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# Annual Report

for the year ended 31 March 2012



Building a Caring Society. Together.

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**social development**

Department:  
Social Development  
**REPUBLIC OF SOUTH AFRICA**

## VISION

A caring and integrated system of social development services that facilitates human development and improves the quality of life.

## MISSION

To ensure the provision of comprehensive, integrated, sustainable, and quality social development services, and create an enabling environment for sustainable development in partnership with all those committed to building a caring society.

## VALUES

### ***People***

Upholding the Constitution, ensuring accountability to the Minister and Parliament, and serving the people of South Africa.

### ***Excellence***

Maintaining high standards of performance in our quest for excellence, including equity, professionalism and fairness in the delivery of our services.

### ***Partnerships***

Working together with organs of state (civil society, business and academia) and the international community.

# NATIONAL DEPARTMENT OF SOCIAL DEVELOPMENT



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## Foreword by the Minister

*for the year ended 31 March 2012*

**D**uring the past financial year, the Department once again intensified its efforts to create a fair and equitable society.

Our efforts and achievements reflect our ongoing commitment to protecting the most vulnerable members of our society, notably the elderly, women, children, and people living with disabilities. Among other things, we cannot remain indifferent to the levels of abuse visited on women and children. As such we are determined to build strong families, which are the bedrock of cohesive communities and societies. I am therefore heartened by the Cabinet's approval of the Green Paper on Families, which proposes that government services should move away from targeting individuals towards responding to their needs as family members.

An impact study has confirmed that the Child Support Grant (CSG) – which now reaches more than 10,9 million children – reduces poverty and vulnerability, and improves the academic performance of beneficiaries. It has also confirmed that adolescents who benefit from the CSG are less likely to engage in risky behaviour. This is a very positive outcome, given the vulnerability of young people to the social problems related to HIV and substance abuse.

Similarly, our growing investment in Early Childhood Development (ECD) attests to our enduring commitment to the wellbeing of our children. The reporting period saw impressive growth in the number of children benefiting from ECD services. Empirical evidence shows that the first 1 000 days in a child's life are vital to their physical and cognitive development. Flowing from this, in March 2012 the Department hosted a successful ECD conference attended by role players from all spheres of government, ECD practitioners, academics, other experts, and representatives of development partners.

At its close, participants identified a need to review and harmonise existing policies in order to ensure universal access to ECD services, making ECD compulsory so that children from rural areas and informal settlements have access to the right to education at an early stage of development. The conference resolved to adopt a multisectoral and partnership-based approach to ECD services, and develop a policy framework for guiding the resourcing of ECD services and infrastructure. It also proposed that the training of ECD practitioners be relocated to the Department of Higher Education and Training. These challenges will form the basis of a Programme of Action to be drafted in 2012, together with set targets.

Although our social assistance programme now reaches more than 15,5 million people, many people are still trapped in extreme poverty, manifested in hunger and malnutrition. In order to address these challenges, we launched a Food For All campaign which will enable us to relieve extreme poverty and stave off destitution.

Social problems caused by drug and alcohol abuse are at variance with the caring society we want South Africa to become. Research indicates that drug and alcohol abuse are linked to a number of health and behavioural problems such as exposure to HIV/AIDS and criminal activities, which continue to plague our communities. During the reporting period, the Interministerial Committee on Anti-Substance Abuse proposed that the age limit for alcohol consumption be raised from 18 to 21 years, and shebeens near schools, ECD centres, child and youth care facilities, old age homes and places of worship be closed down.

On the international front, we continued to participate in the activities of the Southern African Development Community (SADC), the African Union (UN), the International Social Security Association (ISSA), and the Organisation for Economic Cooperation and Development (OECD). These interactions serve as platforms for sharing social development experiences, and provide us with an opportunity to help create a better South Africa, a better Africa and a better world.

In conclusion, I wish to thank the Deputy Minister, the Director-General as well as the staff of the national Department, its implementing agencies, and the provincial Departments of Social Development who continue to make me proud to serve alongside them in **Building a Caring Society. Together!**



**Ms B O Dlamini, MP**

*Minister of Social Development*





## Foreword by the Deputy Minister

*for the year ended 31 March 2012*

**T**he Department once again achieved a great deal during the year under review, and I therefore write this foreword with a great sense of pride.

Concerted efforts were made to deepen social mobilisation through initiatives such as Social Development Month and the Taking the DSD to Communities campaign. These initiatives allowed us to gain insights into the daily challenges faced by people in 18 communities in eight provinces. This enabled us to link communities with other government departments, municipalities, and development agencies and their services. As part of these efforts, we worked with Soul City to develop another series of the Kwanda social mobilisation programme. We believe it will continue to inspire individuals, institutions and communities to debate development issues, thus mobilising an active citizenry. The SABC will broadcast the show in the new financial year.

Competent and committed civil society organisations (CSOs) are integral to the success of community development. In light of this we embarked on a range of initiatives to build the capacity of community-based organisations and practitioners. The inaugural Summit on the Professionalisation of Community Development held in the course of the year speaks to our determination

to ensure that community development receives its due recognition as a profession. The fact that there has been a commendable increase in the number of CSOs complying with the Non-profit Organisations Act (No. 71 of 1997) also reflects our commitment to building an efficient non-profit sector.

Most young people face a bleak future due to the high levels of unemployment. Given this, we believe the National Youth Service and Masupatsela Youth Pioneer

Programme will help to turn young people into productive citizens. The curriculum for the Masupatsela programme has been

accredited, which means that young people will receive a qualification when they complete the programme.

The Department remains a committed member of the South African National AIDS Council, which is an ideal platform from which we, together with our partners, can drive the message of social behaviour change with respect to HIV and AIDS and building HIV-competent communities. The National Strategic Plan on HIV/AIDS, STIs and TB 2012-2016, which addresses the social drivers and social impact of HIV and AIDS, is a key component of our fight against the spread of HIV and AIDS.

Our commitment to the ideal of establishing a caring society will be tested by our efforts in practice, together with our partners, towards achieving this goal. Once again, I wish to commend Minister Dlamini, and thank the staff of the national and provincial Departments of Social Development, for their efforts during the reporting period.



**Ms B M Ntuli, MP**

*Deputy Minister of Social Development*



**The National Strategic Plan on HIV/AIDS, STIs and TB 2012–2016 is a key component of our fight against the spread of HIV and AIDS**



# **PART A**

## General Information

## 1.1 Submission of the Annual Report to the Executive Authority



**social development**

Department:  
Social Development  
REPUBLIC OF SOUTH AFRICA

The Hon. Mrs B.O. Dlamini  
Minister of Social Development  
Private Bag X 855  
PRETORIA  
0001

Honourable Minister

### **Annual report for the year ending 31 March 2012**

I have the pleasure of presenting the Annual Report of the Department of Social Development for the year 1 April 2011 to 31 March 2012.

The Annual Report has been prepared as required by section 40 (1) (d) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and Part III J3 of the Public Service Regulations, 2001.

A handwritten signature in black ink, appearing to read 'Vusi Madonsela'.

**Mr Vusi Madonsela**  
*Director-General*



## 1.2 Overview by the Director General (D-G)

In the year under review, the Department and its partners, again, made major strides towards expanding access to and improving the quality of social services to all South Africans. We made significant gains in terms of extending social protection coverage, promoting food security and nutrition, and the attainment of sustainable livelihoods.

The most notable achievement was the extension of the social safety net to more than 15, 5 million beneficiaries, inclusive of more than 10 million children. This achievement was predicated on our determination to ensure that our social security system protects individuals against all forms of vulnerability.

As part of our efforts to ensure administrative justice in respect of the rights of access to social security, we provided an effective, efficient and accessible social assistance appeals service. In this regard, we adjudicated more than 1 552 new appeals, and reduced the backlog by more than 11 000. We also established a call centre for appellants, which allows them to keep track with progress being made in the adjudication of their appeals. This forms part of our efforts to ensure that our handling of social assistance application processes resonates with our commitment to social justice and the creation of a fairer society.

Further, we continued to concretise our proposals on the overhauling of the institutional framework for the provision of comprehensive social security in the country. These proposals, if implemented, will result in the consolidation of the comprehensive social security policy function under one department, in order to achieve greater efficiencies and economies of scale. In this respect, we actively participated in the Inter-Departmental Task Team on Social Security, which completed a Consolidated Government Document (CGD) on Social Security and Retirement Reform. The CGD contains a number of proposals for the introduction of a mandatory retirement system and the establishment of a single Department of Social Security. The Inter-Ministerial Committee on Social Security Reform approved the CGD, which has since been presented to Cabinet.

Early Childhood Development (ECD) is a vital link in the continuum of services aimed at achieving positive social and educational outcomes. The growing number of children accessing ECD services demonstrates our determination to build human capital by providing as many children as possible with expanded opportunities for their cognitive development and early learning stimulation. ECD, together with investments in education and

health, will contribute positively towards stemming the tide of the inter-generational transmission of poverty and the increasing demand for the expansion of the social safety net.

The on-going shortage of social workers detracts from our ability to provide quality social welfare services, including vital services such as foster care. As more and more social workers retire or emigrate, the situation becomes increasingly bleak. However, additional allocations from the National Treasury have enabled us to continue promoting social work as a profession of choice for interested matriculants. In furtherance of this objective, during this reporting period, we awarded 918 scholarships to new social work students across the country, thereby increasing the total number of scholarships awarded since 2007 to more than 6 000. In order to enhance the formal skills base of the Department, 95 officials were granted bursaries to further their studies in various fields relevant to the need of the public service. The Department also implemented various capacity-building programmes for its staff, thereby adding impetus to various government initiatives towards the achievement of Government Outcome 12, namely an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship. In addition, the Department continued with its commitment to the development of its internship programme by placing 53 interns in various sections of the Department.

Government resources are not infinite. Consequently, we are not always able to deal with all the challenges facing us at the same time. For this reason we continue to value the support of civil society in delivering services to areas we would otherwise not be able to reach. This includes the continued contribution of community development practitioners and young pioneers, whose heroic deeds continue to bring hope to many people in need of our services. They are helping to expand



The Department was named second most ideal employer of the year in a survey conducted by the South African arm of Magnet Communications

## Overview by the Director General (D-G)

social services in an admirably proactive way under very difficult circumstances.

Civil society organisations (CSOs) play a vital role in building strong and cohesive communities. As a result we continued to register and monitor NPOs in accordance with the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997). During this period, we registered more than 14 000 NPOs, bringing the total to more than 90 000. We also capacitated more than 1 300 NPOs as part of our efforts to ensure that they render services to the public as efficiently as possible.

Cognisant of the stressful conditions under which community caregivers do their work, we developed a skills development programme on psychosocial wellbeing which has been registered with the Health and Welfare Sector Education and Training Authority (HWSETA). A total of 113 community caregivers graduated at a ceremony held in Mpumalanga in March 2012. We also reviewed the policy framework for Home Community Based Care for HIV and AIDS by developing guidelines on providing psychological support to children living with HIV and AIDS.

The Department's mandate extends beyond providing social assistance and social welfare services. Together with other government departments, we are also working on job creation strategies targeted at the poor, and the Expanded Public Works Programme (EPWP) is a vital component of our combined efforts to create decent employment opportunities. During the reporting period, we coordinated and directly contributed to the creation of more than 152 109 job opportunities in the social sector, thereby exceeding the annual target of 132 000.

Like its counterparts throughout the world, the Department continues to grapple with internal and external demands for improvements and reforms in public management. The new discourse of results-based management has made it necessary for governments to begin to measure outcomes and adopt evidence-based policy making. In response to this, our Department, together with Rhodes University and the University of Oxford, offered an intensive course on social policy analysis for officials responsible for policy development in the national and provincial Social Sector Cluster departments. We also hosted a five-day training course on monitoring and evaluation and results-based management, known as the International Programme for Development Evaluation Training (IPDET). This

course was attended by senior managers and other officials from the social sector departments, who also benefited from two one-day executive coaching sessions aimed at turning the sector into a high-performance organisation.

As required by the relevant public service prescripts, we continued to assess programme performance against predetermined objectives and reported thereon to the Minister, Deputy Minister, National Treasury, the Presidency and Parliament.

This year the Department received an unqualified audit opinion, which is a result of our tireless efforts to improve systems and controls as they relate to both financial and non-financial management systems. These efforts in our view will ensure that we reclaim our place among the most efficient and well-managed entities in the public service.

Despite the many challenges we face, I was heartened to learn that the Department was named second most ideal employer of the year by professionals who participated in a survey conducted by the South African arm of the global branding company Magnet Communications. Given that more than 130 organisations were surveyed, this was a huge vote of confidence.

On the international front, I was privileged to serve as the Millennium Development Goals (MDG) focal person for South Africa, following my appointment as a member of a High Level Post-MDG Contact Group convened by the Japanese Ministry of Foreign Affairs. The group is exploring the possible modalities of a new global development framework beyond 2015. This gives us a rare opportunity to help shape the global developmental discourse, and relieve the plight of the world's poorest people up to and beyond the year 2015.



**Mr Vusi Madonsela**  
*Director-General*

## 1.3 Ministry of Social Development

### Overview

The Ministry is responsible for:

- Managing policy advice processes;
- Administering Cabinet affairs;
- Administering parliamentary affairs;
- Managing international liaison, donor coordination, media and public liaison;
- Administering and coordinating stakeholders;
- Providing secretariat services to governance structures chaired by the Minister, namely MINMEC and Inter-Ministerial Committees; and
- Providing administrative services to the Minister.

### Institutions reporting to the Executive Authority

The following entities report to the Minister of Social Development:

- The National Development Agency (NDA);
- Boards of the Relief Funds;
- The Central Drug Authority;
- The South African Council of Social Service Professionals;
- The Advisory Board on Social Development; and
- The South African Social Security Agency (SASSA).

### Bills submitted to the legislature during the financial year

No Bills were submitted to Parliament during the year under review.

### International engagements

The Minister and Deputy Minister undertook several official international visits in order to pursue the social development mandate and to discharge the Minister's obligations under the International Relations, Peace and Security Cluster of promoting the African agenda and fostering international solidarity.

Date of visit	Country/ place visited	Purpose of visit
<b>Minister</b>		
19-22 April 2011	Windhoek, Namibia	Ministerial lunch on Universal Access
19-24 June 2011	Geneva, Switzerland	Participation in the International Advisory Group (IAG)
04-10 September 2011	London, United Kingdom	Women's Day celebration and meetings with NGOs
09-11 December 2011	Buenos Aires, Argentina	Inauguration of the President of Argentina
25 Feb-05 March 2012	New York, United States of America	United Nations Commission on the Status of Women
<b>Deputy Minister</b>		
30 April 03 May 2011	Paris, France	Participation in Organisation for Economic Cooperation and Development (OECD) activities
21- 27 January 2012	Brasilia and Belo Horizonte, Brazil	Seminar on Social Politics for Development

## 1.4 Mission Statement

### Vision

A caring and integrated system of social development services that facilitates human development and improves the quality of life.

### Mission

To ensure the provision of comprehensive social protection services against vulnerability and poverty within the constitutional and legislative framework, and create an enabling environment for sustainable development. The Department further aims to deliver integrated, sustainable and quality services, in partnership with all those committed to building a caring society.

### Values

The Department of Social Development is committed to the following values:

#### *People*

Upholding the Constitution, ensuring accountability to the Minister and Parliament, and serving the people of South Africa.

#### *Excellence*

Maintaining high standards of performance in our quest for excellence, including equity, professionalism, and fairness in the delivery of our services.

#### *Partnerships*

Working together with organs of state including non-state organs such as civil society, business, academia and the international community.

### Strategic priorities

The Department has identified and committed itself to addressing the following key priorities:

- Child and Youth Care (Isibindi programme).
- Early Childhood Development
- Anti-Substance Abuse
- Food for all/Zero Hunger
- The protection and promotion of the rights of older people and people with disabilities

In addition, the Department contributes to the realisation of some of the following 12 government outcomes:

1. Improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All people in South Africa are and feel safe.
4. Decent employment through inclusive economic growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable and sustainable rural communities with food security for all.
8. Sustainable human settlements and improved quality of household life.
9. A responsive, accountable, effective and efficient local government system.
10. Environmental assets and natural resources that are well protected and continually enhanced.
11. Create a better South Africa (and contribute to a better and safer Africa and world)
12. An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship.



## 1.5 Legislative Mandate

### The Constitution

The Department derives its core mandate from the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). Section 27 (1) (c) of the Constitution states that all South Africans have a right of access to social security, including social assistance if they are unable to support themselves and their dependants. In addition, Section 28 (1) sets out the rights of children with regard to appropriate care, basic nutrition, shelter, health care and social services, and detention.

Schedule 4 of the Constitution further identifies welfare services, population development, and disaster management as functional areas of concurrent national and provincial legislative competence.

The following existing laws constitute the legal framework for the Department of Social Development in South Africa:

### Acts of Parliament

- Advisory Board on Social Development Act, 2001 (Act No. 3 of 2001);
- Children's Act, 2005 (Act No. 38 of 2005);
- Children's Amendment Act 2007 (Act No. 41 of 2007);
- Fund-raising Act, 1978 (Act No. 107 of 1978);
- Non-profit Organisations Act, 1997 (Act No. 71 of 1997);
- National Development Agency Act, 1998 (Act No. 108 of 1998);
- Older Persons Act, 2006 (Act No. 13 of 2006);
- Prevention and Treatment of Drug Dependency Act, 1992 (Act No. 20 of 1992);
- Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008);
- Probation Services Act, 1991 (Act No. 116 of 1991);
- Social Assistance Act, 2004 (Act No. 13 of 2004);
- Social Assistance Amendment Act, 2010 (Act No. 5 of 2010);
- Social Service Professions Act, 1978 (Act No. 110 of 1978);
- National Welfare Act, 1978 (Act No. 100 of 1978);
- South African Social Security Agency Act, 2004 (Act No. 9 of 2004); and
- White Paper on Population Policy (1998)

### Public entities and statutory bodies

#### *South African Social Security Agency*

The South African Social Security Agency (SASSA) is listed as a Schedule 3A public entity in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). The agency was

established in terms of the South African Social Security Agency Act of 2004 (Act No. 9 of 2004).

The key functions of this agency include the effective management, administration and payment of social assistance, as well as:

- The processing of applications for social assistance, namely: Older Grants, War Veterans Grants, Child Support Grants, Care Dependency Grants, Foster Child Grants, Disability Grants, Grant-in-Aid and Social Relief of Distress;
- The verification and timely approval of grant applications;
- The management and reconciliation of grant payments to eligible beneficiaries by contractors;
- The marketing of social assistance; and
- Quality service assurance by ensuring compliance with norms and standards, as well as fraud prevention and detection.

#### *National Development Agency*

The National Development Agency (NDA) is listed as a Schedule 3A public entity in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999) and is accountable to the Minister of Social Development. The NDA was established in terms of the National Development Agency Act, 1998 (Act No. 108 of 1998), which replaced the Transitional National Development Trust (TNDDT).

The key strategic objectives of the NDA, as prescribed in the legislation, are to:

- Grant funds to civil society organisations for the purpose of meeting the developmental needs of poor communities;
- Strengthen the institutional capacity of organisations for long-term sustainability;
- Proactively source funds for the purposes of achieving its development objectives;
- Promote consultation, dialogue and sharing of developmental experiences to debate and influence developmental policies; and
- Develop strategies to collaborate with local community development trusts, foundations, government clusters and civil society organisations.

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



## Legislative Mandate

### *Central Drug Authority*

The Central Drug Authority (CDA) was established under Section 2 of Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008). Its key functions are to:

- Give effect to the National Drug Master Plan;
- Advise the Minister on any matter affecting the substance and drug abuse environment; and
- Promote measures relating to the prevention and combating of the abuse of drugs.

### *Advisory Board on Social Development*

The Advisory Board on Social Development was established under Section 2 of the Advisory Board on Social Development Act, 2001 (Act No. 3 of 2001). Its key functions are to:

- Advise the Minister on all matters related to social development;
- Identify, promote, monitor and evaluate policy, legislation and programmes with regard to social development; and
- Facilitate dialogue with and the participation of civil society.

### *Boards of the Relief Funds*

Boards of the Relief Funds were established in terms of Section 16 of the Fund-Raising Act, 1978 (Act No.107 of 1987). Their key functions are as follows:

- **Board of the Disaster Relief Fund:** To assist persons, organisations and bodies which have suffered damage or loss as a result of a disaster;
- **Board of the Refugee Relief Fund:** To assist refugees as the Board may deem fair and reasonable;
- **Board of the State President's Fund:** To assist victims of any act of terrorism in respect of their medical treatment and rehabilitation, and to assist such victims and their dependants who suffer financial hardship or financial distress caused directly or indirectly by any act of terrorism;
- **Board of the Social Relief Fund:** To make finances available to organisations that are capable of rendering assistance to persons with psychosocial challenges and of rendering such social relief of distress to members of communities who are victims of violence.





# **PART B**

## Programme Performance

## 2 Programme Performance

### 2.1 Overall performance

Details are contained in 2.1.4 below and in programme specific parts of the report.

#### 2.1.1 Voted funds

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual amount spent R'000	Over / underexpenditure R'000
Department of Social Development	104 732 697	104 283 887	103 139 182	1 144 705
Responsible Minister	Minister of Social Development			
Administering Department	Department of Social Development			
Accounting Officer	Director-General of the Department of Social Development			

#### 2.1.2 Aim of vote

The aim of the Department of Social Development is to ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.

#### 2.1.3 Strategic outcome-oriented goals

The Department's strategic goals, which are informed by its priorities and government-wide outcomes, are to:

- strengthen community development and welfare services;
- promote and protect the rights of children and older persons;
- combat substance abuse and social crime; and
- work towards greater food security.

#### Programmes

**Programme 1:** Administration provides leadership, management and support services to the Department and the Sector.

**Programme 2:** Social Assistance provides income support to vulnerable groups.

**Programme 3:** Social Security Policy and Administration provides for social security policy development and the fair administration of social assistance.

**Programme 4:** Welfare Services Policy Development and Implementation creates an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards and best practices, and supports implementation agencies.

**Programme 5:** Social Policy and Integrated Service Delivery supports community development and promotes evidence-based policy-making in the Department and the Social Development Sector.

#### 2.1.4 Overview of the service delivery environment

The Social Development Sector delivers its services in an environment marked by poverty, unemployment and inequality. In order to respond adequately to these challenges, the Department has committed itself to implementing a number of interventions in the areas of social assistance, welfare, and community development. The shift in government focus from outputs to outcomes has given the Department a unique opportunity to help achieve some of the 12 government-wide outcomes.

#### Social assistance

The provision of social security remains the cornerstone of the fight against the effects of poverty on children and older people. Given this, the Department, through the South African Social Security Agency (SASSA), continued to expand the social safety net, reaching more than 15,5 million South Africans in the year under review. About 2,7 million of these were older people, and more than 10,9 million were beneficiaries of the Child Support Grant (CSG). This augmented the incomes of grant recipients, and enabled the Department to contribute directly to the realisation of Outcome 7, vibrant, equitable and sustainable rural communities with food security for all; and Outcome 2, a long and healthy life for all South Africans.



### Social security reform

The Department, in collaboration with other institutions, continued to develop policies aimed at mitigating vulnerability as a result of old age, disability and death. In pursuit of this goal the Department completed a Consolidated Government Paper (CGP) on Social Security and Retirement Reform which proposed the introduction of a mandatory pension system, the establishment of a National Social Security Fund and a separate Department of Social Security, and the alignment of existing social insurance benefits. The CGP was approved by the Inter-Ministerial Committee on Social Security Reform, and presented to the Cabinet's Social Protection and Community Development Cluster Committee.

### Early Childhood Development (ECD)

The provision of comprehensive ECD services is inspired by our goal of investing in the development of children as one of the primary means of improving human capital and reducing levels of intergenerational poverty. In pursuit of this goal we conducted a number of ECD awareness campaigns, highlighting the importance of registering ECD centres and partial care facilities, and providing children with access to those facilities.

A highlight of the financial year was a national ECD conference, hosted by the Department in March 2012. The conference assessed past successes and current challenges in respect of ECD. Improving ECD services is a key step towards achieving a number of positive social outcomes, notably Outcome 1, improving the quality of basic education.

The number of children benefiting from Child and Youth Care Services (CYCC) increased significantly, and more than 23 000 children were placed in foster care, bringing the total to more than 536 000. A major outcome of our promotion of adoption awareness was an increase in the number of adoption cases, with about 1 620 registered in the course of the year. A total of 194 of these were inter-country adoptions, and the rest were national adoptions.

### HIV and AIDS

HIV and AIDS continue to devastate the lives of many South Africans, and remain a major obstacle to achieving Outcome 2, a long and healthy life for all. In view of this, the Department developed an HIV and Tuberculosis (TB) Prevention Strategy 2012-2016 which addresses both the social drivers and social impact of HIV/ AIDS and TB. The Department also continued to implement and expand the Home Community Based Care and Support (HCBC)

programme by providing guidance and support to provinces and implementing partners. As part of the implementation of a comprehensive monitoring and reporting system on orphans and vulnerable children, we assessed the monitoring and evaluation systems, structures and processes of the National Action Committee for children affected by HIV and AIDS. Lastly, the Deputy Minister launched a directory of community-based services to children throughout South Africa.

### Substance abuse

Significant progress was made in our ongoing campaign against drug and alcohol abuse. The Department finalised and gazetted the regulations under the Prevention and Treatment of Substance Abuse Act, 2008 (Act No. 70 of 2008), aimed at ensuring prompt and high-quality services. The Department also developed a treatment model for victims of drug and substance abuse which seeks to standardise treatment services and guide the development of individual-specific treatment programmes. These initiatives form part of the Department's contribution to Outcome 2, achieving a long and healthy life for all South Africans, and Outcome 3, ensuring that all people in South Africa are and feel safe.

### Social cohesion

The Department made significant progress towards strengthening families and supporting community interventions which foster social cohesion. A notable milestone was the completion and gazetting of the Green Paper on Families. Inputs received from the consultation process will culminate in a White Paper which will provide a formal policy framework for providing integrated services to families. This initiative will help to ensure that families play a central role in achieving the Department's goal of restoring family values and responsibilities as a key element of building cohesive communities.

### Youths

A major milestone for the reporting period was the accreditation by the Education, Training and Development Practices Sector Education and Training Authority (ETDP SETA) of the curriculum for the Masupatsela Youth Pioneer programme. This will enable all participants to obtain a qualification when they complete the programme. As part of the government's multipronged strategy to reduce youth unemployment, 2 426 youths were linked to work opportunities through the National Youth Service Programme. They included 420 Masupatsela Youth Pioneers who were employed as assistant community development practitioners in the Eastern Cape.

## 2 Programme Performance

### Expanded Public Works Programme:

The Department leads the coordination of the Expanded Public Works Programme in the Social Development Sector, with the Department of Public Works as overall coordinator. In the year under review the Social Development Sector created 152 109 job opportunities – significantly more than the target of 132 000. This, together with other initiatives aimed at linking young people to economic opportunities, ensured that the Department continued to play a significant role in achieving Outcome 4, creating decent employment through inclusive economic growth.

### Civil society support

The registration of Non-Profit Organisations was also prioritised. A total of 18 448 applications were received, and 95 per cent of these (17 573) were processed within two months. A total of 14 792 organisations met the registration requirements and were registered, bringing the total to 90 967. The Department built the capacity of 1 323 registered NPOs, in order to ensure that they serve their communities effectively. NPOs are key partners in achieving Outcome 7, promoting vibrant, equitable and sustainable communities.

### Governance and institutional development

Maintaining sound organisational and business practice is an integral part of promoting accountability and efficiency within the Department. Given this, financial audits were conducted in accordance with the standards and requirements of the Institute of Internal Auditors (IIA) and the Department's Audit Charter. Reports detailing the findings were submitted to relevant managers, who ensured in turn that corrective action was taken to address identified deficiencies. Quarterly reports on predetermined objectives were sent to the executive authority, the National Treasury, and the Auditor-General, and their findings and feedback were sent to all managers. This formed part of building a culture of results-based management in the Department. The Department also continued to implement sound financial management systems, aimed at promoting the efficient utilisation of resources.

### International obligations

The Department continued to play a role in promoting South Africa's foreign policy goals, especially in respect of Outcome 11, creating a better South Africa and contributing to a better and safer Africa and world. As such, it continued to play a leading role in promoting the social dimensions of the New Partnership for Africa's Development (NEPAD) in the United Nations Commission for Social Development, on behalf of the Africa Group and the G77.

It also participated in a number of international initiatives in the Southern African Development Community (SADC) and African Union (AU).

The Department works with other institutions within and outside government in implementing its mandate, and the consultative and interdepartmental nature of some of these projects has at times delayed or threatened to derail some of its initiatives.

### Budget

The Department's initial budget for the 2011/12 financial year amounted to R104,733 billion. This included large transfers to SASSA and the NDA. Under the 2011 Adjusted Estimates of National Expenditure, the Department received an additional amount of R8,190 million for general salary adjustments, and declared projected underspending of R457 million on social grants due to lower than expected beneficiary uptake rates. Therefore, the final budget for the 2011/12 financial year was R104,284 billion.

### Virements

The following virements were effected:

#### Per main division:

*Programme 1 – Administration (R4,3 million):* An amount of R4,3 million was shifted to Programme 1 from Programme 3 to fund increased expenditure on capital assets related to the standardisation of computer equipment and the refurbishment of offices, including Departmental boardrooms.

*Programme 3 – Social Security Policy and Administration (R 7,5 million):* An amount of R7,5 million was shifted from this Programme to Programmes 1, 4 and 5.

*Programme 4 – Welfare Services Policy Development and Implementation Support (R2,135 million):* An amount of R2, 135 million was shifted to this Programme from Programme 3 to fund increased expenditure on operational costs relating to the ECD Conference held in March 2012.

*Programme 5 – Social Policy and Integrated Service Delivery (R1,065 million):* An amount of R1,065 million was shifted to Programme 5 from Programme 3 to help fund the approved transfer of R5 million to the Food Bank in March 2012.



**Per economic classification:**

*Compensation of Employees:* An amount of R3,235 million was shifted from Compensation of Employees to partly fund the shortfall under Payment of Capital Assets.

*Goods and Services:* An amount of R7,226 million was shifted from Goods and Services to partly fund the transfer of R5 million to the Food Bank in March 2012, and fund leave gratuities paid to employees during the 2011/12 financial year.

*Transfers and Subsidies:* Approval was obtained from the National Treasury to increase transfers by R5 million, comprising the payment to the Food Bank.

*Payment for Capital Assets:* An amount of R4 333 was shifted to Payment for Capital Assets from Compensation and Employees and Goods and Services to fund increased expenditure on the standardisation of computer equipment and software as well as the refurbishment of Departmental offices and boardrooms.

**2.1.5 Overview of the organisational environment**

The Department did not experience any disruptions such as strike action by staff. However, a number of challenges conspired to delay meeting some of the targets set for the reporting period. Similarly, given the collaborative and interdependent nature of

some of the Department's work, it can only fully meet some of its targets if the other institutions deliver on their commitments as well.

The Department formed a unit tasked with establishing an Inspectorate for Social Security. However, it was hampered by a lack of human resources and the relatively late availability of funds.

**2.1.6 Key policy developments and legislative change**

Several key policies were completed, including a policy on financial awards to NPOs, and a Consolidated Government Paper (CGP) on Social Security and Retirement Reform. The CGP proposed the introduction of a mandatory pension system and the establishment of a national Social Security Fund and separate Department of Social Security. Other milestones included the gazetting in October of the Green Paper on Families.

Policies with respect to finance, community development, victim empowerment and non-profit organisations were also made or reviewed. The details appear in the programme-specific sections of the Annual Report.

Amendments to Regulations under the Social Assistance Act, 2004 (Act No. 13 of 2004) were published in September 2011.



## 2 Programme Performance

### 2.1.7 Departmental revenue, expenditure and other specific topics

#### Collection of Departmental revenue

The Department of Social Development is a policy-making institution and is therefore not involved in income generation. The major revenue item relates to the interest earned on social grant funds transferred to SASSA, as well as the recovery of funds from dormant beneficiary bank accounts.

	2008/09 Actual R'000	2009/10 Actual R'000	2010/11 Actual R'000	2011/12 Target R'000	2011/12 Actual R'000	% deviation
<b>Tax revenue</b>	0	0	0	0		
<b>Non-tax revenue</b>	16 055	30 509	4 910	10 070	77 409	768,7
Interest	15 881	17 591	4 083	10 035	2 636	-73,7
Parking	25	23	58	35	94	268
Bursaries	42	80	23	—	7 557	100
Commission	67	79	89	—	109	100
Recoveries in previous year	40	12 528	657	—	67 013	100
<b>Sales of capital assets (capital revenue)</b>	0	105		—	—	
<b>Financial transactions (recovery of loans and advances)</b>	429	211	5 596	—	26 576	100
<b>Total receipts</b>	<b>16 484</b>	<b>30 617</b>	<b>10 506</b>	<b>10 070</b>	<b>103 985</b>	<b>1 032,6</b>

### 2.1.8 Departmental expenditure

Programmes	Voted 2011/12 R'000	Roll-overs and adjustments R'000	Virements R'000	Final Voted R'000	Expenditure R'000	Variance R'000
Programme 1: Administration	234 024	3 276	7 300	244 600	243 976	624
Programme 2: Social Assistance	97 560 213	(457 000)	—	97 103 213	95 972 987	1 130 226
Programme 3: Social Security Policy and Administration	6 244 402	1 147	(8 500)	6 237 049	6 228 295	8 754
Programme 4: Welfare Services Policy Development and Implementation Support	450 824	2 293	(1 365)	451 752	449 066	2 686
Programme 5: Social Policy and Integrated Service Delivery	243 234	1 474	2 565	247 273	244 858	2 415
<b>Total</b>	<b>104 732 697</b>	<b>(448 810)</b>	<b>—</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>1 144 705</b>

**Programme 1: Administration** reflects underexpenditure amounting to R624 000.

**Programme 2: Social Assistance** reflects underexpenditure amounting to R1,130 billion, due to a lower than expected grant uptake rate.

**Programme 3: Social Security Policy and Administration** reflects unaudited underexpenditure amounting to R8,754 million, mainly relating to delays in finalising planned projects in respect of Social Security Policy Development and the Appeals Tribunal.

**Programme 4: Welfare Services Policy Development and Implementation Support** reflects underexpenditure amounting to R2,686 million, mainly relating to approved transfers to the South African National Council against Alcohol Abuse and Drug Dependency (SANCA), the Victim Empowerment Organisation, and the National Association of Burial Societies of South Africa (NABSSA) which were not made before end March 2012.

**Programme 5: Social Policy and Integrated Service Delivery** reflects underexpenditure amounting to R2,415 million, mainly relating to funded vacancies and related operational costs.

### 2.1.9 Transfer payments

Transfers to be listed and reported on include:

#### Transfers to households

Programme	Institution	Transfer (R'000)
Programme 2: Social Assistance	SASSA	95 972 987

#### Transfers to public entities

A total of R6,549 billion was transferred to public entities during the 2011/2012 financial year.

Programme	Institution	Transfer (R'000)
Programme 2: Social Assistance	SASSA	6 143 657
Programme 4: Welfare Services Policy Development and Implementation Support	National Student Financial Aid Scheme	244 000
Programme 5: Social Policy and Integrated Service Delivery	NDA	161 360

#### Compliance with section 38(1)(j) of the PFMA

Steps taken by the Department to ensure the compliance of SASSA and the NDA with Section 38(1)(j) of the PFMA are as follows:

##### Programme 2: Social Assistance

SASSA	<p>The Minister appoints SASSA's CEO.</p> <p>Besides the performance agreement between the Minister and the CEO, the Minister signs an agency agreement that defines the relationship between the Department and SASSA.</p> <p>The Minister also approves SASSA's annual strategic plans and budgets, and requires quarterly progress reports for review of the progress made with the set objectives.</p>
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##### Programme 5: Social Policy and Integrated Service Delivery

NDA	<p>The Minister appoints the NDA's Board and CEO.</p> <p>The Minister signs an agency agreement that defines the relationship between the Department and NDA.</p> <p>The Minister approves the NDA's annual strategic plans and budgets, and requires quarterly progress reports.</p>
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## 2 Programme Performance

### Transfers to NGOs, CSOs and other entities

Institution	Amount transferred (R'000)
<b>Programme 3</b>	
Other Transfers	
International Social Security Association	1 091
International Organisation for Pension Supervisors	50
<b>Programme 4</b>	
Other Transfers	
Commission for Narcotic Drugs	25
International Federation for the Aged	8
International Social Services	162
LoveLife	43 360
National Association of People Living with AIDS (NAPWA)	320
Cape Town Child Welfare Society	400
Walvis Bay	227
<b>National Bodies</b>	
Suid Afrikaanse Vrouefederasie	642
Die Ondersteuningsraad	550
National Council for Persons with Physical Disabilities	600
Deaf Federation of South Africa	590
SA Federation for Mental Health	703
SA Council on Alcoholism and Drug Dependence	681
Child Welfare South Africa	1 839
Apostolic Faith Mission	611
Family and Marriage Society of South Africa	1 068
Epilepsy South Africa	420
National Institute for Crime Prevention and Integration of Offenders	300
Afrikaanse Christelike Vroue Federasie	1 068
Alzheimer SA	649
Disabled Children Action Group	755
BADISA	514
South African Council for Social Service Profession	1 476
Khulisa Crime Prevention Initiative	500
South African Older Persons Forum	649
ChildLine South Africa	822
SA Depression and Anxiety Group	1 000
Action on Elder Abuse SA	649
LifeLine South Africa	900
National Peace Accord Trust	690
<b>Programme 5</b>	
Organisation for Economic Development	304
United Nations Research Institute for Department of Social Development	100
Partners in Population and Development	277
United Nations Population Fund	200
Foodbank South Africa	5 000
National Association of People Living with AIDS (NAPWA)	473
Khanya AICCD	214
Soul City	4 500

### 2.1.10 Conditional grants and earmarked funds

The Department did not administer any conditional grant programmes during 2011/12. However, the following amounts were earmarked:

Items	Amount (R'000)
SASSA: New payment model for social grants and integrated grants administration model	120 000
SASSA: Deficit reduction	—
Information systems for the Department	5 000
NDA	161 360
Bursaries for social work students	244 000
LoveLife	43 360
Social assistance transfers	97 103 213
SASSA	6 143 657
Appeals Tribunal	10 000
Prevention and mitigation of disaster risks	2 300

### 2.1.11 Capital investment, maintenance, and asset management plan

#### Capital investment

The Department's movable capital assets consist mainly of office furniture, vehicles, IT infrastructure and equipment, and kitchen and office equipment. It does not own any immovable capital assets. At the beginning of the financial year it owned movable assets worth R57,6 million. During the financial year it acquired 2 508 individual assets worth R19,3 million. Redundant furniture to the value of R250 331,67 was donated to government schools. Twenty eight assets to the value of R354 422,31 were lost, and these occurrences are being investigated.

#### Asset management

The Department adheres to the asset management implementation plan developed by the National Treasury. The Department's asset register complies with the minimum information required in terms of the Asset Management Guideline issued by the National Treasury. During the period under review the Department twice

took stock of all assets as required under its asset management policy. All newly acquired assets were reconciled against the accounting records every month. An Asset Management Committee ensured that requests for assets complied with departmental policies, norms and standards before any asset was procured. The Department standardised its desktop computers and notebooks on Windows 7 and Microsoft Office 2010.

Due to limitations in the Fast-track asset management system, the Department began to migrate its assets to the LOGIS system supported by the National Treasury. The full migration was due to be completed in the 2012/2013 financial year.

#### Maintenance

The Department has no immovable assets. Therefore, maintenance costs in respect of fixed assets are low. All IT assets come with vendor warranties ranging from one to three years. Once the warranties expire, the Department enters into maintenance agreements with the relevant vendors.





## Executive Management



**Mr WK Magasela**  
Programme Manager:  
Social Policy



**Mr C Pakade**  
Chief Financial Officer



**Mr S Jehoma**  
Deputy Director-General:  
Comprehensive Social Security



**Mr V Madonsela**  
Director-General



**Mr P Netshipale**  
Acting Deputy Director-General:  
Community Development



**Mr P Loselo**  
Acting Programme Manager:  
Independent Tribunal for Social  
Assistance Appeals



**Dr M Mabetoa**  
Deputy Director-General:  
Welfare Services

**Vacant:**  
Chief Operating Officer:  
Strategy and Governance



# Programme 1

## Administration

## Programme 1: Administration

### Purpose

To provide leadership, management and support services to the Department and the Social Development Sector.

### International Relations

Effective partnerships between developed and developing countries as well as countries with economies in transition are essential for achieving international social development objectives and honouring internationally agreed social development commitments.

The Department continued with exchanges in respect of capacity-building and the sharing of experiences on issues such as social security, poverty eradication, and youth development with a number of long-term partners, including China, Brazil, Cuba, Mexico, Kenya, Mauritius and Ghana. An agreement was signed with Zimbabwe, and a joint committee was established to examine issues surrounding the welfare of unaccompanied minors.

Social development issues from a developing country perspective are high on the agenda of various multilateral organisations. Beside hosting the Partners in Population Development meeting, the Department continued to play an active role in the UN Commission for Social Development (CSocD), International Social Service (ISS), and the International Social Security Association (ISSA).

It has been extremely encouraging to witness a growing number of countries and international institutions interacting with the Department on a number of social development issues and initiatives for mutual exchange and benefit.

### Executive Support

The department, through this Directorate monitored and followed up on all decisions taken by the Social Cluster and the DSD Management Forums. Ninety eight per cent of these decisions were implemented. The Directorate coordinated the presentation of five policy issues to the Forum of South African Directors-General (FOSAD). It convened 11 Cluster meetings and 39 DSD Management Forum meetings, and arranged 12 special meetings.



The Directorate received and processed 918 submissions, which were quality-checked and submitted to the DG for approval. The Directorate received 37 requests for reports and presentations from various parliamentary committees.

The Directorate received and facilitated the response to 201 parliamentary questions. This was often done within a few hours.

### Stakeholder Management

A strategic framework for engaging stakeholders was drafted and approved by the Department's Management Committee. The Department entered into a partnership with Food Bank South Africa to roll out a national Food for All Campaign, designed to respond to cases of food insecurity and malnutrition.

The Directorate played a central role in various other projects, including the establishment of the Retired Social Work Forum, the Taking DSD to Communities Campaign, and DSD Month events. It also played an active role in soliciting support from the private sector for assistance to vulnerable people as well as Departmental projects.

### Strategy Development and Business

The Department completed a risk assessment report, and complied with all the requirements for effective risk management. An analytical report on business processes was completed, mapped processes were consolidated, and two workshops were held to initiate a plan-to-map processes in units where these processes had not previously been documented. The phased implementation of the infrastructure policy began with four quarterly sector meetings, the development of an asset management system and demand model, the integration of 70 per cent of design guidelines into the design and construction of new facilities, the submission of user asset management plans for the provinces, and the development of a Medium-Term Sector Infrastructure Plan.

As part of local front office reform, 90 staff members were trained on cultural reform in a pilot undertaken in three provinces,



namely the Eastern Cape, Free State and Limpopo. The 20 worst service offices in each province were identified, and a strategy for reforming them was finalised. The Unit began to consult stakeholders on the Complaints Resolution Management design specifications. Implementation of an Automated Complaints Management system was held back by delays in the implementation of a Scalable Distributed Information Management System (SDIMS). A Call Centre Strategy was finalised, and options for consolidating DSD customer care services were to be presented to the Department and SASSA for approval.

The unit also evaluated Phase 1 of an internal consultancy programme aimed at supporting business units within the DSD. Given some of the challenges experienced, the unit decided to review its approach and began discussions with the Human Sciences Research Council (HSRC) and the United Nations Children Education Fund (UNICEF) on establishing a technical unit tasked with providing the Department with vital data for decision-making. It will seek donor funding for the full development of the unit in the next financial year.

Eighty seven women and men under the Gender Focal Points in the provinces were trained in Gender and Climate Change. Twenty two male Interns attended a Gender and Masculinity Workshop, Twenty five female interns attended a Gender Sensitisation workshop including Sexual Harassment and four Gender Dialogues were conducted. A Gender Responsive Budgeting (GRB) Pilot was conducted in respect of five randomly selected DSD programmes.

The unit staged commemorations of International Women's Day on 8 March and Women's Day on 9 August, and staged a 16 Days of Activism against Gender Based Violence campaign from 25 November to 10 December.

A Departmental delegation, led by the Minister, participated in the 56<sup>th</sup> session of the United Nations Commission on the Status of Women (UNCSD), with the theme 'The empowerment of rural women and their role in poverty and hunger eradication, development and current challenges'. The Gender Directorate also contributed to the Gender Equality Bill, and participated in efforts to mainstream gender in the New Growth Path.

### Monitoring and Evaluation

The Department, through this unit achieved a great deal during the reporting period. Its most notable achievement was the completion of an Impact Evaluation of the Child Support Grant (CSG). The study revealed that the CSG reduces poverty and vulnerability and has various other positive impacts, including higher rates of enrolment and better performance at school. This helps to promote human capital development, improve gender outcomes, and reduce the historical legacy of inequality. The Minister was due to launch the report in the next financial year.

The unit reviewed and approved non-financial data indicators and completed data quality assessments in the Free State, Gauteng and North West. It also produced a number of key



## Programme 1: Administration

reports, including non-financial data reports, which reflect provincial performance; statistical reports on vulnerable groups, and programme performance reports. Quarterly programme performance reports were submitted to internal and external stakeholders such as political principals, senior management, the National Treasury, and the Presidency.

We continued to build capacity in the social sector. The Department hosted the fifth session of the Mini-International Programme for Development Evaluation Training (IPDET), an initiative of the World Bank and Carleton University in Ottawa, Canada. Fifty social sector personnel were trained, while 44 senior managers received executive coaching from an IPDET lead trainer. This will improve sector performance and help the Department to contribute to Government Outcome 12, building an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship.

### Entity Oversight

SASSA continued to deliver innovative and cost-effective services, supported by the Entity and Oversight Management unit and other Departmental role players in the oversight of public entities.

SASSA adhered to prescriptions for good governance by reporting on its performance as required. The Department reviewed the

reporting instruments in order to align them with the National Treasury's Reporting Framework and Framework for Strategic and Operational Planning, and ensured that they reflect the actual performance of public entities.

In an attempt to revive other mechanisms for interacting with public entities, the unit reviewed the terms of reference for the Strategic Interface Forum as well as the Entity Management Forum. This was aimed at strengthening relations with public entities, as well as relations between internal stakeholders responsible for entity oversight.

The unit proposed the introduction of an electronic Institutional Performance Information and Reporting System for public entities. This would provide public entities with a customised platform on the existing E-strategy performance monitoring dashboard.

Public entities produced, reviewed and approved 2012/13-2016/17 Strategic Plans and 2012/13-2014/15 Annual Performance Plans for tabling in Parliament and presentation to various parliamentary oversight bodies. Responses to questions from different parliamentary oversight committees were reviewed and approved.

### Legal Services

The Department, through this Chief Directorate recorded some significant achievements in the field of contract management and legislative drafting and review. The Contract Management Protocol was reviewed and implemented, and regulations under the Social Assistance Act dealing with the reconsideration of and appeals against the rejection of social grant applications were promulgated.

### Human Capital Management

The Department largely complied with the three month turnaround time for finalising misconduct cases. The exceptions were caused by circumstances beyond its control, including the unavailability of witnesses.

The Department continued its efforts to deepen social dialogue in the sector. To this end, the Bargaining Council concluded at least two collective agreements. The Department and trade unions agreed to continuously build the capacity of shop stewards





and labour relations officers in the sector, and institutionalise Alternative Dispute Prevention and Conflict Resolution (ADR) mechanisms.

The Department developed and implemented a workplace skills plan as required by the Skills Development Act. A total of 115 courses were co-ordinated, and attended by 429 Departmental officials. A total of R3 955 944,15 was spent on training, including bursaries, more than the minimum of 1 per cent of the personnel budget required by the Skills Development Act.

In order to enhance the formal skills base of the Department, 95 officials were given bursaries to further their studies in various fields. The Department continued its internship programme, and 53 interns were placed in various positions. It also continued to provide technical support to line managers for implementing various capacity-building programmes.

Performance agreements, work plans, mid-term review reports, and annual performance appraisals were completed as required by the Department's Performance Management and Development System (PMDS).

The alignment of the Department's organisational structure with its strategic objectives was finalised, strengthening implementation capacity in various functional areas such as Early Childhood Development, Children Protection Services, Anti-Substance Abuse and Victim Empowerment Programmes. The proposed organisational structure was submitted for consultation and approval.

The generic functional structure approved by MINMEC in 2011 was approved by the Department of Public Service and Administration. The letter from the Minister of Public Service and Administration stated that five provincial Departments of Social Development had already aligned their organisational structures with the generic functional structure. This process has ensured that provincial structures are properly aligned with sectoral priorities and functional objectives. This is a continuous process, and organisational structures will improve over time.

The implementation of the human resources plan exposed some gaps in the process of aligning human resources with the Department's strategic objective and priorities. Steps were taken to address these shortcomings, which will enhance future human resource planning processes.

The Department began to review the job evaluation coordination process conducted in 2011 in order to align functions and job descriptions with the latest developments in the monitoring and evaluation environment. This process was due to be completed in the next financial year. The process in respect of the population and development function was also reviewed in order to ensure the alignment of job descriptions with the revised organisational structure, which impacted on capacity requirements at the provincial level.

According to the PERSAL records, the vacancy rate was reduced from 9 to 5,2 per cent. A total of 95 appointments were made, while 53 officials left the Department. The Directorate: Human Resource Management continued its efforts to ensure that funded vacant posts were filled timeously.

An Employee Health and Wellness Strategy was developed in accordance with the Department of Public Service and Administration (DPSA) National Strategic Framework of Employee Health and Wellness. About 75 per cent of the plan was implemented.

An annual sports day was held once again in order to promote physical wellness within the Department. Health screenings were also arranged to encourage staff to adopt healthy lifestyles, and 241 employees were reached. The Employee Health and Wellness (EHW) unit continued to render counselling and support services to staff, and 55 employees were supported.

### Communication

The Chief Directorate: Communications continued to provide strategic and executive communication support, which has improved public awareness of the Department.

The **Production and Publications Unit** held branding guideline workshops in Northern Cape, KZN, Free State and Mpumalanga.

The Department continued its efforts to deepen social dialogue in the sector. To this end, the Bargaining Council concluded at least two collective agreements.

## Programme 1: Administration

The **Online Publishing Unit** created an events advertisement banner and disseminated information about Departmental activities and events using the DSD intranet and internet.

The **Marketing Unit** branded all events in line with the Departmental branding guidelines, and distributed branded marketing material at all Departmental events.

The Marketing Unit branded all events in line with the Departmental branding guidelines

Guidelines for a **Media and Content Development Unit** have not yet been drafted.

The **Public Liaison and Events Management Unit** profiled the Minister and Deputy Minister through aggressive public participation programmes which took social services to communities. Highlights included engagements with a broad range of stakeholders in order to promote partnerships; the Taking DSD to Communities campaign; and a highly successful Early Childhood Development Conference.

### Information Management and Technology

Data was drawn from different databases. As a result, reports were generated from the Data Warehouse using the open source program Pentaho, albeit at a very limited scale. Business units in the Department continued to derive benefits from reports generated in Pentaho.

The migration of the Data Warehouse from Pentaho to the Microsoft SharePoint Business Intelligence solution delayed the implementation of a fully functional Data Warehouse, due to procurement delays and a shortage of skills.

The Directorate Information Management conducted in-house training on record management. Training was due to continue until all officials had been trained to use File Plan. Best Record Management practices aligned with National Archives and Records Service (NARS) prescripts were implemented. The Directorate also developed requirements and specifications for an electronic content management system.

Various open source tools were tested, and Alfresco was identified as the best tool for managing the Department's records. The Promotion of Access to Information Act (PAIA), 2002 (Act No. 02 of 2000) manual was updated and made available in English. The Directorate continued to facilitate the implementation of PAIA and the sharing of information with citizens.

Delays in the procurement of services and IT hardware led to deviations in implementing Knowledge Management (KM) tools. This is due to occur in the next financial year. Information-sharing was enhanced via the use of a centralised information hub (Intranet). The Intranet and the Departmental website were well maintained and regularly updated.

The Probation Case Management (PCM) System, Child Adoptions Processing Systems, and Accreditation of Service Providers were automated in the course of the year. Probation Case Management and Accreditation systems were developed during the financial year and piloted to eight provinces. A total of 300 laptops were procured and distributed to provincial probation officers.

PMO framework was developed, approved and implemented on all projects registered in 2011/2012 financial year.

Information technology service desk standards and processes were developed, approved, and published on the Departmental Intranet. An IT asset audit was conducted, but an IT asset contract was not fulfilled due to a lack of funds.

### Financial Management and Administration

Audits were successfully co-ordinated. The AGSA Audit Implementation Action Plan was updated and progress made by relevant managers was assessed via consultation and the monitoring and evaluation of presented evidence. Out of 52 audit findings reported, only 20 findings were partially resolved, which showed a major improvement in implementing the Action Plan for the improvement of internal controls presented to the relevant structures and managers.

An Invoice Register was introduced, which helped the Department to monitor payments to suppliers and to check whether they had been paid within 30 days. The Register also helps the Department to compile its monthly reports on the payment of suppliers – especially SMMEs – to the National Treasury. The Department continued to improve its financial management by issuing various

financial circulars aimed at creating a greater awareness of Departmental policies.

Three Interim Financial Statements – end June 2011, end September 2011 and end December 2011 – were submitted to the National Treasury on or before the due dates. The Directorate: Internal Audit also audited the September 2011 and December 2011 Interim Financial Statements. Compliance certificates were submitted to the National Treasury every month as prescribed, after the DG had signed off the reports.

### Financial Planning and Monitoring

The Department continued to oversee the management and administration of social assistance as undertaken by SASSA. It remained accountable for funds allocated to social grants, amounting to R97 billion in the financial year under review.

Provincial departments were assisted to reconcile and clear outstanding balances in their social assistance accounts which were incurred before this function was transferred to SASSA.

### Internal Audit

The primary role of this unit is to assure the accounting officer, senior managers, and the Audit Committee of the adequacy and effectiveness of risk management, control, and governance processes.

The unit conducted all audits in compliance with the Auditing Standards of the Institute of Internal Auditors (IIA) as well as the Department's Audit Charter. The audit reviews were aimed at assessing the effectiveness of the key controls, which provide assurance that units within the Department are effectively managed and operate in accordance with the Department's policies and procedures.

System and control weaknesses identified in the course of the audits were fully discussed, and remedial steps were recommended. A formal report detailing the audit findings and recommendations was issued to all relevant managers. Management was instrumental in ensuring that corrective action was taken to address identified deficiencies. This has helped to strengthen the Department's control environment.

The Department also developed and implemented a Quality Assurance and Improvement Framework as required by the IIA Standards. The framework is designed to improve the operations of the Directorate: Internal Audit by ensuring that it:

- operates in an effective and efficient manner as per Standard 1300;
- complies with the Standards, Definition of Internal Auditing and Code of Ethics as per standard 1300;
- conducts both periodic and ongoing internal assessments as per Standard 1311; and
- conducts external assessments at least once every five years.

### Office Accommodation

In the context of the Re Kgabisa Tshwane Programme, the Department intends to consolidate its Head Office in Tshwane in a complex shared with SASSA and the NDA. It intends to construct the complex in the Salvokop Precinct of the Spatial Development Framework (SDF) of the Re Kgabisa Tshwane Programme. The Department asked the National Treasury to fund a feasibility study for a consolidated facility, and received R2 million for this purpose. However, due to challenges in the Department of Public Works, the study was not conducted in the year under review.



## Programme 1: Administration

### International Relations

Government outcome	Create a better South Africa, a better Africa and a better world					
DSD-specific outcome	To promote and support participation in key identified bilateral and multilateral initiatives that make the most effective contribution to poverty reduction					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
International Relations	Bilateral relations forged	Number of bilateral relations initiated	8 bilateral relations initiated	Initiate 11 bilateral relations (with Mozambique, Namibia, Lesotho, Tanzania, Kenya, Benin, Canada, Jamaica, UAE, Sweden, Singapore)	<ul style="list-style-type: none"> <li>Agreements with Namibia, Tanzania, Kenya, Benin, and Jamaica were at various stages of development. Discussions with other countries were continuing.</li> </ul>	Delay in responses from counterparts
		Number of agreements signed and technical exchanges facilitated	9 agreements signed and technical exchanges facilitated	Sign 2 agreements (Zimbabwe, Tanzania) and facilitate 8 technical exchanges	<ul style="list-style-type: none"> <li>An agreement with Zimbabwe was signed while approval was requested for a delegation to travel to Tanzania to discuss the latter agreement.</li> <li>Technical exchanges were facilitated with 17 countries, including Mauritius, Ghana, Lesotho, Zimbabwe, Kenya, Mexico, Brazil, the US and Canada.</li> </ul>	Internal processes led to delays in the approval of the delegation to Tanzania
	Participate in five multilateral organisations (UN, AU, SADC, IBSA and OECD)	Social development positions advocated in multilateral organisations	Made inputs into SADC Social Policy, African Children's Charter, Framework on Ageing and Plan of Action on Families, and the Social Dimensions of NEPAD	Advocate for social development positions in five multilateral institutions	<ul style="list-style-type: none"> <li>The Department participated in the UN Commission for Social Development and the UN Commissions on Gender, Population Development, Crime Prevention, and Substance Abuse.</li> </ul>	No deviation
				Support UN programmes	<ul style="list-style-type: none"> <li>The Department continued to co-operate with the UN on children, trafficking, and bilateral support to South Sudan.</li> </ul>	No deviation

Government outcome	Create a better South Africa, a better Africa and a better world					
DSD-specific outcome	To promote and support participation in key identified bilateral and multilateral initiatives that make the most effective contribution to poverty reduction					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
International Relations				Support Social Development programmes	<ul style="list-style-type: none"> <li>The Department hosted a Partners in Population meeting in South Africa, and served on its Budget Committee. Three officials served on the ISS board.</li> </ul>	No deviation
	Participation in three (3) international organisations facilitated and reported on (ISSA, the ISS, and the International Federation on Ageing (IFA))	Social development positions advocated in multilateral organisations	Participate in the activities of the three international organisations	Participate in three international organisations and report on ISSA, the ISS and IFA	<ul style="list-style-type: none"> <li>The Department participated in ISSA activities, including strengthening ISSA in Africa. Communication with IFA continued, leading up to the IFA congress. The Department also participated in MDG review meetings hosted by the AU and the UN Economic Commission for Africa.</li> </ul>	No deviation



## Executive Support

Government outcome	An efficient, effective and development-oriented public service, and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Promote and facilitate effective decision-making processes and structures in the DSD and the Social Protection and Development Cluster						
Functional area	Improved administrative systems and turnaround times in the Office of the DG						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Cluster Coordination	Facilitate effective decision-making processes at both the departmental and Cluster levels	Number of cluster and DSD management forum decisions monitored	100 percent of the decisions monitored during 2010/11 financial year	Monitor 100 percent of the Cluster and DSD management decisions	<ul style="list-style-type: none"><li>All decisions taken by the Cluster and the DSD management forum were monitored, and 98% were fully implemented. Quarterly progress reports on the DSD's contributions to achieving Government Outcomes were submitted to the relevant departments. The DSD presented five policy issues to FOSAD meetings for approval.</li></ul>	The remaining decisions will be fully implemented in the longer term.	
		Number of Cluster and DSD management forum meetings convened	52 DSD management forum and 11 Cluster meetings are convened on annual basis	Convene 52 DSD management and 11 Cluster meetings on annual basis	<ul style="list-style-type: none"><li>11 cluster meetings, 39 DSD management forum meetings and 12 special meetings were convened.</li></ul>	One management forum meeting was cancelled as it clashed with a portfolio committee meeting, and one cluster meeting was cancelled as it clashed with the Budget Speech.	
		Turnaround time on the reports provided to the Department and FOSAD clusters	60% discussion documents for the Cluster and DSD Management meetings are submitted seven days before the date of the meeting	Submit 70% of discussion documents for Cluster and DSD management meetings seven days before the date of the meeting	<ul style="list-style-type: none"><li>At least 97% of discussion documents were submitted seven days before meetings. Compliance reports were drawn up for each meeting. Agenda items without supporting discussion documents were removed.</li></ul>	No deviation	
	Submit documents to the DG's Office in accordance with the administrative guidelines (manual and electronic submissions)	Number of submissions returned for corrections	DSD's written Administrative and Communication Guidelines are in place	Return 10% of the submissions for corrections	<ul style="list-style-type: none"><li>918 submissions were received, checked and processed. About 11% were edited before being submitted to the DG's Office. About 17% were returned to line functions for corrections.</li></ul>	Line functions needed to correct the contents of about 17% of submissions	

Government outcome	An efficient, effective and development-oriented public service, and an empowered, fair and inclusive citizenship					
	Promote and facilitate effective decision-making processes and structures in the DSD and the Social Protection and Development Cluster					
DSD-specific outcome	Improved administrative systems and turnaround times in the Office of the DG					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Cluster Coordination		Average time taken to attend to submissions	The manual systems are in place to process and track the flow of documents to and from the Office of the DG	Process and finalise all the received submissions within five days	<ul style="list-style-type: none"> <li>918 submissions were received. All were quality-checked and submitted to the DG within two days. 98 submissions were delayed because the DG could not consider them immediately and because of technical challenges in respect of the E-Submission System.</li> </ul>	Technical challenges in respect of the E-Submission System
		Timely preparation of reports to Parliamentary Committees and implementation of committee resolutions monitored	The DSD engages with parliamentary committees at least six times a year, and reports are submitted two days before the meetings	Timely preparation and submission of all reports to parliamentary committees	<ul style="list-style-type: none"> <li>37 requests for reports and presentations were received from various parliamentary committees. All the reports were prepared, approved and submitted three days before meetings. The committees were satisfied with all 37 reports.</li> <li>The Directorate received 201 parliamentary questions, and facilitated the replies by line managers. Sometimes this was done within a few hours</li> </ul>	No deviation
				Implement all parliamentary committees resolutions monitored within a month	<ul style="list-style-type: none"> <li>All relevant resolutions by parliamentary committees were implemented.</li> </ul>	No deviation

## Stakeholder Management

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcomes	Strengthened collaboration with stakeholders in order to enhance service delivery					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Stakeholder Management	Donor funding received	Percentage of funds received from donors	R39,5 million	Increase donor funding by 3%	<ul style="list-style-type: none"> <li>Funding proposals aligned with DSD priorities were prepared and sent to development partners via the National Treasury. DSD priorities were presented to donors at annual consultations. The DSD participated in Project Steering Committee (PSC) meetings.</li> </ul>	No proposals were supported by development partners
	Collaborated Social Investment (CSI) funding received	Percentage of CSI directed to social and community development in the country	9,5% of CSI currently spent on social and community development in the country	Increase CSI spend on social and community development by 3%	<ul style="list-style-type: none"> <li>Private sector funding was solicited for the DSD's unfunded priorities, and a Ministerial CSI Conference attended by 90 private sector representatives was held in April.</li> <li>Relations were established with a range of business entities, and assistance was received from Santam, the Rand Water Foundation, Engen, the Gift of the Givers Foundation; the Consumer Goods Council of South Africa, Tiger Brands, and Nestlé.</li> <li>The Summit is on hold.</li> </ul>	<p>Due to Ministerial reprioritisation, there were insufficient funds to host a donor conference in the third quarter. Funds were diverted to the Food for All campaign, establishing a Social Workers Veterans Forum, and hosting an indaba.</p>
	Policy on donor funding developed	Number of stakeholders trained on donor funding policy Existence of an approved policy on donor funding	Discussion paper on donor funding in place	Consult on and finalise the policy	<ul style="list-style-type: none"> <li>A final draft was completed, discussed with internal stakeholders, and tabled before MANCO.</li> <li>CSOs and development partners were consulted.</li> </ul>	<p>The policy was awaiting approval.</p>

## Strategy Development and Business

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	Improved sector performance through planning, business integration, processes and risk management					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Strategy Development and Business	DSD service delivery model	Number of business units integrating work processes  Analytical report on service delivery model	Integrated service delivery model for welfare services	Analyse and consolidate current service delivery and business models	<ul style="list-style-type: none"><li>The analysis was not completed.</li></ul>	Due to delays in appointing a service provider, the project was extended to the 2012/13 financial year.
		Number of mapped business processes  Analytical report on business processes	Business process maps for Supply Chain Management and Human Resources Management	Analysis and consolidation of the mapped business processes	<ul style="list-style-type: none"><li>A report on business process management was completed, and all mapped processes were consolidated.</li></ul>	No deviation
	Annual DSD risk assessment reports	Number of risk plans developed by units  Approved risk assessment report	Risk Assessment Report, 2010/11	Development of DSD risk Assessment Report for 2011/12	<ul style="list-style-type: none"><li>The report was completed and approved by the Director General of Social Development.</li></ul>	No deviation
	Phased implementation of the DSD sector infrastructure policy and design guidelines	Number of provinces complying with the policy	Draft DSD sector infrastructure policy	Implement 20% of the sector infrastructure policy	<ul style="list-style-type: none"><li>20% of the sector infrastructure policy was implemented.</li></ul>	No deviation

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Gender equality within the social development sector and in communities						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Strategy Development and Business	Phased implementation of the DSD infrastructure design guidelines	Number of facilities constructed according to the design guidelines	Draft infrastructure design guidelines	Implement 60% of the infrastructure design guidelines	<ul style="list-style-type: none"><li>70% of infrastructure design guidelines were implemented</li></ul>	No deviation	
	Implementation of the DSD strategy for women	Number of people trained on DSD strategy for women	DSD strategy for women	Implementation of the DSD strategy for women  Print and launch the strategy in the second quarter  Train officials on the strategy in the third quarter	<ul style="list-style-type: none"><li>The strategy was approved and sent for editing.</li><li>No launch took place.</li><li>The training was conducted in November 2011</li></ul>	Financial constraints and the need to edit the strategy before it could be printed	
		Number of women's programmes developed and implemented	DSD strategy for women	Develop two women's empowerment programmes covering legal rights and economic empowerment by the third quarter	<ul style="list-style-type: none"><li>Work on the programmes proceeded, but was not completed. A concept paper was being drafted.</li></ul>	No deviation	
	Phased implementation of the DSD Women Empowerment and Gender Policy	Number of people trained on Gender Response Budgeting (GRB)  Number of people trained on Gender Mainstreaming  Number of people trained on Gender Masculinity	20 senior managers trained on gender masculinity	Train 20 senior managers on gender mainstreaming and gender response budgeting by the second quarter  Train 20 middle managers on gender mainstreaming by the third quarter  Train 20 male officials on gender masculinity in the first quarter	<ul style="list-style-type: none"><li>87 women and men, mainly Gender Focal Points, were trained in gender and climate change.</li><li>22 male interns attended a gender and masculinity workshop.</li><li>25 female interns attended a gender sensitisation workshop.</li><li>Four gender dialogues were conducted.</li></ul>	The policy is being implemented in phases.	



Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
	Gender equality within the social development sector and in communities					
DSD-specific outcome	Gender equality within the social development sector and in communities					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Strategy Development and Business	Phased implementation of the DSD Women's Empowerment and Gender Policy	Number of people trained on Gender Responsive Budgeting (GRB)	20 senior managers trained on Gender Masculinity	Implement the Women's Empowerment and Gender Policy Build capacity	<ul style="list-style-type: none"> <li>Middle managers were not trained on GRB. However, 87 women and men, most of them Gender Focal Points, were trained on gender and climate change.</li> </ul>	The unit had to identify the need for GRB before training could continue.
		Number of people trained on Gender Mainstreaming			<ul style="list-style-type: none"> <li>22 male interns attended gender and masculinity workshops.</li> </ul>	
		Number of people trained on Gender Masculinity			<ul style="list-style-type: none"> <li>25 female interns attended a gender sensitisation workshop.</li> </ul>	
					<ul style="list-style-type: none"> <li>Four gender dialogues were conducted.</li> </ul>	
		Number of policies reviewed from a gender perspective.	None	Review retention strategy by the fourth quarter	<ul style="list-style-type: none"> <li>No review took place.</li> </ul>	Inputs from a gender perspective on the retention strategy were submitted to human resources.
		Number of strategies reviewed from a gender perspective.	None	Review working hours policy by the fourth quarter	<ul style="list-style-type: none"> <li>No review took place.</li> </ul>	Inputs from a gender perspective on the working hours policy were submitted to human resources.
		Reports in international, continental and regional instruments.	Previous reports in international, continental and regional instruments	Review coaching and mentoring policy by the fourth quarter	<ul style="list-style-type: none"> <li>No coaching took place.</li> </ul>	The DSD does not have a coaching and mentoring policy.
				Report on SADC protocol by the third quarter	<ul style="list-style-type: none"> <li>No reporting took place.</li> </ul>	The next report is only due in 2014.

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Gender equality within the social development sector and in communities						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Strategy Development and Business	Implementation of culture reform programme	Number of staff trained under the culture reform programme	Customer Care Strategy	Training of front staff on culture reform	<ul style="list-style-type: none"><li>90 staff members were trained in the Eastern Cape, Free State and Limpopo. A report on the pilot was being compiled.</li></ul>	No deviation	
				Reformed local front offices	<ul style="list-style-type: none"><li>A 20 worst offices strategy was finalised. Provinces identified the worst offices requiring reform. A worst offices strategy report was being compiled.</li></ul>	No deviation	
	Complaints management system	Number of complaints processed by the system Existence of Complaints management system	Manual management of resolution of complaints	Automated Complaints Management (ACM) system	<ul style="list-style-type: none"><li>The system was still being developed.</li></ul>	The ACM is meant to be based on the SDIMS. Implementation of the SDIMS was delayed, which delayed the ACM in turn.	
				CRM design specifications	<ul style="list-style-type: none"><li>The specifications were not finalised.</li></ul>	Delays in consulting stakeholders delayed the finalisation of the CRM design specification	
		Consolidated call centre	Existing call centre shared between the DSD and SASSA	Finalise a consolidated call centre strategy	<ul style="list-style-type: none"><li>The Call Centre Strategy was finalised. The options were due to be presented to the DSD and SASSA for approval.</li></ul>	No deviation	
				Evaluate phase 1 of the internal consultancy training initiative	<ul style="list-style-type: none"><li>The evaluation did not take place</li></ul>	Given some of the challenges experienced, the unit decided to review its approach to the programme. A technical unit is being established to provide DSD with vital data for decision-making. Donor funding to fully develop the unit will be sought in the next financial year.	

## Monitoring and Evaluation

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Improved sector performance						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Monitoring and Evaluation	Functional monitoring systems for the social sector developed	Updated monitoring systems	Social sector monitoring system	Update social sector monitoring systems	<ul style="list-style-type: none"><li>Non-financial data indicators were reviewed, approved and sent to the NT. Social Development Sector Indicators and reporting templates were reviewed and approved. An indicator catalogue was reviewed and approved.</li></ul>	No deviation	
	Improve programme performance reporting and utilisation	Number of officials trained on M&E	270 officials trained on M&E	Train 50 officials on M&E	<ul style="list-style-type: none"><li>Dr Ray Rist trained 50 officials on IPDET, and a two-day executive coaching session was held for 44 managers.</li></ul>	No deviation	
		Accurate, timely and complete reporting on all performance data	Report on data quality assessments for two provinces	Assess data quality in three provinces	<ul style="list-style-type: none"><li>Data quality was assessed in the Free State, Gauteng and North West.;</li></ul>	No deviation	
	Monitoring reports produced and disseminated	Biannual non-financial data reports	Quarterly and annual service delivery reports	Produce Biannual programme Non-Financial Data (NFD) performance reports	<ul style="list-style-type: none"><li>Two NFD reports were produced.</li></ul>	No deviation	
		Institutional performance reports	Quarterly and annual performance reports	Produce and disseminate institutional performance reports	<ul style="list-style-type: none"><li>Quarterly and annual institutional performance reports were produced.</li></ul>	No deviation	
		Annual statistical performance reports	Statistical reports	Produce and disseminate statistical reports	<ul style="list-style-type: none"><li>Key Social Development Statistics, Social Security Statistics, and Facts and Figures statistical reports were produced and disseminated.</li></ul>	No deviation	

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Improved sector performance						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Monitoring and Evaluation	Implement programme evaluations	Surveillance reports on maternal orphans	Surveillance system for orphans	Produce and disseminate surveillance reports on maternal orphans	<ul style="list-style-type: none"><li>Surveillance reports on maternal orphans were produced and disseminated.</li></ul>	No deviation	
		Evaluation reports	CSG quantitative and qualitative evaluation in progress	Conduct CSG quantitative impact evaluation	<ul style="list-style-type: none"><li>A final impact evaluation report on the CSG was produced.</li></ul>	No deviation	
		Evaluation reports	Beneficiary satisfaction survey in progress	Implement beneficiary satisfaction survey	<ul style="list-style-type: none"><li>A pilot beneficiary satisfaction survey was conducted. The full survey was not conducted.</li></ul>	The service provider failed to conduct the survey as specified in the contract, and the contract was terminated.	



## Entity Oversight

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
DSD-specific outcome	A culture of good corporate governance between the Department and public entities, bodies and boards							
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation		
Entity Oversight	Corporate governance implementation plan	Quarterly progress reports on corporate governance implementation plan	Corporate Governance Framework  Quarterly Financial and Non-Financial Performance and Compliance Reporting Framework	Approve implementation plan for the corporate governance framework for public entities, bodies and boards	<ul style="list-style-type: none"><li>Entity-Specific Implementation Plans were drafted in respect of SASSA, NDA, CDA and SACSSP and circulated in the Chief Directorate prior to discussions with other stakeholders. Approval was still pending.</li></ul>	Consultations with key stakeholders were still in progress.		
	Public Entity Strategic Plans aligned to DSD programmes	Approved Public Entity Strategic Plans for the MTEF period	Existing Public Entity Strategic Plans for the MTEF period	Submit Public Entity Strategic Plans for the MTEF period by January each year	<ul style="list-style-type: none"><li>The 2012/13-2016/17 Strategic Plans and 2012/13-2014/15 Annual Performance Plans of both SASSA and the NDA were received and analysed, and reports on them were completed.</li><li>SASSA and the NDA submitted draft Annual Performance Plans for 2012/13-2014/15 as prescribed by the NT Framework for Strategic Plans and Annual Plans, and were approved by the Minister.</li></ul>	No deviation		
	Quarterly Financial and Non-Financial Performance and Compliance reports submitted	Number of Quarterly Performance and Compliance Assessment Reports that are compliant with legislative prescripts	PFMA checklist  Quarterly Financial and Non-Financial Performance and Compliance Reporting Framework	Submit 4 quarterly Financial and Non-Financial Performance and Compliance Reports	<ul style="list-style-type: none"><li>NDA submitted its quarterly reports in the current financial year. These reports were assessed and the assessment reports were submitted to the DG and Minister to appraise them of NDA's performance.</li><li>SASSA submitted quarterly reports for quarters 3 and 4 of the previous financial year, and quarters 1, 2 and 3 of the current financial year. These were assessed and the reports were submitted to the DG and MinisterMinister to appraise them of SASSA's performance.</li></ul>	No deviation		



Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	A culture of good corporate governance between the Department and public entities, bodies and boards						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Entity Oversight	Quarterly Assessment reports submitted	Public Entity Annual Reports for the NDA and SASSA Submitted	Quarterly Financial and Non Financial Performance and Compliance Reporting Framework	Table Annual Reports in Parliament by September each year	<ul style="list-style-type: none"><li>The target was met in the second quarter.</li></ul>	No deviation	
	Performance management framework for public entities, bodies and boards developed	An approved performance management framework for entities, bodies and boards	Quarterly Financial and Non-Financial Performance and Compliance Reporting Framework	Complete concept document on the development of the Performance Framework for Public Entities, Bodies And Boards	<ul style="list-style-type: none"><li>The concept document was not developed. Instead, the unit consulted on developing a Performance Management Information System.</li></ul>	A Performance Management System was developed instead.	
	Public Entities Oversight and Management Strategy	An approved Public Entities Oversight and Management Strategy	0	Develop Public Entity Oversight Strategy	<ul style="list-style-type: none"><li>A concept document and draft strategy were developed and sent to all key stakeholders for their comments and inputs.</li></ul>	No deviation	
	Entity Management Forum meetings for officials convened	Minutes of the Entity Management Forum	Terms of reference for the Entity Management Forum	Convene four bi-monthly meetings	<ul style="list-style-type: none"><li>No bi-monthly meetings were convened. However one on one meetings were held. The revised TOR for Entity Management Forum was approved.</li></ul>	No deviation	
	Public entity/ DSD (Minister) Interface Meetings conducted	Minutes of Public Entity Interface meetings resolutions followed up and resolved	Terms of Reference for the Entity Management Forum	4 quarterly Interface meetings between Public Entities and the department	<ul style="list-style-type: none"><li>The following interface meetings were held: a meeting between the Minister and the NDA, a meeting between the Chief Directorate and the Office of the SASSA CEO, and an operational meeting between the DSD and SASSA.</li><li>Amended Terms of Reference for the Strategic Interface Forum were submitted to the Minister for approval.</li></ul>	Approval of the Amended Terms of Reference were still pending, due to issues surrounding the chairing of the Strategic Interface Forum.	

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	A culture of good corporate governance between the Department and public entities, bodies and boards					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Entity Oversight	Portfolio Committee on Social Development and Select Committee briefings by DSD Public Entities conducted	Number of portfolio committee briefings attended  Number of parliamentary requests/decisions followed up and resolved as per each committee meeting attended	Annual Parliamentary Programme	Hold three Portfolio Committee briefings	<ul style="list-style-type: none"> <li>The following briefings were held: <ul style="list-style-type: none"> <li>12 April 2011: Budget Vote 19 and Strategic Plans for SASSA and the NDA.</li> <li>21 April 2011: Portfolio Committee meeting to discuss the NDA Annual Report for 2009/2010.</li> <li>31 May 2011: Portfolio Committee meeting to discuss the SASSA Annual Report for 2009/2010.</li> <li>Parliamentary committee briefing by SASSA.</li> <li>One oversight visit by SCOPA to SASSA service points.</li> <li>A briefing to the Portfolio Committee on the SASSA Annual Report for 2009/10.</li> </ul> </li> </ul>	No deviation
		Average time taken for quality assurance of parliamentary responses	One day turnaround time in quality assurance of parliamentary responses	One day turnaround time in quality assurance of parliamentary responses	<ul style="list-style-type: none"> <li>The quality of all responses to Parliamentary questions in respect of SASSA and the NDA were assured within one day.</li> </ul>	No deviation

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	A culture of good corporate governance between the Department and public entities, bodies and boards					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Entity Oversight	SASSA and NDA Bills	Cabinet approval of the SASSA and NDA Bills	SASSA and NDA Acts	Consultation and Cabinet submission of the SASSA and NDA Bills	<ul style="list-style-type: none"> <li>The NDA Bill was finalised for submission</li> <li>Following the allocation of R3 million by National Treasury for the review of NDA mandate, it was decided that NDA Bill be deferred to allow for comprehensive review of the Agency</li> <li>The proposed amendments to the SASSA Bill were submitted to Legal Services.</li> </ul>	<p>The Minister decided that further consultations with stakeholders were needed.</p> <p>The Minister recommended that the SASSA Bill be deferred to the 2012/13 financial year.</p>
	Implementation Plan of the Performance Management Framework developed	Quarterly progress reports on the implementation plan of the Performance Management Framework	Quarterly Financial and Non Financial Performance and Compliance Reporting Framework	Consultation on the implementation plan for the Performance Management Framework	<ul style="list-style-type: none"> <li>A meeting was held with the Directorate: Systems Development to customise the e-strategy platform into a public entity performance management tracking system</li> <li>A meeting was also held with the Chief Directorate: Monitoring and Evaluation to discuss the alignment of performance indicators for public entities with the programme indicators</li> </ul>	<p>It was decided to focus on performance indicators and a performance tracking system for public entities as a build-up to the framework</p>
	An Integrated Performance Management System	4 Quarterly progress reports on implementation plan of the Performance Management Framework	4 Quarterly progress reports on the post implementation plan of the Performance Management Framework	4 quarterly progress reports on the implementation plan of the corporate governance framework for public entities, bodies and boards	<ul style="list-style-type: none"> <li>SASSA submitted reports in quarters 1, 2 and 3. The reports were assessed and submitted for approval.</li> </ul>	By the end of the financial year, SASSA's report for quarter 4 was still outstanding.

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	A culture of good corporate governance between the Department and public entities, bodies and boards					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Entity Oversight	Institutional Performance Reviews of Accounting Authorities submitted	A Report on the Institutional Performance Reviews of Accounting Authorities	Quarterly Financial and Non Financial Performance and Compliance Reporting Framework	One Board Self-Assessment and one Independent Board Evaluation	<ul style="list-style-type: none"> <li>NDA Board performance evaluation was completed and sent to the department. Independent Board evaluation is only conducted once per board term.</li> </ul>	Given the recent appointment of the NDA Board, its annual self-assessment period had not lapsed by the end of the financial year. Evaluations are only conducted at the end of each three-year Board term.



## Legal Services

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	Efficient and effective legal services					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Legal Services	Litigation management strategy reviewed and implemented	Updated litigation management strategy and implementation thereof	Litigation management strategy in place	Review litigation management strategy	<ul style="list-style-type: none"> <li>A gap analysis was conducted, distributed for consultation, and inputs obtained.</li> </ul>	The reviewed strategy was presented to the Legal Officer's Forum in February 2012. The forum asked for more time to provide its inputs.
		Percentage of letters of demand responded to in time	52% of letters of demand responded to in time	Respond to 80% letters of demand received in time	<ul style="list-style-type: none"> <li>A total of 3 251 letters of demand were received. The unit responded timeously to 2 461 letters (75,6%).</li> </ul>	The Independent Tribunal and other line functions did not respond in time.
	Contract Management Protocol reviewed and implemented	Contract Management protocol updated and implemented	Contract Management Protocol in place	Review Contract Management Protocol	<ul style="list-style-type: none"> <li>A gap analysis was conducted and distributed for consultation. The inputs were consolidated into the draft review, and the protocol was updated and approved.</li> </ul>	No deviation



## Human Capital Management

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD Specific Outcome	Efficient and effective legal services						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Human Capital Management	Collective agreements negotiated and concluded	Two collective agreements concluded	Two collective agreements	Conclude at least two collective agreements	<ul style="list-style-type: none"><li>Two collective agreements were concluded – an agreement on the threshold for admission of trade unions to the Council, and the FTSS agreement.</li></ul>	No deviation	
	Disputes concluded	Number of disputes concluded within DSD	Three disputes settled within DSD	Settle 90% of disputes within the DSD	<ul style="list-style-type: none"><li>Four disputes arose and were successfully settled. Three involved allegations of unfair dismissal, and one involved an allegation of unfair labour practice.</li></ul>	No deviation	
	Complaints and grievances are dealt with within prescribed time frame	Number of complaints and grievances finalised within the prescribed time frame of three months	Complaints, grievances and disciplinary cases finalised within three months	Finalise all complaints, grievances and disciplinary cases within three months	<ul style="list-style-type: none"><li>14 complaints/ grievances were dealt with. Of these, nine were formal grievances and five were complaints.</li><li>18 cases of misconduct cases were dealt with. Of these, nine were dealt with by means of progressive discipline (written warnings). The other nine constituted serious misconduct and formal disciplinary steps were therefore taken.</li></ul>	Some cases relates to applications for temporary incapacity leave which involves the Health Risk Manager.  Complexity of the investigation and the non-availability of witnesses due to the involvement of members of the public.	
	Reduce vacancy rate to 3%	Number of posts filled	9% vacancy rate	Reduce vacancy rate to 5%	<ul style="list-style-type: none"><li>The vacancy rate was reduced to 5,2%</li></ul>	The 0,2% deviation was due to an increase in the annual turnover rate to 9,6%.	

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD Specific Outcome	Efficient and effective legal services						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Human Capital Management	An Employee Health and Wellness Programme is developed and implemented	Approved Employee Health and Wellness Programme	308 employees participated in the programme	Reduce reported work-related injuries by 5%	<ul style="list-style-type: none"><li>● Injury on duty decreased by 60%, exceeding the target by 55%. Three cases of injury on duty were dealt with.</li><li>● The OHS and EHW committees were integrated in order to address OHS issues. The OHS communicated with staff on a monthly basis, and safety representatives reported on hazards on a monthly basis.</li></ul>	No deviation	
		Number of employees who participated in Programmes	0	Implement 90% of Health and Wellness Programme by 2014	<ul style="list-style-type: none"><li>● 95% of the identified activities were implemented.</li><li>● Two Health and Wellness sessions were held to address epilepsy, nutrition, diabetes, eye care, bipolar disorder, and substance abuse.</li></ul>	No deviation	
					<ul style="list-style-type: none"><li>● A sexual harassment workshop was held for interns.</li><li>● Corporate massages were arranged for all staff.</li><li>● An Annual Sports Day was held for all staff.</li><li>● A Wellness Day (involving screenings for cholesterol, blood pressure, diabetes and HIV) was held, reaching 241 employees.</li><li>● Financial Wellness workshops were held and were attended by 157 employees.</li></ul>	No deviation	

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD Specific Outcome	Efficient and effective legal services					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Human Capital Management					<ul style="list-style-type: none"><li>Two GEMS Information sessions were held and were attended by 54 employees.</li><li>A World AIDS Day seminar was held in partnership with the HSRC, and 10 000 condoms were distributed as part of an HIV prevention campaign.</li><li>Counselling and support services were provided to 55 employees.</li></ul>	No deviation
		Reduction in number of days lost due to sick leave	0	Reduce working days lost due to sick leave by 5%	<ul style="list-style-type: none"><li>A total of 3 708 working days were lost to sick leave, amounting to a 2% increase over the previous financial year.</li><li>A leave management circular was compiled and circulated to all staff via DSD News.</li></ul>	The target was difficult to manage given that officials are granted an average of 12 days sick leave per year.
	Generic provincial organisational structures implemented	Approved generic provincial high level functional organisational structures	Draft generic provincial organisational structures	Align at least 50% of provincial organisational structures with the generic model	<ul style="list-style-type: none"><li>The Minister for Public Service and Administration (MPSA) granted concurrent approval of the proposed generic model in December 2011. The letter stated that five of the nine provincial departments had already aligned their organisational structures with the generic model.</li></ul>	No deviation

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD Specific Outcome	Efficient and effective legal services						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Human Capital Management	Work Place Skills Plan is implemented	Approved Work Place Skills Plan	DSD Work Place Skills Plan in place	80% of employees to benefit from skills development programme	<ul style="list-style-type: none"><li>356 employees expressed a need for training. In the year under review, 429 employees (122%) attended skills development initiatives</li></ul>	No deviation	
	DSD Utilise 1% of payroll towards sector skills development programmes	1% of payroll utilised towards skills development	1% of payroll spent on skills development	Spend at least 1% of the personnel budget on training, as required by the Skills Development Act	<ul style="list-style-type: none"><li>A skills development levy amounting to R267 822 was paid to the HWSETA in August 2011.</li><li>An amount of R3 611 944,15 was spent on training, exceeding the budgeted 1% amounting to R2 678 220,00.</li><li>Furthermore, employees were given bursaries for further study amounting to R817 010,35.</li></ul>	No deviation	
	Employees' performance is assessed in accordance with the PMDS policy	Number of qualifying employees' performance moderated	80% of staff evaluated under the PMDS	Evaluate 80% of employees	<ul style="list-style-type: none"><li>Moderating Committee meetings were coordinated. 90% of moderations were completed in accordance with the PMDS. 28 of 31 CDs/Directors were assessed.</li><li>97 of 107 SMS members submitted their Performance Agreements for the 2011/2012 cycle, amounting to a submission rate of 97%.</li><li>531 of 558 staff members on salary levels 2-12 submitted work plans for the 2011/2012 cycle, amounting to a submission rate of 95%.</li></ul>	No deviation	

## Communication

Government Outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	Effective communication support services to the Ministry and the Department					
Functional Area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for Deviation
Communication	Distinctive and easily recognisable corporate image	Provincial workshops conducted on DSD corporate identity, guidelines and branding policy	Branding guidelines workshop conducted in three provinces	Conduct 3 provincial on workshops branding guidelines	<ul style="list-style-type: none"><li>Branding workshops were held in Northern Cape, KZN, the Free State and Mpumalanga.</li></ul>	Gauteng and Limpopo were not using the departmental corporate identity because they merged their Social Development and Health Departments into a single Department, and the Western Cape adopted the colours of the ruling party.
	Effective public liaison, event management and protocol services	Number of Public Participation Programmes	Draft Public Participation guidelines	10 Public Participation Programmes for the Minister and Deputy Minister	<ul style="list-style-type: none"><li>A total of 51 Public Participation Programmes were held – 31 for the Minister, and 28 for the Deputy Minister, which was well above the target.</li></ul>	No deviation
	Credible media relations	Increased and positive media coverage	Draft media and content guidelines	Finalise media and content management guidelines	<ul style="list-style-type: none"><li>The guidelines were not drafted.</li></ul>	The guidelines could not be drafted due to a lack of personnel. Steps were taken to fill the vacant posts.



## Information Management and Technology

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Create institutional knowledge and enable effective strategic decision-making						
Government outcome	DSD-specific outcome	Functional area	Strategic objectives	Performance indicator	Baseline	Target
Information Management and Technology			Integrate CPR with SDIMS and Justice Cluster Departments through the IJS hub	Access to progress made with children's cases from other departments in the Justice Cluster  An integrated information system	SDIMS in place and used by eight provincial departments	Integrate CPR with SDIMS
						<b>Actual Output</b> <ul style="list-style-type: none"> <li>Part B of CPR was redeveloped and users were trained. The system was implemented and continuous support and maintenances is provided</li> <li>Refresher training was conducted in Limpopo, Mpumalanga, Gauteng, North West, KwaZulu Natal and Free State.</li> <li>The Child Adoption Registration System was developed according to specifications, but the Child Adoption system was not rolled out in the provinces.</li> </ul> <b>Reasons for deviation</b> <p>There was no integration with SDIMS due to lengthy procurement processes and this resulted in the service provider not being appointed</p> <p>The system could not be rolled out in the provinces as provincial capacity had not yet been built.</p>
			Develop systems that enable the successful implementation of the Child Justice Act. Enhance the Child and Youth Care Administration System	Ability to implement the Child Justice Act based on automated business processes of a probation case management system	Secure Care and administration model developed and in use in all nine provinces	Develop probation case management system and accreditation system for child rehabilitation centres
						<b>Actual Output</b> <ul style="list-style-type: none"> <li>Accreditation systems were developed according to specifications and plotted in Limpopo, KZN, Gauteng, the Free State and the Eastern Cape.</li> <li>PCM system was developed and completed during the allocated timeframe. The system was piloted in Free State, Northwest and Gauteng.</li> <li>Laptops and 3Gs were procured for all probation officers and authorised users for accessing the Accreditation and PCM systems. These will be distributed to the authorised users</li> </ul> <b>Reasons for deviation</b> <p>No deviation</p>

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Create institutional knowledge and enable effective strategic decision-making						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Information Management and Technology	Transversal services rendered to the poor, single view of the poor across Social Cluster departments	Ability to make evidence-based policy  An existence of integrated database/ register	Use of the NISIS to profile households throughout the country	Create a database of Households Living in Poverty (Integrated Beneficiaries Register)	<ul style="list-style-type: none"><li>The NISIS was enhanced in various ways to strengthen household and community profiling, coordination, and reporting processes in line with provincial priorities.</li><li>Provincial were provided with ongoing support and training to help them implement the NISIS and roll out the War on Poverty and CRDP programmes</li></ul>	No deviation	
	Implement KM strategy	Fully functional KM portal	KM strategy developed	Develop and implement KM tools and KM portal	<ul style="list-style-type: none"><li>KM tools were developed and information sharing was enhanced through the use of a centralised information hub (Intranet).</li><li>The intranet and Internet were well maintained and regularly populated and updated.</li></ul>	The KM portal was not developed due to delays procuring IT equipment and services.	
	Develop and implement sound Records Management practices	Electronic Records Management system	Records management practices and processes in place	Implement a digitised Records Management practices	<ul style="list-style-type: none"><li>A new File Plan was approved, and officials were trained in its use. Paper-based records were appraised and records due for disposal were identified.</li><li>A retention disposal programme was sent to the National Archives for approval.</li><li>Requirements for the Electronic Content Management system were developed.</li></ul>	There were delays in implementing the File Plan and the Electronic Records Management System.	

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Create institutional knowledge and enable effective strategic decision-making						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Information Management and Technology	Develop and implement a Data Warehouse strategy	Data Warehouse system developed and used to generate reports  Business intelligence reports	Data Warehouse strategy developed  Prototype Data Warehouse system in place	Implement Data Warehouse and Business Intelligence system	<ul style="list-style-type: none"><li>● Data sourced from different databases and reports were generated and shared.</li><li>● Proof of concept on Microsoft Business Intelligence was completed.</li><li>● A Data Warehouse and Business Intelligence solution was designed and developed using Microsoft SharePoint.</li></ul>	The migration of the Data Warehouse from Pentaho to Microsoft Sharepoint was delayed by procurement delays.	
	Implement a Geographic Intelligence System (GIS) to capture data	Availability of Data from the GIS	GIS data collected	Collect and update GI data	<ul style="list-style-type: none"><li>● The GIS project was put on hold.</li></ul>	It was decided to integrate the GIS with the Data Warehouse and Business Intelligence system.	
	Improve IT services to enable business units to achieve their mandate	Existence of IT service desk standards	No IT service desk standards	Develop IT service desk standards	<ul style="list-style-type: none"><li>● The IT desk service standards were developed, approved and published on the DSD Intranet.</li></ul>	No deviation	
		Existence of IT service desk processes	No IT service desk processes	Develop IT service desk processes.	<ul style="list-style-type: none"><li>● The IT service desk processes has been developed and approved</li></ul>	No deviation	
		Improved turnaround times for repairing faulty IT assets  Completion of IT audit report	IT asset register	Conduct IT asset audit and draft maintenance business case	<ul style="list-style-type: none"><li>● The IT asset audit was conducted. The maintenance business case was not completed.</li></ul>	The maintenance business case could not be completed due to a lack of funds.	

## Financial Management and Administration

Government outcome	An efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	Effective and sound financial management by providing fully compliant financial management services					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Financial Management and Administration	Appropriate internal control mechanisms exist	Improvements in the control environment	Ineffective and inadequate internal control mechanisms	Review and update internal control mechanisms	<ul style="list-style-type: none"> <li>Internal financial controls were strengthened.</li> <li>Audits were successfully co-ordinated. The AGSA Audit Action Implementation Plan was updated with reports on progress made by the relevant managers</li> <li>Financial misconduct cases were identified and presented to the Loss Control Committee.</li> <li>Three Interim Financial Statements (end June 10922, September 2011 and December 2012) were submitted to the NT on the due dates.</li> <li>The Directorate: Internal Audit audited the September 2011 and December 2012 Interim Financial Statements.</li> <li>Monthly compliance certificates were signed by the DG and submitted to the NT as prescribed.</li> </ul>	No deviation
	Efficient and effective Supply Chain Management performance	% improvement in supply chain performance	Inadequate supply chain performance	Revise, update supply chain service standards	<ul style="list-style-type: none"> <li>Various SCM policies were revised. Drafts of the revised policies were prepared for submission to the Policy Forum before submission to MANCO for final approval.</li> </ul>	The draft policies were due to be tabled at the Policy Forum meeting to submit inputs.

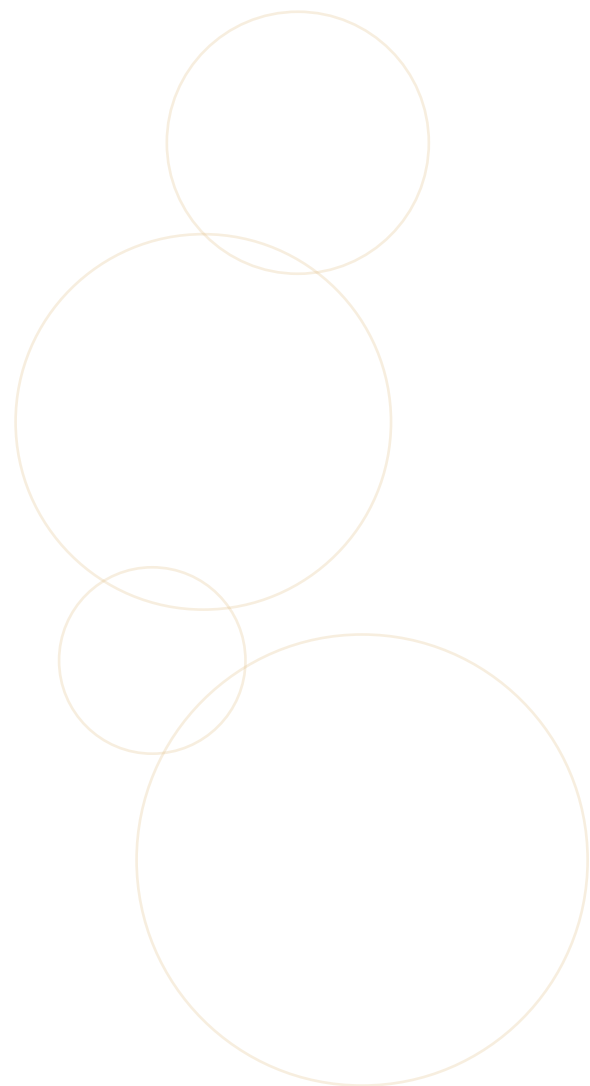
## Financial Planning and Monitoring

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
DSD-specific outcome	Effective and sound financial management by providing fully compliant financial management services						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Financial Planning and Monitoring	Department's budget planning compliance Improved	100% Compliance to budget prescripts and guidelines	90% compliance to the budget frameworks and corresponding timelines complied	100% compliance to budget prescripts and guidelines	<ul style="list-style-type: none"><li>100% compliance was achieved with all budget prescripts and guidelines. Some deadlines were not met.</li></ul>	The delays were mainly due to dependencies on other role players.	
	Cash flow management and expenditure monitoring by the department improved	Percentage expenditure of voted funds	98% actual expenditure of voted funds	Maintain 98% actual expenditure of voted funds	<ul style="list-style-type: none"><li>An unaudited actual spending rate of 99.63% was achieved.</li></ul>	No deviation	
	Departmental legislation, policies, programmes and services costed	Cost management strategy finalised	Database on all costing exercises undertaken available	Develop and finalise a cost management strategy	<ul style="list-style-type: none"><li>A cost management strategy was developed and distributed for inputs before submission to the Accounting Officer.</li></ul>	The process took longer than planned.	
		Costing models developed and utilised by all programmes	Forecasting model for social assistance grants Activity Based Costing (ABC) model has been piloted	Implement ABC in respect of identified DSD functions	<ul style="list-style-type: none"><li>ABC was implemented in Social Crime Prevention, HIV and AIDS, Communication, Costing and Human Resource Management as a cost accounting and cost estimating tool.</li></ul>	No deviation	
	Financial performance by public entities and other funded organisations assessed	Quarterly reports on the financial performance by public entities and other funded organisations provided to the relevant authorities	Financial performance of public entities and other funded organisations analysed	Assess the quarterly financial performance of public entities and funded organisations and report on the outcome to the relevant authorities	<ul style="list-style-type: none"><li>Financial performance reports in respect of public entities and other funded organisations were compiled as per the funding agreements, and delays noted in other reporting periods.</li></ul>	The delays experienced were mainly due to staff shortages.	



## Internal Audit

Government outcome	Create a better South Africa, a better Africa and a better world					
DSD-specific outcome	Improved risk management, control and governance					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Internal Audit	Risk-based plans that are consistent with the Internal Audit Charter and strategic objectives of the Department developed	Number of risk-based internal projects audited	DSD risk management report 14 risk-based internal projects audited	Audit 16 risk-based internal audit projects in accordance with the audit coverage plan	<ul style="list-style-type: none"> <li>16 internal risk-based projects were audited, and the reports were discussed with the Management and Audit Committees</li> </ul>	No deviation
	An internal quality assurance programme developed and maintained	Existence of a quality assurance improvement framework	Internal audit charter	Complete quality assurance and improvement framework	<ul style="list-style-type: none"> <li>The framework was developed and implemented.</li> </ul>	No deviation



## Office Accommodation

Government outcome	An efficient, effective and development-oriented public service					
DSD-specific outcome	A shared office complex for the DSD, SASSA and the NDA					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Office Accommodation	A comprehensive feasibility study Presented to National Treasury for funding	Approved Plans for office park by the municipality procurement for the service provider for construction procurement plan	Terms of reference for the feasibility study	Feasibility study completed by August 2011	<ul style="list-style-type: none"> <li>The DSD received R2 million from the NT for a feasibility study. The Department of Public Works (DPW) did not complete the study, and the DSD therefore asked the NT to roll the funds over to the next financial year.</li> </ul>	The DPW did not complete the feasibility study.
		Plans approved by the municipality		Approval of plans in conjunction with the DPW	<ul style="list-style-type: none"> <li>Plans were not approved.</li> </ul>	The plan could not be approved before the feasibility study had been completed.
		Feedback on feasibility study from the NT	Tender processes by DPW for consultant to performance by feasibility study Needs analysis Solution options analysis Procurement plan	DPW to appoint a construction company	<ul style="list-style-type: none"> <li>A construction company was not appointed.</li> </ul>	The DPW could not appoint a service provider as the feasibility study had not been completed.
	Comprehensive feasibility study Presented to National Treasury			Present comprehensive feasibility study to the NT	<ul style="list-style-type: none"> <li>The feasibility study was not presented.</li> </ul>	The DPW did not complete the feasibility study in the year under review.



## Programme 2

### Social Assistance

## Programme 2: Social Assistance

### Programme Purpose

To provide income support to vulnerable groups.

### Social Assistance

Social Assistance remains the single largest contributor to poverty alleviation in South Africa. There has been a sustained increase in the number of beneficiaries of the social assistance programme. This trend continued in the year under review, with beneficiaries increasing by 5,5% to more than 15 595 705. A total of

2 750 857 were recipients of the Old Age Grant, and 10 927 731 were beneficiaries of the Child Support Grant. This helped to relieve poverty and deprivation, and enabled the Department to contribute to Government Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all, and Outcome 2: A long and healthy life for all South Africans.



### Social Assistance

Government outcome	A long and healthy life for all South Africans					
DSD-specific outcome	Reduce income vulnerability by expanding the social assistance safety net					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Social Assistance	Increase access of the elderly to the Old Age Grant by raising the threshold of the Old Age Grant in 2011/12	Number of older people receiving the OAG	2 678 554	2 729 359	● 2 750 857	Increase in take-up rates.





## **Programme 3**

### **Social Security Policy and Administration**



## Programme 3: Social Security Policy and Administration

### Programme Purpose

To provide for social security policy development and the fair administration of social assistance.

### Social Security Policy Development

The objective of the Chief Directorate Social Insurance is to develop sustainable retirement, disability and death provisions for the mandatory pension system and to co-operate with relevant government departments in developing policies that will mitigate the impact of vulnerability as a result of old age, disability and death. It also seeks to align social security policy development and its implementation across all institutions.

A major milestone has been the completion of the Consolidated Government Paper (CGP) on Social Security and Retirement Reform. The CGP proposes a mandatory pension system, a

National Social Security Fund, a Department of Social

Security, the alignment of existing social insurance benefits, the consolidation of the public interface, the adjudication and inspection of the social security system, and the establishment of a master social security registry.

The CGP was approved by the Inter-Ministerial Committee (IMC) on Social Security, and was also presented to the Cabinet's Social Protection and Community Development Cluster Committee.

The unit developed an organisational structure for the proposed Department of Social

Security. Bilateral meetings were held with the Department of Labour, the Department of Public Service and Administration, the Unemployment Insurance Fund (UIF) and the Compensation

Fund. The Department's Management Committee approved the establishment of an internal task team to undertake ring-fencing and implement the plan. The terms of reference for operational and financial ring-fencing have been developed.



### Appeals Adjudication

The Department's Appeals Adjudication unit adjudicated 1 552 new appeals and 11 622 outstanding appeals. A few could not be finalised due to a lack of records. Others were duplications of appeals that had already been dealt with. A total of 3 940 letters were written to appellants asking them to provide more details or additional records pertaining to their appeals. These appeals will be considered when the necessary records are available. The unit established a call centre which enables appellants to check on progress made with their appeals. This enabled the Department to help realise the goal of promoting an effective, efficient and accessible social assistance service.

### Inspectorate for Social Security

The Inspectorate is being established in terms of Chapter 4 of the Social Assistance Act, 2004, as amended. As a key social security institution, its primary function will be to ensure that the integrity of the social assistance framework and systems is upheld. It will seek to achieve this by undertaking structured and systematic assessments of statutory compliance, investigating financial misconduct, and launching any other interventions required to combat leakage and fraud in the social assistance administration system.

In the year under review the establishment process was significantly delayed, largely due to limited funding of R4,5

A major milestone has been the completion of the Consolidated Government Paper (CGP) on Social Security and Retirement Reform

million. Following a successful proposal to the National Treasury, an additional sum of R30 million was committed to this strategic priority, and funding is expected to escalate further during the remainder of the current MTEF period.

These constraints notwithstanding, the establishment process progressed very well. The establishment framework was approved, and resources were committed to several research projects aimed at informing the Inspectorate Policy Proposal as well as a review of relevant provisions in current social security legislation, particularly Chapter 4 of the SAA and the South African Social Security Agency Act, 2004.

The establishment process has been structured into three distinct phases, each comprising a scheduled implementation plan that outlines specific outputs for each financial year. In the financial year under review, several research projects were conducted in order to shape and define the service delivery model of the new

institution, its sphere of authority, its functions, and its governance framework. This phase will also include a dry run of pilot projects in selected regions and districts which administer social assistance.

The current establishment phase is also expected to yield numerous short-term benefits, including the piloting of early detection mechanisms as well as reductions in post-benefit investigations, costly criminal prosecutions, and attempts to recover erroneous payments.

The entire Inspectorate establishment process is due to be completed in the current MTEF period, with the Inspectorate starting to operate in 2015.

The current establishment phase is also expected to yield numerous short-term benefits



## Social Security Policy Development

Government outcome	Decent employment through inclusive growth					
DSD-specific outcome	Increased social insurance coverage through a mandatory contribution for pension, death and disability benefits					
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Outputs	Reasons for Deviation
Social Security Policy Development	Legislation for mandatory retirement, death and disability benefits	Approved policy and legislation	No legislative framework in place	Draft policy and Legislation for mandatory retirement, death and disability benefits and consultations	<ul style="list-style-type: none"> <li>The consolidated policy proposal was approved by the Inter-Ministerial Committee and presented to the Social Protection and Community Development Cluster Cabinet Committee.</li> </ul>	No deviation

Government outcome	An efficient, effective and development oriented public service					
DSD-specific outcome	Social security policy coherence through a single department					
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Outputs	Reasons for Deviation
Social Security Policy Development	Department of Social Security is established and policy integrated	Integrated Social Security policy development	Social security policy development located in five departments	Initiate ring-fencing towards proclamation of the Department of Social Security (includes draft legislation and consultation)	<ul style="list-style-type: none"> <li>Proposals for establishing the new Department of Social Security were completed, and a high-level organisational structure was developed. Bilateral meetings were held with the Department of Labour, Department of Public Service and Administration, the Unemployment Insurance Fund, and the Compensation Fund. The DSD MANCO approved the establishment of an Internal Task Team to ring-fence and implement the plan.</li> </ul>	No deviation

## Appeals Adjudication

Government outcome	Decent employment through inclusive growth						
DSD-specific outcome	Social security policy coherence through a single department						
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Outputs	Reasons for Deviation	
Appeals Adjudication	Adjudication of Social Assistance Appeals	A percentage of appeals adjudicated within a period of 90 days	60 % lodged appeals adjudicated within 90 days (3 800 appeals were finalised within a period of 90 days)	Adjudicate 80 % of lodged appeals within 90 days of receipt	<ul style="list-style-type: none"><li>A total of 1 552 appeals were adjudicated. Of these, 37% were adjudicated within 90 days of receipt.</li></ul>	Delays in receiving appropriate records from appellants and/or SASSA registry.	
	Finalized backlog appeals	Number of appeals on the backlog finalised	40 000 backlog appeals finalised by 31 March 2011	Finalise approximately 20 000 backlog appeals by November 2011	<ul style="list-style-type: none"><li>A total of 11 622 backlogged appeals were adjudicated and finalised.</li></ul>	A total of 8 120 appeals could not be adjudicated because records were incomplete, some were duplicates of appeals that had already been finalised, or the grant application files were missing.	
	Overarching Policy framework for a Comprehensive Social Security Adjudication System	Number of provinces implementing Comprehensive Social Security Framework	Strategic plan approved by MINMEC in June 2010 and Standing Operating Procedure manual in line with current regulations	Revised Strategic Plan and amended Standing Operating Procedure manual and Guidelines in line with the amended Act and Regulations	<ul style="list-style-type: none"><li>The Standard Operating Procedures manual was amended and used to ensure standard adjudication practice.</li></ul>	The Policy project was placed on hold pending the finalisation of regulations and the structure of the Appeals Tribunal.	
	Regulations promulgated and implemented giving effect to section 18 of Social Assistance Act	Published regulations providing for social assistance appeals adjudication procedures	Regulations published in Government Gazette for comments	Regulations promulgated and implemented giving effect to Social Assistance Act	<ul style="list-style-type: none"><li>Regulations giving effect to the Social Assistance Act, 2004 were published and implemented.</li></ul>	No deviation	
	An Integrated Appeals Business Information System developed	Functional Appeals Business Information System	Interim data capturing solution	Implement the Appeals Business Information System	<ul style="list-style-type: none"><li>No progress was made.</li></ul>	The project was put on hold pending discussions with SASSA on an integrated system incorporating its Internal Reconsideration Mechanism.	

## Inspectorate for Social Security

Government Outcome	An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship						
DSD-specific outcome	Policy and legislation framework to maintain the integrity of the social security system						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual outputs	Reasons for deviation	
Inspectorate for Social Security	An institutional systems and integrity audit report	Resourced and functional PMU  Integrity Assessment/ / Audit report	Proposal on the PMU structure and key projects	Conduct a national institutional systems integrity assessment / audit, in order to inform the ISS Business Case and the Leakage/Fraud Reduction Strategy or Plan	● None	A lack of resources (specialists and project managers) and funding.	
	Comparative study and benchmarking in relation to similar institutions conducted	Report on enterprise business and governance model	Nil	Validate the mandate, role, functions, institutional model and public listing of the ISS	● None	A lack of resources and funding.	
	An Inspectorate Business Case Report and funding proposals developed	National scoping and cost benefit analysis project	Nil	Conduct a national inspection/ trends analysis in order to establish early leakage detection and buffer mechanisms	● None	A lack of resources and funding.	
	Commissioned Legislation Review Project	Policy and Legislative amendments for the Inspectorate	Nil	Conduct a comprehensive policy and legislation review regarding aspects of social security, law enforcement and the constitution	● The tender for a comprehensive legislation review which will inform the development of an Inspectorate Policy Proposal and culminate in an Amendment Bill was advertised. A compulsory briefing session was subsequently held. The process was managed by the Bid Evaluation and Bid Adjudication Committees.	The Bid Committee processes were still continuing.	

Government Outcome	An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship					
DSD-specific outcome	Policy and legislation framework to maintain the integrity of the social security system					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual outputs	Reasons for deviation
Inspectorate for Social Security	ICT systems Analysis and Design Project	A report on the ICT architecture and Systems Interface	Nil	Research and develop highly advanced enterprise and ICT Business Architecture with appropriate systems interfaces and platforms to execute the ISS mandate	<ul style="list-style-type: none"> <li>None</li> </ul>	Lack of resources and committed funding.

Government Outcome	An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship					
DSD-specific outcome	Improved integrity of social security system through a functional Inspectorate					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual outputs	Reasons for deviation
Inspectorate for Social Security	Legislation approved by Parliament	Enacted Legislation governing the ISS	Nil	Finalize Legislation review Project	<ul style="list-style-type: none"> <li>None</li> </ul>	The process largely depends on the finalisation of the tender for a comprehensive review of current social security legislation, particularly Chapter 4 of the Social Assistance CT, 2004 as amended.
	Resources, functional structure, operational strategy and systems	Approved organisational structure and funding	Nil	Feasibility Study (The organisational model and resource project concluded)	<ul style="list-style-type: none"> <li>None</li> </ul>	Lack of resources and committed funding.
	Service Operations and delivery model	Infrastructure and Capital ISS capital outlay Staff Recruitment and tools of trade	Nil	Service delivery and operations plan project	<ul style="list-style-type: none"> <li>None</li> </ul>	Lack of resources and committed funding.



Government Outcome	An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship						
DSD-specific outcome	Improved integrity of social security system through a functional Inspectorate						
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual outputs	Reasons for deviation	
Inspectorate for Social Security	Developed advanced ICT framework and platforms for data matching	Calibrated ICT systems and administration support	Nil	ICT analysis and design project	● None	Lack of resources and committed funding.	
	A dedicated functional capability for audit, investigation and inspection	Specialized Audit// Investigation function	Nil	A beneficiary inspection /Early Fraud detection and deterrent Project	● None	Lack of resources and committed funding.	
	A coherent monitoring, evaluation and reporting model and systems	Specialised information processing/analysis and reporting function	Nil	Feasibility study on the appropriate monitoring and impact assessment and reporting model	● None	Lack of resources and committed funding.	



## Programme 4

Welfare Services Policy Development and Implementation

## Programme 4: Welfare Services Policy Development and Implementation

### Programme Purpose

To create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards and best practices and the provision of support to implementation agencies.

### Service Standards

The Department is responsible for ensuring the provision of quality social welfare services to all eligible people. It therefore has to clearly define the services to be provided, and how they are to be delivered. The Social Welfare Services Framework therefore seeks to provide a uniform approach towards the delivery of social welfare services. It seeks to address the standardisation of social welfare services, and create uniformity in the provision of social welfare services. Furthermore, it provides for the development of generic norms and standards for social welfare services and the streamlining of business intervention processes within social welfare services in order to improve their quality. The implementation of this framework will therefore assist the Department, as the lead institution in the provision of social welfare services in South Africa to ensure access to standardised high-quality social welfare services.

Much was done to standardise and improve social welfare services. The Department trained 932 social service practitioners in all provinces except the Western Cape on the effective implementation of the social welfare services framework. The training was devolved down to the district level in order to reach large numbers of practitioners. Social service practitioners were also trained on generic norms and standards and generic intervention processes. A draft plan for implementing the social welfare services framework was also developed.

Consultative workshops on the supervision framework for the social work profession were held in all provinces except North West. Tools and a draft plan for implementing the framework were developed.

### Service Provider Management Support

NPOs and other service providers assist the government to deliver social welfare services. To this end, the Department developed an implementation plan aimed at facilitating the effective implementation of the Policy on Financial Awards to

Service Providers. The plan was presented to and approved by the Welfare Services Forum, HSDS and MINMEC. The policy, implementation plan, and NPO financing guidelines were discussed with internal and external stakeholders in seven provinces. Discussions in Gauteng and Western Cape were due to take place in the next financial year.

The Department also developed National Baseline Costing Models, presented them to different internal departmental fora, and proceeded to consult and finalise them for approval and roll-out in all provinces in order to ensure the uniform funding of NPOs rendering social welfare services across the sector.

As part of the development of the policy on Social Service Professions and Occupations, the Department consulted with the South African Council for Social Work Professions, the Professional Board for Social Work representatives of the NGO sector, and the Joint Steering Committee (JSC) of the NGO Forum.

The Department advertised for and short-listed nominees for the Professional Board for Child and Youth Care. The Minister will provide the outcome of the establishment of this Board in due course.

The Department continued to provide support to professional associations in order to ensure their continued development. This included the Association of South African Social Work Education Institution and the National Association of Social Workers South Africa NASW (SA).

The Department facilitated the commemoration of World Social Work Day in Gauteng, and supported commemorations in the Eastern Cape, Northern Cape and Mpumalanga. It also facilitated national and provincial participation in the NASW (SA) conference held in September 2011 under the theme 'Repositioning Social Service Professionals in a Developmental State.'

As part of its efforts to address the shortage of social workers, the Department facilitated a meeting between the Minister and Social Work Veterans who will assist the Department to respond to service delivery gaps, mentor and supervise young social work graduates. As part of a broader strategy to recruit and retain social service professionals, the Department granted scholarships to 918 social work students at various Institutions of Higher Learning.





As regards the promotion of human rights, the Department completed a Draft Framework for the Management and Promotion of Human Rights, and discussed it with internal and external stakeholders. The framework was due to be approved in the next financial year.

Capacity-building workshops on professional ethics and human rights for social service professionals were held in six provinces, namely Gauteng, Northern Cape, Eastern Cape, North West, Mpumalanga and the Western Cape.

The Department through the Directorate also conducted training sessions on the Promotion of Access to Justice Act in collaboration with the Department of Justice and Constitutional Development in two provinces, namely Mpumalanga and North West.

### Older Persons

The Department through the Directorate Care and Services to Older Persons is responsible for ensuring that older persons are and feel safe in their communities. As part of its efforts to achieve this objective, it trained 210 social services professionals on the management of elder abuse prevention. It also extended the training of professionals to the non-governmental organisation HEAL.

Elder Abuse Awareness programmes were held in Western Cape, Limpopo and KwaZulu Natal. A total of 273 cases of elder abuse were reported at social workers' offices throughout the country. The Department intends developing a national database on elder abuse. Data on reported instances of elder abuse as well as convictions is essential for monitoring the scourge of elder abuse, identifying trends in elder abuse, and rectifying gaps in the policy and legislation.

The provision of residential facilities for older persons is a response to the needs and rights of those who are unable to live independently in their communities. Such facilities must be registered in terms of the Older Persons Act, 2006 (Act No. 13 of 2006), and comply with the norms and standards set out in the Act which seek to ensure that they are accessible, affordable, rights-based, need-driven and equitably distributed. To this end, 412 residential facilities were conditionally registered.

A total of 247 community based care and support services were conditionally registered. Registration ensures compliance with the norms and standards in the Older Persons Act, 2006 (Act No. 13 of 2006).

### People with Disabilities

The Department finalised a draft policy on social development services to persons with disabilities, aligned with the UN Convention on Disability.

To ensure a more comprehensive and responsive policy framework on disability, the Department reviewed and aligned its Policy on Social Development services to people with disabilities with the recently ratified Convention on the Rights of people with disabilities. The policy, in its current status, provides a framework for the development of a legislative framework on the provision of social development services to people with disabilities. The draft policy has been widely consulted with the broader disability sector, and national government departments. It incorporates a broader service to be provided by the DSD to people with disabilities.

The Directorate continued to provide guidance to different DSD programmes on the mainstreaming of disability. Implementation of the broader disability programme happens at both national and provincial level and the following has been achieved:

- A disability mainstreaming toolkit has been developed, and training is on schedule in the national as well as all the provincial departments. The toolkit has been developed to guide the different DSD programmes on the mainstreaming of disability rights.
- The DSD has, in partnership with UNICEF, undertaken a research on situational analysis of children with Disabilities. The partnership included the Departments of Health, Education, and Women, Children and People with Disabilities. The report provides a baseline upon which service delivery to children with disabilities would be guided.
- The Department developed an implementation tool for the Strategy towards the integrated services for children with disabilities, to guide the costing of services for children with disabilities and the implementation of the Children's Act as it pertains children with disabilities.

**The Department  
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Learning**

## Programme 4: Welfare Services Policy Development and Implementation

### Children

The Children's Act came into effect in April 2010. Two practise notes were developed and distributed to assist social workers and guide the implementation of the Act. Legal opinions and interpretations pertaining to the Act were sought from the Department's legal section as well as the state law advisors. An implementation plan with indicators was finalised and distributed to monitor the implementation of the Act. Provincial visits took place to capacitate service providers. The Act, regulations and booklets were made available on the Departmental website. Capacity-building on the norms and standards took place to monitor compliance by service providers. Child care and protection forum meetings were used for consultation and capacity-building. The forum was also used to assess and monitor the implementation process, challenges experienced in the course of the process, and mechanisms for addressing those challenges.

As regards Child Care and Protection services, the Department is responsible for maintaining the Child protection Register. A total of 2 344 cases reported by the provinces were entered in Part A, and 11 191 enquiries were processed in respect of Part B. The applicants were notified of the screening results.

Documents developed for the management of child abuse, neglect and exploitation included guidelines on the principles and core elements for the design and development of Prevention and Early Intervention Programmes; and Guidelines

for the Prevention of and Response to Child Exploitation. The Minister successfully launched 2011 Child Protection Week at Abraham Kriel Children's Home in Johannesburg.

The number of children accessing Child and Youth Care Centre (CYCC) services increased by 7 272. Some 67 004 children were placed in foster care, raising the total to 536 747. A national plan for reducing the backlog in foster care extension orders was developed, resulting in a 90% reduction of the provincial backlogs. Operational norms and standards for cluster foster care were tested in the Western Cape, Eastern Cape and Gauteng.

A total of 1 620 adoption cases were registered. Of these, 1 426 were national adoptions and 194 were inter-country adoptions. The Register on Adoptable Children and Prospective Adoptive Parents (RACAP) was opened, and 456 adoptable children and 111 prospective adoptive parents were registered.

Adoption promotion materials were developed and distributed. The Policy Framework and Adoption Strategy were printed and distributed in order to popularise adoption services. Six dialogues on the promotion of adoption services were held. Social workers in all provinces were trained on national and inter-country adoptions as well as ISS matters. The training was also extended to 60 officials in the Department of International Relations and Cooperation. Children in distress were returned from Brazil and China, among others.

As regards services to orphaned and vulnerable children, provincial officials were trained on the guidelines on services for child-headed households; Norms and Standards for Child Headed Households and Drop-In Centres, the Registration of Drop-In centres, and the transformation of Child and Youth Care services. Community dialogues were held in all provinces on the services available to orphans and vulnerable children. A strategy for services to children in drop-in centres was finalised. Provinces were consulted on the Isibindi model in preparation for its roll-out in the next financial year.

ECD and partial care play key roles in achieving Government Outcome 1: improving the quality of basic education. Numerous steps were taken to raise awareness of the importance of ECD.

An ECD Media campaign was launched in Ekangala in Mpumalanga on 1 June 2011. The campaign highlighted the importance of the registration of ECD programmes and partial care facilities.

ECD Dialogues aimed at increasing awareness of the Children's Act and highlighting challenges surrounding ECD were held in all provinces.

A National South African ECD Conference was held in East London from 26 to 30 March 2012. The conference successfully identified successes and challenges in the sector.

**A national plan for reducing the backlog in foster care extension orders was developed, resulting in a 90% reduction of the provincial backlogs**

National Early Learning Development Standards (NELDS) were rolled out, assisting with the development of guidelines for the registration of ECD programmes.

All these events and processes enabled the Department to help achieve the priorities in respect of ECD outlined in the President's State of the Nation Address of 2012.

### Substance Abuse

The Department regards the ideal of achieving a drug-free society as a major priority. As such it finalized and gazetted the regulations under the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) for public comment. The regulations will help to ensure that anti-substance abuse services are regulated; the rights of service users are protected while requesting and receiving services; and that services are prompt and of high quality.

A model for the treatment of drug and substance abuse was developed and finalised. It is aimed at standardising the treatment of drug abusers, and ensuring that services rendered are evidence-based and address people's needs. The model will guide the development of specific treatment programmes, and help to ensure that treatment services can be monitored and measured.

An anti-drug/substance abuse awareness and educational programme was rolled out in all provinces. It seeks to create

awareness of substance abuse and its dangerous side-effects such as mental impairment, loss of life, loss of jobs, and family dysfunctionality.

It is hoped that these awareness campaigns and treatment programmes will reduce substance abuse, thereby contributing to the achievement of Government Outcome 3: "that all people in South Africa are and feel safe."

### Families

The Green Paper on Families, which provides strategic guidance on the integrated provision of services to families, was presented to the Cabinet, MINMEC, and various clusters, and gazetted for public comment in October 2011. Nine provincial consultative workshops were held during the reporting period. Inputs from the consultative process will be taken into account in drafting a White Paper in the next financial year. The Green Paper envisages a key role for families in national development and the building of cohesive communities.

An Integrated Parenting Framework was approved. Officials in the Free State, Gauteng, KwaZulu Natal and the Western Cape were trained in its implementation. The framework is aimed at building the capacity of service providers to improve parenting skills. A manual on Mediation Services for Families was approved. It is aimed at building the capacity of service providers to provide mediation services as an alternative mechanism for resolving family disputes.





## Programme 4: Welfare Services Policy Development and Implementation

Research on the effectiveness of services to families was conducted. The results will be used to develop evidence-based programmes for families.

All these steps and initiatives contribute meaningfully to restoring family values and responsibilities in order to build cohesive communities.

### Social Crime Prevention and Victim Empowerment

The Department drafted a training manual on the Policy Framework on Accreditation. A total of 345 practitioners were trained to implement the policy, while 479 service providers and diversion programmes were assessed for accreditation.

The Department also developed a training manual on the minimum norms and standards for secure care facilities, which is aimed at promoting the standardisation and uniformity of services to children in conflict with the law. A total of 221 practitioners were trained to implement and comply with minimum norms and standards.

A number of social crime prevention and therapeutic programmes were developed. A total of 220 master trainers were selected and trained to implement the following therapeutic programmes:

- Rhythm of life (a life skills programme);
- Wake-up call (an anti-substance abuse programme);
- Restorative justice;
- In the mirror (a sexual offender's programme); and
- An aftercare programme.

These programmes are aimed at providing structured services to children in conflict with the law.

The Department piloted an accreditation system under the Child Justice Act in Limpopo, Mpumalanga, Gauteng, the Free State and KwaZulu-Natal. A total of 150 practitioners were trained to roll out the system, which is aimed at recording process trails for future evaluation.

In preparation for a quality assurance exercise in the provinces, 44 provincial coordinators were trained to use a tool for quality assurance panel sittings for service providers. Quality Assurance panels convened in the Free State, Limpopo, Gauteng, North West and Eastern Cape.

Lastly, regulations on Probation Services were approved by the Minister and gazetted for public comment (Gazette No. 34983).

Empowering and capacitating practitioners and CSOs in respect of these policy documents and regulatory instruments contribute to the achievement of Government Outcome 3: All people in South Africa are and feel safe. The social crime prevention therapeutic programmes contribute to reducing levels of crime.

The department conducted one national and nine provincial workshops for government officials and service providers on the Prevention and Combating of Trafficking in Persons Bill. A total of 220 participants were trained. The training was aimed at strengthening government capacity to monitor compliance with the envisaged legislation. The training helped to build the capacity of service providers to implement the Bill.

The department also drafted regulations and tools in respect of the Human Trafficking Bill. These regulations will inform and guide the implementation of the Bill.

The National Policy Guidelines for Victim Empowerment (VE) were finalised, and the process of developing VEP legislation was set in motion. The legislation will regulate VE programmes and services.

The Human Trafficking Bill and proposed VE legislation will contribute to Government Outcome 3: All people in South Africa are and feel safe.

### Youth

The Education, Training and Development Practice Sector Education Training Authority (ETDPSETA) approved the curriculum for the Masupa-Tsela Pioneer Programme at NQF Level 5. This will enable all 1 099 Masupa-Tsela pioneers to obtain a qualification. All pioneers will receive Recognition of Prior Learning (RPL), and will be trained under the approved curriculum. A total of 90 Youth NPOs were identified in the nine provinces, and trained on the NPO legislative framework, governance and leadership, strategic

The Green Paper on Families was presented to the Cabinet, MINMEC, and various clusters, and gazetted for public comment in October 2011

planning, project management, proposal writing and fundraising, stakeholder relations and networking. A total of 2 426 youths in six provinces were linked to various work opportunities through the National Youth Service Programme.

### Intergenerational Programmes

A workshop was held to develop business plans for implementing Intergenerational programmes. A total of 25 youths from all nine provinces were trained as active ageing ambassadors, and to help organise the Golden Games.

**Capacity-building for Youth NPOs:** Members of 50 youth NPOs were trained in governance and compliance, strategy, fundraising, administration, and project management. Twenty representatives attended in North West, and 30 in Gauteng.

**National Youth Service Programme:** A total of 2 426 youths participated in the National Youth Service Programme to become Child and Youth Care Workers and Assistant Community Development Practitioners.

**Outreach Programmes for Youths:** Eight outreach programmes were conducted in six provinces. Events included Volunteer Week, June Month, Mandela Day, International Youth Day, International Day for Combating Illicit Drugs, and the Taking DSD to Communities campaign.

**Youth Centres:** Youths centres in Gauteng, Northern Cape and Mpumalanga were visited in order to develop a model for youth centre support. A diagnostic report with recommendations was produced.

### HIV and AIDS

The Department through the HIV/AIDS unit developed an HIV and TB prevention strategy 2012–2016 which addresses both the social drivers and social impact of HIV and AIDS and TB. The consultative process on the development of this strategy encompassed national and provincial Departments of Social Development, other government departments, development partners, and Civil Society Organisations.

The unit continued to facilitate the implementation and monitoring of the Home Community Based Care (HCBC) and Support programme for people living with HIV and AIDS by providing guidance and support to provinces and implementing partners. A key development was the implementation and expansion of an integrated Monitoring and Evaluation system for HCBC in all spheres of government and all levels of service delivery. The M&E system was implemented in 45 districts in all provinces except the Western Cape. To strengthen the data quality of the HCBC M&E system, a Data Quality Committee comprising internal and external



## Programme 4: Welfare Services Policy Development and Implementation

stakeholders was established, and data quality guidelines were developed.

A total of 733 community caregivers were trained on succession planning, child care forums, the Children's Act, psychosocial support, child protection, supportive supervision, and M&E. A skills development programme on psychosocial wellbeing for community caregivers was developed and registered with the HWSETA. A total of 237 community caregivers qualified, and 113 community caregivers graduated at a ceremony held in Mpumalanga in March 2012.

In order to improve the monitoring of and reporting on programmes for Orphans and Vulnerable Children (OVC), the M&E systems, structures and processes of National Action Committee for Children Affected by HIV and AIDS (NACCA) partners were assessed with a view to developing a plan for addressing identified weaknesses and promoting mentorship and the sharing of good practice. A reporting tool on the core indicators of the National Action Plan for 2009–2012 was developed and is currently being used by all partners.

A directory of community-based services for children was developed and launched by the Deputy Minister in June 2011. It was developed by identifying registered NPOs providing services to vulnerable children in each district in provinces. It provides a general overview, contact details, and a description of services rendered for each NPO. The provincial directories were made available in booklets and on CD-ROMs, and placed on the Department's website.

**A directory of community-based services for children was developed and launched by the Deputy Minister in June 2011**

World AIDS Day was commemorated in Strydenburg in the Northern Cape. The event was preceded by community dialogues.

Thirty young people from Strydenburg and Upington were trained as facilitators for community dialogues. Twenty dialogues were conducted in 20 communities in seven provinces, reaching 3 000 people. Following this, Limpopo and the Northern Cape are continuing with social programmes for combating HIV and AIDS.

The unit also finalised a review of the Policy Framework for HCBC and developed the following guidelines:

- Guidelines on the establishment and management of support groups for children and adults;
- Guidelines on psychosocial support for children living with HIV and AIDS and other chronic conditions;
- Guidelines on psychosocial support for adults living with HIV and AIDS and other chronic conditions; and
- A conceptual framework on psychosocial support for orphans and other children made vulnerable by HIV and AIDS.

The Department hosted a satellite session at the South African AIDS Conference in Durban in June 2011, and Departmental officials made a number of presentations. HCBC leaflets and posters were developed and distributed at the conference. A report on the evaluation of support groups conducted in three provinces was also presented at the Social Aspects of HIV/AIDS Research Alliance (SAHARA) conference held in November 2011.

Besides this, the following statistical achievements were recorded:

- 1 321 HCBC organisations were funded to provide community services.
- 631 612 OVC received services from funded HCBC organisations, NACCA partners and drop in centres. The services include psychosocial support, food parcels and meals, homework supervision, and the provision of school uniforms.
- 66 021 adults and 25 829 children on ARVs were supported.
- 475 456 families received services such as counselling, food parcels, assistance with social grant applications, and referrals to social workers, SASSA, and other service providers.
- 112 239 beneficiaries received counselling services.
- 132 353 food parcels were distributed.
- 393 070 children benefited from cooked meals.
- 22 129 school uniforms were distributed.
- 55 981 community caregivers received stipends.

All these efforts assisted the Department to achieve its goal of preventing and reducing the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population, and contribute to Government Outcome 2: A long and healthy life for all South Africans.

## Service Standards and Service Provider Management Support

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Standardise Social Welfare Services to improve quality service delivery by 2015 A skilled and capable workforce to support an inclusive growth path Improved sector performance and the delivery of quality social welfare services							
Government Outcome	Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reason for deviation
DSD-specific outcome	Service Standards	Recruitment and retention strategy for social workers implemented	Number of scholarships awarded to social worker students	3908 scholarships awarded	30% increase in the scholarships awarded to social worker students	<ul style="list-style-type: none"> <li>918 social work scholarships were awarded.</li> </ul>	The number of scholarships depends on the number of applicants and number of acceptances by the relevant tertiary institutions.
		Policy on Social Service Professions and Occupations approved	Policy on Social Service Professions and Occupations	Social Service Professions Act 110 of 1978 regulating social workers only	Draft Policy on Social Service Professions and Occupations in place	<ul style="list-style-type: none"> <li>The South African Council for Social Work Professions and internal structures were consulted in June 2011.</li> <li>The Professional Board for Social Workers and representatives of various occupations serving on the Council were also consulted.</li> <li>The NGO sector (the JSC NGO Forum) was consulted in partnership with the Council.</li> <li>A service provider was appointed in partnership with the Council to conclude consultations with the sector and finalise the policy.</li> </ul>	No deviation
		Supervision framework for social workers within the sector implemented	Number of Provinces implementing supervision framework for social workers	0	Nine provinces to implement supervision framework for social workers	<ul style="list-style-type: none"> <li>The supervision framework was discussed with eight provinces and finalised. A draft implementation plan and supervision tools were developed.</li> </ul>	Implementing the framework in nine provinces was wrongly captured as the 2011/12 target by the strategic planning unit. This is meant to happen over three years.
		Policy Framework on Management and Promotion of Human Rights approved	Framework on Management and Promotion of Human Rights	Draft policy Framework	Finalize the policy framework on Management and Promotion of Human Rights	<ul style="list-style-type: none"> <li>The framework was not finalised. It was discussed with the Chief Directorate: Social Policy and Legal Services and refined.</li> </ul>	Approval processes were put on hold due to the structural realignment of functions within the sub-directorate.

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Standardise Social Welfare Services to improve quality service delivery by 2015 A skilled and capable workforce to support an inclusive growth path Improved sector performance and the delivery of quality social welfare services							
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reason for deviation	
Service Standards	Implementation Plan for Policy on Financial Awards approved	Number of consultations undertaken	Policy on Financial Awards to Service Providers	Develop and approve National Implementation Plan on the PFA  Consultative sessions on the Policy on Financial Awards to Service Providers	<ul style="list-style-type: none"><li>An implementation plan was developed, presented to the Welfare Services Forum, HSDS and MINMEC, and approved.</li><li>The policy was discussed with line function directorates, and submitted to national consultations.</li><li>The Policy on Financial Awards to Service Providers, the approved implementation plan and the NPO Financing Guidelines were discussed with provincial officials and representatives of NPOs in seven provinces. Inputs and comments were consolidated and the policy document was refined.</li><li>Consultations in two provinces (Gauteng and Western Cape) were still outstanding. Refinement of the policy document was at an advanced stage.</li></ul>	No deviation	
	Social Welfare Services framework implemented	Number of provinces implementing social welfare services framework	0	Nine provinces to implement the Social Welfare Services Framework	<ul style="list-style-type: none"><li>932 social service practitioners in eight provinces were capacitated on the social welfare services framework. A draft plan for implementing the framework was developed. Generic intervention processes were implemented in one province.</li><li>Statistics were collated to inform the national register.</li></ul>	No deviation	

## Older Persons

Government Outcome	All people in South Africa are and feel safe					
DSD-specific outcome	Create an environment that enables the protection and promotion of older persons' rights.					
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reason for deviation
Older Persons	Create an enabling environment for the protection and promotion of older people's rights	Number of elder abuse cases reported at Social Workers Offices	300 cases registered in the national register for older persons	100 new elder abuse cases reported to social workers' offices	<ul style="list-style-type: none"><li>273 cases of elder abuse were reported and processed. Awareness campaigns were held in KwaZulu Natal, Limpopo and the Western Cape</li></ul>	No deviation
		Number of social services professionals trained on the protocol for the management of the elder abuse	200 social services professionals have been trained	100 social services professionals trained on management of elder abuse	<ul style="list-style-type: none"><li>210 social services professionals were trained.</li></ul>	No deviation
	Transformation of Residential facilities	Number of residential facilities transformed and compliant with the norms and standards	None of the 412 residential facilities are transformed and registered in terms of the prescribed norms and standards	412 Residential facilities provisionally registered in terms of the norms and standards	<ul style="list-style-type: none"><li>412 residential facilities were provisionally registered pending the establishment of the intergovernmental team comprising representatives of the Department of Health and the Department of Local Government and Public Works.</li></ul>	No deviation
	Transformation of luncheon clubs into community based care and support services to older persons	Number of luncheon clubs transformed into community based care and support services registered	90 luncheon clubs registered. These are not compliant with the norms and standards Prescribed for services to older persons	Transform 90 luncheon clubs per province into Community based care and support services	<ul style="list-style-type: none"><li>247 Community Based Care and Support services were registered in terms of the norms and standards.</li></ul>	The transformation process will take more than one financial year. The year under review focused on registrations.



## People with Disabilities

Government Outcome	Sustainable human Settlement and improved quality of household life						
DSD Specific Outcome	To protect and promote the rights of people with disabilities						
Functional Area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reason for deviation	
People with Disabilities	Policy and Legislation on social development services to persons with disabilities approved	Approved policy on social development services to persons with disabilities aligned to the UN convention on Disability	Draft Policy on social services to persons with disabilities	Approved policy on social development services to persons with disabilities aligned to the Convention on Disability	<ul style="list-style-type: none"> <li>The policy was drafted.</li> </ul>	Approval by the Welfare Services Forum, HSD, MINMEC and Cabinet was still pending.	
	DSD programmes to disability policies aligned	Audit report on DSD policies and programmes integrating disability. Number of DSD programmes aligned to the disability policy	No programmes aligned	Audit all DSD programmes and legislations	<ul style="list-style-type: none"> <li>The audit was not completed.</li> </ul>	Some DSD line functions did not complete the audit questionnaire. The project will continue in the next financial year.	



## Children

Government Outcome	A Quality Basic Education					
DSD Specific Outcome	Improved access to Early Childhood Development ( ECD) programmes					
Functional Area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reason for deviation
Children	Provision of Early Childhood Development programmes	Number of children accessing ECD programmes	789 424 children accessing ECD programmes	10% increase in the number of children between 0-5 years old accessing ECD Programmes per annum	<ul style="list-style-type: none"><li>The number of children accessing ECD services and programmes increased by 26,5% to 209 376.</li></ul>	No deviation
		Number of ECD Programmes complying with Norms and standards	0	1000 ECD programmes complying to Norms and Standards	<ul style="list-style-type: none"><li>979 ECD programmes complied with the norms and standards.</li></ul>	Out of 1000 target ECD programmes complying to norms and standards, 121 did not comply with the Norms and Standards hence the target could not be met.
		Number of ECD Facilities implementing registered ECD Programmes in terms of the Children's Act (No 38 of 2005)	0	1000 ECD facilities implementing registered ECD programmes	<ul style="list-style-type: none"><li>979 ECD facilities implemented registered ECD programmes.</li></ul>	The target of 1000 facilities implementing registered ECD programmes was not reached as Provinces were only able to register 979 ECD facilities.
		Number of partial care facilities registered	16 250 Registered partial care facilities	10% increase per annum (partial care facilities registered)	<ul style="list-style-type: none"><li>The number of registered partial care facilities increased by 6% to 979.</li></ul>	The registration of Partial Care facilities was hampered by capacity constraints in the Provinces. More types of facilities including ECD centres, respite care centres, after school centres and private hostels had to be registered.

Government Outcome	All people in South Africa are and feel safe						
DSD Specific Outcome	Safe and friendly society for children						
Functional Area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reason for deviation	
Children	Child protection services strengthened through the implementation of child care and protection measures	Number of children abused, neglected and exploited (CANE) reported on the CPR Part A	19 138 000 CANE cases registered on CPR: Part A	Register 2 000 new CANE cases on CPR Part A	<ul style="list-style-type: none"><li>2 344 cases of abuse were processed.</li></ul>	No deviation	
		Number of employees working with children screened against CPR Part B	908 employees screened against CPR Part B	1 500 employees screened against CPR part B	<ul style="list-style-type: none"><li>11 191 employees were screened on part B of the CPR.</li></ul>	No deviation	
		Guidelines for Prevention and Early Intervention approved and implemented	No guidelines in place currently	Develop guidelines for Prevention and Early Intervention	<ul style="list-style-type: none"><li>The guidelines were developed.</li></ul>	No deviation	
	Improved access to child care and protection through Alternative Care services	Number of children accessing Adoption services	2 500 Adoption Cases registered annually	5% increase in the number of children accessing Adoption Services	<ul style="list-style-type: none"><li>65% increase (1 620 adoptions registered).</li></ul>	No deviation	
		Number of children accessing CYCCs	14 701 Children accessing CYCCs	20% increase in the number of children accessing CYCCs	<ul style="list-style-type: none"><li>49% increase (7 272 children accessing CYCCs).</li></ul>	No deviation	
		Number of children accessing Drop-in centres	41 381 Children accessing Drop-in centres	15% increase in the number of children accessing Drop-in centres	<ul style="list-style-type: none"><li>641% increase (265 565 children accessing Drop-in centres).</li></ul>	No deviation	
	Children's Act implemented and monitored	Number of children accessing Foster-care services	500 174 Children accessing Foster-care services	10% increase in the number of children accessing Foster-care services	<ul style="list-style-type: none"><li>4,7% increase (23 873 children accessing Foster-care services).</li></ul>	The interpretation of Section 150 (1) (a) of the Children's Act 38 of 2005 by presiding officers contributed to a lesser number of children placed in foster care.	
		Number of progress reports from provinces assessed	Implementation plan with indicators developed	Finalise the implementation plan to monitor the implementation of the Children's Act	<ul style="list-style-type: none"><li>Finalise the implementation plan with indicators.</li><li>All nine provinces submitted quarterly progress reports.</li></ul>	No deviation	

## Substance Abuse

All people in South Africa are and feel safe						
Reduce incidence of substance abuse in communities						
Government Outcome	DSD-specific outcome	Functional area	Strategic Objectives	Performance indicator	Baseline	Target
		Substance Abuse	Anti-drug/Substance abuse awareness and educational programmes in schools, workplace, media and communities actively promoted.	Number of anti-drug awareness and educational programmes implemented nationally	Ke-Moja awareness	Roll out National campaign on anti-drugs and substance abuse in all provinces
						<ul style="list-style-type: none"> <li>The campaign was rolled out in all nine provinces.</li> <li>An Anti Substance Abuse Programme of Action was finalised and endorsed by the IMC and Cabinet. Workshops on the Programme of Action were held in Limpopo, North West, Mpumalanga and Northern Cape.</li> <li>International Day against Drug Abuse and Illicit Trafficking was commemorated at Sasolburg in the Free State on 26 June 2011 and used to create awareness of the harmful effects of substance abuse.</li> <li>The Anti Substance Abuse Community Mobilisation Programme was reviewed for implementation in provinces, and was implemented at the ward level in North West, Mpumalanga and Limpopo and in the religious sector in the Western Cape.</li> <li>The Ke Moja Drug Awareness Programme was evaluated in Gauteng, North West, KwaZulu-Natal, the Western Cape and Northern Cape and report available.</li> </ul>
			Regulations for substance abuse legislation developed	Approved regulations for the Prevention of and Treatment for substance Abuse Act	Prevention and Treatment of Substance Abuse Act	Finalization and approval of the regulations for the Prevention of and Treatment for substance Abuse
			Facilitate implementation of the treatment model in 9 provinces	Monitoring of treatment programmes in 9 Provinces	0 baseline	Finalisation and approval of the treatment model
						<ul style="list-style-type: none"> <li>Regulations under the Prevention and Treatment of Substance Abuse Act (No. 70 of 2008) were discussed with stakeholders and national and provincial government departments and finalised.</li> <li>They were approved by internal structures and gazetted for public comment.</li> </ul>
						<ul style="list-style-type: none"> <li>The treatment model was discussed with stakeholders and finalised.</li> </ul>
						<p>Given the serious nature and extent of substance abuse, and the levels of public interest in this issue, consultations were broadened and extended.</p> <p>Given the sensitivity of this issue, consultations were broadened and extended.</p>

## Families

Government Outcome	Sustainable human settlement and improved quality of household life.					
DSD-specific outcome	Restored family values and responsibilities in order to build cohesive communities.					
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reason for deviation
Families	White Paper on families approved by Cabinet	White Paper on families implemented by all stakeholders  Consolidated report on the green paper consultations	Green Paper on families	Consultation on Green Paper for families	<ul style="list-style-type: none"><li>The Green Paper was discussed with MINMEC and various clusters, and gazetted in October 2011 for public comment. Consultative workshops were held in nine provinces in February and March 2012. Public comment and inputs from the workshops will be considered in drafting the White Paper.</li></ul>	No deviation
	Family development programmes implemented	Number of family development programmes implemented  Existence of an approved integrated parenting framework	Four family development programmes implemented	Approve Integrated Parenting Framework.	<ul style="list-style-type: none"><li>The framework was approved, and the Free State, Gauteng, KZN and Western Cape were capacitated for implementation.</li></ul>	No deviation
		Existence of an approved manual on mediation services	Four family development programmes implemented	Approve Manual on Mediation Services	<ul style="list-style-type: none"><li>The Manual on Mediation services was approved</li></ul>	No deviation
	Programmes and services for families informed by research	An implementation plan on the findings of the study  Report on the study on effectiveness of services to families	Research conducted in 2004 describing the structure and needs of families in South Africa	Conduct research on the effectiveness of services to families	<ul style="list-style-type: none"><li>Research was conducted in the Eastern Cape, Western Cape, Northern Cape, North West and Mpumalanga, and a preliminary research report was completed.</li></ul>	No deviation

## Social Crime Prevention and Victim Empowerment

All people in South Africa are and feel safe							
Reduced incidence of social crime							
Government Outcome	DSD Specific Outcome	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Outputs	Reason for Variance
Social Crime Prevention and Victim Empowerment		Capacity building programme for provinces in line with the Child Justice Act	Number of service providers trained on Child Justice Act	600 service providers trained on the Child Justice Act	Extend training to 600 service providers on: Diversion accreditation systems Norms and standard for secure care Implementation of social crime prevention programmes	<ul style="list-style-type: none"> <li>815 practitioners and service providers were trained.</li> </ul>	No deviation
		Quality assurance for diversion programmes conducted	An accreditation system for diversion services and programmes	Approved Policy Framework for diversion programmes	Monitor implementation of the policy framework for the accreditation of diversion services	<ul style="list-style-type: none"> <li>Accreditation was done in all provinces. 345 assessments were done. 55 service providers and 191 programmes received full accreditation. 38 service providers and 32 programmes received candidacy status, and 20 programmes and nine service providers were not accredited.</li> <li>44 provincial coordinators were trained to conduct quality assurance in respect of providers and programmes in all three categories.</li> <li>Quality assurance training was extended to three provinces at their request. Quality assurance panels sat in the Free State, Limpopo, Gauteng, North West and the Eastern Cape.</li> </ul>	No deviation
		Capacity building programme for provinces and service providers on human trafficking conducted	Number of provinces and service providers trained on human trafficking. Number of victims of human trafficking accessing recovery programmes	Human Trafficking Bill	Train 9 provinces and 240 service providers on human trafficking	<ul style="list-style-type: none"> <li>One national and nine provincial workshops were held, and 220 service providers were trained on human trafficking.</li> </ul>	No deviation



Government Outcome	All people in South Africa are and feel safe					
DSD Specific Outcome	Reduced incidence of social crime					
Functional Area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Outputs	Reason for Variance
Social Crime Prevention and Victim Empowerment	Management of diversion services improved	Accreditation system for diversion services	Policy framework for accreditation of diversion services in South Africa	Develop accreditation system for diversion services	<ul style="list-style-type: none"><li>An accreditation system was developed. A training manual was completed and distributed and the system was piloted in Limpopo, Mpumalanga, Gauteng, the Free State and KZN. Nine scanners were purchased to allow the provinces to scan the documents of applicant. A printer was appointed to print certificates of accreditation.</li></ul>	No deviation
				Training on the accreditation system to the three structures (Site verification structure, accreditation structure and quality assurance structure) in five provinces	<ul style="list-style-type: none"><li>150 practitioners were trained in Limpopo, Mpumalanga, Gauteng, the Free State and KZN.</li></ul>	No deviation
				Consultation on the draft policy framework on the accredited system done	<ul style="list-style-type: none"><li>Consultations on the draft policy framework done.</li></ul>	No deviation
	Quality of social services to victims of human trafficking improved	Approved regulations on human trafficking	Human Trafficking Bill	Draft regulations on human trafficking	<ul style="list-style-type: none"><li>Regulations on Human Trafficking Bill and forms were drafted.</li></ul>	No deviation
	Regulations for probation legislation drafted	Approved regulations	Probation Services Amendment Act	Gazetting for public comments on the regulations on Probation Services Act finalised	<ul style="list-style-type: none"><li>The regulations were approved by the Minister and gazetted for public comment (Gazette No. 34983 of 3 February 2012).</li></ul>	Parliament was not briefed as the approval process had not been completed.
	Legislation on victim support services	Existence of the legislation Report on gaps in the policy and recommendations on changes on the policy	Policy on victim support services Feasibility study on legislation on victim support services	Vetting of victim support services policy	<ul style="list-style-type: none"><li>The Policy Guidelines for victim empowerment were vetted.</li></ul>	No deviation

## Youth

Government outcome	Vibrant, equitable, sustainable rural communities contributing towards food security for all						
DSD-specific outcome	Youth participate in and influence social change						
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reasons for deviation	
Youth	Masupatsela Youth Pioneer Programme (MYPP) implemented	Number of youths participating in MYPP	2099 youths participating in MYPP	1300 youths participating in MYPP	<ul style="list-style-type: none"><li>1 325 youths participated in Limpopo, Eastern Cape, Mpumalanga and North West.</li></ul>	No deviation	
		Number of MYPPPP mentors trained	120	Train 135 MYPP mentors	<ul style="list-style-type: none"><li>98 youths were trained.</li></ul>	Two youths dropped out. We could only afford 100 as per the budget.	
	Norms and standards for Masupatsela implemented	Number of province implementing norms and standards	0	6 provinces implementing norms and standards	<ul style="list-style-type: none"><li>The norms and standards were not implemented in any province.</li></ul>	Limited financial and human resources due to Provinces no longer implementing the programme.	
	Youth Outreach Programmes	Number of outreach programmes conducted	2 annual youth outreach programmes	Conduct 4 Outreach programmes	<ul style="list-style-type: none"><li>8 outreach programmes were conducted, namely a Youth Seminar in the Free State, a Youth Day Commemoration in Gauteng, International Youth Day commemoration in North West, a Youth Seminar in the Northern Cape, and a Youth Walk against Drug Abuse and Taking DSD to communities in KZN, Mpumalanga and Limpopo.</li></ul>	No deviation	
Government outcome	Vibrant, equitable, sustainable rural communities contributing towards food security for all						
DSD-specific outcome	Communities upholding values that promote social cohesion and inclusion						
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reasons for deviation	
Youth	Programmes to renew and restore intergenerational solidarity developed	Existence of the provincial intergenerational programme business plans	Concept document	5 Provincial intergenerational programme business plans	<ul style="list-style-type: none"><li>A workshop for developing a business plan was held in KZN.</li></ul>	Provinces were not available for workshops.	
		Number of provinces trained on intergenerational Programmes	0	Train 9 provinces on intergenerational programme/concept	<ul style="list-style-type: none"><li>A workshop for developing a business plan was held in KZN.</li></ul>	Provinces were not available for workshops.	
Government outcome	A skilled and capable workforce to support an inclusive growth path						
DSD-specific outcome	Skilled and capable youth						
Functional area	Strategic Objectives	Performance Indicator	Baseline	Target	Actual Output	Reasons for deviation	
Youth	Out of school youth placed in the National Youth Service Programme	Number of youth placed in NYS programme	1 500 youth placed in National Youth services programme	1800 participating in NYS	<ul style="list-style-type: none"><li>2 426 youths participated in the NYS.</li></ul>	No deviation	

## HIV and AIDS

Government Outcome	A long and healthy life for all South Africans					
DSD-specific outcome	To reduce the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population					
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
HIV and AIDS	HIV and Aids prevention programmes on social behaviour change implemented	Number of households reached	0	Reach 50 000 households	<ul style="list-style-type: none"><li>475 456 vulnerable households were reached.</li></ul>	No deviation
		Number of farming communities reached	0	Reach 100 farming communities	<ul style="list-style-type: none"><li>Four farming communities were reached.</li></ul>	Lack of capacity.
		Number of youth reached	1 599 872 youth	Reach 1 750 000 youths	<ul style="list-style-type: none"><li>2 106 576 youths were reached.</li></ul>	
	Households receiving psychological support services	Number of funded HCBC delivering HIV and Aids prevention programmes	0	1 500 Funded HCBC organisations delivering HIV and AIDS prevention programmes	<ul style="list-style-type: none"><li>1 321 HCBC organisations delivered HIV and AIDS prevention programmes.</li></ul>	Budget constraints in the provinces.
		Number of provinces implementing gender advocacy programmes	0	3 provinces implementing gender advocacy programmes	<ul style="list-style-type: none"><li>Programmes were implemented in Mpumalanga and Limpopo.</li></ul>	Advocacy programmes were not included in the provincial plans.
		Number of vulnerable households served	514 932	Serve 702 898 households through psychological support services	<ul style="list-style-type: none"><li>475 456 vulnerable households were served.</li></ul>	Inconsistent reporting by provinces and NACCA partners. No reports from the Free State and Western Cape.
	National response for orphans and other children made vulnerable by HIV and Aids coordinated	Number of vulnerable children on PSS programme	707 754 children	Extend PSS Programme to 870 000 children	<ul style="list-style-type: none"><li>631 612 OVC received psychosocial support services.</li></ul>	Inconsistent reporting by provinces and NACCA partners. No reports from the Free State and Western Cape.
		Number of co-ordinating structures established and active	98 structures established	Establish 150 co-ordinating structures on OVC made vulnerable by HIV and AIDS	<ul style="list-style-type: none"><li>97 coordinating structures were established.</li></ul>	No reports from the Free State and Western Cape.

Government Outcome	A long and healthy life for all South Africans						
DSD-specific outcome	To reduce the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population						
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
HIV and AIDS	National response for orphans and other children made vulnerable by HIV and Aids coordinated	Number of child care forums established and functioning	1 571 forums established	Establish additional 1 241 forums	<ul style="list-style-type: none"><li>513 child care forums were established</li></ul>	Some provinces failed to report on the indicator.	
		Percentage of municipalities incorporating OVC interventions in their IDP's.	10% municipalities	30% municipalities incorporating OVC interventions in their IDP's.	<ul style="list-style-type: none"><li>The target was not reached.</li></ul>	IDPs could only be developed after Imbizos which began in February 2012.	
		Number of OVC served	252 376 OVC served	350 000 OVC served	<ul style="list-style-type: none"><li>631 612 OVC were served.</li></ul>	No deviation	
	Functional monitoring and evaluation system for HCBC implemented in nine provinces	Number of districts implementing HCBC M&E system	35 districts	50 districts implementing HCBC M&E system	<ul style="list-style-type: none"><li>45 districts implemented the HCBC M&amp;E system.</li></ul>	Despite several meetings, the Western Cape failed to report on implementation of the system.	
		Capacity of Home Community Based Care (HCBC) organizations and personnel strengthened	Number of community caregivers and supervisors trained	14 000 trained caregivers 0 supervisors	Train 5 000 community Caregivers to strengthen the capacity of HCBC organisations  Train 500 supervisors to strengthen the capacity of HCBC organisations	<ul style="list-style-type: none"><li>733 community caregivers and 67 supervisors were trained.</li></ul>	Community caregivers are trained by the provinces. Only six provinces submitted reports. Registration with the HWSETA was delayed.
	Situational analysis in HCBC organisations conducted	Number of HCBC organisations participating in situational analysis	0	Conduct situational analysis in 25 HCBC organisations on the management capacity programme	<ul style="list-style-type: none"><li>A situational analysis was conducted in 23 HCBC organisations.</li></ul>	Capacity constraints	
	Community Capacity Enhancement (CCE) strategy developed	CCE Strategy adapted	0	Develop CCE Strategy	<ul style="list-style-type: none"><li>A results framework and Draft Concept Paper was developed.</li></ul>	The framework and concept paper had to be completed before the strategy could be developed.	

Government Outcome	A long and healthy life for all South Africans					
DSD-specific outcome	To reduce the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population					
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
HIV and AIDS	HIV and Aids competent communities	Number of provinces implementing community capacity enhancement in addressing HIV and Aids	0	7 Provinces implementing Community conversations	<ul style="list-style-type: none"> <li>Community conversations were conducted in seven provinces.</li> </ul>	No deviation
		Number of communities reached through CCE HIV/AIDS competent communities	0	Reach 2100 member communities through CCE	<ul style="list-style-type: none"> <li>3 127 community members were reached.</li> </ul>	No deviation
		Number of CCE facilitators trained	0	Train 63 CCE facilitators	<ul style="list-style-type: none"> <li>134 facilitators were trained.</li> </ul>	No deviation
		Stigma reduction strategy	0	Develop Stigma reduction strategy in 3 Provinces	<ul style="list-style-type: none"> <li>The strategy was not completed.</li> <li>A stigma index was conducted in the Eastern Cape.</li> </ul>	The stigma index had to be finalised before the strategy could be developed.
		Stigma reduction programme implemented in provinces	0	3 Provinces implementing the strategy	<ul style="list-style-type: none"> <li>The stigma reduction programme was not implemented.</li> </ul>	The stigma index had not been completed.
		Community Capacity Enhancement strategy developed	0	Develop Discussion document on CCE	<ul style="list-style-type: none"> <li>A framework on CCE was communicated with provinces.</li> </ul>	The first phase of consultations on the CCE strategy was conducted with various stakeholders, including the donor community.
		Number of modules standardised	0	7 modules	<ul style="list-style-type: none"> <li>Ten modules were standardised. Five were submitted to the HWSETA for registration.</li> </ul>	No deviation
	Management Capacity material standardised, registered and recognised as skills programme for NPOs					



Government Outcome	A long and healthy life for all South Africans							
DSD-specific outcome	To reduce the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population							
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation		
HIV and AIDS	HIV and Aids management for NPOs strengthened	Number of HCBCs trained on HIV management	0	Train 50 NPOs on HIV management	<ul style="list-style-type: none"><li>No training took place.</li></ul>	Lack of capacity in the directorate.		
		Number of HCBCs with plan and policies to manage HIV within their organisations	0	Develop a programme on HIV and AIDS management for HCBCs	<ul style="list-style-type: none"><li>A questionnaire was developed and NPOs were assessed on internal HIV management.</li></ul>	No deviation		
	Management Capacity material standardised, registered and recognised as skills programme for HCBC	Number HCBC trained on the Modules	127 HCBC organisations	Train 50 HCBC organisations	<ul style="list-style-type: none"><li>32 organisations were trained in Mpumalanga.</li></ul>	Budget constraints in the provinces.		
	HIV and Aids calendar events are commemorated and celebrated	Number of HIV and Aids calendar events commemorated and celebrated	0	Commemorate and celebrate 4 HIV and Aids calendar events	<ul style="list-style-type: none"><li>World HIV/AIDS Day was commemorated on 1 December 2011, and STI week in February 2012.</li><li>A Candle Light event was held in the Eastern Cape.</li><li>Human Rights Day was not commemorated.</li></ul>	The Stigma Reduction Strategy was meant to be launched but was not ready in time.		
		Caregivers retrained on HIV and Aids	Number of caregivers retrained on HIV and Aids	0	Train 610 caregivers on HIV and Aids counselling	<ul style="list-style-type: none"><li>485 community caregivers were trained.</li></ul>	Part of the budget was redirected to train social service professionals.	
				Train 207 social service professionals on HIV and Aids counselling	<ul style="list-style-type: none"><li>584 social service professionals were trained.</li></ul>	No deviation		

Government Outcome	A long and healthy life for all South Africans					
DSD-specific outcome	To reduce the psychosocial impact of HIV and AIDS and other chronic illnesses on the South African population					
Functional area	Strategic Objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
HIV and AIDS				Facilitate the provision of psychosocial support for the school health programme	<ul style="list-style-type: none"><li>This was not implemented.</li></ul>	The project was led by the Department of Health in collaboration with the Department of Education.
	1st Draft of the Framework for HIV Social behaviour change (all target groups) developed	1st Draft of the Framework for HIV Social behaviour change developed (all target groups).	0	Develop 1 <sup>st</sup> Draft of the framework for HIV social behaviour change (all target groups)	<ul style="list-style-type: none"><li>The draft was completed.</li></ul>	No deviation
				Develop gender and advocacy programme	<ul style="list-style-type: none"><li>The programme was not developed.</li></ul>	The framework for HIV social behaviour change had to be approved before the programme could be developed.
				Train 1 700 HCBCs on management capacity-building.	<ul style="list-style-type: none"><li>This target was not achieved.</li></ul>	Budget constraints.



## Programme 5

Social Policy and Integrated Service Delivery



## Programme 5: Social Policy and Integrated Service Delivery

### Programme purpose

To support community development and promote evidence-based policy-making in the Department and the Social Development Sector.

### Social Policy Research and Development

In pursuit of the objective of deepening and institutionalising evidence-based policy-making in the Department, the Social Development Sector and the country in general, the Social Policy Unit continued to work with directorates on reviewing existing policies and formulating new policies. It also generated concept papers and discussion documents for various directorates which sought to shift thinking in different areas of intervention, and base these on concrete evidence.

These documents were also used as baselines for policy reviews by other directorates. Inputs from the Unit were also made at the cluster and wider governmental level through a discussion document which provided the thrust of the social cluster jobs initiative. A highlight of the period under review was the adoption by the social cluster of the discussion document on employment creation, aimed at informing responses to the Presidential declaration of 2011 as a year of job creation through meaningful economic transformation and inclusive growth. In line with this declaration, every government sector and entity, regardless of size, was required to focus on job creation. Additionally, all government departments were required to align their programmes with the job creation imperative.

The Unit also invited social policy experts to address the DSD Policy Forum. The forum exposed DSD officials to key social policy issues as a way of advancing evidence-based policy-making in the Department. A particular highlight was the presentation by Prof Vivienne Taylor, a member of the National Planning Commission, of the Diagnostic Report before the release of the National Development Plan. Inputs from DSD officials were used to inform the Plan. Thus the DSD had an opportunity to contribute towards the Plan in its final form.

The Social Policy Unit continued to respond to the objective of building capacity in social policy analysis and policy formation in partnership with the University of Oxford and Rhodes University. The Unit and its partners offered Part One of an advanced course in evidence-based social policy to DSD officials, Members of the

Portfolio Committee for Social Development, and officials from municipalities and other government departments also attended the course. The second part of the course was due to follow in the next financial year.



### Special Projects and Innovation

The Department continued to lead the Social Sector Expanded Public Works Programme. It facilitated the creation of 152 109 work opportunities (exceeding the annual target of 132 000). Additional work opportunities were created through the implementation of the Social Sector Incentive Grant, which resulted in the sector exceeding its 2011/12 targets.

In collaboration with Soul City, the unit initiated preliminary research for the second Kwanda TV Talk Show series. Five Kwanda sites were visited, and filming started. Following the success of Kwanda 1, Kwanda 2 will be implemented at nine additional sites throughout the country.

The Department also facilitated the provision of Social Relief of Distress to Military Veterans in collaboration with SASSA. NPO funding was utilised to start building the capacity of the South African National Military Veterans Association (SANMVA).

In collaboration with the HSRC, and the Department of Military Veterans we hosted four seminars forming part of the African Knowledge Producers Series entitled 'Contributions, experiences and sacrifices: post-liberation knowledge production and nation-building by military veterans'. This had a positive impact as it began to highlight the activities and achievements of people who played a key role in liberating the country.

### Population Policy Promotion

#### Population research reports

Population research reports produced in the period under review include the following:

- A follow-up report on HIV & AIDS and other health concerns impacting on population issues entitled 'Population Trends Analysis on HIV & AIDS and Health Issues with Demographic Implications' (March 2012).

- A report on the state of gender equality, equity and the empowerment of women in South Africa from a population perspective, entitled 'Overview of Gender Equality, Equity and the Empowerment of Women in South Africa'.
- Reports on youth issues, including a Synthesis Report on Prospects for the Demographic Dividend in South Africa, a background resource document on the State of Adolescent Sexual and Reproductive Health in South Africa, and a series of provincial reports with recommendations on factors associated with teenage pregnancy. By the end of March 2012, Limpopo, the Eastern Cape and KwaZulu-Natal Provinces had completed their reports on this topic, and Gauteng and Mpumalanga were in the process of drafting theirs. Once all the provincial reports have been completed, a comprehensive national report will be compiled, consolidating all the provincial results and findings and outlining key recommendations. Given the interest generated countrywide by this project, it has been decided that the remaining provinces (Free State, North West, Northern Cape and Western Cape) will also be covered in 2012, in order to report more holistically on factors associated with teenage pregnancy in South Africa. Once the report has been completed, it will be submitted to the Inter-Governmental and Stakeholder team for comment. The research results and findings are due to be disseminated towards the end of the 2012/13 financial year.

### Consultative workshops

A series of consultative and dissemination workshops were conducted, and thematic promotion and educational materials produced, to disseminate the results, findings and recommendations of these research reports.

On 22-23 March 2012, a two-day workshop was held where youth and gender research evidence was presented to and discussed by 130 participants from different spheres of government. The second day was devoted to discussing and finalising the adolescent sexual and reproductive health campaign initiated in the previous year, and due to be concluded in the next financial year. All available population research papers and reports as well as relevant population literature were disseminated.

### Local population advocacy seminars

Ten local population advocacy seminars were held in the provinces. Promotional and educational material (including research reports, thematic papers, pamphlets, and booklets on a range of population topics) were exhibited and disseminated.

### Policy implementation

A report titled 'Progress Review of the implementation of The White Paper on Population Policy for South Africa (1998) and the International Conference on Population Development Programme of Action (1994)' was presented to the Social Protection and Community Development Cabinet Committee in September 2011. The meeting decided to establish an Inter-Ministerial Committee (IMC) on Population Policy in order to coordinate and oversee the implementation of population policy at the political level. It recommended that the IMC be chaired and convened by the Minister of Social Development, and that other members should comprise the Ministers of Basic Education; Cooperative Governance and Traditional Affairs; Health; Human Settlements; International Relations and Cooperation; the National Planning Commission; Performance Monitoring and Evaluation; Rural Development and Land Reform; and Women, Children and People with Disabilities. Furthermore, the IMC will advise on the country's international commitments on population matters to the UN, Partners in Population and Development, the AU and SADC, and oversee the Country Support Programmes of the UN Population Fund (UNFPA).

### World Population Day 2011

World Population Day (WPD) is celebrated worldwide on 11 July. The international theme for WPD 2011 was 'Prospects for the demographic dividend in South Africa'. On 11 and 12 July 2011 a two-day national workshop was conducted to mark WPD in South Africa. Local events focused on this theme, highlighting the youthful composition of the South African populations, and indicating opportunities and challenges related to investments in education, health, and skills transfer for the youth. Follow-up activities entailed provincial and local workshops and community dialogue seminars involving youths, and focusing on sexual and reproductive health (SRH) issues and the needs of young people.

In collaboration with Soul City, the unit initiated preliminary research for the second Kwanda TV Talk Show series. Five Kwanda sites were visited, and filming started.



## Programme 5: Social Policy and Integrated Service Delivery

The *State of the World Population Report 2011* was launched in Cape Town on 26 October 2011, as part of national WPD commemorations. Its theme was 'The World at Seven Billion'. It focuses on the challenges and opportunities presented by a world population of seven billion people, with particular reference to young people.

### Population capacity-building and training courses

The following population capacity-building and training courses were conducted in the course of the financial year:

#### *Integrated HIV & AIDS and TB Management training:*

A total of 32 training sessions were held (from May to September) for 732 officials from all nine provinces, with an emphasis on rural nodes. The training benefited from funding obtained from the HWSETA for this purpose.

#### *Capacity-building and training workshops for mainstreaming population issues, including gender, into social sector development plans and social research:*

Guidelines on integrating gender issues into social research were disseminated to relevant stakeholders and institutions, and at conferences and workshops. A total of 14 capacity-building and training workshops were held, aimed at enhancing technical capacity for mainstreaming population issues, including gender, in development plans (with a focus on the local level) and social research.

#### *Applied Population Studies and Research (APSTAR) short course:*

The APSTAR training offered at the University of KwaZulu-Natal involved 25 participants who completed the final block in August 2011. The course was evaluated by an external consultant (HSRC), covering the period 2008 to 2011. The evaluation report is available.

#### *PED Nexus / PED in IDP training courses:*

Two PED Nexus training courses and one PED in IDP course were conducted, reaching, among others, more than 90 participants from PPD member countries. The six District Municipality workshops reached 180 participants from local municipalities, including IDP managers and officials.

#### *North West University Bachelors' Degree in Population Studies:*

North West University was provided with technical support to develop study guides for this course.

#### *Learner workbook and teacher guide for introducing population issues in school curricula:*

Integrated learner workbooks and teacher guides were developed, edited and reviewed in consultation with the Department of Basic Education to ensure child- and learner-friendly contextualisation. Themes covered included population and places, where people live, why people migrate, gender and development, environment and our health.

### International Population Affairs

The following reports and other publications on international population affairs were completed in the course of the financial year:

#### *United Nations Commission on Population and Development (UNCPD) country report:*

A country report on the State of Fertility and Reproductive Health in South Africa was prepared and presented to the 44th UNCPD session in New York in April 2011. A report on the outcome of the session, together with recommendations, was submitted to the Minister. Preparations for the 45th Session of the UNCPD (to be held in New York in April 2012) started early in 2012. The theme is Adolescents and Youth. A meeting held with BRICS and like-minded countries on preparations for the post- ICPD+20 side event during the 45<sup>th</sup> UNCPD session.

The annual stakeholder feedback workshop was held in March 2012 and attended by 65 representatives of 33 organisations, including amongst others national and provincial government departments, international organisations and NGOs.

#### *Partners in Population and Development (PPD):*

The Department hosted the PPD Annual International Meeting in October 2011, and the PPD International Conference (including the PPD EXCO meeting), where the Pretoria Declaration was adopted, in November 2011, SADC representatives also attended the conference. The PPD Board meeting took place in November 2011. The Department was represented at the Third Annual Partner Country Coordination Meeting for the Africa Region and Second International Conference on Family Planning held in Dakar, Senegal, from 28 November to 2 December 2011, as well as the PPD EXCO Meeting held in Kenya in February 2012. The Department's CFO was appointed as a member of the PPD Finance and Risk Committee for a period of three years.

***African Population Commission (APC):***

The Department was represented at the 8th Session of the APC in Addis Ababa in September 2011, as well as the 6th African Population Conference in Ouagadougou (Burkina Faso) in December 2011.

***International Planned Parenthood Federation (IPPF):***

The Department was represented at the Regional Executive Committee and Regional Council Meeting of the IPPF Africa Region held in Nairobi, Kenya, from 29 June to 2 July 2011. Representatives also participated in a technical workshop on 'Multi-stakeholder policy dialogue on sexual reproductive health and rights in Africa: Towards the ICPD+20 review and post-MDGs agenda setting', held in August 2011. In 2012, a planning meeting took place with the IPPF Director General, IPPFAR representatives, and South African stakeholders.

***United Nations Population Fund (UNFPA):***

The Department (through the Chief Directorate: Population and Development) continued to work closely with the UNFPA Country Office to facilitate the implementation of the (extended) Third Country Support Programme to the Government of South Africa, which ends in 2012. An extensive end-of-term evaluation was performed. The findings and recommendations informed the development of the Fourth Country Support Programme (2013–2017). The Department also participated in the development of the

new UN Development Assistance Framework (UNDAF). It outlines four key outcome areas of support to the Government of South Africa for the period 2013 to 2017. The UNDAF document will be finalised in May 2012, and presented to the Cabinet during the second half of the year.

A senior official from the Department participated in UNFPA technical training on results-based monitoring and evaluation in Windhoek, Namibia, in September 2011.

**Registration and compliance monitoring of NPOs**

Improved mechanisms for tracking the performance of staff and providing feedback allowed new applications to be processed more rapidly. This resulted in 17 573 of 18 448 of new applications being processed within two months – a rate of 92%, well exceeding the target of 80%. This was achieved despite the fact that there was an increase of 17% in the number of applications received. A total of 14 792 NGOs met the registration requirements and were registered, increasing the total by almost 16% to 90 967.

Improved supervision mechanisms also resulted in an increase in non-compliance notices issued to organisations whose reports were overdue. A total of 45 540 notices were issued, amounting to 85% of all NPOs whose reports were due, again exceeding the target of increasing the number of notices by 10% from a baseline of 50%.



## Programme 5: Social Policy and Integrated Service Delivery

A total of 32 capacity-building workshops were held for 1 323 NPOs and 144 provincial officials, again significantly exceeding the annual target of 400 NPOs and 120 provincial officials.

A research report benchmarking the governance practices of NPOs was completed and placed on the Departmental website. Hard copies were distributed to a number of NPOs, including key stakeholders and role players.

Two consultative workshops on the revised codes of governance practices were held with key stakeholders from the non-profit sector. The inputs made at these workshops will be used to improve the codes.

A Policy Framework for the Non-profit Organisations Regulatory Framework was completed. It outlines pertinent issues relating to the amendments of the NPO Act including the motivation of these changes and the institutional mechanisms required to implement an effective and efficient NPO Regulatory framework.

The Department solicited both financial and technical support from USAID for completing an online NPO registration facility, and the work processes are well in advance. Information on registered NPOs on the Department's website was regularly updated.

### Community Development

The Department through this unit developed guidelines for improving the capacity of Community Based Organisations (CBOs) to implement community development services and programmes. A total of 210 CBOs and 152 Community Development Practitioners (CDPs) were trained in terms of the guidelines, well exceeding the target of 60 CBOs. Through this training, the Department increased the capacity of CBOs to increase the coverage of community development services, thus contributing significantly to achieving Government Outcome 7: vibrant, equitable and sustainable rural communities with food security for all.

The unit consulted Institutions of Higher Learning on National Qualifications on Community Development at NQF Levels 4, 5 and 8. Numerous workshops were held, including a successful community development conference hosted in October 2011, and a Provincial Road Show held in partnership with the University of Free State, QwaQwa Campus. These processes were milestones towards establishing an Association of Community Development Practitioners, leading to the full professionalisation of community development practice. A consolidated conference report was compiled.

Guidelines for Community Mobilisation to be used by Community Development Practitioners and CBOs were developed and approved. All these processes contributed towards improving service delivery, and building a skilled and capable workforce

### Sustainable Livelihoods

We facilitated the Taking the DSD to Communities campaign and Social Development Month Outreach activities, which reached 18 communities. Among other things, these communities were profiled and dialogues were held, culminating in the development of community-based development plans supported by the provinces and local municipalities. Besides these outreach programmes, 2 520 communities and 224 145 households were profiled. According to the National Integrated Social Information System (NISIS), this resulted in 596 316 clients being referred to different departments for appropriate interventions.

The DSD food production and distribution programmes, including Soup Kitchens, Food Banks, Drop-in-Centres and food gardens, benefited 1 049 566 people, thus contributing significantly to reducing hunger and malnutrition.

The DSD food production and distribution programmes benefited 1 049 566 people

## Social Policy Research and Development

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	Deepening of social policy discourse and evidence-based policy making.					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Social Policy Research and Development	Social Policy Capacity Building Programme	Number of policy makers trained in Social Policy and Social Policy Analysis Course	300 trained policy makers since 2005	Train 50 policy-makers.	<ul style="list-style-type: none"><li>50 policy-makers were trained.</li></ul>	No deviation
	Research Coordination and Management (RCM) Strategy	Approved Research Coordination and Management Strategy	DSD Wide research audit report	Development of Research Coordination and Management Strategy	<ul style="list-style-type: none"><li>The strategy was developed but it was not presented to the policy forum MANCO and HSD.</li></ul>	No deviation
	Departmental policies developed and reviewed with directorates	Number of policies developed and reviewed	5 policies have been developed/ reviewed	Develop and review one policy	<ul style="list-style-type: none"><li>The Green Paper on Families was completed and gazetted.</li></ul>	No deviation

## Special Projects and Innovation

Government outcome	Decent employment through inclusive economic growth				
DSD-specific outcome	Increased decent work opportunities, skills and income levels in the community				
Functional Area	Strategic objectives	Performance Indicator	Baseline	Annual target 2011/12	Actual Output
Special Projects and Innovation	Job opportunities Created	Number of work opportunities created	78 615	Create 132 000 job opportunities through current and newly integrated social sector sub-programmes.	<ul style="list-style-type: none"> <li>According to the EPWP web-based system, 152 109 jobs were created.</li> </ul>

## Population Policy Promotion

Government Outcome	A long and healthy life for all South Africans						
DSD Outcome	HIV and AIDS and key health concerns with demographic consequences integrated into social sector development plans						
Functional Area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Population Policy Promotion	Research evidence with policy recommendations on the demographic implications of HIV and Aids and other key health concerns produced	Report that addresses the demographic implications of HIV and Aids and other health concerns with demographic consequences	Population trends analysis report on HIV and Aids and other health concerns with demographic consequences	Follow-up research report on HIV and Aids and other key health concerns with demographic consequences	<ul style="list-style-type: none"><li>The report was completed in March 2012.</li></ul>	No deviation	
	Integrated HIV and Aids and TB training course for government planners implemented, evaluated and reviewed	Number of participants trained  Review report	280 participants trained  Evaluation completed	Conduct 4 training sessions (100 participants)  Review and evaluate Training course (for repeat roll-out in 2012/13)	<ul style="list-style-type: none"><li>32 training sessions were held, attended by 732 participants from all nine provinces, with an emphasis on rural nodes.</li><li>The evaluation and review was completed.</li></ul>	No deviation	
	Promotional and educational materials on youth developed	Number of promotional and educational materials on youth developed	Research reports on the state of youth and teenage pregnancy in South Africa	Advocacy and information packs on youth developed and produced on the basis of available research evidence on youth	<ul style="list-style-type: none"><li>The material was developed but not printed.</li></ul>	Delays in Supply Chain Management processes.	
	Qualitative report on factors associated with teenage pregnancy in South Africa produced	Qualitative report produced	Draft report on factors associated with teenage pregnancy in South Africa	Qualitative report with recommendations on factors associated with teenage pregnancy disseminated to and discussed with policy makers and planners in the social sector	<ul style="list-style-type: none"><li>Draft reports were completed for the Eastern Cape and KZN. The Mpumalanga and Gauteng reports and a national report were in progress. No reports were disseminated.</li></ul>	Late completion of fieldwork and late receipt of data sets.	



Government Outcome	A long and healthy life for all South Africans					
DSD Outcome	HIV and AIDS and key health concerns with demographic consequences integrated into social sector development plans					
Functional Area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Population Policy Promotion	Learner workbook and teacher guide developed	Learner workbook and teacher guide implemented	Status report on the need for introducing population factors into school curricula	Learner workbook and teacher guide developed as tools for introducing population factors into school curricula	<ul style="list-style-type: none"><li>The workbook and guide were completed, edited and reviewed in collaboration with experts from the Department of Basic Education, ensuring the integration of themes on various population concerns including adolescent sexual and reproductive health.</li></ul>	No deviation
	Capacity building and training workshops to mainstream population issues, including gender, into social sector development plans and social research conducted	Number of capacity building and training workshops conducted	Policy + 10 paper on the state of gender equality, equity and the empowerment of women in South Africa	Conduct Capacity building and training workshops in provinces and urban nodes.	<ul style="list-style-type: none"><li>Technical support was provided on key issues to be considered when integrating gender into local IDPs.</li><li>Six advocacy workshops were held, and promotional and educational material were exhibited. Workshop reports, evaluation forms and attendance registers were produced.</li><li>A research dissemination and gender workshop for various stakeholders was held in Dundee in February 2012.</li></ul>	No deviation. A comprehensive report on all capacity building-workshops was being compiled.
	Research report on the state of gender equality, equity and the empowerment of women in South Africa, from a population perspective produced	Research report	Guidelines for mainstreaming gender into social research	Conduct dissemination workshops with relevant stakeholders and partners on evidence contained in the research report	<ul style="list-style-type: none"><li>A final report entitled 'Overview of gender equality, equity and the empowerment of women in South Africa' was completed.</li><li>Eight provincial dissemination/capacity-building workshops were conducted to introduce gender research evidence and to enhance technical capacity for mainstreaming gender in social research. Only the Western Cape did not conduct a workshop.</li></ul>	No deviation. Only the Western Cape did not conduct a workshop.

Government Outcome	A long and healthy life for all South Africans						
DSD Outcome	HIV and AIDS and key health concerns with demographic consequences integrated into social sector development plans						
Functional Area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation	
Population Policy Promotion	Population Policy implementation in the social sector Improved	Reports on progress with national and international population commitments, including the implementation of the Population Policy for South Africa (15 years) and the ICPD Programme of Action (20 years)	Policy+ 10/ICPD+15 Country Report (2009/10) International (SADC, AU, PPD & UNCPD) Population Strategy	Submit Thematic progress report on fertility, reproductive health and development to the United Nations Commission on Population and Development (UNCPD) in April 2011	<ul style="list-style-type: none"><li>The report was included in the Country report presented to the UNCPD in April 2011.</li><li>A stakeholder feedback workshop was conducted on 28 March 2012.</li></ul>	No deviation	
	Population advocacy and IEC and capacity building workshops and training conducted to promote awareness, understanding and technical capacity in support of Population Policy implementation	Number of workshops and training sessions conducted	Applied Population Studies and Research (APSTAR) short course North-West University Bachelors Degree in Population Studies	Implement population policy by raising awareness and building capacity on population policy	<ul style="list-style-type: none"><li>The workshops and training were conducted.</li><li>APSTAR training (2008-2011) was evaluated, and the report was due to be finalised after being aligned with the fieldwork report early in the new financial year.</li></ul>	No deviation	
	Portfolio of capacity building/ training programmes on the integration of population issues into local development plans	Number of capacity building and training programmes conducted	PED Nexus training courses conducted	Conduct 3 courses for 80 participants	<ul style="list-style-type: none"><li>The following three PED in IDP training courses were conducted:<ul style="list-style-type: none"><li>One at the Nelson Mandela Metropolitan University in Port Elizabeth in December 2011, attended by 42 participants from provincial and local government</li><li>One in the Dr Kenneth Kaunda District Municipality on 14-15 February 2012</li><li>One in the Bojanala District Municipality on 22-23 February 2012.</li></ul></li><li>Fieldwork for the evaluation of all capacity-building courses was under way.</li></ul>	No deviation	

## Registration and Monitoring of Non-Profit Organisation

Government outcome	An efficient, effective and development-oriented public service, and an empowered, fair and inclusive citizenship					
DSD Specific Outcome	A conducive environment for civil society organisations and communities					
Functional area	Strategic objectives	Performance Indicator	Baseline	Target	Actual Output	Reasons for deviation
Registration and Monitoring of Non-Profit Organisations	Enhanced capacity of provinces, communities and NPO on NPO Act and governance	Number of NPO's capacitated on NPO Act and good governance	400 NPO's capacitated on NPO Act and good governance	Capacitate 600 NPOs on NPO Act and governance	<ul style="list-style-type: none"><li>1 323 NPOs attended 32 workshops in the Free State and N. West provinces</li></ul>	No deviation
		Number of provincial Officials capacitated on NPO Act and governance	Nil provincial Officials capacitated on NPO Act and governance	Capacitate 120 provincial Officials on NPO Act and governance	<ul style="list-style-type: none"><li>144 officials were capacitated in the Eastern Cape (Umtata and Queenstown Districts) and the Free State (Motho, Thabo Mofutsanyane, and Lejweleputswa Districts).</li></ul>	No deviation
		Develop standards and guidelines on NPO governance.	Draft revised Codes (standards) and guidelines on NPO governance.	Consultation and finalization of revised Codes (standards) & practical guide on NPO governance.	<ul style="list-style-type: none"><li>A two-day workshop was held to review and discuss the Codes.</li></ul>	No deviation
	An efficient registration and compliance facility	% of applications processed within two months.	Processes 70% of application within two months	Process 80% of applications within two months (10% increase)	<ul style="list-style-type: none"><li>95% of applications were processed within two months (17 573 of 18 448).</li></ul>	No deviation
Issue % of notices to non-compliant registered NPOs.		Issue 49% of notices to non-compliant registered NPOs.	Increase issuing of notice by 10%	<ul style="list-style-type: none"><li>85% of NPOs whose reports were due were served with non-compliance notices.</li></ul>	No deviation	
Public access to NPO information	An automatic online registration system	An in-house registration database system	Development and testing of system	<ul style="list-style-type: none"><li>Programmers were appointed to develop the system.</li></ul>	No deviation	
Policy on the NPO regulatory framework finalized	Finalized NPO Policy document	Discussion document on NPO Policy	Drafting and consultation on Policy Framework	<ul style="list-style-type: none"><li>A first draft was completed. No consultations were held.</li></ul>	The consultations were meant to form part of the NPO provincial dialogue progress. Due to a large backlog, the NPO unit was unable to proceed with the consultations.	

## Community Development

<b>Government outcome</b>	Vibrant, equitable , sustainable rural communities contributing towards food security for all					
<b>DSD-specific outcome</b>	Communities participating actively in their own development					
<b>Functional area</b>	<b>Strategic objectives</b>	<b>Performance indicator</b>	<b>Baseline</b>	<b>Target</b>	<b>Actual Output</b>	<b>Reasons for deviation</b>
Community Development	Community Outreach Programmes facilitated	Number of outreach programmes conducted	0	Conduct 9 Community outreach programmes (Taking DSD to communities)	<ul style="list-style-type: none"> <li>18 communities were reached (via Taking the DSD to Communities and October Month)</li> </ul>	No deviation
<b>Government outcome</b>	Vibrant, equitable , sustainable rural communities contributing towards food security for all					
<b>DSD-specific outcome</b>	Improved delivery of community development services					
<b>Functional area</b>	<b>Strategic objectives</b>	<b>Performance indicator</b>	<b>Baseline</b>	<b>Target</b>	<b>Actual Output</b>	<b>Reasons for deviation</b>
Community Development	Communities profiled	Number of communities profiled	1200 communities profiled	Profile 1500 Communities	<ul style="list-style-type: none"> <li>2 520 communities were profiled.</li> </ul>	No deviation
	Households profiled	Number of households profiled	110 248 households profiled	Profile 200 000 Households	<ul style="list-style-type: none"> <li>224 145 households were profiled.</li> </ul>	No deviation
	National profile Report compiled	Existence of national profile report	Provincial data available	Compile a National Household Profile Report	<ul style="list-style-type: none"> <li>A report was drafted.</li> </ul>	Provinces found it difficult to access the NISIS when this was located in the Premier's Office.
		Number of communities referred for appropriate interventions	0	At least 50% of profiled clients referred for appropriate interventions	<ul style="list-style-type: none"> <li>According to the NISIS, 596 316 clients referred to different departments for appropriate interventions.</li> </ul>	No deviation
	Change agent Support guideline developed	Change agent support guideline	0	Develop Change agents' support guideline	<ul style="list-style-type: none"> <li>Draft guidelines were developed and presented to Policy Forum.</li> </ul>	The process was delayed by consultations with the provinces.
<b>Government outcome</b>	Vibrant, equitable , sustainable rural communities contributing towards food security for all					
<b>DSD-specific outcome</b>	Improved access to food					
<b>Functional area</b>	<b>Strategic objectives</b>	<b>Performance indicator</b>	<b>Baseline</b>	<b>Target</b>	<b>Actual Output</b>	<b>Reasons for deviation</b>
Community Development	Guideline for elimination of hunger developed	Existence of guideline for elimination of hunger	0	Guideline on elimination of hunger document	<ul style="list-style-type: none"> <li>A DSD Strategy on Zero Hunger was developed.</li> </ul>	No deviation
	Households accessing DSD food security and production programmes	Number of households accessing food security programmes	1 million beneficiaries	1 million beneficiaries	<ul style="list-style-type: none"> <li>1 049 566 people benefited from food security programmes.</li> </ul>	No deviation

## Sustainable Livelihoods

Government outcome	Vibrant, equitable and sustainable rural communities contributing towards food security for all					
DSD-specific outcome	Improved access to livelihood opportunities by households					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Sustainable Livelihoods	Community development policy framework developed	Existence of a community development policy framework	Draft community development policy framework	Approval of Community Development Policy framework	<ul style="list-style-type: none"><li>The framework was approved by the Social Protection and Community Development Cluster.</li></ul>	MINMEC approval was still pending.
	Sustainable Livelihoods Approach Monitoring Tool developed	Existence of an SLA monitoring tool	SLA Tool kit	Develop a sustainable Livelihoods Approach Monitoring Tool	<ul style="list-style-type: none"><li>ToR were developed and approved. A draft contract was developed and approved by Legal Services.</li></ul>	The approval of a service provider was delayed.
	Community mobilisation guidelines developed	Existence of community mobilization guideline	None	Develop Community Mobilization Guidelines	<ul style="list-style-type: none"><li>The guidelines were developed and approved.</li></ul>	No deviation

Government outcome	Vibrant, equitable and sustainable rural communities contributing towards food security for all					
DSD-specific outcome	Skilled workforce to deliver quality community development services					
Functional Area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for deviation
Sustainable livelihoods	Community Development Practitioners trained (CDPs) in community development	Number of CDPs trained	250 Community Development Practitioners trained	Train 400 Community Development Practitioners in community development	<ul style="list-style-type: none"><li>Service providers for training CDPs on the Integrated Development Plan and Community-Based Practice were appointed in January 2012, but no training took place.</li></ul>	<p>The appointment was delayed by the bid evaluation process.</p> <p>The proposed training budget exceeded available funds.</p>
	Community Based Organizations trained in community development	Number of CBOs trained in community development	0	Train 60 community based organisations in community development	<ul style="list-style-type: none"><li>210 CBOs and 152 CDPs were trained on the CBO guidelines.</li></ul>	No deviation

Government outcome	Vibrant, equitable an sustainable rural communities contributing towards food security for all.					
DSD-specific outcome	Professionalised community development practice.					
Functional area	Strategic objectives	Performance indicator	Baseline	Target	Actual Output	Reasons for Deviation
Sustainable Livelihoods	Approved Occupation Framework for Community Development	Existence of a Community Development Occupational Framework	Discussion document	Approve Occupation Framework for Community Development	<ul style="list-style-type: none"><li>The Bid Adjudication Committee approved a bid for developing the framework on 25 January 2012.</li></ul>	Development of the framework was delayed by the bid evaluation and adjudication processes.
	Institutions of Higher Learning offering standardized Community Development qualification	Institutions of Higher Learning consultation report on the standardized community development qualification	0	Consolidated report on community development qualification to be offered through Institutions of Higher Learning	<ul style="list-style-type: none"><li>Stakeholders, including Institutions of Higher Learning, were consulted at a summit held in October 2011. A summit report was developed.</li><li>Stakeholders, including institutions of higher learning, were consulted at a national workshop on March 2012.</li><li>A Provincial Road Show forming part of the consultation process was held at the QwaQwa campus of the University of the Free State on 29 March 2012</li></ul>	The Bid Adjudication Committee approved the bid on condition that the DG approve additional funds for the project.
						No deviation





# PART C

## Annual Financial Statements



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# Annual Financial Statements

*for the year ended 31 March 2012*

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## Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2012.

### Audit Committee Members and Attendance:

The Audit Committee consists of the members listed below. As per its approved terms of reference the Audit Committee should meet at least quarterly. During the current year the following meetings were held.

Name of Member	Number of meetings attended
Dr DP van der Nest (Chairperson)	5
Ms S Hari	4
Mr B Potgieter	5
Mr W van Heerden	5

### Audit Committee Responsibility

The Audit Committee reports that it has carried out its responsibilities in terms of section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter, and discharged the responsibilities as contained therein.

### The Effectiveness of Internal Control

The system of internal control was generally effective for the year under review. Although several instances of non compliance were reported by internal and external auditors, there has been a marked improvement in the controls over grant funding. Areas of deficiency were reported in the area of supply chain management in the department. The department has been requested to complete and submit an improvement plan to address these shortcomings. Progress against the plan will be monitored by the committee.

### The Quality of the Management and Quarterly Reports Submitted in Terms of the Public Finance Management Act and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review with the exception for the matters reported in the Auditor-General's report. The system of control over the generation, verification and reporting

of performance information has improved and no material findings were reported by the Auditor-General.

### Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General and the Chief Financial Officer;
- reviewed the Auditor-General's management letter and management's response thereto.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General.

### Internal Audit

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its audit. The committee is concerned about the lack of capacity in the internal audit section including, but not limited to performance and information technology audits.

### Auditor General South Africa

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.

### Conclusion

The audit committee wishes to congratulate the accounting officer, chief financial officer and management with the unqualified audit opinion on the financial statements and the performance information of the department. We wish to thank the CEO and management at SASSA, their efforts in improving the control over grants administration has assisted the department in obtaining an unqualified audit opinion. We wish to thank the Auditor-General for his value adding contribution and interactions with the department.



**Dr D.P. van der Nest**  
*Chairperson of the Audit Committee*

31 July 2012

# Report of the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

for the year ended 31 March 2012

## 1. General review of the state of financial affairs

### 1.1 Policy decisions and strategic issues

In line with its mission and strategic objectives, the Department continued to provide a social safety net for poor, marginalised and vulnerable people. To this end it formulated a range of new or enhanced policies in respect of social assistance and social insurance. It also worked to expand and improve developmental social services, thus enabling disadvantaged South Africans to support themselves and participate productively in the economy. Key achievements during the reporting period were as follows:

#### 1.1.1 Social assistance

The Department, through the South African Social Security Agency (SASSA), continued to administer and disburse social assistance. During the reporting period, recipients of social grants increased by 5,5 per cent to 15 595 705. More than 2,7 million people received the Older Persons Grant (OPG), and more than 10,9 million children benefited from the Child Support Grant (CSG).

#### 1.1.2 Appeals Tribunal

The Independent Tribunal for Social Assistance Appeals adjudicated 1 552 new social assistance appeals and 11 622 outstanding appeals. A call centre was established to help appellants check on progress made with their appeals.

#### 1.1.3 Social security reform

The Department completed a Consolidated Government Paper (CGP) on Social Security and Retirement Reform. It contains proposals for introducing a mandatory National Social Security Fund (NSSF), which will provide South African workers with retirement, life insurance, disability and unemployment benefits. The CGP was approved by the Inter-Ministerial Committee on Social Security and Retirement Reform, and presented to the Cabinet's Social Protection Cluster Committee.

#### 1.1.4 Awards to service providers

The Department developed a new policy on financial awards to service providers. The implementation plan was approved by the Welfare Services Forum, Heads of Social Development Services, and MinMEC.

#### 1.1.5 People with disabilities

The Department developed a draft policy on social development services to people with disabilities which conforms with the United Nations Convention on Disability.

#### 1.1.6 Services to children

The Department developed an implementation plan with indicators in respect of the Children's Act, 2005 (Act No. 38 of 2005) and the Children's Amendment Act 2007 (Act No. 41 of 2007), which came into force in April 2010, and distributed it to the provinces.

The number of children accessing Child and Youth Care Centre services increased by more than 7 000, and more than 23 000 additional children were placed in foster care, raising the total to 536 747.

The Department continued to maintain the Register on Adoptable Children and Adoptive Parents (RACAP). A total of 456 adoptable children, 111 prospective adoptive parents, and 1 620 adoptions were registered.

#### 1.1.7 Substance abuse

Regulations under the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) were gazetted for public comment. Once operational, the regulations will enhance the implementation of the Act.

#### 1.1.8 Green Paper on Families

The Green Paper on Families was approved by Cabinet, presented to MinMec and various government clusters, and gazetted for public comment in October.

The Department developed an integrated parenting framework which seeks to build the capacity of service providers to develop parenting skills. The Management approved the framework in March 2012.

#### 1.1.9 Social crime prevention and victim empowerment

The Department developed a training manual on minimum norms and standards for secure care facilities which seek to standardise the provision of services to children in conflict with the law.

# Report of the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

for the year ended 31 March 2012

Regulations under the Probation Services Act, 2002 (Act No. 35 of 2002) were approved by the Minister and gazetted for public comment.

The Department also developed draft regulations under the Prevention and Combating of Trafficking in Persons Bill.

## 1.1.10 HIV and AIDS

The Department developed a National Strategic Plan on HIV, STIs and TB, 2012-2016 which addresses the social drivers and social impact of HIV and AIDS as well as TB.

Working with funded Home Community-Based Care (HCBC) organisations, drop-in centres and National Action Committee for Children Affected by HIV and AIDS (NACCA) partners, the Department provided psychosocial services to more than 631 000 orphans and vulnerable children. The services included the provision of food parcels and meals, homework supervision, and the provision of school uniforms.

## 1.1.11 Non-Profit Organisations

A total of 18 448 NPOs applied for registration. Of these, 17 573 were registered within two months, bringing the number of registered NPOs to 90 967.

## 1.2 Significant events and developments

### 1.2.1 Social assistance

There has been a continued and sustained increase in the number of beneficiaries of the social assistance programme. In the year under review, the number of social grant recipients grew by 5 per cent from 14 782 190 to 15 595 705.

### 1.2.2 Policy development

As part of its contribution to social security reform, the Department developed a consolidated policy proposal which includes the establishment of a new Department of Social Security. The organisational structure supporting the establishment of the new department has been developed. We consulted various other stakeholders, including the Department of Labour, the Department of Public Service and Administration, the Unemployment Insurance Fund, and the Compensation of Occupational Injuries and Diseases. The Department Management Committee also appointed a task team to work on the implementation of the consolidated policy proposal.

### 1.2.3 Appeals Tribunal

The Tribunal established a call centre which enables people who have lodged appeals against decisions by SASSA to enquire about progress made with their appeals.

### 1.2.4 Inspectorate for Social Security

The Department received additional funding from the National Treasury for the establishment of an Inspectorate for Social Security. The Inspectorate will enhance efforts by SASSA and the Appeals Tribunal to reduce leakages from and fraud within the grant administration system.

### 1.2.5 ECD conference

The Department hosted a successful Early Childhood Development conference in March 2011. The conference identified a number of key issues, including the need to review and harmonise existing policies to ensure universal access to ECD services, develop a multisectoral approach to ECD services, and develop a framework for resourcing and infrastructure.

### 1.2.6 Green Paper on Families

The approval by Cabinet of the Green Paper on Families and its subsequent gazetting in October 2011 marked a significant step towards placing families at the centre of efforts to foster social cohesion.

### 1.2.7 HIV and AIDS

The Department participated actively in the South African National AIDS conference held in Durban in June 2011, and distributed leaflets and posters for its HCBC programme. It commemorated World AIDS day in Strydenburg in the Northern Cape, and 30 youths in Strydenburg and Upington were trained as facilitators for community dialogues.

### 1.2.8 Community-based services for children

The Department developed a directory of community-based services for children, which was launched by the Deputy Minister in June 2011. The directory identifies registered Non-Profit Organisations (NPOs) providing services to vulnerable children in each district in all provinces. Each province has its own directory, which is available on CD-ROMs and can also be accessed via the Department's website and text messaging system.



### 1.2.9 Community Outreach

The Department's Sustainable Livelihoods programme successfully organised a Taking the DSD to Communities campaign as well as a Social Development Outreach Month, which reached 18 communities. About 2 520 communities and 224 145 households were profiled, and 596 316 individuals were referred to relevant government departments for appropriate interventions. Food parcels were distributed via soup kitchens and Food Banks to more than 1 million people.

### 1.2.10 Special Projects Office

The Department's Special Projects Office continued to serve as the innovation hub and leading implementation unit for the Social Sector Expanded Public Works Programme. A total of 152 109 jobs were created, exceeded the annual target of 132 000.

## 1.3 Major projects undertaken or completed

### 1.3.1 Impact assessment

The Department completed an impact assessment of the CSG. The assessment revealed that the grant reduces poverty and vulnerability and has other positive impacts, such as higher rates of school enrolment and academic performance. It also promotes human capital development, and helps to reduce the historical legacy of inequality.

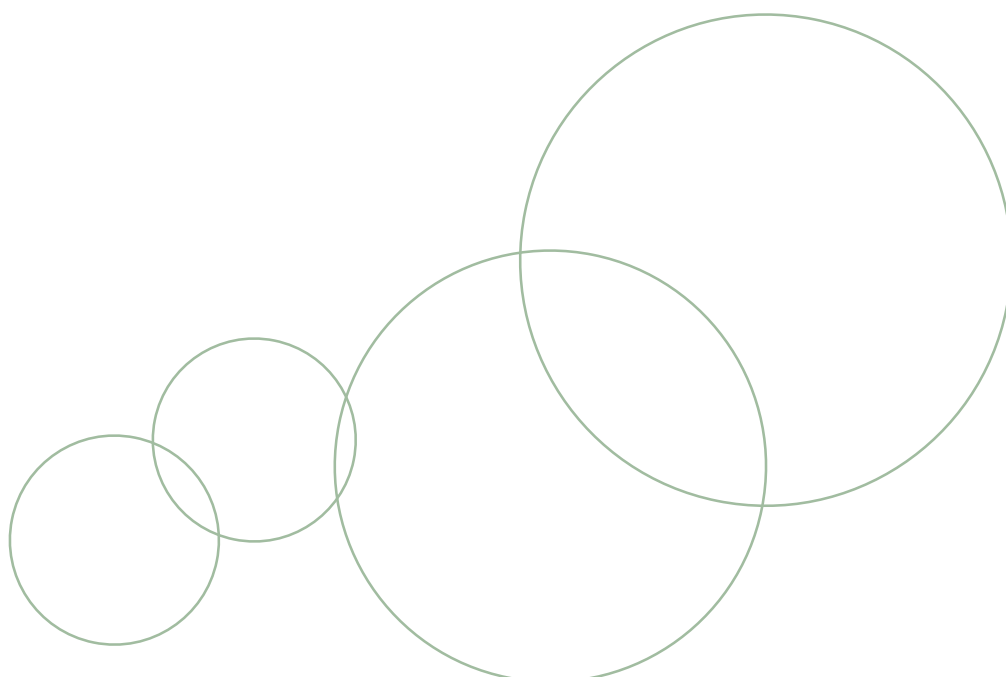
### 1.3.2 Scholarships and training

The Department awarded social work scholarships to 918 students. Various departmental units organised 115 courses, which were attended by 429 officials. The Department also provided financial aid to 95 employees pursuing their studies at various tertiary institutions.

The Education, Training and Development Practice Sector Education Training Authority (ETDSETA) approved the curriculum for the Masupatsela Youth Pioneer programme at NQF level 5. This will enable the 1 099 Masupatsela Youth Pioneers to obtain a qualification upon completing the programme.

The Department's HIV and AIDS unit developed a skills development programme on psychosocial support for community caregivers which was registered with the Health and Welfare Sector Training Authority (HWSETA).

The Department also completed a policy framework in respect of the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997), which explains the latest amendments to the Act and sets out the mechanisms needed to maintain an effective NPO regulatory framework.



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## 1.4 Spending trends

The following table summarises expenditure per programme in the 2011/12 financial year, compared with expenditure in the 2010/11 financial year.

	2011/12				2010/11	
	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
<b>Appropriation per programme</b>						
1. Administration	244 600	243 976	624	99,7%	236 324	226 581
2. Social Assistance	97 103 213	95 972 987	1 130 226	98,8%	89 368 151	87 492 906
3. Social Security Policy and Administration	6 237 049	6 228 295	8 754	99,9%	5 782 005	5 768 082
4. Welfare Services Policy Development and Implementation Support	451 752	449 066	2 686	99,4%	403 661	399 151
5. Social Policy and Integrated Development	247 273	244 858	2 415	99,02%	150 920	144 310
<b>Total</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>1 144 705</b>	<b>98,9%</b>	<b>95 941 061</b>	<b>94 031 030</b>
<b>Appropriation per economic classification</b>						
<b>Current payments</b>						
Compensation of employees	276 657	273 567	3 090	98,9%	254 939	246 980
Goods and services	257 742	249 530	8 212	96,8%	273 638	253 508
Interest on rent and land	–	24	(24)	–	–	45
<b>Transfers &amp; subsidies</b>						
Departmental agencies and accounts	6 549 017	6 549 017	–	100,0%	5 940 856	5 940 856
Foreign governments & international organisations	2 473	2 244	229	90,7%	1 809	1 509
Non-profit institutions	74 829	72 143	2 686	96,4%	65 636	63 780
Households	97 104 609	95 964 528	1 140 081	98,8%	89 394 036	87 517 993
Gifts and donations	–	–	–	–	–	–
<b>Payment for capital assets</b>						
Machinery & equipment	17 495	16 920	575	96,7%	9 695	5 881
Software & other intangible assets	1 065	991	74	93,1%	452	292
<b>Payment for financial assets</b>	–	10 218	(10 218)	–	–	186
<b>Total</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>1 144 705</b>	<b>98,9%</b>	<b>95 941 061</b>	<b>94 031 030</b>

The Department spent 98,9 per cent of voted funds in the 2011/12 financial year, against 99,0 per cent in the 2010/11 financial year. The initial budget allocation was R104,733 billion. This included large transfers for SASSA and the National Development Agency (NDA).

Under the 2011 Adjusted Estimates of National Expenditure, an amount of R8,190 million was received for general salary adjustments, and an amount of R457 million was declared as projected underspending on social assistance, largely due to the lower than expected uptake of social grants. The final budget allocation for the 2011/12 financial year was R104,284 billion.

#### 1.4.1 Reasons for underspending

*Programme 1: Administration* reflects underexpenditure of R624 million, mainly due to normal staff turnover in the course of the financial year.

*Programme 2: Social Assistance* reflects underexpenditure of R1,130 billion, mainly due to lower than expected uptake of social grants.

*Programme 3: Social Security Policy and Administration* reflects underexpenditure of R8,754 million, mainly due to delays in completing certain projects.

*Programme 4: Welfare Services Policy Development and Implementation Support* reflects underexpenditure of R2,686 million, mainly due to approved transfers to the South African National Council against Alcohol Abuse and Drug Dependency (SANCA), the National Association of Burial Societies of South Africa (NABSSA), and Victim Empowerment Organisations not being made before end March 2012.

*Programme 5: Social Policy and Integrated Service Delivery* reflects underexpenditure of R2,415 million, mainly due to funded vacancies and related operational costs.

#### 1.4.2 Impact on programmes and service delivery

As reflected above, the Department spent 98,9 per cent of its budget for the 2011/12 financial year.

It has requested the roll-over of R7,887 million of the unspent funds on Goods and Services and Transfers and Subsidies to the 2012/13 financial year. This amount will be utilised to finalise projects started in the 2011/12 financial year, and to make outstanding payments to organisations.

#### 1.4.3 Actions taken or planned to avoid recurrence

The Department continued to monitor its spending trends on a monthly basis, and to implement the cost-saving measures started in the 2009/10 financial year.

It reduced the staff vacancy rate from more than 20 per cent at the start of the 2008/09 financial year to about 5 per cent by the end of the 2011/12 financial year. All posts vital to service delivery were filled.

Projections of growth in social grant uptakes are done in collaboration with SASSA.

#### 1.5 Virements

At the end of the 2011/12 financial year, the following virements were effected:

##### 1.5.1 Per main division

*Programme 1 – Administration:* An amount of R4,3 million was shifted to Programme 1 from Programme 3 to fund the standardisation of computer equipment and software and the upgrading of boardrooms.

*Programme 3 – Social Security Policy and Administration:* An amount of R7,5 million was shifted from this Programme to Programmes 1,4 and 5.

*Programme 4 – Welfare Services Policy Development and Implementation Support:* An amount of R2,135 million was shifted to this Programme from Programme 3 to fund the ECD Conference held in March 2012.

*Programme 5 – Social Policy and Integrated Development:* An amount of R1,065 million was shifted to this Programme from Programme 3 to partly fund the approved transfer of R5 million to the Food Bank in March 2012.

##### 1.5.2 Per economic classification

*Compensation of employees:* An amount of R3,235 million was shifted from Compensation of Employees to partly fund the shortfall on Payment of Capital Assets.

*Goods and services:* An amount of R7,226 million was shifted from Goods and Services to partly fund the transfer of R5 million to the Food Bank before end March 2012, as well as leave gratuities paid to employees during the 2011/12 financial year.

*Transfers and subsidies:* Approval was obtained from the National Treasury to transfer R5 million to the Food Bank in the 2011/12 financial year.

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*Payment for capital assets:* An amount of R4,333 million was shifted to Payment for Capital Assets from Compensation of Employees and Goods and Services to fund the standardisation of computer equipment and software as well as the refurbishment of boardrooms.

## 1.6 Services rendered by the Department

The Department is responsible for:

- Developing policies and strategies in respect of comprehensive social security, social welfare, and community development.
- Social policy co-ordination and development within government and other sectors of society.
- Population and development research and integration across government departments.
- Leading strategic planning processes in the Social Development Sector.
- Monitoring and evaluating social development programmes.
- Supporting policy implementation in the Social Development Sector.

## 1.7 Inventories

The only inventory kept by the Department is an inventory of stationery to the book value of R1 267 570,71 as at 31 March 2012. This stationery is stored at the Department's offices in the HSRC Building at 134 Pretorius Street, Pretoria.

## 1.8 Capacity constraints

The Department made significant progress with filling vacant posts, and reduced the vacancy rate from 8 per cent to 5,2 per cent. By the end of the financial year, only 41 of 793 posts were vacant.

A Five-Year Human Resources Plan was developed and approved by the Minister, and significant progress was made in implementing it. The Plan was due to be reviewed in mid-2012. It partly involves changing the Department's organisational structure in order to ensure that its functions are aligned with the government's new outcomes-based approach as well as the Minister's priorities. The proposed changes have been submitted to the Minister for consideration. Additional posts needed for this restructuring will be filled on a priority basis.

As part of the alignment process, some contract posts were converted to permanent posts. This was approved by the Minister, and the posts were to be filled during the 2012/13 financial year.

A three-year wellness strategy, aligned with the Employee Health and Wellness (EHW) Strategic Framework for the Public Service developed by the Department of Public Service and Administration (DPSA), was developed and approved. Some 25 per cent of the programme activities were implemented, including:

The first ever Departmental Sports Day;

Two Wellness Days during which 328 officials had their blood pressure, glucose levels and cholesterol levels checked, and officials were encouraged to adopt healthier lifestyles;

A World AIDS Day commemoration, which helped to increase awareness OF HIV / AIDS among officials;

Gender dialogues, where officials were encouraged to discuss gender issues affecting them on a daily basis; and

- Routine counselling to officials experiencing challenges that impacted on their productivity and wellbeing.

Occupations in the Population and Development and Monitoring and Evaluation functional areas were regraded in order to remedy inconsistencies and ensure uniformity with the rest of the Social Development Sector. Job descriptions for both functional areas were completed, but had to be revisited in line with the expectations of the sector.

The Department developed and implemented a Work Place Skills Plan as required by the Skills Development Act, 1998 (Act No. 97 of 1998). The unit co-ordinated 115 courses and programmes, which were attended by 429 officials. An total of R3 955 944,15 was spent on training, including bursaries, exceeding the minimum requirement of 1 per cent of the Department's total expenditure on personnel (amounting to R2 678 220) under the Skills Development Act.

A total of 95 officials pursuing their studies in various fields benefited from Departmental bursaries. The Department also continued its successful internship programme, taking in 53 interns in the course of the year. Many of them secured permanent jobs in the Department and elsewhere in the government sector.

The Department continued to implement its Performance Management and Development System (PMDS), comprising

performance agreements, work plans, mid-term reviews, and annual performance appraisals.

Social dialogue with trade unions is entrenched in the Department and the Sector. Both the Bargaining Council and National Chamber are operating effectively, and the Council concluded four collective agreements. Harmonious labour relations resulted from a number of initiatives, including building the capacity of participants. Labour relations within the Department also remained sound; 95 per cent of misconduct cases were finalised within three months and all grievances except those with phased mediation process were finalised within 30 days.

### 1.9 Other material matters

In 2010/11 the Attorney-General of South Africa (AGSA) reported that the Departmental Accounting Officer had not always instituted an investigation within 30 days from the date of discovery of possible financial misconduct as required by Treasury Regulation 4.1. As a result, fruitless and wasteful expenditure of R67 000 and irregular expenditure of R1 322 000 during the 2009/10 financial year were only reported in the 2010/11 financial year. In the latter year, 286 cases of possible financial misconduct were identified. Of those, 154 were investigated, and some were presented to the Loss Control Committee.

The office of the Chief Financial Officer conducted workshops with the units involved to identify the root causes and help them introduce effective controls. The root causes of financial misconduct and gaps in financial policies were identified and addressed, and the Department began a review of all financial management policies.

It was discovered that some Departmental units did not always adhere to supply chain management regulations. Certain suppliers had not completed standard bidding documents, but were required to submit them later. Moreover, it was found that a deputy director and administrative officer had conducted business with organs of state without obtaining the necessary approval from the

accounting officer. These cases were referred to Labour Relations for further investigation.

## 2. Utilisation of donor funds

### 2.1 United Nations Children's Fund (UNICEF)

*Purpose: Prevention and Early Intervention programmes aligned with Chapter 8 of the Children's Act.*

Activity 1: Edit, design and layout of advocacy document for Prevention and Early Intervention Programmes in South Africa; edit, design and layout of Guidelines for Prevention and Early Intervention Programmes; Editing of Guidelines for the Prevention of and Response to Child Exploitation.

Progress: All three documents were edited and laid out. Project closed.

Budget: R150 000.

Activity 2: Development of effective risk and safety assessment tools for social workers, to be incorporated into standardised training and integrated into the broader social services training curriculum.

Progress: Phase 1: An inception report, an audit review on relevant national and international risk and safety assessment training materials and tools, and a report on the findings have all been completed. Budget: R371 829,48.

Phase 2: Development of risk and safety assessment tool(s) and training material, aligned with CPD formats and facilitation of accreditation. At year end UNICEF had not finalised the budget.

Phase 3: Test the training tools in at least one province. Update and finalise the tool(s) and training/facilitators' manual. Estimated budget: R400 000 (for phase 2 and 3).

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## Additional projects funded by UNICEF

Project	Purpose	Activity	Progress	Budget
Cluster Foster Care	To provide technical support to the recommended cluster schemes in the three provinces	Test norms and standards for cluster foster care schemes	Project completed; first report submitted in December 2011	R432 000
Assessment tool for children in alternative care	Review the current developmental assessment tool, develop a standardised tool, and recommend a process for assessing all children in alternative care. The assessment tool will inform care plans, individual development plans, developmental plans and/ or permanency plans, and provide a basis for monitoring and supporting children in alternative care.	Develop assessment tool for the children in alternative care	A service provider was appointed in December 2011 and was due to start work in January 2012	R400 000
Master training on the assessment tool	To roll out the tool and process that can be uniformly applied to all children in alternative care and that will ensure compliance with legislative requirements for continuum of care	Train master trainers from all nine provinces who will, in turn, train relevant implementing agencies providing alternative care to children in need of care and protection	The service provider was appointed in December 2011.	R160 000
Audit of unregistered child and youth care centres	To provide information on why these facilities are not registered, how they are resourced, managed and sustained, and whether there are any programmes in place for the children in those facilities	To administer a questionnaire (data collection tool) and to conduct in-depth interviews with the staff as well as children in those facilities	Training of field workers was completed on 13/01/2011. Data collection was due to start in January 2012	R880 000

## 2.2 United States Agency for International Development (USAID)

*Activity 1: Develop Implementation Plan for improved response to Child Abuse, Neglect and Exploitation (CANE), and train 160 master trainers.*

Progress: Officials from six provinces trained on the costing tool; costing tool finalised on a national and provincial level. Initial approval of the costing tool obtained from the CFO Forum. Project closed October 2011. Expenditure in 2011/2012: R704 821 92

*Activity 2: Develop a conceptual framework for training social work professions in child protection.*

Contract date: 1 October 2011–30 September 2012 (Phase 1).

Progress: Rapid assessment conducted and draft report compiled. Database developed for prospective training service providers. Budget: R3 558 945. Expenditure up to 31 March 2012: R1 156 657

Planning: Rapid assessment report and national consultative workshop; development of conceptual framework.



**Additional HIV & AIDS projects funded by USAID**

Project	Time frame	Funds committed
Production, launch and distribution of the children services directory	April–June 2011	R928 754
NACCA Research Dissemination workshop	02–03 June 2011	
Contract data capturers	May 2011–September 2011	R22 000
Establishment of helpdesk for the HCBC IT system	June 2011–November 2011	R60 000
Development of social and behaviour change strategy – consultative workshop	April–Dec 2011  20–24 June 2011	R700 000
Thogomelo - training of community caregivers on psychosocial wellbeing; development of curriculum; training of supervisors	5 years, currently in year 4	R12 million
Support for the NAP and HCBC reporting system	Jan–March 2012	R447 816 61

**2.3 Canadian International Development Agency (CIDA)**

*Improved response to child abuse, neglect and exploitation (CANE).*

Budget: R4 516 000. Expenditure: R1,8 million on salaries; R1,9 million on transfers to Child Welfare Canada for work on the child register. Other expenditure to the amount of R441 000 was on day-to-day activities such as travel.

**2.4 Health and Welfare SETA**

*Discretionary funding for training participants working in protective workshops. Funding utilised: R1,8 million.*

The Health and Welfare Sector Education and Training Authority (HWSETA) offered funding to the Chief Directorate: Population and Development for the rollout of an integrated HIV & AIDS and TB management course and its subsequent evaluation. The course is aimed at enhancing the capacity of managers, policy-makers and planners in government and civil society to integrate the demographic and developmental impact of HIV / AIDS into plans, programmes and policies.

Total funding allocated to the project was R3,8 million, comprising R1,8 million for facilitating training in the 2011/12, and R2 million for evaluating the course in 2012/13.

A total of 32 training courses were rolled out between May and September 2011 to 706 participants in all the provinces. During the fourth quarter, a service provider, NICDAM, was appointed conduct a comprehensive evaluation of capacity-building in respects of HIV and AIDS in South Africa as well as the region. This included an evaluation of the Integrated HIV & AIDS and TB Management Course in 2012/13.

In 2011/12, payments to PALAMA for training (registration fees) amounted to R1 070 040, and funding of venues and catering to R473 006,10. Total expenditure was R1 543 646,10.

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## 2.5 Japan International Cooperation Agency (JICA)

Technical support (Donation in kind): R5 356 321

JICA's contribution to the Department during the financial year under review was as follows:

Contribution	Amount (R)
4 DSD officials trained in Japan	410 000
10 donated vehicles	* 4 581 378
Designing poster and banner	53 950
Translation of comic book	8 744
1 banner	1 362
Printing of comic book and banner	147 356
Printing of Z card	153 530
<b>Total</b>	<b>5 356 321</b>

## 2.6 United Nations Population Fund (UNFPA)

*Support for Population and Development activities as part of the UNFPA Country Programme*

The UNFPA offered donations in kind to support Population and Development activities in the year 2011/12. This formed part of its Country Programme of Support to the Government of South Africa. The Department utilised this to increase capacity for implementing population policy at the local level. Implementing partners included the Nelson Mandela Bay Metropolitan University, North West University, the University of KwaZulu Natal, and the Provincial Population Units.

Planned activities	Actual Outputs	Budget
PED in IDP Training	A PED in IDP course was held in Port Elizabeth on 28 Nov–2 Dec 2011. IT was attended by 42 IDP practitioners from all three spheres of government	R150 000
Pan African Population and climate change training course	Short course curriculum developed	R400 000

\* The vehicles donated were one for National and one per Province. In the Annual Financial statements of the Department, only the vehicle for the National Department is recorded.

Planned activities	Actual Outputs	Budget
APSTAR Capacity Building Programme at the University of KwaZulu Natal	Support for the evaluation of APSTAR and the drafting of a report.	R270 000
Continuation of the NWU Partnership initiative towards a Centre of Excellence in Population and Demography studies	Four study guides were developed. A marketing plan was developed for the new population study initiatives at NWU (a bachelor's degree, a post-graduate diploma and a master's degree)	R140 000

## 3. Trading entities and public entities

### 3.1 The National Development Agency (NDA)

Despite shortfalls in its budget, the NDA funded various community-based projects involving food security, ECD, and CSO capacity-building. The last-named was aimed at unlocking the potential of CSOs to implement development projects in poor communities.

Capacity-building remains the most important aspect of the NDA's work. In partnership with its stakeholders, it has implemented a comprehensive capacity-building programme focusing on organisations that support vulnerable groups, particularly women affected by gender-based violence, children, and orphans.

The NDA disbursed R83 million in project funding, and approved 53 projects valued at R78 million. Furthermore, R10,2 million was spent on capacity-building in respect of projects involving ECD, vulnerable groups, and rural development. These interventions ensured that CSOs not only received seed funding, but were also empowered with the skills they need to implement and sustain projects.

### 3.2 The South African Social Security Agency (SASSA)

SASSA was established in terms of the South African Social Security Agency Act, 2004 (Act No. 9 of 2004), and is classified as a Schedule 3A National Public Entity in terms of the Public Finance Management Act, 1999 (No. 29 of 1999) as amended. SASSA's mandate is to manage, administer, and disburse social assistance.

SASSA's priorities for 2011/12 were to continue disbursing social assistance; introduce a new service delivery model and a new payment system; improve conditions at pay points; and reduce litigation. All these priorities were actively addressed.

### 3.2.1 Social assistance

Social grants disbursed by SASSA increased from 14 935 832 in 2010/11 to 15 595 705 in 2011/12 – an increase of 4,42 per cent. The total for 2011/12 represents 99,9 per cent of its target of 15 774 162.

A total of 1 249 beneficiaries made use of alternative identity documents to apply for and access social grants, as permitted by regulation 11(1) of the Social Assistance Act (Act No. 13 of 2004).

CSG beneficiaries increased by 555 781, largely due to the age limit being extended to age 18. The number of CSG beneficiaries in the 15 to 18 age cohort increased by 420 457.

An Internal Review Mechanism (IRM) was introduced in terms of which SASSA reviews decisions to reject grant applications before they are referred to the Appeals Tribunal. A total of 9 548 of 11 842 cases were reviewed within 90 days.

### 3.2.2 New service delivery model

In the year under review, SASSA began to implement the new Service Delivery Model (SDM) developed in the 2011/2012 financial year. It is aimed at streamlining business processes, largely by automating previously manual systems, thereby improving services to clients and maximising value for money. The major area of focus in the year under review was to standardise business processes at the local office level where SASSA interacts with its clients. By 31 March 2012 a total of 4 154 operational staff had been trained, and 123 local offices were implementing the standardised business processes.

### 3.2.3 New payment system

SASSA also finalised a new biometric payment system for introduction in the new financial year. Beneficiaries will be re-registered after being identified via fingerprints, voice prints and photographs. Benefits will be loaded on smart payments cards which could be used at a wide variety of pay points. Benefits will need to be activated with live voice calls. This will streamline the payment process and reduce or eliminate duplicated or fraudulent payouts, saving the Agency up to R800 million a year.

### 3.2.4 Improved conditions at pay points

The Agency acknowledges that it needs to treat its clients, including elderly people, in the most humane way possible, and therefore needs to create a customer-centric environment. To this end, a total of 370 pay points were improved at a cost of R14,2 million.

### 3.2.5 Litigation

Following the introduction of a new litigation strategy, litigation cases were reduced to 1 944, down from 61 498 in 2006. This represents a 96,8 per cent reduction in litigation cases over the past four years.

### 3.2.6 Increased access to social security

SASSA implemented an Improved Community Registration Outreach Programme (ICROP), aimed at increasing access and ensuring equitable access to social assistance, especially in rural and semi-rural areas. ICROP vehicles with specialised staff were stationed at 675 locations in 120 municipalities throughout the country, resulting in the registration of 72 425 new beneficiaries. A total of 3 766 households experiencing undue hardships were provided with temporary relief in the form of food vouchers, food parcels, and other forms of assistance.

## 4. Relief Fund Boards

The Department manages four funds established under the Fund Raising Act, 1978 (No.107 of 1978), as amended. They are briefly described below.

### 4.1 Refugee Relief Fund

This fund renders such assistance as deemed fair and reasonable by its Board to refugees.

### 4.2 Social Relief Fund

This fund renders such assistance as deemed fair and reasonable by its Board to people with psychosocial problems, people experiencing other forms of distress, and victims of violence.

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## 4.3 State President's Fund

This fund renders such assistance as deemed fair and reasonable by its Board to the victims of any act of terrorism in respect of medical treatment and rehabilitation; and victims and their dependants who suffer financial hardship or financial distress caused directly or indirectly by any act of terrorism.

## 4.4 Disaster Relief Fund

This fund renders such assistance as deemed fair and reasonable by its Board to people and organisations who have suffered damage or loss as a result of a disaster. It is currently the only active fund.

The National Lotteries Board pledged R50 million to assist poor communities affected by floods, and an initial tranche of R35 million was transferred to the Fund on 23 March 2011. A total of R22 million was disbursed to 6 567 flood victims across eight provinces (excluding the Western Cape) declared as disaster areas under the Disaster Management, 2002 (Act No.57 of 2002) and the Fund Raising Act. Each affected household received R3 420 and two blankets.

## 4.5 Reforming social relief

Despite the drafting of a Social Relief Bill, the latest policy proposal is to repeal the Fund Raising Act, 1978 (Act No. 107 of 1978), dissolve the boards, and provide for social relief, including disaster relief, under the Social Assistance Act.

The reasoning behind this proposal is that the Social Assistance Act provides adequate short-term relief and is sufficiently broad to allow other forms of relief which the Minister could stipulate in the regulations, and that it would be beneficial for all forms of social relief to fall under one act.

A memorandum to this effect has been submitted to the Minister. It also proposes that all forms of social relief be disbursed by SASSA, which has the necessary infrastructure and systems and a national footprint.

## 5. CARA Funds

The CARA funds account was stagnant during the year under review, as no projects were undertaken. The closing balance was R359 000, the same as the closing balance in the previous financial year.

## 6. Organisations to which transfer payments were made

### 6.1 Transfers to provinces

No transfers were made to provinces during the 2011/12 financial year.

### 6.2 Transfers to local government

No transfers were made to local government during the 2011/12 financial year.

### 6.3 Transfers to households

An amount of R95 964 528 million was transferred to households during the 2011/12 financial year.

### 6.4 Transfers to departmental agencies and accounts

A total of R6 549 017 million was transferred to public entities and student financial aid schemes during the 2011/12 financial year. Transfers were as follows:

National Development Agency	R161 360 000
National Student Financial Aid Scheme	R244 000
South African Social Security Agency	R6 143 657 000

## 6.5 Transfers to NGOs, other entities and civil society

A total of R72,143 million was transferred to NGOs and other entities during the 2011/12 financial year.

## 6.6 Transfers to universities and technikons

No transfers were made to Universities during the 2011/12 financial year.

## 6.7 Transfers to foreign governments and international organisations

A total of R2,244 million was transferred to international organisations during the 2011/12 financial year.

## 7. Corporate governance

The Director-General exercises overall authority over the Department. The Director-General is assisted by a team of senior managers. The Department is managed in a way which provides reasonable assurance that:

- Data and information published either internally or externally is accurate, relevant, reliable, credible and timely.
- The actions of managers and other employees comply with the Department's policies, standards, plans and procedures as well as relevant laws and regulations.
- Resources are acquired economically and employed effectively and efficiently.
- Quality business processes and continuous improvement are emphasised.
- The Fraud Prevention Strategy is implemented throughout the Department.
- The Department's plans, programmes, goals, and objectives are achieved.
- The risk management policy, framework and strategy is implemented throughout the Department, and an annual risk assessment is completed for all units.
- The risk register is regularly monitored, and progress is reported to the Department's executive and audit committees.

## 7.1 Effectiveness of governance structures

Various governance structures have been introduced to ensure adherence to legislative and policy prescripts. While other forums and structures are in place within specific programmes, the following structure have helped to ensure that the Department's overarching strategic objectives are achieved:

The *Executive Committee (EXCO)* deal with issues surrounding performance, strategy, the Social Cluster, the Cabinet, and parliament.

The *Bid Evaluation Committee* and *Bid Adjudication Committee* play central roles in evaluating and adjudicating tenders.

The *Management Committee (MANCO)* deals with key strategic and policy issues.

The *Budget Committee* deals with the Department's budget and other financial issues.

The *Policy Forum* is a forum for consultation. Experts are also invited to share their knowledge and experience with the Department.

The *Heads of Social Development (HSD)* is a forum comprising the director-general and heads of departments. It considers sectoral issues, and reports to MINMEC. It is regarded as a technical committee falling under MinMec.

*MINMEC* is a forum comprising the Minister of Social Development as well as Members of Executive Councils in the various provinces dealing with social development. It takes final decisions in respect of the Social Development Sector.

The *Risk Management Committee* assists the accounting officer in discharging his responsibilities for enterprise risk management and associated matters.

Other important Departmental structures include the Audit Committee, the Asset Management Committee, the Moderating Committee, the Loss Control Committee, and the Audit Steering Committee.

# Report of the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

for the year ended 31 March 2012

## 7.1.1 The Audit Committee

The Accounting Officer continued to maintain an internal audit system under the direction of an Audit Committee, as prescribed by National Treasury regulations and the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended. The Audit Committee met four times during the year under review to consider issues surrounding internal audits as well as risk management, risk control, and good governance.

## 7.1.2 Audit Planning

An audit plan detailing the audits to be conducted during the 2011/12 financial year was drawn up. It reflected the perceived risks associated with each Departmental activity. All audits complied with recognised auditing standards as well as the Audit Charter. The audit plan was submitted to the Audit Committee for review and approval.

## 7.1.3 Reporting

Following each audit, a formal report was compiled which recorded the audit findings, drew conclusions, and made recommendations. The reports were distributed among relevant managers who were asked to confirm their accuracy and respond to issues involving their units.

## 8. Departmental activities

### 8.1 Discontinued activities

No activities were discontinued or earmarked for discontinuation during the year under review.

### 8.2 New functions

The Department is planning a new function for dealing with business continuity plans and the co-ordination of disaster management. It forms part of the proposed new organisational structure which is awaiting the Minister's approval.

## 9. Asset management

### 9.1 Asset register

All newly acquired assets were recorded on the asset register on a monthly basis, and reconciled with the General Ledger. This system meets the minimum requirements prescribed by the National Treasury. It produces management reports which

assist in detecting discrepancies. Opportunities for enhancing the current asset management system are limited. As a result, the Department is in the process of migrating its assets to the LOGIS system supported by the National Treasury. The migration will be completed in the 2012/2013 financial year.

### 9.2 Asset management unit and asset management teams

The Department's asset management function was affected by staff turnover, and contract workers were utilised to support the unit. All newly acquired assets were reconciled with the general ledger on a monthly basis. An Asset Management Committee was established to oversee the procurement of assets in line with the Department's asset management policy. Its terms of reference provide for the appointment of a disposal committee to dispose of assets as and when the need arises. During the period under review, the Department disposed of redundant furniture by donating them to schools in deprived areas.

### 9.3 Compliance with minimum requirements

The Department complies with the minimum requirements for asset management prescribed by the National Treasury.

### 9.4 Compliance with Asset Management Reform (AMR) milestones

The approved asset management policy and asset management strategy have been fully implemented.

## 10. Events after the reporting date

No material events occurred after the reporting date.

## 11. Performance information

The Department worked to develop two levels of performance information: institutional performance and individual performance. The first level involves data on the performance of the Department and its implementing partners as measured against its mandate and stated development objectives. It is used to improve service delivery and provide evidence of the impacts of policy and services on the Department's clients. This function is managed by the Chief



Directorate Monitoring and Evaluation. Key tools are quarterly performance reports, quarterly reviews, and evaluation reports of Departmental strategies.

Programme performance reviews are presided over by the Accounting Officer during Executive Committee (EXCO) meetings, and serve as a means for assessing performance against the targets set out in the Strategic Plan. The reviews also serve to identify areas requiring intervention, and indicate how potential obstacles to service delivery should be addressed. The reports are sent to the National Treasury, which also submits them to the Department of Performance Monitoring and Evaluation. The Department continues to identify ways of improving institutional performance, which will be scaled up over the current MTEF period.

Individual performance assessments are utilised to assess individual performance. The Department's Strategic Plan informs the Director-General's performance agreement, which is cascaded down to Deputy Directors-General and other management levels to the lowest staffing level. This chain is also outlined in the Department's Performance Management and Development Policy. Senior managers and other staff are required to report on progress made with implementing their performance agreements and work plans on a quarterly basis. This tracks progress made in

implementing the Department's Operational Plan, which supports the Strategic Plan. Annual performance appraisals are conducted from May each year for all staff. This includes a moderation process before the final approval of individual performance by delegated authorities. Performance results for senior managers are approved by the Minister.

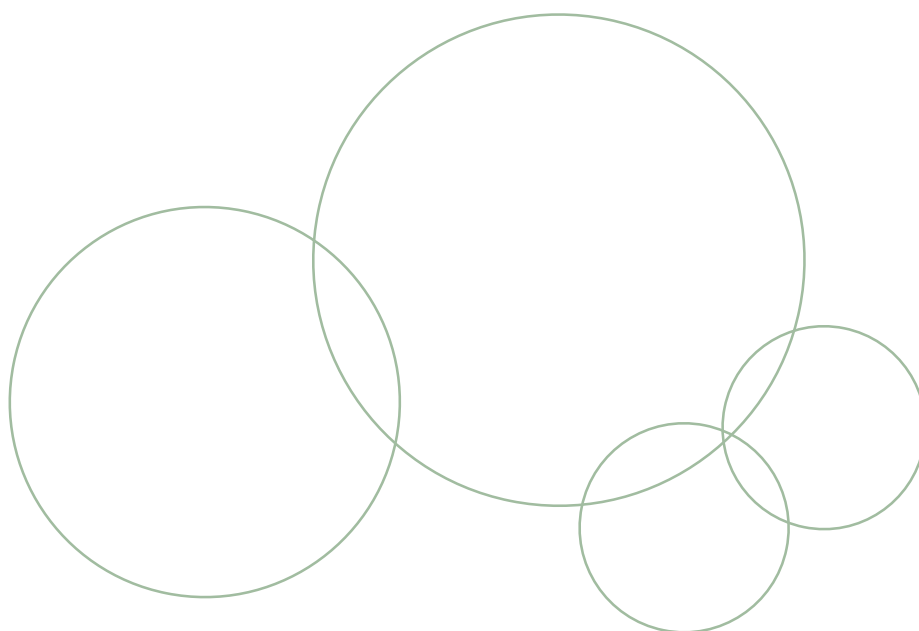
While these individual assessments are important, they are adjuncts to broader institutional assessments which helps to ensure that individual performance helps to improve the Department's institutional performance. Institutional performance data is an important benchmark against which individual performance is assessed.

## 12. SCOPA resolutions

No new resolutions relating to the 2010/11 audit were made by SCOPA during the year under review.

## 13. Public-private partnerships (PPP)

The Department did not enter into any PPP arrangements in the year under review.



# Report of the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

for the year ended 31 March 2012

## 14. Prior modifications of audit reports

Nature of qualification, disclaimer, adverse opinion, and matters of non-compliance	Financial year in which qualification first arose	Progress made in clearing / resolving the matter
<p>Material misstatements in the Department's financial statements were identified during the audit. These misstatements were not prevented or detected by the Department's internal control systems. These material misstatements also constitute non-compliance with the PFMA and the Social Assistance Act. They form the basis for the Auditor-General's qualified opinion on the financial statements of the Department.</p> <p>SASSA is an independent entity, but delivers social assistance on behalf of the Department. The Department should therefore monitor its performance.</p> <p>The Department should play a more central role in social assistance complementary to the functions performed by SASSA by implementing a specifically focused vehicle for the pooling of skills and knowledge.</p>	2010/2011	<p>SASSA developed and updated a detailed action plan for addressing the significant shortcomings within the registry management system. SASSA's CEO has reported significant progress against the plan through the Audit Committee. The DSD has been allocated an additional amount of R8 595 000 in the 2012 MTEF period for improving its oversight of entities. Among other things, capacity will be added to its internal audit unit to enable it to conduct audits of grants at SASSA. This additional activity has been included in the Annual Internal Audit Coverage Plan for the 2012/13 financial year which has been approved by management and the Audit Committee.</p> <p>SASSA has also begun to fill a number of vacant posts at its regional and local offices, which will address the capacity constraints within grant administration and in its registries. More than 1 000 posts will be filled in this process.</p>
<p>Given the work described in this report, and the significance of the matter(s) described in the Basis for adverse conclusion paragraph(s), the report on predetermined objectives is not a fair statement of actual achievements against predetermined objectives, in accordance with the predetermined criteria.</p>	2010/2011	<p>The Accounting Officer instructed all Programme Managers in the Department to attend a two-day session for correcting performance information. The session was held in Centurion in October. All Departmental programmes were presented. The Monitoring and Evaluation unit monitors and evaluates performance reports against output, indicators, targets and predetermined objectives as per the Strategic Plan, and confirms the adequacy of the supporting documents. It has enhanced its work by ensuring that each programme compiles quarterly performance reports with supporting evidence.</p>

## 15. Exemptions and deviations received from the National Treasury

The Department did not receive any exemptions from the PFMA or Treasury Regulations or permission to deviate from the financial reporting requirements for the current and/or prior financial year.

### 15.1 Interim financial statements

The Interim Financial Statements were submitted timeously to the National Treasury at end July 2011, end October 2011, end January 2012, and end April 2012. The Department also increased the capacity of the Directorate: Internal Audit to audit the Interim Financial Statements. The interim statements for October 2011, January 2012 and April 2012 were audited. The audits revealed challenges which were corrected before the Annual Financial Statements were compiled. The audit process therefore served as an early detection mechanism. The internal audit reports were discussed by the Audit Committee.

## 16. Other

There are no other material facts or circumstances that may affect the understanding of the financial state of affairs of the Department which are not addressed elsewhere in this report.

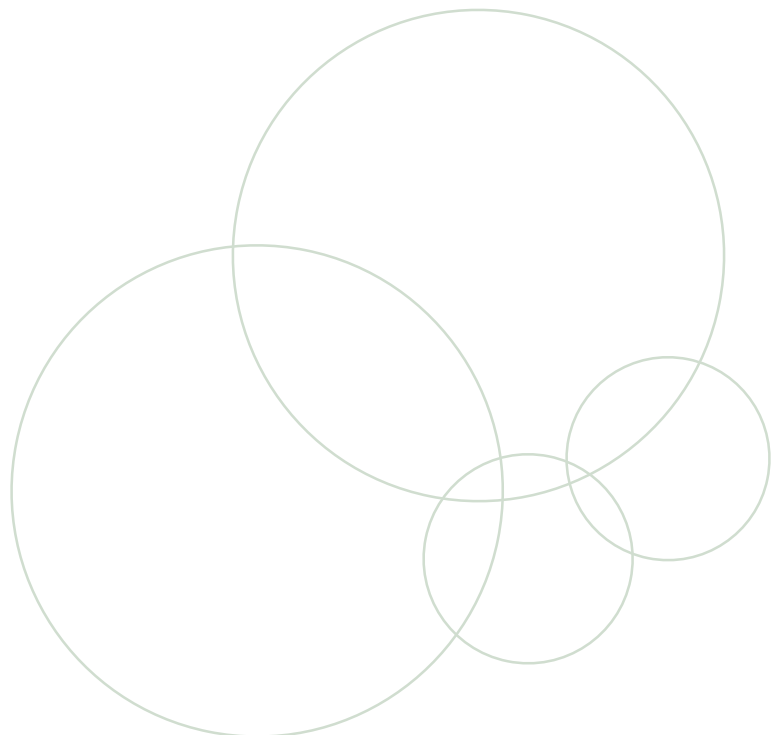
## 17. Approval

The Annual Financial Statements set out on pages 131 to 217 have been approved by the Accounting Officer.



**Mr V Madonsela**  
*Director-General*

Date: 31 May 2012



# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO.19: THE DEPARTMENT OF SOCIAL DEVELOPMENT

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the Department of Social Development set out on pages 131 to 172, which comprise the appropriation statements, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Social Development as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA.

### Additional matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Unaudited supplementary schedules

8. The supplementary information set out on pages 173 to 179 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### Financial reporting framework

9. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

11. I performed procedures to obtain evidence about the usefulness and reliability of the information in the report on predetermined objectives as set out on pages “Programme 1: Administration” on page 24 to 106 of the annual report.
12. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

13. There were no material findings on the report on predetermined objectives concerning the usefulness and reliability of the information.

### Additional matters

14. Although no material findings concerning the usefulness and reliability of the performance information was identified in the report on predetermined objectives, I draw attention to the following matters below.

### Achievement of planned targets

15. Of the 217 total number of planned targets, 99 were not achieved during the year under review. This represents 46% of total planned targets that were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.

### Material adjustments to the report on predetermined objectives

16. Material misstatements (29% Programme 4: Welfare Service Policy Development and Implementation Support) in the report on predetermined objectives were identified during the audit, all of which were corrected by management.

### Compliance with laws and regulations

17. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

### Procurement and contract management

18. Sufficient appropriate audit evidence could not be obtained that awards were only made to suppliers who submitted a declaration of past supply chain practices such as fraud, abuse of the supply chain management system and non-performance, which is prescribed in Practice Note Number SCM 4 of 2006 in order to comply with Treasury Regulation 16A9.1.
19. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded only to bidders who submitted a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulation 16A8.4.

## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO.19: THE DEPARTMENT OF SOCIAL DEVELOPMENT

### Expenditure management

20. Effective and appropriate disciplinary steps were not taken against officials who made and/or permitted irregular expenditure and fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA and Treasury Regulation 9.1.3.

### Transfer of funds

21. Social assistance grants were paid to beneficiaries that did not always comply with the requirements of the Social Assistance Act, 2004 (Act No.13 of 2004) and its most recent regulations.

### Internal control

22. I considered internal control relevant to my audit of the financial statements, report on predetermined objectives and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the finding on the report on predetermined objectives and the finding on compliance with laws and regulations included in this report.

### Leadership

23. Insufficient oversight responsibility was exercised regarding performance reporting and compliance and related internal controls. There were also insufficient procedures in place to enable and support understanding and execution of internal control objectives, processes and responsibilities regarding accurate, valid and complete performance reporting.

### Financial and performance management

24. Proper record keeping was not always implemented in a timely manner to ensure compliance with applicable laws and regulations. Regular, accurate and complete performance reports that are supported and evidenced by reliable information were not prepared in all instances. Compliance with applicable laws and regulations was not always reviewed and monitored.

### Governance

25. Internal control deficiencies regarding performance reporting and compliance with applicable laws and regulations were not identified and communicated in a timely manner to allow for corrective action to be taken.

### OTHER REPORTS

#### Investigations

26. Investigations were conducted by internal audit on request of the South African Social Security Agency. The investigations were initiated based on the following allegations:
- Suspected irregularities in processing of certain beneficiaries.
  - Payment claims by doctors for medical assessments that were not conducted.
  - Beneficiaries on the system that do not qualify for the grant or use fraudulent documents to apply for a grant.

All the above investigations were still ongoing at the date of this report.

### PERFORMANCE AUDIT

27. During the year under review, a performance audit was conducted on the readiness of government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The audit is currently in the reporting phase and the findings will be reported on in a separate report.

*Auditor-General*

Pretoria

31 July 2012





# Appropriation Statement

for the year ended 31 March 2012

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>1. ADMINISTRATION</b>								
Current payment	235 338	(2 875)	232 463	231 662	801	99,7%	231 143	223 347
Transfers and subsidies	–	194	194	191	3	98,5%	41	41
Payment for capital assets	4 962	6 981	11 943	11 811	132	98,9%	5 140	3 032
Payment for financial assets	–	–	–	312	(312)	–	–	161
	<b>240 300</b>	<b>4 300</b>	<b>244 600</b>	<b>243 976</b>	<b>624</b>		<b>236 324</b>	<b>226 581</b>
<b>2. SOCIAL ASSISTANCE</b>								
Transfers and subsidies	97 103 213	–	97 103 213	95 963 142	1 140 071	98,8%	89 368 151	87 492 906
Payment for financial assets	–	–	–	9 845	(9 845)	–	–	–
	<b>97 103 213</b>	<b>–</b>	<b>97 103 213</b>	<b>95 972 987</b>	<b>1 130 226</b>		<b>89 368 151</b>	<b>87 492 906</b>
<b>3. SOCIAL SECURITY POLICY AND ADMINISTRATION</b>								
Current payment	97 201	(6 170)	91 031	82 321	8 710	90,4%	121 477	108 749
Transfers and subsidies	6 144 766	540	6 145 306	6 145 300	6	100,0%	5 658 034	5 657 053
Payment for capital assets	2 582	(1 870)	712	651	61	91,4%	2 494	2 272
Payment for financial assets	–	–	–	23	(23)	0,0%	–	8
	<b>6 244 549</b>	<b>(7 500)</b>	<b>6 237 049</b>	<b>6 228 295</b>	<b>8 754</b>		<b>5 782 005</b>	<b>5 768 082</b>
<b>4. WELFARE SERVICE POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT</b>								
Current payment	136 231	2 050	138 281	137 427	854	99,4%	113 392	110 678
Transfers and subsidies	308 063	385	308 448	306 814	1 634	99,5%	289 001	288 135
Payment for capital assets	5 323	(300)	5 023	4 805	218	95,7%	1 268	333
Payment for financial assets	–	–	–	20	(20)	0,0%	–	5
	<b>449 617</b>	<b>2 135</b>	<b>451 752</b>	<b>449 066</b>	<b>2 686</b>		<b>403 661</b>	<b>399 151</b>
<b>5. SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY</b>								
Current payment	76 090	(3 466)	72 624	71 712	912	98,7%	62 565	57 759
Transfers and subsidies	168 758	5 009	173 767	172 487	1 280	99,3%	87 200	86 053
Payment for capital assets	1 360	(478)	882	642	240	72,8%	1 155	486
Payment for financial assets	–	–	–	17	(17)	–	–	12
	<b>246 208</b>	<b>1 065</b>	<b>247 273</b>	<b>244 858</b>	<b>2 415</b>		<b>150 920</b>	<b>144 310</b>
<b>Total</b>	<b>104 283 887</b>	<b>–</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>1 144 705</b>	<b>98,9%</b>	<b>95 941 061</b>	<b>94 031 030</b>
<b>Reconciliation with Statement of Financial Performance</b>								
<i>Add:</i> Departmental receipts			103 183				10 508	
Aid assistance			7 139				6 473	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>			<b>104 394 209</b>				<b>95 958 042</b>	
<i>Add:</i> Aid assistance				6 315				6 391
<b>Actual amounts per Statement of Financial Performance</b>								
<b>Expenditure</b>				<b>103 145 497</b>				<b>94 037 421</b>

# Appropriation Statement

for the year ended 31 March 2012

## Appropriation per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>								
Compensation of employees	279 892	(3 235)	276 657	273 567	3 090	98,9%	254 939	246 980
Goods and services	264 968	(7 226)	257 742	249 530	8 212	96,8%	273 638	253 508
Interest and rent on land	–	–	–	24	(24)		–	45
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	6 549 017	–	6 549 017	6 549 017	–	100,0%	5 940 856	5 940 856
Foreign governments and international organisations	2 741	(268)	2 473	2 244	229	90,7%	1 809	1 509
Non-profit institutions	69 829	5 000	74 829	72 143	2 686	96,4%	65 636	63 780
Households	97 103 213	1 396	97 104 609	95 964 528	1 140 081	98,8%	89 394 036	87 517 993
<b>Payment for capital assets</b>								
Machinery & equipment	13 762	3 733	17 495	16 920	575	96,7%	9 695	5 881
Software & other intangible assets	465	600	1 065	991	74	93,1%	452	292
<b>Payment for financial assets</b>	–	–	–	10 218	(10 218)	0,0%	–	186
<b>Total</b>	<b>104 283 887</b>	<b>–</b>	<b>104 283 887</b>	<b>103 139 182</b>	<b>1 144 705</b>	<b>98,9%</b>	<b>95 941 061</b>	<b>94 031 030</b>

## Details per programme 1 – Administration

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>1.1 MINISTRY</b>								
Current payment	23 102	6 300	29 402	29 280	122	99,6%	19 544	25 630
Transfers & subsidies	–	87	87	86	1	98,9%	–	–
Payment for capital assets	950	1 121	2 071	2 070	1	100,0%	296	53
Payment for financial assets	–	–	–	2	(2)	–	–	–
<b>1.2 DEPARTMENTAL MANAGEMENT</b>								
Current payment	53 773	(7 300)	46 473	46 315	158	99,7%	50 242	49 424
Transfers & subsidies	–	1	1	1	–	100,0%	–	–
Payment for capital assets	890	–	890	794	96	89,2%	668	336
Payment for financial assets	–	–	–	2	(2)	–	–	–
<b>1.3 CORPORATE MANAGEMENT</b>								
Current payment	80 340	2 500	82 840	82 719	121	99,9%	89 961	83 161
Transfers and subsidies	–	92	92	91	1	98,9%	41	41
Payment for capital assets	2 290	4 200	6 490	6 465	25	99,6%	1 465	615
Payment for financial assets	–	–	–	17	(17)	–	–	–
<b>1.4 FINANCE</b>								
Current payment	45 971	(2 870)	43 101	42 926	175	99,6%	42 795	37 758
Transfers and subsidies	–	10	10	10	–	100,0%	–	–
Payment for capital assets	767	1 660	2 427	2 419	8	99,7%	2 670	2 028
Payment for financial assets	–	–	–	291	(291)	–	–	161
<b>1.5 INTERNAL AUDIT</b>								
Current payment	5 196	–	5 196	5 053	143	97,2%	5 284	4 996
Transfers and subsidies	–	4	4	3	1	75,0%	–	–
Payment for capital assets	65	–	65	63	2	96,9%	41	–
<b>1.6 OFFICE ACCOMMODATION</b>								
Current payment	26 956	(1 505)	25 451	25 369	82	99,7%	23 317	22 378
<b>Total</b>	<b>240 300</b>	<b>4 300</b>	<b>244 600</b>	<b>243 976</b>	<b>624</b>	<b>99,7%</b>	<b>236 324</b>	<b>226 581</b>

# Appropriation Statement

for the year ended 31 March 2012

## Programme 1 per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>								
Compensation of employees	123 024	(105)	122 919	122 192	727	99,4%	108 290	104 974
Goods and services	112 314	(2 770)	109 544	109 445	99	99,9%	122 853	118 328
Interest and rent on land	–	–	–	24	(24)	–	–	45
<b>Transfers &amp; subsidies</b>								
Households	–	194	194	191	3	98,5%	41	41
<b>Payment for capital assets</b>								
Machinery & equipment	4 497	6 381	10 878	10 820	58	99,5%	4 790	2 740
Software & other intangible assets	465	600	1 065	991	74	93,1%	350	292
<b>Payment for financial assets</b>		–	–	313	(313)	–	–	161
<b>Total</b>	<b>240 300</b>	<b>4 300</b>	<b>244 600</b>	<b>243 976</b>	<b>624</b>	<b>99,7%</b>	<b>236 324</b>	<b>226 581</b>

## Details per programme 2 – Social Assistance

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>2.1 OLD AGE</b>								
Transfers & subsidies	37 318 583	(48 387)	37 270 196	37 119 967	150 229	99,6%	34 301 321	33 750 600
Payment for financial assets	–	–	–	9 845	(9 845)	–	–	–
<b>2.2 WAR VETERANS</b>								
Transfers & subsidies	12 000	262	12 262	11 848	414	96,6%	11 286	13 976
<b>2.3 DISABILITY</b>								
Transfers and subsidies	17 834 220	(128 172)	17 706 048	17 375 021	331 027	98,1%	16 295 617	16 840 182
<b>2.4 FOSTER CARE</b>								
Transfers and subsidies	5 244 679	5 072	5 249 751	5 010 915	238 836	95,5%	4 831 566	4 616 442
<b>2.5 CARE DEPENDENCY</b>								
Transfers and subsidies	1 948 063	(190 956)	1 757 107	1 736 431	20 676	98,8%	1 617 139	1 586 452
<b>2.6 CHILD SUPPORT</b>								
Transfers and subsidies	34 435 679	266 520	34 702 199	34 319 636	382 563	98,9%	31 937 886	30 341 465
<b>2.7 GRANT-IN-AID</b>								
Transfers and subsidies	191 989	25 736	217 725	204 026	13 699	93,7%	200 381	170 052
<b>2.8 SOCIAL RELIEF</b>								
Transfers and subsidies	118 000	69 925	187 925	185 298	2 627	98,6%	172 955	173 737
<b>Total</b>	<b>97 103 213</b>	<b>–</b>	<b>97 103 213</b>	<b>95 972 987</b>	<b>1 130 226</b>	<b>98,8%</b>	<b>89 368 151</b>	<b>87 492 906</b>

## Programme 2 per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Transfers &amp; subsidies</b>								
Households	97 103 213	–	97 103 213	95 963 142	1 140 071	98,8%	89 368 151	87 492 906
<b>Payment for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9 845</b>	<b>(9 845)</b>	<b>0,00%</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>97 103 213</b>		<b>97 103 213</b>	<b>95 972 987</b>	<b>1 130 226</b>	<b>98,8%</b>	<b>89 368 151</b>	<b>87 492 906</b>

# Appropriation Statement

for the year ended 31 March 2012

## Details per programme 3 – Social Security Policy and Administration

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>3.1 SOCIAL SECURITY POLICY DEVELOPMENT</b>								
Current payment	40 828	(2 154)	38 674	36 619	2 055	94,7%	48 756	45 378
Transfers & subsidies	1 109	540	1 649	1 643	6	99,6%	26 647	25 666
Payment for capital assets	606	(300)	306	282	24	92,2%	246	120
Payment for financial assets	–	–	–	23	(23)	0,0%	–	–
<b>3.2 APPEALS ADJUDICATION</b>								
Current payment	47 984	20	48 004	42 707	5 297	89,0%	63 302	53 955
Payment for capital assets	1 810	(1 420)	390	369	21	94,6%	2 101	2 100
<b>3.3 SOCIAL GRANTS ADMINISTRATION</b>								
Transfers and subsidies	6 070 568	–	6 070 568	6 070 568	–	100,0%	5 631 387	5 631 387
<b>3.4 SOCIAL GRANTS FRAUD INVESTIGATION</b>								
Transfers and subsidies	73 089	–	73 089	73 089	–	100,0%	–	–
<b>3.5 PROGRAMME MANAGEMENT</b>								
Current payment	8 389	(4 036)	4 353	2 995	1 358	68,8%	9 419	9 416
Payment for capital assets	166	(150)	16	–	16	0,0%	147	52
Payment for financial asset								8
<b>Total</b>	<b>6 244 549</b>	<b>(7 500)</b>	<b>6 237 049</b>	<b>6 228 295</b>	<b>8 754</b>	<b>99,9%</b>	<b>5 782 005</b>	<b>5 768 082</b>



## Programme 3 per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>								
Compensation of employees	36 340	–	36 340	34 868	1 472	95,9%	33 236	32 988
Goods and services	60 861	(6 170)	54 691	47 453	7 238	86,8%	88 241	75 761
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	6 143 657	–	6 143 657	6 143 657	–	100,0%	5 631 387	5 631 387
Foreign governments & international organisations	1 109	33	1 142	1 141	1	99,9%	1 047	864
Households	–	507	507	502	5	99,0%	25 600	24 802
<b>Payment for capital assets</b>								
Machinery & equipment	2 582	(1 870)	712	652	60	91,6%	2 494	2 272
<b>Payment for financial assets</b>	–	–	–	22	(22)	–	–	8
<b>Total</b>	<b>6 244 549</b>	<b>(7 500)</b>	<b>6 237 049</b>	<b>6 228 295</b>	<b>8 754</b>	<b>99,9%</b>	<b>5 782 005</b>	<b>5 768 082</b>

# Appropriation Statement

for the year ended 31 March 2012

## Details per programme 4 – Welfare Service Policy Development and Implementation Support

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>4.1 SERVICE STANDARDS</b>								
Current payment	19 131	100	19 231	19 221	10	99,9%	18 378	18 323
Transfers and subsidies	1 799	–	1 799	1 703	96	94,7%	1 575	1 515
Payment for capital assets	327	–	327	305	22	93,3%	1	–
Payment for financial assets	–	–	–	19	(19)	–	–	–
<b>4.2 SUBSTANCE ABUSE</b>								
Current payment	8 088	5 100	13 188	13 154	34	99,7%	8 656	9 915
Transfers and subsidies	2 396	–	2 396	1 706	690	71,2%	2 503	2 237
Payment for capital assets	106	–	106	77	29	72,6%	50	–
<b>4.3 OLDER PERSONS</b>								
Current payment	7 691	1 650	9 341	9 303	38	99,6%	6 320	6 221
Transfers and subsidies	1 985	43	2 028	2 028	–	100,0%	1 825	1 825
Payment for capital assets	76	–	76	56	20	73,7%	–	–
<b>4.4 PEOPLE WITH DISABILITIES</b>								
Current payment	5 367	(100)	5 267	5 150	117	97,8%	4 879	4 795
Transfers and subsidies	3 068	15	3 083	3 083	–	100,0%	2 875	2 875
Payment for capital assets	40	–	40	39	1	97,5%	–	–
<b>4.5 CHILDREN</b>								
Current payment	27 921	5 950	33 871	33 760	111	99,7%	27 407	26 034
Transfers and subsidies	6 326	–	6 326	6 336	(10)	100,2%	5 737	5 737
Payment for capital assets	624	(50)	574	561	13	97,7%	743	162
Payment for financial assets	–	–	–	–	–	–	–	2
<b>4.6 FAMILIES</b>								
Current payment	6 608	(900)	5 708	5 581	127	97,8%	5 067	4 833
Transfers and subsidies	1 068	227	1 295	1 295	–	100,0%	1 002	1 002
Payment for capital assets	295	(200)	95	62	33	65,3%	50	17
<b>4.7 SOCIAL CRIME PREVENTION &amp; VICTIM EMPOWERMENT</b>								
Current payment	21 553	(6 000)	15 553	15 432	121	99,2%	12 196	11 427
Transfers and subsidies	3 341	–	3 341	2 538	803	76%	3 134	3 134
Payment for capital assets	2 767	700	3 467	3 457	10	99,7%	195	88
Payment for financial assets	–	–	–	1	(1)	–	–	–
<b>4.8 YOUTH</b>								
Current payment	6 007	(400)	5 607	5 535	72	98,7%	4 791	4 598
Transfers and subsidies	–	31	31	31	–	100,0%	–	–
Payment for capital assets	54	–	54	31	23	57,4%	51	33

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>4.9 HIV &amp; AIDS</b>								
Current payment	20 680	1 900	22 580	22 569	11	100,0%	17 745	17 150
Transfers and subsidies	44 080	69	44 149	44 149	–	100,0%	44 260	43 760
Payment for capital assets	387	(200)	187	138	49	73,8%	178	33
<b>4.10 SOCIAL WORK SCHOLARSHIPS</b>								
Transfers and subsidies	244 000	–	244 000	244 000	–	100,0%	226 000	226 000
<b>4.11 PROGRAMME MANAGEMENT</b>								
Current payment	13 185	(5 250)	7 935	7 722	213	97,3%	7 953	7 382
Transfers and subsidies	–	–	–	(55)	55	–	90	50
Payment for capital assets	647	(550)	97	79	18	81,4%	–	–
Payment for financial assets	–	–	–	–	–	–	–	3
<b>Total</b>	<b>449 617</b>	<b>2 135</b>	<b>451 752</b>	<b>449 066</b>	<b>2 686</b>	<b>99,4%</b>	<b>403 661</b>	<b>399 151</b>

# Appropriation Statement

for the year ended 31 March 2012

## Programme 4 per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>								
Compensation of employees	73 269	750	74 019	73 639	380	99,5%	70 423	68 634
Goods and services	62 962	1 300	64 262	63 788	474	99,3%	42 969	42 044
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	244 000	–	244 000	244 000	–	100,0%	226 000	226 000
Foreign governments & international organisations	676	(250)	426	422	4	99,1%	161	96
Non-profit institutions	63 387	–	63 387	61 756	1 631	97,4%	62 750	61 989
Households	–	635	635	634	1	99,8%	–	–
<b>Payment for capital assets</b>								
Machinery & equipment	5 323	(300)	5 023	4 806	217	95,7%	1 358	383
<b>Payment for financial assets</b>	–	–	–	21	(21)	–	–	5
<b>Total</b>	<b>449 617</b>	<b>2 135</b>	<b>451 752</b>	<b>449 066</b>	<b>2 686</b>	<b>99,4%</b>	<b>403 661</b>	<b>399 151</b>

## Details per programme 5 – Social Policy and Integrated Service Delivery

Details per sub-programme	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>5.1 SOCIAL POLICY RESEARCH &amp; DEVELOPMENT</b>								
Current payment	5 961	(2 486)	3 475	3 329	146	95,8%	3 653	3 284
Transfers & subsidies	400	4	404	404	–	100,0%	125	98
Payment for capital assets	214	(150)	64	6	58	9,4%	197	16
<b>5.2 SPECIAL PROJECTS &amp; INNOVATION</b>								
Current payment	5 504	1 700	7 204	7 173	31	99,6%	6 105	5 637
Transfers & subsidies	4 500	–	4 500	4 500	–	100,0%	1 000	1 000
Payment for capital assets	229	(150)	79	46	33	58,2%	224	33
Payment for financial assets	–	–	–	–	–	–	–	10
<b>5.3 POPULATION POLICY PROMOTION</b>								
Current payment	18 273	5 700	23 973	23 953	20	99,9%	18 668	18 428
Transfers & subsidies	556	–	556	477	79	85,8%	576	576
Payment for capital assets	229	22	251	252	(1)	100,4%	242	110
Payment for financial assets	–	–	–	3	(3)	–	–	2
<b>5.4 REGISTRATION &amp; MONITORING OF NON-PROFIT ORGANISATIONS</b>								
Current payment	15 519	(1 300)	14 219	14 072	147	99,0%	13 029	12 223
Transfers and subsidies	–	5	5	4	1	80,0%	–	–
Payment for capital assets	380	(100)	280	237	43	84,6%	272	235
<b>5.5 SUBSTANCE ABUSE ADVISORY SERVICE AND OVERSIGHT</b>								
Current payment	5 470	420	5 890	5 889	1	100,0%	4 771	3 471
Payment for capital assets	101	(50)	51	15	36	29,4%	50	13
<b>5.6 COMMUNITY DEVELOPMENT</b>								
Current payment	18 487	(2 500)	15 987	15 743	244	98,5%	14 460	13 523
Transfers and subsidies	1 942	5 000	6 942	5 742	1 200	82,7%	2 030	910
Payment for capital assets	72	–	72	59	13	81,9%	92	79
Payment for financial assets	–	–	–	13	(13)	–	–	–
<b>5.7 NATIONAL DEVELOPMENT AGENCY</b>								
Transfers & subsidies	161 360	–	161 360	161 360	–	100,0%	83 469	83 469
<b>5.8 PROGRAMME MANAGEMENT</b>								
Current payment	6 876	(5 000)	1 876	1 553	323	82,8%	1 879	1 193
Payment for capital assets	135	(50)	85	27	58	31,8%	78	–
Payment for financial assets	–	–	–	1	(1)	–	–	–
<b>Total</b>	<b>246 208</b>	<b>1 065</b>	<b>247 273</b>	<b>244 858</b>	<b>2 415</b>	<b>99,0%</b>	<b>150 920</b>	<b>144 310</b>

# Appropriation Statement

for the year ended 31 March 2012

## Programme 5 per economic classification

	2011/12						2010/11	
	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>								
Compensation of employees	47 259	(3 880)	43 379	42 868	511	98,8%	42 990	40 384
Goods and services	28 831	414	29 245	28 844	401	98,6%	19 575	17 375
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	161 360	–	161 360	161 360	–	100,0%	83 469	83 469
Foreign governments & international organisations	956	(51)	905	681	224	75,2%	601	549
Non-profit institutions	6 442	5 000	11 442	10 387	1 055	90,8%	2 886	1 791
Households	–	60	60	59	1	98,3%	244	244
<b>Payment for capital assets</b>								
Machinery & equipment	1 360	(478)	882	642	240	72,8%	1 053	486
Software & other intangible assets	–	–	–	–	–	–	102	–
Payment for financial assets	–	–	–	17	(17)	–	–	12
<b>Total</b>	<b>246 208</b>	<b>1 065</b>	<b>247 273</b>	<b>244 858</b>	<b>2 415</b>	<b>99,0%</b>	<b>150 920</b>	<b>144 310</b>



## Notes to the Appropriation Statement

for the year ended 31 March 2012

### 1 Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A–F) to the Annual Financial Statements.

### 2 Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

### 3 Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

### 4. Explanations of material variances from Amounts Voted (after Virement):

#### 4.1 Per programme:

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
<b>ADMINISTRATION</b>	<b>244 600</b>	<b>243 976</b>	<b>624</b>	<b>100%</b>
Current payments	232 463	231 662	801	100%
Transfers and Subsidies	194	191	3	98%
Payment for capital assets	11 943	11 811	132	99%
Payment for financial assets	—	312	(312)	—
<b>SOCIAL ASSISTANCE</b>	<b>97 103 213</b>	<b>95 972 987</b>	<b>1 130 226</b>	<b>99%</b>
Transfer and Subsidies	97 103 213	95 963 142	1 140 071	99%
Payment for financial assets	—	9 845	(9 845)	—

The under-expenditure mainly relates to lower than expected beneficiary uptake rates.

<b>SOCIAL SECURITY POLICY AND ADMINISTRATION</b>	<b>6 237 049</b>	<b>6 228 295</b>	<b>8 754</b>	<b>100%</b>
Current payments	91 031	82 321	8 710	90%
Transfers and Subsidies	6 145 306	6 145 300	6	100%
Payment for capital assets	712	651	61	91%
Payment for financial assets	—	23	(23)	—

The under-expenditure is mainly due to delays in the finalization of planned projects under the Social Security Policy Development and the Appeals Tribunal Units.

<b>WELFARE SERVICE POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT</b>	<b>451 752</b>	<b>449 066</b>	<b>2 686</b>	<b>99%</b>
Current payments	138 281	137 427	854	99%
Transfer and Subsidies	308 448	306 814	1 634	99%
Payment for capital assets	5 023	4 805	218	96%
Payment for financial assets	—	20	(20)	—

The under-expenditure mainly relate to approved transfer payments that were not transferred before the end of March 2012 for SANCA, Victim Empowerment organisations and National Association of Burial Societies of South Africa (NABSSA).

## Notes to the Appropriation Statement

for the year ended 31 March 2012

### 4.1 Per programme (continued):

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
<b>SOCIAL POLICY AND INTEGRATION</b>	<b>247 273</b>	<b>244 858</b>	<b>2 415</b>	<b>99%</b>
<b>SERVICE DELIVERY</b>				
Current payments	72 624	71 712	912	99%
Transfer and Subsidies	173 767	172 487	1 280	99%
Payment for capital assets	882	642	240	73%
Payment for financial assets	–	17	(17)	–

The under-expenditure is mainly due to funded vacancies and related operational costs.

### 4.2 Per economic classification:

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
<b>Current expenditure</b>				
Compensation of employees	276 657	273 567	3 090	99%
Goods and services	257 742	249 530	8 212	97%
Interest and rent on land	–	24	(24)	–
<b>Transfers and subsidies</b>				
Departmental agencies and accounts	6 549 017	6 549 017	–	100%
Foreign governments and international organisations	2 473	2 244	229	91%
Non-profit institutions	74 829	72 143	2 686	96%
Households	97 104 609	95 964 528	1 140 081	99%
<b>Payments for capital assets</b>				
Machinery and equipment	17 495	16 920	575	97%
Software and other intangible assets	1 065	991	74	93%
<b>Payments for financial assets</b>	–	10 218	(10 218)	

The under-expenditure on Goods and Services mainly relates to delays in planned projects.

# Statement of Financial Performance

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>REVENUE</b>			
Annual appropriation	1	104 283 887	95 941 061
Departmental revenue	2	103 183	10 508
Aid assistance	3	7 139	6 473
<b>TOTAL REVENUE</b>		<b>104 394 209</b>	<b>95 958 042</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	273 567	246 980
Goods and services	5	249 530	253 508
Interest and rent on land	6	24	45
Aid assistance	3	4 689	4 721
Unauthorised expenditure approved without funding	10	—	141
<b>Total current expenditure</b>		<b>527 810</b>	<b>505 395</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	8	102 587 932	93 524 138
Aid assistance	3	1 528	1 595
<b>Total transfers and subsidies</b>		<b>102 589 460</b>	<b>93 525 733</b>
<b>Expenditure for capital assets</b>			
Tangible capital assets	9	17 018	5 881
Software and other intangible assets	9	991	367
<b>Total expenditure for capital assets</b>		<b>18 009</b>	<b>6 248</b>
<b>Payments for financial assets</b>	7	<b>10 218</b>	<b>45</b>
<b>TOTAL EXPENDITURE</b>		<b>103 145 497</b>	<b>94 037 421</b>
<b>SURPLUS FOR THE YEAR</b>		<b>1 248 712</b>	<b>1 920 621</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		1 144 705	1 910 031
Departmental revenue and NRF Receipts	16	103 183	10 508
Aid assistance	3	824	82
<b>SURPLUS FOR THE YEAR</b>		<b>1 248 712</b>	<b>1 920 621</b>

# Statement of Financial Position

as at 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>6 485 075</b>	<b>4 645 567</b>
Unauthorised expenditure	10	26 168	26 168
Fruitless and wasteful expenditure	11	54	323
Cash and cash equivalents	12	67 242	1 236 469
Prepayments and advances	13	5 990 223	3 039 187
Receivables	14	401 388	343 420
<b>TOTAL ASSETS</b>		<b>6 485 075</b>	<b>4 645 567</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>6 132 267</b>	<b>4 645 567</b>
Voted funds to be surrendered to the Revenue Fund	15	853 859	1 066 252
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	16	25 518	10 136
Bank overdraft	17	5 240 017	3 176 384
Payables	18	8 317	389 063
Aid assistance unutilised	3	4 556	3 732
<b>Non-current liabilities</b>			
Payables	19	352 808	–
<b>TOTAL LIABILITIES</b>		<b>6 485 075</b>	<b>4 645 567</b>
<b>NET ASSETS</b>		<b>–</b>	<b>–</b>

## Cash Flow Statement

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>104 103 363</b>	<b>95 114 253</b>
Annual appropriated funds received	1.1	103 993 041	95 097 282
Departmental revenue received	2	103 183	10 508
Aid assistance received	3	7 139	6 463
Net (increase) in working capital		(3 389 481)	(198 051)
Surrendered to Revenue Fund		(1 154 053)	(832 631)
Current payments		(527 810)	(505 395)
Payments for financial assets		(10 218)	(45)
Transfers and subsidies paid		(102 589 460)	(93 525 733)
<b>Net cash flow available from operating activities</b>	<b>20</b>	<b>(3 567 659)</b>	<b>52 398</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	9	(18 009)	(6 248)
<b>Net cash flows from investing activities</b>		<b>(18 009)</b>	<b>(6 248)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in non-current payables		352 808	–
<b>Net cash flows from financing activities</b>		<b>352 808</b>	<b>–</b>
Net increase/(decrease) in cash and cash equivalents		(3 232 860)	46 150
Cash and cash equivalents at beginning of period		(1 939 915)	(1 986 065)
<b>Cash and cash equivalents at end of period</b>	<b>21</b>	<b>(5 172 775)</b>	<b>(1 939 915)</b>

# Accounting Policies

for the year ended 31 March 2012

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

## 1 Presentation of the Financial Statements

### 1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid.

### 1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

### 1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

### 1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

### 1.5 Comparative figures – Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

## 2 Revenue

### 2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Any amounts owing to the National Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

### 2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National Revenue Fund, unless stated otherwise.

Any amount owing to the National Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

### 2.3 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements



The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

### 3 Expenditure

#### 3.1 Compensation of employees

##### 3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

##### 3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

#### 3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

#### 3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

#### 3.4 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

## Accounting Policies

*for the year ended 31 March 2012*

### 3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

### 3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

### 3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

### 3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

## 4 Assets

### 4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### 4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

### 4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

### 4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

### 4.5 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

## 4.6 Capital assets

### 4.6.1 Movable assets

#### *Initial recognition*

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

#### *Subsequent recognition*

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

### 4.6.2 Immovable assets

#### *Initial recognition*

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

#### *Subsequent expenditure*

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets”. On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

### 4.6.3 Intangible assets

#### *Initial recognition*

An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.\*

#### *Subsequent expenditure*

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department.

Maintenance is expensed as current “goods and services” in the statement of financial performance.

## 5 Liabilities

### 5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

### 5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

### 5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

## Accounting Policies

*for the year ended 31 March 2012*

### 5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

### 5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

### 5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

### 5.7 Lease commitments

#### Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

#### Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

### 5.8 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

### 5.9 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

## 6 Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

## **7 Net Assets**

### **7.1 Capitalisation reserve**

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National Revenue Fund when the underlying asset is disposed and the related funds are received.

### **7.2 Recoverable revenue**

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are transferred to the National Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

## **8 Related party transactions**

Specific information with regards to related party transactions is included in the disclosure notes.

## **9 Key management personnel**

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

## **10 Public private partnerships**

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

# Notes to the Annual Financial Statements

for the year ended 31 March 2012

## 1 Annual Appropriation

### 1.1 Annual Appropriation

Programmes	2011/12			2010/11
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received R'000
Administration	244 600	244 600	—	200 842
Social Assistance	97 103 213	96 820 725	282 488	94 310 918
Social Security Policy and Administration	6 237 049	6 236 023	1 026	340 056
Welfare Service Policy Development and Implementation Support	451 752	445 485	6 267	180 799
Social Policy and Integration Service Delivery	247 273	246 208	1 065	64 667
<b>Total</b>	<b>104 283 887</b>	<b>103 993 041</b>	<b>290 846</b>	<b>95 097 282</b>

In total the Department did not request an amount of R290 846 million. The reason for not requesting R8 358 million in respect of the Department's budget is due to projected under-spending for the year.

The amount of R282 488 million in respect of the Social Grant budget for the 2011/12 financial year is not requested due to projected under-spending by the South African Social Security Agency.

An amount of R7,8 million of the under spent amount for the 2011/12 financial year has been requested as roll over funds to the 2012/13 financial year.

	Note	2011/12 R'000	2010/11 R'000
<b>2 Departmental revenue</b>			
Sales of goods and services other than capital assets	2.1	210	—
Interest, dividends and rent on land	2.2	2 636	4 083
Transactions in financial assets and liabilities	2.3	100 337	6 425
<b>Total revenue collected</b>		<b>103 183</b>	<b>10 508</b>
<b>Departmental revenue collected</b>		<b>103 183</b>	<b>10 508</b>

Increase in revenue is due to the fact that the South African Social Security Agency managed to collect R9 million from dormant beneficiaries' bank accounts. In addition, Grant debtors collected by the Special Investigations Unit amounted to about R90 million.

### 2.1 Sales of goods and services other than capital assets

2

Sales of goods and services produced by the department	208	
Sales by market establishment	94	—
Other sales	114	—
Sales of scrap, waste and other used current goods	2	—
<b>Total</b>	<b>210</b>	<b>—</b>



	Note	2011/12 R'000	2010/11 R'000
<b>2.2 Interest, dividends and rent on land</b>	2		
Interest		2 636	4 083
<b>Total</b>		<b>2 636</b>	<b>4 083</b>
<b>2.3 Transactions in financial assets and liabilities</b>	2		
Receivables		32 905	6 275
Other Receipts including Recoverable Revenue		67 432	150
<b>Total</b>		<b>100 337</b>	<b>6 425</b>
<i>Increase in revenue is due to the fact that the South African Social Security Agency managed to collect R9 million from dormant beneficiaries' bank accounts. In addition, Grant debtors collected by the Special Investigations Unit amounted to about R90 million.</i>			
<b>3 Aid assistance</b>			
<b>3.1 Aid assistance received in cash from RDP</b>			
<b>Foreign</b>			
Opening Balance		4	30
Revenue		5 371	5 664
Expenditure		(5 000)	(5 690)
Current		(3 374)	(4 087)
Capital		(98)	(75)
Transfers		(1 528)	(1 528)
<b>Closing Balance</b>		<b>375</b>	<b>4</b>
<b>3.2 Aid assistance received in cash from other sources</b>			
<b>Local</b>			
Opening Balance		3 369	3 194
Revenue		1 768	809
Expenditure		(1 315)	(634)
Current		(1 315)	(634)
<b>Closing Balance</b>		<b>3 822</b>	<b>3 369</b>
<b>3.3 Aid assistance received in cash from CARA Fund</b>			
Opening Balance		359	426
Revenue		–	–
Expenditure		–	(67)
Transfers		–	(67)
<b>Closing Balance</b>		<b>359</b>	<b>359</b>

# Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>3.4 Total assistance</b>			
Opening Balance		3 732	3 650
Revenue		7 139	6 473
Expenditure		(6 315)	(6 391)
Current		(4 689)	(4 721)
Capital		(98)	(75)
Transfers		(1 528)	(1 595)
<b>Closing Balance</b>		<b>4 556</b>	<b>3 732</b>
<b>3.5 Analysis of balance</b>			
<b>Aid assistance unutilised</b>		<b>4 556</b>	<b>3 732</b>
RDP		375	4
Other sources		3 822	3 369
CARA Fund		359	359
<b>Closing Balance</b>		<b>4 556</b>	<b>3 732</b>
<b>4 Compensation of employees</b>			
<b>4.1 Salaries and Wages</b>			
Basic salary		184 455	163 363
Performance award		1 922	3 326
Service Based		378	453
Compensative/circumstantial		2 247	1 847
Periodic payments		547	338
Other non-pensionable allowances		53 373	49 172
<b>Total</b>		<b>242 922</b>	<b>218 499</b>
<b>4.2 Social contributions</b>			
<b>Employer contributions</b>			
Pension		22 128	20 991
Medical		8 323	7 469
Bargaining council		22	21
Insurance		172	–
<b>Total</b>		<b>30 645</b>	<b>28 481</b>
<b>Total compensation of employees</b>		<b>273 567</b>	<b>246 980</b>
<b>Average number of employees</b>		<b>752</b>	<b>720</b>
The increase in the expenditure for compensation is due to the annual cost of living adjustment agreed by the PSCBC and the increase in the establishment of the Department.			

	Note	2011/12 R'000	2010/11 R'000
<b>5 Goods and services</b>			
Administrative fees		3 225	1 951
Advertising		13 668	6 228
Assets less than R5 000	5.1	1 735	692
Bursaries (employees)		812	1 136
Catering		6 329	3 813
Communication		10 229	11 232
Computer services	5.2	9 350	23 387
Consultants, contractors and agency/outsourced services	5.3	57 397	68 277
Entertainment		367	398
Audit cost – external	5.4	12 670	9 768
Inventory	5.5	14 926	10 578
Operating leases		24 025	23 115
Property payments	5.6	5 336	5 662
Transport provided as part of the departmental activities		459	–
Travel and subsistence	5.7	58 959	56 360
Venues and facilities		22 833	24 172
Training and staff development		3 144	3 310
Other operating expenditure	5.8	4 066	3 429
<b>Total</b>		<b>249 530</b>	<b>253 508</b>
<b>5.1 Assets less than R5 000</b>	5		
<b>Tangible assets</b>			
Machinery and equipment		1 735	692
<b>Total</b>		<b>1 735</b>	<b>692</b>
<i>The increase in assets less than R5 000 is due to the fact that the Department refurbished its offices and also purchased new computer equipment to standardise on the computer operating package.</i>			
<b>5.2 Computer services</b>	5		
SITA computer services		8 644	21 292
External computer service providers		706	2 095
<b>Total</b>		<b>9 350</b>	<b>23 387</b>
<i>The decrease in expenditure is due to the fact that in the previous year old outstanding invoices were paid following a reconciliation of backlogs of invoices from SITA which were previously not supported with appropriate documentation.</i>			

# Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>5.3 Consultants, contractors and agency/outsourced services</b>	5		
Business and advisory services		31 151	51 278
Legal costs		15 494	11 457
Contractors		7 353	5 126
Agency and support/outsourced services		3 399	416
<b>Total</b>		<b>57 397</b>	<b>68 277</b>
<i>The decrease in expenditure is due to the decrease in the use of consultants</i>			
<b>5.4 Audit cost – External</b>	5		
Regularity audits		12 670	9 768
<b>Total</b>		<b>12 670</b>	<b>9 768</b>
<b>5.5 Inventory</b>	5		
Fuel, oil and gas		3	15
Other consumable materials		263	460
Materials and supplies		28	8
Stationery and printing		14 632	10 095
<b>Total</b>		<b>14 926</b>	<b>10 578</b>
<b>5.6 Property payments</b>	5		
Municipal services		4 216	2 312
Other		1 120	3 350
<b>Total</b>		<b>5 336</b>	<b>5 662</b>
<b>5.7 Travel and subsistence</b>	5		
Local		53 584	49 293
Foreign		5 375	7 067
<b>Total</b>		<b>58 959</b>	<b>56 360</b>
<b>5.8 Other operating expenditure</b>	5		
Learnerships		2 904	802
Professional bodies, membership and subscription fees		140	91
Resettlement costs		531	534
Other		491	2 002
<b>Total</b>		<b>4 066</b>	<b>3 429</b>
<b>6 Interest and rent on land</b>			
Interest paid		24	45
<b>Total</b>		<b>24</b>	<b>45</b>

	Note	2011/12 R'000	2010/11 R'000
<b>7 Payments for financial assets</b>			
Other material losses written off	7.1	10 218	45
<b>Total</b>		<b>10 218</b>	<b>45</b>
<b>7.1 Other material losses written off</b>	7		
<b>Nature of losses</b>			
Bad departmental debt written off		90	45
Fruitless expenditure previous year write off		267	–
SASSA grant debtors write off		9 845	–
Irrecoverable amounts written off in respect of Subsistence and travel		16	–
<b>Total</b>		<b>10 218</b>	<b>45</b>
<i>Irrecoverable social assistance debtors were written off after reconciliation on all debtors was performed. These are mainly deceased beneficiaries and others who meet the criteria for write-off in terms the Department's debt management policy.</i>			
<b>8 Transfers and subsidies</b>			
Departmental agencies and accounts	Annex 1A	6 549 017	5 940 856
Foreign governments and international organisations	Annex 1B	2 244	1 509
Non-profit institutions	Annex 1C	72 143	63 780
Households	Annex 1D	95 964 528	87 517 993
<b>Total</b>		<b>102 587 932</b>	<b>93 524 138</b>
<i>The increase in Transfer to Households relates to Social Grant increases due to the extension of the Child Support Grant and the annual inflationary adjustment of grant values.</i>			
<b>9 Expenditure for capital assets</b>			
<b>Tangible assets</b>		17 018	5 881
Machinery and equipment	32	17 018	5 881
<b>Software and other intangible assets</b>		991	367
Computer software	33	991	367
<b>Total</b>		<b>18 009</b>	<b>6 248</b>
<i>The increase in capital assets is due to the fact that the Department refurbished its offices as well as buying computer equipment to standardise on the computer operating package.</i>			

## Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Voted funds R'000	Aid assistance R'000	Total R'000
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### 9.1 Analysis of funds utilised to acquire capital assets – 2011/12

<b>Tangible assets</b>	16 920	98	17 018
Machinery and equipment	16 920	98	17 018
<b>Software and other intangible assets</b>	991	–	991
Computer software	991	–	991
<b>Total</b>	<b>17 911</b>	<b>98</b>	<b>18 009</b>

### 9.2 Analysis of funds utilised to acquire capital assets – 2010/11

<b>Tangible assets</b>	5 881	–	5 881
Machinery and equipment	5 881	–	5 881
<b>Software and other intangible assets</b>	292	75	367
Computer software	292	75	367
<b>Total</b>	<b>6 173</b>	<b>75</b>	<b>6 248</b>

	Note	2011/12 R'000	2010/11 R'000
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## 10 Unauthorised expenditure

### 10.1 Reconciliation of unauthorised expenditure

Opening balance	26 168	26 309
Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance	–	(141)
Current	–	(141)
<b>Unauthorised expenditure awaiting authorisation / written off</b>	<b>26 168</b>	<b>26 168</b>

### Analysis of awaiting authorisation per economic classification

Current	26 168	26 168
<b>Total</b>	<b>26 168</b>	<b>26 168</b>

### 10.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

Current	26 168	26 168
<b>Total</b>	<b>26 168</b>	<b>26 168</b>



	Note	2011/12 R'000	2010/11 R'000
<b>10.3 Analysis of unauthorised expenditure awaiting authorisation per type</b>			
Unauthorised expenditure relating to overspending of the vote or a main division within a vote		26 168	26 168
<b>Total</b>		<b>26 168</b>	<b>26 168</b>
<i>The unauthorised expenditure relates to overexpenditure of social assistance in the 2007/08 financial year. Once SCOPA has recommended that the amount be condoned, the amount will be cleared. A formal request was submitted to Parliament via the National Treasury in this regard.</i>			
<b>11 Fruitless and wasteful expenditure</b>			
<b>11.1 Reconciliation of fruitless and wasteful expenditure</b>			
Opening balance		323	345
Less: Amounts condoned		<b>(269)</b>	<b>(22)</b>
Current		(269)	(22)
<b>Fruitless and wasteful expenditure awaiting condonement</b>		<b>54</b>	<b>323</b>
<b>Analysis of awaiting condonement per economic classification</b>			
Current		54	323
<b>Total</b>		<b>54</b>	<b>323</b>
<b>12 Cash and cash equivalents</b>			
Consolidated Paymaster General Account		67 373	1 235 152
Cash receipts		321	1 309
Disbursements		(460)	–
Cash on hand		8	8
<b>Total</b>		<b>67 242</b>	<b>1 236 469</b>
<i>The decreases in cash and cash equivalents are due to the implementation of more effective cash management measures.</i>			
<b>13 Prepayments and advances</b>			
Staff advances		29	27
Travel and subsistence		102	116
Advances paid to other entities		2 889	3 880
SOCPEN advances		5 987 203	3 035 164
<b>Total</b>		<b>5 990 223</b>	<b>3 039 187</b>
<i>Increase in prepayments is due to the fact that all the nine SASSA regions needed advance payments in respect of the social grants to be paid out on 1 April 2012 as compared to five regions in the previous financial year.</i>			

# Notes to the Annual Financial Statements

for the year ended 31 March 2012

## 14 Receivables

	Note	2011/12				2010/11
		R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total	R'000 Total
Claims recoverable	14.1 Annex 4	4 623	106	29 052	33 781	37 849
Staff debt	14.2	—	25	12	37	84
Other debtors	14.3	70 297	184 433	112 840	367 570	305 487
<b>Total</b>		<b>74 920</b>	<b>184 564</b>	<b>141 904</b>	<b>401 388</b>	<b>343 420</b>

*Increase is mainly due to increase in social grant debtors*

	Note	2011/12 R'000	2010/11 R'000
<b>14.1 Claims recoverable</b>	18		
National departments		5 571	7 331
Provincial departments		23 113	23 687
Public entities		5 097	6 831
<b>Total</b>		<b>33 781</b>	<b>37 849</b>
<b>14.2 Staff debt</b>	18		
Current staff debt		37	84
<b>Total</b>		<b>37</b>	<b>84</b>
<b>14.3 Other debtors</b>	18		
General suspense		4 435	5 268
Government Employers Pension Fund		4	
Salary reversal account		12	7
Tax debt account		13	13
Ex- Departmental official debt		418	428
SASSA debtors		362 688	299 771
<b>Total</b>		<b>367 570</b>	<b>305 487</b>
<i>Increase is mainly due to increase in social grant debtors</i>			
<b>15 Voted funds to be surrendered to the Revenue Fund</b>			
Opening balance		1 066 252	821 112
Transfer from statement of financial performance		1 144 705	1 910 031
Voted funds not requested	1.1	(290 846)	(843 779)
Paid during the year		(1 066 252)	(821 112)
<b>Total</b>		<b>853 859</b>	<b>1 066 252</b>

	Note	2011/12 R'000	2010/11 R'000
<b>16 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund</b>			
Opening balance		10 136	11 147
Transfer from Statement of Financial Performance		103 183	10 508
Paid during the year		(87 801)	(11 519)
<b>Total</b>		<b>25 518</b>	<b>10 136</b>
<i>Increase is due to revenue collected by SASSA during February to March 2012 and needs to be transferred to the National Revenue Fund</i>			
<b>17 Bank Overdraft</b>			
Consolidated Paymaster General Account		5 240 017	3 176 384
<b>Total</b>		<b>5 240 017</b>	<b>3 176 384</b>
<i>The increase in the overdraft is due to the increase in pre-payments / advances to the regions.</i>			
<b>18 Payables – current</b>			
Amounts owing to other entities	Annex 5		
Advances received	18.1	539	1 900
Clearing accounts	18.2	6 981	100 794
Other payables	18.3	797	286 369
<b>Total</b>		<b>8 317</b>	<b>389 063</b>
<b>18.1 Advances received</b>	18		
Description			
NISIS Advance		537	1 900
SASSA advance Limpopo		2	–
<b>Total</b>		<b>539</b>	<b>1 900</b>
<b>18.2 Clearing accounts</b>	18		
Description			
Debt interest and income analysis		–	2 570
Income tax		14	83
Unallocated receipts		6 967	97 238
Pension fund		–	10
General ledger		–	7
Exchequer grant		–	886
<b>Total</b>		<b>6 981</b>	<b>100 794</b>
<i>Decrease in clearing accounts is due to the amount of R90 million received in respect of grant debtors collected by the Special Investigations Unit which is transferred to the National Revenue Fund.</i>			

## Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>18.3 Other payables</b>	18		
Description			
SASSA claims		797	1 937
Deferred revenue		—	284 379
Advance Limpopo		—	50
Private telephone		—	3
<b>Total</b>		<b>797</b>	<b>286 369</b>
<i>Decrease in payables is due to the fact that the amount for the deferred revenue is now recorded under non-current payables</i>			

### 19 Payables – non-current

	Note	2011/12				2010/11
		R'000	R'000	R'000	R'000	R'000
		One to two years	Two to three years	More than three years	Total	Total
Other payables	19.1	352 808	—	—	352 808	—
<b>Total</b>		<b>352 808</b>	<b>—</b>	<b>—</b>	<b>352 808</b>	<b>—</b>

	Note	2011/12 R'000	2010/11 R'000
<b>19.1 Other payables</b>	19		
Description			
Deferred revenue on social grant debtors		352 808	—
<b>Total</b>		<b>352 808</b>	<b>—</b>
<i>Increase in non-current payables is due to the fact that the amount for the deferred revenue is now recorded under non-current payables.</i>			

	Note	2011/12 R'000	2010/11 R'000
<b>20 Net cash flow available from operating activities</b>			
Net surplus as per Statement of Financial Performance		1 248 712	1 920 621
Add back non cash/cash movements not deemed operating activities		(4 816 371)	(1 868 223)
(Increase)/decrease in receivables – current		(57 968)	106 121
(Increase) in prepayments and advances		(2 951 036)	(392 936)
Decrease in other current assets		269	163
Increase/(decrease) in payables – current		(380 746)	88 601
Expenditure on capital assets		18 009	6 248
Surrenders to Revenue Fund		(1 154 053)	(832 631)
Voted funds not requested/not received		(290 846)	(843 779)
Other non-cash items		–	(10)
<b>Net cash flow generated by operating activities</b>		<b>(3 567 659)</b>	<b>52 398</b>
<b>21 Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		(5172 644)	(1 941 232)
Cash receipts		321	1 309
Disbursements		(460)	–
Cash on hand		8	8
<b>Total</b>		<b>(5 172 775)</b>	<b>(1 939 915)</b>

# Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>22 Contingent liabilities and contingent assets</b>			
<b>21.1 Contingent liabilities</b>			
<b>Liable to Nature</b>			
Housing loan guarantees Employees	Annex 2A	249	249
Claims against the Department	Annex 2B	2 600	–
Other departments (interdepartmental unconfirmed balances)	Annex 4	1 128	21 665
<b>Total</b>		<b>3 977</b>	<b>21 914</b>
<b>23 Commitments</b>			
<b>Current expenditure</b>			
Approved and contracted		32 918	53 230
Approved but not yet contracted		930	11
		33 848	53 241
<b>Capital expenditure</b>			
Approved and contracted		2 860	513
Approved but not yet contracted		56	271
		2 916	784
<b>Total Commitments</b>		<b>36 764</b>	<b>54 025</b>
	30 Days 30+ Days	2011/12 Total	2010/11 Total
<b>24 Accruals</b>			
<b>Listed by economic classification</b>			
Goods and services	4 549 378	4 927	2 725
Capital assets	219 24	243	65
<b>Total</b>	<b>4 768 402</b>	<b>5 170</b>	<b>2 790</b>
	Note	2011/12 R'000	2010/11 R'000
<b>Listed by programme level</b>			
Administration		3 107	792
Social Security Policy and Administration		1 528	1 005
Welfare Service Policy Implementation		379	638
Social Policy and Integration Service Delivery		156	331
<b>CIDA funding</b>		–	24
<b>Total</b>		<b>5 170</b>	<b>2 790</b>
<b>Confirmed balances with other departments</b>	Annex 4	4 547	11 129
<b>Total</b>		<b>4 547</b>	<b>11 129</b>



	Note	2011/12 R'000	2010/11 R'000
<b>25 Employee benefits</b>			
Leave entitlement		7 162	4 007
Service bonus (Thirteenth cheque)		6 958	6 326
Performance awards		—	196
Capped leave commitments		8 170	8 122
<b>Total</b>		<b>22 290</b>	<b>18 651</b>

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>26 Lease commitments</b>			
<b>26.1 Operating leases expenditure</b>			
<b>2011/12</b>			
Not later than 1 year	26 191	748	26 939
Later than 1 year and not later than 5 years	12 735	665	13 400
<b>Total lease commitments</b>	<b>38 926</b>	<b>1 413</b>	<b>40 339</b>

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>2010/11</b>			
Not later than 1 year	23 982	112	24 094
Later than 1 year and not later than 5 years	38 925	39	38 964
<b>Total lease commitments</b>	<b>62 907</b>	<b>151</b>	<b>63 058</b>

*Decrease in leases due to the fact that the lease of the HSRC building expires in April 2013 and the lease of the Harlequins building in June 2014.*

	Machinery and equipment R'000	Total R'000
<b>26.2 Finance leases expenditure</b>		
<b>2011/12</b>		
Not later than 1 year	147	147
Later than 1 year and not later than 5 years	40	40
<b>Total lease commitments</b>	<b>187</b>	<b>187</b>

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
<b>27 Irregular expenditure</b>			
<b>27.1 Reconciliation of irregular expenditure</b>			
Opening balance		8 231	6 909
Add: Irregular expenditure – relating to current year		19 871	1 322
<b>Irregular expenditure awaiting condonation</b>		<b>28 102</b>	<b>8 231</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		28 102	1 322
Prior years		–	6 909
<b>Total</b>		<b>28 102</b>	<b>8 231</b>

### 27.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2011/12 R'000
Lease agreement building in KwaZulu Natal		3 845
Non compliance with Supply Chain processes		3 210
Non compliance to SCM prescripts		12 816
<b>Total</b>		<b>19 871</b>

### 27.3 Details of irregular expenditures under investigation

Incident	2011/12 R'000
Non compliance procurement processes	1 759
<b>Total</b>	<b>1 759</b>

## 28 Fruitless and wasteful expenditure

### 28.1 Reconciliation of fruitless and wasteful expenditure

	Note	2011/12 R'000	2010/11 R'000
Opening balance		390	345
Fruitless and wasteful expenditure – relating to current year		–	67
Less: Amounts condoned		(266)	(22)
<b>Fruitless and wasteful expenditure awaiting condonation</b>		<b>124</b>	<b>390</b>

**28.2 Analysis of awaiting condonation per economic classification**

	2011/12 R'000	2010/11 R'000
Current	124	390
<b>Total</b>	<b>124</b>	<b>390</b>

**29 Related party transactions***Related party relationships*

National Development Agency  
 South African Social Security Agency  
 Disaster Relief Fund  
 State President Fund  
 Social Relief Fund  
 Refugee Relief Fund

**30 Key management personnel**

	No. of Individuals	2011/12 R'000	2010/11 R'000
Political office bearers			
Officials:	2	3 471	3 253
Level 15 to 16	7	9 551	8 207
Level 14	25	19 972	17 682
<b>Total</b>		<b>32 994</b>	<b>29 142</b>

**31 Impairment**

	Note	2011/12 R'000	2010/11 R'000
<b>Impairment</b>			
Debtors		48 461	—
<b>Total</b>		<b>48 461</b>	<b>—</b>

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

### 32 Movable Tangible Capital Assets

Movement in Movable Tangible Capital Assets per Asset Register for the Year Ended 31 March 2012

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>Machinery and Equipment</b>	<b>57 645</b>	<b>17 506</b>	<b>105</b>	<b>75 046</b>
Transport assets	2 475	1 623	—	4 098
Computer equipment	33 879	9 913	—	43 792
Furniture and office equipment	16 553	4 046	105	20 494
Other machinery and equipment	4 738	1 924	—	6 662
<b>Total Movable Tangible Capital Assets</b>	<b>57 645</b>	<b>17 506</b>	<b>105</b>	<b>75 046</b>

#### 32.1 Additions

Additions to Movable Tangible Capital Assets per Asset Register for the Year Ended 31 March 2012

	Cash R'000	Received current, not paid R'000	Total R'000
<b>Machinery and Equipment</b>	<b>16 920</b>	<b>586</b>	<b>17 506</b>
Transport assets	1 623	—	1 623
Computer equipment	9 372	541	9 913
Furniture and office equipment	4 001	45	4 046
Other machinery and equipment	1 924	—	1 924
<b>Total Additions to Movable Tangible Capital Assets</b>	<b>16 920</b>	<b>586</b>	<b>17 506</b>

#### 32.2 Disposals

Disposals of Movable Tangible Capital Assets per Asset Register for the Year Ended 31 March 2012

	Transfer out or destroyed or scrapped R'000	Total disposals R'000
<b>Machinery and Equipment</b>	<b>105</b>	<b>105</b>
Furniture and office equipment	105	105
<b>Total Disposal of Movable Tangible Capital Assets</b>	<b>105</b>	<b>105</b>

**32.3 Movement for 2010/11**

Movement in Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2011

	Opening balance R'000	Additions R'000	Closing balance R'000
<b>Machinery and Equipment</b>	<b>51 699</b>	<b>5 946</b>	<b>57 645</b>
Transport assets	798	1 677	2 475
Computer equipment	31 314	2 565	33 879
Furniture and office equipment	15 227	1 326	16 553
Other machinery and equipment	4 360	378	4 738
<b>Total Movable Tangible Capital Assets</b>	<b>51 699</b>	<b>5 946</b>	<b>57 645</b>

**32.4 Minor assets**

Movement In Minor Assets Per The Asset Register For The Year Ended as at 31 March 2012

	Machinery and equipment R'000	Total R'000
Opening balance	1 204	1 204
Additions	1 734	1 734
Disposal	130	130
<b>Total Minor Assets</b>	<b>2 808</b>	<b>2 808</b>
Number of R1 minor assets	6 893	6 893
Number of minor assets at cost	11 288	11 288
<b>Total Number of Minor Assets</b>	<b>18 181</b>	<b>18 181</b>

Movement in Minor Assets per the Asset Register for the Year Ended as at 31 March 2011

Opening balance	512	512
Additions	692	692
<b>Total Minor Assets</b>	<b>1 204</b>	<b>1 204</b>

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

### 33 Intangible Capital Assets

Movement in Intangible Capital Assets per Asset Register for the Year Ended 31 March 2012

	Opening balance R'000	Additions R'000	Closing balance R'000
Computer software	20 880	991	21 871
<b>Total Intangible Capital Assets</b>	<b>20 880</b>	<b>991</b>	<b>21 871</b>

#### 33.1 Additions

Additions to Intangible Capital Assets Per Asset Register for the Year Ended 31 March 2012

	Cash R'000	Total R'000
Computer software	991	991
<b>Total Additions to Intangible Capital Assets</b>	<b>991</b>	<b>991</b>

#### 33.2 Movement for 2010/11

Movement In Intangible Capital Assets Per Asset Register For the year ended 31 March 2011

	Opening balance R'000	Additions R'000	Closing balance R'000
Computer Software	20 513	367	20 880
<b>Total Intangible Capital Assets</b>	<b>20 513</b>	<b>367</b>	<b>20 880</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2012

### Annexure 1A

#### Statement of Transfers to Departmental Agencies and Accounts

Department/Agency/Account	Transfer Allocation		Transfer		2010/11
	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Appropriation Act R'000
National Development Agency	161 360	161 360	161 360	100%	83 469
South African Social Security Agency	6 143 657	6 143 657	6 143 657	100%	5 631 387
National Student Financial Aid Scheme	244 000	244 000	244 000	100%	226 000
	<b>6 549 017</b>	<b>6 549 017</b>	<b>6 549 017</b>		<b>5 940 856</b>

### Annexure 1B

#### Statement of Transfers to Foreign Government and International Organisations

Foreign Government/ International Organisation	Transfer Allocation		Expenditure		2010/11
	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Appropriation Act R'000
<b>Transfers</b>					
International Social Security Association	1 059	1 059	1 091	103%	811
International Federation for Aged	38	38	8	21%	–
International Social Services	150	150	162	108%	71
Walvisbay	323	323	227	70%	–
UNDP representatives	–	–	–	–	141
Partners in Population Development	356	356	277	78%	–
UNRISD	100	100	100	100%	–
Commission for Narcotic Drugs	35	35	25	71%	315
International Organisation of PE	–	–	–	–	100
International Organisation of Pensions	50	50	50	100%	25
Organisation for Economic Co-operation	300	300	304	101%	46
<b>Total</b>	<b>2 411</b>	<b>2 411</b>	<b>2 244</b>		<b>1 509</b>



# Annexures to the Annual Financial Statements

for the year ended 31 March 2012

## Annexure 1C

### Statement of Transfers to Non-Profit Institutions

	Transfer Allocation		Expenditure		2010/11
	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Appropriation Act R'000
<b>Non-Profit Institutions</b>					
<b>Transfers</b>					
Lovelife	43 360	43 360	43 360	100	43 460
Soul City	4 500	4 500	4 500	100	1 000
UNFPA	200	200	200	100	191
NABSSA	956	956	–	–	273
Khanya–AICDD	513	513	214	42	286
NAPWA	793	793	793	100	482
Cape Town Child Welfare Society	400	400	400	100	–
Foodbank South Africa	5 000	5 000	5 000	100	–
	<b>55 722</b>	<b>55 722</b>	<b>54 467</b>		<b>45 692</b>
<b>Subsidies</b>					
Suid Afrikaanse Vroue Federasie	642	642	642	100	601
Die Ondersteuningsraad	550	550	550	100	516
National Council for Persons with Physical Disabilities	600	600	600	100	–
Deaf Federation of South Africa (DEAFSA)	590	590	590	100	703
SA Federation for Mental Health	703	703	703	100	627
SA Council on Alcoholism And Drug Abuse	1 361	1 361	681	50	636
Child Welfare South Africa	1 839	1 839	1 839	100	1 353
Apostolic Faith Mission (AFM)	611	611	611	100	1 723
Family and Marriage Society South Africa	1 068	1 068	1 068	100	573
Epilepsy South Africa	420	420	420	100	1 002
National Institute for Crime Prevention	300	300	300	100	909
Afrikaanse Christelike Vroue Federasie	1 068	1 068	1 068	100	971
Alzheimer SA	649	649	649	100	1 001
Disabled Children Action Group (DCAG)	755	755	755	100	700
BADISA	514	514	514	100	–
South African Council for Social Service Professions	1 476	1 476	1 476	100	481
Khulisa Crime Prevention Initiate	500	500	500	100	1 100
South African Older Persons Forum	649	649	649	100	–
Child Line South Africa	822	822	822	100	1 191
SA Depression and Anxiety Group (SADAG)	1 000	1 000	1 000	100	591
Action on Elder Abuse SA	649	649	649	100	770
Lifeline South Africa	900	900	900	100	859
National Association of Scholarship	–	–	–		534
National Peace Accord Trust	690	690	690	100	972
Victim Empowerment Organisation	951	951	–		275
<b>Sub total</b>	<b>19 307</b>	<b>19 307</b>	<b>17 676</b>		<b>18 088</b>
<b>Total</b>	<b>75 029</b>	<b>75 029</b>	<b>72 143</b>		<b>63 780</b>

**Annexure 1D****Statement of Transfers to Households**

Households	Transfer Allocation		Expenditure		2010/11
	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Appropriation Act R'000
<b>Transfers</b>					
Disaster Relief fund	—	—	—		20 000
Social Grants	97 103 213	97 103 213	95 963 141	99	87 492 902
Social Relief	—	—	—	—	4 787
Social benefit Ex officials	—	—	987	—	131
Department of Labour ( Injury on duty)	—	—	89	—	3
Donations	—	—	311	—	170
<b>Total</b>	<b>97 103 213</b>	<b>97 103 213</b>	<b>95 964 528</b>		<b>87 517 993</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2012

### Annexure 1E

#### Statement of Aid Assistance Received

Name of Donor	Purpose	Opening Balance R'000	Revenue R'000	Expenditure R'000	Closing Balance R'000
<b>Received in cash</b>					
DFID	SACED Programme	4	692	696	–
CIDA	Child Protection Register	–	4 516	4 141	375
HW Seta	Various training Programmes	3 368	1 768	1 315	3 821
UNICEF	Consultancy Proff Ray Rist	–	163	163	–
<b>Subtotal</b>		<b>3 372</b>	<b>7 139</b>	<b>6 315</b>	<b>4 196</b>
<b>Received In Kind</b>					
UNFPA	PED in IDP training		150	150	–
UNFPA	Pan African Population and Climate Change training		400	400	–
UNFPA	APSTAR capacity building programme – University of KZN		270	270	–
UNFPA	Continuation of NWU partnership initiative towards a Centre of Excellence in population and demography studies		140	140	–
UNICEF	Edit, design and lay out advocacy document on research done on prevention and early intervention programmes in SA		150	150	–
UNICEF	Development of a risk assessment tool for use by the social work professionals		372	372	–
USAID	Implementation plan for child abuse, neglect and exploitation		3 584	704	–
USAID	Development of conceptual framework for accredited training in Child Protection for Social Workers		3 558	1 157	–
UNICEF	Testing of norms and standards for cluster foster care		432	432	–
UNICEF	Development of the assessment tool for children in alternative care		400	400	–
UNICEF	Master training on the assessment tool		160	160	–
UNICEF	Audit of unregistered Child and Youth Care centres		880	880	–
USAID	Production, launch and distribution of the children services directory		929	929	–
USAID	Contract data capturers		22	22	–
USAID	Establishment of the Helpdesk for the HCBC IT systems		60	60	–
USAID	Development of social and behaviour change strategy and workshop conducted		700	700	–
USAID	Thogomelo training of community caregivers on Psychosocial wellbeing and development of curriculum and training on supervision		12 000	12 000	–
JICA	Training of four DSD officials in JAPAN		410	410	–
JICA	Donate an Adopted Vehicle		458	458	–
JICA	Designing poster and banner		54	54	–
JICA	Comic book translation		9	9	–
JICA	One banner		1	1	–
JICA	Printing of comic book and poster		147	147	–
JICA	Printing of Z - card		154	–	154
		–	<b>25 440</b>	<b>20 005</b>	<b>154</b>
<b>Total</b>		<b>3 372</b>	<b>32 579</b>	<b>26 320</b>	<b>4 350</b>

**Annexure 1F****Statement of Actual Monthly Expenditure Per Grant**

Grant Type	Apr 2011 R'000	May 2011 R'000	Jun 2011 R'000	Jul 2011 R'000	Aug 2011 R'000	Sept 2011 R'000	Oct 2011 R'000	Nov 2011 R'000	Dec 2011 R'000	Jan 2012 R'000	Feb 2012 R'000	Mar 2012 R'000	Total R'000
Old age	3 070 618	3 081 086	2 886 217	3 238 002	3 088 320	3 098 032	3 080 204	3 082 864	3 145 503	3 123 159	3 095 827	3 130 133	37 119 965
War Veterans	1 118	1 106	1 065	1 047	1 008	995	960	918	954	912	898	868	11 849
Disability	1 454 884	1 470 161	1 411 540	1 491 367	1 453 019	1 472 613	1 618 744	1 285 402	1 451 839	1 463 701	1 402 438	1 399 314	17 375 022
Grant in Aid	15 263	15 873	15 742	16 509	16 560	16 810	16 706	18 401	18 091	18 098	17 714	18 260	204 027
Foster Care	401 446	408 140	388 411	440 622	419 528	432 504	266 050	611 759	449 090	394 726	389 456	409 181	5 010 913
Care													
Dependency	143 225	144 514	137 636	148 053	143 971	146 877	144 318	145 147	146 557	147 220	143 838	145 074	1 736 430
Child Support													
Grant	2 738 327	2 769 009	2 606 054	2 888 554	2 762 803	2 840 829	2 908 203	2 926 442	2 981 464	3 010 732	2 925 559	2 961 660	34 319 636
Other	1 858	7 345	12 384	17 095	18 699	21 513	19 657	17 900	17 620	11 060	11 824	28 338	185 299
<b>Total</b>	<b>7 826 739</b>	<b>7 897 234</b>	<b>7 459 049</b>	<b>8 241 249</b>	<b>7 903 908</b>	<b>8 030 173</b>	<b>8 054 842</b>	<b>8 088 833</b>	<b>8 211 118</b>	<b>8 169 614</b>	<b>7 987 554</b>	<b>8 092 828</b>	<b>95 963 141</b>

**Annexure 2A****Statement of Financial Guarantees Issued as at 31 March 2012 – Local**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2011 R'000	Guarantees draw downs during the year R'000	Guarantees repayments/ cancelled/ reduced/ released during the year R'000	Closing balance 31 March 2012 R'000
ABSA	Housing	134	110	–	–	110
FNB	Housing	11	11	–	–	11
First Rand	Housing	101	101	–	–	101
Old Mutual	Housing	27	12	–	–	12
Standard Bank	Housing	15	15	–	–	15
<b>TOTAL</b>		<b>288</b>	<b>249</b>	<b>–</b>	<b>–</b>	<b>249</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2012

### Annexure 2B

#### Statement of Contingent Liabilities as at 31 March 2012

Nature of Liability	Opening Balance 1 April 2011 R'000	Liability incurred during the year R'000	Closing Balance 31 March 2012 R'000
<b>Claims against the Department</b>			
Unfair labour practice	–	2 600	2 600
<b>Total</b>	<b>–</b>	<b>2 600</b>	<b>2 600</b>

### Annexure 3

#### Claims Recoverable

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Department of Health and Welfare – Limpopo	20 123	20 817	33	–	20 156	20 817
Department of Social Development – Gauteng	2 870	2 870	57	–	2 927	2 870
South African Social Security Agency	–	–	3 301	3 975	3 301	3 975
Department of Trade and Industry	–	–	–	27	–	27
Community Safety – Mpumalanga	–	–	30	–	30	–
Presidency	–	–	–	431	–	431
Justice and Constitutional Development	–	–	117	366	117	366
National Treasury	–	–	670	–	670	–
National Treasury (Limpopo)	–	–	694	–	694	–
National treasury (Free State)	–	–	2 423	2 423	2 423	2 423
Integrated Justice System (Department of Justice)	–	–	1 478	2 021	1 478	2 021
Department of Defence	–	–	19	13	19	13
Department of Home Affairs	–	–	8	8	8	8
Department of Rural Development (NSIS)	–	–	–	1 984	–	1 984
Unknown	–	–	55	56	55	56
South African Social Security Agency (PMG acc)	1 796	2 858	–	–	1 796	2 858
Department of Health	–	–	27	–	27	–
Environmental Affairs	–	–	25	–	25	–
Tourism	–	–	37	–	37	–
South African Revenue Service	18	–	–	–	18	–
<b>Total</b>	<b>24 807</b>	<b>26 545</b>	<b>8 974</b>	<b>11 304</b>	<b>33 781</b>	<b>37 849</b>

**Annexure 4****Inter-Government Payables**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Departments</b>						
Current						
Parliament of Republic SA	—	1	—	—	—	1
Department of Justice	4 547	11 116	1 111	1 064	5 658	12 180
Gauteng G-fleet	—	—	—	3 080	—	3 080
Department of Science and Technology	—	12	—	—	—	12
Department of Social Development KZN	—	—	—	17 521	—	17 521
Dept Human Settlement	—	—	10	—	10	—
Dept Home Affairs	—	—	7	—	7	—
<b>Total</b>	<b>4 547</b>	<b>11 129</b>	<b>1 128</b>	<b>21 665</b>	<b>5 675</b>	<b>32 794</b>

**Annexure 5****Inventory**

Inventory	Note	2011/12		2010/11	
		Quantity	R'000	Quantity	R'000
Opening balance		13 290	755	13 290	755
Add/(Less): Adjustments to prior year balance		(2 000)	(47)	(222)	(12)
Add: Additions/Purchases - Cash		80 625	17 914	53 648	12 851
Add: Additions - Non-cash		—	—	35	5
Add/(Less): Adjustments		(63 697)	(17 355)	—	—
<b>Closing balance</b>		<b>28 218</b>	<b>1 267</b>	<b>66 751</b>	<b>13 599</b>

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE DISASTER RELIEF FUND

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the Disaster Relief Fund set out on pages 182 to 190 which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### The Board's responsibility for the financial statements

2. The board is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as the board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Disaster Relief Fund as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matter

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Significant uncertainties

8. With reference to note 13 to the financial statements, the fund is a defendant in the Northern Cape drought litigation. The note further indicates that the claim against the fund could escalate tremendously. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

### Restatement of corresponding figures

9. As disclosed in note 16 to the financial statements, the corresponding figure for cash and cash equivalents for the year ending 31 March 2011 was restated as a result of a classification error relating to an investment which was incorrectly classified as a financial asset available for sale.



### Going concern

10. Note 15 to the financial statements indicates that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 15 indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

12. There are no matters to report as the fund was dormant for the year under review.

### Compliance with laws and regulations

13. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

### Annual financial statements

14. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

### Internal control

15. I considered internal control relevant to my audit of the financial statements and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the finding on compliance with laws and regulations included in this report.

### Leadership

16. There was a lack of oversight responsibility regarding financial reporting and compliance and related internal controls.

### Financial and performance management

17. Regular, accurate and complete financial reports were not prepared in accordance with the prescribed financial reporting framework. Compliance with applicable laws and regulations was not always reviewed and monitored.

Auditor-General

Pretoria

31 July 2012



## Statement of Financial Performance

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>REVENUE</b>			
Other income	2	23 710	42 408
<b>TOTAL REVENUE</b>		<b>23 710</b>	<b>42 408</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(243)	(155)
Audit fees	4	(15)	(8)
Other operating expenses	5	(32 369)	(91)
<b>TOTAL EXPENDITURE</b>		<b>(32 627)</b>	<b>(254)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>(8 917)</b>	<b>42 154</b>
Surplus/(Deficit) for the year		<b>(8 917)</b>	<b>42 154</b>

## Statement of Financial Position

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	64 562	84 680
Account receivable	8	11 201	0
<b>TOTAL ASSETS</b>		<b>75 763</b>	<b>84 680</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>		–	–
<b>TOTAL LIABILITIES</b>		–	–
<b>NET ASSETS</b>			
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus	9	75 763	84 680
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>75 763</b>	<b>84 680</b>

## Statement of Changes in Net Assets

as at 31 March 2012

	Accumulated funds R'000
<b>Balance as at 1 April 2010</b>	<b>42 526</b>
Surplus for the year	42 154
<b>Balance as at 31 March 2011</b>	<b>84 680</b>
(Deficit) Surplus for the year	(8 917)
<b>Balance as at 31 March 2012</b>	<b>75 763</b>

## Cash Flow Statement

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from stakeholders		21 000	39 575
Government grant		21 000	39 575
Cash paid to stakeholder, suppliers and employees		(43 828)	(254)
Grant and project payments		(32 349)	-
Payments to suppliers and other		(11 479)	(254)
Cash generated from operations	10	(22 828)	39 321
Interest income	2	2 710	2 833
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(20 118)</b>	<b>42 154</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Net cash flows from investing activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Write off of unpaid beneficiaries		-	(4 424)
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>(4 424)</b>
Net (decrease)/increase in cash and cash equivalents		(20 118)	37 728
Cash and cash equivalent at beginning of the year		84 680	46 952
<b>Cash and cash equivalent at end of the year</b>	<b>7</b>	<b>64 562</b>	<b>84 680</b>

# Notes to the Financial Statements of the Disaster Relief Fund

for the year ended 31 March 2012

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

### 1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 18: Segment Reporting
- GRAP 21: Impairment of non-cash generating Assets
- GRAP 23: Revenue from non-exchange Transactions
- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee Benefits
- GRAP 26: Impairment of Cash generating Assets
- GRAP 103: Heritage Assets
- GRAP 104: Financial Instruments
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Exchange Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining whether an Arrangement contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation - Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15: Revenue – Barter Transactions involving Advertising Services

### 1.2 CURRENCY

These financial statements are presented in South African Rands. All figures are rounded to the nearest one thousand.

### 1.3 REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

Income from donations and grants are included in the grant income when these are received.

### 1.4. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

### 1.5. INVESTMENTS

Investments are shown at cost including interest capitalised.

### 1.6. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 1.7 FINANCIAL INSTRUMENTS

#### Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

#### Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

#### Financial assets

The Fund's principle financial assets are cash and cash equivalents.

#### Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

#### Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

#### Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.8 INVENTORIES

Inventory is stated at the lower cost and net realizable value. Cost is calculated on the weighted average basis, and it includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

### 1.9 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

## Notes to the Annual Financial Statements

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>2. Revenue</b>			
Interest received		2 710	2 833
National Lottery Board		–	35 000
High School Vorentoe (Disaster Fund – Account closed 26 August 2010)		–	150
Stale cheques		–	4 425
Direct Deposit		21 000	–
<b>Total</b>		<b>23 710</b>	<b>42 408</b>
<b>3. Administrative Expenditure</b>			
Investment levy		4	4
Fees for Services – Board Members	17	146	136
Advertisement Tenders		37	–
Rental (Container)		11	–
Bank Charges		3	1
Refreshments (Meetings)		42	14
<b>Total</b>		<b>243</b>	<b>155</b>
<b>4. Audit Fees</b>		15	8
<b>5. Other Operating Expenses</b>			
Travel and Accommodation		17	26
Printing and Stationery		–	21
Training		–	40
Computer Expenses		3	4
Assistance to Beneficiaries (DSD)		1 218	–
Assistance to Beneficiaries (DMS)		28 463	–
Administration fees to (DMS)		2 668	–
<b>Total</b>		<b>32 369</b>	<b>91</b>

## 6. Risk Management

### 6.1 Financial Risk Factors

#### 6.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Disaster Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return.

The Disaster Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 6.1.2 Credit Risk

Credit risk is the risk of financial loss to the Disaster Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Disaster Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

## 6.1.3 Financial Assets

Cost	48 584	45 754
Additions during the year	2 706	2 830
<b>Closing Balance</b>	<b>51 290</b>	<b>48 584</b>

## 6.1.4 Liquidity risk

Liquidity risk is the risk that the Disaster Relief Fund will not be able to meet its financial obligations as they fall due. The Disaster Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The Disaster Relief Fund monitors its cash flow requirements and optimizes its cash return on investments.

**Cash and Cash Equivalents**

Cash and Balances with Banks	13 272	36 096
Investments	51 290	48 584
<b>Total</b>	<b>64 562</b>	<b>84 680</b>

## 6.1.5 Interest Rate Risk

The Disaster Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalised and will therefore not affect the operations of the Disaster Relief Fund.

	2011/2012 Effective Rate %	2010/2011 Effective Rate %	Change
<b>Investments</b>	<b>5.44</b>	<b>6.03</b>	<b>(0.59)</b>

## 6.1.6 Interest risk sensitivity analysis

	2011/2012 R'000	2010/2011 R'000
<b>Investments</b>	<b>51 290</b>	<b>45 584</b>
<b>1% interest fluctuation impact</b>	<b>513</b>	<b>456</b>

## 6.1.7 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

## 6.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

	Notes	2011/12 R'000	2010/11 R'000
<b>7. Cash and Cash Equivalents</b>			
Cash – Bank Deposits		13 272	36 096
Cash – Corporation for Public Deposits		50 305	47 641
Cash – Public Investment Corporation		985	943
<b>Total</b>		<b>64 562</b>	<b>84 680</b>

Credit quality of cash at bank and short term deposits, excluding cash on hand.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.



## Notes to the Annual Financial Statements

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>8. Account Receivable</b>			
Prepaid Expenses		11 201	–
<b>Total</b>		<b>11 201</b>	<b>–</b>
<b>9. Retained Income</b>			
Accumulated surplus/(accumulated deficit)		84 680	42 526
Net Profit/Loss for this year		(8 917)	42 154
<b>Total</b>		<b>75 763</b>	<b>84 680</b>
<b>10. Cash generated from/(utilized in) Operations</b>			
Surplus/(deficit) before tax		(8 917)	42 154
(Interest received)		(2 710)	(2 832)
<b>Adjusted for working capital Changes</b>		<b>(11 201)</b>	<b>(4 424)</b>
Increase/(decrease) in payables			(4 424)
(Increase)/decrease in receivables		(11 201)	
<b>Net cash flow from operating activities</b>		<b>(22 828)</b>	<b>34 898</b>

### 11. National Lotteries Board Funding

The Disaster Relief Fund Board entered into a Grant Agreement to the value of R50 Million with the National Lotteries Board on 1 March 2011. In terms of this agreement the first tranche of R35 Million was paid during the 2010/11 financial year with the second tranche payment of 15 Million payable upon compliance with conditions provided for in the contract. Due to the discretionary nature of the payment of the outstanding balance of the R15 Million has not been recognised in the statement of financial position.

### 12. Events after Balance Sheet Date

None identified to date.

### 13. Contingent Liabilities

The Disaster Relief Fund has been represented by solicitors for the year ended 31 March 2012, for the Northern Cape Drought Litigation dating back since 2004. For representation up to now it amounts to R1 500 000,00. Should payment to claimants be made it would roughly come to  $R900 \times 3000 \text{ persons} = R2\,700\,000,00$ . It needs to be mentioned that the lawyer keeps adding more persons as time goes on. The amounts mentioned can escalate tremendously.

### 14. Related party transactions

#### 14.1 The Department of Social Development

The executive authority of the Disaster Relief Fund is the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD, except for the transfer to the Board.

<b>Revenue</b>		
Department of Social Development	21 000	–
<b>Total</b>	<b>21 000</b>	<b>–</b>

## 14.2 Relief Fund Boards

A related party relationship exists between the Disaster Relief Fund and the Social Relief Fund, the Refugee Relief Fund and the State President's Fund. There were no transactions between the above-mentioned related parties.

## 14.3 National Development Agency (NDA)

A related party relationship exists between the Disaster Relief Fund and the NDA. There were no transactions between the parties.

## 14.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Disaster Relief Fund and SASSA. The Disaster Relief Fund Board donated 1 200 blankets with a value of R372, 000.00 to SASSA.

## 15. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act, the processes of which will commence in the 2012/13 financial year.

## 16. Correction of prior period errors: Misclassification of investments as financial assets available for sale

In the 2011 financial year the Fund incorrectly classified investments as financial assets available for sale under non-current assets instead of cash and cash equivalents under current assets. The error was discovered in 2012.

As this error was made in a financial year prior to the comparative year, the Statement of Financial Position opening balances as at 1 April 2010 were restated as follows:

- Cash and Cash equivalents was increased by R45 754 000
- Financial assets available for sale decreased by R45 754 000

In addition, this error resulted in restatement of the following line items for the year ending 31 March 2011:

- Cash and Cash equivalents was increased by R48 584 000
- Financial assets available for sale decreased by R48 584 000

## 17. Board Members Emoluments

Fees for the board members

2011/12	Designation	Total R	Meeting fees R	Reimbursement R
Adv M Komape	Chairperson	52 169	36 120	16 050
Ms O Matshane	Board Member	6 842	5 121	1 721
Mr FA Xaba	Board Member	7 342	3 135	4 207
Mr MI Mokotjo	Board Member	20 212	9 510	10 701
Ms J Padayatchey	Board Member	8 733	6 688	2 045
Mr TL Makgonye	Board Member	21 528	5 330	16 199
Mr JS Mojabelo	Board Member	10 801	8 360	2 441
Ms C Phetwe	Board Member	18 717	8 047	10 669
Ms BG Chiba	Board Member	—	—	—
Mr GJ Pillay	Board Member	—	—	—
Mr ME Tau	Board Member	—	—	—
<b>Total</b>		<b>146 344</b>	<b>82 311</b>	<b>64 033</b>

## Notes to the Annual Financial Statements

as at 31 March 2012

2010/11	Designation	Total R	Meeting fees R	Reimbursement R
Adv M Komape	Chairperson	14 835	13 244	1 591
Ms O Matshane	Board Member	11 180	7 629	3 551
Mr FA Xaba	Board Member	15 088	5 121	9 968
Mr MI Mokotjo	Board Member	2 195	2 195	–
Ms J Padayatchey	Board Member	8 301	6 479	1 822
Mr TL Makgonye	Board Member	45 070	11 254	33 817
Mr JS Mojapelo	Board Member	8 242	6 793	1 450
Ms C Phetwe	Board Member	12 410	6 375	6 036
Ms BG Chiba	Board Member	11 116	6 300	4 816
Mr GJ Pillay	Board Member	5 649	3 898	1 752
Mr ME Tau	Board Member	1 918	1 463	455
<b>Total</b>		<b>136 006</b>	<b>70 748</b>	<b>65 259</b>

### 19. Meeting attendance for the period 1 April 2011 to 31 March 2012

Names	28 Apr 11	29 Apr 11	6 May 11	3 Jun 11	20 Jun 11	28 Jun 11	4 Jul 11	21 Jul 11	16 Sept 11	28 Sept 11	28 Oct 11	11 Nov 11	15 Nov 11	13 Feb 12	9 Mar 12	23 Mar 12	Total
Adv M Komape	–	–	1	1	1	1	1	1	1	1	1	1	1	1	–	1	13
Ms O Matshane	–	–	1	1	–	–	–	–	1	–	1	–	–	–	–	1	5
Mr FA Xaba	–	–	–	–	–	1	–	1	1	–	1	1	–	–	1	1	7
Mr MI Mokotjo	1	–	1	1	1	–	1	1	–	–	1	1	1	–	1	1	11
Ms J Padayatchey	1	1	1	1	–	1	–	1	1	–	–	1	–	–	1	–	9
Mr TL Makgonye	–	–	1	–	–	1	–	1	1	–	–	–	–	–	1	1	6
Mr JS Mojapelo	1	–	1	1	–	1	–	1	1	–	–	1	–	–	–	–	7
Ms C Phetwe	1	1	1	1	–	1	–	–	1	–	1	–	–	–	1	1	9
<b>Total</b>	<b>4</b>	<b>2</b>	<b>7</b>	<b>6</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>6</b>	<b>7</b>	<b>1</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>6</b>	

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE REFUGEE RELIEF FUND

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the Refugee Relief Fund set out on pages 193 to 199, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Refugee Relief Fund as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matter

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

8. As disclosed in note 11 to the financial statements, the corresponding figure for cash and cash equivalents for the year ending 31 March 2011 was restated as a result of a classification error relating to an investment which was incorrectly classified as a financial asset available for sale.

### Going concern

9. Note 10 to the financial statements indicates that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 10 indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE REFUGEE RELIEF FUND

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

#### Predetermined objectives

11. There are no matters to report as the fund was dormant for the year under review.

#### Compliance with laws and regulations

12. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

#### Annual financial statements

13. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

#### Internal control

14. I considered internal control relevant to my audit of the financial statements and compliance with laws and regulations. The matters reported below under the

fundamentals of internal control are limited to the significant deficiencies that resulted in the finding on compliance with laws and regulations included in this report.

#### Leadership

15. There was a lack of oversight responsibility regarding financial reporting and compliance and related internal controls.

#### Financial and performance management

16. Regular, accurate and complete financial reports were not prepared in accordance with the prescribed financial reporting framework. Compliance with applicable laws and regulations was not always reviewed and monitored.

Auditor-General

Pretoria  
31 July 2012



## Statement of Financial Performance

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>REVENUE</b>			
Other income	2	22	24
<b>TOTAL REVENUE</b>		<b>22</b>	<b>24</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(4)	(5)
Audit fees	4	(5)	(1)
<b>TOTAL EXPENDITURE</b>		<b>(9)</b>	<b>(6)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>13</b>	<b>18</b>
<b>Surplus/(Deficit) for the year</b>		<b>13</b>	<b>18</b>

## Statement of Financial Position

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	525	512
<b>TOTAL ASSETS</b>		<b>525</b>	<b>512</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		525	512
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>525</b>	<b>512</b>

## Statement of Changes in Net Assets

as at 31 March 2012

	Accumulated funds R'000
Balance as at 1 April 2010	495
Interest rounding off	(1)
Surplus for the year	18
<b>Balance as at 31 March 2011</b>	<b>512</b>
Surplus for the year	13
<b>Balance as at 31 March 2012</b>	<b>525</b>

## Cash Flow Statement

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(9)	(6)
<b>Cash generated from/(utilised in) Operations</b>		<b>(9)</b>	<b>(6)</b>
Interest received		22	24
<b>Net cash inflow/(outflow) from operating activities</b>		<b>13</b>	<b>18</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Trading investments		—	—
<b>Net cash flows from investing activities</b>		<b>—</b>	<b>—</b>
Net (decrease)/increase in cash and cash equivalents		13	18
Cash and cash equivalent at beginning of the year		512	494
<b>Cash and cash equivalent at end of the year</b>	<b>6</b>	<b>525</b>	<b>512</b>



# Notes to the Financial Statements of the Refugee Relief Fund

for the year ended 31 March 2012

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

### 1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 18: Segment Reporting
- GRAP 21: Impairment of non-cash generating Assets
- GRAP 23: Revenue from non-exchange Transactions
- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee Benefits
- GRAP 26: Impairment of Cash generating Assets
- GRAP 103: Heritage Assets
- GRAP 104: Financial Instruments
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Exchange Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining whether an Arrangement contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation - Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15: Revenue – Barter Transactions involving Advertising Services

### 1.2 CURRENCY

These financial statements are presented in South African Rands.

## Notes to the Financial Statements of the Refugee Relief Fund

for the year ended 31 March 2012

### 1.3. REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

### 1.4. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

### 1.5. INVESTMENTS

Investments are shown at cost including interest capitalised.

### 1.6. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 1.7. FINANCIAL INSTRUMENTS

#### Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

#### Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

#### Financial assets

The Fund's principle financial assets are investments.

#### Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

#### Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

#### Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.8. EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

## Notes to the Annual Financial Statements

as at 31 March 2012

	2011/12 R'000	2010/11 R'000
<b>2. Revenue</b>		
Interest received	22	24
<b>Total</b>	<b>22</b>	<b>24</b>
<b>3. Administrative Expenditure</b>		
Bank Charges	1	1
Management fee	4	4
<b>Total</b>	<b>5</b>	<b>5</b>
<b>4. Audit Fees</b>	<b>5</b>	<b>1</b>

## 5. Risk Management

### 5.1 Financial Risk Factors

#### 5.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Refugee Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The Refugee Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 5.1.2 Credit Risk

Credit risk is the risk of financial loss to the Refugee Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Refugee Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

#### 5.1.3 Financial Assets

Cost	444	424
Additions during the year	18	20
<b>Closing Balance</b>	<b>462</b>	<b>444</b>

#### 5.1.4 Liquidity risk

Liquidity risk is the risk that the Refugee Relief Fund will not be able to meet its financial obligations as they fall due. The Refugee Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The Refugee Relief Fund monitors its cash flow requirements and optimizes its cash return on investments.

<b>Cash and Cash Equivalents</b>		
Cash and Balances with Banks	62	68
Investment	462	444
<b>Total</b>	<b>524</b>	<b>512</b>

## Notes to the Annual Financial Statements

as at 31 March 2012

### 5.1.5 Interest Rate Risk

The Refugee Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the Refugee Relief Fund.

	2011/2012 Effective Rate %	2010/2011 Effective Rate %	Change
Investments	5.44	6.03	(0.59)

### 5.1.6 Interest risk sensitivity analysis

	2011/2012 R'000	2010/2011 R'000
Investments	462	444
1% interest fluctuation impact	5	4

### 5.1.7 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

### 5.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

	Notes	2011/12 R'000	2010/11 R'000
<b>6. Cash and Cash Equivalents</b>			
Cash – Bank Deposits		62	68
Cash – Corporation for Public Deposits		2	2
Cash – Public Investment Corporation		460	442
<b>Total</b>		<b>524</b>	<b>512</b>

Credit quality of cash at bank and short term deposits, excluding cash on hand.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

### 7. Cash generated from/(utilised in) Operations

Surplus/ (deficit) before tax	13	18
(Interest received)	(22)	(24)
<b>Net cash flow from operating activities</b>	<b>(9)</b>	<b>(6)</b>

### 8. Events after Balance Sheet Date

None identified to date.

## 9. Related party transactions

### 9.1 The Department of Social Development

The executive authority of the Refugee Relief Fund is the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no related party transactions with DSD.

### 9.2 Relief Fund Boards

A related party relationship exists between the Refugee Relief Fund, the Disaster Relief Fund, the Social Relief Fund and the State President's Fund. There were no transactions between the above-mentioned related parties.

### 9.3 National Development Agency (NDA)

A related party relationship exists between the Refugee Relief Fund and the NDA. There were no transactions between the parties.

### 9.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Refugee Relief Fund and SASSA. There were no transactions between the parties.

## 10. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act, the processes of which will commence in the 2012/13 financial year.

## 11. Correction of prior period errors: Misclassification of investments as financial assets available for sale

In the 2011 financial year the Fund incorrectly classified investments as financial assets available for sale under non-current assets instead of cash and cash equivalents under current assets. The error was discovered in 2012.

As this error was made in a financial year prior to the comparative year, the Statement of Financial Position opening balances as at 1 April 2010 were restated as follows:

- Cash and Cash equivalents was increased by R425 000
- Financial assets available for sale decreased by R425 000

In addition, this error resulted in restatement of the following line items for the year ending 31 March 2011:

- Cash and Cash equivalents was increased by R444 000
- Financial assets available for sale decreased by R444 000

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE SOCIAL RELIEF FUND

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the Social Relief Fund set out on pages 202 to 208, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Social Relief Fund as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matter

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

8. As disclosed in note 12 to the financial statements, the corresponding figure for cash and cash equivalents for the year ending 31 March 2011 was restated as a result of a classification error relating to an investment which was incorrectly classified as a financial asset available for sale.

### Going concern

9. Note 11 to the financial statements indicates that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 11 indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

11. There are no matters to report as the fund was dormant for the year under review.

### Compliance with laws and regulations

12. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

### Annual financial statements

13. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

### Internal control

14. I considered internal control relevant to my audit of the financial statements and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the finding on compliance with laws and regulations included in this report.

### Leadership

15. There was a lack of oversight responsibility regarding financial reporting and compliance and related internal controls.

### Financial and performance management

16. Regular, accurate and complete financial reports were not prepared in accordance with the prescribed financial reporting framework. Compliance with applicable laws and regulations was not always reviewed and monitored.

Auditor-General

Pretoria

31 July 2012





## Statement of Financial Performance

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>REVENUE</b>			
Other income	2	1 330	1 389
<b>TOTAL REVENUE</b>		<b>1 330</b>	<b>1 389</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(1)	(1)
Audit fees	4	(4)	(1)
<b>TOTAL EXPENDITURE</b>		<b>(5)</b>	<b>(2)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>1 325</b>	<b>1 387</b>
<b>Surplus/(Deficit) for the year</b>		<b>1 325</b>	<b>1 387</b>

## Statement of Financial Position

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	25 115	23 790
<b>TOTAL ASSETS</b>		<b>25 115</b>	<b>23 790</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		25 115	23 790
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>25 115</b>	<b>23 790</b>

## Statement of Changes in Net Assets

as at 31 March 2012

	Accumulated funds R'000
Balance as at 1 April 2010	22,403
Surplus for the year	1,387
Balance as at 31 March 2011	23,790
Surplus for the year	1,325
Balance as at 31 March 2012	25,115

## Cash Flow Statement

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(5)	(2)
<b>Cash generated from/(utilised in) Operations</b>		<b>(5)</b>	<b>(2)</b>
Interest received		1 330	1 389
<b>Net cash inflow/(outflow) from operating activities</b>		<b>1 325</b>	<b>1 387</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Trading investments		0	0
<b>Net cash flows from investing activities</b>		<b>0</b>	<b>0</b>
Net (decrease) / increase in cash and cash equivalents		1 325	1 387
Cash and cash equivalent at beginning of the year		23 790	22 403
<b>Cash and cash equivalent at end of the year</b>	<b>6</b>	<b>25 115</b>	<b>23 790</b>

# Notes to the Financial Statements of the Social Relief Fund

for the year ended 31 March 2012

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

### 1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 18: Segment Reporting
- GRAP 21: Impairment of non-cash generating Assets
- GRAP 23: Revenue from non-exchange Transactions
- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee Benefits
- GRAP 26: Impairment of Cash generating Assets
- GRAP 103: Heritage Assets
- GRAP 104: Financial Instruments
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Exchange Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining whether an Arrangement contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation - Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15: Revenue – Barter Transactions involving Advertising Services

### 1.2 CURRENCY

These financial statements are presented in South African Rands.

### 1.3 REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

### 1.4. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

### 1.5. INVESTMENTS

Investments are shown at cost including interest capitalised.

### 1.6. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 1.7 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

### 1.8 FINANCIAL INSTRUMENTS

#### Recognition

Financial assets and liabilities are recognized in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

#### Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

#### Financial assets

The Fund's principle financial assets are investments.

#### Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

#### Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

#### Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at a mortised cost, comprising original debt less principal payments and amortisations.

# Notes to the Annual Financial Statements

as at 31 March 2012

	2011/12 R'000	2010/11 R'000
<b>2. Revenue</b>		
Interest received	1 330	1 389
<b>Total</b>	<b>1 330</b>	<b>1 389</b>
<b>3. Administrative Expenditure</b>		
Bank Charges	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
<b>4. Audit Fees</b>	<b>4</b>	<b>1</b>

## 5. Risk Management

### 5.1 Financial Risk Factors

#### 5.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Social Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The Social Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 5.1.2 Credit Risk

Credit risk is the risk of financial loss to the Social Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Social Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

#### 5.1.3 Financial Assets

Cost	23 782	22 393
Additions during the year	1 330	1 389
<b>Closing Balance</b>	<b>25 112</b>	<b>23 782</b>

#### 5.1.4 Liquidity risk

Liquidity risk is the risk that Social Relief Fund will not be able to meet its financial obligations as they fall due. The Social Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due.

<b>Cash and Cash Equivalents</b>		
Cash and Balances with Banks	3	8
Investments	25 112	23 782
<b>Total</b>	<b>25 115</b>	<b>23 790</b>

## 5.1.5 Interest Rate Risk

The Social Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the Social Relief Fund.

	2011/2012 Effective Rate %	2010/2011 Effective Rate %	Change
<b>Investments</b>	<b>5.44</b>	<b>6.03</b>	<b>(0.59)</b>

## 5.1.6 Interest risk sensitivity analysis

	2011/2012 R'000	2010/2011 R'000
<b>Investments</b>	<b>25 112</b>	<b>23 782</b>
<b>1% interest fluctuation impact</b>	<b>251</b>	<b>238</b>

## 5.1.7 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

## 5.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

	Notes	2011/12 R'000	2010/11 R'000
<b>6. Cash and Cash Equivalents</b>			
Cash – Bank Deposits		3	8
Cash – Investment Account		25 112	23 782
<b>Total</b>		<b>25 115</b>	<b>23 790</b>

Credit quality of cash at bank and short term deposits, excluding cash on hand.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

## 7. Cash generated from/(utilised in) Operations

Surplus/ (deficit) before tax	1 325	1 387
(Interest received)	(1 330)	(1 389)–
<b>Net cash flow from operating activities</b>	<b>(5)</b>	<b>(2)</b>

## 8. Net cash inflows/outflows from Operating activities

Cash payments to suppliers and employees	(5)	(2)
<b>Net cash flow from operating activities</b>	<b>(5)</b>	<b>(2)</b>
Interest received	1 330	1 389
<b>Net cash inflows/outflows from operating activities</b>	<b>1 325</b>	<b>1 387</b>

## Notes to the Annual Financial Statements

as at 31 March 2012

### 9. Events after Balance Sheet Date

None identified to date.

### 10. Related Party Transactions

#### 10.1 The Department of Social Development

The executive authority of the Social Relief Fund is the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no related party transactions with DSD.

#### 10.2 Relief Fund Boards

A related party relationship exists between the Social Relief Fund, the Disaster Relief Fund the Refugee Relief Fund and the State President's Fund. There were no transactions between the above-mentioned related parties.

#### 10.3 National Development Agency (NDA)

A related party relationship exists between the Social Relief Fund and the NDA. There were no transactions between the parties.

#### 10.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Social Relief Fund and SASSA. There were no transactions between the parties.

### 11. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act, the processes of which will commence in the 2012/13 financial year.

### 12. Correction of prior period errors: Misclassification of investments as financial assets available for sale

In the 2011 financial year the Fund incorrectly classified investments as financial assets available for sale under non-current assets instead of cash and cash equivalents under current assets. The error was discovered in 2012.

As this error was made in a financial year prior to the comparative year, the Statement of Financial Position opening balances as at 1 April 2010 were restated as follows:

- Cash and Cash equivalents was increased by R22 393 000
- Financial assets available for sale decreased by R22 393 000

In addition, this error resulted in restatement of the following line items for the year ending 31 March 2011:

- Cash and Cash equivalents was increased by R23 782 000
- Financial assets available for sale decreased by R23 782 000



# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE STATE PRESIDENT FUND

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the State President Fund set out on pages 211 to 217, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the State President Fund as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matter

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

8. As disclosed in note 11 to the financial statements, the corresponding figure for cash and cash equivalents for the year ending 31 March 2011 was restated as a result of a classification error relating to an investment which was incorrectly classified as a financial asset available for sale.

### Going concern

9. Note 10 to the financial statements indicates that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 10 indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE STATE PRESIDENT FUND

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

#### Predetermined objectives

11. There are no matters to report as the fund was dormant for the year under review.

#### Compliance with laws and regulations

12. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

#### Annual financial statements

13. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

#### Internal control

14. I considered internal control relevant to my audit of the financial statements and compliance with laws

and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the finding on compliance with laws and regulations included in this report.

#### Leadership

15. There was a lack of oversight responsibility regarding financial reporting and compliance and related internal controls.

#### Financial and performance management

16. Regular, accurate and complete financial reports were not prepared in accordance with the prescribed financial reporting framework. Compliance with applicable laws and regulations was not always reviewed and monitored.

Auditor-General

Pretoria  
31 July 2012



## Statement of Financial Performance

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>REVENUE</b>			
Other income	2	1 390	1 453
<b>TOTAL REVENUE</b>		<b>1 390</b>	<b>1 453</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(1)	(1)
Audit fees	4	(5)	(2)
Local and assistance paid	3	–	(23)
<b>TOTAL EXPENDITURE</b>		<b>(6)</b>	<b>(26)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>1 384</b>	<b>1 427</b>
<b>Surplus/(Deficit) for the year</b>		<b>1 384</b>	<b>1 427</b>

## Statement of Financial Position

as at 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	26 253	24 869
<b>TOTAL ASSETS</b>		<b>26 253</b>	<b>24 869</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		26 253	24 869
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>26 253</b>	<b>24 869</b>

## Statement of Changes in Net Assets

as at 31 March 2012

	Accumulated funds R'000
Balance as at 1 April 2010	23 442
Surplus for the year	1 427
Balance as at 31 March 2011	24 869
Surplus for the year	1 384
Balance as at 31 March 2012	26 253

## Cash Flow Statement

for the year ended 31 March 2012

	Notes	2011/12 R'000	2010/11 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(6)	(26)
<b>Cash generated from/(utilised in) Operations</b>		<b>(6)</b>	<b>(26)</b>
Interest received		1 390	1 453
<b>Net cash inflow/(outflow) from operating activities</b>		<b>1 384</b>	<b>1 427</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Trading investments		—	—
<b>Net cash flows from investing activities</b>		<b>—</b>	<b>—</b>
Net (decrease) / increase in cash and cash equivalents		1 384	1 427
Cash and cash equivalent at beginning of the year		24 869	23 442
<b>Cash and cash equivalent at end of the year</b>	<b>7</b>	<b>26 253</b>	<b>24 869</b>

# Notes to the Financial Statements of the State President Fund

for the year ended 31 March 2012

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

### 1.1 BASIS OF PREPARATION

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1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 18: Segment Reporting
- GRAP 21: Impairment of non-cash generating Assets
- GRAP 23: Revenue from non-exchange Transactions
- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee Benefits
- GRAP 26: Impairment of Cash generating Assets
- GRAP 103: Heritage Assets
- GRAP 104: Financial Instruments
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Exchange Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining whether an Arrangement contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation - Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15: Revenue – Barter Transactions involving Advertising Services

### 1.2 CURRENCY

These financial statements are presented in South African Rands.

# Notes to the Financial Statements of the State President Fund

for the year ended 31 March 2012

## 1.3 REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

## 1.4. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

## 1.5. INVESTMENTS

Investments are shown at cost including interest capitalised.

## 1.6. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.7 FINANCIAL INSTRUMENTS

### Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

### Financial assets

The Fund's principle financial assets are investments.

### Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity, or at cost if there is no fixed maturity.

### Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

### Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

### Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

## 1.8 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

## Notes to the Annual Financial Statements

for the year ended 31 March 2012

	2011/12 R'000	2010/11 R'000
<b>2. Revenue</b>		
Interest received	1 390	1 453
<b>Total</b>	<b>1 390</b>	<b>1 453</b>
<b>3. Administrative Expenditure</b>		
Bank Charges	1	1
Financial assistance	–	23
<b>Total</b>	<b>1</b>	<b>24</b>
<b>4. Audit Fees</b>	<b>5</b>	<b>2</b>

## 5. Risk Management

### 5.1 Financial Risk Factors

#### 5.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the State President Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The State President Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 5.1.2 Credit Risk

Credit risk is the risk of financial loss to the State President Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The State President Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

#### 5.1.3 Financial Assets

Cost	24 860	23 439
Additions during the year	1 390	1 453
Financial assets available-for-sale	–	(32)
<b>Closing Balance</b>	<b>26 250</b>	<b>24 860</b>

#### 5.1.4 Liquidity risk

Liquidity risk is the risk that the State President Fund will not be able to meet its financial obligations as they fall due. The State President Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The State President Fund monitors its cash flow requirements and optimizes its cash return on investments.

<b>Cash and Cash Equivalents</b>		
Investments	26 250	24 860
Cash and Balances with Banks	3	9
<b>Total</b>	<b>26 253</b>	<b>24 869</b>



## Notes to the Annual Financial Statements

as at 31 March 2012

### 5.1.5 Interest Rate Risk

The State President Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the State President Fund.

	2011/2012 Effective Rate %	2010/2011 Effective Rate %	Change
Investments	5.44	6.03	(0.59)

### 5.1.6 Interest risk sensitivity analysis

	2011/2012 R'000	2010/2011 R'000
Investments	26 250	24 860
1% interest fluctuation impact	263	249

### 5.1.7 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

### 5.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

	Notes	2011/12 R'000	2010/11 R'000
<b>6. Cash and Cash Equivalents</b>			
Cash – Bank Deposits		3	9
Cash – Investment Account		26 250	24 860
<b>Total</b>		<b>26 253</b>	<b>24 869</b>

Credit quality of cash at bank and short term deposits, excluding cash on hand.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

### 7. Cash generated from/(utilized in) Operations

Surplus/(deficit) before tax	1 384	1 427
(Interest received)	(1 390)	(1 453)
<b>Net cash flow from operating activities</b>	<b>(6)</b>	<b>(26)</b>

### 8. Events after Balance Sheet Date

None identified to date.

## 9. Related party transactions

### 9.1 The Department of Social Development

The executive authority of the State President Fund is the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no related party transactions with DSD.

### 9.2 Relief Fund Boards

A related party relationship exists between the State President Fund, the Disaster Relief Fund, the Refugee Relief Fund and the Social Relief Fund. There were no transactions between the above-mentioned related parties.

### 9.3 National Development Agency (NDA)

A related party relationship exists between the State President Fund and the NDA. There were no transactions between the parties.

### 9.4 South African Social Security Agency (SASSA)

A related party relationship exists between the State President Fund and SASSA. There were no transactions between the parties.

## 10. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act, the processes of which will commence in the 2012/13 financial year.

## 11. Correction of prior period errors: Misclassification of investments as financial assets available for sale

In the 2011 financial year the Fund incorrectly classified investments as financial assets available for sale under non-current assets instead of cash and cash equivalents under current assets. The error was discovered in 2012.

As this error was made in a financial year prior to the comparative year, the Statement of Financial Position opening balances as at 1 April 2010 were restated as follows:

- Cash and Cash equivalents was increased by R23 439 000
- Financial assets available for sale decreased by R23 439 000

In addition, this error resulted in restatement of the following line items for the year ending 31 March 2011:

- Cash and Cash equivalents was increased by R24 860 000
- Financial assets available for sale decreased by R24 860 000





# **PART D**

## **Human Resources Management**

## Human Resources Management

### Service Delivery Improvement Plan (SDIP)

Table 1.1 – Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Registration of NPO	NPO/CBO/FBO and general civil society groups	NPO/CBO/FBO and general civil society groups	2 months registration turnaround	95% compliance with turnaround target

Table 1.2 – Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Annual Taking DSD to Communities Programme	9 communities identified in all 9 provinces in South Africa	General communities and citizens in all 9 Provinces in the country	9 communities successfully visited and interventions to assist their development are being implemented
Annual Child Protection Week	Children across all 9 Provinces in South Africa	Children across all 9 provinces in South Africa	Child Protection Week held annually in May of each year was held successfully in 2011
DSD Month held annually in the month of October, includes various activities of the Department, including the Golden Games	All citizens and communities in South Africa	All citizens and communities in South Africa	5 communities in five provinces visited and identified for poverty alleviation programmes. Report on outcomes of programmes to be made in DSD month 2012

Table 1.3 – Service delivery access strategy

Access Strategy	Actual achievements
Infrastructure Policy and Guidelines developed for sector infrastructure planning and management	Infrastructure Policy and Guidelines are being implemented in the Provincial Departments to ensure improved access to services
Consolidation of the Departmental Call Centres	SASSA and Fraud call centre operational via a Toll-Free number Complaints Hotline operational at the national office

**Table 1.4 – Service information tool**

Types of information tool	Actual achievements
Social Services Booklet detailing the services of the Department	Social services booklet finalised and distributed to provinces
Kwanda Talk Programme to be flighted on national media, including television, radio and print media to discuss and promote Departmental services	Kwanda Talk to launch in October 2012

**Table 1.5 – Complaints mechanism**

Complaints Mechanism	Actual achievements
Complaints Management Hotline established at the national office	Complaints established and fully operational
SASSA call centre and complaints back office for social grant related complaints	Call Centre fully established and operational
Independent Tribunal for Social Assistance Appeals contact centre to receive complaints and enquiries on appeals	Contact centre fully established and operational



## Human Resources Management

**Table 2.1 – Personnel costs by programme, 2011/12**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Employment
P1: Administration	193 017	111 801	0	0	57.9	149	376
P3: Social Security Policy and Administration	5 703 595	31 976	0	0	0.6	43	146
P4: Welfare Services Policy Development and Implementation Support	408 098	67 663	0	0	16.5	90	196
P5: Social Policy and Integrated Service Delivery	230 506	39 235	0	0	17	52	131
<b>Z = Total as on Financial Systems (BAS)</b>	<b>6 535 215</b>	<b>250 675</b>	<b>0</b>	<b>0</b>	<b>3.8</b>	<b>334</b>	<b>849</b>

Employment includes permanent, contract and periodical employees (interns and appeals tribunal members).

**Table 2.2 – Personnel costs by salary bands, 2011/12**

Salary Bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Lower skilled (Levels 1–2)	268	0.1	89 333	264 354	3
Skilled (Levels 3–5)	4 573	1.7	106 349	264 354	43
Highly skilled production (Levels 6–8)	40 581	15.4	160 399	264 354	253
Highly skilled supervision (Levels 9–12)	106 948	40.5	376 577	264 354	284
Senior management (Levels 13–16)	70 801	26.8	722 459	264 354	98
Contract (Levels 3–5)	950	0.4	950 000	264 354	1
Contract (Levels 6–8)	12 426	4.7	288 977	264 354	43
Contract (Levels 9–12)	7 092	2.7	443 250	264 354	16
Contract (Levels 13–16)	9 038	3.4	821 636	264 354	11
Periodical Remuneration	8 075	3.1	83 247	264 354	97
<b>Total</b>	<b>260 752</b>	<b>0</b>	<b>307 128</b>	<b>0</b>	<b>849</b>

Employment includes permanent, contract and periodical employees (interns and appeals tribunal members).



Table 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2011/12

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost per Programme (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
P1: Administration	90 088	77.9	283	0.2	2 848	2.5	3 634	3.1	115 597
P3: Social Security Policy and Administration	43 347	75.1	53	0.1	836	1.4	1 474	2.6	57 692
P4: Welfare Services Policy Development and Implementation Support	26 880	74.7	0	0	559	1.6	928	2.6	35 991
P5: Social Policy and Integrated Service Delivery	43 243	78.5	0	0	998	1.8	1 629	3	55 075
<b>Total</b>	<b>203 558</b>	<b>77</b>	<b>336</b>	<b>0.1</b>	<b>5 241</b>	<b>2</b>	<b>7 665</b>	<b>2.9</b>	<b>264 355</b>

## Human Resources Management

Table 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2011/12

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost per Salary Band (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Assistance as a % of personnel cost	
Lower skilled (Levels 1–2)	168	62.7	3	1.1	24	9	41	15.3	268
Skilled (Levels 3–5)	3 162	68.4	27	0.6	309	6.7	391	8.5	4 620
Highly skilled production (Levels 6–8)	29 364	72.1	163	0.4	1 573	3.9	2 786	6.8	40 718
Highly skilled supervision (Levels 9–12)	84 617	78.6	95	0.1	1 400	1.3	3 433	3.2	107 699
Senior management (Levels 13–16)	58 526	80.1	0	0	1 849	2.5	948	1.3	73 021
Contract (Levels 3–5)	833	86.9	2	0.2	2	0.2	0	0	959
Contract (Levels 6–8)	12 305	98.7	46	0.4	2	0	0	0	12 469
Contract (Levels 9–12)	6 397	89.6	0	0	18	0.3	32	0.4	7 136
Contract (Levels 13–16)	8 186	88.3	0	0	64	0.7	34	0.4	9 266
Periodical Remuneration	0	0	0	0	0	0	0	0	9 299
<b>Total</b>	<b>203 558</b>	<b>76.7</b>	<b>336</b>	<b>0.1</b>	<b>5 241</b>	<b>2</b>	<b>7 665</b>	<b>2.9</b>	<b>265 455</b>

**Table 3.1 – Employment and vacancies by programme, 31 March 2012**

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
P1: Administration	383	359	6.3	48
P3: Social Security Policy and Administration	93	89	4.3	7
P4: Welfare Services Policy Development and Implementation Support	190	184	3.2	11
P5: Social Policy and Integrated Service Delivery	127	120	5.5	5
<b>Total</b>	<b>793</b>	<b>752</b>	<b>5.2</b>	<b>71</b>

**Table 3.2 – Employment and vacancies by salary bands, 31 March 2012**

Salary Band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1–2), Permanent	3	3	0	0
Skilled (Levels 3–5), Permanent	46	43	6.5	0
Highly skilled production (Levels 6–8), Permanent	266	253	4.9	0
Highly skilled supervision (Levels 9–12), Permanent	302	284	6	0
Senior management (Levels 13–16), Permanent	105	98	6.7	0
Contract (Levels 3–5), Permanent	1	1	0	1
Contract (Levels 6–8), Permanent	43	43	0	43
Contract (Levels 9–12), Permanent	16	16	0	16
Contract (Levels 13–16), Permanent	11	11	0	11
<b>Total</b>	<b>793</b>	<b>752</b>	<b>5.2</b>	<b>71</b>

## Human Resources Management

**Table 3.3 – Employment and vacancies by critical occupation, 31 March 2012**

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Communication and information related, Permanent	9	9	0	1
Community development workers, Permanent	20	17	15	0
Financial and related professionals, Permanent	31	27	12.9	0
General legal administration & rel. professionals, Permanent	5	3	40	0
Human resources & organisat developm & rel. professionals, Permanent	18	18	0	0
Logistical support personnel, Permanent	12	11	8.3	6
Senior managers, Permanent	105	98	6.7	11
Social work and related professionals, Permanent	81	80	1.2	0
<b>Total</b>	<b>281</b>	<b>263</b>	<b>6.4</b>	<b>18</b>

The information in each case reflects the situation as at 31 March 2012. For an indication of changes in staffing patterns over the year under review, please refer to table 5 of this report.

**Table 4.1 – Job Evaluation, 1 April 2011 to 31 March 2012**

Salary Band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1–2)	3	0	0	0	0	0	0
Contract (Levels 3–5)	1	6	600	0	0	0	0
Contract (Levels 6–8)	43	1	2.3	0	0	0	0
Contract (Levels 9–12)	16	2	12.5	0	0	0	0
Contract (Band A)	8	2	25	0	0	0	0
Contract (Band B)	2	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3–5)	46	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	266	10	3.8	0	0	0	0
Highly skilled supervision (Levels 9–12)	302	13	4.3	1	7.7	0	0
Senior Management Service Band A	73	3	4.1	0	0	0	0
Senior Management Service Band B	23	0	0	0	0	0	0
Senior Management Service Band C	7	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
<b>Total</b>	<b>793</b>	<b>37</b>	<b>4.7</b>	<b>1</b>	<b>2.7</b>	<b>0</b>	<b>0</b>

The number of jobs evaluated decreased. Number of posts includes permanent and contract posts.

**Table 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2011 to 31 March 2012**

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	1	1
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
Employees with a disability					0

**Table 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)**

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
Secretaries and other keyboard operating clerks	3	6	7	Retention of services	752
Material-recording and transport clerks	1	4	5	Retention of services	752
Administrative Related	1	9	12	Retention of services	752
Administrative Related	1	11	13	Retention of services	752
Senior Manager	1	15	16	Retention of services	752
<b>Total</b>	<b>7</b>				
Percentage of Total Employment	<b>0.9</b>				

**Table 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)**

Beneficiaries	African	Asian	Coloured	White	Total
Female	3	0	0	2	5
Male	2	0	0	0	2
<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>7</b>
Employees with a Disability	0	0	0	0	0

## Human Resources Management

**Table 5.1 – Annual turnover rates by salary band for the period 1 April 2011 to 31 March 2012**

Salary Band	Employment at Beginning of Period (April 2011)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Lower skilled (Levels 1–2), Permanent	3	1	0	0
Skilled (Levels 3–5), Permanent	48	22	2	4.2
Highly skilled production (Levels 6–8), Permanent	227	29	23	10.1
Highly skilled supervision (Levels 9–12), Permanent	304	19	20	6.6
Senior Management Service Band A, Permanent	76	1	6	7.9
Senior Management Service Band B, Permanent	22	1	0	0
Senior Management Service Band C, Permanent	7	0	0	0
Senior Management Service Band D, Permanent	2	0	0	0
Contract (Levels 3–5), Permanent	4	22	7	175
Contract (Levels 6–8), Permanent	65	42	11	16.9
Contract (Levels 9–12), Permanent	14	11	5	35.7
Contract (Band A), Permanent	8	3	1	12.5
Contract (Band B), Permanent	2	0	0	0
Contract (Band C), Permanent	0	0	0	0
Contract (Band D), Permanent	0	1	0	0
<b>Total</b>	<b>782</b>	<b>152</b>	<b>75</b>	<b>9.6</b>

There was 37% increase in appointments and 6% decrease in service terminations. Appointments include transfers to DSD. Terminations include transfers out of DSD.

**Table 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012**

Occupation	Employment at Beginning of Period (April 2011)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Communication and information related, Permanent	7	2	1	14.3
Community development workers, Permanent	18	1	3	16.7
Financial and related professionals, Permanent	24	3	3	12.5
General legal administration & rel. professionals, Permanent	4	1	1	25
Human resources & organisat developm & rel. professionals, Permanent	18	0	0	0
Logistical support personnel, Permanent	11	7	2	18.2
Senior managers, Permanent	99	3	5	5.1
Social work and related professionals, Permanent	56	1	0	0
<b>Total</b>	<b>237</b>	<b>18</b>	<b>15</b>	<b>6.3</b>

**Table 5.3 – Reasons why staff are leaving the department**

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	2	5.3	0.3	75	752
Resignation, Permanent	27	71.1	3.6	75	752
Expiry of contract, Permanent	9	23.7	1.2	75	752
Transfers, Permanent	33	86.8	4.4	75	752
Discharged due to ill health, Permanent	1	2.6	0.1	75	752
Dismissal–misconduct, Permanent	1	2.6	0.1	75	752
Retirement, Permanent	2	5.3	0.3	75	752
<b>Total</b>	<b>75</b>	<b>197.4</b>	<b>10</b>	<b>38</b>	<b>752</b>
Resignations as % of Employment: 10					

**Table 5.4 – Promotions by critical occupation**

Occupation	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Communication and information related, Permanent	7	1	14.3	6	85.7
Community development workers, Permanent	18	0	0	0	0
Financial and related professionals, Permanent	24	3	12.5	6	25
General legal administration & rel. professionals, Permanent	4	0	0	0	0
Human resources & organisational development & related professionals, Permanent	18	1	5.6	10	55.6
Logistical support personnel, Permanent	11	0	0	0	0
Senior managers, Permanent	99	1	1	14	14.1
Social work and related professionals, Permanent	56	1	1.8	0	0
<b>Total</b>	<b>237</b>	<b>7</b>	<b>3</b>	<b>36</b>	<b>15.2</b>



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**Table 5.5 – Promotions by salary band**

Salary Band	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1–2), Permanent	3	0	0	0	0
Skilled (Levels 3–5), Permanent	48	1	2.1	26	54.2
Highly skilled production (Levels 6–8), Permanent	227	7	3.1	110	48.5
Highly skilled supervision (Levels 9–12), Permanent	304	4	1.3	104	34.2
Senior management (Levels 13–16), Permanent	107	1	0.9	9	8.4
Contract (Levels 3–5), Permanent	4	0	0	4	100
Contract (Levels 6–8), Permanent	65	0	0	26	40
Contract (Levels 9–12), Permanent	14	0	0	3	21.4
Contract (Levels 13–16), Permanent	10	0	0	2	20
<b>Total</b>	<b>782</b>	<b>13</b>	<b>1.7</b>	<b>284</b>	<b>36.3</b>

The number of internal promotions decreased by 34% (38 in previous year)

**Table 6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2012**

Occupational Categories	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Legislators, senior officials and managers, Permanent	43	5	3	51	7	37	3	3	43	8	109
Professionals, Permanent	84	3	4	91	10	166	8	4	178	21	300
Technicians and associate professionals, Permanent	83	0	4	87	3	179	3	4	186	20	296
Clerks, Permanent	19	0	0	19	0	21	1	0	22	1	42
Plant and machine operators and assemblers, Permanent	2	0	0	2	0	0	0	0	0	0	2
Elementary occupations, Permanent	2	0	0	2	0	1	0	0	1	0	3
<b>Total</b>	<b>233</b>	<b>8</b>	<b>11</b>	<b>252</b>	<b>20</b>	<b>404</b>	<b>15</b>	<b>11</b>	<b>430</b>	<b>50</b>	<b>752</b>
Employees with disabilities	5	0	1	6	3	5	0	0	5	2	16

Total includes permanent and contract employees. The number of employees with disabilities increased with 6% (15 in previous year).

**Table 6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2012**

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	3	2	0	5	0	1	0	0	1	0	6
Senior Management, Permanent	34	3	3	40	7	33	2	2	37	8	92
Professionally qualified and experienced specialists and mid-management, Permanent	77	3	4	84	10	158	8	3	169	21	284
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	70	0	4	74	3	149	3	4	156	20	253
Semi-skilled and discretionary decision making, Permanent	21	0	0	21	0	20	1	0	21	1	43
Unskilled and defined decision making, Permanent	2	0	0	2	0	1	0	0	1	0	3
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	5	0	0	5	0	3	1	1	5	0	10
Contract (Professionally qualified), Permanent	7	0	0	7	0	8	0	1	9	0	16
Contract (Skilled technical), Permanent	13	0	0	13	0	30	0	0	30	0	43
Contract (Semi-skilled), Permanent	0	0	0	0	0	1	0	0	1	0	1
<b>Total</b>	<b>233</b>	<b>8</b>	<b>11</b>	<b>252</b>	<b>20</b>	<b>404</b>	<b>15</b>	<b>11</b>	<b>430</b>	<b>50</b>	<b>752</b>

Total includes permanent and contract employees.

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**Table 6.3 – Recruitment for the period 1 April 2011 to 31 March 2012**

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Management, Permanent	0	1	0	1	0	1	0	0	1	0	2
Professionally qualified and experienced specialists and mid-management, Permanent	8	0	0	8	0	10	0	1	11	0	19
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	12	0	0	12	0	17	0	0	17	0	29
Semi-skilled and discretionary decision making, Permanent	11	0	0	11	0	10	1	0	11	0	22
Unskilled and defined decision making, Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	2	0	0	2	0	1	0	0	1	0	3
Contract (Professionally qualified), Permanent	4	0	0	4	0	4	2	1	7	0	11
Contract (Skilled technical), Permanent	13	0	1	14	0	28	0	0	28	0	42
Contract (Semi-skilled), Permanent	8	0	1	9	0	13	0	0	13	0	22
<b>Total</b>	<b>60</b>	<b>1</b>	<b>2</b>	<b>63</b>	<b>0</b>	<b>84</b>	<b>3</b>	<b>2</b>	<b>89</b>	<b>0</b>	<b>152</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 6.4 – Promotions for the period 1 April 2011 to 31 March 2012**

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	1	0	1	0	0	1	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	0	0	1	0	3	0	0	3	0	4
Semi-skilled and discretionary decision making, Permanent	1	0	0	1	0	5	0	0	5	0	6
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Skilled technical), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled), Permanent	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>13</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 6.5 – Terminations for the period 1 April 2011 to 31 March 2012

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Management, Permanent	13	0	0	13	0	2	1	0	3	1	17
Professionally qualified and experienced specialists and mid-management, Permanent	7	0	0	7	0	13	0	1	14	0	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	10	0	0	10	0	12	0	0	12	0	22
Semi-skilled and discretionary decision making, Permanent	0	0	0	0	0	3	1	0	4	0	4
Contract (Top Management), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Skilled technical), Permanent	2	0	0	2	0	3	0	0	3	0	5
Contract (Semi-skilled), Permanent	1	0	0	1	0	4	0	0	4	0	5
<b>Total</b>	<b>33</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>0</b>	<b>38</b>	<b>2</b>	<b>1</b>	<b>41</b>	<b>1</b>	<b>75</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 6.6 – Disciplinary action for the period 1 April 2011 to 31 March 2012

Disciplinary action	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Resignation	2	0	0	2	0	2	0	0	2	0	4
Dismissal	0	0	0	0	0	1	0	0	1	0	1
Final Written Warning	1	0	0	1	0	1	0	0	1	1	3
Written Warning	4	0	0	4	1	3	0	0	3	2	10
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>3</b>	<b>18</b>

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**Table 6.7 – Skills development for the period 1 April 2011 to 31 March 2012**

Occupational Categories	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Legislators, Senior Officials and Managers	20	0	2	22	6	20	1	2	23	5	56
Professionals	29	2	3	34	2	56	2	3	61	8	105
Technicians and Associate Professionals	37	1	1	39	3	74	1	0	75	6	123
Clerks	36	0	3	39	0	94	1	1	96	8	143
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary Occupations	2	0	0	2	0	0	0	0	0	0	2
<b>Total</b>	<b>124</b>	<b>3</b>	<b>9</b>	<b>136</b>	<b>11</b>	<b>244</b>	<b>5</b>	<b>6</b>	<b>255</b>	<b>27</b>	<b>429</b>
Employees with disabilities	1	0	1	2	0	4	0	0	4	1	7

**Table 7.1 – Performance Rewards by race, gender, and disability, 1 April 2011 to 31 March 2012**

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	97	397	24.4	1 117	12 410
African, Male	35	228	15.4	323	9 502
Asian, Female	3	11	27.3	39	12 931
Asian, Male	1	10	10	5	4 543
Coloured, Female	7	15	46.7	82	16 359
Coloured, Male	1	8	12.5	16	16 274
Total Blacks, Female	107	423	25.3	1 238	12 628
Total Blacks, Male	37	246	15	344	9 553
White, Female	20	48	41.7	207	10 901
White, Male	5	17	29.4	110	22 041
Employees with a disability	2	16	12.5	26	12 891
<b>Total</b>	<b>160</b>	<b>750</b>	<b>21.3</b>	<b>1 925</b>	<b>12 028</b>

**Table 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2011 to 31 March 2012**

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1–2), Permanent	1	2	50	4	4 000
Skilled (Levels 3–5), Permanent	16	46	34.8	50	3 125
Highly skilled production (Levels 6–8), Permanent	67	203	33	460	6 866
Highly skilled supervision (Levels 9–12), Permanent	58	266	21.8	997	17 190
Contract (Levels 3–5), Permanent	0	8	0	0	0
Contract (Levels 6–8), Permanent	5	76	6.6	27	5 400
Contract (Levels 9–12), Permanent	0	29	0	0	0
Periodical Remuneration	0	97	0	0	0
<b>Total</b>	<b>147</b>	<b>727</b>	<b>20.2</b>	<b>1 538</b>	<b>10 463</b>

The total includes permanent and contract employees.

**Table 7.3 – Performance Rewards by critical occupations, 1 April 2011 to 31 March 2012**

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Communication and information related, Permanent	2	9	22.2	323	161 500
Community development workers, Permanent	5	17	29.4	0	0
Financial and related professionals, Permanent	2	27	7.4	25	12 500
General legal administration & rel. professionals, Permanent	0	3	0	76	0
Human resources & organisat developm & relate prof, Permanent	6	18	33.3	8	1 333
Logistical support personnel, Permanent	0	11	0	0	0
Social work and related professionals, Permanent	18	80	22.5	52	2 889
<b>Total</b>	<b>33</b>	<b>165</b>	<b>20</b>	<b>484</b>	<b>14 667</b>

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**Table 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service**

Salary Band	Beneficiary Profile			Cost			
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	6	77	7.8	134	22 333	0.3	52 300
Band B	5	25	20	252	50 400	1.3	19 469
Band C	0	4	0	0	0	0	0
Band D	0	3	0	0	0	0	0
<b>Total</b>	<b>11</b>	<b>109</b>	<b>10.1</b>	<b>386</b>	<b>35 090.9</b>	<b>1.6</b>	<b>71 769</b>

The total includes permanent and contract employees.

**Table 8.1 – Foreign Workers, 1 April 2011 to 31 March 2012, by salary band**

Salary Band	1 April 2011		31 March 2012		Change	
	Number	% of total	Number	% of total	Number	% change
Highly skilled supervision (Levels 9–12)	1	100	1	100	0	0
Contract (Levels 9–12)	0	0	0	0	0	0
Contract (Levels 13–16)	1	100	1	100	0	0
<b>Total</b>	<b>2</b>	<b>100</b>	<b>2</b>	<b>100</b>	<b>0</b>	<b>0</b>

**Table 8.2 – Foreign Worker 1 April 2011 to 31 March 2012, by major occupation**

Major Occupation	1 April 2011		31 March 2012		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals and managers	1	100	1	100	0	0
<b>Total</b>	<b>1</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>



**Table 9.1 – Sick leave, 1 January 2011 to 31 December 2011**

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total number of employees using sick leave	Total number of days with medical certification
Lower skilled (Levels 1–2)	18	94.4	2	0.4	9	3	510	17
Skilled (Levels 3–5)	185	78.9	36	7.1	5	59	510	146
Highly skilled production (Levels 6–8)	1325	88.6	180	35.3	7	527	510	1174
Highly skilled supervision (Levels 9–12)	1 547	71.3	233	45.7	7	1 769	510	1103
Senior management (Levels 13–16)	409	15.4	9	1.8	45	720	510	63
Contract (Levels 3–5)	4	0	2	0.4	2	1	510	0
Contract (Levels 6–8)	142	77.5	31	6.1	5	74	510	110
Contract (Levels 9–12)	34	52.9	8	1.6	4	37	510	18
Contract (Level 13–16)	44	79.5	9	1.8	5	70	510	35
<b>Total</b>	<b>3 708</b>	<b>71.9</b>	<b>510</b>	<b>100</b>	<b>7</b>	<b>3 260</b>	<b>510</b>	<b>2 666</b>

**Table 9.2 – Disability leave (temporary and permanent), 1 January 2011 to 31 December 2011**

Salary Band	Total days	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of employees using disability leave
Highly skilled production (Levels 6–8)	35	100	2	18.2	18	19	35	11
Highly skilled supervision (Levels 9–12)	205	100	9	81.8	23	225	205	11
Senior management (Levels 13–16)	0	0	0	0	0	0	0	11
<b>Total</b>	<b>240</b>	<b>100</b>	<b>11</b>	<b>100</b>	<b>22</b>	<b>244</b>	<b>240</b>	<b>11</b>

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**Table 9.3 – Annual Leave, 1 January 2011 to 31 December 2011**

Salary Bands	Total days taken	Average per employee	Number of employees who took leave
Lower skilled (Levels 1–2)	40	13	3
Skilled Levels 3–5)	851	20	42
Highly skilled production (Levels 6–8)	4 151	20	209
Highly skilled supervision(Levels 9–12)	5 823	21	276
Senior management (Levels 13–16)	2 041	22	91
Contract (Levels 3–5)	62	12	5
Contract (Levels 6–8)	1 036	16	65
Contract (Levels 9–12)	244	12	21
Contract (Levels 13–16)	208	17	12
<b>Total</b>	<b>14 456</b>	<b>20</b>	<b>724</b>

**Table 9.4 – Capped leave, 1 January 2011 to 31 December 2011**

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2011	Number of employees who took capped leave	Total number of capped leave available at 31 December 2011	Number of employees as at 31 December 2011
Highly skilled supervision (Levels 9–12)	50	5	8	10	2 286	295
Senior management (Levels 13–16)	51	7	20	7	2 162	108
<b>Total</b>	<b>101</b>	<b>6</b>	<b>11</b>	<b>17</b>	<b>4 448</b>	<b>403</b>

**Table 9.5 – Leave payouts for the period 1 April 2011 to 31 March 2012**

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle	–	–	–
Capped leave payouts on termination of service for 2010/11	370	4	92 500
Current leave payout on termination of service for 2010/11	504	37	13 622
<b>Total</b>	<b>874</b>	<b>41</b>	<b>21 317</b>

**Table 10.1 – Details of Health Promotion and HIV and AIDS Programmes**  
(tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr Chinappan
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		150 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Health Risks Assessment, EAP counselling services health and Wellness sessions on quarterly basis, sports and recreation and financial Wellness
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Integrated EHW and OHS committee. Mr T van der Merwe, Directorate Security Management, Mr V Harispersad, Occupational Health and Safety, Ms S Shongwe, Gender Focal Point. Mr Shunmugum
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Employee health and Wellness Policy, Recruitment and Selection Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Employee health and Wellness Policy
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		73 Employees tested for HIV Counselling and Testing
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Health risks Assessment reports EAP Statistical Reports, sick leave analysis

**Table 11.1 – Collective agreements, 1 April 2011 to 31 March 2012**

Subject Matter	Date
Resolution 2 of 2011: Amendment of the Constitution – Admission of Trade Unions to Council	26 August 2011
Resolution 3 of 2011: Appointment of Full Time Shop Steward and Office Bearers	8 December 2011

## Human Resources Management

**Table 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2011 to 31 March 2012**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	–	–
Verbal warning	–	–
Suspended without pay	–	–
Fine	–	–
Demotion	–	–
Not guilty	–	–
Case withdrawn	–	–
Resignation	4	100
Written warning	3	100
Final Written Warning	10	100
Dismissal	1	100
<b>Total</b>	<b>18</b>	<b>100</b>

**Table 11.3 – Types of misconduct addressed at disciplinary hearings , 1 April 2011 to 31 March 2012**

Type of misconduct	Number	% of total
Assault	2	100
Conflict of interest	1	100
Non compliance to PMDS	9	100
Non compliance to Procurement Procedure	1	100
Bribery	1	100
Unacceptable behaviour	3	100
Misuse of state vehicle	1	100
<b>Total</b>	<b>18</b>	<b>100</b>

**Table 11.4 – Grievances lodged for the period 1 April 2011 to 31 March 2012**

Number of grievances addressed	Number	% of Total
Number of grievances resolved	4	55.6
Number of grievances not resolved	5	44.4
<b>Total number of grievances lodged</b>	<b>9</b>	<b>100</b>

**Table 11.5 – Disputes lodged with Councils for the period 1 April 2011 to 31 March 2012**

Number of disputes addressed	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	4	100
<b>Total number of disputes lodged</b>	<b>4</b>	

**Table 11.6 – Strike actions for the period 1 April 2011 to 31 March 2012**

Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

**Table 11.7 – Precautionary suspensions for the period 1 April 2011 to 31 March 2012**

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	82
Cost (R'000) of suspensions	235,304.00

## Human Resources Management

**Table 12.1 – Training needs identified, 1 April 2011 to 31 March 2012**

Occupational Categories	Gender	Employment	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	51	0	42	3	45
	Male	58	0	37	2	39
Professionals	Female	199	0	84	2	86
	Male	101	0	57	2	59
Technicians and associate professionals	Female	206	0	139	1	140
	Male	90	0	102	1	103
Clerks	Female	23	0	161	0	161
	Male	19	0	64	0	64
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	1	0	0	0	0
	Male	2	0	1	0	1
Sub Total	Female	480	0	426	6	432
	Male	272	0	261	5	266
<b>Total</b>		<b>752</b>	<b>0</b>	<b>687</b>	<b>11</b>	<b>698</b>

Table 12.2 – Training provided, 1 April 2011 to 31 March 2012

Occupational Categories	Gender	Employment	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	51	0	30	16	46
	Male	58	0	28	15	43
Professionals	Female	199	0	67	47	114
	Male	101	0	43	23	66
Technicians and associate professionals	Female	206	0	84	49	133
	Male	90	0	49	18	67
Clerks	Female	23	0	92	83	175
	Male	19	0	34	29	63
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	1	0	0	0	0
	Male	2	0	3	0	3
Sub Total	Female	480	0	273	195	468
	Male	272	0	157	85	242
<b>Total</b>		<b>752</b>	<b>0</b>	<b>430</b>	<b>280</b>	<b>710</b>

Table 13.1 – Injury on duty, 1 April 2011 to 31 March 2012

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	33.3
Temporary Total Disablement	1	33.3
Permanent Disablement	0	0
Fatal	1	33.3
<b>Total</b>	<b>3</b>	



## Human Resources Management

**Table 14.1 – Report on consultants using appropriate funds**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Appointment of a Service Provider to conduct an Evaluation study on the implementation of the Recruitment and Retention Strategy for Social Workers.	15	120	492 706.00
Developing guidelines for the management of workload of Social Development Practitioners Rendering Social Welfare Services.	2	120	497 838.00
Appointment of a service provider to undertake an evaluation study on Ke Moja drug awareness programme	1	120	496 922.58
Appointment of service provider to facilitate and prepare a report for the two days on consulting stakeholders on community development qualifications	3	2	138 510.00
Procurement of media monitoring and analysis services for the DSD	1	240	236 451.00
Appointment of a service provider to train selection committee members on recruitment and selection techniques	1	120	180 730.00
Appointment of a service provider to develop vocational programmes	1	120	492 650.00
Development of a Cultural re-orientation Change Management programme for the Social Sector	3	240	490 200.00
Appointment of the Service Provider to conduct an audit of residential facilities for people with disabilities	1	120	481 450.00
Appointment of a service provider to conduct a desktop review for the South African Children Protection Surveillance Study over a period of eight weeks	1	30	240 241.32
The appointment of a service provider to analyse all business unit risk plans and consolidate into a risk assessment report for the department	1	60	419 520.00
Appointment of a service provider to develop an audit and implementation plan for the revamp of 20 worst offices within the Department and SASSA	4	240	488 490.00
Appointment of service provider to develop a policy for the inclusion of non citizens in the South African social security system	1	80	455 359.32
The appointment of service provider to provide enterprise risk management, internal Audit and compliance system.	3	60	499 605.00
Appointment of a service provider to develop a gender based violence prevention programme	4	140	464 887.00
Appointment of a service provider to conduct an organisational development diagnosis and design appropriate capacity building interventions for the South African National Military Veterans Association	2	240	500 000.00
Appointment of a Service Provider to develop a disability mainstreaming implementation toolkit (manual) for DSD	1	240	479 558.00
Appointment of a service provider to update the resource directory on alcohol and drug related services and facilities	1	120	497 952.00
Appointment of a service provider to assist in the implementation of Data Warehouse software solutions	1	120	492 024.00

**Table 14.1 – Report on consultants using appropriate funds (continued)**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Appointment of a service provider to conduct a comprehensive review of the provision of social assistance to children in alternative care and consider options for the improvement of the system.	1	80	337 326.00
Appointment of a service provider to conduct a study on the feasibility of introducing family benefits instead of existing individual social grants	1	80	480 000.00
Appointment of a service provider to map child protection organisations and service points geographically and to conduct a gap analysis of child protection service points in provinces, child population and other identified factors over a period of twenty weeks	2	80	488 047.22
Appointment of a service provider for the development and implementation of the Digital-Pen Appeals application processing solution	1	480	458 006.40
Appointment of a Service Provider to provide cleaning, maintenance and repair services of server room environment and environmental equipment for a period of three (3) years	1	720	145 866.28
Service provider to review the strategy towards the integration of services to children with disabilities as well as implementation plan	1	40	482 790.00
Appointment of strategic resources to provide advisory support and analysis to the Directorate Strategy Unit	1	60	679 178.00
Appointment of a service provider to build SCM modules on eSubmissions	8	60	495 763.20
Appointment of service provider to install and configure enterprise project management (EPM) on MS SharePoint platform	11	60	329 789.47
Appointment of a service provider to assist the Department to headhunt for qualified and skilled candidates for the filling of vacant post of Deputy Director: Costing, Financial Forecasting and Modelling	4	240	125 588.39
To conduct an analysis and consolidation of current service delivery model and business model initiatives of the Department of Social Development	1	60	449 901.00
Outcomes evaluation of population and development capacity building workshops	3	60	479 640.00
Evaluation of the relevance of apstar for participants and their workplace	1	40	212 184.97
Appointment of a service provider to conduct a pilot study on non-profit organisations governance practical guidelines	1	120	410 400.00
Service provider to facilitate the inaugural summit for the profession of community development to take place on 26–28 October 2011	2	3	177 840.00
Appointment of a service provider to provide the Department of Social Development with a temporary Secretary for a period of six (6) months	1	120	123 120.00
Service provider to develop the occupational framework for community development social services for a period of 9 months	3	180	1 200 000.00

## Human Resources Management

**Table 14.1 – Report on consultants using appropriate funds (continued)**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Assessment of provincial readiness for the implementation of Norms & Standards for Social Welfare Services	20	160	2 314 731.00
Development of a Micro Simulation Model	4	240	1 500 000.00
Appointment of a service provider to provide software license agreement and support for e-Submission system	3	720	860 016.00
Appointment of a consultant to review, evaluate and adapt the integrated HIV and AIDS management course, based on capacity building needs to address HIV and AIDS and other health concerns with socio economic and demographic implications for a period of six months.	35	120	2 644 948.20
Extension of contract of Ms S Mashilo: Junior Manager for the Intergrated Justice System on a month to month basis for a period of 8 months	1	160	443 737.60
Appointment of a service provider for the handling of recruitment advertisements for DSD	2	240	1 500 000.000
Service provider to facilitate and compile a comprehensive report for the South African Early Childhood Development (ECD) conference to be held at the International Conference Centre in East London, Eastern Cape from 26 March to 30 March 2012	7	30	225 554.00
Extension of contract of Mr M Nakana : Chief Architect for the Intergrated Justice System on a month to month basis for a period of 8 months	1	160	927 219.20
Service provider to produce adverts on services DSD offers on Children	1	120	572 907.00
Extension of contract of Mr J Mpungu project manager for the Intergrated Justice System on a month to month basis for a period of 5 months	1	100	543 420.90
<b>46 projects</b>	<b>165</b>	<b>7 065</b>	<b>22 282 566.85</b>

**Table 14.2 – Analysis of consultant's appointments using appropriate funds, in terms of Historically Disadvantaged Individuals HDIs)**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Appointment of a Service Provider to conduct an Evaluation study on the implementation of the Recruitment and Retention Strategy for Social Workers.	0	0	6
Developing guidelines for the management of workload of Social Development Practitioners Rendering Social Welfare Services.	30.72	14.7	0
Appointment of a service provider to undertake an evaluation study on Ke Moja drug awareness programme	100	100	1
Appointment of service provider to facilitate and prepare a report for the two days on consulting stakeholders on community development qualifications	100	100	2
Procurement of media monitoring and analysis services for the DSD	0	0	1
Appointment of a service provider to train selection committee members on recruitment and selection techniques	33.68	0	0
Appointment of a service provider to develop vocational programmes	51.8	60.3	1
Development of a Cultural re-orientation Change Management programme for the Social Sector	100	100	3
Appointment of the Service Provider to conduct an audit of residential facilities for people with disabilities	100	100	1
Appointment of a service provider to conduct a desktop review for the South African Children Protection Surveillance Study over a period of eight weeks	0	0	0
The appointment of a service provider to analyse all business unit risk plans and consolidate into a risk assessment report for the Department	100	100	3
Appointment of a service provider to develop an audit and implementation plan for the revamp of 20 worst offices within the Department and SASSA	100	100	4
Appointment of a service provider to develop a policy for the inclusion of non citizens in the South African social security system	0	0	1
The appointment of a service provider to provide enterprise risk management, Internal Audit and compliance system.	0	0	0
Appointment of a service provider to develop a gender based violence prevention programme	83.3	48	1
Appointment of a service provider to conduct an organisational development diagnosis and design appropriate capacity building interventions for the South African National Military Veterans Association	75	100	1
Appointment of a Service Provider to develop a disability mainstreaming implementation toolkit (manual) for DSD	100	100	1
Appointment of a service provider to update the resource directory on alcohol and drug related services and facilities	58	0	1

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**Table 14.2 – Analysis of consultant's appointments using appropriate funds, in terms of Historically Disadvantaged Individuals HDIs) (continued)**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Appointment of a service provider to assist in the implementation of Data Warehouse software solutions	100	100	3
Appointment of a service provider to conduct a comprehensive review of the provision of social assistance to children in alternative care and consider options for the improvement of the system.	66.66	66.66	1
Appointment of a service provider to conduct a study on the feasibility of introducing family benefits instead of existing individual social grants	85.71	28.6	1
Appointment of a service provider to map child protection organisations and service points geographically and to conduct a gap analysis of child protection service points in provinces, child population and other identified factors over a period of twenty weeks	26	26	1
Appointment of a service provider for the development and implementation of the Digital-Pen Appeals application processing solution	0	0	1
Appointment of a Service Provider to provide cleaning, maintenance and repair services of server room environment and environmental equipment for a period of three (3) years	15.9	0	1
Appointment of a service provider to review the strategy for the integration of services to children with disabilities as well as implementation plan	100	100	1
Appointment of strategic resources to provide advisory support and analysis to the Directorate Strategy Unit	15.5	9.31	1
Appointment of a service provider to build SCM modules on Esubmissions	0	0	7
Appointment of service provider to install and configure enterprise project management (EPM) on MS SharePoint platform	25.1	25.1	1
Appointment of a service provider to assist the Department to headhunt for qualified and skilled candidates for the filling of vacant post of Deputy Director: Costing, Financial Forecasting and Modelling	100	100	3
To conduct an analysis and consolidation of current service delivery model and business model initiatives of the Department of Social Development	100	100	1
Outcomes evaluation of population and development capacity building workshops	100	100	3
Evaluation of the relevance of apstar for participants and their workplace	55.56	55.56	1
Appointment of a service provider to conduct a pilot study on non-profit organisations governance practical guidelines	100	100	1
Service provider to facilitate the inaugural summit for the profession of community development to take place on 26–28 October 2011	100	100	2

**Table 14.2 – Analysis of consultant's appointments using appropriate funds, in terms of Historically Disadvantaged Individuals HDIs) (continued)**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Appointment of a service provider to provide the Department of Social Development with a temporary Secretary for a period of six (6) months	20	5.57	0
Service provider to develop the occupational framework for community development social services for a period of 9 months	100.00	100.00	3
Assesment of provincial readiness for the implementation of Norms & Standards for Social Welfare Services	0.00	0.00	1
Development of a Micro Simulation Model	29.08	29.08	0
Appointment of a service provider to provide software license agreement and support for e-Submission system	100.00	100.00	3
Appointment of a consultant to review, evaluate and adapt the integrated HIV and AIDS management course, based on capacity building needs to address HIV and AIDS and other health concerns with socio economic and demographic implications for a period of six months.	0.00	0.00	2
Extension of contract of Ms S Mashilo: Junior Manager for the Intergrated Justice System on a month to month basis for a period of 8 months	0.00	0.00	1
Appointment of a service provider for the handling of recruitment advertisements for DSD	51.00	51.00	2
Service provider to facilitate and compile a comprehensive report for the South African Early Childhood Development (ECD) conference to be held at the International Conference Centre in East London, Eastern Cape from 26 March to 30 March 2012	100.00	100.00	3
Extension of contract of Mr M Nakana: Chief Architect for the Intergrated Justice System on a month to month basis for a period of 8 months	0.00	0.00	1
Service provider to produce adverts on services DSD offers on Children	100.00	100.00	1
Extension of contract of Mr J Mpungu project manager for the Intergrated Justice System on a month to month basis for a period of 5 months	0.00	0.00	1
<b>46 projects</b>			<b>74</b>

## Human Resources Management

**Table 14.3 – Report on consultant appointments using donor funds**

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
–	–	–	–
–	–	–	–
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rands
–	–	–	–

**Table 14.4 – Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs)**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
–	–	–	–
–	–	–	–





# **PART E**

## Abbreviations and Acronyms

## Abbreviations and Acronyms

### Abbreviations for Statutory Bodies

CDA	Central Drug Authority
DRFB	Disaster Relief Fund Board
RFB	Refugee Relief Fund Board
SACSSP	South African Council of Social Services Professions
SPFB	State President Fund Board
SRFB	Social Relief Fund Board

### Abbreviations for Entities

NDA	National Development Agency
SASSA	South African Social Services Agency

### Department of Social Development Abbreviations and Acronyms

ADRA	Adventist Development and Relief Agency
AFM	Apostolic Faith Mission
AICDD	Africa Institute for Community Driven Development
AIDS	Acquired Immune Deficiency Syndrome
APC	African Population Commission
APO	Assistant Probation Officer
APP	Annual Performance Plan
APS	Anti-Poverty Strategy
APSTAR	Applied Population Science in Training and Research
ARV	Anti-retroviral Treatment
ASGI-SA	Accelerated and Shared Growth Initiative of South Africa
ASW	Auxiliary Social Workers
AU	African Union (Formerly OAU)
BAS	Basic Accounting System
BEC	Bid Evaluation Committee
CANE	Children Abused, Neglected and Exploited
CARA	Criminal Assets Recovery Account
CBO	Community Based Organization
CCE	Community Capacity Enhancement
CCF	Child Care Forums
CCG	Community Care Givers
CD	Chief Directorate
CD	Community Development
CDA	Central Drug Authority
CDP	Community Development Policy
CDW	Community Development Worker
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGP	Consolidated Government Paper
CHH	Child Headed Households
CIDA	Canadian International Development Agency
COIDA	Compensation for Occupational Injuries and Disease Act

CORN	Community Organization Regional Network
CP	Country Programme
CPR	Computer Peripheral Repairs
CPR	Child Protection Register
CRM	Complaints Response Management
CSG	Child Support Grant
CSO	Civil Society Organisations
CSO	Civil Society Organization
CWLC	Child Welfare League of Canada
CYCC	Child and Youth Care Centre
DCS	Department of Correctional Services
DDG	Deputy Director General
DEAFSA	Deaf Federation of South Africa
DFID	Department for International Development
DG	Director-General
DPLG	Department of Provincial and Local Government
DPSA	Department of Public Service and Administration
DRC	Democratic Republic of Congo
DSD	Department of Social Development
DWA	Department of Water Affairs
EC	Eastern Cape
ECD	Early Childhood Development
EHW	Employee Health and Wellness
ENE	Estimates of National Expenditure
EPWP	Extended Public Works Programme
ETDPSETA	Education, Training and Development Practice Sector Education Authority
EU- PDPHC	European Union-Partnership for Delivery of Primary Health Care
EXCO	Executive Committee
FAMSA	Family and Marriage Association of South Africa
FBO	Faith Based Organizations
FOSAD	Forum of South Africa's Director-Generals
FTSS	Full Time Shop Steward
GAAP	General Accepted Accounting Principles
GCIS	Government Communication and Information System
GDS	Growth and Development Summit
GFN	Global Food Banking Network
GIS	Geographical Information Systems
GSSC	Government Sector Security Council
HCBC	Home/Community Based Care
HCM	Human Capital Management
HDI	Historically Disadvantaged Individuals
HIV	Human Immunodeficiency Virus
HR	Human Resources
HRD	Human Resources Development

HSD	Heads of Social Development	NAP	National Action Plan
HSRC	Human Science Research Council	NAPWA	National Association of People Living with HIV and Aids
HWSETA	Health and Welfare Sector Education and Training Authority	NC	Northern Cape
IBSA	India, Brazil, South Africa	NCOP	National Council of Provinces
ICC	International Convention Centre	NDA	National Development Agency
ICDP	Integrated Conference of Population and Development	NDMP	National Drug Master Plan
ICT	Information and Communication Technology	NEPAD	New Partnership for Africa's Development
IDP	Integrated Development Planning	NFD	Non- Financial Data
IDT	Independent Development Trust	NFES	National Food Energy Scheme
IDTT	Interdepartmental Task Team	NGO	Non-Governmental Organization
IFA	International Federation for Ageing	NIA	National Intelligence Agency
IGR	Inter-Governmental Relations	NICRO	National Institute for Crime Prevention and Rehabilitation of Offenders
IIA	Institute of Internal Auditors	NIPECD	National Integrated Plan for Early Childhood Development
IM	Information Management	NISIS	National Integrated Social Information System
IMC	Inter-Ministerial Committee	NPO	Non-Profit Organization
IMST	Information Management System and Technology	NQF	National Qualifications Framework
IOD	Injury on Duty	NTT	National Task Team
IPDET	International Programme for Development Evaluation Training	NYS	National Youth Service
IPGLGS	Integrated Population and Development Local Government Strategy	ODA	Official Development Assistance
IPPF	International Planned Parenthood Federation	OECD	Organisation for Economic Cooperation and Development
ISDM	Integrated Service Delivery Model	OHS	Occupational Health Safety
ISRD	Integrated Sustainable Rural Development Programme	OSD	Occupation Specific Dispensation
ISS	International Social Service	OVC	Orphans and Vulnerable Children
ISSA	International Social Security Association	PAIA	Promotion of Access to Information Act
IT	Information Technology	PAJA	Promotion of Access to Justice Act
JCPS	Justice, Crime Prevention Security	PASA	Population Association for South Africa
KZN	KwaZulu-Natal	PDIS	Population and Development Information Service
LOC	Local Organizing Committee	PED	Population Environment and Development
M & E	Monitoring and Evaluation	PFA	Policy on Financial Awards
MANCO	Management Committee	PFMA	Public Finance Management Act
MDG	Millennium Development Goal	PHSDSBC	Public Health and Social Development Bargaining Council
ME&R	Monitoring, Evaluation and Reporting	PID	Project Initiation Document
MINMEC	Minister and Members of the Executive Committee's Council	PMDS	Performance Management Development System
MIS	Management Information System	PMU	Project Management Unit
MISP	Management Information System Plan	PoA	Programme of Action
MOST	Management of Social Transformation	PPD	Population Policy Development
MOU	Memorandum of Understanding	PPM	Programme in Project Management
MTEF	Medium-Term Expenditure Framework	PPP	Public Private Partnership
MYPP	Masupatsela Youth Pioneer Programme	PPU	Provincial Population Unit
NABSSA	National Association of Burial Society of South Africa	PQ	Parliamentary Questions
NACCA	National Action Committee for Children Affected by HIV and AIDS	PRP	Poverty Relief Programme
		PSETA	Public Service Education and Training Authority
		QA	Quality Assurance
		QAR	Quality Assurance Review

## Abbreviations and Acronyms

RACAP	Register on Adoptable Children and prospective Adoptive Parents	SRH	Sexual Reproductive Health
RAR	Reception, Assessment and Referral	STI	Sexual Transmitted Infections
RCM	Research Coordination and Management	TAU	Technical Assistance Unit
RI	Rehabilitation International	TB	Tuberculosis
RPL	Recognition of Prior Learning	TIPS	Trade and Industrial Policy Strategy
S&T	Subsistence and Travel	TMT	Transformation Management Team
SA	South Africa	TNDT	Transitional National Development Trust
SAA	Social Assistance Act	TOR	Terms of Reference
SABC	South African Broadcasting Corporation	TUT	Tshwane University of Technology
SACHA	South African Coalition Against HIV/AIDS	UAE	United Arab Emirates
SACSSP	South African Council for Social Services Professions	UAPS	United African Population Seminar
SADC	South African Development Community	UAPS	Union for African Population Studies
SADHS	South African Demographic and Health Survey	UKZN	University of KwaZulu-Natal
SAHARRA	Social Aspects of HIV/AIDS Research Alliance	UN	United Nations
SAMEA	South African Monitoring and Evaluation Association	UNCPD	United Nation Commission on Population and Development
SANAC	South African National Aids Council	UNDAF	United Nations Development Assistance Framework
SANCA	South African National Council on Alcoholism and Drug Dependence	UNESCO	United Nations Educational, Scientific and Cultural Organisation
SANMVA	South African National Military Veterans Association	UNFPA	United Nations Population Fund
SAPS	South African Police Services	UNGASS	United Nation General Assembly for Special Session
SAQA	South African Qualification Authority	UNODC	United Nations Office on Drugs and Crime
SCM	Supply Chain Management	URP	Urban Renewal Programme
SCOA	Standard Chart of Accounts	URSD	User Registration Specification Document
SDIMS	Social Development Information Management System	USAID	United States Agency for International Development
SGB	Standards Generating Body	VAPO	Volunteer Assistant Probation Officer
SITA	State Information Technology Agency	VCT	Voluntary Counselling and Testing
SLA	Sustainable Livelihood Approach	VEP	Victim Empowerment Programme
SOCPEN	Social Pension System	WAD	World Aids Day
SOP	Standard Operating Procedure	WC	Western Cape
SPPIA	Standards for the Professional Practice of Internal Auditing	WPD	World Population Day

## Notes



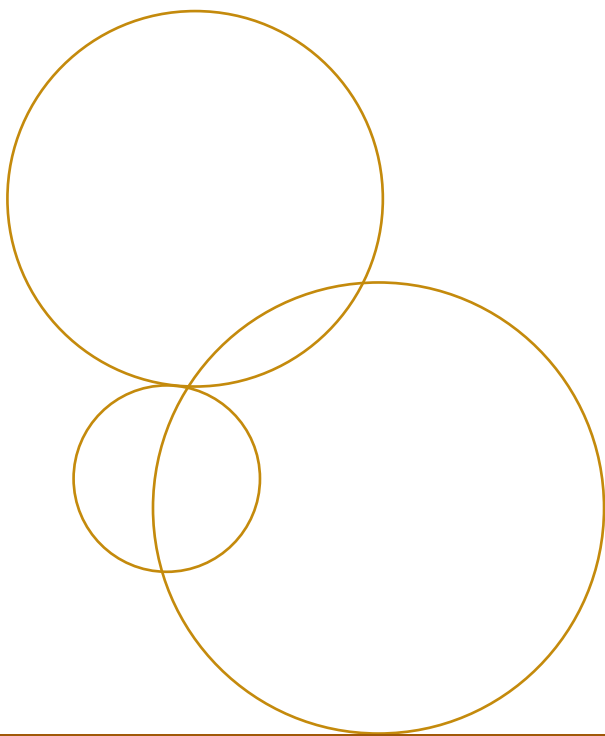




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