



14

# Annual Report

for the year ended 31 March 2014

Building a Caring Society. Together.

[www.dsd.gov.za](http://www.dsd.gov.za)



**social development**

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



## Why are we called the Department of Social Development?

In July 2000, the Department of Welfare was renamed the Department of Social Development.

We are called the Department of Social Development:

- **Because of our commitment to social transformation**

We are committed to the agenda of social transformation embodied in the principle of social justice and the Bill of Rights contained in our Constitution. We endeavour to create a better life for the poor, vulnerable, and excluded people in our society.

- **Because our task is to reduce poverty and promote social integration**

Our task is to develop and monitor the implementation of social policy that both creates an enabling environment for and leads to a reduction in poverty. We ensure the provision of social protection and social welfare services to all people who live in our land. We conduct research that develops the social indicators necessary for programme implementation and public accountability.

- **Because our work is based on partnerships and the Batho Pele principles of service delivery**

All our work requires extensive and ongoing consultation with all sectors of our society. Our programmes are integrated with those of other government departments and all spheres of government. We work in partnership with NGOs, faith-based communities, the business sector, organised labour, and other role players. We are committed to the Batho Pele (People First) principles, and use them to improve service delivery to our clients and the public.

- **Because our actions are based upon solidarity and engender self-reliance**

As social service professionals, we act on the basis of solidarity with all of humanity. We seek to empower communities and engender self-reliance by creating conditions for sustainable livelihoods. This involves expanding the range of choices available to communities.

- **Because of the range of our human services**

Our development, social protection and social welfare services span the entire life cycle of human life and encompass advocacy, promotion, prevention, care, mitigation and palliation.

Department of Social Development  
Vote no. 19

# ANNUAL REPORT

*For the year ended 31 March 2014*



**social development**

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

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# PART A

## General Information

## GENERAL INFORMATION



### social development

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Social Development  
**REPUBLIC OF SOUTH AFRICA**

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# SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY



## social development

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

### **DEPARTMENT OF SOCIAL DEVELOPMENT**

The Hon. Ms B.O. Dlamini  
Minister of Social Development  
Private Bag X855  
PRETORIA 0001

### **Honourable Minister**

### **ANNUAL REPORT FOR THE YEAR ENDING 31 MARCH 2014**

I have the pleasure of presenting the Annual Report of the Department of Social Development for the year 1 April 2013 to 31 March 2014.

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 be 'Coceko Pakade'.

**Coceko Pakade**  
*Director-General*



## FOREWORD BY THE MINISTER

*for the year ended 31 March 2014*

The Department of Social Development once again achieved a great deal during the past financial year. As a result, I am proud to write this foreword.

Twenty years ago, following the advent of a democratic South Africa, we set about creating a fairer, more humane and more inclusive society, a mission expressed, among others, in the notion of creating a better life for all. The achievements of the Department as summarised in this report reflect our enduring commitment to achieving this goal.

Our social assistance programme remains the government's most effective measure for combating poverty and inequality, especially among vulnerable groups such as children and the elderly. Accordingly, a growing number of children and the elderly formed the majority of the almost 16 million individuals who benefited from different types of social grants.

Strong, functional families are a cornerstone of any successful society. In line with this, the Cabinet approved a White Paper on Families which seeks to address issues of family disintegration through programmes such as family reunification, active parenting, marriage enrichment and family preservation, among others.

We remain determined to protect vulnerable groups such as children, women and the elderly, as well as victims of social crime. In this regard, we started working on amendments to existing legislation on children and older persons as well as new bills on victim empowerment and people with disabilities. Once finalised, the new legislation will enable us to improve the quality of services to vulnerable members of our society.

The most notable achievement with respect to the fight against alcohol and substance abuse was Cabinet approval of the National Drug Master Plan (2013–2017). This, along with a number of anti-alcohol and substance abuse initiatives, will help us to realise the ideal of creating a drug-free society, and combat the related scourge of violence against women and children.

Early Childhood Development (ECD) is a key instrument in the fight against the intergenerational transmission of poverty, and forms an essential link in the continuum of services needed to achieve positive social educational outcomes for our children. Our ECD services saw their largest expansion yet, with more than one million children receiving ECD services from more than 21 000 ECD centres countrywide. A notable achievement in this regard was the approval by Cabinet of the Integrated ECD Programme of Action.

Many households continue to suffer from extreme hunger and destitution. The Household Food and Nutrition Security Strategy, which received Cabinet approval in the period under review, gives further impetus to the fight against food insecurity. The Food for All programme also benefited thousands of vulnerable households countrywide.



One of the highlights of the reporting period was the launch of Project Mikondzo, a service delivery improvement project focusing on 1 300 wards in 23 priority district municipalities. The project has made it possible for us to determine the extent of our footprint in communities and the public perception of such services. In consequence, a detailed service delivery improvement plan is being compiled, which will help the Department and other organs of state to work in concert in delivering services to those in need.

Civil society organisations (CSOs) play an important role in providing services on behalf of the Department, and we made significant strides in implementing the resolutions of the Non Profit Organisations (NPO) Summit held in August 2012. The registration of NPOs grew apace, while NPO dialogues continued to raise awareness of the obligations of registered NPOs as prescribed by relevant legislation.

On the international front, we continued to participate in a number of high-level bilateral and multilateral exchanges aimed at promoting South Africa's foreign policy goals, and integrating its social development policies and programmes. Some of the most notable institutions in which we participated include the Board of Partners in Population and Development (PPD), the International Social Security Association (ISSA), International Social Service (ISS), the African Union (AU), and a number of United Nations Commissions.

In conclusion, I wish to thank the Deputy Minister, the Director-General, and the staff of the national Department and our provincial counterparts, whose commitment to our work remains a fitting tribute to the ideal of establishing the just, inclusive and fair society we set out to create 20 years ago. These heroic deeds make me proud to be part of a generation of men and women who are Building a Caring Society. Together!

A handwritten signature in dark ink, which appears to read 'B. Dlamini'.

**Bathabile O Dlamini, MP**  
*Minister of Social Development*



## FOREWORD BY THE DEPUTY MINISTER

*for the year ended 31 March 2014*

During the past financial year, the Department further intensified its efforts to create a fairer and more caring society. To this end, we developed and implemented a range of policies and laws which will assist us to act as a catalyst for social justice in our society.

Inspired by our determination to create cohesive and healthy communities, we made great strides in freeing the most vulnerable members of society from poverty, neglect and other forms of deprivation. The appointment of an interdepartmental technical team to work on legislation on disability will add further impetus to efforts to promote and protect the interests of people with disabilities.

Strong, efficient community-based organisations (CBOs) continue to play a vital role in delivering quality services to communities. In this regard, we intensified capacity-building initiatives for community development practitioners and organisations which are vital partners in building strong, cohesive communities. This resonates with our goal of building a skilled workforce that will enable us to deliver quality services to those who need them most.

HIV and AIDS continue to threaten the wellbeing of our communities. As a result, we have developed a National Strategic Plan on HIV, STIs and TB, aimed at influencing social behaviour change and providing improved care and support. A notable event in the course of the year was the third South African National Conference on Orphans, Vulnerable Children and Youth (OVCY). Attended by representatives of government, civil society and the business sector, it passed a series of resolutions aimed at improving the implementation and monitoring of legislation, policies and strategies impacting on the protection of and support for OVCY.

High levels of youth unemployment are at odds with the kind of society we would like to build. Accordingly, we continued to empower youths through a number of youth development initiatives. Thousands of young people participated in skills development initiatives, focusing on life skills, entrepreneurship and leadership skills. Besides this, many young people participated in the national youth camp hosted by the Department during the reporting period.

The integration of population policy into the activities of various sectors remained uppermost in our minds. As such



we continued to roll out programmes aimed at raising public awareness of population policies, and promoting their inclusion in school curricula and the integrated development plans of municipalities. We also strengthened co-operation and partnerships on population issues with fraternal institutions both in South Africa and elsewhere in the world.

The Department's mandate can only be implemented by individuals who understand and appreciate its policies. As such, the reporting period saw the roll-out of several capacity-building initiatives and research in vital areas such as social policy and population and development. This will contribute to the creation of an evidence-based policy-making culture in the Department. Similarly, the implementation of the retention and recruitment strategy for social workers bears testimony to our determination to address the shortage of social workers in the country. As the number of young people choosing social work as a profession of choice increases, so does our determination to improve their conditions of service.

A caring society cannot be created by government alone. I therefore take renewed pride in the contribution of our partners in civil society towards making South Africa a country that looks after its most vulnerable groups. I wish to thank the Minister, Director-General, Departmental staff, and our provincial counterparts for their support over the years.

A handwritten signature in black ink, appearing to read 'H Bogopane-Zulu'.

**H Bogopane-Zulu, MP**

*Deputy Minister of Social Development*

# REPORT OF THE ACCOUNTING OFFICER

## Overview

The Department continued to play a key role in providing a safety net for the poor, marginalised and vulnerable members of our society. To this end, the Department and its partners made significant strides in improving the quality of its services to the public. Among others, commendable progress was made in broadening access to social protection, ECD services, victim empowerment, food security, and services to older persons and people with disabilities. A number of events were also held as part of our efforts to build public awareness of our services, and create a footprint in areas where they are most needed.

The social assistance programme remains the single most important contributor to the fight against poverty and inequality. In this respect, more than 15.8 million South Africans, including more than 11.7 million children and 2.9 million older persons, benefited from our social safety net. This achievement was predicated on our determination to ensure that our social protection system protects individuals against all forms of vulnerability.

The re-registration of grant recipients carried out by the South African Social Security Agency (SASSA) has contributed significantly to eradicating fraud and corruption in the grant system by removing some ineligible recipients. Besides this, the average turnaround time for processing new grant applications was reduced to 21 days. The introduction of a new payment system ushered in new payment gateways, thereby making it possible for beneficiaries to receive payment anywhere and at any time. Most beneficiaries now prefer to access their payments via merchant stores and ATMs.

ECD is an essential link in the continuum of services needed to achieve positive educational outcomes. More than a million children are benefiting from ECD services which are provided by more than 21 000 registered ECD services nationally. Significantly, the Department conducted a comprehensive audit of 12 987 ECD centres in all provinces. An Integrated Programme of Action for ECD was developed and approved by Cabinet in September 2013.

One of the most notable achievements in respect to services to children during the reporting period was the registration of 1 452 adoptions. Of these, 212 were inter-country adoptions, while the remainder (1 240) were national adoptions. The vital issue of child protection remained uppermost in our minds, and we continued to celebrate Child Protection Week which was launched by the Minister in Durban, KwaZulu-Natal, on 27 May 2013. The closing event was held in Tzaneen, in Limpopo, on 2 June 2013. Another milestone was the approval by Cabinet of a Programme of Action on violence against women and children.



The Minister appointed a committee to review the White Paper for Social Development (1997). The purpose of the review, conducted via public consultations, is to determine the status of social welfare services since the adoption of the White Paper. The review will enable the Department to identify weaknesses and lessons learnt during implementation, and provide opportunities for further interventions where necessary.

The ongoing shortage of social service professionals affects our ability to provide quality social welfare services, including vital services in areas such as foster care. In order to address this challenge, the Department awarded 997 scholarships to new social work students across the country. In order to enhance the skills base of the Department, 124 officials were given financial assistance to study for qualifications in various fields relevant to the needs of the public service. Similarly, we placed 85 interns in various units throughout the Department. We believe this will contribute to the realisation of *Outcome 12: An efficient, effective and development-oriented public service*.

The Department's determination to fight poverty and the disintegration of families by providing family support received a boost when cabinet approved the White Paper on Families during the reporting period. In order to fully realise the objectives and ideals of the White Paper, we developed a number of programmes. These include, among others, family reunification services, an integrated parenting framework, a fatherhood strategy, active parenting of teenagers, marriage enrichment and preparation, family preservation, and mediation. The Department celebrated the annual International Day of the Family on 15 March, as proclaimed by the United Nations General Assembly. The theme for this day was 'advancing social integration in intergenerational solidarity within families and the communities'.

The promotion of the rights of older persons remained a priority, and we continued to assess the quality of care provided to older persons in residential care facilities as

## REPORT OF THE ACCOUNTING OFFICER

prescribed by the Older Persons Act, 2006 (Act No. 13 of 2006). Significantly, we started working on amendments to the older persons legislation with the ultimate goal of ensuring that we have an inclusive and effective approach to delivering quality services to older persons in the entire social sector. We also commemorated national and international days of awareness of the prevention of abuse of older persons. These included the International Day of Families, World Prevention of Elder Abuse Awareness Day, Grandparents Day, and Orange Day.

During the reporting period, the Department conducted a national audit of all residential facilities for persons with disabilities to determine their status following the rollout of policy guidelines and minimum standards for residential care. The policy guidelines were reviewed and norms and standards developed as part of the recommendations of the audit. Besides this, the Department, together with other government departments and other stakeholders in the disability sector, developed a draft bill on social development services to people with disabilities.

The period under review also saw the implementation of prevention programmes and support services to victims of gender-based violence. Notable achievements in this regard include the development of a draft bill on victim empowerment support services, following intensive consultations with the relevant structures and stakeholders. Significantly, we also launched a command centre for victims of gender-based violence which operates a 24-hour toll free line staffed by 60 social workers.

The fight against alcohol and substance abuse gathered momentum when the Cabinet approved the National Drug Master Plan (NDMP) 2013–2017 in June 2013. Together with the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008), the NDMP seeks to fight substance abuse in a co-ordinated way, thus reducing the demand for, supply of, and harm caused by drugs and substances.

HIV and AIDS continue to devastate the lives of many people, and remain a major obstacle to the realisation of the goal of ensuring a long and healthy life for all South Africans (Outcome 2). In view of this, and as part of our social behaviour change programme aimed at reducing HIV infections, the Department developed a Comprehensive Strategy on HIV, STIs and TB for providing guidance to various partners and structures on how to respond to the twin epidemics of HIV and TB in a more integrated manner. This is part of our contribution to the implementation of the National Strategic Plan on HIV and AIDS, STDs and TB 2012–2016. In May 2013, the Department hosted the third Orphans, Vulnerable Children and Youth (OVCY) conference in Durban. The conference

resolved among others that legislation, policies and strategies which impact on the protection and support to OVCY should be effectively implemented and monitored, and that evidence-based prevention programmes which strengthen family and community-based responses should be supported. A three-year Programme of Action (POA) was developed which is informed by the conference resolutions and recommendations.

A major milestone with regard to youth development was the participation of 25 856 young people in national youth mobilisation and dialogues. This culminated in a national youth camp which was attended by 1 128 young people. Besides this, more than 8 000 young people participated in provincial and skills development programmes which included training in technical, entrepreneurship, life, and leadership skills.

Non-Profit Organisation (NPOs) play an important role in the delivery of services on behalf of the Department. During the reporting period the Department received 29 812 applications for NPO registration, and a total of 28 798 applications were processed. This translates into 96.6% of applications processed within two months. As a result of these efforts, the number of registered NPOs grew phenomenally, and now stands at 120 441 since the inception of the NPO Act.

Despite the high rate of registration, non-compliance by registered NPOs to requirements for the submission of annual reports under section 18(1) of the Non-profit Organisations Act, 1997 (Act No. 71 of 1997) remains a challenge. Only 32 193 annual reports were received from the 98 685 registered NPOs due to submit reports, translating into a compliance rate only 33%. In addressing this challenge, the Department mounted a media campaign to encourage organisations to submit their annual reports. This campaign was supplemented with road shows during which services were provided for organisations at the local level. As part of the war on poverty campaign, we profiled 784 137 poor households nationally. More than 122 000 poor, vulnerable and marginalised households benefited from our food nutrition programme, while more than 346 000 received food parcels from Food Bank South Africa.

As part of our efforts to expand our national footprint, and improve the quality of services to the public, we launched a community outreach initiative known as Project Mikondzo. This is a service delivery improvement intervention focusing on some of the poorest areas in the country. The project targeted 1 300 wards in 23 priority district municipalities, and was implemented successfully in all provinces.

During the reporting period, the Department continued to play a major role in promoting South Africa's foreign policy goals as outlined in *Outcome 11: Creating a better South Africa, a better*

## REPORT OF THE ACCOUNTING OFFICER

*Africa and a better world.* Accordingly, we played a leading role in the establishment of the Brazil, Russia, India, China and South Africa (BRICS) social security and population structures. We also engaged in bilateral exchanges with, among others, Botswana, Bangladesh, Brazil, China, India, Lesotho and Vietnam. These interactions provided an opportunity for sharing knowledge and experience on social development issues. The Department also played an active role in structures such as Partners in Population and Development (PPD), International Social Service (ISS), and the International Social Security Association (ISSA).

During the reporting period, the Department spent 98.8% of its budget of more than R118 billion, mostly on social assistance.

The creation of an enabling environment for the achievement of the Department's targets remains a constant feature of our operations. As part of a new, evolving, results-based management culture, we continued to work on strategies to improve our planning processes and strengthen management structures, thus enabling us to effectively interrogate our plans and targets, and ensure that our expenditure is informed by detailed expenditure plans. Also, as required by relevant legal prescripts, we assessed our programme performance against predetermined objectives, and reported on this performance to the Minister, National; Treasury, the Presidency and Parliament.

### Overview of financial results

#### Departmental receipts

Departmental receipts	2013/2014			2012/2013		
	Estimate	Actual amount collected	(Over)/undercollection	Estimate	Actual amount collected	(Over)/undercollection
	R'000	R'000	R'000	R'000	R'000	R'000
Transfers received	237	2	235	210	5	205
Interest, dividends and rent on land	2 647	9 415	(6 768)	9 329	7 855	1 474
Sale of capital assets	–	192	(192)	–	–	–
Financial transactions in assets and liabilities	5 080	79 387	(74 307)	25 000	36 501	(11 501)
<b>Total</b>	<b>7 964</b>	<b>88 996</b>	<b>(81 032)</b>	<b>34 539</b>	<b>44 361</b>	<b>(9 822)</b>

The Department does not generate income. The major revenue item comprises interest earned on social grant funds transferred to SASSA. The Special Investigations Unit (SIU) was contracted to manage and recover all debts comprising fraudulent social grant payouts, and recovered funds were transferred to the Department in the course of the year. The Department reconciled the amounts recovered with the debt book in the provinces as well as the debt book at

SASSA. Once this was done, the remainder of the funds were transferred to revenue.

The Department cannot accurately estimate the amount that will be recovered in a given year. It is also difficult to budget accurately for interest received, as this depends on the rate at which SASSA disburses its funds.

# REPORT OF THE ACCOUNTING OFFICER

## Programme expenditure

Programme	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	Over/under-Expenditure	Final Appropriation	Actual Expenditure	Over/under-Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	262 782	261 301	1 481	257 125	255 395	1 730
Social Assistance	111 006 841	109 596 591	1 410 250	104 887 916	103 898 845	989 071
Social Security Policy & Administration	6 376 646	6 376 560	86	6 211 780	6 198 417	13 363
Welfare Service Policy Development & Implementation Support	548 098	546 015	2 083	525 048	502 618	22 430
Social Policy & Integrated Service Delivery	317 233	304 482	12 751	261 683	260 301	1 382
<b>Total</b>	<b>118 511 600</b>	<b>117 084 949</b>	<b>1 426 651</b>	<b>112 143 552</b>	<b>111 115 576</b>	<b>1 027 976</b>

## The Budget

The initial budget allocation to the Department amounted to R120.5 billion for the 2013/14 financial year. Included in this allocation were large transfers for social assistance, South African Social Security Agency (SASSA), and the National Development Agency (NDA).

As part of the 2013 Adjusted Estimates of National Expenditure, an amount of R20 million was allocated to the Department for improving awareness of substance abuse and prevention services in the remainder of the 2013/14 financial year.

SASSA declared R2 billion in unspent funds for social grants due to the re-registration of social grant beneficiaries. The adjusted budget allocation for the Department for the 2013/14 financial year amounted to R118.5 billion.

## Virements

At the close of the 2013/14 financial year, the following virements were effected:

### Per main division

#### *Programme 1 – Administration: R3.7 million*

An amount of R3.7 million was shifted from Programme 1 to Programme 5 to fund increased expenditure on community outreach activities during Social Development month, household profiling, the provincial NPO roadshows, and the BRICS conference held during the 2013/14 financial year.

#### *Programme 3 – Social Security Policy and Administration: R17.4 million*

An amount of R17.4 million was shifted from Programme 3 to fund increased expenditure under Programme 5.

#### *Programme 4 – Welfare Services Policy Development and Implementation Support: R6.4 million*

An amount of R6.4 million was shifted from Programme 4 to fund increased expenditure under Programme 5.

#### *Programme 5 – Social Policy and Integrated Service Delivery: R27.5 million*

An amount of R27.5 million was shifted to Programme 5 to fund increased expenditure on community outreach activities during Social Development month, household profiling, provincial NPO roadshows, and the BRICS conference held during the 2013/14 financial year.

### Per economic classification

#### *Compensation of Employees*

An amount of R5.5 million was shifted from Compensation of Employees to fund increased expenditure on Goods and Services for Social Development month activities at the end of the 2013/14 financial year.

#### *Goods and Services*

An amount of R4 781 million was shifted to Goods and Services to fund increased expenditure on goods and services for community outreach activities during Social Development month, household profiling, provincial NPO roadshows, and the BRICS conference held during the 2013/14 financial year.

#### *Transfers and Subsidies*

An amount of R705 000 was shifted to Transfers and Subsidies for increased expenditure related to retirement benefits paid to officials who retired during the 2013/14 financial year.



## REPORT OF THE ACCOUNTING OFFICER

### Unauthorised, fruitless and wasteful expenditure

#### Reasons for irregular and unauthorised expenditure

- Procurement processes were not followed, i.e., approval was not granted/sourced prior to the appointment of service providers.
- No compliance with SCM, and order numbers not issued prior to services being rendered.

#### Reasons for fruitless and wasteful expenditure

- Officials not showing up at hotels
- Car damage
- Traffic fines

#### Irregular, fruitless and wasteful expenditure

Expenditure	R'000
Irregular expenditure	10 097
Fruitless and wasteful expenditure	278

#### Steps taken to address and prevent recurrence

- Affected officials were issued with letters or memos asking them to respond in the form of an affidavit.
- Cases were presented to the Loss Control Committee (LCC) for recommendations or sanctions, i.e. condoning the expenditure, written warnings, final written warnings and formal disciplinary hearings.
- Recommendations made by the LCC were submitted to the Accounting Officer for approval.
- One-on-one sessions were conducted with the officials concerned.
- Workshops were held for the officials concerned.

### Future plans

In the year under review, the Government introduced *Outcome 13: An inclusive and responsive Social Protection System*. This outcome includes actions to strengthen social welfare service delivery through legislative reforms; expanding and accelerating social welfare service delivery to poor, vulnerable and special focus groups; develop a comprehensive social protection infrastructure plan and deepening social assistance; and expanding access to social security. The DSD will lead the implementation of the commitments under this outcome. The Medium Term Strategic Framework plan for the Department fits in well with the deliverables of this outcome, and is also premised on the NDP.

The main objectives for the next five years with regard to strengthening social welfare service delivery through legislative reforms include, among others, reviewing the White

Paper on Social Welfare and the social welfare service delivery framework. With regards to deepening social assistance and expanding access to social security, the objectives include working towards universalisation of the old age, disability and child support grants (for which public commitment has already been made for old age grants), developing policy proposals for mandatory retirement, disability and survivor benefits cover and improving the administration process to improve access to social assistance.

The Minister of Social Development will sign a performance agreement with the President on *Outcome 13. Implementation and Technical Implementation* fora will be established to direct and resolve some of the problems that might arise during the course of implementing the commitment under this outcome.

### Public-private partnerships

The Department did not enter into any public-private partnerships during the period under review.

### Discontinued activities/activities to be discontinued

The Department has resumed with the process to repeal the Fund Raising Act, 1978 (Act No. 107 of 1978). SASSA is already providing Social Relief of Distress including Disaster Relief as prescribed in the Social Assistance Regulations. Consultations with various government structures on the Social Assistance Amendment Bill has started, and it is envisaged that the Relief Funds under the Fund Raising Act will be dissolved and SASSA will continue to provide relief using its existing infrastructure and disbursement footprint.

### New or proposed activities

See 'Events after the reporting date' below.

### Supply Chain Management (SCM)

The Department did not consider any unsolicited bid proposals for the 2013/2014 financial year. Processes and systems for preventing irregular expenditure are in place. Approved SCM policy is in place, and circulars are issued at regular intervals to improve SCM in the Department. Challenges are experienced when procuring goods or services, especially for events in rural areas, since it is difficult to identify suppliers who are able to comply with SCM requirements. Other challenges relate to the procurement of goods or services for events. SCM continuously liaises with project managers, and assists in providing guidance and assistance where necessary.

## REPORT OF THE ACCOUNTING OFFICER

### Gifts and donations in kind from non-related parties

Purpose	Amount paid directly to service providers R'000
KFW	
HIV and AIDS: Care and Support Programme	3 496
Strengthening the care and support programme for child and youth-headed households in KwaZulu-Natal, Limpopo and North West	
JICA	
Disability Mainstreaming Programme	946
Enhancing the DSD's capacity to integrate and mainstream disability across all DSD policies and service delivery programmes.	
HIV and AIDS: Care and Support Programme	1 630
Strengthening Home and Community Based Care (HCBC) monitoring and evaluation (M&E) in North West and the Northern Cape.	
USAID	
Child Protection Programme	116
Verifying the effectiveness of safety and risk assessment tools and training material in respect of child protection in urban, peri-urban and rural areas.	
Child Protection Programme	792
Rolling out the Safety and Risk Assessment Tool to social workers.	
Child Protection Programme	22 579
Improving the maintenance and sustainability of the Children's Services Directory	
HIV and AIDS: Care and Support	7 331
Enhancing the capacity of community caregivers to protect, care for and support orphans made vulnerable by HIV and AIDS.	
HIV and AIDS: Care and Support	2 070
Supporting an impact assessment of the Department's HCBC programme.	
HIV and AIDS: Information system for OVC programme	381
Hosting and maintaining the Community Based Interventions Monitoring System (CBIMS)	
HIV and AIDS: OVC Programme	853
Reviewing the technical quality of the National Action Plan (NAP) (current and previous) with regard to its alignment with the National Strategic Plan (NSP) as well as its relevance, comprehensiveness and measurability	
UNICEF	
Child Protection Programme	595
Developing an ECD Policy	
Child Protection Programme	907
Developing a National Comprehensive ECD Programme	
Child Protection Programme	228
Providing technical assistance for the development and implementation of the Programme of Action on Violence against Women and Children.	



## REPORT OF THE ACCOUNTING OFFICER

Purpose	Amount paid directly to service providers R'000
<b>Child Protection Programme</b>	
Supporting plans for transforming Child and Youth Care Centres (CYCCs) and regularising temporary safe care based on audits and tools completed in 2012.	78
<b>Child Protection programme</b>	
Providing administrative and management capacity for developing and finalising the ECD Policy and the National Comprehensive ECD Programme.	111
<b>Child Protection Programme</b>	
Supporting a meeting on ECD.	3
<b>Child Protection Programme</b>	
Covering the costs of a venue for 80 people attending the South African intersectoral forum on the National Comprehensive ECD Programme.	35
<b>Child Protection Programme</b>	
Supporting consultations with stakeholders on ECD policy and the National Comprehensive ECD Programme.	165
<b>USAID</b>	
<b>HIV and AIDS: OVC</b>	
Conducting Children's Dialogues in preparation for the 2013 OVCY conference	1 667
<b>HIV and AIDS: OVC</b>	
Planning for the 2013 OVCY Conference	552
<b>HIV and AIDS: OVC</b>	
Providing technical support for the development of an Action Plan emanating from the 2013 OVCY Conference	91

### Donations in cash

An amount of R7 500 000 was received from the Canadian International Development Agency (CIDA) for Child Protection Surveillance under the Child Protection Programme. Expected outputs included the completion of a pilot study, and a national conference on the pilot study. The Department also received R415 000 from the Health and Welfare SETA for training.

### Events after the reporting date

Following the general elections in May 2014, the Department of Women, Children and People with Disabilities was merged with the DSD, and the functions related to support for people with disabilities and children were transferred to the DSD. A new Deputy Minister was appointed.

In conclusion, I would like to thank the Minister, the Deputy Minister, the CEOs of SASSA and the NDA, the staff of the Department, our provincial counterparts, and all stakeholders who contributed to the work of the Department during the reporting period.



**Coceko Pakade**  
Director-General  
Department of Social Development

# STATEMENT OF RESPONSIBILITY FOR AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT



## social development

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

### **Statement of responsibility for and confirmation of accuracy of the Annual Report**

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by the Auditor-General South Africa (AGSA).

The Annual Report is complete, accurate, and free of any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by the National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, human resources information, and annual financial statements.

External auditors were engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, performance information, human resources information and financial affairs of the Department for the financial year ended 31 March 2014.

**Coceko Pakade**

*Accounting Officer*

Department of Social Development

31 May 2014

# STRATEGIC OVERVIEW

## 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 (civil society, business and academia) and the international community.

## Strategic priorities

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

- Child and youth care (Isibindi model)
- Early Childhood Development
- Anti-substance abuse
- Food for all/zero hunger
- The protection and promotion of the rights of older persons 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.

## LEGISLATIVE AND OTHER MANDATES

### The Constitution

The Department of Social Development 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 provides for the right of access to appropriate social assistance to those unable to support themselves and their dependants. In addition, Section 28 (1) of the Constitution sets out the rights of children with regard to appropriate care, basic nutrition, shelter, health care, 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 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);
- The National Welfare Act, 1978 (Act No. 100 of 1978);
- The South African Social Security Agency Act, 2004 (Act No. 9 of 2004); and
- White Paper on Population Policy (1998).





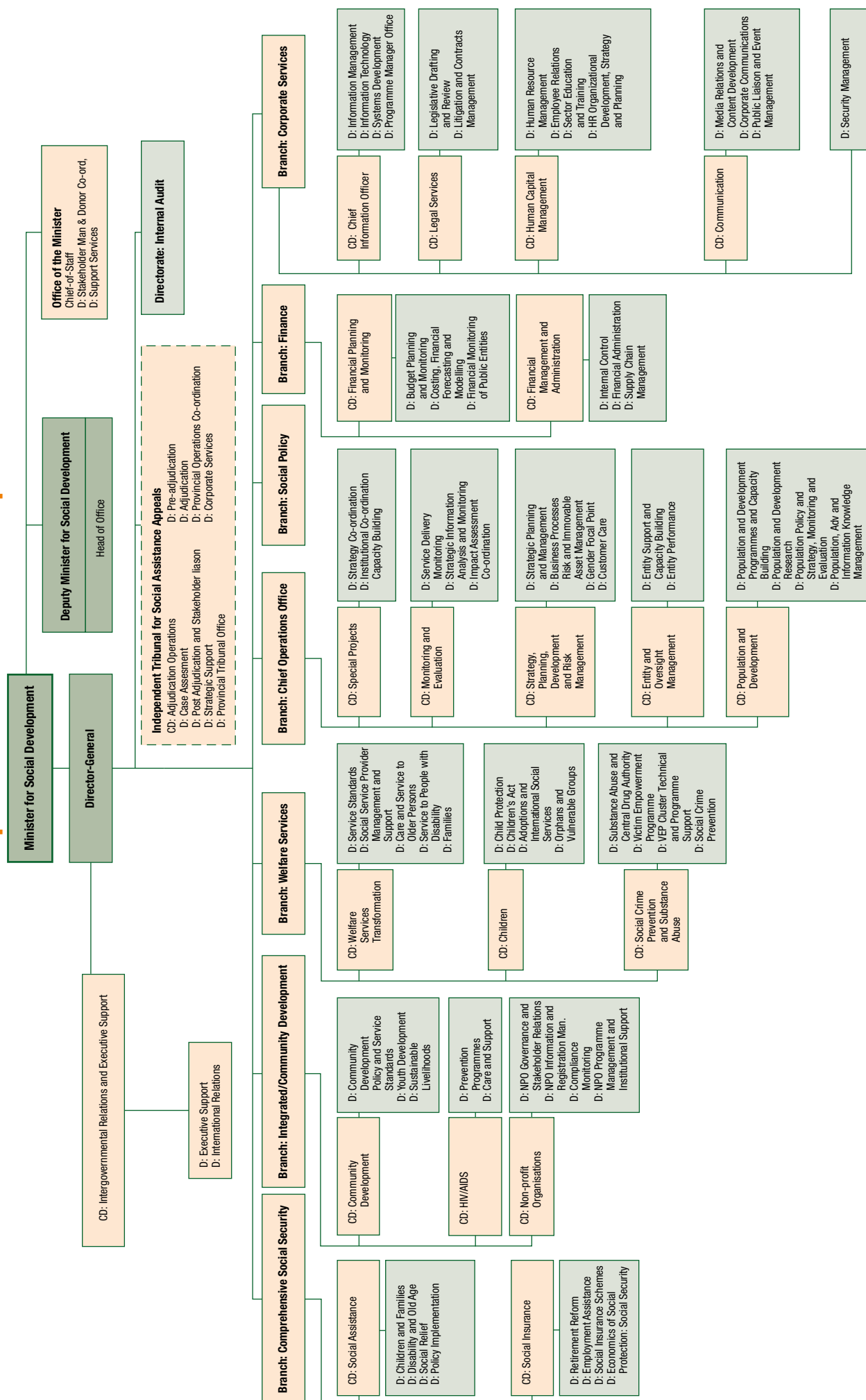


*From left to right: KwaZulu-Natal: MEC Ms Weziwe Thusi, Gauteng Province: MEC Ms Faith Mazibuko, Mpumalanga: MEC Ms Nomsa Mtsweni, Minister of Social Development: Ms Bathabile Dlamini, Deputy Minister of Social Development: Hendrietta Bogopane Zulu, Eastern Cape: MEC Ms Nancy Sihlwaya, Western Cape: MEC Mr Albert Fritz*



*Back-row from left: NW: Acting HOD: Pamela Mothobi, GP:DDG: Support Services: Ms Amanda Hartmann, MP: Ms Ntombeziningi Mlangeni, NC : HOD: Ms Elisabeth Botes, LP: HOD: Ms Daisy Mafubelu, WC: HOD: Dr Robert McDonald, FS HOD: Ms Matilda Gasela  
Front-row from left: EC: HOD: Mrs Bea Hackula, D-G of Social Development: Mr Coceko Pakade, KZN: Acting HOD: Mrs Nomusa Mbanjwa*

# National Department of Social Development



## PUBLIC ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial relationship	Nature of operations
South African Social Security Agency (SASSA)	The South African Social Security Agency Act, 2004 (Act No. 9 of 2004)  The Social Assistance Act, 2004 (Act No.13 of 2004 as amended)	Transfers and subsidies	<ul style="list-style-type: none"> <li>• The effective management, administration and payment of social assistance as well as:</li> <li>• processing applications for social assistance, namely: Older Persons Grants, War Veterans Grants, Child Support Grants, Care Dependency Grants, Foster Child Grants, Disability Grants, Grants-in-Aid, and Social Relief of Distress;</li> <li>• verifying and timeously approving grant applications;</li> <li>• managing and reconciling grant payments by contractors to eligible beneficiaries;</li> <li>• marketing social assistance; and</li> <li>• assuring quality services by ensuring compliance with norms and standards and by preventing and detecting fraud.</li> </ul>
National Development Agency (NDA)	The National Development Agency Act, 1998 (Act No. 108 of 1998 as amended)	Transfers and subsidies	<ul style="list-style-type: none"> <li>• Providing CSOs with grant funding, capacity-building and research and development.</li> <li>• Its key strategic objectives, as prescribed in the legislation, are to:</li> <li>• Grant funds to CSOs for the purpose of meeting the developmental needs of poor communities;</li> <li>• Strengthen the institutional capacity of organisations for long-term sustainability;</li> <li>• Proactively source funds for the purposes of achieving its development objectives;</li> <li>• Promote consultation, dialogue and sharing of developmental experiences to debate and influence developmental policies; and</li> <li>• Develop strategies to collaborate with local community development trusts, foundations, government clusters and civil society organisations.</li> </ul>
The Central Drug Authority (CDA)	Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008)	Operational/ functionality costs	<ul style="list-style-type: none"> <li>• Its key functions are to:</li> <li>• Give effect to the National Drug Master Plan;</li> <li>• Advise the Minister on any matter affecting the substance and drug abuse environment; and</li> <li>• Promote measures relating to the prevention and combating of the abuse of drugs.</li> </ul>

The Department has resumed the process of repealing the Fund Raising Act, 1978 (Act No. 107 of 1978). SASSA already provides Social Relief of Distress including Disaster Relief as prescribed in the Social Assistance Regulations. Consultations with various government structures about the Social Assistance Amendment Bill has begun. It is envisaged that the Relief Funds under the Fund Raising Act will be dissolved and that SASSA will continue to provide relief using its existing infrastructure and disbursement footprint.





# **PART B**

## **Performance Information**

# REPORT OF THE AUDITOR-GENERAL: PREDETERMINED OBJECTIVES



## social development

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

The Auditor-General South Africa (AGSA) currently performs the necessary audit procedures on the Department's performance information in order to provide reasonable assurance in the form of an audit conclusion. The audit conclusion, formulated in terms of performance against predetermined objectives, appears under the subhead 'Predetermined objectives' in the Report of the Auditor-General to Parliament on Vote No. 19: Department of Social Development, which is included in Part E: Financial Information of this Annual Report (see pages 157–158).

## OVERVIEW OF DEPARTMENTAL PERFORMANCE

### Voted funds

APPROPRIATION	Main appropriation R'000	Adjusted appropriation R'000	Actual amount spent R'000	Under-expenditure R'000
Department of Social Development	120 491 600	118 511 600	117 084 949	1 426 651
Responsible Minister	Minister of Social Development			
Administering department	Department of Social Development			
Accounting officer	Director-General of the Department of Social Development			

### Aim of vote

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

### Programmes

#### Programme 1: Administration

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

#### Programme 2: Social Assistance

Provide income support to vulnerable groups.

#### Programme 3: Social Security Policy and Administration

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

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

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

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

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

### The service delivery environment in 2013/14

The Social Development Sector delivers its services in an environment marked by high levels of 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, social welfare, and community development.

The shift towards measuring policy outcomes has given the Department a unique opportunity to help achieve some of the government-wide outcomes.

### Social Assistance

The provision of social assistance remains a cornerstone of the fight against poverty and inequality, especially among children and older persons. During the reporting period, more than 15.8 million people benefited from the social assistance programme. Of these, 11.7 million were children who benefited from the Child Support Grant (CSG) and the Foster Care Grant, while 2.9 million were recipients of the Old Age Grant. This augmented the incomes of grant recipients. Besides this, the Department developed a draft discussion document on the universalisation of the Old Age Grant, which is another indication of our determination to fight income poverty. These efforts will enable the Department to contribute to the realisation of *Outcome 7: Vibrant, equitable and sustainable rural communities with food for all*; and *Outcome 2: A long and healthy life for all South Africans*.

The grant re-registration project has contributed to the eradication of fraud and corruption in the grant system, while the average turnaround time for grant processing is now 21 days. The new payment system has ushered in new payment gateways, thereby making it possible for beneficiaries to receive payments anywhere and at any time. Most beneficiaries now prefer to access payments using merchant stores and ATMs.

### Older Persons

The provision of care for and support to older persons remained uppermost in our minds, and we continued to assess the quality of care and compliance with norms and standards for services to older persons as prescribed by the Older Persons Act of 2006 (Act No. 13 of 2006). In this respect, we assessed 94 community-based care services and 109 residential care facilities for compliance with the legislation on older persons. These processes will ensure the realisation of an inclusive and effective approach to the delivery of quality services to older persons in the entire social sector. In promoting

## OVERVIEW OF DEPARTMENTAL PERFORMANCE

the theme of taking Parliament to older persons, the First National Parliament for Older Persons was held in the Gauteng Provincial Legislature in October 2013. Similarly, in line with the Madrid International Plan of Action on Active Ageing, Golden Games for older persons were held in Boksburg, Gauteng, in October 2013, attended by 2 500 older persons from all provinces. Moreover, the South African Older Persons Forum was funded to strengthen provincial forums and establish local structures. These initiatives contributed to the Department's goal of improving the quality of life of older persons, as well as contribute to *Outcome 3: All people in South are and feel safe*.

### People with Disabilities

An interdepartmental technical team comprising representatives of the disability sector and key national departments was established to start developing a Bill on social development services to people with disabilities. A Bill was drafted after intensive consultations with relevant structures and stakeholders. The Department also conducted a national audit of all residential facilities to determine their status following the roll-out of policy guidelines and minimum standards. The policy guidelines were reviewed and norms and standards were developed as part of the recommendations of the audit.

### Early Childhood Development (ECD)

The provision of 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 completed a draft ECD policy and conducted a comprehensive audit of 12 987 ECD centres in all provinces. The South African Integrated Programme of Action for ECD was developed and approved by Cabinet in September 2013. The provision of ECD services will enable the Department to contribute to the realisation of *Outcome 1: Improved quality of basic education*.

As part of our efforts to protect children against abuse, neglect and exploitation, the Department celebrated Child Protection Week which was launched by the Minister in Durban on 27 May 2013. The Department developed a quality assurance tool for prevention and early intervention programmes for child abuse, neglect and exploitation. It also developed a national prevention and early intervention strategy, and built capacity in respect of the Child Protection Register with different stakeholders at various forums in Limpopo. The Inter-Ministerial Programme of Action on

violence against women and children was approved by Cabinet during the reporting period as well.

A notable outcome of our continued promotion of adoption awareness was the registration of 1 452 adoptions. Of these, 1 240 were national adoptions, while 212 were inter-country adoptions. Besides this, policy guidelines on the Register of Adoptable Children and prospective Adoptive Parents (RACAP) were approved internally. Child protection services and adoptions continued to contribute to the realisation of *Outcome 3: All people in South Africa are and feel safe*.

Other notable achievements included the review of the Children's Act, 2005 (Act No. 38 of 2005). As a result, the second Children's Act Amendment Bill was published in the *Government Gazette* for public comment, and all comments received were incorporated. Thirteen capacity-building sessions on the Children's Act were held. The Department monitored the implementation of the Act through quarterly reports, child care and protection forums, and provincial consultations.

### Families

Significant strides were made with respect to strengthening families and supporting interventions that foster social cohesion. A milestone in this regard was the approval by Cabinet of the White Paper on Families in May 2013. The objective of the White Paper is to contribute to the fight against poverty through initiatives that address family disintegration and child poverty, and provide family support.

The Department has undertaken various processes in order to achieve the objectives of the White Paper, including the development of mediation services, family reunification services, an integrated parenting framework, a fatherhood strategy, a strategy for the active parenting of teenagers, a marriage enrichment and preparation programme, and a family preservation programme. All provinces were capacitated on the White Paper.

### Substance Abuse

Significant progress was made in our ongoing campaign against alcohol and substance abuse. One of the most notable achievements in this regard was the approval by Cabinet of the National Drug Master Plan (NDMP) 2013–2017. The NDMP is a government strategy for combating substance abuse in a comprehensive and co-ordinated way. Similarly, regulations under the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) came into force during the reporting period.

## OVERVIEW OF DEPARTMENTAL PERFORMANCE

### Victim Empowerment

The Department completed a draft Bill on Victim Empowerment Support Services which seeks to address the gaps identified in existing victim empowerment legislation. The Department launched a gender-based violence (GBV) command centre, staffed by 60 social work graduates, and accessed via a toll-free line which operates 24 hours a day. The Department also finalised a Policy Framework for the Accreditation of Services and Programmes for Victims of Human Trafficking. It serves as a guide to integrated service delivery to victims of human trafficking at national, provincial and local levels.

### HIV and AIDS

HIV and AIDS continue to devastate the lives of many people, and remain a major obstacle to achieving *Outcome 2: A long and healthy life for all South Africans*. In view of this, and as part of our contribution to the implementation of the National Strategic Plan on HIV, STDs and TB (2012–2016), the Department developed a Comprehensive Strategy on HIV, STIs and TB aimed guiding various partners and structures on how to respond to the twin epidemics of HIV and TB in a more integrated way.

In May 2013, the Department hosted the third Orphans, Vulnerable Children and Youth (OVCY) conference in Durban. The conference resolved among others that legislation, policies and strategies which impact on the protection and support to OVCY should be effectively implemented and monitored, and that evidence-based prevention programmes that strengthen family and community-based responses in building resilience among OVCY should be supported.

### Youth

A total of 25 856 youths throughout the country participated in youth mobilisation initiatives and dialogues. This culminated in a national youth camp which was attended by 1 128 young people. Besides this, more than 8000 youths participated in provincial and skills development programmes which included training in technical, entrepreneurship, life skills and leadership skills.

### Non-Profit Organisations (NPOs)

Civil Society Organisations (CSOs) play an important role in the delivery of services on behalf of the Department. The reporting period saw a significant increase in the registration of NPOs in terms of the relevant legislation. The Department processed 96.6% (28 798) of the 29 812 applications for registration within the required two-month period. The number of registered NPOs on the Department's database has risen to 120 441.

### Governance and Institutional Development

Maintaining sound organisational and business practice is an integral part of promoting accountability and efficiency in the Department. In this regard, financial audits were conducted in accordance with the standards and requirements of the Institute of Internal Auditors and the Department's Audit Charter. Reports detailing the audit findings were submitted to the audit committee and the Department's top management, who took the necessary corrective action to address identified deficiencies. Quarterly risk management reports and programme performance reports on predetermined objectives were sent to the executive authority, the National Treasury, the Presidency and the Auditor-General. The Department also continued to implement sound financial management practices aimed at promoting the efficient utilisation of resources. This forms part of the Department's contribution to *Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship*.

### International Obligations

The Department continued to play a significant role in promoting South Africa's foreign policy goals as stated in *Outcome 11: Creating a better South Africa, a better Africa and a better world*. 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. It participated in a number of initiatives of the Southern African Development Community (SADC) and the African Union (AU). It also signed a number of bilateral agreements with other countries on numerous vital policy issues forming part of its mandate.

## OVERVIEW OF DEPARTMENTAL PERFORMANCE

### Service Delivery Improvement Plan

#### Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Complaints management	Complainants and citizens of the Department	Complainants and citizens of the Republic	Acknowledge receipt of all complaints within 3 days of receipt	Complaints acknowledged within 3 days of receipt

#### Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
The Department conducts regular outreach programmes with customers	Citizens and NGOs	All customers are reached	The Minister's outreach programme reached out to more than a million people

#### Service delivery access strategy

Access strategy	Actual achievements
The Department has developed a comprehensive Infrastructure development programme	25 new offices have been constructed in all 9 provinces in order to improve access to services

#### Service information tool

Types of information tool	Actual achievements
The Departmental website	The Department's website contains updated information on all its activities
Social Service Handbook	Information in the Social Services Handbook has been used to compile a series of information brochures in all the official languages

#### Complaints mechanism

Complaints mechanism	Actual achievements
There is a fully functional complaints management unit in the Department	The complaints management unit handles all complaints, and forwards them to relevant sections within the Department.



## OVERVIEW OF DEPARTMENTAL PERFORMANCE

### Organisational environment

The Department did not experience any disruptions such as strike action by staff. However, a number of challenges conspired to delay the full implementation of some of its programmes. Although the Department is meant to have total control over the appointment of staff, it does not have the authority to conduct suitability checks on prospective employees, and the long turn-around times taken by other state organs to conduct suitability tests detracts from its ability to restrict its vacancy rate to 7.5%. Given the collaborative nature of some of the Department's work on various policy and legislative initiatives, it can only meet some of its targets if other institutions deliver on their commitments as well.



### Key policy developments and legislative changes

Key policies developed or approved during the reporting period include the following:

- The White Paper on Families, approved by Cabinet in May 2013.
- The South African Integrated Programme of Action for ECD, approved by Cabinet in September 2013.
- The National Drug Master Plan 2013–2017, approved by Cabinet.
- A Comprehensive Strategy on HIV, STIs and TB.
- An intersectoral strategy for the Victim Empowerment Programme.
- Regulations under the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008), which came into force in April 2013.

Other policy and legislative changes are described in the section on Performance Information by Programme below.

### Strategic outcome-oriented goals

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

- Child and youth care (the Isibindi model);
- Early Childhood Development;
- Anti-substance abuse;
- Food for all/zero hunger; and
- The protection and promotion of the rights of older persons and people with disabilities.

Details about the Department's contribution to some of the government-wide outcomes as well as the National Development Plan (NDP) are contained in the following section.



## EXECUTIVE MANAGEMENT



**Mr Coceko Pakade**  
*Director-General*



**Mr Clifford Appel**  
*(Chief Financial Officer)*



**Mr Thokozani Magwaza**  
*(Deputy Director-General:  
Comprehensive Social Security)*



**Ms Conny Nxumalo**  
*(Deputy Director-General:  
Welfare Services)*



**Ms Nelisiwe Vilakazi**  
*(Deputy Director-General:  
Strategy and Organisational  
Transformation)*



**Mr Peter Netshipale**  
*(Deputy Director-General:  
Community Development)*



**Dr Wiseman Magasela**  
*(Programme Manager: Social Policy)*

Performance information  
by programme



## Programme 1: Administration

## Programme purpose

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

## Executive Support

During the period under review the Department, through this directorate, strengthened collaboration both internally and externally by facilitating and co-ordinating management meetings. This strengthened partnerships with other national departments through the Forum of South African Directors-General (FOSAD) and the Social Protection and Community Development Cluster as well as with provincial departments, implementing agencies and public entities in the Social Development Sector, and ensured the proper alignment among various programmes in the Department. Given the importance of intergovernmental relations and collaboration, this was a major achievement which helped to provide an enabling environment for collective decision-making.

Through these platforms, the Department was able to engage with provinces in order to track progress and ensure continuous reporting. Key achievements included:

- The establishment of the Gender-Based Violence Command Centre. The operations of the Command Centre have been continuously monitored, and reported on at these meetings. Challenges were reported, and support provided.
- Planning and implementation of Phase III of the Expanded Public Works Programme (EPWP).
- Discussion and approval of the Department's recruitment and bereavement policies
- Project Mikondzo was also lengthily discussed and endorsed as a Ministerial Flagship Project.

The Medium Term Strategic Framework (MTSF) for 2014–19 included a new outcome, namely *Outcome 13: An inclusive and responsive social protection system*. The Department provided guidance to all stakeholders contributing to the proposed outcome, and developed a draft plan for its introduction and management, including its co-ordination among various stakeholders.

- Management approved the Financial Planning and Monitoring Handbook, which is aimed at helping to ensure that business units comply with relevant guidelines and prescripts when spending Departmental funds, this promoting responsibility and accountability.
- A Departmental strategy and action plan for managing transfers within the Department was approved. A report is tabled at Departmental Management Committee (MANCO) meetings on a quarterly basis for monitoring purposes.
- The Department made three submissions to the Social Cluster on the National Drug Master Plan 2013–18, The Children's Act Amendment Bill and the National Social Development Council Bill prior to their submission to Cabinet.

The Directorate provided an enabling environment for the achievement of the Department's goals by giving management the opportunity to collectively discuss strategic and policy issues, thus enabling management to make informed decisions.

## International Relations

The Department continued to strengthen long-term partnerships in the international arena via participation in various bilateral and multilateral structures. It played a leading role in the establishment of the BRICS Social Security and Population structures. Bilateral exchanges with Lesotho, Botswana, India, Bangladesh, Vietnam, Brazil and China provided opportunities for sharing knowledge and experience. The Department also played an active role in PPD, ISSA, and International Social Services. These achievements contributed to *Outcome 11: To create a better South Africa, a better Africa and a better world*.

## Stakeholder Management

The Department, through this unit, successfully sustained its relationships with developmental partners, business and civil society. The unit co-ordinated USAID's commitment to providing support for a feasibility study on a DSD Victim Empowerment Programme (VEP) Leadership Academy. The unit secured funding from USAID for the Capacity-Building of Religious Leaders in South Africa and Lesotho. It also continued to provide technical support on projects funded by the German Development Bank (KfW), the Canadian International Development Bank (CIDA) and Japan International Cooperation (JICA).

The Department solicited in-kind sponsorships and formed partnerships for departmental and ministerial events, including the Minister's budget vote addresses to the National Assembly and the National Council of Provinces, the Annual Golden Games, the Older Persons' Lunch with the President, the Child Protection Week launch and closing ceremonies, and the 'Taking DSD to Communities' campaign. The sponsorships included seven days of free advertising for Child Protection Week on airport television (including two billboards) from the Airports Company of South Africa (ACSA). The unit facilitated the handover of nine vehicles donated by JICA to nine provinces as well as two houses sponsored by the Alimdaad Foundation in Kwa-Mhlanga, Mpumalanga to two identified families in need of shelter.

The unit continued to play a key role in planning and organising events such as Ministerial Imbizos, Youth Month, DSD Month Activities, Substance Abuse Campaigns, NPO Dialogues, Community-Based Planning Sessions, Youth Development Forums, the 2013 DSD-CONTRALESA Summit, and the Interfaith Summit. It also facilitated the entry of Mikondzo field workers to District and Local Municipalities.

## Strategy Development and Business

### Customer Care

Through its Customer Help Desk and Customer Empowerment Programmes, the Department supported Ministerial Outreach Programmes and ensured that all the commitments made by the Minister to individual clients in the communities she visited were realised. For example, the unit assisted all scholarship applicants identified by the Minister during her community visits to gain access to the Social Work Bursary scheme. The Unit also managed the establishment of the Command Centre for Victims of Gender Based Violence (GBV). The Department, through its Customer Care unit continued to receive and resolve complaints from its clients. The unit also continued to operate a well-functioning reception facility at the national office.

### Strategic Planning and Management

This unit facilitated the MTSF 2015–2020 planning processes for the Social Development Sector which culminated in the submission of sector priorities to the Department of Performance Monitoring and Evaluation (DPME). It also facilitated the development of the Sector Strategic Plan 2015–2020. The Sector Strategic Plan 2015–2020 articulates strategic objectives for the sector for the next five years, aimed at improving the alignment between the national and provincial departments as well as public entities. The vision and mission of the Department was reviewed in order to create a more unified Social Development Sector.

The unit continued to facilitate the review of the Integrated Service Delivery Model (ISDM) via provincial consultations with programme managers from the Welfare Services Forum, Community Development Forum and Comprehensive Social Security Forum. A task team comprising senior managers from three provincial departments and the national department was established to lead this process. The project has been placed at the centre of the Department's agenda and enjoys the support of the Heads of Social Development Sector (HSDS) as well as top management.

The unit also continued its efforts to improve planning in the Social Development Sector. To this end, it developed a target-setting framework which seeks to establish credible baseline data for the various sectoral priorities.

### Business Processes and Risk Management

The Risk Assessment Report for the 2013/14 financial year was completed and approved. This is an important instrument as it relates to the overall governance environment of the Department. The Unit also developed a spatial optimisation model that facilitated the mapping of facilities in the Social Development Sector. This project was aimed at determining the need for new infrastructure as a critical enabler of improved access to DSD services.

### Gender Focal Point

This unit continued to mainstream gender in policies, programmes and strategies. Business seminars were held for women on participation in income-generating schemes. The unit hosted gender sensitisation workshops for female interns, and gender and masculinity workshops for male interns. These workshops were also extended to provincial offices. Significant contributions were made to the DSD Action Plan on Gender-Based Violence. The Orange Day Campaign was launched and was observed regularly. During Women's Month, the unit supported the Ministerial Imbizo in Jozini which focused on gender-based violence, women's empowerment and other gender issues.

### Monitoring and Evaluation

This unit achieved a great deal during the reporting period. It updated Social Sector Monitoring and Evaluation systems in order to improve the reliability of performance data and reports. It produced a number of key reports including non-financial data reports and statistical reports on the social profiles of vulnerable groups. Other initiatives included the co-ordination of the Department's self-assessment in terms of the Management Performance Assessment Tool provided by the Department of Performance Monitoring and Evaluation. It continued to represent the Department in Millennium Development Goals sector working groups. Quarterly and annual programme performance reports were submitted to relevant stakeholders, including the National Treasury and Presidency. The unit also co-ordinated contributions to the quarterly Programme of Action reports, the DSD's inputs into the State of the Nation Address, as well as the FOSAD Action Plan. It held two national M&E forums with provinces and public entities to discuss the outcomes-based M&E model. The unit also developed and finalised a multi-year evaluation plan and strategy for the financial years 2014/2015 and 2016/17.

The unit provided technical support for the conceptualisation and implementation of Project Mikondzo. Key achievements include the development of data collection tools, the training of officials in the use of these tools, and the development of reporting tools. This contributed to *Outcome 12: Building an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship*.

### Entity Oversight

This unit continued to provide support and strategic guidance to public entities reporting to the Department. The NDA and SASSA continued to make great strides in implementing their respective mandates, thereby making a difference in the lives of the most vulnerable members of our society. Public entities submitted Strategic Plans, Annual Performance Plans, Quarterly Performance Plans and Annual Reports that were reviewed and submitted to relevant authorities and oversight bodies.

## Legal Services

This Chief Directorate successfully achieved its strategic objectives in respect of contract management. This included the reduction of possible litigation risks relating to contracts, as well as ensuring compliance with the PFMA. In total the Department responded timeously to 60% of letters of demand. In the Eastern Cape, a major site of litigation, the Department also successfully responded to 98% of letters of demand. The responses to letters of demand reduced litigation as well as costs. In general, the Chief Directorate made significant improvements in dealing with litigation.

## Communication

This Chief Directorate continued to provide strategic communication support to the Department, the Minister and the Deputy Minister. The Department's policies, programmes and activities were extended to all role players and the public through various events and outreach programmes. Key achievements included collaboration with media houses in the repatriation of children in distress in Brazil, the ECD Audit Campaign, Child Protection Week, Project Mikondzo, the Anti-Substance Abuse Campaign, and National Youth Camp.

The unit organised 89 public participation programmes for the Minister and Deputy Minister, aimed at reaching out to the poor and taking services to remote areas. It also helped the public entities reporting to the Department to improve their communications by using community media, face-to-face interaction and road shows, and promoted developmental communication.

The unit facilitated three staff meetings addressed by the Minister, Deputy Minister and Director-General, aimed at keeping staff abreast of various developments and initiatives within the Department. It also continued to work with other cluster departments in delivering cluster events.

Telecom operators managed by the unit continued to deal effectively with all calls, enquiries and complaints in respect of Departmental services, and treated all callers according to the Batho Pele principles.

The unit continued to heighten the visibility of the Department. All events and campaigns were branded with communication and advocacy material. The Department's corporate identity and branding were also successfully incorporated into SASSA, the NDA and some NPOs, in order to promote integrated service delivery. The Department also supported the government's '20 Years Of Freedom' campaign by incorporating its logo in all Departmental promotional and publicity materials. More than 36 million audiences were reached via print and broadcast media. The unit continued to engage its clients via social media networks.

The Department increased its use of community media, and utilised the services of the 69 community radio stations provided by the Government Communication and Information System (GCIS). It made inroads in television channels, especially 24-hour news channels. A significant shift was made from placing advertisements to placing advertorials, thus promoting

developmental communication. The unit also sent out regular media advisories and statements, aimed at improving an understanding of its business.

## Internal Audit

This unit conducted financial, compliance and performance information audits in accordance with the International Standards for the Professional Practice of Internal Auditing as well as the Department's Internal Audit Charter. The assessments were aimed at assessing the adequacy and effectiveness of key control and governance processes. Assurance was provided to management in cases where the systems and controls were adequate and effective. Weaknesses identified during the audits were communicated, and remedial actions were recommended to all relevant managers. Risk areas were audited as directed by the Internal Audit Coverage Plan, thus enhancing the Department's control environment.

The Directorate also responded to three management requests – one for an investigation, and two for consultation. Management and the Audit Committee were instrumental in ensuring that corrective action was taken to address identified weaknesses. This assisted the Department to strengthen its control environment.

## Human Capital Management

### Sector Education and Training

This unit developed and implemented a Workplace Skills Plan as per the regulations under the Skills Development Act, 1998 (Act No. 97 of 1998). A total number of 83 courses were co-ordinated and attended by 313 officials at all levels within the Department.

A total of 124 officials have been given bursaries for further study. The Department continued its internship programme, and 85 interns were placed in various functional areas. The unit continued to provide technical support to managers for implementing various capacity-building programmes in the Department.

The Department sought to manage its staff in a consultative, supportive and non-discriminatory way in order to enhance its organisational efficiency, effectiveness and accountability. Performance agreements, work plans, mid-term reviews and annual performance appraisals were conducted in line with the Departmental Performance Management and Development System (PMDS). The outcomes of the performance assessments were communicated to all staff members.

### Labour Relations

This unit continued its efforts to conclude misconduct cases within three months. There were a few exceptions due to circumstances beyond its control, including the unavailability of witnesses. A total of 17 labour relations sessions were conducted, attended by 257 officials. The Department continued its efforts to deepen social dialogue with trade



unions active in the sector, and thus its ability to conclude collective agreements. Besides this, the Department and trade unions have committed themselves to continuously building the capacity of both shop stewards and labour relations officers in the sector, and institutionalise Alternative Dispute Prevention (ADR) and conflict resolution mechanisms.

### Human Resource Management

In order to ensure that the Department delivers on its mandate and objectives, it set an ambitious target of a 7.5% vacancy rate. This target would have been met except for very slow turnaround times for conducting personnel suitability checks by the State Security Agency and the South African Qualifications Authority (about four months).

The Department continued to fill approved permanent posts. However, the staff turnover rate increased from 7.6% to 9.5%. Of these, 19.8% were at the senior management level. It is often difficult to fill these posts within the required time frame because some appointments need to be approved by the Cabinet, and some rely on the availability of Ministers to serve on selection committees. This priority has a major impact on the Department as it ensures that proper leadership is provided and services are delivered. The failure to meet the 7.5% target was mitigated by actively managing the appointment process. However, the vacuum created by vacant senior management posts is significant.

### Finance

#### Financial Management and Administration

The Department continued its efforts to develop and implement effective financial management and administration policies. Ministerial events and conferences were successfully supported. The unit continued to work with various line function managers to improve audit outcomes.

#### Financial Planning and Monitoring

The Department continued to oversee the management and administration of social grants by SASSA. It remained accountable for the R120 billion received for the payment of social grants, as reflected in its consolidated financial statements as at 31 March 2014.

### Information Management and Technology

This Chief Directorate continued to support business units by developing value-adding applications such as the Victim Empowerment Programme (VEP) system, the Older Persons Register (OPR), The Community Based Interventions Monitoring System (CBIMS), and a system for the Register of Adoptable Children and Prospective Adoptive Parents (RACAP).

Draft records management policies and procedures were developed. Records were appraised, and the relevant disposal

authority obtained from the National Archives. A total of 59 staff members were trained to use the file plan. These policies and procedures were introduced to improve the management of records in the Department. The unit also established governance structures for providing oversight over strategic Information Management System Technology projects, and ensuring the implementation of the framework approved by the DPSA.

### Office Accommodation

The Department continued with plans to build a new head office in the Salvokop precinct in Pretoria which will house the DSD, SASSA and the NDA. These plans are being implemented in the context of the Re Kgabisa Tshwane Programme.

The Department of Public Works (DPW) commissioned a feasibility study on behalf of the DSD, SASSA and NDA. Its costs were carried by the DPW as part of the Inner City Head Office accommodation project. The feasibility study was not completed in the year under review because of the DSD's proposed new structure. Posts will increase significantly, which will have major implications for the feasibility study.





## Executive Support

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective decision-making processes and structures in the Department and the Social Cluster						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for/comments on deviation from 2013/14 target
<b>DSD-specific outcome</b>						
Strategic objectives	Number of DSD management meetings convened	39 DSD management meetings convened	37 DSD management meetings and 11 Social Cluster meetings were convened	Convene 39 management meetings	<ul style="list-style-type: none"> <li>20 DSD management meetings were convened and Secretariat support was provided</li> </ul>	19 DSD management meetings were postponed due to Ministerial engagements and other urgent departmental commitments
	Number of Social Cluster meetings provided with executive secretariat support	11 Social Cluster meetings provided with executive secretariat support on an annual basis	37 DSD management meetings and 11 Social Cluster meetings were convened	Provide executive secretariat support to 11 Social Cluster meetings	<ul style="list-style-type: none"> <li>10 Social Sector Cluster meetings were convened and Secretariat support was provided</li> </ul>	1 Social Sector Cluster meeting was postponed due to a FOSAD workshop held on 11–13 December 2013 and another due to the late submission of discussion documents
Support the functioning of FOSAD, the Social Cluster and DSD management	Percentage of FOSAD, Social Cluster and DSD management decisions monitored and reported on	50 (100%) of FOSAD, Social Cluster and DSD management decisions monitored and reported on	All decisions by the Social Cluster and DSD management were monitored, and 97% were fully implemented	Monitor and report on 100% of FOSAD, Social Cluster and DSD management decisions	<ul style="list-style-type: none"> <li>The status of decisions taken in all meetings and their implementation were reported on</li> </ul>	No deviation
Improve administrative support on intergovernmental issues	Compliance with time frames for submitting reports to and implementing resolutions by intergovernmental institutions	All reports to intergovernmental institutions submitted within prescribed time frames	All resolutions of Parliamentary Committees were communicated to line managers in the form of Parliamentary Engagement Action Notes within a day after committee briefings. Information required by the Portfolio Committee (PC) and Select Committee (SC) was provided within 7 days after the briefing sessions.	Prepare and submit reports to Intergovernmental institutions within the prescribed time frames	<ul style="list-style-type: none"> <li>All reports required by the PC and SC were submitted within 7 days after the committee briefings</li> </ul>	No deviation
		All resolutions implemented within the prescribed time frames	The PC was satisfied with the DSD's presentations. The Department co-ordinated the provision of additional information emanating from the presentations	Implement resolutions of intergovernmental institutions within prescribed time frames	<ul style="list-style-type: none"> <li>Resolutions of the Parliamentary Committees were implemented within 7 days after the Committee briefings.</li> </ul>	No deviation
<b>Strategies for overcoming underperformance:</b>						
All postponed meetings will be convened in the next financial year and will be aligned with the annual calendar for 2014/15.						

## International Relations

Create a better South Africa, a better Africa and a better world							
Effective participation in key bilateral and multilateral initiatives							
Government outcome							
DSD-specific outcome							
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for/comments on deviation from 2013/14 target	
Provide strategic support and advice on international engagements	Number of bilateral agreements signed	Facilitation, signing and implementation of bilateral agreements	5 agreements were facilitated with Uganda, Benin, Bulgaria, Jamaica and Lesotho.  14 technical exchanges were facilitated with Brazil, Ghana, Jamaica, Mexico, the United Arab Emirates, India, Australia, Lesotho, Botswana, Vietnam, the US, Thailand, South Sudan and Ethiopia.	Sign four bilateral agreements  Facilitate the exchange of information and best practices	<ul style="list-style-type: none"><li>Agreements with Benin, Lesotho and Namibia were ready for signing, and consultations on an agreement with DRC were finalised.</li><li>The Department hosted technical exchanges with Zimbabwe, Vietnam, Ghana, Botswana, Namibia, Lesotho</li></ul>	Schedule did not permit for principals to meet	
	Number of international engagements by the DSD	DSD participation in SADC, the AU, the UN, ISS, ISSA, PPD, BRICS and the EU	–	Facilitate DSD participation in 6 international bodies  Co-ordinate reporting on the implementation of resolutions	<ul style="list-style-type: none"><li>Participated in the UN Commission for Social Development and the negotiation of five resolutions.</li><li>Facilitated participation in 2 SADC, 1 AU, 3 ISSA, 3 PPD and 3 UN meetings</li></ul>	No deviation	
Strategies for overcoming underperformance:							
The unit will ensure that principals sign agreements during the next financial year.							

## Stakeholder Management

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Plan internal audit activities in line with DSD enterprise-wide risk management						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome	Technical assistance to DSD programmes	No baseline	Technical support was provided to projects funded by JICA, CIDA and KWE.	Co-ordinate donor relations effectively and efficiently	<ul style="list-style-type: none"> <li>The DSD participated in consultations on the Feasibility Study on the Social Development Learning Academy, which was supported by USAID. Technical support was provided to projects funded by KfW, JICA and CIDA.</li> <li>Technical support was provided for planning and organising the launch and closure of Child Protection Week; the Taking the DSD to Communities campaign, the launch of the NPO dialogues in Limpopo, Youth Camps, and DSD &amp; NCOP budget votes.</li> <li>The unit participated in the planning and organisation of the traditional leadership workshop and the interfaith summit.</li> <li>Unit staff served in the Mkhondzo Project operations team and Command Centre, and facilitated entry to district and local municipalities.</li> <li>The unit provided stakeholder mobilisation and technical support for Ministerial Imbizos, Youth Month, DSD Month Activities, Substance Abuse Campaigns, NPO dialogues, community-based planning sessions, and the Youth Development Forum.</li> <li>In-kind sponsorships were solicited for the DSD &amp; NCOP budget votes, the launch and closure of Child Protection Week, the Golden Games, youth camps, and Mandela Day activities.</li> <li>In-kind sponsorships were solicited for the DSD and NCOP budget votes, the launch and closure of Child Protection Week, the Golden Games, youth camps, and Mandela Day activities.</li> </ul>	No deviation
Strategic objectives	Improve relations with development partners and other stakeholders in support of service delivery		<p>The Directorate responded to calls for proposals advertised by USAID. One proposal was approved, and implementation was due to start in 2013.</p> <p>The Department supported the JICA project for disability mainstreaming, and participated in the UNDP Country Programme of Action.</p> <p>Following effective stakeholder engagement, USAID undertook to support a feasibility study of a Social Development Learning Academy.</p> <p>The Department attended all CIDA-PSC meetings held in the 2012/13 financial year.</p> <p>Donations were solicited for the DSD &amp; NCOP budget votes, the launch of Child Protection Week, Youth Camps, and Ministerial outreach events.</p> <p>The Directorate offered technical support on stakeholder involvement in DSD Month and the Taking the DSD to Communities campaign, and provided support on intersectoral stakeholder engagement to various departmental units</p>			

## Stakeholder Management

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Plan internal audit activities in line with DSD enterprise-wide risk management						
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14
Strategic objectives		Number of partnership agreements concluded	No baseline	<p>The DSD partnered with the Department of Defence, PRASA, the Food Bank and What's New Media to host the first Youth Camp.</p> <p>It partnered with Rand Water Foundation on the refurbishment of the ECD Centre in the Koedoespoort area.</p> <p>It partnered with the Al-Imdaad Foundation on building two houses for poor families in Thembisile Hani Local Municipality in Mpumalanga.</p> <p>It formed a once-off partnership with South African Airways on promoting Child Protection Week.</p> <p>It engaged with various CSOs, including the South African Council of Churches, on establishing partnerships in respect of all DSD programmes</p>	<p>Form partnerships with 8 stakeholders in support of DSD initiatives and projects</p>	<ul style="list-style-type: none"> <li>The unit facilitated the handover of 9 JICA donated vehicles as well as 2 houses sponsored by the Alimdaad Foundation built at Kwa-Mhlanga in Mpumalanga.</li> <li>It also facilitated a 7-day free advertising sponsorship on airport television (including 2 billboards) from the Airport Company of South Africa (ACSA) for the marketing of Child Protection Week.</li> <li>It hosted DSD-CONTRALESA and the Interfaith Summits during the reporting period. It also participated in the planning and organisation of the traditional leadership workshop hosted by the Vhembe District House of Traditional Leaders</li> <li>The Unit engaged with GIZ on forming a partnership with DSD on VEP programmes. It also engaged Vodacom for the opening of the Ramaswikana ECD Centre in Limpopo.</li> <li>In partnership with the Rand Water Foundation (RWF), it facilitated monitoring visits to the Koedoespoort ECD Centre in Mpumalanga.</li> <li>The unit also participated in the Stakeholder Round Table organised by the Deputy Minister's office.</li> </ul>
Reasons for deviation from 2013/14 target						
No deviation						
Strategies for overcoming underperformance:						

## Strategy Development and Business

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Improved Social Development Sector planning							
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Improve Social Development Sector planning processes by March 2015		Submission of strategic planning documents to the NT within prescribed time frames	DSD APP improved but not optimally aligned with the DSD Strategic Plan and NT Frameworks	APP was submitted and tabled in Parliament on time	Submit APP to relevant authorities within the prescribed time frame	<ul style="list-style-type: none"> <li>The APP 2014/15 was tabled on 12 March 2014. The Strategic Plan was due to be tabled in June 2014 as per communications from the DPME</li> </ul>	The Strategic Plan was due to be tabled in June 2014 as per communications from the DPME
		Reports on the ISDM review process	Reports on the ISDM review process	–	Review ISDM	<ul style="list-style-type: none"> <li>Provincial and national consultations were conducted to ascertain end-user experiences of the implementation of the project by senior managers in the sector. A provincial consultations report was produced.</li> <li>The scope of the project was revised and the National Task Team worked on draft chapters of the ISDM. The first draft was due to be submitted to the HSDS in the first quarter of 2014/15</li> </ul>	The scope of the project was revised
		Target-setting framework	Preliminary report on target-setting	–	Produce a target-setting framework	<ul style="list-style-type: none"> <li>Target-setting framework finalised</li> </ul>	No deviation
		Risk Management Reports	Risk Assessment Report 2012/13	An Enterprise Risk Management Report was produced	Produce Risk Management Report by November 2013	<ul style="list-style-type: none"> <li>A Risk Management Report 2013/14 was produced</li> </ul>	No deviation

## Strategy Development and Business

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Customer-centred local front offices and facilities							
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Transform the social infrastructure portfolio in support of service delivery		Infrastructure spatial optimisation model	DPS Accessibility Study in Ethekwini and Johannesburg, 2012/2013	–	Develop an infrastructure spatial optimisation model	<ul style="list-style-type: none"> <li>An infrastructure spatial optimisation model was developed</li> </ul>	No deviation
		Number of improved Social Development Sector offices	25 DSD and 194 SASSA offices	73 offices were provided with adequate waiting areas	Facilitate the improvement of 25 Social Development Sector offices	<ul style="list-style-type: none"> <li>27 offices in various provinces were provided with adequate waiting areas</li> </ul>	No deviation
		Number of officials trained on culture reform	90 officials trained in 3 provinces	–	Train 540 officials on culture reform programme	<ul style="list-style-type: none"> <li>The programme was not implemented</li> </ul>	Provinces were unable to identify sites for implementing the programme. This, combined with insufficient human resources within the Directorate Customer Care, resulted in the programme not being implemented
	Facilitate the participation, empowerment and inclusion of DSD customers in the DSD value proposition	Consolidated Social Development Sector call centre reports	Biannual Social Development Sector call centre reports	–	Complete biannual Social Development Sector call centre reports	<ul style="list-style-type: none"> <li>The biannual and annual call centre report was completed</li> </ul>	No deviation
		Number of DSD customer service empowerment programmes	No baseline	–	Implement 9 DSD customer service empowerment programmes	<ul style="list-style-type: none"> <li>9 DSD customer service empowerment programmes were implemented in support of Ministerial programmes</li> </ul>	No deviation
		Number of public participation help desk management reports	20 public participation help desk management reports	–	Complete 20 public participation help desk management reports	<ul style="list-style-type: none"> <li>20 help desk programmes were implemented in Ministerial outreach programmes</li> </ul>	No deviation



## Strategy Development and Business

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Gender-responsive policies, planning, budgeting and programmes, and women's empowerment						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Promote gender equality, gender mainstreaming and women's empowerment	Number of women in community development projects trained in business management	No baseline	–	Train 200 women in business management	<ul style="list-style-type: none"><li>595 women trained in business management (Eastern Cape, Northern Cape and KZN)</li></ul>	No deviation
	Number of women participating in legal rights awareness workshops	No baseline	–	Conduct legal rights awareness workshop for 200 women	<ul style="list-style-type: none"><li>203 women attended four workshops (in Gauteng, Mpumalanga, Limpopo and Northern Cape)</li></ul>	No deviation
	Number of rural women exposed to DSD services	No baseline	–	Expose 200 rural women to DSD services	<ul style="list-style-type: none"><li>595 women were trained in business management and exposed to DSD services and other government services (agriculture, health and welfare SETA)</li></ul>	No deviation
	Review of DSD programmes from a gender perspective	No baseline	–	Complete a gender review of the ECD programme by October 2013	<ul style="list-style-type: none"><li>A gender review of the ECD programmes was completed through the ECD audit and recommendations were provided for implementation</li></ul>	No deviation
Strategies for overcoming underperformance:						
The Chief Directorate has engaged with the Organisational Development unit about the relevant human capacity constraints, and frameworks have been put into place to guide the planning and management of the Chief Directorate's overall responsibilities. The Chief Directorate has reviewed its functions and is in the process of repositioning itself in order to effectively address issues such as organisational alignment.						

## Monitoring and Evaluation

An efficient, effective, and development-oriented public service, and an empowered, fair, and inclusive citizenship							
Improved Social Sector performance							
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Ensure effective monitoring and evaluation (M&E) in the Social Development Sector by 2015		Logical frameworks for welfare services programmes	Indicator catalogues for Non-Financial Data (NFD), Social Development Sector priorities and social security	A Social Sector M&E system was finalised	Update the Social Sector M&E system	<ul style="list-style-type: none"><li>The Social Sector M&amp;E system was updated</li></ul>	No deviation
		Biannual service delivery monitoring reports	Service delivery monitoring reports	Two NFD biannual reports were produced	Produce biannual service delivery monitoring reports within the prescribed time frame	<ul style="list-style-type: none"><li>Biannual service delivery monitoring reports were produced</li></ul>	No deviation
		Institutional performance reports	All institutional performance reports produced	Quarterly and annual institutional performance reports were produced	Produce institutional performance reports	<ul style="list-style-type: none"><li>Quarterly and annual performance reports were produced</li></ul>	No deviation
Ensure effective monitoring and evaluation (M&E) and capacity-building in the Social Development Sector by 2015		Annual social profile of vulnerable groups	Quarterly Social Security Trends, Annual Maternal Orphan Reports, Annual Facts and Figures for Social Development	Statistical monitoring reports were produced	Produce social profile of vulnerable groups	<ul style="list-style-type: none"><li>Key statistical and social security trends reports profiling vulnerable groups were produced</li></ul>	No deviation
		Multi-year evaluation plan and strategy	No baseline	The final impact evaluation report on the CSG was produced	Develop a multi-year evaluation plan and strategy	<ul style="list-style-type: none"><li>An evaluation strategy and multi-year evaluation plan for the financial years 2014/2015–2016/17 were finalised</li></ul>	No deviation
Strategies for overcoming underperformance:							

## Entity Oversight

An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship						
Integrated oversight management of public entities						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives	Alignment and compliance of public entities with relevant government prescriptions and policies	Public entities oversight and management strategy	A public entity oversight strategy was developed and approved	Implement the public entities oversight and management strategy	<ul style="list-style-type: none"> <li>The implementation strategy was customised for public entities.</li> <li>A governance and oversight compact (including the PFMA Compliance Schedule) for the NDA was developed and submitted to the Minister for approval and signature.</li> <li>The 2014/15–2018/19 Strategic Plans and 2014/15 Annual Performance Plans of both SASSA and NDA were approved by the Minister and tabled in Parliament.</li> </ul>	No deviation
	Evidence-based reports	Draft performance scorecard	–	Monitor implementation of the performance scorecard	<ul style="list-style-type: none"> <li>The SASSA and NDA annual reports for 2012/13 were reviewed, approved by the Minister, and timeously tabled in Parliament.</li> <li>All quarterly reports by the NDA were received, and 3 were assessed and approved.</li> <li>SASSA's quarterly reports for quarters 1 and 2 were received and assessed for submission to the Minister. The report for quarter 3 was received and assessed, and found to contain some discrepancies. The EOM unit was due to discuss this report with SASSA.</li> </ul>	The development of a Performance Scorecard was deferred due to the planned consolidation of the Performance Scorecard and the Performance Information Management and Tracking System.
	Repository of performance information on public entities	No baseline	Approval was granted for the development of a Public Information Management System (PIMS) The business case for its development was developed and submitted to the IMST Chief Directorate for approval	Develop a PIMS	<ul style="list-style-type: none"> <li>Consultations between the EOM and IMST units continued.</li> <li>The EOM unit was due to consolidate the PIMS and Performance Scorecard.</li> <li>Administrative support was provided for a review of the NDA.</li> <li>The evaluation of the NDA Board was completed and the report was due to be finalised in the first quarter of the next financial year.</li> </ul>	The development of a Performance Scorecard was deferred due to its planned consolidation with the PIMS.
<b>Strategies for overcoming underperformance</b>						
The EOM unit will develop new terms of reference for the consolidated project and will examine the possibility of outsourcing it if it cannot be completed internally.						

## Legal Services

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Efficient and effective legal services for the Social Development Sector						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome	Strategic objectives	Ensure effective litigation strategy and contract management protocols by 2015	Percentage of letters of demand responded to timeously	Response rate of 65%	1 267 letters of demand were received. The unit responded timeously to 816 (64%)	Due to the non-availability of records from SASSA, the Independent Tribunal for Social Assistance Appeals (ITSAA) could not provide Legal Services with the information it needed to respond timeously to the outstanding letters of demand.
		Implementation of contract management protocol	Revised contract management system	Implement the contract management system	Contract management system was implemented	No deviation
<b>Strategies for overcoming underperformance:</b>						
In cases where SASSA is unable to provide the required records, ITSAA will ask appellants to attend a second medical examination. This will enable ITSAA to make a timely finding and provide Legal Services with the information it needs to respond to the letters of demand.						

## Communication

Government outcome	An efficient, effective and development- oriented public service and an empowered, fair and inclusive citizenship					
	Informed, educated, mobilised stakeholders and public in support of DSD mandates					
DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Improve public access to DSD information and services	Number of people reached through DSD online presence	50 000 people reached through online media	More than 50 000 people were reached via the DSD website and social media networks. Key events covered included Social Development Month, the NPO Summit, Kwanda Talk shows, and the National Youth Camp	Reach 55 000 people via the DSD website and social media	<ul style="list-style-type: none"> <li>A total of 36 476 620 people were reached through the DSD website and social media. 73 500 people reached through the website, 14 169 through Facebook and Twitter, and 36 388 951 through electronic newspapers</li> </ul>	No deviation
	Advertising value equivalent of free publicity	R2 million-worth of free publicity received	–	Generate free publicity worth R2.2 million	<ul style="list-style-type: none"> <li>Free publicity worth R117 286 618 was generated</li> </ul>	No deviation
	Number of public participation events	32 for Minister and Deputy Minister	Public participation/ outreach programmes were intensified. The Minister and Deputy Minister conducted 69 evidence-based public participation programmes. 35 were conducted by the Minister, and 34 by the Deputy Minister.	Organise 16 public participation events for the Minister and 16 for the Deputy Minister	<ul style="list-style-type: none"> <li>The Minister and Deputy Minister conducted 89 evidence-based public participation/ outreach programmes were intensified, reaching 126 900 people</li> </ul>	No deviation
	Number of people reached through marketing and advertising initiatives	25 million people reached through marketing and advertising initiatives	More than 20 million people were reached through print, online and broadcast media	Reach 27 million people through marketing and advertising initiatives	<ul style="list-style-type: none"> <li>119 059 067 people were reached through marketing and advertising initiatives</li> </ul>	No deviation
	Report on Co-operative Identity (CI) alignment	CI aligned in 6 provinces	Workshops in 6 provincial departments on uniform corporate identity	Align CI with those of SASA, NDA and Lovelife	<ul style="list-style-type: none"> <li>All programmes and promotional materials for DSD events, including Ministerial Outreach Programmes and Project Mikondzo events, as well as advocacy material were consistently branded with the DSD, SASA and NDA logos. Lovelife's CI could not be aligned because the partnership between the DSD and Lovelife ended.</li> </ul>	Lovelife's CI could not be aligned as the partnership between it and the DSD was terminated.

## Communication

An efficient, effective and development- oriented public service and an empowered, fair and inclusive citizenship						
Informed, educated, mobilised stakeholders and public in support of DSD mandates						
Government outcome	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome	Story book developed Broadcasting of visuals	DSD annual reports and other policy implementation reports	–	Develop a DSD: Celebrating 20 Years of Freedom Story Book Broadcast DSD stories of success	<ul style="list-style-type: none"> <li>A service provider was appointed to develop the Story Book.</li> <li>Communication with all relevant internal and external partners/stakeholders and former Heads of the Department was established. Research and relevant interviews were under way.</li> </ul>	The project was delayed by discussions about the approach to the story book which took longer than expected. The project eventually got under way.
Improve and sustain employee engagement with DSD activities	Number of DSD newsletters published	No baseline	DSD News was not published during the period under review	Publish 3 editions of DSD News	<ul style="list-style-type: none"> <li>3 editions of DSD News were published. Other reports about Departmental events and activities were published on the Departmental Intranet.</li> </ul>	No deviation
Strategies for overcoming underperformance						
The unit will conduct workshops with stakeholders to outline the importance of proper CI.						



## Internal Audit

<b>Government outcome</b>	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
<b>DSD-specific outcome</b>	Compliance with relevant legislation and policies					
<b>Strategic objectives</b>	<b>Performance indicator</b>	<b>Baseline</b>	<b>Actual achievement , 2012/2013</b>	<b>Annual target , 2013/14</b>	<b>Actual output, 2013/14</b>	<b>Reasons for deviation from 2013/14 target</b>
Audit risk-based projects as per the Internal Audit Coverage Plan	Number of risk-based projects audited as per the Internal Audit Coverage Plan	18 risk-based projects audited	25 projects were audited, and the reports were discussed with management and the Audit Committee	Audit 20 risk-based projects	<ul style="list-style-type: none"> <li>24 internal audit projects were carried out, and audit reports were discussed with management and Audit Committee</li> </ul>	No deviation
<b>Strategies for overcoming underperformance</b>						

## Human Capital Management

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
An adequately resourced and skilled Department that is able to deliver on its mandate						
Government outcome	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Ensure adequate capacity and capability in the Social Development Sector to deliver on the DSD's mandate	Vacancy rate	11% vacancy rate	Vacancy rate decreased to 10%	Reduce vacancy rate to 7,5%	<ul style="list-style-type: none"> <li>In terms of PERSAL, which reflected the actual personnel in the Department, the vacancy rate was 13%. In terms of the costing model, which also took into account posts which had been approved but had not yet been filled, the vacancy rate was 9%.</li> </ul>	Delays in conducting personnel suitability checks and verifying qualifications by SSA and SAQA; the constant changing of dates for shortlisting and interviews due to the unavailability of panel members; and a general lack of support for advertising and filling posts.
Ensure adequate capacity and capability in the Social Development Sector to deliver on the DSD's mandate	Number of targeted employees attending identified skills development programmes	327 of 423 officials (77%) indicated a need for training and were trained	429 officials were trained	100% of targeted employees to attend identified skills development programmes	<ul style="list-style-type: none"> <li>313 of 477 targeted employees (66%) attended identified skills development programmes</li> </ul>	Budget constraints (especially in the 4th quarter), which were beyond the Unit's control
	Number of employees assessed	Assessments of 628 of 672 (93%) qualifying employees (except for Ministry and CD: Strategy)	637 of 656 qualifying employees were assessed, amounting to a rate of 93%	Assess 100% of qualifying employees	<ul style="list-style-type: none"> <li>96% of qualifying employees were assessed</li> </ul>	4% deviation Staff turnover due to the termination of services and delays related to urgent work demands

## Human Capital Management

Government outcome	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship					
DSD-specific outcome	An adequately resourced and skilled Department that is able to deliver on its mandate					
Strategic objectives	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Maintain sound labour relations	Number of grievances, complaints, disputes and disciplinary cases concluded within the prescribed time frames	55 of 67 (82%) grievances, complaints, disputes and disciplinary cases concluded within the prescribed time frames	71% of grievances and complaints procedures were finalised  85% of disciplinary cases were finalised	Conclude 100% of grievances, complaints, disputes and disciplinary procedures within the prescribed time frames	<ul style="list-style-type: none"><li>13 (100%) of complaints and grievance procedures were finalised.</li><li>23 of 26 (88%) disciplinary cases were finalised.</li><li>6 (100%) dispute procedures were finalised</li></ul>	3 disciplinary cases were received towards the end of the financial year.
Strategies for overcoming underperformance						
Vacancy rate: Written requests were sent to SSA to expedite Personal Suitability Checks (PSCs). The Directorate will also analyse other causes, and base interventions on the outcomes. It is currently engaging with the DPSA to establish whether the Department could engage its own service provider to conduct the PSCs. It will engage with selection committee members and other role players (OD Unit) to discuss the challenges and agree on a workable process. The Director: HRM will also closely monitor compliance with the policy and prescripts.						
Number of employees assessed: Relevant disciplinary measures will be implemented in order to correct the non-compliance challenges. Branch managers will be held accountable for ensuring that panel members attend scheduled BMC meetings.						
Labour relations: Some disciplinary cases could not be finalised because they were received towards the end of the financial year. The Unit will seek to finalise these cases in the first quarter of the next financial year.						

## Finance

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective and efficient financial management by means of fully compliant financial management services						
Government outcome	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives	Level of adherence to finance, internal control and SCM prescripts	Norms and standards in place	<p>Norms and standards and standard operating procedures for SCM were developed but not approved.</p> <p>Draft norms and standards were sent to the Directorate: Business Process and Risk Management for refinement and returned to the SCM for further amendments. These were due to be effected in April 2013.</p> <p>Internal control norms and standards were developed and incorporated into the standard template for SOPs with assistance from the COO's office. The document was ready for submission and approval.</p>	Monitor and assess the effectiveness of supply chain and financial administration, internal control mechanisms and service norms and standards	<ul style="list-style-type: none"> <li>Internal Control norms and standards were developed and signed off in consultation with the Business Process unit. An audit implementation action plan was developed and used to resolve issues mentioned in the audit findings. The Internal Control unit conducted reviews based on the audit action plan, financial misconduct cases and the safeguarding of financial documents.</li> </ul>	No deviation
	Number of procurement and asset plans submitted	Fragmented and ad hoc procurement and asset plans	Procurement and asset plans were received from 80% of the Chief Directorates. The Director-General approved procurement plans for tenders above R500 000, and the plan was submitted to the NT. Procurement below R500 000 were submitted electronically to SCM.	Submit approved procurement and asset plans for 80% of Chief Directorates	<ul style="list-style-type: none"> <li>80% of procurement and asset plans were received.</li> <li>A consolidated procurement plan or projects above R500 000 was submitted to the NT</li> </ul>	No deviation

## Finance

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective and efficient financial management by means of fully compliant financial management services						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives						
Empower rural SMMEs and co-operatives	Number of participating rural SMMEs and cooperatives	Strategy for supporting and empowering rural SMMEs and cooperatives	A new strategy for procuring more goods from rural SMMEs and co-ops was approved and implemented	Assess and monitor progress made with procurement from rural suppliers in line with Departmental goals	<ul style="list-style-type: none"> <li>A strategy for promoting rural SMMEs and co-operatives was approved and implemented.</li> <li>An events management support team was established to support line functions in procuring goods and services from SMMEs in the provinces and rural areas.</li> <li>Where possible, rural SMMEs were used at all DSD events in the various provinces.</li> </ul>	No deviation
Improve cash flow management and expenditure monitoring by 2015	Spending rates per programme and economic classification	General Departmental spending rate above 95% of voted funds; varying rates per programme and economic classification	<p>The Department achieved an overall spending rate of 99.1% for the 2012/13 financial year.</p> <p>The spending rate per programme was as follows:</p> <ul style="list-style-type: none"> <li>P1 (99.3%)</li> <li>P2 (99.1%)</li> <li>P3 (99.8%)</li> <li>P4 (95.8%)</li> <li>P5 (99.5%)</li> </ul> <p>The spending rate per economic classification was as follows:</p> <ul style="list-style-type: none"> <li>Compensation of Employees (96.9%)</li> <li>Good and Services (91.8%)</li> <li>Transfers (99.1%)</li> <li>Capital (82.0%)</li> </ul>	<p>Achieve spending rates of 95–100% per programme and economic classification</p>	<p>The Department achieved a spending rate of 98.8% for the 2013/14 financial year.</p> <p>The spending rate per programme was as follows:</p> <ul style="list-style-type: none"> <li>P1 (99.4%)</li> <li>P2 (98.7%)</li> <li>P3 (100%)</li> <li>P4 (99.8%)</li> <li>P5 (97.9%)</li> </ul> <p>The spending rate per economic classification was as follows:</p> <ul style="list-style-type: none"> <li>Compensation (100%)</li> <li>Good and Services (99%)</li> <li>Transfers (100%)</li> <li>Capital (100%)</li> </ul>	No deviation

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective and efficient financial management by means of fully compliant financial management services						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
	Number of cost centres implementing Activity-Based Costing (ABC)	ABC implemented in eight Departmental units	ABC was implemented in the following four units: Families, Older Persons, People with Disabilities, and Youth.  The identified staff were trained on the ABC models	Roll out ABC in eight Departmental units	ABC was rolled out as follows: <ul style="list-style-type: none"> <li>Child Protection Week (Child Protection), Child Care and Protection Forum (Children)</li> <li>Youth Camps (Youth Development)</li> <li>Substance Abuse Operations (Substance Abuse and CDA)</li> <li>Golden Games (Care and Services to Older Persons)</li> <li>HHHIV CCE Operations (HIV Care and Support)</li> <li>Isibindi (Orphans and Vulnerable Groups)</li> <li>October Month (Community Development)</li> <li>Costing of APPs and Operational Plans in respect of 32 cost centres</li> </ul>	No deviation



## Finance

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective and efficient financial management by means of fully compliant financial management services						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Monitor adherence by the Department, public entities and other funded institutions to the PFMA and other public financial prescripts	Number of reports on financial compliance and performance	Draft annual report on compliance and financial performance	<p>Reports were completed in respect of 14 CARA organisations.</p> <p>Reports on seven more CARA organisations were still being drafted.</p> <p>Reports were completed on 54 voted funds organisations.</p> <p>Reports were prepared on the status of transfer payments for voted funds, all special funds, and donor funds received by the DSD.</p>	Produce reports on the financial performance of and compliance with the PFMA and other financial prescripts by the Department in respect of transfer payments, special funds and donor funding, public entities, and other funded institutions	<ul style="list-style-type: none"> <li>SASSA Administration reports were completed for March 2013, April–November 2013, December 2013, January 2014 and February 2014.</li> <li>SASSA Grants reports were completed for March 2013, September 2013, October 2013, November 2013, December 2013, January 2014 and February 2014 and expenditure was reported in the form of a Ministerial report and grant journal memos for April, May, June, July and August 2013.</li> <li>NDA reports were completed for March 2013, July 2013, October 2013, December 2013, January 2014 and February 2014.</li> <li>27 CARA assessment memos were prepared.</li> <li>50 voted funds input memos were prepared.</li> <li>2 memos were prepared for donations by the Department.</li> <li>Financial statements for the 4 relief funds were prepared.</li> </ul>	The first report submitted by the NDA was for June 2013. The delays were discussed with the NDA, and a letter was sent to NDA in that regard.
Strategies for overcoming underperformance						
Regular engagement with stakeholders, and improvements to policies and guidelines.						

## Information Management Technology

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Efficient and effective provision of ICT services						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
Promote the effective utilisation of ICT solutions	Integrated SDIMS databases	Decentralised SDIMS	National Integrated Social Information Systems (NISIS) training was rolled out to the provinces The IDB was not implemented	Integrate databases and revamp SDIMS front end	<ul style="list-style-type: none"> <li>A new integrated database platform for SDIMS was developed</li> </ul>	The requirements were not finalised due to a lack of resources
	One A central point of entry to Departmental information systems	Departmental silo systems	Diversion services completed and changes identified as per training The NPO registration system was completed and rolled out CBIMS began	Develop an integrated database hub (CPR, PCM, CYCA)	<ul style="list-style-type: none"> <li>Not achieved</li> </ul>	SITA resources were requested to complement the skills needed to develop the integration hub
	Operational Automated Corporate Service System	Workflow system	Diversion services completed and changes identified as per training The NPO registration system was completed and rolled out CBIMS began	Support, maintain and improve the system in line with new requirements	<ul style="list-style-type: none"> <li>Business user requirements were gathered. Enhancements to eSubmissions, Leave, Contract Management and Travel were completed.</li> </ul>	No deviation
	Record management practices in place	280 staff trained in the use of the file plan and record management practices	The Knowledge Management portal was developed and maintained and various Knowledge Management tools were put in place	Implement record management guidelines and standards	<ul style="list-style-type: none"> <li>Draft record management policies and procedures were developed. Records were appraised, and Disposal Authority was issued by the National Archives. 59 staff were trained in the use of the File Plan</li> </ul>	Officials were seldom available for training.
	Mobile access to DSD information network	Limited accessibility to DSD information network	The mobile network was established and rolled out to all national and provincial officials. Maintenance and user support were provided on an ongoing basis.	Establish national Access Point Network (APN)	<ul style="list-style-type: none"> <li>Not achieved</li> </ul>	This project was budgeted for under the Integrated Justice System. However, the application for funding was not approved.

## Information Management Technology

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Efficient and effective provision of ICT services						
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14
Strategic objectives	Comply with IMST governance in line with industry best practice	Level of compliance with IMST governance framework	Low level of compliance	IMST governance was audited, and training was conducted.	Develop 5 prioritised IMST governance processes.	<ul style="list-style-type: none"> <li>IMST awareness was raised among strategic committees.</li> <li>14 officials were trained on IMST governance processes.</li> <li>The following procedures were developed and implemented:</li> <li>Management of SLAs with service providers and service desk processes were developed and implemented.</li> <li>Incident management processes for IT support service were implemented.</li> <li>A governance champion was appointed to manage the corporate governance of ICT.</li> <li>An IMST charter and policy were developed.</li> <li>An IMST committee was established, chaired by the COO.</li> </ul>
Reasons for deviation from 2013/14 target						
Two processes – managing strategy, and the implementation of an IT disaster recovery plan – were not implemented due to a lack of funding						
Strategies for overcoming underperformance						
<p>Establishing a working collaboration between the DSD and the SITA to complement the skills shortage in the development and integration of the NISIS database.</p> <p>Reviewing the IMST baseline budget.</p> <p>Implementing organisational and system change management to ensure the smooth implementation/ utilisation of systems as well as disaster recovery measures.</p> <p>Developing a sector-wide ICT strategy.</p> <p>Developing an integrated information management system.</p> <p>Conducting a skills audit and building additional capacity.</p> <p>Conducting workshops and awareness campaigns on records management.</p>						

## Office Accommodation

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Sufficient office accommodation for the Department according to Public Works norms and Standards						
Government outcome	Performance indicator	Baseline	Actual achievement , 2012/2013	Annual target , 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives	Feasibility study	Assessment of the DSD's total accommodation needs	A site was selected. The DPW appointed a service provider to undertake a feasibility study.	Prepare construction of shared offices for the DSD, SASSA and the NDA	<ul style="list-style-type: none"> <li>A feasibility study was due to be conducted by the DPW on behalf of the DSD, SASSA and NDA. The cost of the feasibility study was due to be carried by the DPW as part of the Inner City Head Office accommodation projects. The feasibility study was delayed due to the proposed new structure of the DSD, which will have an impact on the study.</li> </ul>	The DPW delayed the process due to the proposed new structure of the DSD which will have an impact on the study in the form of a major increase in posts.
<b>Strategies for overcoming underperformance</b>						
The envisaged restructuring of the DSD will result in a major increase in the number of posts, which will have an impact on the feasibility study. The DPW will be informed of the new post structure in the form of a revised User Asset Management Plan.						

## Linking performance with budgets – Programme 1: Administration

Sub-programme		2013/14			2012/13		
		Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure	Variance
		R'000	R'000	R'000	R'000	R'000	R'000
1.1	Ministry	33 235	33 235	–	29 718	29 490	228
1.2	Departmental Management	47 800	47 800	–	52 750	52 243	507
1.3	Corporate Management	102 706	102 706	–	91 582	90 896	686
1.4	Finance	49 331	49 331	–	50 035	49 931	104
1.5	Internal Audit	5 671	5 671	–	6 013	5 815	198
1.6	Office Accommodation	24 039	22 558	1 481	27 027	27 020	7
<b>Total</b>		<b>262 782</b>	<b>261 301</b>	<b>1 481</b>	<b>257 125</b>	<b>243 976</b>	<b>624</b>



Performance information  
by programme



## Programme 2: Social Assistance



## Programme Purpose

To provide social assistance to eligible applicants and beneficiaries in terms of the Social Assistance Act, 2004 (Act No. 13 of 2004) and its regulations.

## Social Assistance

The Department continued to assist people and lift them out of poverty and deprivation. The programme continues to grow, partly as result of low levels of economic growth and a resultant rise in unemployment. During the reporting period, about 15.8 million people benefited from social assistance. Of these, 11.7 million were beneficiaries of the CSG and Foster Care Grant, and 2.9 million were recipients of the Old Age Grant. Social grants remain the government's most effective tool for reducing poverty, as reported by Statistics South Africa. All these achievements contributed to the realisation of *Outcome 7: Vibrant, equitable and sustainable rural communities with food for all*; and *Outcome 2: A long and healthy life for all South Africans*.

The re-registration project helped to reduced and eradicate fraud and corruption in the grant system, and the average turnaround time for grant processing has been reduced to 21 days. The new payment system has ushered in new payment gateways which make it possible for beneficiaries to access their payments anywhere and at any time. Most beneficiaries now prefer to draw their payments at merchant stores or ATMs.



## Social Assistance

Government outcome	A long and healthy life for all South Africans						
DSD-specific outcome	Poor and vulnerable people are protected against income poverty						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target	
Reduce poverty by providing income support to eligible individuals	Number of social grant beneficiaries	Old Age Grant	2 852 747	2 873 197	2 956 641	No deviation	
		War Veterans Grant	596	587	393	No deviation	
		Child Support Grant	11 452 152	11 341 988	11 488 501	Lapsing of grants due to re-registration project	
		Disability Grant	1 178 664	1 164 192	1 135 218	Lapsing of grants due to re-registration project	
		Care Dependency Grant	129 762	117 884	135 347	Slow uptake	
		Foster Care Grant	601 074	372 960	515 939	Lapsing of grants due to beneficiaries turning 18	
		Grant-in-Aid	68 010	73 719	71 879	No deviation	
Strategies for overcoming underperformance							

## Linking performance with budgets – Programme 2: Social Assistance

Details per sub-programme		2013/14			2012/13		
		Final appropriation R'000	Actual expenditure R'000	Over/under-expenditure R'000	Final appropriation R'000	Actual expenditure R'000	Over/under-expenditure R'000
2.1	Old Age	44 328 024	44 064 239	263 785	40 486 119	40 475 021	11 098
2.2	War Veterans	8 167	7 657	510	12 902	9 543	3 359
2.3	Disability	18 116 970	17 768 631	348 339	18 062 534	17 636 570	425 964
2.4	Foster Care	5 551 084	5 332 093	218 991	5 618 342	5 335 049	283 293
2.5	Care Dependency	2 268 799	1 993 084	275 715	1 897 401	1 877 412	19 989
2.6	Child Support	39 907 203	39 623 748	283 455	38 310 293	38 087 990	222 303
2.7	Grant-In-Aid	276 337	274 092	2 245	245 144	237 974	7 170
2.8	Social Relief	550 257	533 047	17 210	255 181	239 286	15 895
<b>Total</b>		<b>111 006 841</b>	<b>109 596 591</b>	<b>1 410 250</b>	<b>104 887 916</b>	<b>103 898 845</b>	<b>989 071</b>



Performance information  
by programme



## Programme 3: Social Security Policy and Administration



## Programme Purpose

To provide for social security policy development, administrative justice, the administration of social grants, and the reduction of incorrect benefit payments.

## Social Security Policy Development

Social Security Policy Development provides for the development and review of social assistance policies and legislation. During the reporting period, oversight activities were undertaken to promote adherence to the norms and standards for the social assistance programme. These activities included visits to SASSA local offices and pay points as well as social assistance service delivery assurance committee meetings. These activities were guided by the indicators in the service delivery assurance framework. Both the visits and meetings promoted a better understanding of SASSA's administrative responsibilities, successes and challenges relating to the implementation of the social assistance programme. The meetings also created a platform for engagement with SASSA and for addressing policy-related service delivery challenges.

The evidence-based draft discussion document on the Universalisation of the Old Age Grant has been developed and will be used as a basis for consultation on promoting social security among older persons. The outcomes and recommendations in the oversight reports and the proposal for the universalisation of the Old Age Grant contribute to the development of an effective, efficient, and comprehensive social security system that protects people against income poverty. These achievements contribute to Outcome 12: *An efficient effective and development-oriented public service and empowered, fair and inclusive citizenship.*

## Appeals Adjudication

Appeals Adjudication continued to provide redress to aggrieved applicants and beneficiaries through the fair and just adjudication of social assistance appeals. During the reporting period, a total of 1 696 appeals were adjudicated. Of these 48.76% (827) were adjudicated within 90 days of receipt. The Independent Tribunal for Social Assistance Appeals (ITSAA) and SASSA concluded a protocol agreement about the administrative support SASSA should provide to ITSAA in order to ensure compliance with section 18 of the Social Assistance Act, 2004 (Act 13 of 2004) relating to the timeous adjudication of appeals. SASSA and ITSAA collaborated constantly on increasing compliance with the agreed norms and standards in the agreement. The Appeals Business Information System was developed and tested. All these achievements contributed to Outcome 12: *An efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship.*

## Inspectorate for Social Security

The ISS is expected to contribute to the effective, transparent, accountable and coherent governance of the social assistance system, and the maintenance of its integrity. During the period under review, the Department completed a policy framework on social security inspection and a business case for the establishment of an Inspectorate for Social Security, which was submitted to the Minister for consideration.



## Social Security Policy Development

Government outcome	An efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship					
DSD-specific outcome	An efficient, effective and transparent social security system that promotes active citizenship					
Strategic objectives	Performance Indicator	Baseline	Actual achievement, 2012/2013	Target, 2013/14	Actual output, 2013/14	Reasons for deviation from 2013/14 target
An efficient and effective social security system that protects poor and vulnerable people against income poverty	Level of adherence to norms and standards for the social assistance programme	One oversight report	–	Produce 2 oversight reports on adherence to norms and standards for the social assistance programme	<ul style="list-style-type: none"><li>2 oversight reports on adherence to norms and standards for the social assistance programme were produced</li></ul>	No deviation
	Discussion paper on the abolition of the social grant means test	Research on the impact of social grants	–	Complete discussion paper on the universalisation of the Old Age Grant	<ul style="list-style-type: none"><li>Discussion paper on the Universalisation of the Old Age Grant was completed after a series of consultations with internal stakeholders</li></ul>	No deviation
	Annual survey report on social assistance	No baseline	–	Produce annual survey report on social assistance	<ul style="list-style-type: none"><li>The survey was not undertaken</li></ul>	Bids were invited, but a suitable service provider could not be found, and the process had to be repeated. As a result, the survey could not be undertaken during the reporting period.
Provide uniform and coherent information on social expenditure	Publication of the Social Budget Bulletin	No baseline	–	Publish and launch the Social Budget Bulletin	<ul style="list-style-type: none"><li>The Social Budget Bulletin was completed, but it was decided to delay publication as the SA Reserve Bank had published more recent data</li></ul>	The Social Budget bulletin needs to be updated to use more recent data
	Publication of Social Security Review	No baseline	–	Publish and launch the Social Security Review	<ul style="list-style-type: none"><li>The Minister appointed an editorial committee.</li><li>Authors were invited to prepare chapters.</li></ul>	Unforeseen delays in the constitution and appointment of the editorial committee
Strategies for overcoming underperformance						
The reasons for the delays in completing the Social Budget and Social Security Review have been addressed, and both will be published and launched in 2014/15. The Social Budget data is being updated, and contributors to the Social Security Review have been approached following the appointment of the editorial committee. Bids have been invited for producing the annual survey report on social assistance, and the work will be completed in the new financial year.						



## Appeals Adjudication

An efficient and development-oriented public service and an empowered, fair and inclusive citizenship						
Effective, efficient and accessible social assistance appeals service						
Government outcome						
DSD-specific outcome						
Strategic objectives		Performance indicator	Baseline	Actual achievement, 2012/2013	Annual Target, 2013/14	Actual output, 2013/14
Provide all applicants for and beneficiaries of social assistance with access to internal remedies by 31 March 2013		Percentage of appeals adjudicated within 90 days of receipt	45% of appeals (766 of 1 672) adjudicated within 90 days of receipt	A total of 1 974 appeals were adjudicated. Of these, 46.61% were adjudicated within 90 days of receipt	Adjudicate 50% of appeals within 90 days of receipt	<ul style="list-style-type: none"> <li>A total of 1 696 appeals were adjudicated. Of these 48.76% (827) were adjudicated within 90 days of receipt.</li> </ul>
		Integrated Appeals Business Information System	Appeals Business Information System	The system could not be developed. It was due to be developed and rolled out in the next financial year	Implement Integrated Appeals Business Information System	<ul style="list-style-type: none"> <li>The development of the Integrated Appeals Business Information System was completed</li> </ul>
Reasons for deviation from 2013/14 target						
						Difficulties in obtaining critical documentation from SASSA (e.g. medical assessments and means test information) which are required for the adjudication of appeals, especially litigious appeals.
						Development of the system was completed towards the end of the financial year, and it was due to be implemented in the next financial year.
Strategies for overcoming underperformance						
<b>Appeals Adjudication:</b> The DSD is engaging with SASSA to ensure improved adherence to the protocol agreement governing the appeals process. The Minister may issue a Ministerial Determination to SASSA in this regard. Officials will be trained on the Integrated Appeals Business Information System to ensure implementation during the next financial year.						

## Inspectorate for Social Security

<b>Government outcome</b>	An efficient and development-oriented public service and an empowered, fair and inclusive citizenship					
<b>DSD-specific outcome</b>	Transparent and accountable social assistance system					
<b>Strategic Objectives</b>	<b>Performance Indicator</b>	<b>Baseline</b>	<b>Actual Achievement 2012/2013</b>	<b>Annual Target 2013/14</b>	<b>Actual Output 2013/14</b>	<b>Reasons for Deviation from 2013/14 target</b>
Establish an Inspectorate for Social Security tasked with maintaining the integrity of the Social Assistance framework and systems by March 2016	Policy framework for social security inspection	No Inspectorate for Social Security	Target not achieved	Approve policy framework for social security inspection	<ul style="list-style-type: none"> <li>The policy framework was completed in the 3rd quarter. The business case was also completed, and submitted to the Minister for consideration</li> </ul>	Inadequate human resource capacity, and a change of project manager. The previous project manager left the Department, and there were delays in appointing a new executive manager
<b>Strategies for overcoming underperformance</b>						
The Department has appointed a new project manager to oversee the approvals process.						

## Linking performance with budgets – Programme 3: Social Security Policy and Administration

Sub-programme		2013/14			2012/13		
		Final appropriation	Actual expenditure	Over/under-expenditure	Final appropriation	Actual expenditure	Over/under-expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
3.1	Social Security Policy Development	33 846	33 760	86	40 795	29 436	11 359
3.2	Appeals Adjudication	27 078	27 078	–	42 169	41 527	642
3.3	Social Grants Administration	6 240 467	6 240 467	–	6 053 026	6 053 026	–
3.4	Social Grants Fraud Investigation	70 581	70 581	–	66 744	66 744	–
3.5	Programme Management	4 674	4 674	–	9 046	7 684	1 362
<b>Total</b>		<b>6 376 646</b>	<b>6 376 560</b>	<b>86</b>	<b>6 211 780</b>	<b>6 198 417</b>	<b>13 363</b>



Performance information  
by programme



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

## Programme Purpose

To create an enabling environment for delivering equitable developmental welfare services by formulating effective policies, norms and standards and best practices, and effectively supporting implementing agencies.

## Service Standards

### Review of the White Paper

A review of the implementation of the White Paper for Social Welfare since its adoption in 1997 was set in motion. The Minister started the process by inaugurating the review committee. The project plan was compiled in consultation with internal structures, and approved by MANCO. The committee identified five focus areas, and established five working groups for those areas. The working groups convened as and when the need arose.

The review was conducted at the national and provincial level. The DSD, SASSA, NGOs and the NDA made presentations and written submissions on the status of social welfare services since the adoption of the White Paper. The presentations highlighted achievements, lessons learnt and challenges, and made recommendations. The review is aimed at enabling the Department to identify weaknesses in the White Paper and amend them where necessary.

### Social Welfare Generic Intervention Processes

Generic intervention processes are an effective means of improving social welfare services. They promote professionalism, accountability and good ethics. They also assist the establishment of effective case and information management systems that could be utilised for planning and resource allocation.

Briefing sessions were held in all nine provinces to solicit support for the implementation of generic intervention processes. A total of 1001 social service practitioners were trained in all provinces. The Department continued to monitor the implementation of generic intervention processes via site visits and implementation reports.

### Social Work Supervision

A total of 340 social service practitioners were trained to implement the Supervision Framework for the Social Work Profession in South Africa. The framework is aimed at ensuring the effective supervision of social workers, social auxiliary workers and student social workers. The training was decentralised to the district level, where implementation takes place. The Department also monitored the implementation of the supervision framework at the district level in all provinces except North West. More broadly, the framework is aimed at improving the retention of social workers, who play key roles in delivering social welfare services. Personnel in all nine provinces were trained to implement the Quality Assurance Framework.

## Scholarship Programme

Scholarships were provided to 997 social work students for the 2013 academic year. The scholarship programme contributes to the strategic priorities of the Department and the government in general by boosting the social work profession. The scholarship programme was assessed and a draft assessment report was produced. All these efforts contributed to the realisation of *Outcome 12: An efficient, effective and development-oriented public service*.

## Service Provider Management Support

Intensive consultations on the draft Policy for Social Service Practitioners were conducted across the sector. Progress was made towards finalising the policy and developing draft legislation. These processes will help to ensure the realisation of an inclusive and effective approach to the regulation of the various sector cadre groupings such as social workers, child and youth care workers, ECD practitioners, community development practitioners, auxiliary social workers and community care workers.-

The Department developed a Monitoring and Evaluation Framework which will ensure uniformity in the monitoring and evaluation of services rendered by NPOs in line with the Policy on Financial Awards to Service Providers (PFA). Provinces were provided with a tool for reporting on the implementation of the PFA on a quarterly basis.

The Department consulted provincial co-ordinators on a review of the PFA. A National DSD/NPO Forum was established to facilitate implementation of this policy. The Department also called for business plans for funding NPOs in the 2014/15 financial year. All these efforts contributed to the realisation of *Outcome 12: An efficient, effective and development-oriented public service*.

## Older Persons

A total of 94 community-based care services and 109 residential care facilities were assessed for compliance with the norms and standards for services to older persons in accordance with the Older Persons Act, 2006 (Act 13 of 2006). Intensive consultations on a draft amendment bill were held in the Social Development Sector. Progress was made in developing draft legislation. These processes are aimed at improving services to older persons throughout the sector.

Following incidents of the sexual and physical abuse of older persons, the Department conducted urgent awareness-raising and educational campaigns in five provinces, namely the Free State, the Eastern Cape, Mpumalanga, Gauteng and KwaZulu-Natal. Dialogues were conducted in four provinces, namely KwaZulu-Natal, the Free State, the Eastern Cape and North West. These processes culminated in the commemoration and observance of several national and international days of awareness of the rights of older persons, including the International Day of Families, the World Prevention of Elder Abuse Awareness Day, Grandparents Day and Orange Day.



The Department held an event, presided over by President Jacob Zuma, for honouring the country's centenarians, where people aged 100 years and older received medals and gifts. The First National Parliament for Older Persons was held in the Gauteng Provincial Legislature in October 2013. In line with the Madrid International Plan of Action on Active Ageing, Golden Games for older persons were held in Boksburg, Gauteng, in October 2013. A total of 2 500 older persons from all provinces participated. The South African Older Persons Forum was funded to strengthen provincial forums and establish local structures. All these initiatives contributed to the Department's goal of improving the quality of life of older persons as well *Outcome 3: All people in South are and feel safe.*

## People with Disabilities

The Department through this unit, is responsible for promoting and protecting the rights of people with disabilities. During the reporting period, a technical team comprising representatives of the disability sector and key national departments was established to develop a Bill on social development services to people with disabilities. A draft Bill was developed after intensive consultations with relevant structures and stakeholders.

The Department conducted a national audit of all residential facilities to determine their status following the rollout of policy guidelines and minimum standards. The recommendations were used to review the policy guidelines, and develop norms and standards. The draft norms and standards were presented to the provincial disability co-ordinators task team for inputs and comments. Their inputs were incorporated, and the document was finalised. The norms and standards will enable the DSD to standardise, regulate and improve the quality of services to people with disabilities in residential facilities.

## Children

### Early Childhood Development

A draft Early Childhood Development (ECD) Policy and Comprehensive Package of ECD Services were developed. Personnel in all provinces were trained to implement the National Early Learning Development Standards. Four provinces, namely Limpopo, Gauteng, Mpumalanga and North West, began to register ECD programmes. A comprehensive audit of 12 987 ECD centres was conducted in all provinces and completed by end March 2014. A draft audit report was presented to the DSD project team and was due to be finalised in the next financial year. The South African Integrated Programme of Action for ECD was developed and approved by Cabinet in September 2013. An intersectoral forum for ECD was established in July 2013. The purpose of the forum is to build partnerships with NGOs for providing ECD services. Officials in Limpopo and KwaZulu-Natal were trained to implement the

Parenting Programme, which is aimed at improving parenting by parents and primary caregivers.

### Adoptions and International Social Services

Policy Guidelines on the Register of Adoptable Children and Prospective Adoptive Parents (RACAP) were discussed and approved. Consultations on draft Guidelines for National Adoptions were completed, and service providers for national and inter-country adoptions were accredited. Provincial offices were trained on adoption and international social services. Community dialogues aimed at promoting adoptions were also conducted. Consultations were held on the working agreements document, accreditation policy and guidelines on inter-country adoptions. DSD officials participated in ISS management meetings in Portugal in May 2014. Children born to mothers imprisoned in Brazil for drug trafficking were returned to South Africa and placed in alternative care. A total of 1 452 adoptions were registered. Of these, 1 240 were national adoptions, while 212 were inter-country adoptions.

### Child Protection

The Minister launched Child Protection Week in Durban on 27 May 2013, and presided over the closing event in Tzaneen in Limpopo on 2 June 2013. The Safety and Risk Assessment Tool was tested in Mpumalanga, and 30 social workers were trained in its use in the Western Cape and the Free State. A quality assurance tool for prevention and early intervention programmes against child abuse, neglect and exploitation was developed. A National Prevention and Early Intervention Strategy was developed and costed. Standard Operating Procedures (SOPs) were developed for DSD operations during major events such as the Presidential Inauguration and the Africa Cup of Nations soccer tournament. Stakeholders were trained in the use of the Child Protection Register at various forums in Limpopo. The Cabinet approved a National Programme of Action on Violence against Women and Children.

### Child Protection Surveillance Pilot Study

This project was conducted from July to September 2013. Training was conducted at pilot sites in seven metropolitan areas in three provinces, namely Alfred Nzo and Nelson Mandela Bay in the Eastern Cape; Tshwane and Ekurhuleni in Gauteng; and Bojanala, Kenneth Kaunda and Ngaka Modiri Molema in North West. A total of 146 social workers and supervisors were trained to use the data collection instrument. Training was conducted over three days, and all participants received 14 Continued Professional Development (CPD) points. A total of 509 data collection instruments were completed during the pilot study period. A pilot study report documenting lessons learnt was compiled. Following this, nine provincial methodology workshops were conducted as part of planning the national study.



### National Register of Child-headed Households

Provincial officials were trained on maintaining the National Register for Child Headed Households and the Strategy for Drop-in Centres in Limpopo, Gauteng, the Northern Cape, KwaZulu-Natal and Mpumalanga. The registration of Child Headed Households was marketed through Channel 404 on SABC TV. Four Isibindi provincial consultative workshops were held, and quarterly reports on implementation of the Isibindi model were collated. An abstract on the National Rollout of the Isibindi Model was presented during the NACCW National Conference held at the University of Johannesburg in July 2013. The Department monitored the implementation of the Strategy and Guidelines for Children Living and Working in the Streets in five provinces, namely Gauteng, the Eastern Cape, the Northern Cape, KwaZulu-Natal and Limpopo.

### Review of the Children's Act, 2005 (Act 38 of 2005)

The Department finalised the review of the Children's Act, 2005 (Act 38 of 2005), and drafted two amendment bills. The Children's Second Amendment Bill was published in the Government Gazette for public comment, and comments received were incorporated. The draft Children's Third Amendment Bill is available and awaiting relevant policies, including foster care policy, ECD policy, and disciplining of children policy. Thirteen capacity-building sessions on the Children's Act, norms and standards, and guidelines for managing statutory cases were conducted. The Department monitored the implementation of the Children's Act via quarterly reports, child care and protection forums, and provincial consultation visits.

### Families

A White Paper on Families was approved by Cabinet in 2013. It is aimed at contributing to the fight against poverty and other social ills via initiatives that address family disintegration and child poverty, and provide family support. The Department began to undertake various initiatives aimed at achieving the objectives set out in the White Paper, including the development of mediation programmes, family reunification services, an integrated parenting framework, a fatherhood strategy, a programme for the active parenting of teenagers, a marriage enrichment and preparation programme, and a family preservation programme. All nine provinces were capacitated on the White Paper.

The Fatherhood Strategy seeks to address the challenge of absent fathers by emphasising the importance of the role of men in families and in children's development. All provinces were capacitated on the strategy. The Active Parenting of Teenagers programme is aimed at supporting parents who face challenges in raising teenagers, as well as assisting teenagers themselves to understand the challenges they face and how they could make positive use of parental support. Capacity for implementing the programme was built in five provinces, namely Mpumalanga, the Free State, North West, the Eastern Cape and KwaZulu-Natal.

The Department, in partnership with provinces, celebrates International Day of the Family on 15 March each year, as proclaimed by the United Nations General Assembly. In the period under review, the theme for this day was 'Advancing social integration in intergenerational solidarity within families and communities'. Build-up activities were held in all provinces in the form of community dialogues. The day itself was celebrated in KwaZulu-Natal. SASSA, the Moral Regeneration Movement, and the Department of Health provided services at the event, which gave service providers an opportunity to engage with communities. In turn, community members demonstrated a willingness to work with service providers to improve their lives and foster development within their communities.

### Social Crime Prevention

A total of 59 quality assurance panel members in all provinces were trained to implement the Policy Framework for the Accreditation of Diversion Services. A total of 169 stakeholders were trained to implement social crime prevention programmes. Implementation of the Integrated Social Crime Prevention Strategy Action Plan. 5 545 DSD practitioners and external service providers trained on the integrated social crime prevention strategy. Three provinces (Northern Cape, Western Cape and Gauteng) have their own Provincial social crime prevention strategies customised from the National Social Crime Prevention Strategy.

The Policy Framework for the Accreditation of Diversion Services was monitored in all provinces. A total of 89 diversion programmes and 19 service providers were accredited in line with the policy framework, and 20 programmes and five service providers were granted candidacy status. All accredited diversion services were published in a Government Gazette in November 2013 which was circulated to the Department of Justice and Constitutional Development and as well as provincial HODs. Fifty emerging organisations providing diversion services were capacitated in Limpopo on the Policy Framework for the Accreditation of Diversion Services in November 2013.

### Victim Empowerment

A draft Bill on victim empowerment support services was developed after intensive consultations with the relevant structures and stakeholders.

The Department continued to monitor the implementation of the Gender Based Violence (GBV) prevention programmes. During the period under review, only two provinces – Gauteng and KwaZulu-Natal – were monitored. The monitoring process in Gauteng culminated in a successful awareness-raising event on the importance of men as positive role models, presided over by the Deputy Minister. Gauteng best practice was shared within the province and was adopted as a guiding model for the province in the subsequent financial year.

The Department established a committee to monitor incidents of gender-based violence. The committee monitored

the provision of immediate integrated collaborative interventions on a 24-hour and seven days a week basis at six pilot sites in Gauteng, namely Hillbrow, Alexandra and Moroka in Johannesburg and Akasia, Thembisa and Sunnyside in Pretoria. Monthly data was collected and analysed. These activities formed part of the preparations for launching a GBV Command Centre. All six piloting sites were visited prior to the launch of the Command Centre to popularise the Toll Free line which is 0800 428 428 in the national and community radio stations. The Command Centre was officially launched in March 2014.

The Policy Framework for the Accreditation of Services to and Programmes for Victims of Human Trafficking was finalised after intensive consultations with relevant structures and stakeholders. The framework serves as a guide for integrated service delivery to victims of human trafficking at national, provincial and local levels.

The Department was tasked with developing an intersectoral Victim Empowerment Programme (VEP) strategy. This was done after intensive consultations with relevant structures and stakeholders in order to solicit their inputs and buy-in. The strategy is aimed at improving co-ordination among various role players in the victim empowerment sector, and providing them with guidelines for addressing VEP priorities.

A VEP M&E system, aimed at improving referral mechanisms within the sector and increasing access to VEP services, was developed and finalised. It provides for analytical reports to be generated within 30 days. The seven VEP cluster departments – namely Justice and Constitutional Development, the National Prosecuting Authority, Correctional Services, Basic Education, the South African Police Service, Health and Special Development – as well as nine provincial departments and national CSOs were consulted on the system and trained in its use.

An accreditation framework for organisations rendering services to victims of human trafficking was developed. A task team was established to facilitate the project. A literature review was conducted as part of preparatory work for designing the framework. A task team was appointed to conduct an audit of training material with the aim of aligning it with HW SETA standards. A feasibility study was conducted to test the proposed conceptual framework. An intra-departmental team was established to ensure the successful implementation of the framework.

In the period under review, a mentoring and coaching model for emerging CSOs active in VEP sector was developed and approved and prepared for roll-out in the provinces. CSOs are the implementing arm of the VEP sector. As a result, capacity-building activities are vital in order to ensure that they are capable of discharging their mandates. Emerging CSOs in six rural provinces – Limpopo, North West, Mpumalanga, Northern Cape, the Free State and Gauteng – were trained on lay counselling, awareness-raising and victim empowerment.

## Substance Abuse

The Department regards the ideal of achieving a drug-free society as a major priority. Significant advances were

made during the reporting period. All nine provinces were capacitated to implement the Prevention of and Treatment for Substance Abuse Act (Act No. 70 of 2008), with 408 stakeholders receiving training. A total of 107 service providers were capacitated to implement the Social Mobilisation Strategy, which is aimed at promoting the participation of communities in the fight against substance abuse. The Department conducted the festive season anti-substance abuse campaign during November 2013 and March 2014. The campaigns raises awareness about the effects of drug abuse amongst communities. The National Drug Master Plan (NDMP) 2013/2017 – aimed at combating substance abuse in a comprehensive and co-ordinated way – was approved in June 2013. Taken together, the Act and the NDMP are aimed at reducing the demand for, supply of, and harm caused by drugs and other substances.

The Department monitored the implementation of the National Anti-Substance Abuse Programme of Action and recorded progress made by nine national departments. It secured R150 million from the NT to establish four public treatment centres in provinces that do not have such facilities. These facilities will be built in the next three years. This will help to ensure that communities have access to treatment services. These initiatives are linked to *Outcome 3: All people in South Africa are and feel safe*.

## Youth

The Department intensified its focus on youth development by promoting youth mobilisation and dialogues. A total of 25 856 youths participated in youth dialogues and awareness campaigns throughout the country. The dialogues formed part of the build-up to the provincial pre-camp summits and the National Youth Camp. A total of 1 128 youths attended the provincial and national youth camps. Besides this, 8 080 youths participated in technical, entrepreneurship, life and leadership skills development programmes. The Department also trained 94 mentors and young people from two secure care centres.

## HIV and AIDS

The Department continued to implement social and behavioural change programmes aimed at reducing new HIV and AIDS infections, mitigating the psychosocial and economic impact of HIV and AIDS and other chronic conditions, and strengthening the capacity of communities and systems. These efforts were in line with the National Strategic Plan (NSP) on HIV, STDs and TB (2012–2016).

## HIV Prevention

The Department developed a Comprehensive Strategy on HIV, STIs and TB, aimed at guiding various partners and structures on how to respond to the twin epidemics of HIV and TB in particular in a more integrated way. It seeks to address the social and structural barriers that facilitate HIV and TB acquisition in a holistic way, and to contribute meaningfully to

social and behaviour change by creating an environment that encourages individuals to use the current prevention packages.

Workshops on the Men as Champions of Change Programme were conducted for HCBC organisations in Mpumalanga, Northern Cape, Gauteng, Limpopo and the Eastern Cape. It is aimed at increasing the involvement of men and boys in the prevention of HIV&AIDS. The Department, in partnership with the Sex Workers Education and Advocacy Task Force (SWEAT) held orientation workshops in Gauteng, the Eastern Cape, Mpumalanga, Limpopo, KwaZulu-Natal and the Free state to create awareness of working with key populations in the prevention of HIV. Representatives of 450 organisations were trained under this social and behaviour change programme.

The Department began to develop a social and behaviour change programme aimed at building the self-esteem and self-confidence of young people and persuading them to use these attributes to sustain positive behaviour. It continued to fund the loveLife programme, which seeks to address the complex behavioural, social, and structural drivers of risk tolerance among young people by combining a nationwide multimedia campaign with systems strengthening community-level outreach and psychosocial support services. The programme reached more than 500 000 young people during the reporting period.

### Care and Support

The Department continued to provide comprehensive care and support services to families and communities. Service norms and standards and a compliance monitoring tool for HCBC were finalised. The norms and standards were piloted among a few HCBC organisations in Mpumalanga, and were also discussed with various forums before being finalised.

A baseline study was conducted on the state of Psycho Social Services (PSS). The study was aimed at identifying existing PSS models, successes, gaps and strengthening the PSS guidelines which were still being developed.

The Department collaborated with USAID, Reppsi and the University of KwaZulu-Natal on developing a PSS training curriculum for community caregivers. The training is facilitated by UKZN and is being piloted in KwaZulu-Natal. Six modules were developed and are aligned to unit standards, for further accreditation by the HWSETA. Assessment materials for modules 1–5 were developed.

The Department, in partnership with USAID, conducted a review of the NAP for 2009–2012 and 2012–2016. The review was conducted to assess the technical quality, functionality and effectiveness of the NAP, progress made in implementing it by the National Action Committee for Children Affected by HIV and AIDS (NACCA), and particular achievements registered in the process. The review recommended that the OVC Policy Framework (2005) be updated, that the NAP 2012–2016 and the NACCA co-ordination guidelines and communication strategy should be modified, and that NACCA and the Secretariat should be restructured.

Utilising funding from USAID, the HCBC programme was evaluated. The primary objective of the study was to provide

the Department and other key stakeholders with empirical information on the impact, effectiveness, relevance and comprehensiveness of the programme over the past five years. It also assessed the quality of services rendered as well as the sustainability of the programme, given the changing landscape of the epidemic.

Other achievements included the following:

- The training of 1 317 community caregivers in Gauteng, Limpopo and Mpumalanga on psychosocial wellbeing through the National Skills Fund (NSF).
- The staging of three graduations for community caregivers trained during the period under review in Gauteng, Northern Cape and North West under the Thogomelo project.
- The training of 26 training service providers on the extension of scope for the community caregiver psychosocial wellbeing training project.
- The training of 92 DSD officials in Limpopo, KwaZulu-Natal and Gauteng on the HIV and AIDS Management Programme, aimed at enhancing their understanding of the prevention, impact and management of HIV, AIDS and TB on their lives and work situations. A total of 24 provincial officials were also trained in TB management.

The Department developed a community-based intervention monitoring system (CBIMS) to address some of the shortcomings of the HCBC M&E system. The enhanced system was presented to different forums such as MANCO and the OVCY conference in May 2013. The enhancement process was completed in July 2013. Training on the CBIMS was conducted in all provinces except the Eastern Cape and Western Cape, reaching 102 DSD officials and 77 representatives of HCBC organisations.

Representatives of 48 funded HCBC organisations in North West and 47 in the Northern Cape were trained in data quality management training. Training manuals were developed and translated into Setswana, to ease facilitation and understanding. The project was concluded with the certification of participants in the two provinces. The training culminated in the development of guidelines on data quality. Representatives of NACCA partners were trained on data quality management (DQM) in Mpumalanga, KwaZulu-Natal and Gauteng. A total of 27 CBO representatives were trained in Mpumalanga, 30 in KwaZulu-Natal and 39 in Gauteng. An end-line study was conducted during September and October 2013 to assess the impact of the training. The findings and recommendations from the end-line study were presented to different stakeholders.

The Department hosted the third OVCY conference in May 2013. The conference was a follow-up on the 2002 and 2006 OVC conferences and was aimed at providing a forum for showcasing and promoting exchanges on the latest research on and initiatives for strengthening the protection, care and support of OVCY. The conference was preceded by child and youth dialogues conducted in all provinces. Each province nominated ten children to attend the conference and present



the outcomes from their provincial dialogues. A conference report was finalised and a three-year Programme of Action (POA) was developed, informed by the conference resolutions and recommendations.

### Community capacity enhancement

The Department trained 90 representatives of HCBC organisations in Gauteng, North West and Mpumalanga. Care SA funded organisations in Mpumalanga, Limpopo, Free State and Gauteng. Ten members of Care SA offices received training aimed at helping them to roll out the programme to funded HCBC organisations.

A total of 86 community conversations were facilitated in all provinces. The dialogues addressed a range of issues which make communities more vulnerable to social ills, and were aimed at enabling them to reflect on and develop solutions suited to their complex situations. About 3 200 people participated in the dialogues, which included children and youth-focused dialogues. Furthermore, representatives of 30 NPOs in KwaZulu-Natal and the Eastern Cape were trained on community capacity enhancement methodology as a way of sustaining the Ministerial outreach programmes which started in October 2013.

In the year under review the Department was responsible for co-ordinating STI/ Condom Week. The campaign was linked to the Deputy Minister's outreach programme. It was taken to

Ga-Ramaswikwana where communities were mobilised. The Department, in partnership with the Treatment Action Campaign (TAC), trained 50 members of and 10 officials from local HCBC organisations in Limpopo on an STI module. Following this, the 50 trainees conducted a three-day door-to-door campaign in surrounding villages, engaging with community members and distributing information on STIs. The materials were provided by the provincial Department of Health and Soul City.

The Department commissioned two projects with funding from PACT South Africa (PACTSA). The first, the Documenting and Costing of Community Capacity Enhancement Programme, was aimed at facilitating social mobilisation by the provinces through a dialogue process which would inform programming. The project was aimed at producing a Community Capacity Enhancement (CCE) framework and guidelines as well as costing provincial plans to be submitted to the NT for funding for instilling active citizenship as a way of advancing Outcome 13 of the National Development Plan on Social Protection.

The purpose of the second project was to compile a child-friendly dialogue report. It continued work done in preparation for the OVCY conference held in May 2013 in Gauteng, Free State and KwaZulu-Natal. Participants comprised 160 children and youths who took part in the dialogues in April 2013 and a new cohort that did not participate in the initial process. The deliverables were two child-friendly reports on issues affecting children and youths affected by HIV and AIDS.



## Service Standards

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Standardised Social Welfare Services aimed at improved service delivery by 2015						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Improve the delivery of social welfare services by reviewing the implementation of the White Paper for Social Welfare and the Social Welfare and the Framework for Social Welfare Services	Review of the implementation of the White Paper for Social Welfare	White Paper on Social Welfare Services Framework	A ministerial committee for reviewing the White Paper was nominated and approved by the Minister	Review implementation of the White Paper in two provinces	<ul style="list-style-type: none"><li>Conducted the national and provincial review of the White Paper in Northern Cape and Gauteng where presentations were made by senior managers from DSD, SASA, NDA and the NGO sector</li></ul>	No deviation
	Number of provinces implementing generic intervention processes	Generic intervention processes implemented in 5 provinces	–	Monitor implementation of generic intervention processes in the provinces	<ul style="list-style-type: none"><li>The implementation of generic intervention processes was monitored in all provinces</li></ul>	No deviation
	Number of scholarships awarded to social work students	4 750 scholarships awarded	2 037 scholarships awarded, increasing the number to 6 339	Award 800 scholarships (raising total to 5 550)	<ul style="list-style-type: none"><li>997 new scholarships were awarded for the 2013 academic year, increasing the total to 5 205.</li><li>Some of the candidates did not gain university entrance</li></ul>	No deviation
	Assessment report on the scholarship programme	No baseline	The impact assessment was not conducted	Draft assessment report	<ul style="list-style-type: none"><li>A draft assessment report was produced</li></ul>	No deviation
Strategies for overcoming underperformance						
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## Service Provider Management Support

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Standardise social welfare services in order to improve service delivery by 2015						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
<b>DSD-specific outcome</b>						
<b>Strategic objectives</b>						
Develop a regulatory framework for social service practitioners by March 2016	Draft Bill on Social Service Practitioners	Approved Policy on Social Service Practitioners	Policy on Social Service Practitioners finalised but not approved. Nine provincial consultations held with representatives of various occupations. A national workshop on the 4th draft of the Policy on Social Service Practitioners was held with stakeholders at the national level.	Draft Bill on Social Service Practitioners	<ul style="list-style-type: none"> <li>Draft Bill consolidated</li> </ul>	No deviation
Introduce an effective regulatory system for funded NPOs	Monitoring reports from the provinces	Implementation Plan for the Policy on Financial Awards (PFA)	3 consultative sessions were held with national and provincial officials and representatives of the NPO sector on the implementation plan for the PFA	Monitor implementation of the PFA	<ul style="list-style-type: none"> <li>Workshop were held with provincial co-ordinators on progress made in implementing the PFA, and reports were submitted to the DSD</li> </ul>	No deviation
<b>Strategies for overcoming underperformance</b>						



## Older Persons

Government outcome	All people in South Africa are and feel safe					
DSD-specific outcome	Improved the protection and quality of life of older persons					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Create an enabling environment for protecting and promoting the rights of older persons	Number of Community-Based Care (CBC) and support services assessed for compliance with norms and standards	14 Community-Based Care (CBC) and support services	104 CBC services for older persons were registered	Assess 90 CBC services (10 per province)	<ul style="list-style-type: none"> <li>A total number of 94 CBC services were assessed for compliance</li> </ul>	No deviation
	Number of residential care facilities assessed for compliance with prescribed norms and standards	412 residential facilities registered and 13 assessed for compliance with the norms and standards	180 residential care facilities were registered	Assess 108 residential care facilities (12 per province)	<ul style="list-style-type: none"> <li>109 residential care facilities were assessed for compliance</li> </ul>	No deviation
	Older Persons Amendment Bill	Older Persons Act	–	Draft Older Persons Amendment Bill	<ul style="list-style-type: none"> <li>Draft Amendment Bill developed</li> </ul>	No deviation
Strategies for overcoming underperformance						

## People with Disabilities

Government outcome	Sustainable human Settlement and improved quality of household life					
DSD-specific outcome	Improved quality of life for people with disabilities					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Protect and promote the rights of people with disabilities	Draft Bill on social development services to people with disabilities	Policy for providing social development services to people with disabilities	The policy on social development services to people with disabilities approved by MANCO	Draft Bill	<ul style="list-style-type: none"> <li>Draft Bill on Social Development Services to People with Disabilities developed.</li> <li>Baseline disability policy approved by Heads of Social Development</li> </ul>	No deviation
	Norms and standards for residential facilities	Policy guidelines on residential facilities	–	Develop norms and standards for residential facilities	<ul style="list-style-type: none"> <li>Norms and standards for residential facilities were drafted</li> </ul>	No deviation
Strategies for overcoming underperformance						

## Children

Government outcome	A Quality Basic Education					
DSD-specific outcome	Safe and friendly society for children					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Improve ECD services by 2015	ECD policy	No baseline	–	Develop ECD policy	<ul style="list-style-type: none"> <li>ECD policy developed</li> </ul>	No deviation
	Phase 1 of National Integrated Plan for ECD	No baseline	–	<p>Draft National Integrated Plan for ECD (Phase 1)</p> <p>Develop comprehensive package of ECD services</p> <p>Build HR capacity in the ECD sector</p> <p>Build capacity on the National Education Learning Development Standards (NELDS) and national curriculum for children aged 0–4 years</p>	<ul style="list-style-type: none"> <li>The National Integrated Plan for ECD (Phase 1) was approved by Cabinet on 18 September 2013</li> <li>A comprehensive ECD programme was developed</li> <li>HR plans were received from 5 Provinces, namely MP, LP, GP, FS, NC and NW.</li> <li>All provinces were capacitated on the National Early Learning Development Standards</li> <li>Four provinces began to register ECD programmes</li> </ul>	The draft HR plan for ECD was not finalised as the plans from the other provinces were still outstanding
	Number of ECD centres audited	5 487 ECD centres audited	6216 ECD centres audited in all provinces	Conduct a comprehensive audit of 12 526 ECD centres in all provinces	<ul style="list-style-type: none"> <li>12 987 ECD centres audited</li> </ul>	No deviation
Strategies for overcoming underperformance						

## Children

All people in South Africa are and feel safe						
Safe and friendly society for children						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Strengthen child protection services through the implementation of child care and protection measures by 2015	Number of adoptions registered	2 625 adoptions registered	1 696 adoptions registered, comprising 1 522 national and 174 inter-country adoptions	Increase the number of children adopted by 10%	<ul style="list-style-type: none"><li>1 452 adoptions registered (an increase of 55%)</li></ul>	No deviation
	Reports on the implementation of the Foster Care Project Plan	Foster Care Project Plan	Number of children in foster care increased by 157 024 (31%)	Monitor the implementation of the Foster Care Project Plan in all 9 provinces	<ul style="list-style-type: none"><li>Implementation of Foster Care Project Plan was monitored in all 9 provinces</li></ul>	No deviation
	Reports on the implementation of the transformation plan for CYCCs	Transformation Plan for CYCCs	Number of children accessing CYCCs increased by 8 972 (123%) from a baseline of 7 272	Monitor implementation in all 9 provinces	<ul style="list-style-type: none"><li>Monitored implementation of transformation plan for CYCCs in all 9 provinces</li></ul>	No deviation
	Approved guidelines for the registration of drop-in centres in terms of the Children's Act	Draft guidelines for the registration of drop-in Centres in terms of the Children's Act	Number of children accessing drop-in centres increased by 450% (186 510) from a baseline of 41 381	Secure approval of the guidelines	<ul style="list-style-type: none"><li>Guidelines for the registration of drop-in centres were approved</li></ul>	No deviation
	Number of employees working with children screened against the CPR Part B	10 000 employees screened	32 935 employees working with children were screened against the CPR Part B	Screen 30 000 employees	<ul style="list-style-type: none"><li>41 441 employees working with children were screened against the CPR Part B</li></ul>	No deviation
	Review of Children's Act	Children's Act	–	Draft Amendment Bill (Phase 1)	<ul style="list-style-type: none"><li>Draft Amendment Bill was finalised</li></ul>	No deviation
	Evaluation report on Child Protection Week	Evaluation report on Child Protection Week	–	Launch and close Child Protection Week	<ul style="list-style-type: none"><li>Child Protection Week launch and closing events were held and reports were finalised</li></ul>	No deviation
Protect and improve the quality of life of OVC through the Isibindi Model	Monitoring reports on the implementation of the Isibindi model	Implementation plan for the Isibindi Model	The project management office was not fully established. A project co-ordinator was appointed	Monitor implementation of the Isibindi model in the provinces	<ul style="list-style-type: none"><li>Implementation of the Isibindi model was monitored in all provinces</li></ul>	No deviation
Strategies for overcoming underperformance						

## Families

Sustainable human settlement and improved quality of household life						
Restored family values and responsibilities in order to build cohesive communities						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
DSD-specific outcome	Strategic objectives	Number of stakeholders capacitated on the White Paper on Families	The draft White Paper on the Family was finalised and was due to be presented to the Cabinet in May 2013	Build stakeholder capacity on the White Paper on Families	<ul style="list-style-type: none"> <li>All nine provinces were capacitated on the White Paper on Families</li> </ul>	No deviation
		Number of provincial stakeholders capacitated on family development programmes	Approved Integrated Parenting Framework	Build capacity on the Fatherhood Strategy and Active Parenting of Teenagers programme	<ul style="list-style-type: none"> <li>All provinces were capacitated on the Fatherhood Strategy.</li> <li>Five provinces were capacitated on Active Parenting for Teenagers</li> </ul>	No deviation. Five provinces instead of six were capacitated due to the late approval of the programme
Strategy for overcoming underperformance						
The outstanding province will to be capacitated on the Active Parenting of Teenagers programme in the new financial year						

## Social Crime Prevention

All people in South Africa are and feel safe						
Reduced incidence of social crime						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives	Training of Quality Assurance Panel members	63 panel members identified under Regulation 32 of the Child Justice Act	146 practitioners were trained on the Accreditation of Diversion Services	Train 63 panel members on the Policy Framework for the Accreditation of Diversion Services	<ul style="list-style-type: none"> <li>A total of 59 Quality Assurance Panel members were trained on the policy framework for the Accreditation of Diversion Services in all provinces</li> </ul>	4 appointed members withdrew before training took place
	Number of service providers implementing the Policy Framework for the Accreditation of Diversion Services	Policy Framework for the Accreditation of Diversion Services implemented in all provinces	146 practitioners were trained on the Accreditation of Diversion Services	Facilitate implementation of the Policy Framework	<ul style="list-style-type: none"> <li>A total of 89 diversion programmes and 19 service providers were accredited.</li> <li>20 programmes and 5 service providers were granted candidacy status.</li> <li>All the accredited diversion services were published in a Government Gazette in November 2013 and a list was circulated to the Department of Justice and Constitutional Development and the heads of provincial Departments of Social Development</li> </ul>	No deviation
	Number of stakeholders capacitated on social crime prevention programmes	5 therapeutic programmes developed	Implementation of social crime prevention programmes was monitored in GP, EC, LP, WC, NC, MP, KZN and NW	Capacitate 120 stakeholders on social crime prevention programmes	<ul style="list-style-type: none"> <li>169 stakeholders capacitated on social crime prevention programmes</li> </ul>	No deviation
	Number of service providers implementing the Integrated Social Crime Prevention Strategy Action Plan	Integrated Social Crime Prevention Strategy	Implementation of the Integrated Social Crime Prevention Strategy was monitored in all provinces except FS using the monitoring tool	Monitor implementation of the Action Plan	<ul style="list-style-type: none"> <li>The Integrated Social Crime Prevention Strategy Action Plan was monitored in all provinces, and all provinces have implementation plans</li> </ul>	No deviation
Strategies for overcoming underperformance						

## Victim Empowerment

All people in South Africa are and feel safe						
Reduce the incidence of social crime						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
DSD-specific outcome						
Strategic objectives						
Improve victim empowerment services through programmes, policies and legislation by March 2016	Draft Bill on victim empowerment support services	Consultations with all provinces and six national departments	Zero Draft Bill on Victim Support Services developed	Draft Bill	<ul style="list-style-type: none"> <li>The Draft Bill on Victim Support Services has been developed</li> </ul>	No deviation
	Number of stakeholders implementing GBV programmes	GBV Training Manual	No implementation was facilitated. However, a final document on the GBV Prevention Programme was completed in the fourth quarter, and submitted to the Deputy Directors-General Forum for approval	Monitor the implementation of GBV prevention programmes	<ul style="list-style-type: none"> <li>GBV prevention programmes were monitored in GP and KZN provinces</li> </ul>	No deviation
	Number of GBV victims accessing command centre	No baseline	–	Provision of immediate and integrated collaborative services intervention in respect of GBV incidents on a 24-hour/7 days	<ul style="list-style-type: none"> <li>A Command Centre was established to provide immediate and integrated collaborative services to victims of GBV. The Command Centre was launched and a Toll Free line was advertised on national and community radio</li> </ul>	No deviation
	Policy framework for the Accreditation of Services and Programmes for Victims of Human Trafficking	Draft Policy Framework for the Accreditation of Services and Programmes for Victims of Human Trafficking	A National Policy Framework for the accreditation of organisations providing anti-human trafficking services was developed. 4 shelters piloted the framework for accreditation	Finalise the Policy Framework	<ul style="list-style-type: none"> <li>The National Policy Framework for the accreditation of organisations providing anti-human trafficking services was finalised</li> </ul>	No deviation
	Intersectoral strategy for the VEP	National Policy Guidelines for the VEP	–	Develop an Intersectoral Strategy for the VEP	<ul style="list-style-type: none"> <li>An Intersectoral Strategy was developed with the cluster departments together with national CSOs at a national workshop held in February</li> </ul>	No deviation



## Victim Empowerment

<b>Government outcome</b>	All people in South Africa are and feel safe					
<b>DSD-specific outcome</b>	Reduce the incidence of social crime					
<b>Strategic objectives</b>	<b>Performance indicator</b>	<b>Baseline</b>	<b>Actual achievement, 2012/2013</b>	<b>Annual target, 2013/14</b>	<b>Actual outputs, 2013/2014</b>	<b>Reasons for deviation from 2013/14 target</b>
	VEP monitoring system	VEP baseline study and generic indicator set	All provinces were implementing the generic set of indicators and were monitored together with one national department. All the other national JCPS cluster departments implemented the generic indicator set in 2011	Develop VEP M&E system	<ul style="list-style-type: none"> <li>9 provinces were consulted and trained on the VEP M&amp;E system</li> <li>A national workshop was held to consolidate inputs from the provinces.</li> <li>Based on the 9 consultative workshops and the national workshop, inputs were effected on the VEP System which culminated in a fully fledged VEP M&amp;E system</li> </ul>	No deviation
<b>Strategies for overcoming underperformance</b>						

## Substance Abuse

Government outcome	All people in South Africa are and feel safe					
DSD-specific outcome	Reduce incidence of substance abuse in communities					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Reduce the demand for illegal substances by providing prevention and treatment services	Implementation of the National Anti-Substance Abuse POA	POA implemented by national departments	4 provinces (Limpopo, Mpumalanga, Northern Cape and Free State) capacitated to implement the POA	Monitor implementation of POA by 9 national departments	<ul style="list-style-type: none"><li>Implementation of the National Anti-Substance Abuse POA by 9 national departments monitored</li></ul>	No deviation
	Number of stakeholders implementing the Prevention and Treatment of Substance Abuse Act (70 of 2008) and Regulations	Act and regulations not passed and promulgated	Act and regulations passed and promulgated	Capacitate 120 stakeholders on the Act and Regulations	<ul style="list-style-type: none"><li>458 stakeholders in 9 provinces were capacitated to implement the Act and Regulations</li></ul>	No deviation
	Number of stakeholders implementing the Social Mobilisation Strategy	Approved Social Mobilisation Strategy	Social Mobilisation Strategy developed and approved	Capacitate 90 service providers	<ul style="list-style-type: none"><li>107 service providers capacitated to implement the Social Mobilisation Strategy. The Department conducted the festive season anti-substance abuse campaign during November 2013 and March 2014. The campaigns raises awareness about the effects of drug abuse amongst communities.</li></ul>	No deviation
	Approved National Drug Master Plan (NDMP)	NDMP 2006–2011	NDMP Plan 2013–2017 developed and awaiting approval by Cabinet	Review and monitor implementation of the NDMP 2013–2017	<ul style="list-style-type: none"><li>The NDMP 2013/2017 was approved. Eight provinces except WC and one national department (the Department of Transport) were capacitated to implement the plan.</li></ul>	The NDMP was approved by Cabinet in June 2013. Subsequently, 8 provinces and one department were capacitated to develop provincial and departmental drug master plans.
Strategies for overcoming underperformance						
The NDMP will be monitored in the next financial year.						

Vibrant, equitable and sustainable rural communities contributing towards food security for all						
Youths influencing and contributing to social change						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Empower youths for sustainable development and social change	Number of youths participating in youth dialogues	2 747 participants	2 216 youths participated in youth dialogues	3 000 participants	<ul style="list-style-type: none"> <li>9 786 youths participated in youth dialogues nationally</li> </ul>	No deviation
	Number of youths participating in mobilisation programmes	2 000 participants	–	1 800 participants	<ul style="list-style-type: none"> <li>16 070 young people participated in mobilisation programmes nationally</li> </ul>	No deviation
	Number of youths participating in skills development programme	125 participants	–	450 participants	<ul style="list-style-type: none"> <li>8 080 young people participated in skills development programmes nationally</li> </ul>	No deviation
	Number of youths attending leadership camps	650 participants	1 341 attended national and provincial leadership camps	1 000 participants	<ul style="list-style-type: none"> <li>1 128 attended youth camps</li> </ul>	No deviation
	Number of provincial youth forums established	3 provincial youth forums established	2 provincial youth forums established, in FS and KZN	Establish 3 forums	<ul style="list-style-type: none"> <li>No forum launched</li> </ul>	Delayed finalisation of the concept and lack of provincial support in the Western Cape in particular
Strategies for overcoming underperformance						
<p>The concept has been finalised. The unit will undergo an audit process to establish what structures already exist in the provinces. This will ensure that no parallel structures are established, and no services are duplicated. This process will also ensure the alignment and strengthening of structures, thus promoting the effective implementation of the youth development agenda.</p> <p>The Directorate intended to launch a forum in the Western Cape in early April 2014, and to report on this in the 2014/15 first quarter report. The Western Cape forum was due to be supported by means of a workshop on its terms of reference.</p>						

## HIV and AIDS

Government outcome	A long and healthy life for all South Africans					
DSD-specific outcome	Decrease in risky sexual behaviour among targeted populations					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Develop and facilitate the implementation of social and behaviour change programmes	Number of youths reached through social and behaviour change programmes	500 000 youths reached	435 wards reached through social and behaviour change interventions	Reach 500 000 youths	<ul style="list-style-type: none"><li>549 355 youths were reached</li></ul>	No deviation
	Number of youths trained as Ground Breakers (GBs) on social and behaviour change programmes	532 GBs trained	511 youths trained to implement social behaviour change programmes	Train 540 GBs	<ul style="list-style-type: none"><li>555 Ground Breakers (GBs) trained</li></ul>	No deviation
	Number of youths trained as MPintshis to implement social and behaviour change programmes	2 700 MPintshis trained	–	Train 2 700 Mpintshis	<ul style="list-style-type: none"><li>2 918 Mpintshis trained</li></ul>	No deviation
	Number of organisations trained to implement social and behaviour change programmes	No baseline	1 010 funded HCBC organisations implemented social and behaviour programmes	Train 450 organisations	<ul style="list-style-type: none"><li>501 organisations trained</li></ul>	No deviation
	Number of community conversations on HIV and AIDS facilitated	60 community conversations facilitated	84 community conversations on HIV/AIDS facilitated	Facilitate 64 community conversations	<ul style="list-style-type: none"><li>86 community conversations facilitated</li></ul>	No deviation
Strategies for overcoming underperformance						

## HIV and AIDS

A long healthy life for all South Africans						
Increased access to psychosocial support services						
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014
Mitigate the psychosocial impact of HIV and AIDS and TB on targeted key populations		Psychological Support Services (PSS) guidelines, curriculum and learner material	No baseline	–	Develop PSS guidelines, curriculum and learner material	<ul style="list-style-type: none"><li>PSS Guidelines were developed and disseminated to stakeholders during a NACCA workshop and a PSS reference team meeting.</li><li>Module 6 was developed and aligned with unit standards.</li><li>Assessment materials for Modules 1–5 were developed.</li></ul>
		Number of Training Service Providers (TSPs) trained in PSS	No baseline	–	Train 30 TSPs	<ul style="list-style-type: none"><li>26 TSPs were trained in the extension of scope for the community caregiver psychosocial wellbeing training project</li></ul>
		Number of organisations trained in PSS	No baseline	–	Train 100 organisations	<ul style="list-style-type: none"><li>No organisations were trained</li></ul>
		Norms and standards for HCBC programme	No baseline	–	Develop service norms and standards and monitoring tool	<ul style="list-style-type: none"><li>Norms and standards and a monitoring tool were finalised after verification and testing in Mpumalanga province</li><li>The final drafts were presented to representatives of the provincial departments in a workshop on alignment with CBIMS and ratification in November 2013</li></ul>
Reasons for deviation from 2013/14 target						
						No deviation
						Limited number of accredited service providers meeting HWSETA requirements
						PSS Guidelines were finalised in the last quarter, and training could not be undertaken due to cost containment within the Department
						No deviation
Strategies for overcoming underperformance						
30 TSPs earmarked for training could not be trained as they did not meet the requirements of the HWSETA. Training of TSPs will start in the next financial year and will be reported on under the training of organisations on HIV, AIDS and TB, as stated in the APP 2014/15.						
100 organisations will be trained in PSS in the next financial year, and will be reported on under the training of organisations on HIV, AIDS and TB as stated in the APP 2014/15.						

## HIV and AIDS

[illegible]



## Linking performance with budgets – Programme 4: Welfare Services Policy Development and Implementation Support

Sub-programme		2013/14			2012/13		
		Final appropriation	Actual expenditure	Over/under-expenditure	Final appropriation	Actual expenditure	Over/under-expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
4.1	Service Standards	21 358	21 358	–	22 431	22 145	286
4.2	Substance Abuse	29 525	29 485	40	12 993	12 911	82
4.3	Older Persons	22 710	22 371	339	19 516	19 307	209
4.4	People with Disabilities	9 309	9 309	–	9 711	9 690	21
4.5	Children	56 402	56 309	93	73 567	54 765	18 802
4.6	Families	6 338	6 338	–	8 407	8 272	135
4.7	Social Crime Prevention & Victim Empowerment	39 495	38 237	1 258	29 634	27 411	2 223
4.8	Youth	22 169	22 169	–	12 514	12 427	87
4.9	HIV and AIDS	77 857	77 504	353	72 434	72 215	219
4.10	Social Worker Scholarships	250 000	250 000	–	256 000	256 000	–
4.11	Programme Management	12 935	12 935	–	7 841	7 475	366
<b>Total</b>		<b>548 098</b>	<b>546 015</b>	<b>2 083</b>	<b>525 048</b>	<b>502 618</b>	<b>22 430</b>



Performance information  
by programme



## Programme 5: Social Policy and Integrated Service Delivery

## Purpose

This programme supports social policy development and institutionalises evidence-based policy-making in the Social Development Sector. It registers and monitors the compliance of NPOs and community development organisations, and co-ordinates the incubation and innovation of departmental and Social Cluster initiatives such as the Expanded Public Works Programme (EPWP).

## Social Policy Research and Development

The Social Policy Programme continued to make important contributions to policy development, research co-ordination and management, the training of officials in social policy and social policy analysis, and discussion documents. The Programme worked with the Community Development Directorate on finalising the Social Development Sector community development policy which identifies the sector's specific role in this important area. As a further contribution to advancing evidence-based policy-making, 28 officials from the Eastern Cape Provincial Department of Social Development were trained in social policy and social policy analysis. The training was undertaken in partnership with the Institute for Social and Economic Research at Rhodes University and the Centre for the Analysis of South African Social Policy at the University of Oxford.

As part of strengthening the interaction between the DSD and the academic sector, a partnership was initiated with the School of Built Environment and Development Studies of the University of KwaZulu-Natal in respect of Project Mikondzo. Discussion documents and policy briefs were developed. These informed interaction with key stakeholders and the forming of partnerships with faith-based organisations, religious communities and traditional leaders affiliated to the Congress of Traditional Leaders of South Africa (CONTRALESA). The programme continued to contribute to *Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship*.

## Special Projects and Innovation

The Department, through the Special Projects Office (SPO), continued to co-ordinate the creation of work opportunities in the Social Development Sector. During the reporting period, it created 33 504 work opportunities under the EPWP. An incentive grant of R61 million was allocated to the Department for the 2013/14 financial year towards six provinces, namely the Eastern Cape, Free State, KwaZulu Natal, Limpopo, North West and Northern Cape. It used the grant to create 3 065 Full Time Equivalents (FTEs). Given its good performance, the Department was eligible for R50 million for the next financial year for expenditure in all nine provinces.

The DSD supported and streamlined programmes at 15 Community Works Programme (CWP) sites in nine provinces in

line with DSD standards, exceeding the target of nine sites in nine provinces. The streamlined programmes are in the fields of HCBC, ECD, Sustainable Livelihoods and Anti Substance Abuse.

The Unit continued to support the Kwanda programme by ensuring the continuous presence of the DSD brand in the five existing Kwanda communities. Kwanda partners have identified and endorsed nine new sites. Because of its effectiveness in reaching needy communities, the DSD's Project Mikondzo was utilised as a platform for identifying the new sites. The Unit resumed work on a multi-stakeholder co-ordination platform for support to military veterans. Military veterans continued to receive psychosocial support services and Social Relief of Distress (SRD). The creation of work opportunities contributed to *Outcome 4: Creation of Decent Work through Inclusive Economic Growth*.

## Population Policy Promotion

### Increased capacity to integrate population factors into development plans and programmes:

A total of 233 people were trained, comprising:

- Applied Population Science in Training and Research (APSTAR) training conducted by the UKZN;
- training on Population, Health and Planning for Development;
- training on the Population-Environment-Development (PED) Nexus;
- training on Population Health and Planning for Development; and
- Population Environment and Development (PED) in Integrated Development Planning (IDP) training.

Besides this, 70 officials were trained to integrate population factors into development plans and programmes at two capacity-building sessions on Intergenerational Communication on Adolescent Sexual Reproductive Health Rights (ASRHR).

In collaboration with the Department of Basic Education (DBE), Population Learner and Teacher Support Material (LTSM) was presented to education advisors in Limpopo, the Eastern Cape, KwaZulu-Natal, Mpumalanga and the Western Cape. The LTSM was finalised and presented to the DBE for approval and verification for compliance with the Curriculum Assessment Policy Statement (CAPS). The finalised Population LTSM was due to be disseminated nationally via the DSD and Thutong websites as well as other forms of electronic distribution, including compact disks, memory sticks and various social media.

The Department awarded bursaries to 20 disadvantaged students in population studies at North West and Walter Sisulu Universities. Due to the late approval of funding for the 2013/14 financial year and the prolonged strike at Walter Sisulu University, more bursaries could not be awarded despite the submission of applications by North West University.

The Department capacitated 21 religious leaders on Population-Environment Development (PED) programmes through intergenerational dialogues on adolescent sexual and reproductive health and rights. Given challenges with funding, the Department had to utilise its own budget, which led to fewer religious leaders being trained than originally envisaged. The Department also reviewed the population and development capacity-building portfolio in the context of the National Skills Development Framework, and consultations with universities and other stakeholders were under way.

### Increased understanding of South Africa's population trends and dynamics:

The Department produced a synthesis report based on 12 thematic papers which reflects progress made with implementing the Population Policy since its inception 15 years ago. It also reflects progress made in implementing the Programme of Action adopted by the International Conference on Population and Development (ICPD) held in Cairo, Egypt, in 1994.

A five-year population research agenda was developed, covering the period 2014 to 2019. The research agenda is based on existing research evidence in various strategic focus areas, including evidence generated by the 15-year review of Population Policy implementation. In addition, an M&E framework was developed to monitor and evaluate the implementation of the Population Policy, according to different strategic focus areas that cut across different sectors and spheres of government. Both the population research agenda and the M&E framework were due to be implemented during the period 2014 to 2019.

In collaboration with experts at Statistics South Africa, the unit updated selected sets of indicators for 22 Integrated Sustainable Rural Development Programme (ISRDP) and Urban Renewal Programme (URP) nodes, based on the indicators contained in the report on building sustainable livelihoods in these nodes. A report on these indicators was produced for three additional districts prioritised in the UNFPA Country Programme.

### Increased awareness of population policy and implications for policy-making and planning:

A total of 16 advocacy workshops/seminars were conducted and exhibitions of population advocacy material held in all provinces except the Eastern Cape. These advocacy workshops/seminars included the commemoration of World Population Day in North West.

### Promoting dialogue, collaboration and co-operation in support of population and development integration:

Partnerships for promoting the integration of PED were developed and strengthened. Partnerships managed through various collaborative projects, including partnerships with local, national and international organisations, included:

- Managing the partnership with the Population Association of Southern Africa (PASA) through a Memorandum of Understanding.
- Co-ordinating the implementation of the Fourth UNFPA Country Programme of Assistance to the Government of South Africa through a National Coordination Forum (NCF).
- Finalising and approving a Memorandum of Understanding for helping to achieve Vision 2020 of the International Planned Parenthood Federation (IPPF).
- Rolling out intergenerational communication ASRRH capacity-building initiatives in the Eastern Cape, Western Cape, Limpopo, Free State and KwaZulu-Natal, in collaboration with UNFPA and the Sonke Gender Justice Network, according to a project plan developed in 2013/14.
- Rolling out Population Gender and Rights partnership initiatives in five district municipalities, namely the Khayelitsha sub-district of the City of Cape Town; Chris Hani, Amathole, Dr Ruth S Mompoti, and the Central Karoo.
- Strengthening partnerships with the Department of Cooperative Governance and Statistics South Africa to promote the integration of population information into IDPs in the Eastern Cape, North West, the Free State, Limpopo and KwaZulu-Natal.

### International Population Affairs

The Department, through the National Population Unit, participated in:

- The 46th Session of the United Nations Commission on Population and Development (UNCPD) as well as preparations for this session;
- Executive committee meetings, board meetings, finance and risk committee meetings, African Region Partner Country Coordinators (PCC) meetings and the annual conference of Partners in Population and Development (PPD);
- The African Population Commission (APC) of the African Union (AU);
- The African Ministers' Conference on ICPD +20; and
- The Southern African Development Community (SADC) Technical Meeting and Ministers' Conference on ICPD+20.



At all these meetings, the country delegations reported on progress made with implementing the ICPD Programme of Action (PoA) and Population Policy. The delegation also actively participated in the negotiation of UNCPD, the African Ministers' Conference and SADC resolutions on the further implementation of the ICPD PoA. Specific efforts were made to promote sexual and reproductive health and rights, gender equity and equality, the empowerment of women, the demographic dividend, and freedom from discrimination on the basis of sexual orientation and gender identity. The Department hosted the Inaugural BRICS Seminar on population matters on March 2014 in Mpumalanga province.

### Registration and monitoring of NPOs

As part of its efforts to strengthen the role of CSOs in promoting the social development agenda, the Department improved its processes for registering NPOs under the Non-Profit Organisations Act (Act No. 71 of 1997). Human resource capacity was strengthened by the appointment of 20 data capturers on 12-month contracts to assist with processing NPO applications. These steps significantly improved the turnaround time for processing new applications and assessing annual reports.

The Department received 29 812 applications for NPO registration, and processed 28 798 within two months,

amounting to a performance rate of 93%. A total of 18 162 NPOs were registered in the reporting period, raising the total of NPOs registered since the inception of the NPO Act to 120 441. The Department received 32 193 reports from registered NPOs, and processed 31 572. A total of 28 933 were processed within two months, amounting to a performance rate of 89.9%.

A combination of interventions including increased human resources, improved management and supervision as well as the automation of the NPO reporting system contributed to performance improvements in processing new applications and assessing reports. Furthermore; the NPO electronic registration system helped NPOs to instantly lodge their applications and the turnaround time to register NPOs was reduced to 2 weeks.

The high rate of non-compliance of registered NPOs with section 18 (1) of the NPO Act, which requires them to submit copies of their annual reports, remains a challenge. Only 32 193 annual reports were received from 98 685 NPOs that were due during the reporting period, this translates into 33% compliance rate. In response, the Department mounted a media campaign to encourage organisations to submit their annual reports. This campaign was supplemented with several road shows during which services were provided to organisations at the local level. Help desk services were also provided at all ministerial public events. All these services



were provided as mobile services, allowing organisations to be registered, submit their annual reports, and be issued immediately with acknowledgement letters.

The Department also continued with the NPOs capacity building programme. This programme aims to improve the compliance levels and standards of good governance in NPOs. A total of 2 667 NPOs were trained by the Department. A further 2 059 NPOs were trained through our collaboration with the National Development Agency (NDA).

## Community Development

The Department regards CBOs as vital social partners which play a key role in building strong communities, particularly in areas which government cannot reach easily. In the year under review, the Department trained 411 CBOs in community development. A process for developing norms and standards was initiated through extensive consultations with provincial counterparts, and based on the use of questionnaires. Following the consultation process, a synopsis report was produced to inform the development of the norms and standards.

Building the capacity of cadres to deliver community development services is a vital factor in building strong communities able to manage their own development. During the period under review, the Department facilitated the training of 859 Community Development Practitioners (CDPs) on Community Based Planning, Disaster Management, Participatory Monitoring and Evaluation, Social Transformation Systems and CBO guidelines. This initiative contributed to the Department's goal of building a skilled workforce able to deliver high-quality community development services.

The Department played a central role in the development of national community development qualifications at NQF Levels 5 and 8. In the year under review the Department held a successful workshop with institutions of higher learning and other stakeholders on the rollout of community development qualifications.

## Sustainable Livelihoods

The Department, through this unit, reached 70 485 people in 148 wards through mobilisation programmes. A total of 784 137 households were profiled.

The Department initiated a major programme on Food Nutrition and Security to further accelerate the process of ensuring that poor, vulnerable and marginalised individuals and households have access to nutritious food. A total of 122 612 households accessed food through the Food Security Programme, and 346 632 people accessed food through FoodBank South Africa. The Department also supported the Revitalisation of Community Nutrition and Development Centres (CNDCs) in the Western Cape, the rollout of the CNDC model in the provinces, the development of a Household Food and Nutrition Security Programme Strategy in partnership with other relevant departments such as the Department of Rural Development and Land Reform (DRDLR), and sourcing

funds from the HWSETA for training under the Household Food and Nutrition Security Programme. A total of 132 officials were trained by the University of Pretoria. The Department also started to develop a national database of emerging food producers to supply DSD feeding programmes.

Project Mikondzo was developed as a service delivery improvement intervention at the community level. The project targeted 1 300 wards in 23 priority district municipalities. In the period under review, the Department successfully implemented this project in all provinces. Activities undertaken under this project included:

- Developing a concept document and project charter;
- Forming and deploying teams in municipalities and wards;
- Staging an induction workshop for national and provincial officials on Project Mikondzo;
- Developing deployment schedules, monitoring tools and a template for Service Delivery Improvement Plans (SDIPs);
- Integrating other DSD programmes into Project Mikondzo;
- Compiling progress reports and implementation plans for Project Mikondzo;
- Presenting progress reports on Project Mikondzo to various forums;
- Establishing governance and operational structures; and
- Developing Service Delivery Improvement Plans.

Through Mikondzo the Department reached 730 wards in the 23 poorest districts. The initial findings from the data collected vindicate our plans for the radical transformation of the sector. The lessons learned and experience gained from Project Mikondzo will enable the Social Development Sector to develop a Service Improvement Plan.



## 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					
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target	
	Number of officials trained in social policy and policy analysis	350 officials trained.	55 senior civil servants and parliamentarians trained in social policy-making and analysis	Train 50 officials in social policy-making and policy analysis	<ul style="list-style-type: none"> <li>28 officials were trained</li> </ul>	For various reasons, attendance levels by provincial officials were very low	
	Number of evidence-based social policies developed and reviewed	Six evidence-based policies developed and reviewed	A policy document entitled 'Building the Capabilities of Grants Beneficiaries through Economic, Skills and Labour Market Linkages' was developed. Local development projects based on this policy document were initiated.	Develop and review one social policy in collaboration with the relevant directorate	<ul style="list-style-type: none"> <li>A Social Development Sector Community Development Policy was developed in consultation with the Social Policy unit, and submitted to stakeholders for review</li> </ul>	No deviation	
	Centralised research co-ordination and management	Research Co-ordination and Management Strategy (RCMS)	The RCM strategy was developed	Implement the RCMS	<ul style="list-style-type: none"> <li>A draft implementation plan for the RCMS was developed</li> </ul>	The draft implementation plan was still under review at the end of the financial year	
Strategies for overcoming underperformance		Number of research and policy briefs disseminated	4 research and policy briefs developed	Develop and disseminate 4 policy briefs	<ul style="list-style-type: none"> <li>4 policy briefs were developed</li> </ul>	No deviation	

## Special Projects and Innovation

Decent employment through inclusive economic growth							
Increased work opportunities, skills and income levels in the Social Development Sector							
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Increase job opportunities, skills and income levels in the Social Development Sector		Number of job opportunities created through social development sub-programmes	26 462 job opportunities	171 668 job opportunities created for the entire social sector	Create 33 307 job opportunities	<ul style="list-style-type: none"> <li>33 504 job opportunities created by the DSD only</li> </ul>	No deviation
		Number of Full-Time Equivalents (FTEs) created through the Incentive Grant	2 908 FTEs	–	Create 3 199 FTEs	<ul style="list-style-type: none"> <li>3 065 FTEs created</li> </ul>	Three provinces, the Northern Cape, Free State and North-West, did not meet their annual targets due to the late recruitment of EPWP participants.
		Number of non-EPWP job opportunities created	26 206 non-EPWP job opportunities	–	Create 27 814 non-EPWP job opportunities	<ul style="list-style-type: none"> <li>32 590 non-EPWP job opportunities created</li> </ul>	No deviation
		Number of Community Work Programme (CWP) sites providing integrated DSD services	0	CWP extended to 151 sites (the target was 148)	Facilitate the provision of integrated DSD services to 9 CWP sites	<ul style="list-style-type: none"> <li>DSD services were provided at 15 CWP sites</li> </ul>	No deviation
Promote community-driven development		Number of Kwanda sites per province	Kwanda sites in 5 provinces	Kwanda was not rolled out	Establish 9 new Kwanda sites	<ul style="list-style-type: none"> <li>The DSD and its partners convened a workshop where criteria for selecting new sites was finalised. Project Mikondzo was endorsed as a pathway for selecting new sites. Nine sites were selected and were endorsed by both the Kwanda partners and the Mikondzo Project Operations Team (POT)</li> </ul>	The process to establish 9 new Kwanda sites has been delayed due to unavailability of financial resources.
Provide social protection to military veterans		Number of DSD services provided to military veterans	3 services (psychosocial counselling, SRD and jobs)	282 military veterans received psychosocial support	Provide 5 DSD services	<ul style="list-style-type: none"> <li>Two DSD services (Psychosocial and SRD) were provided to military veterans</li> </ul>	Services rendered to military veterans are generally not dealt with separately from the basket of DSD services provided to communities.
Strategies for overcoming underperformance							
Processes are in place to establish a central reporting mechanism for all line functions providing services to military veterans. Funding for new Kwanda sites will be prioritised in the next financial year.							

## Population Policy Promotion

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Population issues integrated into development plans and activities							
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Increased capacity to integrate population factors into development plans and programmes		Number of capacity-building sessions conducted	7 capacity-building programmes	12 capacity-building sessions were conducted on integrating population factors into development plans	Conduct 8 capacity-building sessions	<ul style="list-style-type: none"> <li>11 capacity-building sessions were held in 6 provinces, namely the Free State, Eastern Cape, Western Cape, Gauteng, Limpopo and KwaZulu Natal. These sessions included APSTAR training conducted by the UKZN.</li> </ul>	No deviation
		Population Learner and Teacher Support Material (LTSM) disseminated and utilised in schools	Population LTSM developed and disseminated to education advisors in 18 education districts	Two workshops covering 19 education districts were conducted on the use of the teachers' guide and learner workbook in schools	Disseminate and utilise Population LTSM in 3 provinces	<ul style="list-style-type: none"> <li>Population LTSM was presented to education advisors in 5 provinces, in collaboration with the Department of Basic Education. The provinces include Limpopo, Eastern Cape, Kwa-Zulu Natal, Mpumalanga and Western Cape. Inputs received were used to finalise the material.</li> <li>A service provider finalised the material content in learner-friendly formats to be introduced into life orientation and social studies subjects.</li> <li>The final LTSM was presented to the Department of Basic Education to verify its compliance with the Curriculum Assessment Policy Statement (CAPS), and approved.</li> <li>The finalised LTSM was uploaded onto the DSD Population website and Thutong websites where it could be accessed by schools throughout the country.</li> </ul>	No deviation

## Population Policy Promotion

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship							
Population issues integrated into development plans and activities							
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target	
	Number of bursaries awarded	HWSETA funding available for bursaries for 50 students in population studies	–	Award 50 bursaries	<ul style="list-style-type: none"> <li>Bursaries were awarded to 20 population studies students at North West University and Walter Sisulu University</li> </ul>	<p>The HWSETA approved the required funding for the bursaries too late (23 December 2012), which meant that the marketing of the bursaries also started too late (in January 2013). As a result, a limited number of students applied for bursaries by April 2013. Moreover, the Walter Sisulu University was closed due to strikes and did not submit bursary applications for 2014.</p>	
	Number of SA and Lesotho religious leaders capacitated in respect of PED programmes	Training manual on building the capacity of religious leaders to advocate HIV & AIDS and other sexual reproductive health services and the prevention of GBV. Evaluation report on this four-year project	–	Capacitate 36 religious leaders	<ul style="list-style-type: none"> <li>12 religious leaders were trained through intergenerational dialogues on Adolescent Sexual Reproductive Health (ASRH) at Melmoth, Harrismith, Blouberg, Welkom and Jozini.</li> </ul>	<p>The project could not be completed because the funding modalities with USAID had not been finalised. Some work was done with funds from the DSD's own budget.</p>	
	Integrated PED capacity-building portfolio	Evaluation report on the APSTAR programme Evaluation report on the Integrated HIV & AIDS course for civil society and government planners Evaluation report on local capacity-building workshops on gender	–	Review PED capacity-building portfolio in the context of the National Skills Development Framework	<ul style="list-style-type: none"> <li>Report on the review of the capacity-building portfolio was finalised, and universities and other stakeholders were consulted on the findings</li> </ul>	No deviation	

## Population Policy Promotion

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
Population issues integrated into development plans and activities						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Increased understanding of SA population trends and dynamics	Synthesis report on the implementation of Population Policy	13 draft thematic papers on implementing the Population Policy and the ICPD Programme of Action	13 thematic research reports were produced	Produce synthesis report on Policy+15/ICPD PoA+20	<ul style="list-style-type: none"> <li>A synthesis report on Policy+15/ICPD PoA+20 was produced</li> </ul>	No deviation
	Research report on factors associated with teenage pregnancies in SA	Field work in 5 provinces	–	Complete research and disseminate findings	<ul style="list-style-type: none"> <li>Research in the remaining 4 provinces (North West, Free State, Northern Cape and Western Cape) was not completed, and the findings could not be disseminated.</li> </ul>	The service provider closed down towards the end of 2013 before completing the project. A new procurement process for appointing another service provider is under way.
	Population Policy research agenda and M&E framework reports	Portfolio of population research and M&E projects	–	Develop research agenda and M&E framework	<ul style="list-style-type: none"> <li>A research agenda and an M&amp;E framework were developed</li> </ul>	No deviation
	Updated report on Building Sustainable Livelihoods in the ISRDP and URP Nodes	Report on Building Sustainable Livelihoods in the ISRDP and URP Nodes, 2008	–	Update selected sets of indicators in 25 nodes/priority districts	<ul style="list-style-type: none"> <li>Selected sets of indicators in 25 nodes/priority districts were updated</li> </ul>	No deviation

## Population Policy Promotion

An efficient, effective and development-oriented public service, and an empowered, fair and inclusive citizenship						
Increased capacity to mainstream population issues in development plans and activities						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Increased awareness of Population Policy and implications for policy-making and planning	Number of advocacy workshops and seminars	23 advocacy workshops and seminars conducted	–	Conduct 13 advocacy workshops and seminars	<ul style="list-style-type: none"> <li>15 advocacy workshops/seminars were held in all provinces except Northern Cape, with exhibitions at each event. Events included the commemoration of World Population Day at the University of North West; the media launch of the State of the World Population Report 2013 at Khayelitsha in the Western Cape; and the BRICS Inaugural Seminar in Hazyview in Mpumalanga.</li> </ul>	No deviation
	Electronic and printed promotional & educational material on population issues	Printed reports and advocacy material	–	Produce and disseminate promotional and educational material	<ul style="list-style-type: none"> <li>Promotional and educational material was disseminated at all seminars, workshops, and events</li> </ul>	No deviation

## Population Policy Promotion

An efficient, effective and development-oriented public service, and an empowered, fair and inclusive citizenship					
Increased capacity to mainstream population issues in development plans and activities					
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014
DSD-specific outcome					
Strategic objectives	Number of collaborative projects with local, national and international organisations to promote PED integration	UNFPA Country Support Programme Draft ASRHR Framework Strategy Draft Population Climate Change Strategy Sonke Gender Justice ASRHR workplan MoU with the Population Association of Southern Africa (PASA) MoU with the National Youth Development Agency (NYDA) Partnership with the IPPF	–	Develop and manage partnerships for promoting PED integration	<ul style="list-style-type: none"> <li>Partnerships were developed and managed through collaborative projects with selected local, national/international organisations:</li> <li>A partnership was formed with the Population Association of Southern Africa (PASA), and a MoU was concluded between the DSD and PASA.</li> <li>The National Coordination Forum (NCF) agreed to co-ordinate implementation of the 4th UNFPA Country Programme for South Africa.</li> <li>The HIV &amp; AIDS research and programme agenda was integrated with the NSP agenda through the DSD's Comprehensive HIV &amp; AIDS, TB and STI Prevention Strategy.</li> <li>An MoU underpinning the project to support IPPF Vision 2020 was approved.</li> <li>An ASRHR Framework Strategy was finalised in consultation with government/other partners and approved by Minister, and work plan and programme activities for the Safeguard Young People (SYP) project were linked to the strategy.</li> <li>Sonke Gender Justice Intergenerational Communications on ASRHR capacity initiatives were rolled out in 5 provinces, and a project plan was developed and implemented.</li> <li>Population Gender &amp; Rights partnership initiatives were rolled out in 5 district municipalities, namely the City of Cape Town (Khayelitsha), Chris Hani, Amathole, Dr Ruth S Mompoti and Central Karoo.</li> <li>Partnerships were strengthened with DECOG and Stats SA to integrate population information into IDPs in 11 District Municipalities in 5 provinces, namely Chris Hani in the Eastern Cape; Dr Kenneth Kaunda, Dr Ruth Segomotsi Mompoti and Bojanala in North West; Lejweleputswa, and Xhariep in the Free State; Vhembe and Greater Sekhukhune in Limpopo; and uMzinyathi, Amajuba and uThukela in KwaZulu-Natal.</li> </ul>
Reasons for deviation from 2013/14 target					
No deviation					
Strategies for overcoming underperformance					
Annual Performance Plan (APP) / Operations Plan (OP) and budget planning and reporting are to be purposefully and continuously managed to ensure that quarterly targets are achieved as planned, and that possible (foreseen) deviations are addressed in time and in a way that prevents underperformance towards the end of the financial year.					
Major risks (which are beyond the control of NPU Management) will be identified in advance in APP/OP documents, thus allowing them to be managed more actively.					
Middle and senior managers will be guided and encouraged to align available budget allocations with major cost drivers (goods and services), and continuously monitor spending patterns on a monthly and quarterly basis.					



## Registration and Monitoring of Non-Profit Organisations

An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship						
A conducive environment for civil society organisations and communities						
Government outcome						
DSD-specific outcome						
Strategic objectives	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Create an enabling environment for NPOs	Percentage of NPO registration applications processed within two months of receipt	18 448 applications received and processed 17 573 processed within two months	39% of applications (8 768 of 22 329) were processed within two months of receipt	Process 90% of applications within two months of receipt	<ul style="list-style-type: none"><li>29 812 applications were received and 28 798 were processed</li><li>96.6% of applications were processed within two months</li></ul>	No deviation
	Percentage of NPO annual reports processed within two months	50%	–	70% of all submitted annual reports are processed within two months	<ul style="list-style-type: none"><li>32 193 reports were received and 31 572 were processed. 89.9% (28 933) of reports received were processed within two months</li></ul>	No deviation
	Approved policy framework for amending the NPO Act	Draft policy discussion document	A draft policy framework document for amending the NPO Act was finalised	Approve policy for amending the NPO Act	<ul style="list-style-type: none"><li>The policy was not approved.</li><li>The policy framework was submitted to MANCO.</li><li>NPOs were consulted on the draft policy.</li></ul>	The policy was referred back for amendments by management
	Number of NPOs trained	1 500 NPOs trained on governance and compliance with the NPO Act	1 195 NPOs trained in Gauteng, North West, Free State and the Western Cape	Train 2 500 NPOs	<ul style="list-style-type: none"><li>2 667 NPOs trained</li></ul>	No deviation
	Number of provincial officials trained	200 provincial officials trained	260 provincial officials trained	Train 300 provincial officials	<ul style="list-style-type: none"><li>970 officials trained</li></ul>	No deviation
Strategies for overcoming underperformance						
The policy will be presented to the first MinMEC meeting in the next financial year for approval and submission to the Cabinet.						

## Community Development

Government outcome	A skilled and capable workforce to support an inclusive growth path						
	A skilled workforce able to deliver high-quality community development services						
	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target	
Strategic objectives	Support and monitor the implementation of community development services and programmes	Number of Community Development Practitioners (CDPs) trained	673 CDPs were trained on Integrated Development Planning and the use of the Sustainable Livelihood Toolkit. They were also consulted on the Draft Community Development Policy	Train 600 CDPs	<ul style="list-style-type: none"> <li>859 CDPs were trained</li> </ul>	No deviation	
	Number of CBOs trained on community development practice	886 CBOs trained	458 CBOs were trained	Train 400 CBOs	<ul style="list-style-type: none"> <li>A total number of 411 CBOs were trained</li> </ul>	No deviation	
	Number of institutions offering community development qualifications at NQF Levels 5 and 8	NQF Level 4, 5 and 8 community development qualifications	–	Support institutions of higher learning to align their community development curricula with NQF Levels 5 and 8	<ul style="list-style-type: none"> <li>Institutions of Higher Learning were supported in aligning their community development qualifications with NQF Levels 5 and 8</li> </ul>	No deviation	
	Number of households profiled	200 000 households profiled	187 703 households were profiled	Profile 300 000 households	<ul style="list-style-type: none"> <li>784 137 households were profiled</li> </ul>	No deviation	
	Number of wards reached through mobilisation programmes	100 wards reached	860 communities in 44 wards mobilised	Reach 200 wards	<ul style="list-style-type: none"> <li>148 wards were reached through mobilisation programmes</li> </ul>	Mobilisation programmes were implemented in all provinces. Mobilisation was not reported per wards reached, and provinces reported on municipalities reached	
	Number of people reached through mobilisation programmes	100 wards	–	10 000 people reached	<ul style="list-style-type: none"> <li>13 879 people reached through dialogues</li> <li>5 556 change agents reached</li> <li>51 050 people reached through Ministerial Outreach Programmes</li> <li>A total of 70 485 people were reached through mobilisation programmes.</li> </ul>	No deviation	

## Community Development

A skilled and capable workforce to support an inclusive growth path						
Skilled workforce capable able to deliver high-quality community development services						
Government outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014	Reasons for deviation from 2013/14 target
Strategic objectives Create an enabling environment for community development practice	Community development occupational framework	Draft Community Development Occupational Framework	Two community development personnel levels, namely Community Development Worker and Community Development Assistant Practitioner, were scoped and profiled. This formed part of the Draft Community Development Occupational Framework	Approve the framework	<ul style="list-style-type: none"> <li>The framework was drafted and forwarded to senior management for inputs</li> </ul>	The delay in the finalisation of the framework was due to a series of consultations with the HWSEPA and DHET
	Norms and standards for community development	Discussion document	–	Facilitate the development of norms and standards for community development	<ul style="list-style-type: none"> <li>A synopsis report serving as draft community development norms and standards was developed</li> </ul>	Delays in the submission of questionnaires informing the norms and standards by the provinces
	Community Development Policy Framework	Draft Community Development Policy Framework	–	Submit framework to MinMEC for approval	<ul style="list-style-type: none"> <li>The framework was presented to MinMEC for approval on 4–5 April 2013 and referred to the Social Policy Unit for further attention</li> </ul>	The framework was still being reviewed by the Social Policy Unit in consultation with broader stakeholders
Strengthening social development service delivery in identified local municipalities	DSD Month report	25 communities in all nine provinces were visited in 2012 and more than 45 000 people participated in the events and community dialogues	–	Implement the DSD Month plan	<ul style="list-style-type: none"> <li>The DSD Month Plan was successfully implemented. This took the form on profiling of households and communities, conducting community dialogues, and developing community-based plans. The Directorate also provided support to Ministerial Imbizos held in October</li> </ul>	No deviation
	Service Delivery Improvement Plan for the 23 priority districts	No baseline	–	Develop Service Delivery Improvement Plan for the 23 priority districts	<ul style="list-style-type: none"> <li>A Template for Service Delivery Improvement Plans for the targeted wards was developed and Service Delivery Improvement Plans were developed</li> </ul>	No deviation

## Community Development

Vibrant, equitable, and sustainable rural communities contributing towards food security for all						
Improved access to diverse and affordable food						
Government outcome	DSD-specific outcome	Performance indicator	Baseline	Actual achievement, 2012/2013	Annual target, 2013/14	Actual outputs, 2013/2014
Strategic objectives	Facilitate and monitor the implementation of food security programmes	Number of households accessing food security programmes	200 000 households accessing nutritious food	555 957 households accessed food through the DSD and FoodBank South Africa food nutrition security programme	Promote equitable access to food by 300 000 households	<ul style="list-style-type: none"><li>122 612 households accessed food through food security programmes</li></ul>
		Number of people accessing food through food banks	327 358 people access food through food banks	–	700 000 people to access food through food banks	<ul style="list-style-type: none"><li>346 632 people accessed food through FoodBank SA</li></ul>
Reasons for deviation from 2013/14 target						
						Realigning the Food and Nutrition Security Programme to the government's approved household food and nutrition strategy took longer than anticipated. This also necessitated amendments to the budget allocations in the adjustment estimates.
						As above
Strategies for overcoming underperformance						
A revised model for the transfer of funds to implement the Food and Nutrition Security Programme been adopted and is being implemented. FoodBank SA has to comply with the prescribed model.						
A revised reporting template on mobilisation programmes will be developed and workshops will be conducted with provinces on how to report on the mobilisation programmes.						
The Draft Community Development framework will be refined and submitted to management for approval in the new financial year.						
The process to develop norms and standards for community development is under way and will be completed in the new financial year.						

## Linking performance with budgets – Programme 5: Social Policy and Integrated Service Delivery

Sub-Programme		2013/14			2012/13		
		Final appropriation R'000	Actual expenditure R'000	Over/under-expenditure R'000	Final appropriation R'000	Actual expenditure R'000	Over/under-expenditure R'000
5.1	Social Policy Research & Development	4 603	4 603	–	4 066	3 740	326
5.2	Special Projects & Innovation	9 326	9 326	–	10 115	9 847	268
5.3	Population Policy Promotion	27 267	27 246	21	25 522	25 410	112
5.4	Registration & Monitoring of Non-Profit Organisations	24 707	24 707	–	23 957	23 946	11
5.5	Substance Abuse Advisory Services & Oversight	4 325	4 325	–	4 074	3 932	142
5.6	Community Development	71 043	58 313	12 730	26 330	26 088	242
5.7	National Development Agency	171 713	171 713	–	166 263	166 263	–
5.8	Programme Management	4 249	4 249	–	1 356	1 075	281
<b>Total</b>		<b>317 233</b>	<b>304 482</b>	<b>12 751</b>	<b>261 683</b>	<b>260 301</b>	<b>1 382</b>

### Transfer payments

#### Transfer payments to public entities

South African Social Services Agency	
Services rendered	To ensure the effective and efficient administration, management and payment of social assistance
Amount transferred	R6 311 048 000
Amount spent	R6 628 357 000
Achievements	<p><b>The social grants re-registration project:</b> The re-registration project helped to root out fraud and corruption in the grants system. The average turnaround time for grant processing was reduced to 21 days. The new payment system ushered in new payment gateways, thereby making it possible for beneficiaries to draw their grants anywhere and at any time. Most beneficiaries now prefer to draw their grants at merchant stores and ATMs.</p> <p><b>Grants administration:</b> SASSA continued to administer and pay out social grants. About 15.8 million people benefited from the social assistance programme. Of these, 11.7 million were beneficiaries of the Child Support Grant (CSG) and Foster Care Grant (FCG), and 2.9 million were recipients of the Old Age Grant. Other grants included 429 War Veterans Grants, 1 120 419 Disability Grants, 120 632 Care Dependency Grants, 512 055 Foster Care Grants and 83 059 Grants-in-Aid.</p> <p><b>Improvement of conditions at local offices:</b> In line with the new local office model, improvements included the upgrading of physical infrastructure and the supply of amenities such as office furniture and/or the upgrading of existing structures.</p>
National Development Agency	
Services rendered	Granting funds to CSOs for development projects in poor communities, and strengthening the institutional capacity of CSOs that provide services to the poor.
Amount transferred	R171 713 000
Amount spent	R220 345 000
Achievements	<p><b>Grants disbursed:</b> An amount of R 62 589 601 was disbursed to 77 projects and programmes. This was more than the allocated amount of R60 million. A total of R22 974 937 was spent on ECD programmes.</p> <p><b>Job creation:</b> ECD programmes: 121 (target 91). Food security projects: 248 (target 121). Income generation projects: 478 (target 348). Number of beneficiaries of NDA-funded projects and programmes: 4 497 (target 2 340).</p>
National Student Financial Aid Scheme	
Services rendered	Implementation of the social work scholarship programme
Amount transferred	R250 000 000
Amount spent	R232 951 000
Achievements	997 new scholarships were awarded for the 2013 academic year, increasing the total to 5 205.

**Transfer payments to organisations other than public entities**

Organisation	Type of organisation	Purpose of funding	Compliance with s38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent (R'000)	Reasons for failure to spend funds
LoveLife Trust	Non-Profit Organisation (NPO) in terms of the Companies Act (No. 61 of 1973)	Advocate social behaviour change as one of the approaches for the prevention of new HIV infections, STIs and teenage pregnancies	Yes	48 100	48 095	Savings
Soul City	NPO	Provide ongoing support to communities which participated in Phase 1 of Kwanda, and establish new sites in all nine provinces	Yes	1 000	2 197	Timing of allocation in 2012/13 and 2013/14. R1.2 million carried over to the 2014/15 financial year
Khanya-AICDD	NPO	Train municipal managers, community development practitioners and community leaders in sustainable development and community development practice	Yes	573	0	Challenges with project scoping. Project plan finalised
FoodBank SA	NPO	Implement the Food Security Programme in the Western Cape	Yes	9 000	6 224	Process for opening the remaining Community Nutrition Development Centres to be finalised in 2014/15
Brian Hermanus Umbrella House	NPO	Implement the Food Security Programme in the Northern Cape	Yes	5 000	0	Awaiting approval of the updated implementation plans
Sinqobile Kingdom Empowerment Centre	NPO	Implement the Food Security Programme in Mpumalanga	Yes	5 000	0	Awaiting approval of the updated implementation plans
SA Vrouefederasie	NPO	Provide services as a national body by developing, supporting and monitoring the implementation of policies, legislation and norms and standards for social welfare services to children	Yes	691	691	
Ondersteuningsraad	NPO		Yes	592	592	
Centre for ECD	NPO		Yes	142	0	Timing of release of funds
ECD Congress	NPO		Yes	185	0	Timing of release of funds
Child Welfare SA	NPO		Yes	1 979	1 979	
Apostolic Faith Mission (AFM)	NPO		Yes	658		
Badisa	NPO		Yes	552		
Afrikaanse Christelike Vroue Federasie (ACVV)	NPO		Yes	1 149	0	Timing of release of funds
Childline SA	NPO		Yes	884	572	Timing of release of funds



**PART B: PERFORMANCE INFORMATION**

Organisation	Type of organisation	Purpose of funding	Compliance with s38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent (R'000)	Reasons for failure to spend funds
National Council for Persons with Physical Disabilities SA (NCPDPSA)	NPO	Provide services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for social welfare services to people with disabilities	Yes	706	353	Final progress report expected from the organisation
Deaf Federation of South Africa (DEAFSA)	NPO		Yes	543	353	Amount expected to increase when final progress report is received and assessed by DSD
Epilepsy SA	NPO		Yes	716	716	
Disabled Children's Action Group (DICAG)	NPO		Yes	578	553	
SA Federation for Mental Health	NPO		Yes	840	185	Timing of release of funds
Family and Marriage Society SA (FAMSA)	NPO	Provides services as a national body by developing, supporting and monitoring the implementation of policies, legislation and programmes to strengthen families	Yes	1 210	1 172	Finalisation rolled over to the 2014/15 financial year
SA Council for Social Service Professions (SACSSP)	Council interms of Social Service Professions Act (No. 110 of 1978)	Provide services that ensure the transformation and standardisation of social welfare services by developing and co-ordinating policies and legislation that promote integration and quality-driven and professional welfare service delivery	Yes	1 628	665	Updated progress report expected from the organisation
SA Older Persons Forum	NPO	Provides services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for social welfare services to elderly people	Yes	358	0	Final progress report expected from the organisation
Age In Action	NPO		Yes	716	0	Final progress report expected from the organisation
Alzheimer's SA	NPO		Yes	716	0	Final progress report expected from the organisation
SA Depression and Anxiety Group (SADAG)	NPO	Provide services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for the prevention and treatment of substance abuse.	Yes	1 443	1 308	
SA Council on Alcoholism and Drug Dependence (SANCA)	NPO		Yes	1 160	798	Activities to be finalised in the 2014/15 financial year
Lifeline SA	NPO	Provide services as a national body by developing, supporting and monitoring the implementation of policies, legislation and programmes to protect, empower and support victims of crime and violence.	Yes	1 100	1 100	Final progress report expected from the organisation
National Peace Accord Trust	NPO		Yes	1 100	0	Timing of the release of funds
National Shelter Movement	NPO		Yes	800		Final progress report expected from the organisation

## Transfer payments budgeted for but not made

Organisation	Purpose	Amount (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
National Association of People Living with HIV and AIDS (NAPWA)	Psycho-social care and support and mobilisation of people living with HIV through support group sessions and community development projects	883	0	Outstanding progress report
SA Older Persons Forum	Expansion of older person's forums to ward level by means of engagements, workshops, lobbying and advocacy	716	358	Outstanding progress report
National Association of Burial Societies of SA	Community development projects	1 050	0	Prior non-compliance
Families organisation	To form a national body providing services for strengthening families	680	0	Updated funding proposal not submitted

## Donor funding

### Donor funding in cash

Donor	Canadian International Development Agency (CIDA)
Amount	R35 000 000 (5 million Canadian dollars)
Period	5 years from June 2008 to May 2013 (extended to March 2015)
Purpose	Child Protection Surveillance
Expected outputs	Pilot study National conference on pilot study
Actual outputs	<p><b>Pilot study</b></p> <p>The pilot study was conducted in July-September 2013. Training for the pilot study was conducted at three selected pilot sites, namely the Alfred Nzo District Municipality and Nelson Mandela Bay Metropolitan Municipality in the Eastern Cape, the City of Tshwane Metropolitan Municipality and Ekurhuleni Metropolitan Municipality in Gauteng, and the Bojanala, Kenneth Kaunda and Ngaka Modiri Molema District Municipalities in North West. A total of 146 social workers and supervisors were trained to use the data collection instrument. Training was conducted over three days, and all participants received 14 continued professional development (CPD) points. A pilot study report documenting lessons learnt was completed.</p> <p><b>National conference on pilot study</b></p> <p>The pilot study yielded a number of observations and lessons relevant to the national study. The lessons learnt were assimilated into a report. Provincial variations in terminology used, case flow management, service area working agreements, etc observed from the pilot study necessitated a more nuanced approach to planning the national study. As a result, nine provincial methodology workshops, one in each province, were held instead of a national conference. Participants included provincial, regional and local child protection co-ordinators; social workers; social work supervisors; service office managers; and area managers.</p> <p>The number of participants per province was as follows: Eastern Cape 80, Free State 35, Gauteng 71, KwaZulu Natal 154, Limpopo 34, Mpumalanga 50, Northern Cape 29, North West 39, Western Cape 42.</p> <p>The objectives of the provincial methodology workshops were to:</p> <ul style="list-style-type: none"> <li>develop a common understanding of the DICANE study and motivate why it is important to collect specific data;</li> <li>verify the list of District Child Protection Officers (DCPOs) operating in the sampled municipalities;</li> <li>identify all the DCPOs operating in the sampled municipalities and ensuring that they are included in the study;</li> <li>correct the necessary information for each participating DCPO for future communication; and</li> <li>identify which DCPOs did not attend the workshops, and determine how they should be included in the study.</li> </ul> <p>The outcome of the provincial methodology workshops were documented in 9 provincial methodology workshop reports and 1 consolidated implementation plan for the national study.</p>
Amount received in current period	R7 500 000
Amount spent by Department in current period	R7 868 000
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	The project is governed by a project steering committee (PSC) comprising representatives of the DSD, NT and CIDA. The PSC convenes twice a year, for semi-annual reporting (November) and annual reporting (May).

**PART B: PERFORMANCE INFORMATION**

Donor	Health and Welfare Sector Education and Training Authority (HWSETA)
Amount	R9 989 550 over a period of 3 years (population studies) R150 000 for January–March 2014 (facilitation studies)
Period	1 March 2013 to 31 December 2015
Purpose	Various training courses
Expected outputs	50 students with BA degrees in demography and population studies in appropriate posts by 2015. 30 social workers trained in facilitation and presentation skills.
Actual outputs	During the 2013/14 financial year, 20 students obtained BA degrees in demography and population studies. Five students completed their second year of study at Walter Sisulu University. Two of the original first year students completed their studies. Eight students completed their first year at North West University. Four students graduated, and were employed in the DSD's Chief Directorate Population and Development. Sixteen social workers received training in facilitation and presentation skills.
Amount received in current period	R415 000
Amount spent by Department in current period	R1 404 000
Reasons for failure to spend funds	Funds are spent as long-term courses are completed. Due to poor attendance of the second training session for social workers in facilitation and presentation skills, a third session was scheduled for 8-11 April 2014.
Donor monitoring mechanism	Progress reports and M&E site visits conducted by HWSETA.

Donor	Criminal Asset Recovery Allocation (CARA)
Amount	R26 000 000
Period	July 2012 to 31 March 2015
Purpose	To fund CSOs which provide services to victims of crime. To provide shelters for victims of crime and vulnerable groups. To build the capacity of CSOs which provide services to victims of crime.
Expected outputs	Improved and accessible victim empowerment services for victims of crime, especially in previously disadvantaged areas.
Actual outputs	Emerging organisations were trained in Gauteng, North West, Limpopo, Free State and Mpumalanga. 49 NPOs funding applications were approved. Contracts were being finalised, and funding prepared for release. Approval was granted for establishing a Khuseleka one-stop centre in the Eastern Cape at a cost of R3 000 000. The procurement process was under way.
Amount received in current period	Nil
Amount spent by Department in current period	R6 108 000
Reasons for failure to spend funds	The Department has prioritised capacity-building in previously underresourced areas by funding emerging CSOs. Some of the identified organisations have challenges with regard to financial, governance and human resource management systems, resulting in delays in the submission of compliance documents and other required information.
Donor monitoring mechanism	Quarterly progress reports submitted to the Department of Justice.

Donor	Global Fund
Amount	R889 841 transferred in June 2012
Period	June 2012 to 31 March 2014
Purpose	Strengthening M&E systems for the NAP for Orphans and Other Children Made Vulnerable by HIV and AIDS

*table continues on the following page*

Donor	Global Fund ( <i>continued</i> )
Expected outputs	<p>Implement an advocacy plan to increase the utilisation of data for programme improvement.</p> <p>Implement a capacity-building plan for strengthening the HIV and AIDS monitoring, reporting and evaluation system.</p> <p>Develop community-based training material for:</p> <ul style="list-style-type: none"> <li>● An integrated HIV and AIDS reporting system</li> <li>● Standard Operation Procedures (SOPs) for data management processes</li> <li>● Data Quality Management (DQM), data analysis and utilisation</li> <li>● Strengthening HIV and AIDS Programme monitoring, reporting and evaluation systems at the provincial, district and local level</li> <li>● Creating an evidence base for HIV and AIDS programmes</li> </ul>
Actual outputs	<p>The DSD developed TOR for the development of material on data quality, data analysis and data utilisation.</p> <p>Training on data quality, data analysis and improving data in decision-making was conducted in North West, Northern Cape, Mpumalanga and KwaZulu-Natal. North West and Northern Cape used the HCBC reporting system.</p> <p>M&amp;E indicator booklets targeting community-based implementing organisations were printed and distributed to all implementing organisations.</p>
Amount received in current period	Nil
Amount spent by Department in current period	R472 000
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Monthly reports submitted to the donor as well as site visits.

### Donor funding in kind

Donor	German Development Bank (KfW)
Amount	9.9 million EUR (OVC1 6,9 million EUR and OVC2 3,0 million EUR)
Period	2013–2016
Purpose	Implementation of a care and support programme for child and youth-headed households in KwaZulu-Natal, Limpopo and North West
Expected outputs	Construction of Community Care Centres (CCCs) and the implementation of a social component.
Actual outputs	<p>Criteria for the assessment of community care centres were developed.</p> <p>48 CCCs in KwaZulu-Natal, Limpopo and North West were assessed.</p> <p>The national Department signed MoUs with provincial departments in Limpopo, KwaZulu-Natal and North West.</p> <p>18 CCCs were selected in the three provinces (six in each province) for the preparation of master plans. Master plans comprising different modules (including a Food Module, Counselling &amp; Administration Module, Skills Development &amp; Training Module and Awareness &amp; Performance Module) were finalised.</p> <p>Issues of land ownership for the CCCs were discussed with Provincial Departments of Social Development, local governments and traditional authorities.</p> <p>A tender evaluation and adjudication committee was established to speed up the project.</p> <p>A project inception report was approved by the DSD and KfW.</p> <p>Adverts for the pre-qualification of tenders for the construction component were placed in different tender bulletins and newspapers on 14 and 16 March 2014. The construction of CCCs was due to start in July 2014.</p>
Amount received in current period	The donor paid 403 968 000 EUR directly to GOPA for consultancy fees up to December 2013.
Amount spent by Department in current period	1 170 000 EUR has been budgeted for consulting services, to be paid directly to the consultants. An amount of 403 968 000 EUR was paid directly to GOPA.
Reasons for failure to spend funds	Funds to be transferred to the DSD in the 2014/15 financial year.
Donor monitoring mechanism	Quarterly reports submitted to the donor.

## PART B: PERFORMANCE INFORMATION

Donor	Japan International Cooperation agency (JICA)
Amount	Not specified
Period	8 December 2012 to 7 December 2015
Purpose	To enhance the DSD's institutional capacity to make strategic plans and decisions for integrating and mainstreaming disability across all DSD policies and service delivery programmes.
Expected outputs	Training: Improve knowledge and skills of DSD officials to effectively mainstream disability. M&E: Enhance the DSD's M&E system in order to enrich its knowledge base on disability and facilitate the full integration of disability into respective policies and programmes Networking: Establish networks for sharing information on disability mainstreaming with Southern African countries, and initiate regional collaboration.
Actual outputs	One national and six provincial disability mainstreaming training sessions were held in Pretoria and in five provinces.  The training was aimed at improving the knowledge and skills of DSD officials, thus enabling the effective implementation of disability mainstreaming; developing and improving integrative and inclusive programmes and services in partnership with provincial and local governments; and improving the integration and representation of people with disabilities.  A total of 349 participants were trained at seven training sessions, one national and the others in the Western Cape, Free State, Northern Cape (Upington), Northern Cape (Kimberley), KwaZulu-Natal and Gauteng.
Amount received in current period	R946 000
Amount spent by Department in current period	R946 000
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	A JICA expert has been placed in the DSD's national office to help officials implement and monitor the programme.

Donor	Japan International Cooperation agency (JICA)
Amount	R1 630 349
Period	2012–November 2013
Purpose	Implementation of interventions to strengthen the data quality of HCBC M&E in North West and the Northern Cape
Expected outputs	Improvement in the quality of data captured for the HCBC M&E system by strengthening the M&E of HCBC organisations in North West and the Northern Cape
Actual outputs	Data quality training conducted in North West and Northern Cape, targeting DSD-funded HCBC organisations (47 in the Northern Cape and 48 in North West). Certification ceremonies for learners were held in both provinces. An end-line study was conducted to assess whether the training had impacted on the quality of data submitted by the relevant organisations. The draft end-line study is available.
Amount received in current period	Nil
Amount spent by Department in current period	The donor paid R1 630 000 directly to the service providers
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Progress reports and meetings between the DSD and JICA

Donor	United States Agency for International Development (USAID)
Amount	R290 928.16
Period	6 March 2013–22 July 2013
Purpose	To empirically verify the effectiveness of the safety and risk assessment tool and training material in the SA child protection context in a diverse geographical area (urban, peri-urban and rural)
Expected outputs	Tools tested in Mpumalanga, empirical study of tools, officials trained to use the tools

*table continues on the following page*

**PROGRAMME 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY**

Donor	United States Agency for International Development (USAID) <i>(continued)</i>
Actual outputs	A research report was completed and the Safety and Risk Assessment Tool was adjusted accordingly.
Amount received in current period	Nil
Amount spent by Department in current period (R'000)	Nil. The donor paid R116 000 directly to the service providers
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Project management meetings

Donor	United States Agency for International Development (USAID)
Amount	R1 005 837.33
Period	21 October 2013–10 February 2014
Purpose	Roll out of the Safety and Risk Assessment tool to social workers.
Expected outputs	<p>Four (4) day training workshop on the Safety and Risk Assessment tools and training material to 42 Social Workers/ supervisors representing DSD.</p> <p>Present a two (2) day refresher workshop on the Safety and Risk Assessment tools and training materials to approximately 50 Social workers and supervisors.</p> <p>Present two (2) workshops of four days each on the Safety and Risk Assessment tools and training materials</p> <p>155 child protection social workers trained from government and NGOs.</p>
Actual outputs	137 Child protection social workers trained
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R792 000 directly to the service provider
Reasons for failure to spend funds	Unavailability of some provincial officials
Donor monitoring mechanism	Project planning meetings

Donor	United States Agency for International Development (USAID)
Amount	US\$ 4 920 684
Period	1 June 2012 to June 2015
Purpose	To promote the maintenance and sustainability of the Children's Services Directory
Expected outputs	<p>The objectives of the project are to:</p> <ul style="list-style-type: none"> <li>● Provide support services to the DSD in respect of the Children's Services Directory</li> <li>● Promote the maintenance and sustainability of the project</li> <li>● Provide technical assistance and recommendations to the DSD aimed at maintaining, updating and ensuring the full functionality of the project</li> </ul> <p>Key results of the project:</p> <ul style="list-style-type: none"> <li>● Increased competencies of DSD staff to perform roles and responsibilities related to the Children Services Directory</li> <li>● Increased capacity of the electronic Children's Services Directory system</li> <li>● Improved prognosis for the sustainability of the Children's Services Directory</li> </ul>
Actual outputs	<ul style="list-style-type: none"> <li>● Assessment of material developed for the Children's Services Directory</li> <li>● Needs assessment in collaboration with DSD officials</li> <li>● 15 DSD officials oriented and trained on the CSD system</li> <li>● Indicators for functionality assessed and developed</li> <li>● Communication and visibility plan developed</li> <li>● Orientation programme and user manual developed</li> <li>● Modules for the CSD web portal system developed</li> <li>● CSD verification process established in all provinces</li> <li>● Project steering committee established</li> <li>● Web-based and SMS versions in development in collaboration with IT section</li> <li>● Monthly and quarterly reports as per the contracts submitted to both USAID and the DS.</li> <li>● Draft sustainability plan in place</li> </ul>

*table continues on the following page*



## PART B: PERFORMANCE INFORMATION

Donor	United States Agency for International Development (USAID) <i>(continued)</i>
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid \$2 260 097 directly to the service provider between June 2012 and April 2014
Reasons for failure to spend funds	The project will be completed in 2015
Donor monitoring mechanism	Quarterly reports

Donor	United States Agency for International Development (USAID)
Amount	\$9 999 315 – 1st allocation \$4 900 000 – 2nd allocation
Period	2009–2013 (1st allocation); September 2013–June 2016 (2nd allocation)
Purpose	To enhance the capacity of community caregivers to meet the challenges they face in protecting, caring for and supporting orphans made vulnerable by HIV and AIDS as part of the Thogomelo Programme.  To strengthen effective and efficient child protection responses by increasing the capacity and engagement of civil society and state OVC providers.  To develop a provincial implementation, capacity development and sustainability plan.
Expected outputs	Training community caregivers on psycho-social wellbeing, and developing curriculae and training programmes for social workers.
Actual outputs	The 1st allocation was used to develop accredited training material and train community caregivers in the provinces.  The 2nd allocation will be used to train community caregivers and scale up the training of service providers, thus increasing the number of accredited training service providers.
Amount received in current period	Nil
Amount spent by Department in current period	R5 126 890.93 in April to September 2013 (the remainder of the 1st allocation). \$210 67 000 / R2 101 670 from October to December 2013 (2nd allocation – extension). These funds were transferred directly to the service provider.
Reasons for failure to spend funds	Project cycle ends in June 2016
Donor monitoring mechanism	Quarterly reports submitted to the donor and the Department.

Donor	United States Agency for International Development (USAID)
Amount	R2 763 685.39
Period	16 November 2012 to 15 August 2013
Purpose	Assess the impact of the DSD's HCBC programme
Expected outputs	Evaluate the effectiveness of the HCBC programme in responding to the needs of the target group. Assess the relevance and sustainability of the HCBC programme, given the changing landscape of the HIV and AIDS epidemic. Conduct a mapping exercise to establish the coverage of the HCBC programme in terms of the location of HCBC organisations in relation to the demand or need for HCBC services.
Actual outputs	The DSD appointed the Community Agency for Social Enquiry (CASE) to undertake the study. CASE embarked on a national data collection process, conducted interviews with relevant stakeholders, and produced several reports on the various phases of the process. A final national report is available.
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R2 764 000 directly to the service provider. Of this, R2 070 000 was paid in the 2013/14 financial year.
Reasons for failure to spend funds	All the project funding was disbursed, and the project was completed.
Donor monitoring mechanism	The DSD submitted monthly progress reports to the donor.

**PROGRAMME 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY**

Donor	United States Agency for International Development (USAID)
Amount	R381 330
Period	August–December 2013
Purpose	Hosting and maintenance of CBIMS
Expected outputs	Payment of monthly hosting fees for CBIMS outside the Department during the testing phase
Actual outputs	Monthly hosting fees paid
Amount received in current period	Nil
Amount spent by Department in current period	The donor paid R381 000 directly to the service provider.
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Invoices for hosting fees

Donor	United States Agency For International Development (USAID)
Amount	R853 413.82
Period	29 April 2013–31 December 2013
Purpose	To review the technical quality of the NAP (current and the previous) with regard to its alignment to the NSP as well as its relevance, comprehensiveness and measurability.  To review the functionality and effectiveness of the NACCA as a co-ordinating structure that facilitates the implementation of the NAP in terms of progress and achievements accomplished by NACCA and non-NACCA members in implementing the strategies, objectives and activities as articulated in the NAP (2009–2012), and identify key gaps, challenges and weaknesses revealed in the implementation process
Expected outputs	Review report with recommendations that will enhance the quality of the third phase of the NAP and suggest solutions to the identified implementation challenges and weaknesses.
Actual outputs	Review report
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R853 413.82 directly to the service provider.
Reasons for failure to spend funds	All funds were disbursed and the project was completed.
Donor monitoring mechanism	Progress reports to donor.

Donor	UNICEF
Amount	R849 547.50
Period	2013/14 financial year
Purpose	Development of an ECD policy
Expected outputs	Inception report, including detailed understanding of the assignment, methods and time frames Provincial consultations and consultants with experts National consultation on the proposed ECD policy Reports on and presentations to the provincial consultations, consultations with experts and national consultation Draft ECD policy and costed implementation plan
Actual outputs	Inception report, including detailed understanding of the assignment, methods and time frames Facilitation of provincial consultations and consultants with experts Facilitation of national consultation on the proposed ECD policy Reports on and presentations to the provincial consultations, consultations with experts, and the national consultation provided to the donor and the DSD. Draft ECD policy and costing of the implementation plan provided to the donor and the DSD
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R595 000 directly to the service provider.
Reasons for failure to spend funds	Not applicable
Donor monitoring mechanism	Work plan with time lines in the inception report

## PART B: PERFORMANCE INFORMATION

Donor	UNICEF
Amount	R1 295 886.24
Period	12 June 2013 to 30 April 2014
Purpose	Develop a National Comprehensive ECD Programme
Expected outputs	Inception report including a detailed understanding of the assignment, methods and time frames Draft ECD comprehensive programme Facilitate national and provincial consultations on the proposed ECD programme Reports on and presentations to all the consultative processes Final comprehensive ECD programme Costed three-year implementation plan
Actual outputs	Inception report including a detailed understanding of the assignment, methods and timeframes provided Compiled a draft ECD comprehensive programme with essential programme Facilitated national and provincial consultations on the proposed ECD programme Draft comprehensive ECD programme Draft costed three-year implementation plan
Amount received in current period	Nil
Amount spent by Department in current period	Nil. UNICEF paid R907 000 directly to the service provider
Reasons for failure to spend funds	All funds were disbursed and the project was completed.
Donor monitoring mechanism	Work plan with time lines in the inception report

Donor	UNICEF
Amount	R1 097 320.97
Period	1 April 2013–31 March 2014
Purpose	To provide technical assistance for the development and implementation of the Programme of Action on Violence Against Women and Children
Expected outputs	PoA on Violence Against Women and Children
Actual outputs	Guidelines for a social and behaviour change framework aimed at preventing violence against women and children
Amount received in current period	Nil.
Amount spent b Department in current period	Nil. UNICEF paid R228 000 directly to the suppliers.
Reasons for failure to spend funds	Approve project proposals for a root cause analysis of violence against women and children and a diagnostic review of services/programmes for combating violence against women and children
Donor monitoring mechanism	None

Donor	UNICEF
Amount	R77 666.30
Period	3--5 November 2013
Purpose	Provision of technical support to plan for the transformation of CYCCs and regularisation of temporary safe care based on audits and tools completed in 2012
Expected outputs	Two-day workshop on the audit report of unregistered Child and Youth Care Centres, attended by 30 child protection social workers from government and NGOs
Actual outputs	Report on the transformation of Child and Youth Care Centres
Amount received in current period	Nil
Amount spent by Department in current period	Nil. UNICEF paid R78 000 directly to the service provider
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Submission of transformation report on CYCCs

**PROGRAMME 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY**

Donor	UNICEF
Amount	R610 000.00
Period	13 January to 12 December 2014
Purpose	Individual consultancy assignment: To provide the office of the Deputy Director General: Welfare Services in the DSD with administrative and management capacity for the development and finalisation of an ECD policy and Comprehensive ECD programme.
Expected outputs	Provide monthly reports on progress and the process, articulating challenges and solutions Provide a final report on the overall process and lessons learnt
Actual outputs	Work with the HSRC on planning and staging a national workshop on 4--5 March 2014 Assist the HSRC to obtain information on the M&E frameworks of sister organisations Liaise with the DDGs of key departments, the ECD units in the provincial departments of Social Development, and other role players on various aspects of policy and programme development such as reviewing the reports and documents prepared by the HSRC Co-ordinate all communication and correspondence relating to policy and programme development with the relevant partners and stakeholders Co-ordinate all meetings relating to policy and programme development
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R111 000 directly to the contracted consultant
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Monthly reports and weekly planning meetings with the donor and the DSD.

Donor	UNICEF
Amount	R3 388
Period	9 October 2013
Purpose	Support for meeting on ECD
Expected outputs	Support for meeting with deputy directors-general of key departments on ECD
Actual outputs	Support for meeting with deputy directors-general of key departments on ECD
Amount received in current period	Nil.
Amount spent by the Department in current period	Nil. The donor paid R3 000 directly to the service provider.
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Invoice from supplier

Donor	UNICEF
Amount	R34 669.58
Period	20 March 2014
Purpose	Costs for venue for 80 persons
Expected outputs	Finalise workshop
Actual outputs	Workshop for 80 persons held at the Premier Hotel on 20 March 2014
Amount received in current period	Nil
Amount spent by Department in current period	Nil. The donor paid R35 000 directly to the service provider
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Invoice from supplier

## PART B: PERFORMANCE INFORMATION

Donor	UNICEF
Amount	R165 240
Period	3 March 2014
Purpose	Support for meeting and workshop
Expected outputs	Venue secured for a two-day workshop and steering committee meeting.
Actual outputs	Two-day workshop for 120 persons held at Birchwood Conference Centre on 4--5 March 2014 Steering committee meeting for 46 persons held on 3 March 2014
Amount received in current period	Nil.
Amount spent by the Department in current period	Nil. The donor paid R165 000 directly to the service provider
Reasons for the funds unspent	N/A
Monitoring mechanism	Invoice from supplier

Donor	United States Agency for International Development (USAID)
Amount	R1 667 329.07
Period	April to June 2013
Purpose	Conduct Children's Dialogues in preparation for the 2013 OVCY conference
Expected outputs	Strengthen and improve the knowledge, skills and competence of Community Capacity Enhancement (CCE) facilitators and change agents, particularly trained CYC workers. Conduct children's dialogues that are child-friendly and sensitive. Facilitate the development and completion of community-based plans that are children-driven and owned, and prioritise the needs and challenges of OVCY. Facilitate the implementation of community-based plans and the development of practical community, HIV & AIDS and OVC referral systems.
Actual outputs	Facilitators were trained. 27 dialogues were conducted in all provinces. Community-based reports were developed. Children were assisted to present provincial reports to the OVCY Conference. Consolidated dialogues report were compiled.
Amount received in current period	R Nil
Amount spent by Department in current period	Nil. The donor paid R1 667 000 directly to the service provider.
Reasons for failure to spend funds	All funds were disbursed and the project was completed.
Donor monitoring mechanism	Progress reports

Donor	United States Agency for International Development (USAID)
Amount	R552 415.46
Period	April to July 2013
Purpose	Planning for the 2013 OVCY conference
Expected outputs	Provide technical assistance for the planning and co-ordination of the OVCY conference Assistance in completing and distributing the final conference report Organise post-conference reflective meeting

*table continues on the following page*

Donor	United States Agency for International Development (USAID) <i>(continued)</i>
Actual outputs	Technical assistance provided before and during the conference Inputs were made into the final conference report A post-conference reflective meeting was convened.
Amount received in current period	Nil.
Amount spent by the Department in the current period	Nil. The donor paid R552 000 directly to the service provider.
Reasons for the funds unspent	All funds were disbursed and the project was completed.
Donor monitoring mechanism	Reports

Donor	United States Agency for International Development (USAID)
Amount	R91 427.28
Period	August to October 2013
Purpose	Technical support for the development of an action plan emanating from the 2013 OVCY conference
Expected outputs	Development of an OVCY Programme of Action
Actual outputs	Finalised Programme of Action
Amount received in current period	Nil.
Amount spent in current period	Nil. The donor paid R91 427.28 directly to the service provider.
Reasons for failure to spend funds	All funds were disbursed and the project was completed.
Donor monitoring mechanism	Reports

Donor	United States Agency for International Development (USAID)
Amount	Not yet clarified with donor
Period	April 2013 to March 2014
Purpose	Placement of two contract workers within the DSD to provide to provide technical support for the M&E system
Expected outputs	IT technical manager and help line manager to provide technical support during the enhancement, testing and training phases
Actual outputs	Technical support provided Training conducted in the provinces Provinces assisted with problems emanating from the system
Amount received in current period	Nil
Amount spent by Department in current period	R2 708
Reasons for failure to spend funds	N/A
Donor monitoring mechanism	Reports



## Capital investments

### Capital investment, maintenance and asset management plan

#### Capital investment

The Department's movable capital assets consist mainly of:

- Office furniture and equipment;
- Vehicles;
- IT infrastructure and equipment;
- Kitchen equipment; and
- Intangible assets.

The Department does not own any immovable capital assets. At the beginning of the financial year it owned movable assets worth R70 622 000 and intangible capital assets worth R9 734 000. During the financial year the Department acquired 573 tangible assets worth R5 700 000, and three intangible assets worth R1 491 000. Furniture and IT equipment to the value of R744 000 were disposed of during the financial year. Redundant furniture were disposed of free of charge to government schools in need of furniture, while obsolete computer/printers were disposed of as E-Waste in order to comply with environmental requirements. Sixteen assets worth R196 259.33 were lost, and are being investigated.

#### Asset management

The Department's asset register complies with the minimum information required in terms of the Asset Management

Guidelines issued by the NT. During the period under review the Department conducted two stock-takes of all assets as required by the Departmental Asset Management Policy. All newly acquired assets are reconciled on a monthly basis against the accounting records. The Asset Management Committee ensures that requests for assets comply with Departmental policies, norms and standards before any asset is approved for procurement. Due to changing technology, the Department standardised its desktop computers and notebooks on Windows 7 and Microsoft Office 2010.

Due to limitations of the current asset management system, the Department began to migrate its assets from the Fast Track Asset Management System to the LOGIS system supported by the NT. The full migration will be completed in the 2014/2015 financial year.

#### Maintenance

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

#### Asset Management Plan

An asset management plan was developed. All newly acquired assets were reconciled with the General Ledger on a monthly basis. An Asset Management Committee was appointed, and began to oversee the procurement of assets in line with the Department's asset management policy.





# PART C

## Governance

## **Risk Management**

The DSD regards risk management as an integral part of responsible management, and has therefore adopted a comprehensive enterprise approach to the management of risks. It defines risk as an unwanted outcome, actual or potential, of an institution's service delivery and other performance objectives, caused by the presence of risk factor(s). Some risk factor(s) also present upside potential, which management must be aware of and must be prepared to exploit. The definition of risk adopted by the Department also encompasses these kinds of opportunities.

The DSD subscribes to the fundamental principles that, through the risk management process, the following outcomes need to underpin and enhance performance:

- more sustainable and more reliable delivery of services;
- the achievements of targets;
- informed decisions underpinned by appropriate rigour and analysis;
  - innovation;
  - reduced waste;
  - The prevention of fraud and corruption;
  - better value for money through the more efficient and more effective use of resources; and
  - better outputs and outcomes through improved project and programme management.

Given this, the DSD has adopted an entity-wide approach to risk management, which implies that every major risk in each section of the Department is included in a structured and systematic process of risk management. The DSD also recognises the importance of compliance risks in respect of all relevant legislation and policies focused on supporting its objective.

An Enterprise Risk Management (ERM) Framework and Risk Management Strategy and Policy has been reviewed and approved. A legislative universe/compliance framework has been developed and is continuously monitored to ensure compliance with relevant legislation, policies and regulations. Significant attention is paid to information and technology, financial, and occupational health and safety risks. In view of this, the risk management processes is due to be embedded in all DSD systems and processes, thus ensuring that the responses to risk remain current and dynamic.

In the year under review, the Department maintained an effective, efficient and transparent system consistent with the requirements of the PFMA and the Public Sector Risk Management Maturity Model issued by the NT. An annual DSD risk assessment process was undertaken, and all business units in the Department were subjected to this process based on an assessment of strategic and operational objectives. This culminated in a business unit risk plan which was analysed and consolidated into an annual DSD risk assessment report. Progress in respect of risk management was monitored by the Risk Management unit, which is located in the Strategy and Organisational Transformation branch, and reported regularly to management and the audit committee.

## **Fraud and corruption**

An Anti-Corruption and Fraud Prevention Policy was adopted. Its objectives are to:

- instil a culture of zero tolerance of corruption and fraud in the Department;
- reinforce existing regulations aimed at preventing and detecting corruption and fraud;
- create awareness among all employees, service providers and suppliers in order to get their buy-in into the fight against corruption and fraud;
- take appropriate action against perpetrators; and
- improve or implement the necessary controls over fraud risk areas.

Annexure A of the policy explains the Department's Anti-Corruption and Fraud Prevention (ACFP) Plan. Annexure B explains the DSD's Anti-Corruption and Fraud Response Plan, and sets out how the Department and its employees should respond to all incidents or suspected incidents of corruption and fraud. Annexure C sets out how staff members should raise concerns with appropriate line managers or specific appointed persons in the Department when they have reasonable grounds for believing that fraud and/or corruption have occurred.

A corruption suggestion box was installed, allowing members of staff to anonymously report incidents of fraud and corruption. A series of six anti-corruption and fraud awareness booklets were distributed to personnel.

## **Conflicts of interest**

All senior managers from director level upwards were required to disclose their financial status. Members of the Bid Evaluation and Bid Adjudication Committees as well as Evaluation Panel members declared their interest by signing a Declaration of Interest Register at every meeting. Members who declare any interest in any of the committee meetings were requested by the chairperson to recuse themselves from the proceedings. All suppliers and service providers were required to sign the government's Standard Bidding Document (SBD4) (Declaration of Interest) form.

## **Code of Conduct**

The Department continued to take disciplinary steps against officials in breach of the DSD Code of Conduct, which guides officials on how to conduct themselves in the workplace.

## **Health, Safety and the Environment**

The Department has a health and safety committee which meets as often as necessary, but at least once every three months. Some meetings had to be cancelled due to the absence of occupational health and safety representatives. The meeting schedule for the new financial year was communicated to all OH&S representatives. The Directorate: Security Management also finalised key performance areas for

Occupational Health and Safety representatives for inclusion in their work plans.

Due to short notice, the DSD did not take part in the first evacuation exercise. The second exercise in conjunction with Tshwane Disaster Management was cancelled because the

assembly point was not available due to road works. The period of service of occupational health and safety representatives expired in January 2013, and new appointments were due to be made after staff had been trained.

## Portfolio Committee

Dates of meetings	Matters raised by the Portfolio Committee	How the Department addressed these matters
14 May 2013	Implementation of Adoption Policy, including the nature of adoptions, the processes involved, and measures to ensure successful adoptions.	The Department explained the adoption process, how it works, its benefits, the different types of adoptions (closed and open adoptions) and how the process is monitored. Measures adopted to improve the quality of services to adopted children included regular M&E to ensure adherence to the Children's Act and other relevant laws as well as on-site visits to accredited child protection organisations.
11 June 2013	The status, monitoring and evaluation of ECD services	The Department shared information on the review of the National Action Plan (NAP) on ECD as well as a diagnostic report on the status of ECD services, produced by the Department of Performance Monitoring and Evaluation (DPME). Way forward: finalising plans and implementation protocols between the different departments and state entities, securing funding, and building capacity for implementation.
13 August 2013	Challenges faced during implementation of the Children's Act as well as proposed amendments to the legislation	The Department explained various initiatives for implementing the Children Act. Proposed amendments to the Act would be subjected to extensive consultations.
17 September 2013	The impact of HIV and AIDS on the breakdown of families, and how the Department aimed to ensure implementation of the White Paper on Families, given the heavy workload of social workers.  Departmental performance in the 3 <sup>rd</sup> and 4 <sup>th</sup> quarters of 2012/13	The Department noted that the issue of HIV and AIDS was addressed by different institutions. The White Paper raised the issue of the burden of the disease and its impact on families. Moreover, it was not only implemented by social workers. Other professionals as well as CDPs, lay counsellors and others would be utilised to ensure implementation.  The Department presented its 3 <sup>rd</sup> and 4 <sup>th</sup> quarter performance reports to the committee.
09 October 2013	DSD Annual Report 2012/13; clarity about the Department's performance during the 2012/2013 financial year.	The Department responded to all the questions and issues raised by committee members.
18 February 2014	DSD quarterly financial and performance report; funding for and compliance with legislation by NPOs; the recruitment and training of social workers	The Department explained how NPOs providing welfare services were funded and that the NPO compliance rate with legislation had improved due to awareness-raising initiatives of the Department. The Department had invited retired social workers to return to state employment in order to address the shortage of social workers.
11 March 2014	The provision and monitoring of services to Older Persons by the Department and other stakeholders	The Department explained that Desks for Older Persons had been established in KwaZulu-Natal, Limpopo, North West, Mpumalanga, the Western Cape and Gauteng

This account excludes briefings by SASSA and the NDA.

## Standing Committee on Public Accounts (SCOPA)

During the reporting period, the Department did not appear before this committee.

## Prior modifications to audit reports

The Department received a clean audit for the previous financial year. Other issues are listed below.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which the matter first arose	Progress made in clearing / resolving the matter
AoPO – APP 2012/13 – incomplete targets programme 2	2011/2012	The targets were corrected.
AoPO – APP 2012/13 – Technical indicator description	2012/2013	Descriptions of the technical indicators were improved.
AoPO – APP 2012/13 – Applicability of 2012/13 targets	2012/2013	Targets were reviewed and changed where applicable
AoPO – Performance targets not supported by adequate and reliable evidence	2012/2013	Managers were constantly reminded to submit evidence; Internal Audit helped to validate the information.
Procurement – No declaration of interest and no approval of remunerative work outside the department	2011/2012	The outcome and plan of action was still being awaited.
Procurement – No documentary evidence of supplier's declaration of interest (SBD4)	2012/2013	SCM communicated the importance of the SBD forms to end users, who were asked to ensure compliance. Suppliers were also informed of the importance of SBDs.
Procurement – bids advertised for less than 21 days	2012/2013	SCM to ensure that compliance is enforced at all times.
G&S – payments not made within 30 days	2009/2010	Invoices were still being managed by end users. Weekly reports to senior managers were introduced. The Department submitted monthly reports to the NT on progress made.
G&S – three quotations not attached	2012/2013	Possible irregularities were identified and submitted to the Internal Control Directorate for investigation.
Consultants – award made without inviting competitive bids	2012/2013	Possible irregularities were identified and submitted to the Internal Control Directorate for investigation.
Compensation – Payroll compliance	2009/2010	The controls put in place were neither adequate nor effective.
Compensation – Performance agreement not signed	2009/2010	Disciplinary steps in line with DPSA directives were taken against SMS members who failed to conclude performance agreements.
Closing of funds	2007/2008	Legal Services assisted with amendments of the Social Assistance Act and distributed the draft for comments and input.
Non-compliance with PFMA 38(1)(j)	2011/2012	An agreement was entered into with the entity in respect of compliance with the PFMA s38(1)(j)
Unauthorised expenditure not adequately resolved	2009/2010	The NT was due to address this issue with the Standing Committee on Public Accounts (SCOPA)
Note 44 – Disagreement – intangible assets	2012/2013	Reconciliations to clear the balances not performed
Security management controls	2011/2012	The implementation of password policy depended on the active directory system policy which was being amended. The new password policy was due to be implemented by 31 March 2014
User access management	2011/2012	The supervisor reviewed the management of user accounts. Users were removed in consultation with HR and IT.
IT service continuity	2011/2012	The D-G approved the Disaster Recovery Plan(DRP) in December 2013, following which it was phased in.



## Internal Control

The Internal Control Directorate is tasked with ensuring that effective, efficient and transparent internal control systems are maintained within the Department in conformity with the requirements of the PFMA and Treasury Regulations. Its focus areas are to:

- Facilitate the implementation of appropriate systems and processes to ensure effective, efficient, economical and transparent use of the Department's resources;
- Facilitate the review and development of departmental financial policies and guidelines;
- Design and facilitate the implementation of internal controls for managing, safeguarding and maintaining all Departmental assets and liabilities;
- Co-ordinate effective responses to internal and external audit queries, including the monitoring by management of the Audit Action Plan;
- Monitor the implementation of and compliance with financial legislative requirements, including the PFMA, NT regulations and related prescripts;
- Facilitate effective and appropriate steps to prevent unauthorised, irregular, fruitless and wasteful expenditure, and recommend action against any official who makes or permits such expenditure;
- Monitor staff on internal control, financial risk management and financial policy processes and procedures; and
- Effectively manage the Department's lost assets and document management processes.

The unit identified all vital processes and conducted reviews based on the Audit Action Plan, financial misconduct cases, and plans for the safeguarding of financial documents. It checked compliance with financial prescripts on payment batches, and ensured the safekeeping of such documents. Findings of non-compliance were reported to the relevant managers for corrective action. Some irregularities were reported to the Loss Control Committee.

Audits by the Auditor-General South Africa were effectively co-ordinated, which helped to ensure that the Department received a clean audit. An Audit Action Plan was developed to address some of the audit findings, and its activities were monitored.

The dashboard report was assessed in order to ascertain whether it embodied the internal controls needed to prevent, detect and correct misstatements, control deviations and other instances of non-compliance in a timely way. The assessment revealed that effective controls are in place. Care needs to be taken to adapt them to changed conditions.

## Internal Audit and Audit Committee

The Audit Committee plays an important role in ensuring that the Department effectively maintains good governance, accounting and audit standards. It also monitors the adoption of appropriate risk management arrangements.

Key activities and objectives of the internal audit process are to provide independent, objective assurance and consulting services aimed at adding value to and improving the Department's operations. It helps the Department to accomplish its objectives by introducing a systematic, disciplined approach to evaluation, thus improving the effectiveness of risk management, control and governance processes.

The Directorate conducted financial, compliance and performance information audits in accordance with the International Standards for the Professional Practice of Internal Auditing, as well as the Department's Internal Audit Charter. Internal Audit planned to conduct 20 risk-based audit projects as per the Internal Audit Coverage Plan. A total of 24 internal audits were carried out, and the audit reports were discussed with management and the Audit Committee.

Key activities and objectives of the Audit Committee are to provide oversight on financial reporting, risk management, internal controls, compliance, ethics, management, and internal and external auditors. In the process, it reviews the Department's internal audit plans and activities, and management plans and processes for risk management, control and governance.





## Report of the Audit Committee for the year ended 31 March 2014

We are pleased to present our report for the financial year ended 31 March 2014.

### Attendance of Audit Committee meetings

The Audit Committee consists of the members listed in the table below. As per its approved terms of reference, the Audit Committee should meet at least quarterly.

New audit committee members were appointed in August 2013 to replace the outgoing committee.

Name	Qualifications	Internal or external member	If internal, position in the Department	Date appointed	Date resigned	Meetings attended
Dr D P van der Nest	B Com; Hons B Com; M Com; D Tech: Internal Audit	External member	N/A	April 2010	April 2013	4
Mr B Potgieter	B Com, MBA	External member	N/A	April 2010	April 2013	2
Ms S Hari	Bachelor of Accounting Science; Hons BCompt; Public Sector Governance	External member	N/A	April 2010	April 2013	2
Mr J E van Heerden (contract extended)	National Diploma in State Accounts and Finance	External member	N/A	April 2010	N/A	6
Adv M B Madumise (new chairperson)	B Proc, LLB, MBA, Graduate Diploma in International Trade Law	External member	N/A	October 2013	N/A	2
Ms B Mnganga (new member)	B Comm; Hons BCompt; Certificate in Theory of Accounting; Certificate in Theory and Practice of Accounting	External member	N/A	October 2013	N/A	1
Ms D B Moloto (new member)	Masters in Business Leadership; BA Hons; M Dipl in HRM; BA SW	External member	N/A	October 2013	N/A	2

### 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, regulated its affairs in compliance with this charter, and discharged the responsibilities as contained therein.

### The effectiveness of internal controls

The system of internal control was effective in the year under review. Although a few instances of non-compliance were reported by internal and external auditors, there has been a marked improvement in the controls over grant funding. The Department was asked to complete and submit an

improvement plan to address the remaining shortcomings. Progress against the plan will be monitored by the committee.

### Quality of the management and quarterly reports submitted in terms of the Public Finance Management Act and Division of Revenue Act

The Audit Committee is satisfied with the content and quality of the quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review, except for the matters reported in the report of the Auditor-General South Africa. The system of control over the generation, verification and reporting of performance information was good, and no material findings were reported by the Auditor-General South Africa.

### 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 South Africa and the Acting Chief Financial Officer; and reviewed the Management Report of the Auditor-General South Africa and management's response thereto.

The Audit Committee concurs and accepts the conclusions of the Auditor-General South Africa 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 South Africa.

### 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 information technology audits.

### Auditor-General of 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, the Chief Financial Officer and Management on the unqualified audit opinion on the financial statements and the performance information of the Department. We wish to thank the CEO and management of SASSA for their efforts in improving controls over grants administration and assisting the Department to obtain an unqualified audit opinion. Lastly, we wish to thank the Auditor-General South Africa for his value-adding contribution and interactions with the Department.



**Adv M B Madumise**

*Chairperson, DSD Audit Committee*

Date: 31 July 2014





# PART D

## Human Resources Management

## 1. Legislation governing HR management

The South African Constitution requires the public service to be governed in terms of democratic values and principles, including good human resource management and career development practices aimed at maximising human potential. As a result, human capital management in the public service is governed by a myriad of laws, regulations, bargaining council resolutions and directives, including:

- The Public Service Act;
- Public Service Regulations;
- The Labour Relations Act;
- The Skills Development Act;
- The Skills Development and Levies Act;
- The Basic Conditions of Employment Act;
- The Promotion of Administrative Justice Act;
- The Promotion of Access to Information Act;
- Public Service Co-ordinating Bargaining Council (PSCBC) resolutions; and
- Public Health And Social Development Sector Bargaining Council (PHSDSBC) resolutions.

Given that human resource management is governed by such a complex regulatory framework, it is largely compliance-driven. However, in recent years HR has shifted away from being purely compliance- and administration-driven towards becoming a strategic business partner in terms of understanding the Department's core business and advising it on HR in order to help ensure that its mandate is met.

## 2. Overview of human capital matters in the Department

### 2.1 The value of human capital

The HR function is well established in the Department through the Chief Directorate: Human Capital Management. It encompasses four directorates, focusing on:

- Human Resource Development (including performance management);
- Labour Relations;
- Organisational Design and HR planning; and
- Human Resource Management (HR Administration, Recruitment and Employee Health and Wellness)

The Chief Directorate has a complement of about 50 officials responsible for all aspects of HR. Policies are in place. Delegations as well as HR processes and systems are well established. Human capital is the heartbeat of any organisation, and HR practices must ensure that human capital is optimally utilised and developed and the morale of officials is uplifted through a conducive environment. Given this, the Department ensures that all its HR policies are regularly reviewed to remove any barriers to human development and keep up with the needs of employees. The Department has developed retention measures through the Occupational-Specific Dispensation

for Social Service Professions and Related Occupations, and participates in a task team responsible for retaining social workers in the sector. It has undertaken a survey to establish a corporate internal climate and is developing interventions to address issues emanating from the survey.

In appreciation of the value of employees, an ambitious target of a vacancy rate of 5%, addressing all grievances within three months, and having a fully operational performance management and development system are some of the norms and standards that the Department endeavours to uphold. Further noting that key to the value of human capital is the continuous learning and development of employees, the Department establishes, on an annual basis, development areas for employees, informing a skills development plan that embraces the principle of life-long learning.

### 2.2 HR priorities for the year under review and the impact of those priorities

Five HR priorities for the year under review were identified, and are dealt with below.

#### Fill posts within three months

In order to ensure that the Department delivers on its mandate and objectives, it set an ambitious target of a 5% vacancy rate. Under normal circumstances, this target would have been met; however, due to a review and realignment of the Departmental structure, additional posts were created which made this impossible. The Department further converted about 30 contract posts to permanent posts which had to be advertised and filled. Moreover, the turnover rate, particularly at the SMS level, increased at around October. Filling these posts within the required time frame is not always easy since some appointments depend on Cabinet concurrence and the availability of ministers to serve on panels. This priority has a major impact on the Department as it ensures that proper leadership is provided and services are delivered. The impact of not meeting the target of reducing the vacancy rate was mitigated by closely managing acting appointments. It must be noted that high-level vacancies create a significant vacuum.

#### Develop and implement a Sector Human Resource Plan for 2013/2014–2019/2020

The development of a human capital strategy and plan is still in progress and is receiving on-going attention. Due to financial and capacity constraints, the draft human capital strategy and plan could not be finalised in the period under review, and was carried over to the next cycle. In order to address the financial and capacity constraints, terms of reference were developed for the appointment of a service provider to facilitate the development of the human capital strategy and plan, and other funding mechanisms, including donors, will be explored in this regard. The HR Sector Strategy and Plan will provide a basis for understanding the human resource need of the sector and will serve as a business case to vouch for additional funding to ensure that the sector is adequately capacitated.



### Implement a Work Place Skills Plan

The Department continued to upgrade the competencies and skills of its workforce. During the year under review, various training courses and opportunities for skills development were successfully implemented and a number of officials in the Department were awarded bursaries to obtain and enhance their formal qualifications. The Department continued with its internship programme. The Department supported the policy of continuous professional development (CPD) of the South African Council for Social Service Professions, and a number of training programmes developed by line managers were accredited for CPD points.

### Manage performance

The Department is required to manage performance in a consultative, supportive and non-discriminatory way and enhance organisational efficiency and effectiveness, the accountable use of resources, and the achievement of results. To achieve these objectives, the Department has introduced a formal performance management and development system.

### Provide labour relations support

With regard to labour relations, the Department endeavours to comply with norms and standards in terms of the finalisation of misconduct cases. Various interventions to continuously build the capacity of shop stewards and labour relations in the sector were also successfully implemented.

## 2.3 Workforce planning framework and key strategies for attracting and recruiting a skilled and capable workforce

Over and above the Occupational Specific Dispensation (OSD) for Social Service Professions and Related Occupations, the Department also develops an Annual Human Resource Plan. It is aimed at ensuring that the Department has the requisite capacity and capability at any given time to deliver on its mandate. This HR Plan has taken note of the 12 government outcomes, the 18 sector priorities, and the three specific government outcomes to which the Minister is expected to contribute.

Government departments are required to develop and submit Annual HR Plans and progress reports to the DPSA. The purpose of the HR Plan is to identify future scarce and critical skills within the Department that need to be prioritised and filled by way of normal recruitment and selection practices. The Department submitted its Annual HR Plan and progress reports on time.

## 2.4 Employee performance management framework

Performance Management involves planning, reviewing, evaluating, recognising and rewarding performance. Performance management within the DSD is a structured process, conducted within an approved framework which includes adherence to legislative requirements such as the

Public Service Act, 1994 (as amended) as well as Part VIII of the Public Service Regulations 2001 (as amended). The requirement of Chapter 4 of the Senior Management Service (SMS) Handbook as well as the approved Departmental Performance Management Development System (PMDS) is also taken into consideration.

Performance appraisals are conducted on an annual basis and can be regarded as a larger process of linking individual performance management and development to organisational performance. A performance assessment tool is used which clearly links to the Key Performance Areas (KPA's) and indicators as set out in performance agreements and work plans. Mid-term reviews are conducted, and performance moderation committees convene annually to moderate the performance of all qualifying officials and make recommendations for performance incentives.

## 2.5 Employee Wellness Programmes

As part of the role of being a strategic partner, and ensuring a conducive environment for employees, the Department has an approved a five-year EHW Strategy focusing on the core pillars of wellness. This is managed by a unit dedicated to Health and Wellness. The strategy provides for specific activities for each pillar. With regard to HIV and AIDS, condoms are distributed regularly, awareness-raising programmes are undertaken, and World Aids Day is commemorated.

With regard to Health and Productivity Management, awareness is created among employees by inviting experts in specific fields to provide information sessions. Financial management sessions play a central role in this process. Information on diabetes and healthy lifestyles is also provided. The flagship programme under this pillar is the Annual Sports Day which held in September each year. Employees are encouraged to participate in a fun walk, soccer and netball matches, and other activities for those who are not sport-inclined.

Safety, Health, Environment, Risk and Quality (SHERQ) management is undertaken through the nomination of safety representatives and a safety committee which meets on a regular basis.

In terms of the last pillar of the strategy, Wellness Management, two Employee Health and Wellness (EHW) practitioners who are qualified social workers provide counselling and debriefing services to employees in need. Information sessions are conducted for all employees. When more specialised services are indicated, employees are referred to specialists at Departmental expense.

## 2.6 Policy development highlights

Policy development and review is an integral part of the Chief Directorate's operational plan. During the period under review the following policies were developed and/or reviewed:

- A Organisational Review and Design Policy was reviewed and approved.
- A Job Evaluation Policy was reviewed and approved.



- Consultations on a Bereavement Policy were finalised, and the draft policy was submitted to the D-G for approval.
- Consultations on a Recruitment and Selection Policy were finalised, and the draft policy was submitted to the SD-G for approval.
- Consultations on a Staff Exit policy were finalised, and the draft policy was submitted to the D-G for approval.
- A Draft Employment Equity Policy was developed.
- A Draft Change Management Policy was developed.
- The PMDS policy was reviewed.

## 2.7 Challenges faced by the Department

The scarcity of financial and human resources in the current economic climate will continue to affect the Department's capacity to deliver on its mandate. From an HR perspective, it means that the Department will have to prioritise the critical posts that need to be filled within the current financial year, taking into account the budget available for this purpose as well as the turnaround time for filling posts.

Although levels of compliance with HR policies are high, there is still room for improvement especially with regard to adherence to due dates in specific areas such as the submission of performance agreements and work plans as per the PMDS policy. Challenges are also experienced pertaining to compliance with time frames by panel members responsible for interviewing applications for vacant posts.

The Department will continue to explore possibilities for recruiting and retaining a competent and capable workforce to ensure service delivery. Risks plans are in place and are being monitored on a continuous basis. This will mitigate the impact of certain challenges with regard to the ability to provide an effective and efficient HR function in the Department.

## 2.8 Future HR plans / goals

The Department obtained concurrence on a new organisational structure from the DPSA. The organisational review gave the Department an opportunity to amalgamate the structural changes effected since the last structuring process in 2008, thus strengthening its capacity and deepening its core functions. Strengthened functional areas include anti-substance abuse, social crime prevention, children's services, victim empowerment and corporate governance. Priority posts have been identified to be filled over the MTEF period.

## 3. Human Resources oversight statistics

### 3.1 Personnel-related expenditure

The following tables summarise the final audited personnel-related expenditure by programme, salary band, as well as salaries, overtime, home owner's allowances and medical aid.

**Table 3.1.1 Personnel expenditure by programme**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and Special Services expenditure (R'000)	Personnel expenditure as % of total expenditure (R'000)	Average personnel cost per employee (R'000)
P1: Administration	242 322	127 676	0	0	52.7	159
P3: Social Security Policy and Administration	280 637	52 259	0	0	18.6	65
P4: Welfare Services Policy Development and Implementation Support	5 844 725	32 703	0	0	0.6	41
P5: Social Policy and Integrated Service Delivery	495 218	84 350	0	0	17	105
<b>TOTAL</b>	<b>6 863 653</b>	<b>296 988</b>	<b>0</b>	<b>0</b>	<b>4.3</b>	<b>369</b>

Table 3.1.2 Personnel expenditure by salary band

Salary bands	Personnel expenditure (R'000)	% of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	209	0.1	0	0
Skilled (levels 3–5)	6 462	2.1	101	63 980
Highly skilled supervision (levels 6–8)	53 101	17.5	205	259 029
Highly skilled production (levels 9–12)	125 104	41.3	279	448 401
Senior management (levels 13–16)	74 471	24.6	93	800 763
Contract (levels 3–5)	3 254	1.1	5	650 800
Contract (levels 6–8)	12 789	4.2	71	180 127
Contract (levels 9–12)	6 550	2.2	15	436 667
Contract (levels 13–16)	10 108	3.3	7	1 444 000
Periodic remuneration	5 782	1.9	171	33 813
<b>Total</b>	<b>297 830</b>	<b>98.4</b>	<b>947</b>	<b>314 498</b>

Table 3.1.3 Salaries, overtime, home owners allowances and medical aid by programme

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	% of personnel costs	Amount (R'000)	Overtime as % of personnel costs	Amount (R'000)	HOA as % of personnel costs	Amount (R'000)	Medical aid as % of personnel costs
P1: Administration	99183	77.6	194	0.2	2647	2.1	3 587	2.8
P3: Social Security Policy and Administration	103 720	76.7	840	0.6	2255	1.7	3 299	2.4
P4: Welfare Services Policy Development and Implementation Support	10196	78	0	0	147	1.1	362	2.8
P5: Social Policy and Integrated Service Delivery	20 508	77.9	13	0	521	2	676	2.6
<b>TOTAL</b>	<b>233 607</b>	<b>77.2</b>	<b>1 047</b>	<b>0.3</b>	<b>5 570</b>	<b>1.8</b>	<b>7 924</b>	<b>2.6</b>

Table 3.1.4 Salaries, overtime, home owners allowances and medical aid by salary band

Salary bands	Salaries		Overtime		Home Owners Allowance		Medical aid	
	Amount (R'000)	% of personnel costs	Amount (R'000)	% of personnel costs	Amount (R'000)	HOA as % of personnel costs	Amount (R'000)	Medical aid as % of personnel costs
Lower skilled (levels 1–2)	118	56.5	0	0	18	8.6	46	22
Skilled (levels 3–5)	4 481	69.1	103	1.6	445	6.9	396	6.1
Highly skilled production (levels 6–8)	38 619	72.4	541	1	2 102	3.9	3149	5.9
Highly skilled supervision (levels 9–12)	97 672	77.3	273	0.2	1 468	1.2	3467	2.7
Senior management (levels 13–16)	61 705	80.3	2	0	1 478	1.9	820	1.1
Contract (levels 3–5)	2965	90.5	119	3.6	10	0.3	0	0
Contract (levels 6–8)	12 618	98.1	8	0.1	5	0	0	0
Contract (levels 9–12)	5 915	89.6	0	0	3	0	12	0.2
Contract (levels 13–16)	9 025	87.6	0	0	41	0.4	32	0.3
Periodic remuneration	489	7.9	0	0	0	0	0	0
<b>TOTAL</b>	<b>233 607</b>	<b>77.2</b>	<b>1 046</b>	<b>0.3</b>	<b>5 570</b>	<b>1.8</b>	<b>7 922</b>	<b>2.6</b>

### 3.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies. More specifically, they summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether any staff are additional to the establishment. This information is presented in terms of three key variables: programme, salary band and critical occupations.

The Department has identified critical occupations which need to be monitored. In terms of current regulations, it is possible to create a post that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Posts and vacancies by programme

Programme	Approved posts	Posts filled	Vacancy rate	Additional employment
P1: Administration	360	302	16.1	22
P3: Social Security Policy and Administration	96	78	18.8	4
P4: Welfare Services Policy Development and Implementation Support	193	175	9.3	68
P5: Social Policy and Integrated Service Delivery	133	123	7.5	4
<b>Total</b>	<b>782</b>	<b>678</b>	<b>13.3</b>	<b>98</b>

Table 3.2.2 Posts and vacancies by salary band

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to establishment
Lower skilled (levels 1–2)	2	0	100	0
Skilled (levels 3–5)	121	101	16.5	0
Highly skilled production (levels 6–8), permanent	230	205	10.9	0
Highly skilled supervision (levels 9–12), permanent	313	279	10.9	0
Senior management (levels 13–16), permanent	116	93	19.8	0
Contract (levels 3–5), permanent	0	0	0	5
Contract (levels 6–8), permanent	0	0	0	71
Contract (levels 9–12), permanent	0	0	0	15
Contract (levels 13–16), permanent	0	0	0	7
<b>TOTAL</b>	<b>782</b>	<b>678</b>	<b>13.3</b>	<b>98</b>

Table 3.2.3 Posts and vacancies by critical occupation

Critical occupations	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to establishment
Communication and information-related, permanent	8	6	25.0	1
Community development workers, permanent	19	17	10.5	0
Financial and related professionals, permanent	32	30	6.3	2
General legal administration & related professionals, permanent	5	3	40.0	0
Heads of department/chief executive officer, permanent	1	1	0.0	0
Human resources & organisational development & related professionals, permanent	17	14	17.6	0
Logistical support personnel, permanent	18	15	16.7	0
Senior managers, permanent	100	93	7.0	7
Social work and related professionals, permanent	80	76	5.0	56
<b>TOTAL</b>	<b>280</b>	<b>255</b>	<b>8.9</b>	<b>66</b>

### 3.3 Filling of SMS posts

Table 3.3.1 SMS posts and vacancies by salary level as of 31 March 2014

SMS Level	Funded SMS posts	SMS posts filled	% of SMS posts filled	SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100.0	0	0
Salary Level 16	4	4	100.0	0	0
Salary Level 15	8	5	62.5	3	37.5
Salary Level 14	22	13	59.1	9	40.9
Salary Level 13	88	77	87.5	11	12.5
Total	123	100	81.3	23	18.7

Table 3.3.2 SMS posts and vacancies by salary level as of 30 September 2013

SMS Level	Funded SMS posts	SMS posts filled	% of SMS posts filled	SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100.0	0	0
Salary Level 16	4	4	100.0	0	0
Salary Level 15	7	3	42.9	4	57.1
Salary Level 14	25	16	64.0	9	36.0
Salary Level 13	88	78	88.6	10	11.4
Total	125	102	81.6	23	18.4

Table 3.3.3 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts

Reasons for vacancies not advertised within six months
Not applicable
Reasons for vacancies not filled within six months
Not applicable

### 3.4 Job evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of DSD jobs that were evaluated during the year under review. It also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job evaluation by salary band

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	0	0	0	0	0	0	0
Skilled (levels 3–5)	5	0	0	0	0	0	0
Highly skilled production (levels 6–8)	71	0	0	0	0	0	0
Highly skilled supervision (levels 9–12)	15	0	0	0	0	0	0
SMS Band A	6	0	0	0	0	0	0
SMS Band B	0	0	0	0	0	0	0
SMS Band C	0	0	0	0	0	0	0
SMS Band D	1	0	0	0	0	0	0
Contract (levels 1–2)	2	0	0	0	0	0	0
Contract (levels 3–5)	121	1	0.8	0	0	0	0
Contract (levels 6–8)	230	12	5.2	0	0	0	0
Contract (levels 9–12)	313	23	7.3	0	0	0	0
Contract (Band A)	82	20	24.4	0	0	0	0
Contract (Band B)	22	11	50	0	0	0	0
Contract (Band C)	8	3	37.5	0	0	0	0
Contract (Band D)	4	0	0	0	0	0	0
Total	880	70	8	0	0	0	0

The following table profiles employees whose positions were upgraded because their posts were upgraded. The number of employees may differ from the number of upgraded posts since not all existing employees are automatically absorbed into upgraded posts, and some of the upgraded posts could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded by race, gender and disability

Beneficiaries	African	Asian	Coloured	White	Total
Female	9	0	1	1	11
Male	6	0	0	0	6
Total	15	0	1	1	17
Employees with a disability					0

The following table summarises cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.



**Table 3.4.3 Employees who earn larger salaries than those determined by job evaluation by occupation**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Manager	1	13	14	Retention
Human Resources-related	1	12	11	Retention
Other Administrative and Related Clerks	1	6	7	Retention
Other Administrative and Related Clerks	1	7	8	Retention
Risk Management and Security Services	1	11	12	Retention
Administrative Related	1	11	13	Retention
Administrative Related	1	11	12	Retention
Administrative Related	1	9	12	Retention
Secretaries and Other Keyboard Operating Clerks	3	6	7	Retention
Percentage of total employed				1.42%

The following table summarises the recipients of larger salaries terms of race, gender and disability.

**Table 3.4.4 Employees who earn larger salaries than those determined by job evaluation by race, gender and disability**

Beneficiaries	African	Asian	Coloured	White	Total
Female	5	0	0	1	6
Male	5	0	0	0	5
Total	10	0	0	1	11
Employees with a disability	0	0	0	0	0

### 3.5 Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables summarises turnover rates by salary band and critical occupation.

**Table 3.5.1 Annual turnover rates by salary band**

Salary band	Number of employees as at 1 April 2013	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (levels 1–2), permanent	2	0	0	0
Skilled (levels 3–5), permanent	50	14	5	10
Highly skilled production (levels 6–8), permanent	265	43	26	9.8
Highly skilled supervision (levels 9–12), permanent	295	12	25	8.5
SMS Band A, permanent	69	8	7	10.1
SMS Band B, permanent	17	1	4	23.5
SMS Band C, permanent	2	2	0	0
SMS Band D, permanent	3	0	0	0
Contract (levels 3–5), permanent	6	22	19	316.7
Contract (levels 6–8), permanent	25	72	46	184
Contract (levels 9–12), permanent	10	7	3	30
Contract (Band A), permanent	5	2	2	40
Contract (Band B), permanent	1	0	1	100
Contract (Band C), permanent	0	0	0	0
Contract (Band D), permanent	1	0	0	0
Total	751	183	138	18.4

Table 3.5.2 Annual turnover rates by critical occupation

Critical occupation	Number of employees at beginning of period-April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Communication and information related, permanent	7	0	1	14.3
Community development workers, permanent	19	0	2	10.5
Financial and related professionals, permanent	30	2	3	10
General legal administration & related professionals, permanent	5	2	4	80
HOD	0	0	0	0
Human resources & organisational development & related professionals, permanent	18	2	3	16.7
Logistical support personnel, permanent	18	5	6	33.3
Senior managers, permanent	90	13	14	15.6
Social work and related professionals, permanent	76	70	18	23.7
<b>TOTAL</b>	<b>263</b>	<b>94</b>	<b>51</b>	<b>19.4</b>

The table below reflects the reasons why staff left the Department.

Table 3.5.3 Reasons why staff left the Department

Termination type	Number	% of total departures
Death, permanent	1	0.7
Resignation, permanent	57	41.3
Expiry of contract, permanent	32	23.2
Retirement, permanent	9	6.5
Other, permanent	39	28.3
<b>Total</b>	<b>138</b>	<b>100.0</b>
<b>Total number of employees who left as % of total employment</b>		<b>18.0</b>

The following tables summarise promotions by critical occupation and salary band.

**Table 3.5.4 Promotions by critical occupation**

Critical occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary level promotions as % of employees by occupation	Progressions to another notch within a salary level	Notch progression as % of employees by occupation
Communication and information related, permanent	9	0	0	0	0
Community development workers, permanent	19	0	0	1	5.3
Financial and related professionals, permanent	35	0	0	23	65.7
General legal administration & related professionals, permanent	8	0	0	0	0
Head of department/chief executive officer, permanent	1	1	100	0	0
Human resources & organisational development & related professionals, permanent	19	0	0	9	47.4
Logistical support personnel, permanent	21	4	19	9	42.9
Senior managers, permanent	115	4	3.5	4	3.5
Social work and related professionals, permanent	81	1	1.2	5	6.2
<b>TOTAL</b>	<b>308</b>	<b>10</b>	<b>3.2</b>	<b>51</b>	<b>16.6</b>

**Table 3.5.5 Promotions by salary band**

Salary band	Employees at 1 April 2013	Promotions to another salary band	Salary band promotions as % of employees by salary level	Progressions to another notch within a salary level	Notch progression as % of employees by salary band
Lower skilled (levels 1–2), permanent	2	0	0	2	100.0
Skilled (levels 3–5), permanent	50	2	4.0	27	54.0
Highly skilled production (levels 6–8), permanent	265	16	6.0	117	44.2
Highly skilled supervision (levels 9–12), permanent	295	5	1.7	117	39.7
Senior management (levels 13–16), permanent	91	5	5.5	4	4.4
Contract (levels 3–5), permanent	6	0	0	2	33.3
Contract (levels 6–8), permanent	25	3	12.0	13	52.0
Contract (levels 9–12), permanent	10	0	0	5	50.0
Contract (levels 13–16), permanent	7	0	0	0	0
<b>Total</b>	<b>751</b>	<b>31</b>	<b>4.1</b>	<b>287</b>	<b>38.2</b>

## 3.6 Employment equity

Table 3.6.1 Employees (including employees with disabilities) by occupational category as at 31 March 2014

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	39	3	3	5	38	3	3	6	100
Professionals	48	4	2	5	87	3	3	10	162
Technicians and associate professionals	74	0	0	5	104	6	2	14	205
Clerks	86	1	2	2	201	2	2	13	309
Elementary occupations	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>247</b>	<b>8</b>	<b>7</b>	<b>17</b>	<b>430</b>	<b>14</b>	<b>10</b>	<b>43</b>	<b>776</b>
Employees with disabilities	3	0	1	2	6	0	0	1	13

Table 3.6.2 Employees (including employees with disabilities) by occupational bands as at 31 March 2014

Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management, permanent	4	1	0	0	4	0	0	0	9
Senior management, permanent	31	2	3	5	32	2	3	6	84
Professionally qualified and experienced specialists and mid-management, permanent	83	3	2	10	154	6	3	18	279
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	78	1	1	2	145	4	3	18	252
Semi-skilled and discretionary decision-making, permanent	25	0	1	0	26	1	0	1	54
Contract (top management), permanent	1	0	0	0	0	0	0	0	1
Contract (senior management), permanent	3	0	0	0	2	1	0	0	6
Contract (professionally qualified), permanent	5	1	0	0	8	0	1	0	15
Contract (skilled technical), permanent	15	0	0	0	56	0	0	0	71
Contract (semi-skilled), permanent	2	0	0	0	3	0	0	0	5
<b>Total</b>	<b>247</b>	<b>8</b>	<b>7</b>	<b>17</b>	<b>430</b>	<b>14</b>	<b>10</b>	<b>43</b>	<b>776</b>

**Table 3.6.3 Recruitment by occupational band**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management, permanent	1	0	0	0	1	0	0	0	2
Senior management, permanent	3	0	0	0	4	1	1	0	9
Professionally qualified and experienced specialists and middle management, permanent	3	1	0	0	3	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	7	0	0	0	7	0	0	0	14
Semi-skilled and discretionary decision-makers, permanent	18	0	2	0	28	0	0	0	48
Contract (senior management), permanent	0	0	0	0	2	0	0	0	2
Contract (professionally qualified), permanent	0	1	0	0	0	0	0	0	1
Contract (skilled technical), permanent	1	0	0	0	5	0	0	0	6
Contract (semi-skilled), permanent	25	0	0	0	69	0	0	0	94
<b>Total</b>	<b>58</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>119</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>183</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions by occupational band

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management, permanent	2	0	0	0	1	0	0	0	3
Senior management, permanent	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management, permanent	0	0	0	0	5	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	6	0	0	0	9	0	1	0	16
Semi-skilled and discretionary decision-makers, permanent	2	0	0	0	0	0	0	0	2
Unskilled and defined decision-makers, permanent	0	0	0	0	0	0	0	0	0
Contract (top management), permanent	0	0	0	0	0	0	0	0	0
Contract (senior management), permanent	0	0	0	0	0	0	0	0	0
Contract (professionally qualified), permanent	0	0	0	0	0	0	0	0	0
Contract (skilled technical), permanent	1	0	0	0	2	0	0	0	3
<b>Total</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>31</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0



**Table 3.6.5 Terminations by occupational band**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management, permanent	3	1	0	0	6	0	0	1	11
Professionally qualified and experienced specialists and mid-management, permanent	3	0	1	0	6	2	0	2	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	6	1	0	0	13	0	0	1	21
Semi-skilled and discretionary decision-makers, permanent	7	0	0	0	12	0	1	1	21
Contract (senior management), permanent	1	0	0	0	1	1	0	0	3
Contract (professionally qualified), permanent	0	0	0	0	0	0	0	0	0
Contract (skilled technical), permanent	5	0	0	0	2	0	0	0	7
Contract (semi-skilled), permanent	18	1	3	0	39	0	0	0	61
<b>Total</b>	<b>43</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>79</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>138</b>
Employees with disabilities	0	0	0	0	0	0	0	1	1

**Table 3.6.6 Disciplinary action**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>Total</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>26</b>

**Table 3.6.7 Skills development by occupational category**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	1	1	2	5	1	2	1	19
Professionals	16	0	0	1	18	1	0	2	38
Technicians and associate professionals	22	0	0	1	36	1	1	2	63
Clerks	28	0	1	1	77	1	2	2	112
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fisheries workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	2	0	0	0	0	0	0	0	2
<b>Total</b>	<b>74</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>136</b>	<b>4</b>	<b>5</b>	<b>7</b>	<b>234</b>
Employees with disabilities	1	0	0	0	0	0	0	0	1
Interns	25	0	0	0	54	0	0	0	79

### 3.7 Signing of performance agreements by senior managers

Table 3.7.1 Performance agreements by SMS level as at 31 May 2013

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	0	0%
Salary Level 16 (special advisers)	2	2	2	100%
Salary Level 15	3	3	1	96%
Salary Level 14	17	17	15	88%
Salary Level 13	71	71	69	97%
<b>Total</b>	<b>94</b>	<b>94</b>	<b>87</b>	<b>92%</b>

Table 3.7.2 Reasons for failure of senior managers to conclude performance agreements as at 31 May 2013

Reasons
Senior managers who had not signed performance agreements by 31 March 2014 were newly appointed or promoted, and had therefore been granted three months for concluding the agreements as per an DPSA directive.

Table 3.7.3 Disciplinary steps against senior managers for failure to conclude performance agreements as at 31 May 2013

Reasons
Not applicable

### 3.8 Performance rewards

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

Table 3.8.1 Performance rewards by race and gender

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	97	424	22.9	1 504	15 502
African, Male	54	244	22.1	920	17 035
Asian, Female	3	10	30.0	70	23 358
Asian, Male	1	6	16.7	33	33 060
Coloured, Female	3	14	21.4	47	15 790
Coloured, Male	2	8	25.0	42	20 902
Total Blacks, Female	103	448	23.0	1 621	15 740
Total Blacks, Male	57	258	22.1	995	17 452
White, Female	16	42	38.1	293	18 309
White, Male	6	15	40.0	131	21 889
Employees with a disability	2	13	15.4	44	22 216
<b>TOTAL</b>	<b>184</b>	<b>776</b>	<b>23.7</b>	<b>3 085</b>	<b>16 764</b>

**Table 3.8.2 Performance rewards by salary band for personnel below senior management level**

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	Total cost as % of total personnel expenditure
Skilled (levels 3–5)	18	54	33.3	90	5 012	0%
Highly skilled production (levels 6–8)	62	252	24.6	591	9 536	0%
Highly skilled supervision (levels 9–12)	83	279	29.7	1 934	23 305	1%
Contract (levels 3–5)	0	5	0	0	0	0%
Contract (levels 6–8)	8	71	11.3	73	9 143	0%
Contract (levels 9–12)	0	15	0	0	0	0%
Periodic remuneration	0	0	0	0	0	0%
<b>TOTAL</b>	<b>171</b>	<b>676</b>	<b>25.3</b>	<b>2 689</b>	<b>15 725</b>	<b>1%</b>

**Table 3.8.3 Performance rewards by critical occupation**

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Communication and information related, permanent	0	8	0	0	0
Community development workers, permanent	4	19	21.1	91	22 647
Financial and related professionals, permanent	9	32	28.1	182	20 253
General legal administration & rel. professionals, permanent	1	5	20.0	14	14 071
Head of department/chief executive officer, permanent	0	1	0	0	0
Human resources & organisational development & related professionals, permanent	8	17	47.1	114	14 248
Logistical support personnel, permanent	4	18	22.2	37	9 142
Senior managers, permanent	13	100	13.0	396	30 443
Social work and related professionals, permanent	19	80	23.8	554	29 141
<b>Total</b>	<b>58</b>	<b>280</b>	<b>20.7</b>	<b>1 387</b>	<b>23 912</b>

**Table 3.8.4 Performance rewards (cash bonuses) by SMS salary band**

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total cost (R'000)	Average cost per employee	Total cost as % of total personnel expenditure
Band A	11	77	14.3	292	26 528.0	0.5
Band B	1	13	7.7	14	14 330.0	0.1
Band C	1	5	20.0	90	89 616.0	2.1
Band D	0	5	0	0	0	0
<b>Total</b>	<b>13</b>	<b>100</b>	<b>13.0</b>	<b>396</b>	<b>30 442.5</b>	<b>0.5</b>

### 3.9 Foreign workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band

Salary band	01 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Contract (levels 9–12)	1	100	1	0	0	0
Contract (levels 13–16)	1	100	0	–1	–1	100
Total	2	100	0	–1	–1	100

Table 3.9.2 Foreign workers by major occupation

Major occupation	01 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	100	1	100	0	0
Senior management	1	100	0	0	–1	100
TOTAL	2	200	1	0	–1	100

### 3.10 Leave utilisation

The Public Service Commission (PSC) has identified a need for the careful monitoring of sick leave in the public service. The following tables reflect the utilisation of sick leave and disability leave in the DSD. Estimated costs are also provided.

Table 3.10.1 Sick leave by salary band

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)
Skilled (levels 3–5)	279	68.8	46	7.8	6	116
Highly skilled production (levels 6–8)	1 578	79.2	214	36.3	7	1 053
Highly skilled supervision (levels 9–12)	1 676	75.3	238	40.4	7	2 198
Senior management (levels 13–16)	417	83.7	60	10.2	7	840
Contract (levels 3–5)	56	85.7	11	1.9	5	21
Contract (levels 6–8)	72	61.1	14	2.4	5	51
Contract (levels 9–12)	33	93.9	5	0.8	7	40
Contract (levels 13–16)	4	0	1	0.2	4	8
TOTAL	4 115	77.2	589	100	7	4 328

**Table 3.10.2 Disability leave (temporary and permanent) by salary band**

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)
Skilled (Levels 3–5)	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	16	193.8	1	14.3	16	6
Highly skilled supervision (Levels 9–12)	43	495.3	2	28.6	22	32
Contract (Levels 3–5)	0	0	0	0	0	0
<b>Total</b>	<b>59</b>	<b>493.2</b>	<b>3</b>	<b>42.9</b>	<b>20</b>	<b>38</b>

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires the management of annual leave to prevent large payments for accrued leave at the time of termination of service.

**Table 3.10.3 Annual leave by salary band**

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Skilled (levels 3–5)	1 121.00	21	53
Highly skilled production (levels 6–8)	5 628.00	21	269
Highly skilled supervision (levels 9–12)	6 811.25	23	300
Senior management (levels 13–16)	15 658.25	161	97
Contract (levels 3–5)	186.00	10	19
Contract (levels 6–8)	541.00	10	54
Contract (levels 9–12)	220.00	10	21
Contract (levels 13–16)	194.00	15	13
<b>TOTAL</b>	<b>30 359.50</b>	<b>37</b>	<b>826</b>

**Table 3.10.4 Capped leave by salary band**

Salary band	Total days of capped leave taken	Number of Employees taking capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2013
Highly skilled supervision (levels 9–12)	2	1	2	26
<b>Total</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>26</b>

The following table summarise payments made to employees as a result of leave that was not taken.

**Table 3.10.5 Reasons for leave payouts**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service	257	1	257
Current leave payouts on termination of service	611	47	13 007
<b>Total</b>	<b>869</b>	<b>48</b>	<b>18 100</b>

## 3.11 HIV/AIDS &amp; Health Promotion programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure to HIV/AIDS

Units/categories of employees at high risk of contracting HIV & related diseases (if any)	Steps taken to reduce risk

Table 3.11.2 Details of health promotion and HIV/AIDS programmes

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.	✓		Mr D Chinappan, Director: Human Resource Management
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of its employees? If so, indicate the number of employees who are involved in this task and the annual budget that available for this purpose.	✓		2 × EAP Professionals Budget: R150 000
3. Has the Department introduced an Employee Assistance or Health Promotion Programme? If so, indicate the key elements/services of this programme.	✓		Reactive services; counselling, crisis intervention and trauma debriefing. Proactive interventions: sexual harassment, mental health, financial wellness and annual sports day. Health and risk screenings, including blood pressure, cholesterol and blood sugar tests, prostate and breast cancer screenings, and HIV testing and counselling.
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.	✓		Integrated EHW and OHS committee Mr T van der Merwe Mr V Hairpesad Ms S Shongwe Mr K Shunmugam EHW committee to be established in 2014
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.	✓		Employee Health and Wellness 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.	✓		EHW policy and EHW Strategy 2012–2015 developed. HIV/AIDS and TB management pillar included in the strategy to cover HIV prevention programmes and care and support.
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results.	✓		HIV counselling and testing included in the wellness screenings: 84 employees tested for HIV
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		Health Risk Screening Reports



### 3.12 Labour relations

**Table 3.12.1 Collective agreements**

Subject matter	Date
Danger Allowance for Identified EMS Agreement	6 September 2013

**Table 3.12.2 Misconduct and disciplinary hearings finalised by outcome**

Outcomes	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	6	30
Final written warning	8	40
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	6	30
Total	20	100

Note: At the end of the reporting period, three cases were still under investigation.

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings**

Type of misconduct (based on annexure A)	Number	% of total
Abuse of government vehicle	2	67
Extensive absenteeism	1	33
Total	3	100

**Table 3.12.4 Grievances logged**

Grievances	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100

**Table 3.12.5 Disputes logged with Public Health Social Development Sectoral Bargaining Council**

Disputes	Number	% of total
Number of disputes upheld	0	0
Number of disputes dismissed	5	100
Total number of disputes lodged	5	100

Table 3.12.6 Strike action

Total number of person working days lost	0
Total cost of working days lost	0
Amount recovered as a result of no work, no pay	0

Table 3.12.7 Precautionary suspensions

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average duration of suspensions (days)	0
Cost of suspension (R'000)	0

### 3.13 Skills development

This section outlines the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified at start of reporting period

Occupational categories	Gender	Number of employees as at 1 April 2014	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	11	4	15
	Male	0	0	12	3	15
Professionals	Female	50	0	94	8	102
	Male	50	0	61	2	63
Technicians and associate professionals	Female	103	0	136	6	142
	Male	59	0	95	2	97
Clerks	Female	126	0	193	8	201
	Male	79	0	86	3	89
Service and sales workers	Female	218	0	0	0	0
	Male	91	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	497	0	0	0	0
	Male	279	0	0	0	0
Plant and machine operators and assemblers	Female	50	0	0	0	0
	Male	50	0	0	0	0
Elementary occupations	Female	103	0	0	0	0
	Male	59	0	3	0	3
Interns	Female	53	0	53	58	111
	Male	32	0	32	34	66
Sub total	Female	550	0	487	84	571
	Male	311	0	289	44	333
Total		861	0	776	128	904

Table 3.13.2 Training provided in reporting period

Occupational categories	Gender	Number of employees as at 1 April 2014	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	50	0	6	5	11
	Male	50	0	3	10	13
Professionals	Female	103	0	16	10	26
	Male	59	0	15	7	22
Technicians and associate professionals	Female	126	0	43	7	50
	Male	79	0	25	6	31
Clerks	Female	218	0	108	10	118
	Male	91	0	38	2	40
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	3	0	3
Interns	Female	53	0	50	76	126
	Male	32	0	22	35	57
Subtotal	Female	550	0	223	108	331
	Male	311	0	106	60	166
Total		861	0	329	168	497

### 3.14 Injury on duty

The following tables provide basic information about injury on duty.

Table 3.14.1 Injury on duty

Nature of injury	Number	% of total
Required basic medical attention only	5	71.4
Temporary total disablement	2	28.6
Permanent disablement	0	0
Fatal	0	0
Total	7	

## 3.15 Utilisation of consultants

Table 3.15.1 Utilisation of consultants on projects funded with appropriated funds

Project	Total number of consultants who worked on the project	Duration (work days)	Contract value R'000
DSD Story Book	5	90	480
Conducting a scoping exercise and developing an M&E framework	6	90	492
Solution for dual accountability in respect of appropriated funds transferred to SASSA	8	50	568
Evaluation of social work scholarship programme	4	70	662
Training manual on treatment model for substance abuse services	4	180	490
Project management services	3	78	472
Facilitation of youth camps	22	40	500
Induction of members of central drug authority	2	2	90
Review of gender mainstreaming guidelines	1	60	200
Annual Report	0	30	375
Cleaning services – Harlequins Office	3	365	498
Audit of shelters	2	34	398
Editing and design of learning and teaching support material	5	100	500
Conduct workshops in 5 provinces on Men as Partners programme	4	90	483
Workshop for DSD officials on HIV/AIDS Management Programme	1	63	290
Appointment of a service provider to orient community volunteers on facilitating community conversations in the Eastern Cape	11	18	4 950
Appointment of a service provider to train CDPs on asset-based community-driven development	3	60	227
Integrated development to approve the facilitation of social transformation workshops	2	81	478
Assessment of conditions in Ministerial Outreach areas	2	180	494
Work study on Community Development Practice	3	60	430
Development and facilitation of National Youth Camp	29	30	495
HIV Prevention for Youth	3	60	296
Creative specialist for substance abuse	3	5	499
DSD News, internal newsletter	5	85	490
Popularise anti-substance abuse key messages on online media platform	4	180	499
Television production for the anti-substance abuse festive season campaign	6	30	380
Community Development Practice policy framework	4	95	497
Training of DSD officials and NGO officials	3	20	405
Total number of projects	Total individual consultants	Total duration (work days)	Total contract value (R)
28	148	2 198	16 638

Table 3.15.2 Participation of HDIs in projects funded with appropriated funds

Project	Percentage ownership by HDIs	Percentage management by HDIS	Number of HDIs working on the project
DSD Story Book	100%	100%	3
Conducting a scoping exercise and developing an M&E framework	100%	100%	6
Solution for dual accountability in respect of appropriated funds transferred to SASSA	28.22%	54.54%	4
Evaluation of social work scholarship programme	0	0	1
Training manual on treatment model for substance abuse services	100%	100%	4
Project management services	100%	100%	3
Facilitation of youth camps	100%	100%	0
Induction of members of central drug authority	100%	100%	2
Review of gender mainstreaming guidelines	100%	100%	1
Annual Report	0	50%	0
Cleaning services – Harlequins Office	100%	100%	2
Audit of shelters	0	0	0
Editing and design of learning and teaching support material	0	33%	0
Conduct workshops in 5 provinces on Men as Partners programme	0	0	0
Workshop for DSD officials on HIV/AIDS Management Programme	NGO	0	0
Appointment of a service provider to orient community volunteers on facilitating community conversations in the Eastern Cape	100%	100%	0
Appointment of a service provider to train CDPs on asset-based community-driven development	55%	50%	1
Integrated development to approve the facilitation of social transformation workshops	0	0	0
Assessment of conditions in Ministerial Outreach areas	100%	100%	0
Work study on Community Development Practice	100%	100%	3
Development and facilitation of National Youth Camp	0	0	0
HIV Prevention for Youth	90%	90%	0
Creative specialist for substance abuse	100%	100%	3
DSD News, internal newsletter	100%	100%	4
Popularise anti-substance abuse key messages on online media platform	0	0	0
Television production for the anti-substance abuse festive season campaign	100%	100%	2
Community Development Practice policy framework	NPC	60%	2
Training of DSD officials and NGO officials	0	0	3

Table 3.15.3 Utilisation of consultants on projects funded with donor funds

Project title	Total number of consultants who worked on project	Duration (work days)	Donor and contract value (R)
None			

Table 3.15.4 Participation of HDIs in projects funded with donor funds

Project title	Percentage ownership by HD groups	Percentage management by HDI groups	Number of consultants from HD groups working on the project
None			

### 3.16 Severance packages

Table 3.16.1 Employee-initiated severance packages by salary band

Salary band	Number of applications received	Number of applications referred to MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1–2)				
Skilled (Levels 3–5)				
Highly skilled production (Levels 6–8)				
Highly skilled supervision (Levels 9–12)				
Senior management (Levels 13–16)				
Total				







# PART E

## Financial Information

# ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

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# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 19: 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 159 to 209 which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as 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 the modified cash standards as prescribed by 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 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 Department of Social Development as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standards prescribed by 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 201 to 209 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:
  - Programme 2: Social assistance (on pages 57 to 60)
  - Programme 5: Social policy and integrated service delivery (on pages 89 to 104).

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

11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).

13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

14. I did not raise any material findings on the usefulness and reliability of the reported performance information for the programmes social assistance and social policy and integrated service delivery.

## Additional matter

15. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matter:

## Achievement of planned targets

16. Refer to the annual performance report on pages 57 to 60 and 89 to 104 for information on the achievement of planned targets for the year.

## Compliance with legislation

17. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of

material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## Internal control

18. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

## OTHER REPORTS

### Performance audits

19. The report of the Auditor-General of South Africa on the readiness of government to report on its performance will be tabled during 2014. The National Department of Social Development was one of the 61 institutions/departments audited during this audit. The performance audit focused on the following:

- The systems and processes that government departments have put in place to report on their performance.
- The performance reporting guidance and oversight government departments received.

*Auditor-General*

Pretoria  
30 July 2014



**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**1 Appropriation per programme**

PROGRAMMES	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1. ADMINISTRATION</b>								
Current payments	264 028	(4 539)	259 489	258 008	1 481	99,4%	248 494	246 912
Transfers and subsidies	–	246	246	246	–	100,0%	165	157
Payment for capital assets	2 490	557	3 047	3 047	–	100,0%	8 050	7 925
Payment for financial assets	–	–	–	–	–	0,0%	416	401
	<b>266 518</b>	<b>(3 736)</b>	<b>262 782</b>	<b>261 301</b>	<b>1 481</b>	<b>99,4%</b>	<b>257 125</b>	<b>255 395</b>
<b>2. SOCIAL ASSISTANCE</b>								
Transfers and subsidies	111 006 841	–	111 006 841	109 586 927	1 419 914	98,7%	104 887 916	103 888 956
Payment for financial assets	–	–	–	9 664	(9 664)	0,0%	–	9 889
	<b>111 006 841</b>	<b>–</b>	<b>111 006 841</b>	<b>109 596 591</b>	<b>1 410 250</b>	<b>98,7%</b>	<b>104 887 916</b>	<b>103 898 845</b>
<b>3. SOCIAL SECURITY POLICY &amp; ADMINISTRATION</b>								
Current payments	80 498	(16 353)	64 145	64 145	–	100,0%	89 128	76 785
Transfers and subsidies	6 312 277	62	6 312 339	6 312 253	86	100,0%	6 121 148	6 121 013
Payment for capital assets	1 240	(1 078)	162	162	–	100,0%	1 504	619
	<b>6 394 015</b>	<b>(17 369)</b>	<b>6 376 646</b>	<b>6 376 560</b>	<b>86</b>	<b>100,0%</b>	<b>6 211 780</b>	<b>6 198 417</b>
<b>4. WELFARE SERVICES POLICY DEVELOPMENT &amp; IMPLEMENTATION SUPPORT</b>								
Current payments	232 506	(6 726)	225 780	225 105	675	99,7%	198 392	177 046
Transfers and subsidies	320 197	398	320 595	319 187	1 408	99,6%	324 392	324 324
Payment for capital assets	1 792	(69)	1 723	1 723	–	100,0%	2 264	1 248
	<b>554 495</b>	<b>(6 397)</b>	<b>548 098</b>	<b>546 015</b>	<b>2 083</b>	<b>99,6%</b>	<b>525 048</b>	<b>502 618</b>
<b>5. SOCIAL POLICY &amp; INTEGRATED SERVICE DELIVERY</b>								
Current payments	81 376	26 898	108 274	108 253	21	100,0%	88 897	88 034
Transfers and subsidies	207 465	–	207 465	194 735	12 730	93,9%	171 836	171 651
Payment for capital assets	890	604	1 494	1 494	–	100,0%	950	615
Payment for financial assets	–	–	–	–	–	0,0%	–	1
	<b>289 731</b>	<b>27 502</b>	<b>317 233</b>	<b>304 482</b>	<b>12 751</b>	<b>96,0%</b>	<b>261 683</b>	<b>260 301</b>
<b>TOTAL</b>	<b>118 511 600</b>	<b>–</b>	<b>118 511 600</b>	<b>117 084 949</b>	<b>1 426 651</b>	<b>98,8%</b>	<b>112 143 552</b>	<b>111 115 576</b>

**Reconciliation with Statement of Financial Performance**

Add: Departmental receipts

88 996

Aid assistance

7 915

**Actual amounts per Statement of Financial Performance (total revenue)**

118 608 511

44 361

33 912

112 221 825

Aid assistance

16 569

5 677

**Actual amounts per Statement of Financial Performance (total expenditure)**

117 101 518

111 121 253



**APPROPRIATION STATEMENT***for the year ended 31 March 2014***2 Appropriation per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>								
Compensation of employees	329 197	(5 498)	323 699	323 699	–	100,0%	300 508	292 258
Goods and services	329 211	4 780	333 991	331 813	2 178	99,3%	324 403	296 518
<b>Transfers and subsidies</b>								
Departmental agencies and accounts	6 732 761	–	6 732 761	6 732 761	–	100,0%	6 542 033	6 542 033
Foreign governments and international organisations	2 881	116	2 997	2 897	100	96,7%	2 672	2 421
Non-profit institutions	104 297	(290)	104 007	89 884	14 123	86,4%	71 678	71 553
Households	111 006 841	879	111 007 720	109 587 806	1 419 914	98,7%	104 889 006	103 890 029
<b>Payment for capital assets</b>								
Machinery and equipment	6 007	(1 073)	4 934	4 934	–	100,0%	8 700	6 686
Intangible assets	405	1 086	1 491	1 491	–	100,0%	4 552	4 175
Payment for financial assets	–	–	–	9 664	(9 664)	–	–	9 903
<b>Total</b>	<b>118 511 600</b>	<b>–</b>	<b>118 511 600</b>	<b>117 084 949</b>	<b>1 426 651</b>	<b>98,8%</b>	<b>112 143 552</b>	<b>111 115 576</b>

**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**3 Programme 1: Administration****3.1 Details per sub-programme**

SUB-PROGRAMMES	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1.1 Ministry</b>								
Current payments	23 912	9 212	33 124	33 124	–	100,0%	29 640	29 413
Transfers and subsidies	–	31	31	31	–	100,0%	–	–
Payment for capital assets	240	(160)	80	80	–	100,0%	78	77
<b>1.2 Departmental Management</b>								
Current payments	51 017	(3 690)	47 327	47 327	–	100,0%	51 837	51 336
Transfers and subsidies	–	36	36	36	–	100,0%	–	–
Payment for capital assets	552	(115)	437	437	–	100,0%	913	907
<b>1.3 Corporate Management</b>								
Current payments	104 878	(4 624)	100 254	100 254	–	100,0%	84 866	84 279
Transfers and subsidies	–	160	160	160	–	100,0%	125	122
Payment for capital assets	1 257	1 035	2 292	2 292	–	100,0%	6 591	6 495
<b>1.4 Finance</b>								
Current payments	48 725	351	49 076	49 076	–	100,0%	49 547	49 453
Transfers and subsidies	–	17	17	17	–	100,0%	20	19
Payment for capital assets	405	(167)	238	238	–	100,0%	468	446
Payment for financial assets	–	–	–	–	–	0,0%	–	13
<b>1.5 Internal Audit</b>								
Current payments	7 272	(1 603)	5 669	5 669	–	100,0%	5 577	5 411
Transfers and subsidies	–	2	2	2	–	100,0%	20	16
Payment for capital assets	36	(36)	–	–	–	0,0%	–	–
Payment for financial assets	–	–	–	–	–	0,0%	416	388
<b>1.6 Office accommodation</b>								
Current payments	28 224	(4 185)	24 039	22 558	1 481	93,8%	27 027	27 020
<b>Total</b>	<b>266 518</b>	<b>(3 736)</b>	<b>262 782</b>	<b>261 301</b>	<b>1 481</b>	<b>99,4%</b>	<b>257 125</b>	<b>255 395</b>

**3.2 Details per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>								
Compensation of employees	141 826	(2 312)	139 514	139 514	–	100,0%	131 569	130 257
Goods and services	122 202	(2 227)	119 975	118 494	1 481	98,8%	116 925	116 655
<b>Transfers and subsidies</b>								
Households	–	246	246	246	–	100,0%	165	157
<b>Payment for capital assets</b>								
Machinery and equipment	2 085	(518)	1 567	1 567	–	100,0%	4 226	4 153
Intangible assets	405	1 075	1 480	1 480	–	100,0%	4 240	4 160
<b>Payment for financial assets</b>								
	–	–	–	–	–	–	–	13
<b>Total</b>	<b>266 518</b>	<b>(3 736)</b>	<b>262 782</b>	<b>261 301</b>	<b>1 481</b>	<b>99,4%</b>	<b>257 125</b>	<b>255 395</b>

**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**4 Programme 2: Social Assistance****4.1 Details per sub-programme**

SUB-PROGRAMMES	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Old Age</b>								
Transfers and subsidies	44 328 024	–	44 328 024	44 064 239	263 785	99,0%	40 486 119	40 465 132
Payment for financial assets	–	–	–	–	–	–	–	9 889
<b>2.2 War Veterans</b>								
Transfers and subsidies	8 167	–	8 167	7 657	510	93,8%	12 902	9 543
<b>2.3 Disability</b>								
Transfers and subsidies	18 116 970	–	18 116 970	17 768 631	348 339	98,1%	18 062 534	17 636 570
<b>2.4 Foster Care</b>								
Transfers and subsidies	5 551 084	–	5 551 084	5 332 093	218 991	96,1%	5 618 342	5 335 049
<b>2.5 Care Dependency</b>								
Transfers and subsidies	2 058 799	210 000	2 268 799	1 993 084	275 715	87,8%	1 897 401	1 877 412
<b>2.6 Child Support</b>								
Transfers and subsidies	40 277 203	(370 000)	39 907 203	39 614 084	293 119	99,3%	38 310 293	38 087 990
Payment for financial assets	–	–	–	9 664	(9 664)	–	–	–
<b>2.7 Grant-In-Aid</b>								
Transfers and subsidies	247 337	29 000	276 337	274 092	2 245	99,2%	245 144	237 974
<b>2.8 Social Relief</b>								
Transfers and subsidies	419 257	131 000	550 257	533 047	17 210	136,6%	255 181	239 286
<b>Total</b>	<b>111 006 841</b>	<b>–</b>	<b>111 006 841</b>	<b>109 596 591</b>	<b>1 410 250</b>	<b>98,7%</b>	<b>104 887 916</b>	<b>103 898 845</b>

**4.2 Details per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>								
Households	111 006 841	–	111 006 841	109 586 927	1 419 914	98,7%	104 887 916	103 888 956
Payment for financial assets	–	–	–	9 664	(9 664)	0,0%	–	9 889
<b>Total</b>	<b>111 006 841</b>	<b>–</b>	<b>111 006 841</b>	<b>109 596 591</b>	<b>1 410 250</b>	<b>98,7%</b>	<b>104 887 916</b>	<b>103 898 845</b>

**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**5 Programme 3: Social Security Policy and Administration****5.1 Details per sub-programme**

SUB-PROGRAMME	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.1 Social Security Policy Development</b>								
Current payments	42 140	(9 660)	32 480	32 480	–	100,0%	38 631	27 719
Transfers and subsidies	1 229	–	1 229	1 143	86	93,0%	1 243	1 114
Payment for capital assets	338	(201)	137	137	–	100,0%	921	603
<b>3.2 Appeals Adjudication</b>								
Current payments	34 812	(7 821)	26 991	26 991	–	100,0%	41 614	41 469
Transfers and subsidies	–	62	62	62	–	100,0%	60	58
Payment for capital assets	809	(784)	25	25	–	100,0%	495	–
<b>3.3 Social Grants Administration</b>								
Transfers and subsidies	6 240 467	–	6 240 467	6 240 467	–	100,0%	6 053 026	6 053 026
<b>3.4 Social Grants Fraud Investigation</b>								
Transfers and subsidies	70 581	–	70 581	70 581	–	100,0%	66 744	66 744
<b>3.5 Programme Management</b>								
Current payments	3 546	1 128	4 674	4 674	–	100,0%	8 883	7 597
Transfers and subsidies	–	–	–	–	–	0,0%	75	71
Payment for capital assets	93	(93)	–	–	–	0,0%	88	16
<b>Total</b>	<b>6 394 015</b>	<b>(17 369)</b>	<b>6 376 646</b>	<b>6 376 560</b>	<b>86</b>	<b>100,0%</b>	<b>6 211 780</b>	<b>6 198 417</b>

**5.2 Details per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>								
Compensation of employees	43 981	(8 196)	35 785	35 785	–	100,0%	41 470	35 298
Goods and services	36 517	(8 157)	28 360	28 360	–	100,0%	47 658	41 487
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	6 311 048	–	6 311 048	6 311 048	–	100,0%	6 119 770	6 119 770
Foreign governments & international organisations	1 229	–	1 229	1 143	86	93,0%	1 168	1 037
Households	–	62	62	62	–	100,0%	210	206
<b>Payment for capital assets</b>								
Machinery & equipment	1 240	(1 078)	162	162	–	100,0%	1 504	619
<b>Total</b>	<b>6 394 015</b>	<b>(17 369)</b>	<b>6 376 646</b>	<b>6 376 560</b>	<b>86</b>	<b>100,0%</b>	<b>6 211 780</b>	<b>6 198 417</b>

**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**6 Programme 4: Welfare Services Policy Development and Implementation Support****6.1 Details per sub-programme**

SUB-PROGRAMME	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>4.1 Service Standards</b>								
Current payments	19 759	(343)	19 416	19 416	–	100,0%	20 291	20 240
Transfers and subsidies	1 628	–	1 628	1 628	–	100,0%	1 800	1 796
Payment for capital assets	363	(49)	314	314	–	100,0%	340	109
<b>4.2 Substance Abuse</b>								
Current payments	29 738	(2 882)	26 856	26 856	–	100,0%	9 739	9 684
Transfers and subsidies	2 643	–	2 643	2 603	40	98,5%	3 198	3 185
Payment for capital assets	59	(33)	26	26	–	100,0%	56	42
<b>4.3 Older Persons</b>								
Current payments	19 324	1 196	20 520	20 520	–	100,0%	17 390	17 252
Transfers and subsidies	2 190	–	2 190	1 851	339	84,5%	2 086	2 055
Payment for capital assets	44	(44)	–	–	–	0,0%	40	–
<b>4.4 People With Disabilities</b>								
Current payment	6 252	(355)	5 897	5 897	–	100,0%	6 388	6 369
Transfers and subsidies	3 383	1	3 384	3 384	–	100,0%	3 222	3 222
Payment for capital assets	22	6	28	28	–	100,0%	101	99
<b>4.5 Children</b>								
Current payments	52 122	(3 395)	48 727	48 727	–	100,0%	66 226	47 515
Transfers and subsidies	7 006	397	7 403	7 310	93	98,7%	6 789	6 787
Payment for capital assets	583	(311)	272	272	–	100,0%	552	463
<b>4.6 Families</b>								
Current payments	6 207	(1 079)	5 128	5 128	–	100,0%	7 102	7 082
Transfers and subsidies	1 210	–	1 210	1 210	–	100,0%	1 147	1 147
Payment for capital assets	167	(167)	–	–	–	0,0%	158	43
<b>4.7 Social Crime Prevention &amp; Victim Empowerment</b>								
Current payments	47 386	(12 549)	34 837	34 162	675	98,1%	25 614	23 484
Transfers and subsidies	3 684	–	3 684	3 101	583	84,2%	3 584	3 581
Payment for capital assets	41	933	974	974	–	100,0%	436	346
<b>4.8 Youth</b>								
Current payments	16 627	5 542	22 169	22 169	–	100,0%	12 286	12 227
Transfers and subsidies	–	–	–	–	–	–	200	200
Payment for capital assets	30	(30)	–	–	–	–	28	–
<b>4.9 HIV and AIDS</b>								
Current payments	25 389	3 945	29 334	29 334	–	100,0%	25 911	25 898
Transfers and subsidies	48 453	–	48 453	48 100	353	99,3%	46 206	46 196
Payment for capital assets	234	(164)	70	70	–	100,0%	317	121
<b>4.10 Social Worker Scholarship</b>								
Transfers and subsidies	250 000	–	250 000	250 000	–	100,0%	256 000	256 000
<b>4.11 Programme Management</b>								
Current payments	9 702	3 194	12 896	12 896	–	100,0%	7 445	7 295
Transfers and subsidies	–	–	–	–	–	–	160	155
Payment for capital assets	249	(210)	39	39	–	100,0%	236	25
<b>Total</b>	<b>554 495</b>	<b>(6 397)</b>	<b>548 098</b>	<b>546 015</b>	<b>2 083</b>	<b>99,6%</b>	<b>525 048</b>	<b>502 618</b>

**APPROPRIATION STATEMENT***for the year ended 31 March 2014***6.2 Details per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>								
Compensation of employees	85 963	5 582	91 545	91 545	–	100,0%	79 060	78 618
Goods and services	146 543	(12 307)	134 236	133 560	676	99,5%	119 332	98 428
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	250 000	–	250 000	250 000	–	100,0%	256 000	256 000
Foreign governments & international organisations	257	–	257	243	14	94,6%	548	544
Non-profit institutions	69 940	(1)	69 939	68 546	1 393	98,0%	67 134	67 074
Households		398	398	398	–	100,0%	710	706
<b>Payment for capital assets</b>								
Machinery & equipment	1 792	(80)	1 712	1 712	–	100,0%	2 264	1 248
Intangible assets	–	11	11	11	–	100,0%	–	–
<b>Total</b>	<b>554 495</b>	<b>(6 397)</b>	<b>548 098</b>	<b>546 015</b>	<b>2 083</b>	<b>99,6%</b>	<b>525 048</b>	<b>502 618</b>



**APPROPRIATION STATEMENT**

for the year ended 31 March 2014

**7 Programme 5: Social Policy and Integrated Service Delivery****7.1 Details per sub-programme**

SUB-PROGRAMME	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>5.1 Social Policy Research &amp; Development</b>								
Current payments	4 729	(693)	4 036	4 036	–	100,0%	3 543	3 405
Transfers and subsidies	420	120	540	540	–	100,0%	410	294
Payment for capital assets	119	(92)	27	27	–	100,0%	113	41
<b>5.2 Special Projects &amp; Innovation</b>								
Current payments	8 635	(309)	8 326	8 326	–	100,0%	7 544	7 313
Transfers and subsidies	1 000	–	1 000	1 000	–	100,0%	2 500	2 500
Payment for capital assets	127	(127)	–	–	–	0,0%	71	34
<b>5.3 Population Policy Promotion</b>								
Current payments	22 683	3 199	25 882	25 861	21	99,9%	24 819	24 759
Transfers and subsidies	1 175	158	1 333	1 333	–	100,0%	546	546
Payment for capital assets	136	(84)	52	52	–	100,0%	157	105
<b>5.4 Registration &amp; Monitoring of Non-Profit Organisations</b>								
Current payments	19 091	4 241	23 332	23 332	–	100,0%	23 607	23 601
Transfers and subsidies	–	11	11	11	–	100,0%	5	4
Payment for capital assets	317	1 047	1 364	1 364	–	100,0%	345	341
<b>5.5 Substance Abuse Advisory Services &amp; Oversight</b>								
Current payments	5 187	(862)	4 325	4 325	–	100,0%	4 006	3 867
Transfers and subsidies	–	–	–	–	–	–	68	65
Payment for capital assets	56	(56)	–	–	–	–	–	–
<b>5.6 Community Development</b>								
Current payments	17 425	20 717	38 142	38 142	–	100,0%	24 146	24 014
Transfers and subsidies	33 157	(289)	32 868	20 138	12 730	61,3%	2 044	1 979
Payment for capital assets	48	(15)	33	33	–	100,0%	140	94
Payment for financial assets	–	–	–	–	–	–	–	1
<b>5.7 National Development Agency</b>								
Transfers and subsidies	171 713	–	171 713	171 713	–	100,0%	166 263	166 263
<b>5.8 Programme Management</b>								
Current payments	3 626	605	4 231	4 231	–	100,0%	1 232	1 075
Payment for capital assets	87	(69)	18	18	–	100,0%	124	–
<b>Total</b>	<b>289 731</b>	<b>27 502</b>	<b>317 233</b>	<b>304 482</b>	<b>12 751</b>	<b>96,0%</b>	<b>261 683</b>	<b>260 301</b>

**APPROPRIATION STATEMENT***for the year ended 31 March 2014***7.2 Details per economic classification**

ECONOMIC CLASSIFICATION	2013/14						2012/13	
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>								
Compensation of employees	7 427	(572)	56 855	56 855	–	100,0%	48 409	48 085
Goods and services	23 949	27 471	51 420	51 399	21	100,0%	40 488	39 948
<b>Transfers &amp; subsidies</b>								
Departmental agencies & accounts	171 713	–	171 713	171 713	–	100,0%	166 263	166 263
Foreign governments & international organisations	1 395	116	1 511	1 511	–	100,0%	956	840
Non-profit institutions	34 357	(289)	34 068	21 338	12 730	62,6%	4 544	4 479
Households	–	173	173	173	–	100,0%	5	4
<b>Payment for capital assets</b>								
Machinery & equipment	890	603	1 493	1 493	–	100,0%	706	666
Intangible assets	–	–	–	–	–	0,0%	312	15
<b>Payment for financial assets</b>	–	–	–	–	–	0,0%	–	1
<b>Total</b>	<b>289 731</b>	<b>27 502</b>	<b>317 233</b>	<b>304 482</b>	<b>12 751</b>	<b>96,0%</b>	<b>261 683</b>	<b>260 301</b>

**NOTES TO THE APPROPRIATION STATEMENT***for the year ended 31 March 2014***1 Details of transfers and subsidies as per the Appropriation Act (after virements)**

Detail of these transactions can be viewed in the notes on transfers and subsidies, disclosure notes, and Annexure 1 (A-H) to the Annual Financial Statements.

**2 Details of specifically and exclusively appropriated amounts voted (after virements)**

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

**3 Details of payments for financial assets**

Details 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 virements)****4.1 Per programme**

PROGRAMMES	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	
<b>Administration</b>				
Current payments	259 489	258 008	1 481	99,4%
Transfers and subsidies	246	246	–	100,0%
Payment for capital assets	3 047	3 047	–	100,0%
The underexpenditure was mainly due to invoices not received for office accommodation before end March 2014.				
<b>Social Assistance</b>				
Transfers and subsidies	111 006 841	109 586 927	1 419 914	98,7%
Payment for financial assets	–	9 664	(9 664)	–
The underexpenditure was due to the grants re-registration process that had an impact on the take-up rates of grant beneficiaries.				
<b>Social Security Policy and Administration</b>				
Current payments	64 145	64 145	–	100,0%
Transfers and subsidies	6 312 339	6 312 253	86	100,0%
Payment for capital assets	162	162	–	100,0%
The underexpenditure was due to smaller payments for membership fees.				
<b>Welfare Services Policy Development and Implementation Support</b>				
Current payments	225 781	225 105	676	99,7%
Transfers and subsidies	320 594	319 187	1 407	99,6%
Payment for capital assets	1 723	1 723	–	100,0%
The underexpenditure was mainly due to payments to NGOs being withheld due to non-compliance.				
<b>Social Policy and Integrated Service Delivery</b>				
Current payments	108 275	108 254	21	99,98%
Transfers and subsidies	207 465	194 735	12 730	93,86%
Payment for capital assets	1 493	1 493	–	100,00%
The underexpenditure was mainly due to payments to NGOs meant to implement food relief programmes being withheld due to non-compliance.				

**NOTES TO THE APPROPRIATION STATEMENT***for the year ended 31 March 2014***4.2 Per economic classification**

ECONOMIC CLASSIFICATION	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current expenditure</b>				
Compensation of employees	323 699	323 699	–	100,00%
Goods and services	333 991	331 813	2 178	99,35%
<b>Transfers &amp; subsidies</b>				
Departmental agencies & accounts	6 732 761	6 732 761	–	100,00%
Foreign governments & international organisations	2 997	2 897	100	96,66%
Non-profit institutions	104 007	89 884	14 123	86,42%
Households	111 007 720	109 587 806	1 419 914	98,72%
<b>Payment for capital assets</b>				
Machinery and equipment	4 934	4 934	–	100,00%
Intangible assets	1 491	1 491	–	100,00%
<b>Payments for financial assets</b>	–	9 664	(9 664)	–

**STATEMENT OF FINANCIAL PERFORMANCE***for the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Annual appropriation	1	118 511 600	112 143 552
Departmental revenue	2	88 996	44 361
Aid assistance	3	7 915	33 912
<b>TOTAL REVENUE</b>		<b>118 608 511</b>	<b>112 221 825</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	323 699	292 258
Goods and services	5	331 813	296 518
Aid assistance	3	10 799	3 971
<b>Total current expenditure</b>		<b>666 311</b>	<b>592 747</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	116 413 348	110 506 036
Aid assistance	3	5 705	1 559
<b>Total transfers and subsidies</b>		<b>116 419 053</b>	<b>110 507 595</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	4 999	6 833
Intangible assets	8	1 491	4 175
<b>Total expenditure on capital assets</b>		<b>6 490</b>	<b>11 008</b>
Payment for financial assets	6	9 664	9 903
<b>TOTAL EXPENDITURE</b>		<b>117 101 518</b>	<b>111 121 253</b>
<b>SURPLUS FOR THE YEAR</b>		<b>1 506 993</b>	<b>1 100 572</b>
<b>Reconciliation of net surplus for the year</b>			
Voted funds		1 426 651	1 027 976
Departmental revenue	2	88 996	44 361
Aid assistance	3	(8 654)	28 235
<b>SURPLUS FOR THE YEAR</b>		<b>1 506 993</b>	<b>1 100 572</b>

**STATEMENT OF FINANCIAL POSITION**

As at 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>10 851 587</b>	<b>10 349 669</b>
Unauthorised expenditure	9	26 168	26 168
Cash and cash equivalents	10	1 165 138	2 397 629
Pre-payments and advances	11	8 915 039	7 349 513
Receivables	12	745 242	576 359
<b>TOTAL ASSETS</b>		<b>10 851 587</b>	<b>10 349 669</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>10 138 644</b>	<b>9 820 374</b>
Voted funds to be surrendered to the Revenue Fund	13	1 411 585	1 018 745
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	14	42 226	21 701
Bank overdraft	15	8 678 924	8 740 968
Payables	16	1 799	6 169
Aid assistance unutilised	3	4 110	32 791
<b>Non-current liabilities</b>			
Payables	17	692 916	529 295
<b>TOTAL LIABILITIES</b>		<b>10 831 560</b>	<b>10 349 669</b>
<b>NET ASSETS</b>		<b>20 027</b>	<b>-</b>
<b>Represented by:</b>			
Retained funds		20 027	-
<b>TOTAL</b>		<b>20 027</b>	<b>-</b>

## STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>Retained funds</b>			
Opening balance		–	–
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		20 027	–
Utilised during the year		–	–
<b>Closing balance</b>		20 027	–
<b>TOTAL</b>		20 027	–



**CASH FLOW STATEMENT***For the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		118 593 253	112 212 594
Annual appropriated funds received	1.1	118 496 534	112 134 321
Departmental revenue received	2	79 389	36 506
Interest received	2.2	9 415	7 855
Aid assistance received	3	7 915	33 912
Net increase in working capital		(1 738 779)	(1 536 355)
Surrendered to Revenue Fund		(1 087 216)	(902 037)
Current payments		(666 311)	(592 747)
Payments for financial assets		(9 664)	(9 903)
Transfers and subsidies paid		(116 419 053)	(110 507 595)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	18	<b>(1 327 770)</b>	<b>(1 336 043)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for capital assets	8	(6 490)	(11 008)
Proceeds from sale of capital assets	2.3	192	–
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(6 298)</b>	<b>(11 008)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in non-current payables		163 621	176 487
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>163 621</b>	<b>176 487</b>
Net decrease in cash and cash equivalents		(1 170 447)	(1 170 564)
Cash and cash equivalents at beginning of period		(6 343 339)	(5 172 775)
Cash and cash equivalents at end of period	19	<b>(7 513 786)</b>	<b>(6 343 339)</b>

## ACCOUNTING POLICIES

for the year ended 31 March 2014

### 1 Summary of significant accounting policies

The Financial Statements have been prepared in accordance with the following policies which have been applied consistently in all material aspects, unless otherwise indicated.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the Annual Financial Statements. These are based on the best information available at the time of preparation.

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 (PFMA), 1999 (Act No. 1 of 1999), as amended by Act No. 29 of 1999, and the Treasury Regulations issued in terms of the PFMA and the Division of Revenue Act (Act No. 10 of 2014).

### 2 Presentation of the Financial Statements

#### 2.1 Basis of preparation

The Financial Statements have been prepared in accordance with the Modified Cash Standard.

#### 2.2 Going concern

The Financial Statements have been prepared on a going concern basis.

#### 2.3 Presentation currency

Amounts have been presented in South African Rand (R), which is also the functional currency of the Department.

#### 2.4 Rounding

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

#### 2.5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand using the exchange rates prevailing at the date of payment/receipt.

#### 2.6 Current year comparison with budget

A comparison between the approved budget, final budget and actual amounts for each programme and economic classification is included in the Appropriation Statement.

### 3 Revenue

#### 3.1 Appropriated funds

Appropriated funds comprise Departmental allocations as well as direct charges against the Revenue Fund (i.e. statutory appropriation).

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

The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the Statement of Financial Position.

#### 3.2 Departmental revenue

Departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the Statement of Financial Position.

#### 3.3 Accrued Departmental revenue

Accruals in respect of Departmental revenue (excluding tax revenue) are recorded in the Notes to the Financial Statements when:

- the economic benefits or service potential associated with the transaction will probably flow to the Department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and penalties) are measured at amounts receivable from collecting agents.

### 4 Expenditure

#### 4.1 Compensation of employees

##### 4.1.1 Salaries and wages

Salaries and wages are recognised in the Statement of Financial Performance on the date of payment.

##### 4.1.2 Social contributions

Social contributions made by the Department in respect of current employees are recognised in the Statement of Financial Performance on the date of payment.

Social contributions made by the Department in respect of ex-employees are classified as transfers to households in the Statement of Financial Performance on the date of payment.

## ACCOUNTING POLICIES

for the year ended 31 March 2014

### 4.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the Statement of Financial Performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

### 4.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the Notes to the Financial Statements when the goods are received or, in the case of services, rendered to the Department.

Accrued expenditure payable is measured at cost.

### 4.4 Leases

#### 4.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the Statement of Financial Performance on the date of payment.

The operating lease commitments are recorded in the Notes to the Financial Statements.

#### 4.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the Statement of Financial Performance on the date of payment.

The finance lease commitments are recorded in the Notes to the Financial Statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

## 5 Aid assistance

### 5.1 Aid assistance received

Aid assistance received in cash is recognised in the Statement of Financial Performance when received. In-kind aid assistance is recorded in the Notes to the Financial Statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the Statement of Financial Position.

### 5.2 Aid assistance paid

Aid assistance paid is recognised in the Statement of Financial Performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the Statement of Financial Position.

## 6 Cash and cash equivalents

Cash and cash equivalents are stated at cost in the Statement of Financial Position.

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.

## 7 Prepayments and advances

Prepayments and advances are recognised in the Statement of Financial Position when the Department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

## 8 Loans and receivables

Loans and receivables are recognised in the Statement of Financial Position at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

## 9 Investments

Investments are recognised in the Statement of Financial Position at cost.

## 10 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimate of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the Notes to the Financial Statements.

## 11 Payables

Loans and receivables are recognised in the Statement of Financial Position at cost.

## ACCOUNTING POLICIES

for the year ended 31 March 2014

### 12 Capital assets

#### 12.1 Immovable capital assets

Immovable capital assets are initially recorded in the Notes to the Financial Statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the Office of the Auditor-General) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department, in which case the completed project costs are transferred to that department.

#### 12.2 Movable capital assets

Movable capital assets are initially recorded in the Notes to the Financial Statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value, and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.

#### 12.3 Intangible assets

Intangible assets are initially recorded in the Notes to the Financial Statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the Notes to the Financial Statements when the Department begins the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at

fair value, and where fair value cannot be determined, the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.

### 13 Provisions and contingents

#### 13.1 Provisions

Provisions are recorded in the Notes to the Financial Statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past, and an outflow of resources embodying economic benefits or service potential will be probably be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

#### 13.2 Contingent liabilities

Contingent liabilities are recorded in the Notes to the Financial Statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department, or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

#### 13.3 Contingent assets

Contingent assets are recorded in the Notes to the Financial Statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.

### 14 Commitments

Commitments are recorded at cost in the Notes to the Financial Statements when there is a contractual arrangement or approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities, thereby incurring future expenditure that will result in the outflow of cash

## ACCOUNTING POLICIES

for the year ended 31 March 2014

### 15 Unauthorised expenditure

Unauthorised expenditure is recognised in the Statement of Financial Position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the Statement of Financial Performance; or
- transferred to receivables for recovery.
- Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

### 16 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the Notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the Notes to the Financial Statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable, and are de-recognised when settled or subsequently written off as irrecoverable.

### 17 Irregular expenditure

Irregular expenditure is recorded in the Notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.

### 18 Changes in accounting estimates

N/A

### 19 Prior period errors

N/A

### 20 Non-adjusting events after the reporting date

N/A

### 21 Agent-principal arrangements

N/A

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**1 Annual appropriation**

This table includes funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (voted funds) and Provincial Departments.

	2013/14			2012/13
	Final Appropriation R'000	Actual Funds Received R'000	Funds Not Requested/ Not Received R'000	Appropriation received R'000
Administration	262 782	262 782	–	257 125
Social Assistance	111 006 841	110 991 775	15 066	104 878 685
Social Security Policy & Administration	6 376 646	6 376 646	–	6 211 780
Welfare Service Policy Development & Implementation Support	548 098	548 098	–	525 048
Social Policy & Integrated Service Delivery	317 233	317 233	–	261 683
<b>Total</b>	<b>118 511 600</b>	<b>118 496 534</b>	<b>15 066</b>	<b>112 134 321</b>

**2 Departmental revenue**

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services other than capital assets	2.1	2	5
Interest, dividends and rent on land	2.2	9 415	7 855
Sales of capital assets	2.3	192	–
Transactions in financial assets and liabilities	2.4	79 387	36 501
<b>Departmental revenue collected</b>		<b>88 996</b>	<b>44 361</b>

*Revenue collected mainly comprised interest received in the previous financial year, expenditure recoveries and debt recoveries by SASSA, and grant debtor recoveries by the SIU (R27 million).*

**2.1 Sales of goods and services other than capital assets**

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services produced by the Department		2	5
Sales by market establishment		2	5
<b>Total</b>		<b>2</b>	<b>5</b>

**2.2 Interest, dividends and rent on land**

	Note	2013/14 R'000	2012/13 R'000
Interest		9 415	7 855
<b>Total</b>		<b>9 415</b>	<b>7 855</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***2.3 Sales of capital assets**

	Note	2013/14 R'000	2012/13 R'000
Machinery and equipment		192	–
<b>Total</b>		<b>192</b>	<b>–</b>

**2.4 Transactions in financial assets and liabilities**

	Note	2013/14 R'000	2012/13 R'000
Receivables		79 153	36 267
Other receipts, including recoverable revenue		234	234
<b>Total</b>		<b>79 387</b>	<b>36 501</b>

**3 Aid assistance****3.1 Aid assistance received in cash from RDP**

	2013/14 R'000	2012/13 R'000
Opening balance	336	375
Revenue	7 500	3 719
Expenditure	<b>(7 835)</b>	<b>(3 758)</b>
Current	(7 452)	(2 052)
Capital	(65)	(147)
Transfers	(318)	(1 559)
<b>Closing balance</b>	<b>1</b>	<b>336</b>

**3.2 Aid assistance received in cash from other sources**

	2013/14 R'000	2012/13 R'000
Opening balance	6 320	3 822
Revenue	415	4 193
Expenditure	<b>(2 626)</b>	<b>(1 695)</b>
Current	(2 626)	(1 695)
<b>Closing balance</b>	<b>4 109</b>	<b>6 320</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**3.3 Aid assistance received in cash from CARA Fund**

	2013/14 R'000	2012/13 R'000
Opening balance	26 135	359
Revenue	–	26 000
Expenditure	<b>(6 108)</b>	<b>(224)</b>
Current	(721)	(224)
Transfers	(5 387)	–
Transferred to retained funds	(20 027)	–
<b>Closing balance</b>	<b>–</b>	<b>26 135</b>

**3.4 Total assistance**

	2013/14 R'000	2012/13 R'000
Opening balance	32 791	4 556
Revenue	7 915	33 912
Expenditure	<b>(16 569)</b>	<b>(5 677)</b>
Current	(10 799)	(3 971)
Capital	(65)	(147)
Transfers	(5 705)	(1 559)
Transferred to retained funds	(20 027)	–
<b>Closing balance</b>	<b>4 110</b>	<b>32 791</b>

**3.5 Analysis of balance**

	Note	2013/14 R'000	2012/13 R'000
Aid assistance unutilised		4 110	32 791
RDP		1	336
Other sources		4 109	6 320
CARA Fund		–	26 135
<b>Closing balance</b>		<b>4 110</b>	<b>32 791</b>

*The Department received R7.5 million from CIDA for the Child Protection Project, and R415 000 from the HWSeta for training.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**4 Compensation of employees****4.1 Salaries and wages**

	Note	2013/14 R'000	2012/13 R'000
Basic salary		220 580	198 663
Performance award		3 491	2 298
Service-based		158	395
Compensative/circumstantial		4 648	4 372
Periodic payments		3 131	1 498
Other non-pensionable allowances		56 604	52 480
<b>Total</b>		<b>288 612</b>	<b>259 706</b>

**4.2 Social contributions**

	Note	2013/14 R'000	2012/13 R'000
<b>Employer contributions</b>			
Pension		26 377	24 029
Medical		8 682	8 501
Bargaining council		28	22
<b>Total</b>		<b>35 087</b>	<b>32 552</b>
<b>Total compensation of employees</b>		<b>323 699</b>	<b>292 258</b>
Average number of employees		764	692

*The increase was largely due to a normal increase in the compensation budget and expenditure, a saving of about R5.5 million was reallocated to Goods and Services in the approval letter for virement, and an increase in the average number of employees.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***5 Goods & services**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Administrative fees		4 056	3 830
Advertising		40 647	18 753
Capital assets less than R5 000	5.1	484	1 416
Bursaries (employees)		939	915
Catering		10 450	7 301
Communication		11 292	11 614
Computer services	5.2	4 456	10 096
Consultants, contractors and agency/outsourced services	5.3	46 567	60 399
Entertainment		520	265
Audit cost – external	5.4	12 756	14 328
Fleet services		3 050	–
Inventory	5.5	–	569
Consumables	5.6	7 624	12 988
Housing		–	–
Operating leases		23 970	27 816
Property payments	5.7	3 186	3 854
Rental and hiring		5 699	–
Transport provided as part of Departmental activities		1 057	968
Travel and subsistence	5.8	105 874	78 047
Venues and facilities		38 207	38 142
Training and staff development		2 048	3 421
Other operating expenditure	5.9	8 931	1 796
<b>Total</b>		<b>331 813</b>	<b>296 518</b>

*Reasons for increased expenditure include:*

- 1) Increases in travel expenditure due to the Ministerial Outreach Programme, the NPO Dialogues, the Mikondzo Project, the transportation of participants in the Older Persons Games, and the transportation of children to and from the Child Protection Event.
- 2) Increases in expenditure on media campaigns in respect of the Mikondzo Project, the Child Protection Event, the Older Persons Games, and other events.

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 5.1 Capital assets less than R5 000

	Note 5	2013/14 R'000	2012/13 R'000
Tangible assets			
Machinery and equipment		484	1 416
<b>Total</b>		<b>484</b>	<b>1 416</b>

## 5.2 Computer services

	Note 5	2013/14 R'000	2012/13 R'000
SITA computer services		3 419	7 019
External computer service providers		1 037	3 077
<b>Total</b>		<b>4 456</b>	<b>10 096</b>

## 5.3 Consultants, contractors and agency/outsourced services

	Note 5	2013/14 R'000	2012/13 R'000
Business and advisory services		29 098	33 315
Legal costs		10 297	18 384
Contractors		7 172	5 771
Agency and support/outsourced services		–	2 929
<b>Total</b>		<b>46 567</b>	<b>60 399</b>
<i>The decrease in consultants' fees was largely due to decreases in legal fees as well as multi-year tenders that will be paid in 2014/15.</i>			

## 5.4 Audit cost – external

	Note 5	2013/14 R'000	2012/13 R'000
Regularity audits		12 258	13 992
Performance audits		–	336
Computer audits		498	–
<b>Total</b>		<b>12 756</b>	<b>14 328</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***5.5 Inventory**

	Note 5	2013/14 R'000	2012/13 R'000
Materials and supplies		–	136
Other supplies		–	433
<b>Total</b>		<b>–</b>	<b>569</b>

**5.5.1 Other supplies**

Other		–	433
<b>Total</b>		<b>–</b>	<b>433</b>

**5.6 Consumables**

	Note 5	2013/14 R'000	2012/13 R'000
Consumable supplies		1 562	–
Uniform and clothing		125	–
Household supplies		36	–
IT consumables		783	–
Other consumables		618	–
Stationery, printing and office supplies		6 062	12 988
<b>Total</b>		<b>7 624</b>	<b>12 988</b>

**5.7 Property payments**

	Note 5	2013/14 R'000	2012/13 R'000
Municipal services		1 929	2 611
Property maintenance and repairs		1 256	1 243
Other		1	–
<b>Total</b>		<b>3 186</b>	<b>3 854</b>

**5.8 Travel & subsistence**

	Note 5	2013/14 R'000	2012/13 R'000
Local		100 464	72 348
Foreign		5 410	5 699
<b>Total</b>		<b>105 874</b>	<b>78 047</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**5.9 Other operating expenditure**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Professional bodies, memberships and subscription fees	5	397	236
Resettlement costs		577	443
Other		7 957	1 117
<b>Total</b>		<b>8 931</b>	<b>1 796</b>

**6 Payments for financial assets**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Other material losses written off	6.1	9 664	9 903
<b>Total</b>		<b>9 664</b>	<b>9 903</b>

**6.1 Other material losses written off**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Fruitless expenditure		–	1
SASSA grant debtors written off		9 664	9 889
Bank adjustment – untraceable balance older than 5 years		–	13
<b>Total</b>		<b>9 664</b>	<b>9 903</b>

*This amount relates to irrecoverable grant debts that were written off.*

**7 Transfers & subsidies**

	<b>Note</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Departmental agencies and accounts	Annex 1A	6 732 761	6 542 033
Foreign governments and international organisations	Annex 1B	2 897	2 421
Non-profit institutions	Annex 1C	89 884	71 553
Households	Annex 1D	109 587 806	103 890 029
<b>Total</b>		<b>116 413 348</b>	<b>110 506 036</b>

*This increase was mainly due to expenditure on Old Age Grants, Child Support Grants and Social Relief of Distress.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**8 Expenditure for capital assets**

	Note	2013/14 R'000	2012/13 R'000
<b>Tangible assets</b>			
Machinery and equipment	29	4 999	6 833
<b>Intangible assets</b>			
Software	30	1 491	4 175
<b>Total</b>		<b>6 490</b>	<b>11 008</b>

**8.1 Analysis of funds utilised to acquire capital assets, 2013/14**

	Voted Funds R'000	Aid Assistance R'000	Total R'000
<b>Tangible assets</b>	4 934	65	4 999
Machinery and equipment	4 934	65	4 999
<b>Intangible assets</b>	1 491	–	1 491
Software	1 491	–	1 491
<b>Total</b>	<b>6 425</b>	<b>65</b>	<b>6 490</b>

**8.2 Analysis of funds utilised to acquire capital assets – 2012/13**

	Voted Funds R'000	Aid Assistance R'000	Total R'000
<b>Tangible assets</b>	6 686	147	6 833
Machinery and equipment	6 686	147	6 833
<b>Software and other intangible assets</b>	4 175	–	4 175
Computer software	4 175	–	4 175
<b>Total</b>	<b>10 861</b>	<b>147</b>	<b>11 008</b>

**9 Unauthorised expenditure****9.1 Reconciliation of unauthorised expenditure**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		26 168	26 168
As restated		26 168	26 168
<b>Unauthorised expenditure awaiting authorisation/written off</b>		<b>26 168</b>	<b>26 168</b>

**9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification**

	Note	2013/14 R'000	2012/13 R'000
Current		26 168	26 168
<b>Total</b>		<b>26 168</b>	<b>26 168</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**9.3 Analysis of unauthorised expenditure awaiting authorisation per type**

	Note	2013/14 R'000	2012/13 R'000
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>

*Still awaiting outcome from the SOPA in respect of unauthorised expenditure occurred in 2007/08*

**10 Cash and cash equivalents**

	Note	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		1 165 133	2 397 139
Cash receipts		(3)	519
Disbursements		–	(37)
Cash on hand		8	8
<b>Total</b>		<b>1 165 138</b>	<b>2 397 629</b>

*This decrease is due to payments that cleared prior to year end.*

**11 Prepayments and advances**

	Note	2013/14 R'000	2012/13 R'000
Travel and subsistence		132	60
Advances paid	11.1	3 674	2 254
SOCPEN advances		8 911 233	7 347 199
<b>Total</b>		<b>8 915 039</b>	<b>7 349 513</b>

**11.1 Advances paid**

	Note	2013/14 R'000	2012/13 R'000
National departments		3 674	2 201
Public entities		–	53
<b>Total</b>		<b>3 674</b>	<b>2 254</b>

*The increase in prepayments and advances relates to the amounts paid to SASSA for grants due for payment on 1 April 2014.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**12 Receivables**

	Note	2013/14				2012/13
		Less than one year R'000	One to three years R'000	Older than three years R'000	Total R'000	Total R'000
Claims recoverable	12.1 Annex 4	342	1 582	18 157	<b>20 081</b>	20 214
Staff debt	12.2	25	7	205	<b>237</b>	245
Fruitless and wasteful expenditure	12.4	–	–	53	<b>53</b>	53
Other debtors	12.3	97 226	312 472	315 173	<b>724 871</b>	555 847
<b>Total</b>		<b>97 593</b>	<b>314 061</b>	<b>333 588</b>	<b>745 242</b>	<b>576 359</b>

**12.1 Claims recoverable**

	Note	2013/14 R'000	2012/13 R'000
National departments		1 190	1 217
Provincial departments		15 263	15 253
Public entities		3 628	3 608
Private enterprises		–	136
<b>Total</b>		<b>20 081</b>	<b>20 214</b>

**12.2 Staff debt**

	Note	2013/14 R'000	2012/13 R'000
Current staff debt		237	245
<b>Total</b>		<b>237</b>	<b>245</b>

**12.3 Other debtors**

	Note	2013/14 R'000	2012/13 R'000
General suspense		1 510	4 910
Debt receipt		1	–
Debt suspense		9	–
Unallocated SASSA receipts		–	1
TAX Debt		51	51
Ex-departmental official debt		514	391
Salary deduction disallowance		6	6
SASSA debtors		722 780	550 482
<b>Total</b>		<b>724 871</b>	<b>555 847</b>

*The increase in receivables mainly related to the increase in grant debtors.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**12.4 Fruitless and wasteful expenditure**

	Note	2013/14 R'000	2012/13 R'000
	12		
Opening balance		53	54
Less amounts written off		–	(1)
<b>Total</b>		<b>53</b>	<b>53</b>

**12.5 Impairment of receivables**

	Note	2013/14 R'000	2012/13 R'000
Estimate of impairment of receivables		167 144	142 124
<b>Total</b>		<b>167 144</b>	<b>142 124</b>

**13 Voted funds to be surrendered to the Revenue Fund**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		1 018 745	853 859
As restated		1 018 745	853 859
Transfer from statement of financial performance (as restated)		1 426 651	1 027 976
Voted funds not requested/not received	1.1	(15 066)	(9 231)
Paid during the year		(1 018 745)	(853 859)
<b>Closing balance</b>		<b>1 411 585</b>	<b>1 018 745</b>

*Voted funds surrendered mainly related to savings on grants.*

**14 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		21 701	25 518
As restated		21 701	25 518
Transfer from Statement of Financial Performance (as restated)		88 996	44 361
Paid during the year		(68 471)	(48 178)
<b>Closing balance</b>		<b>42 226</b>	<b>21 701</b>

*Increase in Revenue Accrual is due to revenue collected by SASSA not yet paid to the department for surrendering to National Revenue Fund*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**15 Bank Overdraft**

	Note	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		8 678 924	8 740 968
<b>Total</b>		<b>8 678 924</b>	<b>8 740 968</b>
<i>These overdrafts relate mainly to advance payments to SASSA of grants due for payment on 1 April 2014.</i>			

**16 Payables – current**

	Note	2013/14 R'000	2012/13 R'000
Advances received	16.1	–	5 131
Clearing accounts	16.2	169	3
Other payables	16.3	1 630	1 035
<b>Total</b>		<b>1 799</b>	<b>6 169</b>

**16.1 Advances received**

	Note	2013/14 R'000	2012/13 R'000
Provincial departments		–	5 131
<b>Total</b>		<b>–</b>	<b>5 131</b>
<i>This decrease was mainly due to the reallocation of funds received from the provinces in respect of the NISIS to payables – non-current.</i>			

**16.2 Clearing accounts**

	Note	2013/14 R'000	2012/13 R'000
Salaries: Pension Fund		25	–
Income Tax		144	3
<b>Total</b>		<b>169</b>	<b>3</b>

**16.3 Other payables**

	Note	2013/14 R'000	2012/13 R'000
SASSA claims payable		517	447
SASSA disallowance miscellaneous		2	2
DSD: receivable income and Interest		–	586
SASSA unallocated receipts		1 111	–
<b>Total</b>		<b>1 630</b>	<b>1 035</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**17 Payables – non-current**

	Note	2013/14				2012/13
		One to two years R'000	Two to three years R'000	More than three years R'000	Total R'000	Total R'000
Advances received	17.1	5 512	–	–	5 512	394
Other payables	17.2	60 595	312 792	314 017	687 404	528 901
<b>Total</b>		<b>66 107</b>	<b>312 792</b>	<b>314 017</b>	<b>692 916</b>	<b>529 295</b>

**17.1 Advances received**

	Note	2013/14 R'000	2012/13 R'000
Provincial departments	A 6B	5 512	394
<b>Total</b>		<b>5 512</b>	<b>394</b>

**17.2 Other payables**

	Note	2013/14 R'000	2012/13 R'000
Deferred revenue -SASSA and DSD	17	687 404	528 901
<b>Total</b>		<b>687 404</b>	<b>528 901</b>

**18 Net cash flow available from operating activities**

	Note	2013/14 R'000	2012/13 R'000
Net surplus as per Statement of Financial Performance		1 506 993	1 100 572
Add back non-cash/cash movements not deemed to be operating activities		(2 834 763)	(2 436 615)
Increase in receivables – current		(168 883)	(174 918)
Increase in prepayments and advances		(1 565 526)	(1 359 290)
Decrease in other current assets		–	1
Decrease in payables – current		(4 370)	(2 148)
Proceeds from sale of capital assets		(192)	–
Expenditure for capital assets		6 490	11 008
Surrenders to Revenue Fund		(1 087 216)	(902 037)
Voted funds not requested/not received		(15 066)	(9 231)
<b>Net cash flow generated by operating activities</b>		<b>(1 327 770)</b>	<b>(1 336 043)</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

### 19 Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General account		(7 513 791)	(6 343 829)
Cash receipts		(3)	519
Disbursements		–	(37)
Cash on hand		8	8
<b>Total</b>		<b>(7 513 786)</b>	<b>(6 343 339)</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**20 Contingent liabilities and contingent assets****20.1 Contingent liabilities**

	Nature	Note	2013/14 R'000	2012/13 R'000
<b>Liable to:</b>				
Housing loan guarantees Employees	Employees	Annex 2A	–	56
Claims against the department		Annex 2B	3 096	3 096
Intergovernmental payables (unconfirmed balances)		Annex 4	5 340	69
<b>Total</b>			<b>8 436</b>	<b>3 221</b>

**21 Commitments**

	Note	2013/14 R'000	2012/13 R'000
<b>Current expenditure</b>			
Approved and contracted		41 964	47 274
Approved but not yet contracted		14 650	83
		<b>56 614</b>	<b>47 357</b>
<b>Capital expenditure</b>			
Approved and contracted		123	983
Approved but not yet contracted		–	119
		<b>123</b>	<b>1 102</b>
<b>Total commitments</b>		<b>56 737</b>	<b>48 459</b>

*The increase in total commitments was due to a contract which was approved in March 2014 but not contracted at the end of March 2014.*



**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***22 Accruals**

LISTED BY ECONOMIC CLASSIFICATION	2013/14			2012/13
			R'000	R'000
	30 Days	30+ Days	Total	Total
Goods and services	11 345	10 193	21 538	2 910
Capital assets	–	1 903	1 903	3 681
<b>Total</b>	<b>11 345</b>	<b>12 096</b>	<b>23 441</b>	<b>6 591</b>

LISTED BY PROGRAMME LEVEL	Note	2013/14 R'000	2012/13 R'000
Administration		14 356	5 835
Social Security Policy and Administration		3 592	195
Welfare Services Policy Development and		4 308	365
Social Policy and Integrated Service Delivery		1 185	196
<b>Total</b>		<b>23 441</b>	<b>6 591</b>

	Note	2013/14 R'000	2012/13 R'000
Confirmed balances with other departments	Annex 4	536	1 140
<b>Total</b>		<b>536</b>	<b>1 140</b>

**23 Employee benefits**

	Note	2013/14 R'000	2012/13 R'000
Leave entitlement		14 346	8 457
Service bonus (Thirteenth cheque)		8 220	7 407
Performance awards		5	14
Capped leave commitments		8 323	8 011
<b>Total</b>		<b>30 894</b>	<b>23 889</b>

*The increase in leave entitlement was due to an increase in the number of employees as a result of the establishment of the Command Centre for Gender-based Violence.*

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**24 Lease commitments****24.1 Operating leases expenditure**

<b>2013/14</b>	<b>Buildings and Other Fixed Structures R'000</b>	<b>Machinery and Equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	28 130	1 259	29 389
Later than 1 year and not later than 5 years	65 686	721	66 407
<b>Total lease commitments</b>	<b>93 816</b>	<b>1 980</b>	<b>95 796</b>

<b>2012/13</b>	<b>Buildings and Other Fixed Structures R'000</b>	<b>Machinery and Equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	32 583	1 268	33 851
Later than 1 year and not later than 5 years	91 580	1 145	92 725
<b>Total lease commitments</b>	<b>124 163</b>	<b>2 413</b>	<b>126 576</b>

**24.2 Finance leases expenditure**

<b>2013/14</b>	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	880	880
Later than 1 year and not later than 5 years	265	265
<b>Total lease commitments</b>	<b>1 145</b>	<b>1 145</b>

<b>2012/13</b>	<b>Machinery and Equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	469	469
Later than 1 year and not later than 5 years	132	132
<b>Total lease commitments</b>	<b>601</b>	<b>601</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***25 Irregular expenditure****25.1 Reconciliation of irregular expenditure**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		41 679	28 102
Add: Irregular expenditure – relating to prior year		2 355	19 228
Add: Irregular expenditure – relating to current year		18 676	3 481
Less: Amounts condoned		(13 652)	(4 942)
Less: Amounts recoverable (not condoned)		–	(4 190)
<b>Irregular expenditure awaiting condonation</b>		<b>49 058</b>	<b>41 679</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		18 676	3 481
Prior years		30 382	38 198
<b>Total</b>		<b>49 058</b>	<b>41 679</b>

**25.2 Details of irregular expenditure – current year**

INCIDENT	Disciplinary Steps Taken/ Criminal Proceedings	2013/14 R'000
Non-compliance with SCM and order was not issued prior to the service		2 099
Non-compliance with SCM and order was not issued prior to the service		5 311
Non-compliance with SCM and order was not issued prior to the service		1 865
Non-compliance with SCM and order was not issued prior to the service		813
Non-compliance with SCM procedures for SRD vouchers		8 588
<b>Total</b>		<b>18 676</b>

**25.3 Details of irregular expenditure condoned**

INCIDENT	Condoned by (Condoning Authority)	2013/14 R'000
Non-compliance with SCM and order was not issued prior to the service		13 652
<b>Total</b>		<b>13 652</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**26 Fruitless and wasteful expenditure****26.1 Reconciliation of fruitless and wasteful expenditure**

	Note	2013/14 R'000	2012/13 R'000
Opening balance		71	124
Fruitless and wasteful expenditure – relating to current year		278	371
<i>Less:</i> Amounts resolved		(13)	(423)
<i>Less:</i> Amounts transferred to receivables for recovery		–	(1)
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b>336</b>	<b>71</b>

**26.2 Analysis of awaiting resolution per economic classification**

	Note	2013/14 R'000	2012/13 R'000
Current		278	71
Capital		58	–
<b>Total</b>		<b>336</b>	<b>71</b>

**26.3 Analysis of current year's fruitless and wasteful expenditure**

INCIDENT	Disciplinary Steps Taken/ Criminal Proceedings	2013/14 R'000
Car damage		261
Labour relations books		1
Catering services		1
Hotel no show		10
Traffic fines		4
Other		1
<b>Total</b>		<b>278</b>

**27 Related party transactions**

	Note	2013/14 R'000	2012/13 R'000
Other			
List related party relationships			
South African Social Security Agency (SASSA)			
National Development Agency (NDA)			
Disaster Relief Funds			
State President Fund			
Refugee Relief Fund			
Social Relief Fund			

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**28 Key management personnel**

	No. of Individuals	2013/14 R'000	2012/13 R'000
Political office bearers		–	–
Officials:	2	3 841	3 659
Level 15 to 16	8	9 960	10 816
Level 14 (including CFO if at a lower level)	14	19 394	20 213
<b>Total</b>		<b>33 195</b>	<b>34 688</b>

**29 Movable tangible capital assets**

Movements in movable tangible capital assets as per asset register for the year ended 31 March 2014

Assets	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Machinery and equipment	70 622	5 128	663	75 087
Transport assets	4 098	–	418	3 680
Computer equipment	36 699	3 176	220	39 655
Furniture and office equipment	22 361	1 678	25	24 014
Other machinery and equipment	7 464	274	–	7 738
<b>Total movable tangible assets</b>	<b>70 622</b>	<b>5 128</b>	<b>663</b>	<b>75 087</b>

**29.1 Additions to movable tangible capital assets as per asset register for the year ended 31 March 2014**

	Cash R'000	Received Current, Not Paid (Paid Current Year, Received Prior Year) R'000	Total R'000
Machinery and equipment	4 999	129	5 128
Computer equipment	3 072	104	3 176
Furniture and office equipment	1 670	8	1 678
Other machinery and equipment	257	17	274
<b>Total additions to movable tangible capital assets</b>	<b>4 999</b>	<b>129</b>	<b>5 128</b>

*The decrease is due to the standardisation of computer equipment that was finalised in the 2011/12 financial year.*

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

For the year ended 31 March 2014

**29.2 Disposals of movable tangible capital assets as per asset register for the year ended 31 March 2014**

	Sold for Cash R'000	Transfer Out or Destroyed or Scrapped R'000	Total Disposals R'000	Cash Received Actual R'000
Machinery and equipment	418	245	663	192
Transport assets	418	–	418	192
Computer equipment	–	220	220	–
Furniture and office equipment	–	25	25	–
<b>Total movable tangible assets</b>	<b>418</b>	<b>245</b>	<b>663</b>	<b>192</b>

**29.3 Movements in tangible capital assets as per asset register for the year ended 31 March 2013**

Assets	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Machinery and equipment	75 046	6 997	11 421	70 622
Transport assets	4 098	–	–	4 098
Computer equipment	43 792	3 223	10 316	36 699
Furniture and office equipment	20 494	2 418	551	22 361
Other machinery and equipment	6 662	1 356	554	7 464
<b>Total movable tangible assets</b>	<b>75 046</b>	<b>6 997</b>	<b>11 421</b>	<b>70 622</b>

**29.4 Capital assets less than R5 000**

Movements in minor assets as per asset register for the year ended 31 March 2014

	Machinery & Equipment R'000	Total R'000
Opening balance	3 345	3 345
Additions	487	487
Disposals	81	81
<b>Total minor assets</b>	<b>3 751</b>	<b>3 751</b>

	Machinery & Equipment R'000	Total R'000
Number of R1 minor assets	6 163	6 163
Number of minor assets at cost	13 104	13 104
<b>Total number of minor assets</b>	<b>19 267</b>	<b>19 267</b>

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS***For the year ended 31 March 2014***Movements in minor assets as per asset register for the year ended 31 March 2013**

	<b>Machinery &amp; Equipment R'000</b>	<b>Total R'000</b>
Opening balance	2 808	2808
Additions	1 438	1 438
Disposals	901	901
<b>Total minor assets</b>	<b>3 345</b>	<b>3 345</b>

	<b>Machinery &amp; Equipment R'000</b>	<b>Total R'000</b>
Number of R1 minor assets	4 796	4 796
Number of minor assets at cost	12 858	12 858
<b>Total number of minor assets</b>	<b>17 654</b>	<b>17 654</b>

**30 Intangible capital assets****Movements in intangible capital assets as per asset register for the year ended 31 March 2014**

<b>Assets</b>	<b>Opening Balance R'000</b>	<b>Additions R'000</b>	<b>Closing Balance R'000</b>
Software	9 734	1 491	11 225
<b>Total intangible capital assets</b>	<b>9 734</b>	<b>1 491</b>	<b>11 225</b>

**30.1 Additions to intangible capital assets as per asset register for the year ended 31 March 2014**

<b>Assets</b>	<b>Cash R'000</b>	<b>Closing Balance R'000</b>
Software	1 491	1 491
<b>Total additional to intangible capital assets</b>	<b>1 491</b>	<b>1 491</b>

**Movements in intangible capital assets as per asset register for the year ended 31 March 2013**

<b>Assets</b>	<b>Opening Balance R'000</b>	<b>Current year adjustments to prior year balances R'000</b>	<b>Additions R'000</b>	<b>Closing Balance R'000</b>
Software	21 871	(16 312)	4 175	9 734
<b>Total intangible capital assets</b>	<b>21 871</b>	<b>(16 312)</b>	<b>4 175</b>	<b>9 734</b>



## ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2014

### Annexure 1A

#### Statement of transfers to Departmental Agencies and Accounts

DEPARTMENT/AGENCY/ACCOUNT	Transfer allocation		Transfer		2012/13
	Adjusted Appropriation	Total Available	Actual transfer	% of Available Funds Transferred	Appropriation
	R'000	R'000	R'000	%	R'000
National Development Agency	171 713	171 713	171 713	100%	166 263
South African Social Security Agency	6 311 048	6 311 048	6 311 048	100%	6 119 770
National Student Financial Aid Scheme (social work bursaries)	250 000	250 000	250 000	100%	256 000
	6 732 761	6 732 761	6 732 761		6 542 033

### Annexure 1B

#### Statement of transfers to foreign governments and international organisations

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	Transfer allocation		Expenditure		2012/13
	Adjusted Appropriation	Total Available	Actual Transfer	% of Available Funds Transferred	Appropriation
	R'000	R'000	R'000	%	R'000
<b>Transfers</b>					
International Social Security Association	1 179	1 179	1 078	91%	–
International Federation for the Aged	42	42	11	26%	9
International Social Service	175	175	232	133%	1 249
Walvis Bay	–	–	–	–	246
United Nations International Drug Control	40	40	–	–	25
Partners in Population and Development	601	601	601	100%	336
UNRISD	120	120	–	100%	–
International Organisation of Pension Supervisors	50	50	66	132%	52
Organisation for Economic Co-operation and Development	300	300	399	133%	294
UNFPA	444	444	444	100%	210
University of Stellenbosch	66	66	66	100%	–
<b>Total</b>	<b>3 017</b>	<b>3 017</b>	<b>2 897</b>		<b>2 421</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**

for the year ended 31 March 2014

**Annexure 1C****Statement of transfers to non-profit institutions**

NON-PROFIT INSTITUTIONS	Transfer allocation		Expenditure		2012/13
	Adjusted Appropriation Act R'000	Total Available R'000	Actual transfer R'000	% of Available Funds Transferred %	Appropriation R'000
<b>Transfers</b>					
LoveLife	48 100	48 100	48 100	100%	45 600
Soul City	1 000	1 000	1 000	100%	2 500
NABSSA	1 050	1 050	–	–	–
Khanya – AICDD	577	577	573	99%	479
NAPWA	883	883	–		836
Food Bank South Africa	9 000	9 000	9 000	100%	1 000
Population Association of SA	200	200	200	100%	–
Brian Hermanus Umbrella House	5 000	5 000	5 000	100%	–
Sinqobile Kingdom Empowerment Centre	5 000	5 000	5 000	100%	–
	<b>70 810</b>	<b>70 810</b>	<b>68 873</b>		<b>50 415</b>
<b>Subsidies</b>					
SA Vrouefederasie	691	691	691	100%	691
Die Ondersteuningsraad	592	592	592	100%	592
National Council for Persons with Physical Disabilities (NCPDPSA)	706	706	706	100%	670
Deaf Federation of SA (DEAFSA)	543	543	543	100%	610
SA Federation for Mental Health	840	840	840	100%	710
SA Council on Alcoholism and Drug Dependence (SANCA)	1 160	1 160	1 160	100%	1 660
Child Welfare SA	1 979	1 979	1 979	100%	1 979
Apostolic Faith Mission (AFM)	658	658	658	100%	658
Family and Marriage Society SA (FAMSA)	1 210	1 210	1 210	100%	1 502
Epilepsy SA	716	716	716	100%	592
National Institute for Crime Prevention and Integration of Offenders (NICRO)	–	–	–		750
Afrikaanse Christelike Vrouefederasie	1 149	1 149	1 149	100%	1 149
Alzheimer's SA	716	716	716	100%	786
Disabled Children Action Group (DICAG)	578	578	578	100%	640
BADISA	552	552	552	100%	552
SA Council for Service Professions (SACSSP)	1 628	1 628	1 628	100%	1 550
Khulisa Crime Prevention Initiative	–	–	–	–	750
SA Older Persons Forum	716	716	358	50%	600
Childline SA	884	884	884	100%	884
SA Depression and Anxiety Group (SADAG)	1 443	1 443	1 443	100%	1 500
Action on Elder Abuse SA	–	–	–	–	660
Lifeline SA	1 100	1 100	1 100	100%	1 004
National Peace Accord Trust	1 100	1 100	1 100	100%	1 004
National Shelter Movement	800	800	800	100%	–
Families Organisation	680	680	–	0%	–
Centre for ECD	142	142	142	100%	–
ECD Congress	185	185	185	100%	–
Age in Action	716	716	716	100%	–
UKZN Main Account	565	565	565	100%	–
<b>Subtotal</b>	<b>22 045</b>	<b>22 045</b>	<b>21 011</b>		<b>21 493</b>
<b>Total</b>	<b>92 855</b>	<b>92 855</b>	<b>89 884</b>		<b>71 908</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS***for the year ended 31 March 2014***Annexure 1D****Statement of transfers to households**

HOUSEHOLDS	Transfer Allocation			Expenditure		2012/13
	Adjusted Appropriation	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Appropriation
	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>						
Social grants	113 006 841	(2 000 000)	111 006 841	109 586 927	99%	103 888 956
Social benefit ex-officials	–	–	–	779		863
Department of Labour (injury on duty)	–	–	–	–	–	210
Food Nutrition	28 000	(16 000)	12 000	–	–	–
University of the Witwatersrand	50	–	50	50	100%	–
IAGG	50	–	50	50	100%	–
<b>Total</b>	<b>113 034 941</b>	<b>(2 016 000)</b>	<b>111 018 941</b>	<b>109 587 806</b>		<b>103 890 029</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS***for the year ended 31 March 2014***Annexure 1E****Statement of aid assistance received**

DONOR	Purpose	Opening Balance R'000	Revenue R'000	Expenditure R'000	Closing Balance R'000
<b>Received in cash</b>					
CIDA	Child Protection Register	336	7 500	7 835	1
HW Seta	Various training programmes	5 848	415	2 154	4 109
Global Fund	Fight against Aids, TB and malaria	472	–	472	–
CARA		26 135	–	6 108	20 027
<b>Subtotal</b>		<b>32 791</b>	<b>7 915</b>	<b>16 569</b>	<b>24 137</b>
<b>Received in kind</b>					
KFW	Implementation of a care and support programme for child and youth-headed household in KwaZulu-Natal Limpopo and North West	–	3 496	3 496	–
JICA	DSD's institutional capacity enhanced to make strategic plans and decisions to integrate and mainstream disability across all DSD policies and service delivery programmes	–	946	946	–
JICA	Implementation of interventions to strengthen the data quality of HCBC M&E in North West and the Northern Cape	–	1 630	1 630	–
USAID	Verify the effectiveness of the safety and risk assessment tools and training material in a diverse geographical area (urban, peri-urban and rural) in the SA child protection context	–	116	116	–
USAID	Roll out of the Safety and Risk Assessment tool to social workers.	–	792	792	–
USAID	Maintenance and sustainability of the Children's Services Directory	43 145	–	22 579	20 566
USAID	To enhance the capacity of community caregivers to meet the challenges they face in protecting, caring for and supporting orphans made vulnerable by HIV and AIDS. To strengthen effective and efficient child protection responses by increasing the capacity and engagement of civil society and state OVC providers. Build a provincial implementation, capacity development and sustainability plan.	–	7 331	7 331	–
USAID	Undertake an impact assessment study of the HCBC and Support programme as implemented by the DSD	2 070	–	2 070	–
USAID	Hosting and maintenance of the CBIMS	–	381	381	–
USAID	To review the technical quality of the NAP on Violence against Women and Children (current and previous) with regard to its alignment with the NSP, relevance, comprehensiveness and measurability	–	853	853	–
USAID	Development of the DSD OVC National Action Plan 2012–2016	146	–	–	146
UNICEF	Development of an ECD Policy	–	595	595	–
UNICEF	Develop a National Comprehensive ECD Programme	–	907	907	–
UNICEF	To provide technical assistance for the development and Implementation of the Programme of Action for the Inter-ministerial Committee on Violence Against Women and Children	–	228	228	–

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS***for the year ended 31 March 2014*

<b>DONOR</b>	<b>Purpose</b>	<b>Opening Balance R'000</b>	<b>Revenue R'000</b>	<b>Expenditure R'000</b>	<b>Closing Balance R'000</b>
UNICEF	Audit of unregistered child and youth care centres and situational analysis of state houses	433	–	–	433
UNICEF	Provision of technical support to the plan for the transformation of CYCC and the regularisation of temporary safe care based on audits and tools completed in 2012	–	78	78	–
UNICEF	To provide administrative and management capacity for the development and finalisation of an ECD policy and a comprehensive ECD programme	–	111	111	–
UNICEF	Support for hosting of meeting on ECD	–	3	3	–
UNICEF	Cover costs for workshop venue for 80 persons	–	35	35	–
UNICEF	Support for workshop	–	165	165	–
USAID	Placement of 6 staff members within the SD to provide various levels of support	856	–	–	856
USAID	Conduct Children's Dialogues in preparation for the 2013 OVCY conference	–	1 667	1 667	–
USAID	Planning for the 2013 OVCY Conference	–	552	552	–
USAID	Technical support for the development of an Action Plan emanating from the 2013 OVCY Conference	–	91	91	–
<b>Subtotal</b>		<b>46 650</b>	<b>19 977</b>	<b>44 626</b>	<b>22 001</b>
<b>TOTAL</b>		<b>79 441</b>	<b>27 892</b>	<b>61 195</b>	<b>46 138</b>

**Annexure 1f**  
Statement of actual monthly expenditure per grant

GRANT TYPE	2013								2014				Total R'000
	Apr R'000	May R'000	Jun R'000	Jul R'000	Aug R'000	Sept R'000	Oct R'000	Nov R'000	Dec R'000	Jan R'000	Feb R'000	Mar R'000	
Old Age	3 604 558	3 620 551	3 621 199	3 602 763	3 673 337	3 101 831	4 252 132	3 701 609	3 704 846	3 720 715	3 718 685	3 742 013	44 064 239
War Veterans	736	726	563	808	665	481	826	575	572	594	558	553	7 657
Disability	1 496 115	1 492 737	1 481 664	1 465 323	1 494 089	1 311 320	1 654 567	1 483 219	1 490 438	1 480 472	1 452 291	1 466 396	17 768 631
Grant in Aid	21 665	21 929	20 988	19 745	22 453	21 646	24 293	23 801	24 160	24 410	24 153	24 849	274 092
Foster Care	441 871	446 074	447 177	453 045	459 520	406 606	524 461	469 808	472 913	397 387	396 752	416 479	5 332 093
Care Dependency	165 417	165 662	164 503	160 221	165 874	143 401	188 356	167 518	168 548	168 457	166 648	168 479	1 993 084
Child Support	3 298 791	3 296 018	3 277 921	3 255 266	3 258 535	2 766 643	3 819 819	3 279 955	3 332 619	3 334 914	3 321 679	3 371 924	39 614 084
Other	10 304	35 858	24 023	35 209	26 470	35 585	41 982	43 760	51 539	46 762	49 988	131 567	533 047
TOTAL	9 039 457	9 079 555	9 038 038	8 992 380	9 100 943	7 787 513	10 506 436	9 170 245	9 245 635	9 173 711	9 130 754	9 322 260	109 586 927

**Annexure 2a**  
Statement of financial guarantees issued as at 31 March 2014 – local

GUARANTOR INSTITUTION	Guarantee in Respect of	Original Guaranteed Capital Amount R'000	Opening Balance 1 April 2013 R'000	Drawdowns During the Year R'000	Repayments/ Cancelled/ Reduced/Released During the Year R'000	Revaluations R'000	Closing Balance 31 March 2014 R'000	Guaranteed Interest for Year Ended 31 March 2014 R'000	Realised Losses Not Recoverable, i.e. Claims Paid Out R'000
Absa	Housing	134	56	–	56	–	–	–	–
	<b>TOTAL</b>	<b>134</b>	<b>56</b>	<b>–</b>	<b>56</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

**Annexure 2b****Statement of contingent liabilities as at 31 March 2014**

NATURE OF LIABILITY	Opening Balance 1 April 2013 R'000	Liabilities Incurred During the Year R'000	Liabilities Paid/ Cancelled/ Reduced During the Year R'000	Liabilities Recoverable R'000	Closing Balance 31 March 2014 R'000
Claims against the department					
Unfair labour practice	2 413	–	–	–	2 413
Civil claim (War Veteran's Grant)	73	–	–	–	73
Civil claim (Disaster relief – drought)	552	–	–	–	552
Civil claim (Disaster relief – storm)	58	–	–	–	58
<b>TOTAL</b>	<b>3 096</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 096</b>

**Annexure 3****Claims recoverable**

GOVERNMENT ENTITY	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		Total	
	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000
<b>Departments</b>						
Department of Health and Welfare – Limpopo	7 851	7 851	–	–	7 851	7 851
Department of Social Development – Gauteng	2 870	2 870	–	–	2 870	2 780
Limpopo Provincial Treasury	–	–	–	16	–	16
South African Social Security Agency	–	–	2 886	2 886	2 886	2 886
Department of International Relations	–	–	–	148	–	148
National Development Agency	–	–	123	154	123	154
Department of Environmental Affairs	–	–	17	–	17	–
The Presidency	–	–	333	333	333	333
Department of Labour	–	–	–	18	–	18
Department of Human Settlement	–	–	38	–	38	–
Department of Public Works	–	–	–	22	–	22
Department of Health	–	–	2	–	2	–
National Treasury – Adjust Free State	–	–	423	423	423	423
National Treasury – Mpumalanga	–	–	670	670	670	670
National Treasury (Limpopo)	–	–	694	694	694	694
National Treasury (Free State)	–	–	2 423	2 423	2 423	2 423
National Treasury – Over surrender	–	–	249	252	249	252
National Treasury – Over surrender	–	–	670	670	670	670
Department of Energy	–	–	14	–	14	–
Department of Home Affairs	8	8	–	–	8	8
Department of Justice (salaries)	–	–	–	17	–	17
Unknown conversion	–	–	55	55	55	55
SASSA (salaries)	–	–	80	385	80	385
SASSA (PMG administration account)	–	–	539	183	539	183
KZN Public Works	–	–	26	–	26	–
Department of Corporate Governance	–	–	9	–	9	–
Department of Watert Affairs	–	–	60	–	60	–
Department of International Relations	–	–	41	–	41	–
	<b>10 729</b>	<b>10 729</b>	<b>9 352</b>	<b>9 349</b>	<b>20 081</b>	<b>20 078</b>
<b>Other government entities</b>						
PRASA	–	–	–	136	–	136
<b>TOTAL</b>	<b>10 729</b>	<b>10 729</b>	<b>9 352</b>	<b>9 485</b>	<b>20 081</b>	<b>20 214</b>



**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS***for the year ended 31 March 2014***Annexure 4****Intergovernment payables**

GOVERNMENT ENTITY	Confirmed Balance		Unconfirmed Balance		Total	
	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000
<b>Departments</b>						
<b>Current</b>						
SASSA	239	–	–	–	239	–
DIRCO	–	1 134	5 340	62	5 340	1 196
Department of Social Development, Women, Children and People with Disabilities (North West)	–	6	–	–	–	6
Eastern Cape: Social Development and Special Programme	35	–	–	7	35	7
KwaZulu-Natal DSD	14	–	–	–	14	–
Western Cape DSD	248	–	–	–	248	–
<b>Total</b>	<b>536</b>	<b>1 140</b>	<b>5 340</b>	<b>69</b>	<b>5 876</b>	<b>1 209</b>

**Annexure 5****Inventory**

INVENTORY	Note	2013/14		2012/13	
		Quantity	R'000	Quantity	R'000
Opening balance		–	–	25 518	1 277
Adjustments to prior year balance		–	–	–	(16)
Additions/purchases – Cash		–	–	96 100	16 609
Additions – non-cash		–	–	2 000	39
Issues				(102 384)	(16 426)
<b>Closing Balance</b>		<b>–</b>	<b>–</b>	<b>21 324</b>	<b>1 483</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS***for the year ended 31 March 2014***Annexure 6a****Inter-entity advances paid (note 11)**

ENTITIES	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		Total	
	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000
<b>National departments</b>						
Department of International Relations and Cooperation	845	–	95	949	940	949
GCIS	1 763	866	147	386	1 910	1 252
Department of Defence	865	–	–	–	865	–
<b>Subtotal</b>	<b>3 473</b>	<b>866</b>	<b>242</b>	<b>1 335</b>	<b>3 715</b>	<b>2 201</b>
<b>Public entities</b>						
SASSA Roadshow	–	–	53	53	53	53
<b>Subtotal</b>	<b>–</b>	<b>–</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>53</b>
<b>TOTAL</b>	<b>3 473</b>	<b>866</b>	<b>295</b>	<b>1 388</b>	<b>3 768</b>	<b>2 254</b>

**Annexure 6b****Inter-entity advances received (note 16 and note 17)**

ENTITIES	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		Total	
	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000
<b>Provincial departments</b>						
<b>Current</b>						
NISIS project	–	–	–	5 131	–	5 131
<b>Subtotal</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5 131</b>	<b>–</b>	<b>5 131</b>
<b>Non-current</b>						
NISIS PROJECT	–	–	5 512	391	5 512	391
SASSA Limpopo	–	–	–	3	–	3
<b>Subtotal</b>	<b>–</b>	<b>–</b>	<b>5 512</b>	<b>394</b>	<b>5 512</b>	<b>394</b>
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5 131</b>	<b>–</b>	<b>5 131</b>
<b>Non-current</b>	<b>–</b>	<b>–</b>	<b>5 512</b>	<b>394</b>	<b>5 512</b>	<b>394</b>
<b>TOTAL</b>	<b>–</b>	<b>–</b>	<b>5 512</b>	<b>5 525</b>	<b>5 512</b>	<b>5 525</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 211 to 220, which comprise the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as 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 Fund-Raising Act, 1978 (Act No. 107 of 1978), 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 Disaster Relief Fund as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the Fund-Raising Act, 1978 (Act No. 107 of 1978).

### Emphasis of matter

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

### Going concern

8. Note 19 to the financial statements indicate that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 19, 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

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I was unable to conduct the audit of performance against predetermined objectives as the fund is not required to prepare a report on its performance against predetermined objectives. The fund does not fall within the ambit of the PFMA and the entity-specific legislation does not require the reporting on performance against predetermined objectives.

### Compliance with legislation

11. I performed procedures to obtain evidence that the fund had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### Internal control

12. I considered internal control relevant to my audit of the financial statements and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

23 July 2014



**STATEMENT OF FINANCIAL PERFORMANCE***for the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Other income (SPR)	2	4 150	4 048
<b>TOTAL REVENUE</b>		<b>4 150</b>	<b>4 048</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(42)	(197)
Audit fees	4	(8)	(8)
Other operating expenses	5	(8 389)	(391)
<b>TOTAL EXPENDITURE</b>		<b>(8 439)</b>	<b>(596)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>(4 289)</b>	<b>3 452</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>(4 289)</b>	<b>3 452</b>

**STATEMENT OF FINANCIAL POSITION***as at 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
Non-Current assets		0	0
Current assets			
Cash and cash equivalents	7	81 989	79 215
Account receivable			
<b>TOTAL ASSETS</b>		<b>81 989</b>	<b>79 215</b>
<b>EQUITY AND LIABILITIES</b>			
Current liabilities		0	0
Provision for Lottery Refund	8	7 063	
<b>TOTAL LIABILITIES</b>		<b>7 063</b>	<b>0</b>
<b>NET ASSETS</b>			
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus	9	74 926	79 215
<b>TOTAL NET ASSETS</b>		<b>74 926</b>	<b>79 215</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>74 926</b>	<b>79 215</b>

**STATEMENT OF CHANGES IN NETT ASSETS**

as at 31 March 2014

	Accumulated Funds R'000
<b>Balance as at 1 April 2012</b>	<b>75 763</b>
Surplus for the year	3 452
<b>Balance as at 31 March 2013</b>	<b>79 215</b>
(Deficit)/surplus for the year	(4 289)
<b>Balance as at 31 March 2014</b>	<b>74 926</b>

**CASH FLOW STATEMENT**

as at 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from stakeholders			11, 201
Government grants			
Refunds from suppliers			11, 201
Cash paid to stakeholders, suppliers and employees			
Grant and project payments		(1 300)	(373)
Payments to suppliers and other**?		(76)	(224)
Cash generated from operations	10	(1 376)	10 606
Interest income	2	4,150	4 048
<b>Net cash inflow/ (outflow) from operating activities</b>		<b>2 774</b>	<b>14 652</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investing activities		0	0
<b>Net cash flows from investing activities</b>		<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Write-off of unpaid beneficiaries		0	0
<b>Net cash flows from financing activities</b>		<b>0</b>	<b>0</b>
Net (decrease) / increase in cash and cash equivalents		2 774	14 653
Cash and cash equivalents at start of year		79 215	64 562
Cash and cash equivalents at end of year	7	<b>81 989</b>	<b>79 215</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 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 will 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 20: Related Party Disclosures
- GRAP 32: Service Concession Arrangements: Grantor
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers
- GRAP 108: Statutory Receivables

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 1: Applying the Probability Test on Initial Recognition of 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
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an asset.

### 1.2 Currency

The financial statements are presented in South African Rand. All figures are rounded off to the nearest one thousand.

### 1.3 Property, plant and equipment

Items of property, plant and equipment are initially recognised as on acquisition date and are initially recorded at cost.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 1.4 Revenue recognition

Revenue is recognised when future economic benefits will probably flow to the fund, and 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.

## 1.5 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 instances of irregular and fruitless and wasteful expenditure are charged against income in the period in which they are incurred.

## 1.6 Investments

Investments are shown at cost including interest capitalised.

## 1.7 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.8 Financial Instruments

### 1.8.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### 1.8.2 Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition, these instruments are measured as set out below.

### 1.8.3 Financial assets

The Fund's principal financial assets are cash and cash equivalents.

### 1.8.4 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.

### 1.8.5 Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

### 1.8.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

### 1.8.7 Financial liabilities

The Fund's principal financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations.

## 1.9 Inventories

Inventory is stated at the lower cost and net realisable value. Cost is calculated on the weighted average basis, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 1.10 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## 2 Revenue

	2013/14 R'000	2012/13 R'000
Interest received	4 150	4 048
National Lottery Board	–	–
High School Vorentoe Disaster Fund (account closed 26 August 2010)	–	–
Stale cheques		
Direct deposits		
<b>Total</b>	<b>4 150</b>	<b>4 048</b>

## 3 Administrative expenditure

	2013/14 R'000	2012/13 R'000
Investment levy	0	3
Fees for services – board members 21	9	162
Interest paid	1	
Rentals (container)		7
Bank charges	27	13
Refreshments (Meetings)	5	12
<b>Total</b>	<b>42</b>	<b>197</b>

## 4 Audit fees

	2013/14 R'000	2012/13 R'000
	8	8
<b>Total</b>	<b>8</b>	<b>8</b>

## 5 Other operating expenses

	2013/14 R'000	2012/13 R'000
Travel and accommodation	26	15
Printing and stationery		
Training		
Computer expenses		3
Assistance to beneficiaries (DSD)	1 300	373
Assistance to beneficiaries (DMS)		
Administration fees to (DMS)	7 063	
<b>Total</b>	<b>8 389</b>	<b>391</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 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's 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 investment and cash handling purposes.

#### 6.1.3 Financial assets

	2013/14 R'000	2012/13 R'000
Cost	79 198	51 290
Additions during the year	2 150	27 908
<b>Closing balance</b>	<b>81 348</b>	<b>79 198</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

	2013/14 R'000	2012/13 R'000
Cash and balances with banks	641	17
Investments	81 348	79 198
<b>Total</b>	<b>81 989</b>	<b>79 215</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.

	2013/14 Effective Rate	2012/13 Effective Rate	Change
Investments	5.15%	5.14 %	0.01%

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 6.1.6 Interest risk sensitivity analysis

	2013/14 R	2012/13 R
Investments	81 348	79 198
<b>0.01% interest fluctuation impact</b>	<b>8</b>	<b>238</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.

## 7 Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash – bank deposits	641	17
Cash – corporation for public deposits	80 260	78 165
Cash – Public Investment Corporation	1 088	1 033
<b>Total</b>	<b>81 989</b>	<b>79 215</b>

The credit quality of cash at bank and short-term deposits, excluding cash on hand, that is neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

## 8 Provision

	2013/14 R'000	2012/13 R'000
Provision Lottery refunds	7 063	
<b>Total</b>	<b>7 063</b>	

## 9 Retained income

	2013/14 R'000	2012/13 R'000
Accumulated surplus /(accumulated deficit)	79 215	75 763
Net profit/(loss) for the year	(4 323)	3 452
<b>Total</b>	<b>74 892</b>	<b>79 215</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 10 Cash generated from/(utilised in) operations

	2013/14 R'000	2012/13 R'000
Surplus/ (deficit) before tax	2 774	3 452
(Interest received)	(4 150)	(4 048)
<b>Adjusted for working capital changes</b>		<b>11 201</b>
Increase/(decrease) in payables		
(Increase)/decrease in receivables		11 201
<b>Net cash flow from operating activities</b>	<b>(1 376)</b>	<b>10 605</b>

## 11 Events after Balance Sheet date

None identified to date.

## 12 Provisions

Provisions are recognised when the entity has a present or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

## 13 Contingent liabilities

The following are the details of claims against the Disaster Relief Fund:

- Civil claim (Disaster Relief – Drought): the estimated amount of the claim is R551 700.00, and the legal costs are estimated at R1 000 000.00.
- Civil claim (Disaster Relief – Storm): the estimated amount of the claim is R57 600.00, and legal costs are estimated at R150 000.00.

By year end the above matters had not been finalised. However, there were no prospects of successful claims by the claimants which was likely to decrease the amount reflected as a claim or estimated claim against the DSD.

The names of 2 449 unpaid flood relief beneficiaries were sent to the Free State, Kwa-Zulu Natal, the Eastern Cape, Limpopo and North West in the 2012/13 financial year. They were due to receive R3 420 each. In the 2013/14 financial year, Eastern Cape (335) and North West (45) beneficiaries were paid R1 299 600.00. Outstanding payments to 2 069 beneficiaries at the end of the 2013/14 financial year amounted to R7 075 980. Tracing the beneficiaries is an ongoing process which is expected to be finalised by the end of the 2014/15 financial year.

## 14 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

## 15 Revenue

### 15.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

### 15.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

### 15.3 Grants, transfers and donations

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

## 16 Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

## 17 Interest in joint ventures

Interest in joint ventures is applicable to all entities on the accrual basis of accounting.

## 18 Related party transactions

### 18.1 The Department of Social Development

The executive authority of the Disaster Relief Fund is the Minister of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with the DSD.

### 18.2 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.

### 18.3 National Development Agency (NDA)

A related party relationship exists between the Disaster Relief Fund and the NDA. There were no transactions between these parties.

### 18.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Disaster Relief Fund and SASSA. There were no transactions between these parties.

## 19 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 process of which started in the 2012/13 financial year.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2014

## 20 Board member emoluments

2013/14	Designation	Total (R)	Meeting fees (R)	Travel (R)
Adv M Komape	Chairperson	7 450	3 784	3 666
Ms J Padayatchey	Deputy Chairperson	1 966	1 505	461
Mr F A Xaba	Board member	2 437	731	1 706
Mr M I Mokotjo	Board member	13 101	1 254	11 847
Ms O Matshane	Board member			
Mr T L Makgonye	Board member	8 069	1 149	6 920
Ms C Phetwe	Board member	2 591	1 045	1 546
<b>Total</b>		<b>35 614</b>	<b>9 468</b>	<b>26 146</b>

2013/14	Designation	Total (R)	Meeting fees (R)	Travel (R)
Adv M Komape	Chairperson	22 179	14 448	7 731
Ms J Padayatchey	Deputy Chairperson	13 691	11 279	2 412
Mr F A Xaba	Board member	15 509	2 613	12 896
Mr M I Mokotjo	Board member	43 154	6 897	36 257
Ms O Matshane	Board member	1 137	836	301
Mr T L Makgonye	Board member	38 827	8 465	30 363
Ms C Phetwe	Board member	15 895	8 987	6 908
<b>Total</b>		<b>150 393</b>	<b>53 525</b>	<b>96 868</b>

## 21 Meeting attendance for the period 1 April 2013 to 31 March 2014

Names	03 May 13	08 May 13	29 Nov 13	Total
Adv M Komape	1	1	1	3
Ms O Matshane	–	–	–	–
Mr F A Xaba	1	–	–	1
Mr M I Mokotjo	1	1	1	3
Ms J Padayatchey	1	1	–	2
Mr T L Makgonye	1	–	1	2
Ms C Phetwe	1	1	–	2
<b>Total</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>13</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 222 to 229, which comprise the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as 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 Fund-Raising Act, 1978 (Act No. 107 of 1978), 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 2014 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the Fund-Raising Act, 1978 (Act No. 107 of 1978).

### Emphasis of matter

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

### Going concern

8. Note 15 to the financial statements indicate 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

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I was unable to conduct the audit of performance against predetermined objectives as the fund is not required to prepare a report on its performance against predetermined objectives. The fund does not fall within the ambit of the PFMA and the entity-specific legislation does not require the reporting on performance against predetermined objectives.

### Compliance with legislation

11. I performed procedures to obtain evidence that the fund had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### Internal control

12. I considered internal control relevant to my audit of the financial statements and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

23 July 2014





**STATEMENT OF FINANCIAL PERFORMANCE***for the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Other income (SPR)	2	22	21
<b>TOTAL REVENUE</b>		<b>22</b>	<b>21</b>
<b>EXPENDITURE</b>			
Administrative expenses	3	(5)	(5)
Audit fees	4	(8)	(4)
<b>TOTAL EXPENDITURE</b>			
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>(13)</b>	<b>(9)</b>
<b>Surplus/(deficit) for the year</b>		<b>9</b>	<b>12</b>

**STATEMENT OF FINANCIAL POSITION***As at 31 March 2014*

	Note	2012/13 R'000	2011/12 R'000
<b>ASSETS</b>			
Non-current assets			
Current assets			
Cash and cash equivalents	6	546	537
<b>Total assets</b>		<b>546</b>	<b>537</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		546	537
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>546</b>	<b>537</b>

**STATEMENT OF CHANGES IN NET ASSETS***As at 31 March 2014*

	Note	Accumulated Funds R'000
<b>Balance as at 1 April 2012</b>		<b>525</b>
Surplus for the year		12
<b>Balance as at 31 March 2013</b>		<b>537</b>
(Deficit) / surplus for the year		9
<b>Balance as at 31 March 2014</b>		<b>546</b>

**CASH FLOW STATEMENT***As at 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(13)	(9)
Cash generated from/ (utilised in) operations		(13)	(9)
Interest received		22	21
<b>Net cash inflow / (outflow) from operating activities</b>		<b>9</b>	<b>12</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		9	12
Cash and cash equivalents at beginning of the year		537	525
<b>Cash and cash equivalent at end of the year</b>	6	<b>546</b>	<b>537</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 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 will 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 20: Related Party Disclosures
- GRAP 32: Service Concession Arrangements: Grantor
- GRAP 105: Transfer of Function Between Entities Under Common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers
- GRAO 108: Statutory Receivables

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 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether and 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
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset

### 1.2 Currency

These financial statements are presented in South African Rand.

### 1.3 Property plant and equipment

Items of property, plant and equipment are initially recognised as on acquisition date and are initially recorded at cost.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

### 1.4 Revenue recognition

Revenue is recognised when future economic benefits will probably 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.

### 1.5 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.

### 1.6 Investments

Investments are shown at cost including interest capitalised.

### 1.7 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 1.8 Financial instruments

#### 1.8.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

#### 1.8.2 Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition, these instruments are measured as set out below.

#### 1.8.3 Financial assets

The Fund's principle financial assets are investments.

#### 1.8.4 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.

#### 1.8.5 Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### 1.8.6 Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

#### 1.8.7 Financial liabilities

The Fund's principal financial liabilities are accounts payable.

All financial liabilities are measured at mortised cost, comprising original debt less principal payments and amortisations.

### 1.9 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

**2 Revenue**

	2013/14 R'000	2012/13 R'000
Interest received	22	21
<b>Total</b>	<b>22</b>	<b>21</b>

**3 Administrative expenditure**

	2013/14 R'000	2012/13 R'000
Bank charges	1	1
Management fee	4	4
<b>Total</b>	<b>5</b>	<b>5</b>

**4 Audit fees**

	2013/14 R'000	2012/13 R'000
<b>Total</b>	<b>8</b>	<b>4</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 optimising 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**

	2013/14 R'000	2012/13 R'000
Costs	480	459
Additions during the year	58	21
<b>Closing balance</b>	<b>538</b>	<b>480</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 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 optimises its cash return on investments.

### Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash and balances with banks	8	57
Investment	538	480
<b>Total</b>	<b>546</b>	<b>537</b>

## 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 capitalised and will therefore not affect the operations of the Refugee Relief Fund.

	2013/14 Effective Rate	2012/13 Effective Rate	Change
<b>Investments</b>	<b>5.15%</b>	<b>5.14%</b>	<b>0.01%</b>

## 5.1.6 Interest risk sensitivity analysis

	2012/13 R'000	2011/12 R'000
Investments	538	480
<b>0.01% interest fluctuation impact</b>	<b>0.05</b>	<b>1</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.

## 6 Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash – bank deposits	8	57
Cash – Corporation for Public Deposits	43	2
Cash – Public Investment Corporation	495	478
<b>Total</b>	<b>546</b>	<b>537</b>

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 FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 7 Cash generated from/(utilised in) operations

	2013/14 R'000	2012/13 R'000
Surplus/ (deficit) before tax	9	12
(Interest received)	(22)	(21)
<b>Net cash flow from operating activities</b>	<b>(13)</b>	<b>(9)</b>

## 8 Events after balance sheet date

None identified to date.

## 9 Provisions

Provisions are recognised when the entity has a present or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

## 10 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

## 11 Revenue

### 11.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

### 11.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

### 11.3 Grants, transfers and donations

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

### 12 Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

### 13 Interest in joint ventures

Interest in joint ventures is applicable to all entities on the accrual basis of accounting.

### 14 Related party transactions

#### 14.1 The Department of Social Development

The executive authority of the Refugee Relief Fund is the Minister of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

#### 14.2 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.

#### 14.3 National Development Agency (NDA)

A related party relationship exists between the Refugee Relief Fund and the NDA. There were no transactions between the parties.

#### 14.4 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.

### 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 commenced in the 2012/13 financial year.

# 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 231 to 238, which comprise the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as 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 Fund-Raising Act, 1978 (Act No. 107 of 1978), 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 2014 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the Fund-Raising Act, 1978 (Act No. 107 of 1978).

### Emphasis of matter

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

### Going concern

8. Note 16 to the financial statements indicate that the fund is in the process of being closed down. These conditions, along with other matters as set forth in note 16, 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

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I was unable to conduct the audit of performance against predetermined objectives as the fund is not required to prepare a report on its performance against predetermined objectives. The fund does not fall within the ambit of the PFMA and the entity-specific legislation does not require the reporting on performance against predetermined objectives.

### Compliance with legislation

11. I performed procedures to obtain evidence that the fund had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### Internal control

12. I considered internal control relevant to my audit of the financial statements and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

23 July 2014



**STATEMENT OF FINANCIAL PERFORMANCE***for the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Other income (SPR)	2	1 396	1 322
<b>Total revenue</b>		<b>1 396</b>	<b>1 322</b>
<b>EXPENDITURE</b>			
Administrative expenses (SPR)	3	(1)	(1)
Audit fees (SPR)	4	(7)	(4)
<b>Total expenditure</b>		<b>(8)</b>	<b>(5)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATIONS</b>		<b>12</b>	<b>1 317</b>
<b>Surplus/(deficit) for the year</b>		<b>1 388</b>	<b>1 317</b>

**STATEMENT OF FINANCIAL POSITION***As at 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
Non-current assets		0	0
Current assets		0	0
Cash and cash equivalents	6	27 820	26 432
<b>TOTAL ASSETS</b>		<b>27 820</b>	<b>26 432</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		27 820	26 432
<b>TOTAL NET ASSETS</b>		<b>27 820</b>	<b>26 432</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>27 820</b>	<b>26 432</b>

**STATEMENT OF CHANGES IN NET ASSETS***As at 31 March 2014*

	Note	Accumulated Funds R'000
<b>Balance as at 1 April 2012</b>		<b>25 115</b>
Surplus for the year		1 317
<b>Balance as at 31 March 2013</b>		<b>26 432</b>
(Deficit) / surplus for the year		1 388
<b>Balance as at 31 March 2014</b>	6	<b>27 820</b>

**CASH FLOW STATEMENT***As at 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(8)	(5)
Cash generated from/ (utilised in) operations		(8)	(5)
Interest received		1 396	1 322
<b>Net cash inflow / (outflow) from operating activities</b>		<b>1 388</b>	<b>1 317</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		1 388	1 317
Cash and cash equivalents at beginning of the year		26 432	25 115
<b>Cash and cash equivalent at end of the year</b>	6	<b>27 820</b>	<b>26 432</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 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 20: Related Party Disclosures
- GRAP 32: Service Concession Arrangements: Grantor
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers
- GRAP 108: Statutory Receivables

- 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 and 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
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standards of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual interest in an asset.

### 1.2 Currency

These financial statements are presented in South African Rands.

### 1.3 Property, plant and equipment

Items of property, plant and equipment are initially recognised as on acquisition date and are initially recorded at cost.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

### 1.4 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.

### 1.5 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.

### 1.6 Investments

Investments are shown at cost including interest capitalised.

### 1.7 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 1.8 Financial instruments

#### 1.8.1 Recognition

Financial assets and liabilities are recognized in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

#### 1.8.2 Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

#### 1.8.3 Financial assets

The Fund's principle financial assets are investments.

#### 1.8.4 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.

#### 1.8.5 Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### 1.8.6 Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

#### 1.8.7 Financial Liabilities

The Fund's principal financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations.

### 1.9 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 2 Revenue

	2013/14 R'000	2012/13 R'000
Interest received	1 396	1 322
<b>Total</b>	<b>1 396</b>	<b>1 322</b>

## 3 Administrative expenditure

	2013/14 R'000	2012/13 R'000
Bank charges	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

## 4 Audit fees

	2013/14 R'000	2012/13 R'000
	7	4
<b>Total</b>	<b>7</b>	<b>4</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

	2013/14 R'000	2012/13 R'000
Costs	26 428	25 107
Additions during the year	1 389	1 321
<b>Closing balance</b>	<b>27 817</b>	<b>26 428</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.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

## Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash and balances with banks	3	3
Investments	27 817	26 429
<b>Total</b>	<b>27 820</b>	<b>26 432</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.

	2013/14 Effective Rate	2012/13 Effective Rate	Change
<b>Investments</b>	<b>5.15%</b>	<b>5.14%</b>	<b>0.01%</b>

### 5.1.6 Interest risk sensitivity analysis

	2013/14 R'000	2012/13 R'000
Investments	27 820	26 432
<b>0.3% interest fluctuation impact</b>	<b>3</b>	<b>79</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.

## 6 Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash – bank deposits	3	3
Cash – Investment account	27 817	26 429
<b>Total</b>	<b>27 820</b>	<b>26 432</b>

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 FINANCIAL STATEMENTS

For the year ended 31 March 2014

## 7 Cash generated from/ (utilised in) operations

	2013/14 R'000	2012/13 R'000
Surplus/ (deficit) before tax	1 388	1 317
(Interest received)	(1 396)	(1 322)
<b>Net cash flow from operating activities</b>	<b>(8)</b>	<b>(5)</b>

## 8 Net cash inflows/outflows from operating activities

	2013/14 R'000	2012/13 R'000
Cash payments to suppliers and employees	(8)	(5)
Cash generated from/(utilised in) operations	(8)	(5)
Interest received	1 396	1 322
<b>Net cash inflows/outflows from operating activities</b>	<b>1 388</b>	<b>1 317</b>

## 9 Events after balance sheet date

None identified to date.

## 10 Provisions

Provisions are recognised when the entity has a present or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

## 11 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

## 12 Revenue

### 12.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

### 12.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

### 12.3 Grants, transfers and donations

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

## 13 Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

## 14 Interest in joint ventures

Interest in joint ventures is applicable to all entities on the accrual basis of accounting.

## 15 Related party transactions

### 15.1 The Department of Social Development

The executive authority of the Social Relief Fund is the Minister of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

### 15.2 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.

### 15.3 National Development Agency (NDA)

A related party relationship exists between the Social Relief Fund and the NDA. There were no transactions between the parties.

### 15.4 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.

## 16 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 commenced in the 2012/13 financial year.

# 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 240 to 246, which comprise the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as 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 Fund-Raising Act, 1978 (Act No. 107 of 1978), 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 State President Fund as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the Fund-Raising Act, 1978 (Act No. 107 of 1978).

### Emphasis of matter

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

### Going concern

8. Note 15 to the financial statements indicate 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

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I was unable to conduct the audit of performance against predetermined objectives as the fund is not required to prepare a report on its performance against predetermined objectives. The fund does not fall within the ambit of the PFMA and the entity-specific legislation does not require the reporting on performance against predetermined objectives.

### Compliance with legislation

11. I performed procedures to obtain evidence that the fund had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### Internal control

12. I considered internal control relevant to my audit of the financial statements and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

23 July 2014



State President Fund

## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 MARCH 2014

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Other income	2	1 459	1 382
<b>TOTAL REVENUE</b>		<b>1 459</b>	<b>1 382</b>
<b>EXPENDITURE</b>			
Administrative expenses (SPR)			
Audit fees	3	(1)	(1)
Local and assistance paid	4	(8)	(4)
	3	–	–
<b>TOTAL EXPENDITURE</b>		<b>(9)</b>	<b>(5)</b>
<b>SURPLUS/(DEFICIT) FROM OPERATORS</b>		<b>1 450</b>	<b>1 377</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>1 450</b>	<b>1 377</b>

State President Fund

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	6	29 080	27 630
<b>TOTAL ASSETS</b>		<b>29 080</b>	<b>27 630</b>
<b>CAPITAL AND RESERVES</b>			
Accumulated surplus		29 080	27 630
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>29 080</b>	<b>27 630</b>

**STATEMENT OF CHANGES IN NET ASSETS***As at 31 March 2014*

	Accumulated Funds R'000
<b>Balance as at 1 April 2013</b>	<b>26 253</b>
Surplus for the year	1 377
<b>Balance as at 31 March 2013</b>	<b>27 630</b>
(Deficit) / surplus for the year	1 450
<b>Balance as at 31 March 2014</b>	<b>29 080</b>

**CASH FLOW STATEMENT***As at 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash paid to suppliers and employees	7	(9)	(5)
Cash generated from/ (utilised in) operations		(9)	(5)
Interest received		1 459	1 382
<b>Net cash inflow/ (outflow) from operating activities</b>		<b>1 450</b>	<b>1 377</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Net cash flows from investing activities</b>		<b>0</b>	<b>0</b>
Net (decrease) / increase in cash and cash equivalents		1 450	1 377
Cash and cash equivalent at beginning of the year		27 630	26 253
Cash and cash equivalent at end of the year	6	29 080	27 630

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 MARCH 2014

## 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 20: Related Party Disclosures
- GRAP 32: Service Concession Arrangements: Grantor
- GRAP 105: Transfer of Function Between Entities under Common Control
- GRAP 106: Transfer of Function Between Entities Not under Common Control
- GRAP 107: Mergers
- GRAP 108: Statutory Receivables
- 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 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether and 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
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset.

### 1.2 Currency

These financial statements are presented in South African Rands.

### 1.3 Property, plant and equipment

Items of property, plant and equipment are initially recognised as on acquisition date and are initially recorded at cost.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 MARCH 2014

## 1.4 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.

## 1.5 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.

## 1.6 Investments

Investments are shown at cost including interest capitalised.

## 1.7 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 2 Revenue

	2013/14 R'000	2012/13 R'000
Interest received	1 459	1 382
<b>Total</b>	<b>1 459</b>	<b>1 382</b>

## 3 Administrative expenditure

	2013/14 R'000	2012/13 R'000
Bank charges	1	1
Financial assistance	–	–
<b>Closing balance</b>	<b>1</b>	<b>1</b>

## 4 Audit Fees

	2013/14 R'000	2012/13 R'000
	8	4

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 MARCH 2014

## 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

	2013/14 R'000	2012/13 R'000
Cost	27 627	26 245
Additions during the year	1 449	1 382
<b>Closing balance</b>	<b>29 076</b>	<b>27 627</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.

### Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Investment	29 076	27 627
Cash and balances with banks	4	3
<b>Total</b>	<b>29 080</b>	<b>27 630</b>

## 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 capitalised and will therefore not affect the operations of the State President Fund.

	2013/14 Effective Rate	2012/13 Effective Rate	Change
<b>Investments</b>	<b>5.15%</b>	<b>5.14%</b>	<b>0.01%</b>

## 5.1.6 Interest risk sensitivity analysis

	2013/14 R	2012/13 R
Investments	29 076	27 627
<b>0.01% interest fluctuation impact</b>	<b>3</b>	<b>3</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.



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 MARCH 2014

## 5.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

## 6 Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Cash – bank deposits	4	3
Cash – Investment Account	29 076	27 627
<b>Total</b>	<b>29 080</b>	<b>27 630</b>

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

	2013/14 R'000	2012/13 R'000
Surplus/ (deficit) before tax	1 450	1 377
(Interest received)	(1 459)	(1 382)
<b>Net cash flow from operating activities</b>	<b>(9)</b>	<b>(5)</b>

## 8 Events after balance sheet date

None identified to date.

## 9 Provisions

Provisions are recognised when the entity has a present or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

## 10 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

## 11 Revenue

### 11.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable. Interest revenue is recognised on a time proportion basis. Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement. Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

### 11.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 MARCH 2014

recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures,

## 11.3 Grants, transfers and donations.

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

## 12 Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

## 13 Interest in joint ventures

Interest in joint ventures is applicable to all entities on the accrual basis of accounting.

## 14 Related party transactions

### 14.1 Department of Social Development

The executive authority of the State President Fund is the Ministry of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

### 14.2 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.

### 14.3 National Development Agency (NDA)

A related party relationship exists between the State President Fund and the NDA. There were no transactions between the parties.

### 14.4 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.

## 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 started in the 2012/13 financial year.



# PART F

## Abbreviations

## PART F: ABBREVIATIONS

<b>ABC</b>	Activity Based Costing
<b>ACSA</b>	Airports Company of South Africa
<b>ADRA</b>	Adventist Development and Relief Agency
<b>ADS</b>	Accreditation of Diversion Management System
<b>AFM</b>	Apostolic Faith Mission
<b>AICDD</b>	Africa Institute for Community Driven Development
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>APN</b>	Access Point Network
<b>APO</b>	Assistant Probation Officer
<b>APP</b>	Annual Performance Plan
<b>APS</b>	Anti-Poverty Strategy
<b>APSTAR</b>	Applied Population Science in Training and Research
<b>ARV</b>	Anti-retroviral Treatment
<b>ASGI-SA</b>	Accelerated and Shared Growth Initiative of South Africa
<b>ASRHR</b>	Adolescent Sexual Reproductive Health Rights
<b>AU</b>	African Union (former OAU)
<b>BAS</b>	Basic Accounting System
<b>BEC</b>	Bid Evaluation Committee
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CANE</b>	Children Abused, Neglected and Exploited

<b>CAPS</b>	Curriculum Assessment Policy Statement
<b>CARA</b>	Criminal Assets Recovery Account
<b>CBC</b>	Community Based Care
<b>CBIMS</b>	Community Based Interventions Monitoring System
<b>CBO</b>	Community Based Organisation
<b>CCE</b>	Community Capacity Enhancement
<b>CCF</b>	Child Care Forums
<b>CCG</b>	Community Care Givers
<b>CD</b>	Chief Directorate
<b>CD</b>	Community Development
<b>CDA</b>	Central Drug Authority
<b>CDP</b>	Community Development Policy
<b>CDW</b>	Community Development Worker
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CHH</b>	Child Headed Households
<b>CIDA</b>	Canadian International Development Agency
<b>CNDC</b>	Community Nutrition Development Centre
<b>COIDA</b>	Compensation for Occupational Injuries and Disease Act
<b>CONTRALESA</b>	Congress of Traditional Leaders of South Africa

<b>COO</b>	Chief Operations Officer
<b>CORN</b>	Community Organisation Regional Network
<b>CP</b>	Country Programme
<b>CPR</b>	Child Protection Register
<b>CPR</b>	Computer Peripheral Repairs
<b>CRM</b>	Complaints Response Management
<b>CSG</b>	Child Support Grant
<b>CSO</b>	Civil Society Organisations
<b>CWLC</b>	Child Welfare League of Canada
<b>CWP</b>	Community Works Programme
<b>CYCC</b>	Child and Youth Care Centre
<b>DBE</b>	Department of Basic Education
<b>DCS</b>	Department of Correctional Services
<b>DDG</b>	Deputy Director-General
<b>DEAFSA</b>	Deaf Federation of South Africa
<b>DFID</b>	Department for International Development
<b>DG</b>	Director General
<b>DICAG</b>	Disabled Children Action Group
<b>DPLG</b>	Department of Provincial and Local Government
<b>DPME</b>	Department of Performance Monitoring & Evaluation

<b>DPSA</b>	Department of Public Service and Administration
<b>DPW</b>	Department of Public Works
<b>DQM</b>	Data Quality Management
<b>DRC</b>	Democratic Republic of Congo
<b>DRDLR</b>	Department of Rural & Development & Land Reform
<b>DRFB</b>	Disaster Relief Fund Board
<b>DSD</b>	Department of Social Development
<b>EC</b>	Eastern Cape
<b>ECD</b>	Early Childhood Development
<b>EHW</b>	Employee Health and Wellness
<b>ENE</b>	Estimates of National Expenditure
<b>EPWP</b>	Expanded Public Works Programme
<b>ETDPSETA</b>	Education, Training and Development Practice Sector
<b>EU- PDPHC</b>	European Union-Partnership for Delivery of Primary Health Care
<b>EXCO</b>	Executive Committee
<b>FAMSA</b>	Family and Marriage Association of South Africa
<b>FBO</b>	Faith Based Organisations
<b>FOSAD</b>	Forum of South African Directors-General
<b>FTEs</b>	Full-Time Equivalents
<b>FTSS</b>	Full Time Shop Steward

## PART F: ABBREVIATIONS

<b>GAAP</b>	General Accepted Accounting Principles
<b>GBs</b>	Ground Breakers
<b>GBV</b>	Gender Based Violence
<b>GCIS</b>	Government Communication and Information System
<b>GDS</b>	Growth and Development Summit
<b>GFN</b>	Global Food Banking Network
<b>GIS</b>	Geographical Information Systems
<b>GSSC</b>	Government Sector Security Council
<b>HCBC</b>	Home/Community Based Care
<b>HCM</b>	Human Capital Management
<b>HDI</b>	Historically Disadvantaged Individuals
<b>HIV</b>	Human Immunodeficiency Virus
<b>HR</b>	Human Resources
<b>HRD</b>	Human Resources Development
<b>HRP</b>	Human Resource Plan
<b>HSD</b>	Heads of Social Development
<b>HSRC</b>	Human Sciences Research Council
<b>HWSETA</b>	Health and Welfare Sector Education and Training Authority
<b>IBSA</b>	India, Brazil, South Africa
<b>ICC</b>	International Convention Centre

<b>ICDP</b>	Integrated Conference of Population and Development
<b>ICT</b>	Information and Communication Technology
<b>IDB</b>	Integrated Database
<b>IDP</b>	Integrated Development Planning
<b>IDT</b>	Independent Development Trust
<b>IDTT</b>	Interdepartmental Task Team
<b>IG</b>	Incentive Grant
<b>IGR</b>	Inter-Governmental Relations
<b>IIA</b>	Institute of Internal Auditors
<b>IM</b>	Information Management
<b>IMC</b>	Inter-Ministerial Committee
<b>IMST</b>	Information Management System and Technology
<b>IOD</b>	Injury on Duty
<b>IPDET</b>	International Program for Development Evaluation Training
<b>IPGLGS</b>	Integrated Population and Development Local Government
<b>IPPF</b>	International Planned Parenthood Federation
<b>ISDM</b>	Integrated Service Delivery Model
<b>ISRDP</b>	Integrated Sustainable Rural Development Programme
<b>ISS</b>	International Social Service
<b>ISSA</b>	International Social Security Association

<b>IT</b>	Information Technology
<b>ITSAA</b>	Independent Tribunal for Social Assistance Appeals
<b>JCPS</b>	Justice, Crime Prevention & Security
<b>JICA</b>	Japan International Cooperation
<b>KWF</b>	German Development Bank
<b>KZN</b>	KwaZulu-Natal
<b>LOC</b>	Local Organising Committee
<b>LTSM</b>	Learner and Teacher Support Material
<b>M &amp; E</b>	Monitoring and Evaluation
<b>MANCO</b>	Management Committee
<b>MDG</b>	Millennium Development Goals
<b>ME&amp;R</b>	Monitoring, Evaluation and Reporting
<b>MINMEC</b>	Minister and Members of the Executive Committee's Council
<b>MIS</b>	Management Information System
<b>MISP</b>	Management Information System Plan
<b>MOST</b>	Management of Social Transformation
<b>MOU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>MYPP</b>	Masupatsela Youth Pioneer Programme
<b>NABSSA</b>	National Association of Burial Society of South Africa

<b>NACCA</b>	National Action Committee for Children Affected by HIV and AIDS
<b>NACCW</b>	National Association of Child Care Workers
<b>NAP</b>	National Action Plan
<b>NAPWA</b>	National Association of People Living with HIV and Aids
<b>NC</b>	Northern Cape
<b>NCF</b>	National Coordination Forum
<b>NCOP</b>	National Council of Provinces
<b>NCPDSA</b>	National Council for Persons with Physical Disabilities South Africa
<b>NDA</b>	National Development Agency
<b>NDMP</b>	National Drug Master Plan
<b>NELDS</b>	National Education Learning Development Standards
<b>NEPAD</b>	New Partnership for Africa's Development
<b>NFD</b>	Non-Financial Data
<b>NFES</b>	National Food Energy Scheme
<b>NGO</b>	Non-Governmental Organisation
<b>NIA</b>	National Intelligence Agency
<b>NICRO</b>	National Institute for Crime Prevention and Rehabilitation of
<b>NIPECD</b>	National Integrated Plan for Early Childhood Development
<b>NISIS</b>	National Integrated Social Information System
<b>NPO</b>	Non-Profit Organisation

## PART F: ABBREVIATIONS

<b>NQF</b>	National Qualifications Framework
<b>NSF</b>	National Skills Fund
<b>NSP</b>	National Strategic Plan
<b>NT</b>	National Treasury
<b>NTT</b>	National Task Team
<b>NYS</b>	National Youth Service
<b>ODA</b>	Official Development Assistance
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>OHS</b>	Occupational Health Safety
<b>OSD</b>	Occupation Specific Dispensation
<b>OVC</b>	Orphans and Vulnerable Children
<b>OVCY</b>	Orphans Vulnerable Children and Youth
<b>PAIA</b>	Promotion of Access to Information Act
<b>PAJA</b>	Promotion of Access to Justice Act
<b>PASA</b>	Population Association for South Africa
<b>PCM</b>	Probation Case Management
<b>PDE</b>	Population Development and Environment
<b>PDIS</b>	Population and Development Information Service
<b>PED</b>	Population Environment and Development
<b>PFA</b>	Policy on Financial Awards

<b>PFMA</b>	Public Finance Management Act
<b>PHSDSBC</b>	Public Health and Social Development Bargaining Council
<b>PID</b>	Project Initiation Document
<b>PIMS</b>	Performance Information Management System
<b>PMDS</b>	Performance Management Development System
<b>PMU</b>	Project Management Unit
<b>PoA</b>	Programme of Action
<b>POT</b>	Projects Operations Team
<b>PPD</b>	Population Policy Development
<b>PPM</b>	Programme in Project Management
<b>PPP</b>	Public Private Partnership
<b>PPU</b>	Provincial Population Unit
<b>PQ</b>	Parliamentary Questions
<b>PRP</b>	Poverty Relief Programme
<b>PSETA</b>	Public Service Education and Training Authority
<b>PSS</b>	Psychological Support Services
<b>QA</b>	Quality Assurance
<b>QAR</b>	Quality Assurance Review
<b>RACAP</b>	Register on Adoptable Children and prospective Adoptive Parents
<b>RAR</b>	Reception, Assessment and Referral



<b>RCM</b>	Research Coordination and Management
<b>RI</b>	Rehabilitation International
<b>RPL</b>	Recognition of Prior Learning
<b>RRFB</b>	Refugee Relief Fund Board
<b>RWF</b>	Rand Water Foundation
<b>S&amp;T</b>	Subsistence and Travel
<b>SA</b>	South Africa
<b>SABC</b>	South African Broadcasting Corporation
<b>SACHA</b>	South African Coalition Against HIV/AIDS
<b>SACSSP</b>	South African Council for Social Services Professions
<b>SADAG</b>	South African Depression and Anxiety Group
<b>SADC</b>	Southern African Development Community
<b>SADHS</b>	South African Demographic and Health Survey
<b>SAMEA</b>	South African Monitoring and Evaluation Association
<b>SANAC</b>	South African National Aids Council
<b>SANCA</b>	South African National Council on Alcoholism and Drug Dependence
<b>SAPS</b>	South African Police Services
<b>SAQA</b>	South African Qualification Authority
<b>SASSA</b>	South African Social Security Agency
<b>SCM</b>	Supply Chain Management

<b>SCOA</b>	Standard Chart of Accounts
<b>SDIMS</b>	Social Development Information Management System
<b>SDIP</b>	Service Delivery Improvement Plan
<b>SDS</b>	Social Development Sector
<b>SGB</b>	Standards Generating Body
<b>SITA</b>	State Information Technology Agency
<b>SLA</b>	Sustainable Livelihood Approach
<b>SMMEs</b>	Small, Medium and Micro Enterprises
<b>SOCPEN</b>	Social Pension System
<b>SOP</b>	Standard Operating Procedure
<b>SPFB</b>	State President Fund Board
<b>SPO</b>	Special Project Office
<b>SPPIA</b>	Standards for the Professional Practice of Internal Auditing
<b>SRD</b>	Social Relief of Distress
<b>SRFB</b>	Social Relief Fund Board
<b>STI</b>	Sexual Transmitted Infections
<b>SWEAT</b>	Sex Worker Education and Advocacy Taskforce
<b>SYP</b>	Safeguard Young People
<b>TB</b>	Tuberculosis
<b>TIPS</b>	Trade and Industrial Policy Strategy


## PART F: ABBREVIATIONS

<b>TMT</b>	Transformation Management Team
<b>TOR</b>	Terms of Reference
<b>TSP</b>	Training Service Providers
<b>TUT</b>	Tshwane University of Technology
<b>UAE</b>	United Arab Emirates
<b>UAPS</b>	United African Population Seminar
<b>UAPS</b>	Union for African Population Studies
<b>UKZN</b>	University of KwaZulu-Natal
<b>UN</b>	United Nations
<b>UNCPD</b>	United Nation Commission on Population and Development
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organisation
<b>UNFPA</b>	United Nations Population Fund
<b>UNGASS</b>	United Nation General Assembly for Special Session

<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>URP</b>	Urban Renewal Programme
<b>URS</b>	User Requirements Specifications
<b>URSD</b>	User Registration Specification Document
<b>USAID</b>	United States Agency for International Development
<b>VAPO</b>	Volunteer Assistant Probation Officer
<b>VCT</b>	Voluntary Counselling and Testing
<b>VEP</b>	Victim Empowerment Programme
<b>WAD</b>	World Aids Day
<b>WC</b>	Western Cape
<b>WO</b>	Work Opportunity
<b>WPD</b>	World Population Day







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