Total	93 095	2 986		(1 640)			1 346	94 441
Economic classification								
Current payments	50 022			(2 051)			(2 051)	47 971
Compensation of employees	32 763			(2 047)			(2 047)	30 716
Goods and services	17 259			(4)			(4)	17 255
Interest and rent on land								
Transfers and subsidies to:	40 662			47			47	40 709
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	172							172
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	34 198							34 198
Households	6 292			47			47	6 339
Payments for capital assets	2 411	2 986		364			3 350	5 761
Buildings and other fixed structures								
Machinery and equipment	2 411	2 986		364			3 350	5 761
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	93 095	2 986		(1 640)			1 346	94 441

Roll-over of funds –R2.986 million

A rollover amount of R2.986 million has been allocated in respect of 20 sedans procured to increase the department fleet.

Virements and shifts

An amount of R1.640 million has been shifted from management and support sub-programme to ease the budget pressure in programme 4 and a provision is also made for leave gratuity under transfers to household and machinery and equipment of R0.364 million.

Programme 3: Children and families

Table 11.2.3: Programme 3: Children and Families

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Management and Support	83 146			(300)			(300)	82 846
Care and Services to Families	3 376							3 376
Child Care and Protection	10 635			40			40	10 675
ECD and Partial Care	76 030							76 030
Child and Youth Care Centres	30 369							30 369
Community-Based Care Services for children	15 559							15 559
Total	219 115			(260)			(260)	218 855
Economic classification								
Current payments	102 942			(349)			(349)	102 593
Compensation of employees	76 740			(62)			(62)	76 678
Goods and services	26 202			(287)			(287)	25 915
Interest and rent on land								
Transfers and subsidies to:	113 563			62			62	113 625
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	172							172
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	113 391							113 391
Households				62			62	62
Payments for capital assets	2 610			27			27	2 637
Buildings and other fixed structures								
Machinery and equipment	2 610			27			27	2 637
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	219 115			(260)			(260)	218 855

Virements and shifts

An amount of R0.300 million has been shifted from children and families programme of which R0.260 million is allocated to restorative services programme while R0.040 million is moved to child care and protection within the programme.

An amount of R0.089 million has been moved from current payments of which R0.027 million is allocated to payments for capital assets and R0.062 million to transfers and subsidies to defray expenditure on leave gratuity.

Programme 4: Restorative Services

Table 11.2.4: Programme 4: Restorative Services

		2014/15						
Subprogramme	Main appropriation	Additional appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		Total adjustment appropriation
R thousand								
Management and Support	46 331			(1 000)			(1 000)	45 331
Crime Prevention and support	57 009			4 744			4 744	61 753
Victim empowerment	6 882							6 882
Substance Abuse, Prevention and Rehabilitation	10 474							10 474
Total	120 696			3 744			3 744	124 440
Economic classification								
Current payments	108 602			1 690			1 690	110 292
Compensation of employees	47 149			(21)			(21)	47 128
Goods and services	61 453			1 711			1 711	63 164
Interest and rent on land								
Transfers and subsidies to:	5 631			21			21	5 652
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	172							172
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	5 459							5 459
Households				21			21	21
Payments for capital assets	6 463			2 033			2 033	8 496
Buildings and other fixed structures	3 500			2 000			2 000	5 500
Machinery and equipment	2 963			33			33	2 996
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	120 696			3 744			3 744	124 440

Virements and shifts

An amount of R4.744 million is moved from other programmes to crime prevention and support sub programme. The funds will be utilised for maintenance of buildings in respect of secure care centres and also to strengthen security around those centres.

R1.711 million has been allocated to goods and services and R2.033 million to payments for capital assets for security infrastructure in secure care centres and cell phone leases.

An amount of R1 million has been shifted from management and support sub programme.

Programme 5: Development and Research

Table 11.2.5: Programme 5: Development and Research

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Management and Support	42 943			(1 300)			(1 300)	41 643
Community Mobilisation								
Institutional capacity building and support for NPOs	15 910			(155)			(155)	15 755
Poverty Alleviation and Sustainable Livelihoods	26 977			(300)			(300)	26 677
Community Based Research and Planning								
Youth development	17 547			(300)		6 431	6 131	23 678
Women development								
Population Policy Promotion	7 953			(400)			(400)	7 553
Total	111 330			(2 455)		6 431	3 976	115 306
Economic classification								
Current payments	70 822			(2 501)			(2 501)	68 321
Compensation of employees	48 378			(2 176)			(2 176)	46 202
Goods and services	22 444			(325)			(325)	22 119
Interest and rent on land								
Transfers and subsidies to:	38 099			21		6 431	6 452	44 551
Provinces and municipalities								
Departmental agencies and accounts								
Universities and technikons	1 045							1 045
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	36 944					6 431	6 431	43 375
Households	110			21			21	131
Payments for capital assets	2 409			25			25	2 434
Buildings and other fixed structures								
Machinery and equipment	2 409			25			25	2 434
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible assets								
Payments for financial assets								
Total	111 330			(2 455)		6 431	3 976	115 306

Virements and shifts

An amount of R2.455 million has been reprioritised from compensation of employees and goods and services to defray excess expenditure in programme 4 while R0.025 million and R0.021 million is provided to defray excess expenditure related to leave gratuity and payment for capital assets within the programme respectively.

Other adjustments- R6.431 million

An amount of R6.431 million has been provided as a top up to the Expanded Public Works Programme (EPWP) grant to create job opportunities in a form of stipends for community development workers rendering services at soup kitchens and drop in centres.

Virements and shifts

Table 11.3: Virements and shifts within a department

FROM			TO		
Programme by Economic classification	R thousand	Motivation	Programme by Economic classification	R thousand	Motivation
Programme 1:	(2 708)		Programme 1:	3 319	
Current payments	(2 708)		Current payments	1 944	
Goods and services			Goods and services	1 944	Provision is made for augmenting over spending on legal costs
Compensation of employees	(2 708)	The saving came as the result of non filling of vacant funded positions	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	124	Provision is made for leave gratuity
Payment for capital assets			Payment for capital assets	1 251	The funds were re directed to procure capital assets
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-3%		Percentage of programme budget	3%	
Programme 2:	(2 051)		Programme 2:	711	
Current payments	(2 051)		Current payments	300	
Goods and services	(4)	A saving is generated from contractual obligations as part of reprioritisation	Goods and services	300	Provision is made under special needs for unavoidable event
Compensation of employees	(2 047)	The saving came as the result of non filling of vacant funded positions	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	47	Provision is made for leave gratuity
Payment for capital assets			Payment for capital assets	364	This funds were re directed to make provision for capital assets in Frances Baard Regional office
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-2%		Percentage of programme budget	1%	
Programme 3:	(389)		Programme 3:	451	
Current payments	(389)		Current payments	40	
Goods and services	(327)	A saving is generated from contractual obligations as part of reprioritisation	Goods and services	40	This funds were shifted to correct the budget of one of the district offices
Compensation of employees	(62)	The saving came as the result of non filling of vacant funded positions	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	47	Provision is made for leave gratuity that is paid out to officials that resigned
Payment for capital assets			Payment for capital assets	364	Provision is made for cellphone leases
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	0%		Percentage of programme budget	0%	
Programme 4:	(21)		Programme 4:	3 765	
Current payments	(21)		Current payments	1 711	
Goods and services			Goods and services	1 711	This funds will be utilised for providing security needs in secure care centres
Compensation of employees	(21)	The saving came as the result of non filling of vacant funded positions	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	21	Provision is made for leave gratuity that is paid out to officials that resigned
Payment for capital assets			Payment for capital assets	2 033	Provision is made for infrastructure maintenance
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	0%		Percentage of programme budget	3%	
Programme 5:	(2 501)		Programme 5:	46	
Current payments	(2 501)		Current payments	-	
Goods and services	(325)	A saving is generated from contractual obligations as part of reprioritisation	Goods and services		
Compensation of employees	(2 176)	The saving came as the result of non filling of vacant funded positions	Compensation of employees		
Interest on rent and land			Interest on rent and land		
Transfers and Subsidies			Transfers and Subsidies	21	Provision is made for leave gratuity that is paid out to officials that resigned
Payment for capital assets			Payment for capital assets	25	Provision is made for cellphone leases and office furniture
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-2%		Percentage of programme budget	0%	
Total for Vote	(7 670)		Total for Vote	8 292	

Expenditure for 2013/14 and preliminary expenditure for 2014/15

Table 11.4: Expenditure for 2013/14 and preliminary expenditure for 2014/15

Programme	2013/14 Expenditure outcome					2014/15 Preliminary expenditure			
	Adjusted appropriation	Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 - percentage of adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 - percentage of adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 - percentage of adjusted appropriation	% change in Expenditure 2013/14 - 2014/15 Apr - Sep
R thousand									
Administration	96 296	47 331	49%	96 675	100%	107 581	50 951	47%	8%
Social Welfare Services	97 993	39 324	40%	96 554	99%	94 441	49 067	52%	25%
Children And Families	181 994	92 555	51%	181 994	100%	218 855	93 919	43%	1%
Restorative Services	116 892	50 982	44%	116 892	100%	124 440	55 965	45%	10%
Development And Research	114 332	39 544	35%	112 300	98%	115 306	43 584	38%	10%
Total	607 507	269 736	44%	604 415	99%	660 623	293 486	44%	9%
Economic classification									
Current payments	395 420	190 238	48%	389 743	99%	432 679	204 156	47%	7%
Compensation of employees	259 417	125 003	48%	248 969	96%	279 709	133 526	48%	7%
Goods and services	136 003	65 235	48%	140 774	104%	152 970	70 630	46%	8%
Interest and rent on land									
Transfers and subsidies to:	192 769	73 692	38%	192 754	100%	204 833	77 208	38%	5%
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons	2 917	868	30%	2 874	99%	1 733	124		-86%
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	183 151	69 935	38%	183 088	100%	196 423	72 558	37%	4%
Households	6 701	2 889	43%	6 792	101%	6 677	4 526	68%	57%
Payments for capital assets	19 318	5 806	30%	21 890	113%	23 111	12 122	52%	109%
Buildings and other fixed structures	2 500	518	21%	2 274	91%	3 500	2 221	63%	329%
Machinery and equipment	16 818	5 288	31%	19 616	117%	19 611	9 901	50%	87%
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets				28					
Total	607 507	269 736	44%	604 415	99%	660 623	293 486	44%	9%

Main expenditure trends for the first half of 2014/15

Expenditure at the end of the second quarter of 2013/14 amounted to R269.736 million representing 44 per cent of the adjusted budget of R607.507 million. The expenditure trends are similar when comparing with the current period.

Administration

The programme recorded an expenditure of R50.951 million or 47 per cent of the adjusted budget of R107.581 million. Year on year expenditure trends show an increase of 8 per cent when comparing with the expenditure of the same period last financial year.

Social Welfare Services

The expenditure of the programme amounts to R49.067 million for the first six months of the financial year. This represents 52 per cent of the adjusted budget of R94.441 million, year on year expenditure trends indicates an expenditure increase of 40 per cent as compared to the same period in the previous financial year. This variance is as a result of the rollover requested in this current financial year.

Children and Families

Expenditure on children and families amount to R93.919 million for the first six months of the financial year, representing 43 per cent of the adjusted budget of R218.855 million. This expenditure is significantly lower than the same period in the previous year where the expenditure amounted to 51 per cent.

Restorative Services

The programme recorded an expenditure amounting to R55.965 million for the first six months of the financial year representing 45 per cent of the adjusted budget of R124.440 million. Year on year trends show that this is just 1 per cent above the same period in the previous financial year.

Development and Research

Expenditure amount to R43.584 million for the first six months of the financial year which represents 38 per cent of the adjusted budget of R115.306 million. The programme recorded an expenditure increase of 10 per cent for the first half of the year when comparing with the same period in the previous year.

Expenditure per Economic classification

Compensation of Employees

The department recorded an expenditure of R133.526 million or 48 per cent against the adjusted budget of R279.709 million. Year on year expenditure trends show an increase in expenditure of 7 per cent when comparing with the same period last year.

Goods and services

Goods and services recorded an expenditure of R70.630 million or 46 per cent of the adjusted budget of R152.970 million. Expenditure trends indicate an increase of 8 per cent when comparing with the same period last year.

Transfers and Subsidies

The department recorded an expenditure of R77.208 million or 38 per cent of the adjusted budget of R204.833 million. Year on year expenditure trends indicate an increase of 5 per cent when comparing with the same period last year.

Payment for capital assets

Expenditure on capital assets amount to R12.122 million or 52 per cent of the adjusted budget of R23.111 million. Expenditure trends indicate an increase of 109 per cent when comparing with the same period last year.

Departmental receipts

Table 11.5: Departmental Receipts

R thousand	2013/14					2014/15			
	Adjusted appropriation	Receipts Outcome				Preliminary Receipts			
		Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 - percentage of adjusted estimate	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 - percentage of adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 - percentage of adjusted estimate
Departmental Receipts	962	704	73%	1,143	119%	846	846	288	34%
Tax receipts			0%		0%				0%
Sales of goods and services other than capital assets	504	252	50%	530	105%	532	532	223	42%
Transfers received			0%		0%				0%
Fines, penalties and forfeits			0%		0%				0%
Interest, dividends and rent on land	12	6	50%	10	83%		6	5	83%
Sales of capital assets			0%		0%				0%
Financial transactions in assets and liabilities	446	446	100%	603	135%	314	308	60	19%
Total	962	704	73%	1,143	119%	846	846	288	34%

Main departmental revenue trends for the first half of 2014/15

The department is not revenue driven. The primary source of revenue is payment for parking bays, fees related to the deduction of garnishees, insurances as well as revenue obtained from the issuing of tender documents.

Summary of changes to conditional grants

Table 11.7: Summary of changes to conditional grants: Provinces (Northern Cape Social Development)

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments	Total adjustment appropriation	
Programme number, name						-	-
EPWP Conditional grant	6,161				6,431	6,431	12,592
Total	6,161	-	-	-	6,431	6,431	12,592

An amount of R6.431 million has been allocated to the EPWP conditional grant as a top up from the Department of Roads and Public Works due to the need arising from the expansion of the programme which ultimately resulted in a potential projected over spending.