2016

# ANNUAL REPORT

## FOR THE YEAR ENDED 31 MARCH 2016

Building a Caring Society. Together.

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 17

# ANNUAL REPORT

*For the year ended 31 March 2016*

social development

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

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PART A

# GENERAL INFORMATION

# DEPARTMENTAL GENERAL INFORMATION

social development

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**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 X 855
PRETORIA
0001

**Honourable Minister**

**ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2016**

I have the pleasure of presenting the Annual Report of the Department of Social Development for the year 1 April 2015 to 31 March 2016.

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.

**Thokozani Magwaza**
*Acting Director–General*

# FOREWORD BY THE MINISTER

*for the year ended 31 March 2016*

After another year of great achievements, I am proud to introduce the Department of Social Development's annual report for the 2015/16 financial year.

The achievements summarised in this report reflect our commitment to creating an inclusive, humane and fairer society. Our programmes are part of government-wide initiatives expressed through the National Development Plan (NDP) and the 14 outcomes, especially Outcome 13: *An inclusive and responsive social protection system*. The largest expansion ever of our Social Assistance Programme resulted in almost 17 million people benefitting from the programme by the end of the financial year. Of these beneficiaries, 12 million received the Child Support Grant (CSG), and more than 3.2 million received the Old Age Grant.

A notable milestone was reached in December 2015, when Cabinet approved the National Integrated Early Childhood Development (ECD) Policy, which contains 15 strategic objectives to achieve the NDP's goal of universal access to ECD services by 2030. The number of children enrolled in the more than 27 000 ECD centres across the country continued to grow phenomenally, and almost one million children received state subsidies. In addition, we continued to implement the Children's Act, 2005 (Act No. 38 of 2005) and made amendments to the legislation after identifying gaps during implementation.

We also accelerated the implementation of anti-substance abuse legislation, by conducting a national audit of all registered and unregistered treatment centres and half-way houses, in order to determine their capacity to treat people suffering from substance abuse. Alcohol and substance abuse threatens to break down the moral fabric of our society and is contrary to the goal of building strong, cohesive communities.

The Ministerial Committee appointed to review the *White Paper for Social Welfare* (1997) shared its findings at a national consultative summit held in September 2015. The review will culminate in the amendment of the White Paper, which will provide a framework to enhance and promote social development services in South Africa, as envisaged in the NDP.

Another major instrument of support to vulnerable women is the Gender-Based Violence (GBV) Command Centre, which attended to more than 55 000 calls and short messages from victims of GBV over the course of the year. The Command Centre is recognised internationally and has won two awards: the Best Technology Innovation – Small Centre of the World at the Global Best Contact Centre Awards in Las Vegas and the Golden Award at the Technological Innovation Awards in London.

Civil society organisations play an important role in providing services to communities throughout the country. Together with civil society organisations, we were able to create a network of 167 Community Nutrition and Development Centres in targeted poor communities that are affected by high levels of food insecurity and malnutrition.

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. We continued to integrate the social development agenda in the work of the relevant African Union (AU) and United Nations (UN) Commissions dealing with, among others, the status of women, narcotics, substance abuse and human rights. We also participated in BRICS, Partners in Population and Development (PPD) and International Social Services.

In conclusion, I wish to thank the Deputy Minister, the Acting Director-General, staff of the national department, the agencies and provincial departments who continue to make me proud to serve alongside them in Building a Caring Society, Together!

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

Children and older persons formed a majority of the more than

**16 MILLION**

individuals who benefit from different types of social grants

The achievements summarised in this report reflect our commitment to creating an inclusive, humane and fairer society.

**Community Nutrition and Development Centres**
created in targeted poor communities

MORE THAN
**55 000**

calls and short messages attended to by Gender-Based Violence Command Centre

# FOREWORD BY THE DEPUTY MINISTER

*for the year ended 31 March 2016*

This year, the Department did much to intensify efforts aimed at improving the quality of services provided to its citizens, and the achievements reflected in this annual report are proof of our determination to realise this goal.

Conscious of our role as one of the key players in the fight against poverty, inequality and all forms of social ills, we developed new policies and provided services in critical areas, including community development, the fight against HIV and AIDS, the expansion of services to people with disabilities, as well as the implementation of South Africa's population policy.

The year was a remarkable one for people with disabilities. In December 2015, Cabinet approved the *White Paper on the Rights of Persons with Disabilities*, which was officially launched at the National Disability Summit held in March 2016. The White Paper informs the manner in which we design, plan, budget, implement and report on our programmes and services. It also focuses on strengthening recourse mechanisms for people with disabilities and their families. The policy will be piloted at selected sites, which will enable us to measure the impact on the lives of persons with disabilities and their families. We are also enhancing accessibility of our GBV Command Centre to, among others, deaf women.

The Comprehensive Strategy on HIV and AIDS was finalised this year. This strategy focuses on the prevention and promotion of positive social and behavioural change among young people. We started developing the Care for Carer programme and launched the Sex Worker HIV Prevention Strategy in partnership with the South African National Aids Council. We also combined the National Strategic Plan on HIV and AIDS and the National Drug Master Plan into a single intervention strategy, with a special focus on sex work, injecting drug (ID) use and men who have sex with men. We believe that this will strengthen the fight against the devastating impact of HIV and AIDS and alcohol/substance abuse, which places such a heavy burden on families and communities.

Uppermost in our minds this year was the promotion of South Africa's population policy, which we believe will help inform the planning and programme development throughout the country. We continued to monitor and coordinate the implementation of the fourth United Nations Populations Fund (UNFPA) country programme, and to strengthen population development units in provinces.

As the chair of the African Union Commission's Specialised Technical Committee on Health, Population and Drug Control, we facilitated the development and completion of a Common Africa Position in preparation for negotiations towards the UN General Assembly Special Session on the World Drug Problem (to be held in April 2016). We also established the African Centre for Disease Control, based in Ethiopia, and will be establishing five regional centres for disease control in the next financial year.

Only through the efforts of all South Africans can we realise an inclusive and caring society. Civil society organisations are, and continue to be, an integral part of this process. I therefore take renewed pride in the efforts of civil society who work with us to turn South Africa into a society that looks after its own, especially the most vulnerable. I wish to thank the Minister, the Acting Director–General, staff of the Department and our provincial counterparts for their support during this year.

**Mrs H Bogopane-Zulu, MP**
*Deputy Minister of Social Development*

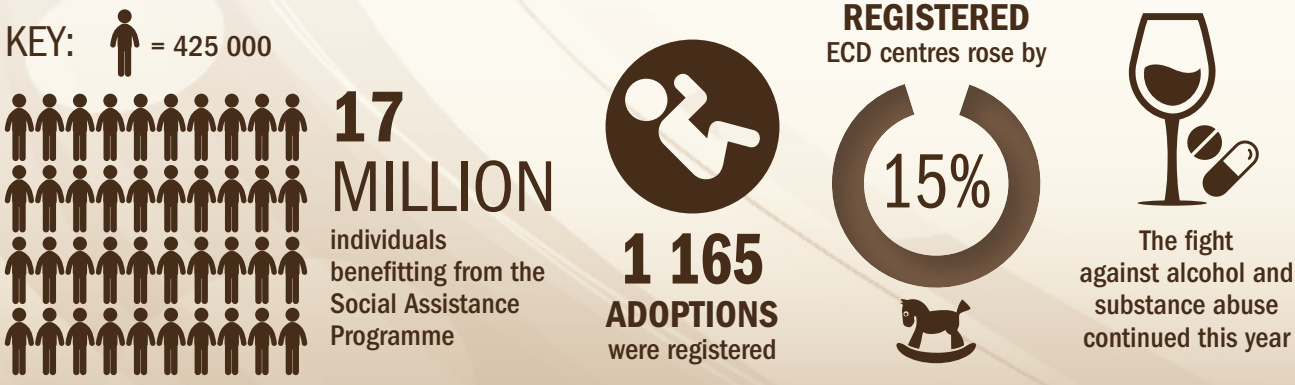
# REPORT OF THE ACCOUNTING OFFICER

## Overview

The Department remained at the heart of Government's commitment to tackling the triple challenges of poverty, unemployment and inequality. We continued to play a key role in providing a safety net for the poor, marginalised and vulnerable members of our society. Our programmes are geared towards meeting the goals espoused in the National Development Plan (NDP) and Outcome 13: *An inclusive and responsive social protection system*, which envisages social protection as a concept that brings together several elements through which government seeks to address the multidimensional nature of poverty and inequality. To this end, the Department and its partners made significant strides in improving the quality of its services to the public. Commendable progress was made in broadening access to social assistance, Early Child Development (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 to create a footprint in areas where they are most needed.

The Social Assistance Programme remains the single most significant contributor to the fight against poverty and inequality. The programme witnessed its largest expansion yet, resulting in almost 17 million individuals benefitting from the social safety net. Of these beneficiaries, just below 12 million received the Child Support Grant (CSG) and about 3.2 million received the Old Age Grant (OAG). An increase in the means test threshold meant that more elderly people benefitted from the OAG during the reporting period. The War Veterans Grant continued to decline, as the nature of the grant does not allow for new beneficiaries. The Disability Grant has also been in decline over the past three financial years due to continued improvements in the administration of the grant by the South African Social Security Agency (SASSA). During the period under the review, just over one million people received the Disability Grant.

ECD has a positive impact on a child's learning and remains an essential link in the continuum of services needed to achieve positive educational outcomes. As part of our efforts to ensure universal access to ECD, the Department developed the National Integrated ECD Policy that was approved by Cabinet in December 2015. The policy highlights 15 policy positions to ensure universal access to ECD services by 2030, through coordinated planning, funding, monitoring of progress and on-going quality improvements.The Department's continued implementation of the guidelines for registering ECD centres led to a 15% increase in the number of registered ECD centres (to 27 728 centres) during the period under review. At the same time, the number of children benefiting from ECD subsidies increased by 40%, to 987 636 children. All these efforts will enable the Department to contribute towards the realisation of Outcome 1: *Improved quality of basic education* and Outcome 13: *An inclusive and responsive social protection system*.



The protection of children from all manner of vulnerability remained uppermost in our minds. Child Protection Week (CPW) remains the centrepiece of the Department's efforts to make communities aware of their responsibilities to protect and care for children. Under the theme of "Working together to protect children", the 2015 CPW took place from 31 May to 7 June 2015. The Department was also instrumental in facilitating the return of a number of children in distress abroad, some of whom were victims of alleged child trafficking. The Department continued to strengthen relationships with our counterparts in neighbouring countries and held roundtable discussions with Zimbabwe and Mozambique. During the reporting period, 1 165 adoptions were registered. This included 978 national adoptions and 187 inter-country adoptions.

At a national summit in September 2015, the Ministerial Committee on the Review of the White Paper for Social Welfare presented its findings and preliminary proposals to the Minister and representatives from the entire social development sector, including from the National Planning Commission, United Nations and national government departments. The Committee further tested the feasibility of key proposals and engaged with government departments that work with social development to render primary or secondary social services to South Africans. Subsequent to that, the implementation review report was finalised. This report provides the first comprehensive and most up-to-date national assessment of progress, gaps and key challenges in the implementation of the *White Paper for Social Welfare* since 1997. It will be a key reference for amendments to the White Paper and for overarching national legislation. The White Paper will provide a framework to enhance and promote social development services in South Africa, as envisaged in the NDP and Outcome 13: *An inclusive and responsive social protection system*.

An allocation of R276 144 000 from National Treasury enabled the Department to continue with implementing the social work scholarship programme, which remains a critical pillar in addressing the shortage of social service professionals in the country. During the year, 1 147 holders of social work scholarships graduated from various institutions of higher learning. A total of 759 graduates were employed by the provincial departments of social development, 165 by SASSA and 94 through funding from PACT (a USAID agency). The social work scholarship programme contributes towards skills development by recruiting youth to the social work profession and is an important step towards addressing the challenge of shortage of social service professionals.

A top priority remained the protection of older persons against abuse. In June 2015 and in partnership with the Department of Justice and Constitutional Development, the Department commemorated Elder Abuse Awareness Day in KwaZulu-Natal, while in October 2015, Gauteng hosted the Department's commemoration of the International Day for Older Persons and Grandparents' Day. These days are commemorated to highlight the plight of older persons and appreciate their contribution in families and communities. Similarly, the Department has embarked on the process to amend the Older Persons Act, 2006 (Act No. 13 of 2006) to address gaps and challenges experienced during its implementation. As part of the amendment process, all provinces were consulted on the amendment and a draft Bill is in place. The Draft Amendment Bill will be finalised and submitted for approval by relevant stakeholders in the next financial year.

The fight against alcohol and substance abuse continued this year. To ensure compliance with the provisions of the Prevention of and Treatment for Substance Abuse Act, 2008

(Act No. 70 of 2008), the Department completed a national audit of all registered and unregistered treatment centres and halfway houses in the country to determine the country's capacity to treat people suffering from substance abuse. Five provinces (Northern Cape, North West, Limpopo, Free State and Eastern Cape) were identified for the establishment of public treatment centres. Treatment facilities in Limpopo, North West and Eastern Cape were completed and will become operational in the next financial year. The building of treatment facilities in Free State and Northern Cape will be completed during the next financial year. Once operational, these centres will provide for the treatment of young persons. Eventually, each of the nine provinces will have at least one public treatment centre.

The Department also focused on educating and raising awareness of the harmful effects of substance abuse. In June 2015, the Department, together with relevant stakeholders, commemorated the International Day against Drug Abuse and Illicit Trafficking at Eersterust in Pretoria.

As part of the implementation of the *White Paper on Families*, and in consultation with relevant stakeholders, the Department developed three new initiatives:

- A Programme for Teenage Parents, which addresses challenges experienced by teenage parents in raising their children while they themselves are still growing up.
- A strategy on Holiday Programmes for Families, in response to the issue of work-family balance wherein parents have to ensure that workplace demands do not overshadow the care of their children.
- A strategy to support families facing the imminent risk of the removal of a family member because of social ills, such as substance abuse and mental illness.

The levels of crime directed at vulnerable groups such as women, children, older persons and people with disabilities, remain unacceptably high. As part of its contribution to the reduction of social crime, the Department continued to implement the Integrated Social Crime Prevention Strategy Action Plan in all provinces. Quarterly progress reports were submitted to the Department of Planning, Monitoring and Evaluation (DPME) as required. The Department also facilitated training on the strategy in other government departments and civil society organisations, with the intention of establishing local social crime prevention committees. In addition, a number of provincial crime prevention awareness campaigns were conducted, reaching a wide range of individuals, from children, youth and the elderly, some of whom are victims of crime and violence.

As a response to the high levels of violence against women and children, the Department established a Gender-Based Violence (GBV) Command Centre, the first of its kind in South Africa and, arguably, in the developing world. The number of victims contacting the Centre grew tremendously during the reporting period: more than 51 000 calls were received, and GBV Command Centre agents replied to more than 55 000 USSDs (unstructured supplementary service data in the form of "please call me" short messages). In June 2015, the GBV Command Centre competed with Africa, Asia and Europe in the Technological Innovation Awards in London and won a Golden Award. It also won the Best Technology Innovation Small Centre in the World Award in Las Vegas, USA.

Regarding human trafficking, a notable achievement was that in August 2015 the Prevention and Combating of Trafficking in Persons Act, 2013 (Act No. 7 of 2013) came into force. In preparation for the Act's implementation, the Department conducted capacity-building workshops in all provinces in order to be ready to provide quality services to both foreign nationals and South Africans who may fall victim to the trickery of the trafficking syndicates.

The Department remains committed to improving the lives of persons with disabilities. In December 2015, Cabinet approved the *White Paper on the Rights of Persons with Disabilities* and its Implementation Matrix. The White Paper focuses on embedding the mainstreaming of disability rights in administrative and governance systems, by strengthening the accountability of duty-bearers and recourse for rights-holders. In March 2016, the White Paper was officially launched at the National Disability Rights Summit, at which delegates adopted the Irene Declaration and Resolutions that provide guidance on prioritising the implementation of the new disability rights policy.

HIV and AIDS continue to devastate the lives of many people and remain a major obstacle to the realisation of Outcome 2: *A long and healthy life for all South Africans*. In view of this, the Department has accelerated the development and implementation of HIV prevention and psychosocial support programmes for vulnerable individuals, groups and communities. A study conducted by UNAIDS in 2013 found that every week more than 2 360 young women aged 15–24 acquire new HIV infections. To address the social drivers of HIV among this age cohort, the Department established the YOLO (You Only Live Once) Programme, which was launched by the Minister during the National Youth Camp held in Kimberley in December 2015. This programme helps to develop young people's skills so that they avoid engaging in risky sexual behaviours.

The Department's HIV and AIDS Home and Community Based Care (HCBC) programme won one of the prized Ka Moso Awards, which recognise excellence in the implementation of the Expanded Public Works Programme (EPWP) in the various sectors and categories. The Department is the leader in EPWP for the social sector, through its five programmes, which are ECD, HCBC, National School Nutrition, Community Crime Prevention, School Mass Participation and Kha Ri Gude Literacy Programmes.

Civil society organisations play an important role in delivering services to communities, especially those who remain beyond the reach of government, as a result of the limited resources at our disposal. The Department implemented a range of national interventions to improve the registration and access to information of non-profit organisations (NPOs). These interventions included road shows and capacity-building that reached out to NPOs at municipal level: 107 roadshows were conducted in 93 local municipalities. To encourage NPOs to submit their annual reports, the Department partnered with the South African Institute of Tax Practitioners and the South African Institute of Business Accountants supported by First National Bank, to enable NPOs to access financial management software and services free of charge. The Department finalised the NPO Policy that culminated in the development of the NPO Draft Bill, which is the first step towards the amendment of the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997).

As part of strengthening the Food and Nutrition Security Programme, the Department operates food distribution centres in provinces to meet the immediate nutritional needs of the most vulnerable and food insecure members of our society. The Department supplied food to 167 Community Nutrition and Distribution Centres (CNDCs), which provided over three million beneficiaries with nutritious food and created employment opportunities for 937 people. The CNDCs also spent more than R6.7 million on fresh produce that was purchased from about 141 local cooperatives. In the next financial year, the Department plans to expand the number of CNDCs, from 167 to more than 200 in all provinces, and to encourage more purchases from local cooperatives, so that communities can gain confidence in government food procurement initiatives.

The implementation of Project Mikondzo, which has become our flagship service delivery initiative and a vehicle for government interaction with communities, continued apace. The Department increased its footprint and implemented service delivery interventions in more than 1 200 wards, with a focus on vulnerable individuals, households and communities. This project has instilled the understanding that government alone cannot address the socio-economic challenges facing

the country. These challenges require a collective effort from government, communities, the private sector, non-governmental organisations, civil society organisations, and community- and faith-based organisations.

A notable achievement under this flagship project was the partnership between the Department and other stakeholders, such as the International Organization for Migration (IOM), in order to restore peace and stability during the spate of attacks on foreign nationals. The interventions were mostly in KwaZulu-Natal and Gauteng, where there were high incidents of attacks on foreign nationals. Interventions provided on the spot included psychosocial support services, Social Relief of Distress and reintegration services.

The Department also 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 Africa and a better world*. We engaged in bilateral negotiation with, among others, the United States of America, Democratic Republic of Congo, Kenya, Benin, Nigeria, Bulgaria and Peru; conducted benchmark exchanges with Chile, Sweden and Thailand; and signed an agreement with Lesotho. These interactions provided an opportunity for sharing knowledge and experience on social development issues and best practices. Similarly, the Department continued its participation in international bodies, including UN Commissions, BRICS (Brazil, Russia, India, China and South Africa), the Southern African Development Community (SADC), the African Union (AU) and Partners in Population and Development (PPD).

# REPORT OF THE ACCOUNTING OFFICER

The Department spent 98.9% of its budget of more than R137 billion, mostly on social assistance. A constant feature of the Department's operations is the creation of an enabling environment for achieving our targets. Therefore, as part of the new results-based management culture, we continued to work on strategies to improve our planning processes and strengthen our management structures and systems, to enable us to interrogate effectively our plans and targets, and ensure that our expenditure is informed by detailed plans. Furthermore, as required by relevant legal prescripts, we assessed our programme performance against predetermined objectives, and reported on this performance to the Minister, Deputy Minister, National Treasury, the DPME, and Parliament. A notable outcome of these efforts was that the Department received a clean audit for the third consecutive year.

## Overview of financial results

### Departmental receipts

| | 2015/2016 | | | 2014/2015 | | |
|---|---|---|---|---|---|---|
| | Estimate | Actual amount collected | (Over)/under collection | Estimate | Actual amount collected | (Over)/under collection |
| **Departmental receipts** | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Tax receipts | – | – | – | – | – | |
| Sale of goods and services other than capital assets | 2 | 3 | 1 | 2 | 23 | 20 |
| Interest, dividends and rent on land | 16 212 | 12 312 | (3 900) | 11 285 | 11 487 | 202 |
| Sale of capital assets | – | – | – | – | – | – |
| Financial transactions in assets and liabilities | 48 792 | 11 611 | (37 181) | 40 207 | 51 386 | 11 179 |
| **Total** | **65 006** | **23 926** | **(41 081)** | **51 494** | **62 896** | **11 403** |

The Department does not generate income. The major revenue item comprises interest earned on social grant funds transferred to SASSA, which are then transferred by SASSA to the appointed contractor who pays the beneficiaries. 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.

### Programme Expenditure

| | 2015/2016 | | | 2014/2015 | | |
|---|---|---|---|---|---|---|
| | Final appropriation | Actual expenditure | (Over)/under expenditure | Final appropriation | Actual expenditure | (Over)/under collection |
| **Programme name** | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| P1: Administration | 305 053 | 305 053 | – | 327 477 | 326 738 | 739 |
| P2: Social Assistance | 129 818 278 | 128 333 376 | 1 484 902 | 120 702 101 | 119 994 761 | 707 340 |
| P3: Social Security Policy and Administration | 6 717420 | 6 716 424 | 996 | 6 589 561 | 6 589 081 | 480 |
| P4: Welfare Services Policy Development and Implementation Support | 678 287 | 676 403 | 1 884 | 627 589 | 599 313 | 28 276 |
| P5: Social Policy and Integrated Service Delivery | 374 602 | 374 417 | 185 | 346 916 | 346 567 | 349 |
| **Total** | **137 893 640** | **136 405 673** | **1 487 967** | **128 593 644** | **127 856 460** | **737 184** |

# REPORT OF THE ACCOUNTING OFFICER

## Budget

The initial budget allocation for the Department of Social Development for the 2015/16 financial year amounted to R138.168 billion. During the 2015 Adjusted Estimates of National Expenditure (AENE) process, R275 million was declared unspent funds for social grants due to a slower than anticipated increase in the number of newly eligible disability grant beneficiaries. The Department's adjusted budget allocation amounted to R137.894 billion, which includes major transfers for Social Assistance, SASSA and the National Development Agency (NDA).

## Virements

At the closure of the 2015/16 financial year, the following virements were effected:

### Per main division:

*Programme 1: Administration – R8.038 million*

An amount of R8.038 million was shifted to Programme 1, to fund the increased expenditure levels in the Ministry that resulted from staffing requirements and community outreach activities.

*Programme 3: Social Security Policy and Administration – (R23.745 million)*

An amount of R23.745 million was shifted from Programme 3 to Programme 1: Administration, Programme 4: Welfare Services Policy Development and Implementation Support, and Programme 5: Social Policy and Integrated Service Delivery.

*Programme 4: Welfare Services Policy Development and Implementation Support – R925 000*

An amount of R925 000 was shifted from Programme 3 to Programme 4, to fund the increased expenditure levels in Service Standards.

*Programme 5: Social Policy and Integrated Service Delivery – R14.782 million*

An amount of R14.782 million was shifted from Programme 3 to Programme 5, to fund the increased expenditure levels in Community Outreach programmes, additional funding for the hosting of the 7th African Population Conference and international obligations in the programme.

### Per Economic Classification:

*Compensation of Employees – (R3.692 million)*

An amount of R3.692 million was shifted from Compensation of Employees to Goods and Services, to fund the increased travel and accommodation expenditure related to Community Outreach programme activities during the Social Development month.

*Goods and Services – R2.313 million*

An amount of R2.313 million was shifted to Goods and Services to fund travel and accommodation expenditure related to Community Outreach programme activities during the Social Development month.

*Transfers and Subsidies – R520 000*

A nett amount of R520 000 was shifted for the following transfers and subsidies, which include approvals granted by the National Treasury:

- R89 000 as an increase towards Higher Education Institutions;
- R40 000 as an increase towards the contribution for Foreign Government and International Organisations membership fees;
- R5.730 million was shifted from households to non-profit organisations in terms of the Food Relief Programme. National Treasury granted approval in March 2016.
- R321 000 for the payment of retirement benefits to officials who retired during the 2015/16 financial year.

*Payments for Capital Assets – R859 000*

An amount of R859 000 was shifted to Payments for Capital Assets to fund increased expenditure in procuring computer equipment hardware and software for the Department.

## Unauthorised, fruitless and wasteful expenditure

### Reasons for irregular and unauthorised expenditure

- Non-compliance to the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) and National Treasury Practice Notes: SCM processes were not followed. Unforeseen and unavoidable need for additional goods or services during activities.

### Reasons for fruitless and wasteful expenditure

- Fruitless and wasteful expenditure relating to hotel no-shows, car damages, traffic fines, training and misuse of state vehicles.

### Irregular, fruitless and wasteful expenditure

| Expenditure | R'000 |
|---|---|
| Irregular expenditure | 7 065 |
| Irregular expenditure (Social Relief of Distress) | 265 |
| Fruitless and wasteful expenditure | 181 |

### Steps taken to address and prevent recurrence

- Engage with officials in affected Directorates.
- Review the finance policies and delegations in line with National Treasury Practice Notes and Circulars.
- Review and strengthen the controls where they are found to be lacking.
- Facilitate, coordinate, and provide guidance and advisory services in terms of audit queries through implementing and monitoring audit action plans. Test the environment to ensure compliance and implementation of actions.
- Institute disciplinary actions against officials found liable for the irregular expenditure.

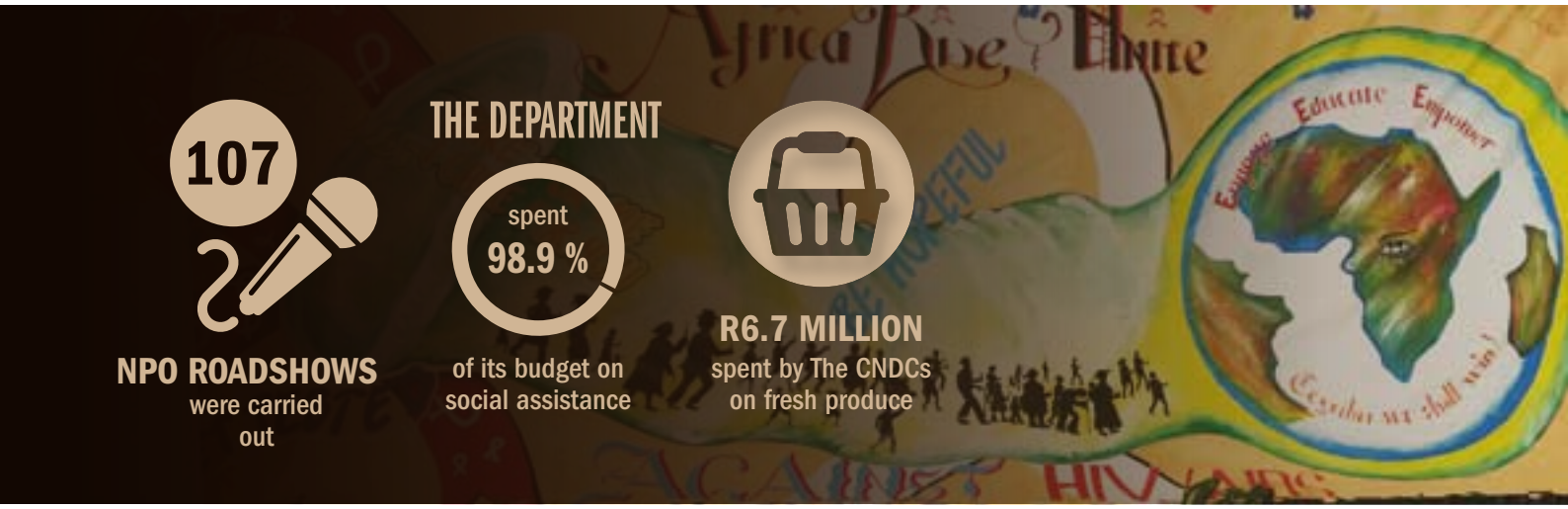
## Future Plans

The Department is leading the implementation of the commitments under Outcome 13: *An inclusive and responsive social protection system*. This outcome includes actions to strengthen social welfare service delivery through legislative reforms; to expand and accelerate social welfare service delivery to the poor, vulnerable and special focus groups; to develop a comprehensive social protection infrastructure plan and deepen social assistance; and to expand access to social security. The Department's Medium Term Strategic Framework, which is also premised on the NDP, fits in well with the deliverables of this outcome.

For the next five years, the main objectives for strengthening social welfare service delivery through legislative reforms include the review of the *White Paper for Social Welfare* and the social welfare service delivery framework. The objectives for deepening social assistance and expanding access to social security include: working towards universal access to old age and child support grants; developing policy proposals for mandatory retirement, disability and survivor benefits cover; completing the policy on expanding the CSG to orphans and vulnerable children; and improving the administration process to ensure better access to social assistance. Legislation on reforms to the social assistance programme will also be developed.

With the recent approval of the National Integrated Early Childhood Development Policy, the Department will continue to make investments aimed at increasing access to quality ECD services. The Department will be amending the Non-Profit Organisations (NPO) Act, 1997 (Act No. 71 of 1997), to ensure that NPOs can deliver services without any obstacles. The Department will also implement the recently approved *White Paper on Rights of Persons with Disabilities*.

The Department recommits itself to the implementation of the Household Food and Nutrition Security Strategy in partnership with NPOs, and will continue to target poor communities using a network of CNDCs. The Department will also provide capacity-building in food and nutrition security with relevant stakeholders and institutions, to create Community Work Opportunities and monitor the roll-out and implementation of the programme. Furthermore, through Project Mikondzo, the Department will continue to deepen democracy, improve government visibility and obtain a deeper understanding of the plight of people living in the poorest areas of the country.



## Public-private partnerships

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

## Discontinued activities/activities to be discontinued

The Department has resumed the process to repeal the Fund-Raising Act, 1978 (Act No.107 of 1978). SASSA is providing Social Relief of Distress, including disaster relief as prescribed in the Social Assistance Regulations. Various government structures are being consulted to make inputs to the Social Assistance Amendment Bill, and it is envisaged that the Relief Funds under the Fund-Raising Act will be dissolved, and SASSA will continue to provide relief using existing infrastructure and disbursements.

## Supply Chain Management (SCM)

The Department did not consider any unsolicited bid proposals for the 2015/2016 financial year. Processes and systems for preventing irregular expenditure are in place. An approved SCM policy is in place, and circulars are issued at regular intervals to improve compliance in SCM. Challenges are experienced when procuring goods or services, especially for outreach programmes in rural areas, where promoting local SMMEs and cooperatives is difficult because suppliers are not able to comply with SCM requirements. SCM continuously liaises with project managers and provides guidance and assistance where necessary, to ensure that the Department complies with SCM prescripts.

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

| Purpose | Amount paid directly to service provider<br>R'000 |
|---|---|
| KFW | |
| HIV and AIDS: Care and Support Programme | 5 630 |
| Implementation of a care and support programme targeting child- and youth-headed households in KwaZulu-Natal, Limpopo and North West. | |
| JICA | |
| Disability Mainstreaming Programme | 250 |
| Conducting disability mainstreaming programme relating to training for officials and people with disabilities, monitoring and evaluation, and networking activities. | |
| USAID | |
| Child Protection Programme | 11 692 |
| Maintenance and sustainability of the children's services directory. | |
| Child Protection Programme | 23 213 |
| Training of community caregivers and their supervisors on psychosocial well-being, child protection and supportive supervision. | |
| Early Childhood Development Programme | 465 |
| Technical assistance and project management services for strengthening the programme. | |
| Orphans and Vulnerable Children Programme | 825 |
| Technical assistance and project management services for the Isibindi Project. | |
| UNICEF | |
| Child Protection Programme | 275 |
| Individual consultancy assignment, to provide administrative and management capacity for developing and finalising the ECD Policy and comprehensive ECD programme, and logistical support for developing the programme. | |

| Purpose | Amount paid directly to service provider R'000 |
|---|---|
| Early Childhood Development Programme | 32 |
| Workshop on evaluating the public comments on the ECD Policy. | |
| Early Childhood Development Programme | 220 |
| Rapid assessment of local government by-laws and policies on ECD, and a feasibility study into the options for inter-sectoral management and coordination based on national and international best practices. | |
| United Nations Partnership to Promote the Rights of Persons with Disabilities (UNPRDP) | |
| Rights of Persons with Disabilities Branch | 1 374 |
| Accelerating the implementation of the UN Convention on the Rights of Persons with Disabilities | |
| PACT/United States Agency for International Development | |
| Office of the COO | 53 700 |
| Government Capacity Building Systems: strengthening the capacity of the South African government, in particular the Department of Social Development (DSD) to improve service outcomes for orphans, vulnerable children and youth, and to reduce the incidence of HIV and AIDS. | |

## Donations in cash

An amount of R56.1 million was received from the German Development Bank (KfW) for the payment of invoices relating to the construction of community care centres in KwaZulu-Natal, Limpopo and North West provinces. An amount of R12.443 million was received from the Canadian International Development Agency (CIDA) for child protection surveillance under the Child Protection Programme. The funded project came to an end on 31 March 2016. Global Fund transferred an amount of R7.632 million to the Department for the strengthening of monitoring and evaluation systems for the Orphans and Vulnerable Children Programme. At the end of 2015/16 financial year, the Department had appointed 48 data capturers in eight provinces and one national coordinator.

## Events after the reporting

No major events happened after the reporting period

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.

**Thokozani Magwaza**
*Acting Director–General*
*Department of Social Development*

# STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR 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 are consistent with the annual financial statements audited by the Auditor–General of South Africa.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

The Accounting Officer is responsible for the preparation of the annual financial statements and for 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, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2016.

Yours faithfully

**Thokozani Magwaza**
*Acting Director–General*
*Department of Social Development*
31 May 2016

# STRATEGIC OVERVIEW

## Vision

A caring and self-reliant society.

## Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services.

## Values

- Human dignity is a fundamental human right that must be protected in terms of the Constitution of South Africa and facilitates freedoms, justice and peace.
- Respect is showing regard for one another and the people we serve and is a fundamental value for the realisation of development goals.
- Integrity is ensuring that we are consistent with our values, principles, actions, and measures and thus generate trustworthiness amongst ourselves and with our stakeholders.
- Accountability refers to our obligation to account for our activities, accept our responsibility for them, and to disclose the results in a transparent manner.
- Equality refers to our obligation to ensure equal access to services, participation of citizens in the decisions that affect their lives and the pursuit of equity imperatives where imbalances exist.

## Principles

We seek to embody the Batho Pele Principles in our efforts, so as to ensure that our service provision is done in humane ways and results in positive and sustainable outcomes for the citizens of South Africa.

- Consultation: people should be consulted about the level and quality of services they receive and, wherever possible, be given a choice.
- Service standards: people should be told what level and quality of services they will receive.
- Access: all citizens should have equal access to the services to which they are entitled.
- Courtesy: all people should be treated with courtesy and consideration.
- Information: people should be given full, accurate information about the services they receive.
- Openness and transparency: about how the department is run, how much it costs and who is in charge.
- Redress: if a promised standard of service is not delivered, people should be offered an apology, an explanation and a speedy remedy. When complaints are made, people should receive a sympathetic, positive response.
- Value for money: public services should be provided economically and efficiently.

## Strategic Priorities

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

- Expand Child and Youth Care Services (Isibindi programme).
- Social Welfare Reform Sector and services to deliver better results.
- Deepening Social Assistance and extending the scope of Social Security.
- Increase access to Early Childhood Development (ECD).
- Strengthening Community Development interventions.
- Combat Substance Abuse and Gender-Based Violence.
- Increase household food and nutrition security (Food for all).
- The protection and promotion of the rights of older persons and people with disabilities.
- Establish Social Protection Systems to strengthen coordination, integration, planning, Monitoring and Evaluation of services.

In addition, the Department contributes to the realisation of some of the following 14 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.
13. An inclusive and responsive social protection system.
14. Nation building and social cohesion.

# 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 dependents. In addition, Section 28(1) of the Constitution sets out the rights of children with regard to appropriate care, basic nutrition, shelter, healthcare and social services, and detention.

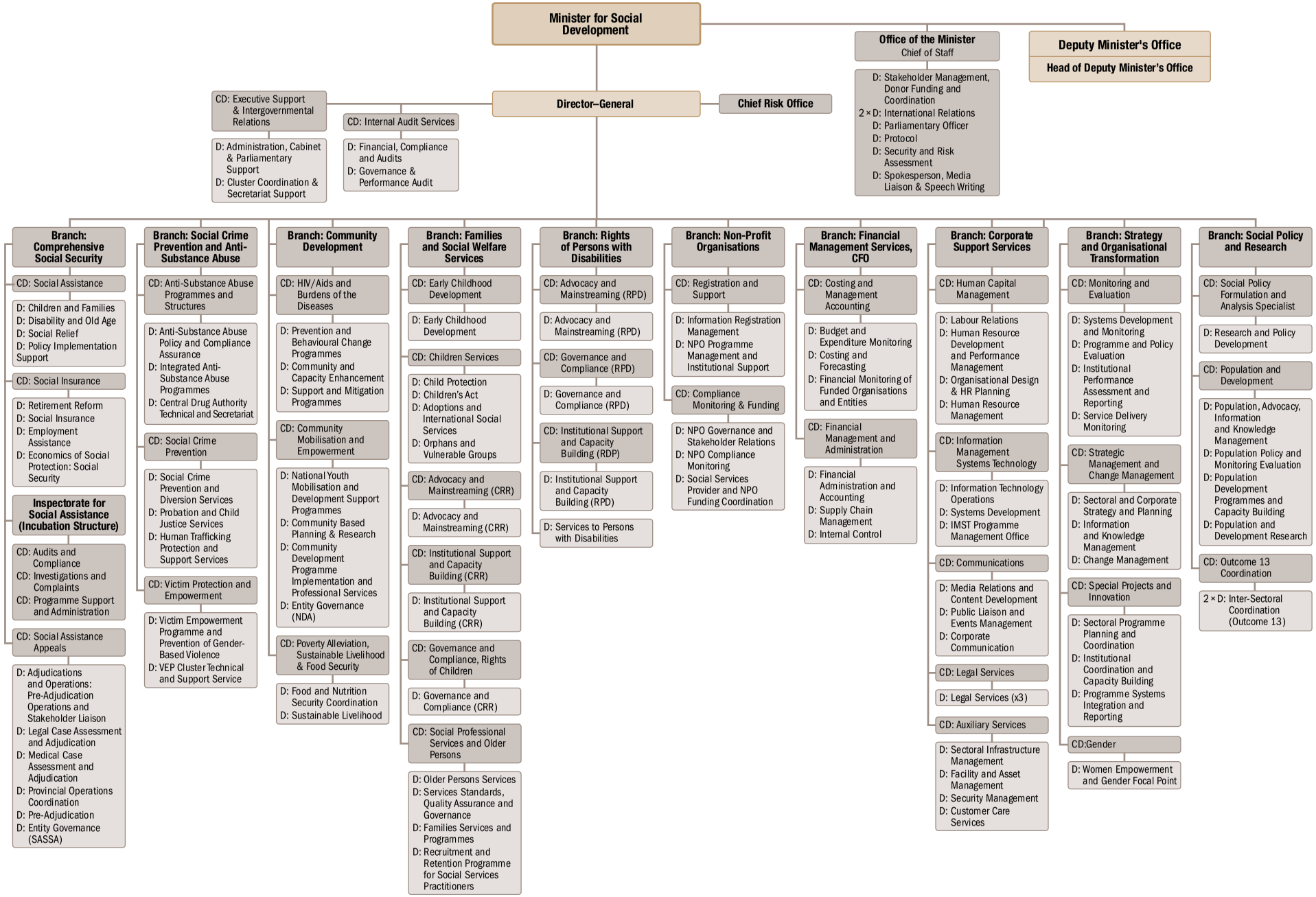
Schedule 4 of the Constitution further identifies welfare services, population development, and disaster management as functional areas of concurrent national and provincial legislative competence.

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

## Acts of Parliament

- Advisory Board on Social Development Act, 2001 (Act No. 3 of 2001)
- Children's Act, 2005 (Act No. 38 of 2005)
- Children's Amendment Act, 2007 (Act No. 41 of 2007)
- Fund-raising Act, 1978 (Act No. 107 of 1978)
- Non-Profit Organisations Act, 1997 (Act No. 71 of 1997)
- National Development Agency Act, 1998 (Act No. 108 of 1998), as amended by Act No. 6 of 2003
- 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)

# NATIONAL DEPARTMENT OF SOCIAL DEVELOPMENT ORGANISATIONAL STRUCTURE



# PUBLIC ENTITIES REPORTING TO THE MINISTER

| Name of Entity | Legislative Mandate | Financial Relationship | Nature of Operations |
|---|---|---|---|
| South Africa Social Security Agency (SASSA) | The South African Social Security Agency Act, 2004 (Act No. 9 of 2004)<br>The Social Assistance Act, 2004 (Act No. 13 of 2004 as amended) | Transfer and subsidies | The key functions of the agency include the effective management, administration and payment of social assistance in addition to:<br>• the processing of applications for social assistance: grants for older persons, war veterans, child support, care dependency, foster children and disability, as well as grant-in-aid and Social Relief of Distress;<br>• the verification and timely approval of grant applications;<br>• the management and reconciliation of grant payments to eligible beneficiaries by contractors;<br>• the marketing of social assistance; and,<br>• quality service assurance, by ensuring compliance with norms and standards, and fraud prevention and detection. |
| National Development Agency | The National Development Agency Act, 1998 (Act No. 108 of 1998 as amended) | Transfers and subsidies | The key functions of the agency include grant funding, capacity-building, research and development to civil society organisations.<br>The key strategic objectives of the NDA, as prescribed in the legislation, are to:<br>• grant funds to civil society organisations for the purpose of meeting the developmental needs of poor communities;<br>• strengthen the institutional capacity of organisations for long-term sustainability;<br>• proactively source funds for the purposes of achieving its development objectives;<br>• promote consultation, dialogue and sharing of developmental experiences to debate and influence developmental policies; and<br>• develop strategies to collaborate with local community development trusts, foundations, government clusters and civil society organisations. |
| The Central Drug Authority | Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) | Operational/ functionality costs | Its key functions are to:<br>• give effect to the National Drug Master Plan;<br>• advise the Minister on any matter affecting the substance and drug abuse environment; and<br>• promote measures relating to the prevention and combating of the abuse of drugs. |

PART B

# PERFORMANCE INFORMATION

# AUDITOR–GENERAL'S REPORT: PREDETERMINED OBJECTIVES

social development

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

The Auditor–General of South Africa (AGSA) currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the other legal and regulatory requirements section of the auditor's report.

Refer to page 161 of the Report of the Auditor–General, published as Part E: Financial Information.

# OVERVIEW OF DEPARTMENTAL PERFORMANCE

## Voted Funds

| Appropriation | Main appropriation | Adjusted appropriation | Actual amount spent | Over/under expenditure |
|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 |
| Department of Social Development | 137 168 640 | 137 893 640 | 136 405 673 | 1 487 967 |
| 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

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 sector.

### Programme 2: Social Assistance

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

### Programme 3: Social Security Policy and Administration

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

### 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, and support implementing 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 2015/16

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 Department is leading the coordination of Outcome 13: *An inclusive and responsive social protection system*. This shift in government focus, from measuring outputs to measuring policy outcomes, has given the Department a unique opportunity to help achieve some of the government-wide outcomes and the goals of the National Development Plan (NDP).

## Social assistance

A cornerstone in the fight against poverty and inequality, especially among children and older persons, remains the provision of comprehensive social security, including income support and a safety net for the poor. In 2015/16, through the South African Social Security Agency (SASSA), the Department expanded the safety net to almost 17 million South Africans, including almost 12 million children who benefitted from the Child Support Grant (CSG) and 3.2 million older persons who received the Older Person's Grant. By augmenting the incomes of recipients, these grants enabled the Department to contribute directly to the realisation of Outcome 7: *Vibrant, equitable and sustainable rural communities with food security for all*, Outcome 2: *A long and healthy life for all South Africans* and Outcome 13: A*n inclusive and responsive social protection system.*

## Social security reform

The discussion paper on comprehensive social security reform was revised in collaboration with National Treasury and the departments of labour and transport. The paper was presented to the Technical Working Group of the Social Protection, Community and Human Development (SPCHD) Cluster and to the Forum of South African Directors–General (FOSAD) Cluster on SPCHD. The FOSAD Cluster approved the tabling of the paper to the Cabinet Committee on SPCHD and Cabinet to request approval to release the paper for public consultation. The discussion paper seeks to create a comprehensive social security system that combines contributory and non-contributory elements to ensure poverty alleviation and income protection for everyone living in South Africa. It will be completed in the next financial year.

In 2015/16, the Department completed the very first Social Budget Bulletin, which will be used as a tool to systematically report, analyse and review social expenditure across time. The bulletin will be produced regularly and will inform analysis of and dialogue on social protection policy developments in the country. Also completed during the year was research on the feasibility of introducing employment guarantee schemes, as a way of addressing South Africa`s high unemployment rate through labour-intensive production and the promotion of local enterprise development.

## Service standards

At a national summit in September 2015, the Ministerial Committee on the Review of the White Paper for Social Welfare presented its findings and preliminary proposals to the Minister and representatives from the entire social development sector, including the National Planning Commission, United Nations and national government departments. Subsequent to that, the implementation review report was finalised. This report provides the first comprehensive and most up-to-date national assessment of progress, gaps and key challenges in the implementation of the *White Paper for Social Welfare* since 1997. It will be a key reference for amendments to the White Paper and for overarching national legislation. The revised White Paper will provide a framework to enhance and promote social development services in South Africa, as envisaged in the NDP and Outcome 13: *An inclusive and responsive social protection system*.

Scholarships are an important pillar in addressing the shortage of social service professionals. During the reporting period, the Department awarded more than 5 687 social work scholarships, including 1 860 of the new intake for the academic year 2015. In 2015, 1 147 holders of social work scholarships graduated from various higher learning institutions across the country. A total of 759 graduates were employed by the provincial departments of social development, 165 by SASSA and 94 through funding from PACT (a USAID agency). The social work scholarship programme contributes towards skills development by recruiting youth to the social work profession.

## Care and services to older persons

To realise the objective of promoting and protecting the rights of older persons, 120 caregivers in eight provinces except KwaZulu-Natal (KZN) were trained during the year. The training equipped caregivers with the skills to provide quality services to older persons in both community-based and residential care facilities. In addition, various days were commemorated to highlight the plight of older persons and appreciate their contribution to families and communities: in June 2015, the Department, together with the Department of Justice and Constitutional Development, commemorated World Elder Abuse Awareness Day in KwaZulu-Natal; and in October 2015, the Department commemorated the International Day for Older Persons and Grandparents' Day in Gauteng.

The Department continues to realise the objectives of the Madrid International Plan of Action on Active Ageing, commonly known as the Golden Games. More than 1 600 older persons from all provinces participated in the Golden Games held in October 2015. The Active Ageing Programme improves the health of older persons by engaging them in programmes that promote an optimal level of social, physical, mental and emotional well-being to prevent and delay the onset of age-related physical, psychological and other challenges. All these efforts contributed to the realisation of Outcome 2: *A long and healthy life for all South Africans*.

## People with disabilities

A notable achievement was made in December 2015, when Cabinet approved the *White Paper on the Rights of Persons with Disabilities*, which was then launched at the National Disability Rights Summit in March 2016. The White Paper focuses on embedding the mainstreaming of disability rights in administrative and governance systems, by strengthening the accountability of duty-bearers and recourse for rights-holders.

## Children

Universal access to Early Childhood Development (ECD) services remains uppermost in our minds. In pursuit of this goal, the Department continues to provide services related to care and early stimulation to children in the temporary absence of their parents or adult caregivers. In this regard, following an extensive consultation process, Cabinet approved the ECD Policy in December 2015. The policy's aim is to ensure universal access of comprehensive age- and stage-appropriate quality services, equitable access, the alignment and harmonisation of inter-sectoral policies, legislation and programmes across the different sectors, adequate and effective leadership, coordinated planning, funding, implementation, monitoring of progress and on-going quality improvements. It highlights 15 policy positions to ensure universal access by 2030. The Comprehensive ECD Programme was developed and aligned to the new ECD Policy. It provides the essential components of nutrition, health, social protection, inclusion of children with disabilities and special needs, stimulation and early learning to ensure the best possible start in life.

In an effort to increase the registration of ECD centres and programmes, the Department developed guidelines for ECD centres with different levels of registration (e.g. conditional registration) and a national registration plan, to assist provinces in developing their own provincial plans. Between 2014/15 and 2015/16, the number of registered ECD centres increased by 15%, from 24 191 to 27 728, while the number of children benefitting from ECD subsidies increased by 40%, from 704 798 to 987 636. All these efforts contributed towards the achievement of Outcome 1: *Improved quality of basic education*.

**Adoptions:** During the reporting period, 1 165 adoptions were registered, including 978 national adoptions and 187 inter-country adoptions. All these efforts enabled the Department to contribute to the realisation of Outcome 3: *All people in South Africa are and feel safe* and Outcome 13: *An inclusive and responsive social protection system*.

During the period under review, the Department developed and finalised the Children's Amendment Bill and the Children's Second Amendment Bill. In April 2015, the Bills were submitted to the Speaker of the National Assembly for approval. The Children's Act, 2005 (Act No. 38 of 2005) articulates prevention and early intervention as a principle and represents a paradigm shift in managing children's issues. The Department continues to monitor and evaluate the implementation of the Act through quarterly reports, child-care and protection forums, and provincial consultations.

## Families

In consultation with relevant stakeholders, the Department developed three initiatives to target specific areas of concern within families: (i) the Programme for Teenage Parents, which addresses challenges experienced by teenage parents in raising their children while they themselves are still growing up; (ii) a Holiday Programme for Families strategy, in response to the issue of work-family balance wherein parents have to ensure that workplace demands do not overshadow the care of their children; (iii) a strategy to support families facing the imminent risk of the removal of a family member because of social ills, such as substance abuse and mental illness.

## Anti-substance abuse

The fight against substance abuse remained uppermost in our minds. To ensure compliance with the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008), the Department assessed the registration of seven existing public treatment centres: five in Limpopo, Mpumalanga and the Eastern Cape, and two in KwaZulu-Natal. The Department also established seven public treatment centres, 73 out-patient treatment centres and 48 in-patient treatment centres. In addition, the Department completed a national audit of all registered and unregistered treatment centres and halfway houses to determine the country's capacity to treat people affected by substance abuse.

The Department continued to implement the National Drug Master Plan (NDMP) 2013–2017. Nine provincial Substance Abuse Forums and 14 national departments were capacitated on the NDMP to develop the provincial and departmental master plans aimed at combating substance abuse in the country.

## Victim empowerment

The Gender-Based Violence (GBV) Command Centre continued to provide counselling to those affected by high levels of violence against women and children. It represents the first integrated technology of its kind in terms of social service delivery in South Africa and, arguably, in the developing world. The centre receives a variety of calls relating to domestic violence, physical abuse, indecent assault, verbal abuse/intimidation, abandoned children and non-GBV cases, among others. During the reporting period, the Centre attended to 51 440 calls and serviced 8 929 cases.

A highlight of the period was that the GBV Command Centre won two awards: the Gold Award in the Technological Innovation Category and the Gold Medal for being the Best Technology Innovation Small Centre in the World at award ceremonies held in London and Las Vegas.

## HIV and AIDS

The Department's HIV and AIDS unit focuses on reducing risky behaviours and promoting psychosocial support and well-being among the targeted key populations. The Department contributes to the National Strategic Plan (NSP) 2012–2016 on HIV, STIs and TB, as well as the YOLO (You Only Live Once) Programme that addresses HIV drivers, especially among girls. After being piloted during October 2015 in Gauteng and the North West, the YOLO programme was launched by the Minister in December 2015 in Kimberley. The programme was subsequently tested in seven provinces (except the Northern Cape and Western Cape) and reached 4 873 young people in 15 districts.

The Department trained 3 821 community caregivers in succession planning, child-care forums, the Children's Act, psychosocial support, child protection, supportive supervision, and monitoring and evaluation. Furthermore, a total of 607 community-based organisations (CBOs) and 230 officials were trained in the community-based intervention monitoring system (CBIMS) and, through the Home and Community Based Care (HCBC) Programme, over one million (1 058 558) beneficiaries received psychosocial support services from funded organisations.

## Youth

The Department continued its efforts to develop and implement youth development and empowerment programmes. A total of 131 900 youth participated in youth mobilisation programmes, which culminated in a youth leadership camp attended by 1 798 young people. In addition, 32 806 youth participated in skills development programmes during the period under review.

TOTAL OF
**131 900**
youth participated in youth mobilisation programmes

The Department continued implementing Project Mikondzo, as part of its transformation agenda to accelerate service delivery and increase its footprint

**365**
cooks received training provided by the Department

MORE THAN
**258 947**
households access food through community development feeding programmes

## Non-Profit Organisations

The Department implemented a range of national interventions to improve the registration and access to information of non-profit organisations (NPOs). The Department processed all of the 31 183 applications received from organisations seeking registration, with 30 711 (98.5%) being processed within two months of receipt. The Department received and processed 30 681 reports. Of these, 29 830 (97%) were processed within two months. A total of 3 569 NPOs were capacitated, in accordance with the prescripts of the NPO Act, 1997 (Act No. 71 of 1997). In addition, 509 officials from all provinces underwent training aimed at strengthening their capacity to deliver quality services and meaningful support to NPOs. Other interventions by the Department include providing services to NPOs at municipal level: 107 NPO roadshows were conducted in 93 local municipalities.

## Food for all

Through its Food and Nutrition programmes, the Department contributes to the goal of improving access to diverse and affordable food. As part of strengthening the Food and Nutrition Security Programme, the Department established 167 Community Nutrition and Distribution Centres (CNDCs) in all provinces. These CNDCs provide over three million people with nutritious food and have created employment opportunities for 937 people. More than 258 947 households access food through community development feeding programmes. Furthermore, the Department has provided training to 365 cooks and will train an additional 303 cooks in the new financial year. This will ensure that the Department contributes to the realisation of Outcome 7: *Vibrant, equitable and sustainable rural communities contributing to food security for all* and Outcome 13: *An inclusive and responsive social protection system*.

## Project Mikondzo

The Department continued implementing Project Mikondzo, as part of its transformation agenda to accelerate service delivery and increase its footprint. Project Mikondzo emphasises service delivery interventions and promotes active citizenry. To date the project has reached over 1 200 poor and vulnerable wards and over 322 025 people, while 1 907 communities and 258 947 households have been profiled. The Department also facilitated the development of 1 042 community-based plans. During the reporting period, the Department successfully integrated the Integrated Community Registration Outreach Programme (ICROP), which is a tool designed to expedite service delivery, into Project Mikondzo.

## 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 according to 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, National Treasury, the Presidency and the Auditor–General of South Africa (AGSA). 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 role in promoting South Africa's foreign policy goals, especially in respect of Outcome 11: *Creating a better South Africa and contributing to a better and safer Africa and world*. It played 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 revised and strengthened a number of bilateral agreements with other countries on numerous vital policy issues that form part of its mandate.

## Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan. The tables below highlight the plan and the achievements to date.

### Main services and standards

| Main services | Beneficiaries | Current/actual standard of service | Desired standard of service | Actual achievement |
|---|---|---|---|---|
| Complaints management | Citizens | 21 days turnaround to resolve complaints | 15 days turnaround to resolve and close complaints | 70% |

### Batho Pele arrangements with beneficiaries

| Current/actual arrangements | Desired arrangements | Actual achievements |
|---|---|---|
| Customer care help desk outreach programme | Attend 20 outreach programmes per annum | Attended 22 outreach programmes |

### Service delivery information tool

| Current/actual information tools | Desired information tools | Actual achievements |
|---|---|---|
| Social services handbook | Electronic dissemination of services | Hardcopy social services handbook |
| Information brochures pamphlets etc. | Electronic dissemination of services | Hardcopy brochures, leaflets, etc. |

### Complaints mechanism

| Current/actual complaints mechanism | Desired complaints mechanism | Actual achievements |
|---|---|---|
| Complaints management help desk | E-CRM driven complaints<br>Fully operational GBV Command Centre | Complaints management help desk at GBV Command Centre |

**4 873**
young people in 15 districts reached by programme

**YOLO**
YOU ONLY LIVE ONCE

Universal access to ECD services remains uppermost in our minds.

MORE THAN
**1 600**
older persons from all provinces participated in the Golden Games held in October 2015

**987 636**
CHILDREN
benefitted from ECD subsidies, an increase of 40%

KEY: = 62 500

## Overview of the Organisational Environment in 2015/16

The Department did not experience any disruptions, such as strike action, during the reporting period.

The Department underwent a realignment process to meet the organisation's needs, changing mandates and demands, and to support its strategic direction and priorities. This realignment process is fully reflected in the revised organisational structure that was approved by the Minister in May 2015 and came into effect at the beginning of June 2015. The Branch: Rights of People with Disabilities was incorporated into the Department's organisational structure, as a result of the National Macro Organisation of the State (NMOS) process. The Branch incorporates the Directorate: Disabilities which existed in the Department. The Chief Directorate: Non-Profit Organisations has been elevated to be a new Branch: Non-Profit Organisations. The Branch: Welfare Services has been divided into two new Branches: Social Crime and Anti-Substance Abuse, and Families and Social Welfare Services. The Branch: Corporate Services has been renamed Corporate Support Services and the post of Branch Head has been established. This realignment and establishment of new branches has affected a number of Directorates and Chief Directorates. Different functions have been moved from one branch to another to align with strategic operations of such branches. The Inspectorate for Social Assistance is expected to contribute to the effective, transparent, accountable and coherent governance of the social assistance system. In this regard, senior management positions and key support staff of the Inspectorate were appointed during the period under review. Draft Investigations Framework, Financial and Compliance Audits Framework and Comprehensive Stakeholder Analysis Framework were developed as part of the institutionalisation of the inspectorate unit. Due to the realignment process, more SMS posts were established and remained vacant. The vacuum created by these vacant SMS posts significantly affected service delivery.

## Key policy developments and legislative changes

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

- ECD Policy was finalised and approved by Cabinet.
- The drafting of the Children's Amendment Bill and the Children's Second Amendment Bill was finalised and approved by the relevant Cabinet Committee.
- Amendments of the Older Persons Act, 2006 (Act No. 13 of 2006) draft Bill were developed.
- *The White Paper on the Rights of Persons with Disabilities* (WPRPD) and its Implementation Matrix was approved by Cabinet on 9 December 2015.
- The Draft NPO Amendment Bill was completed.
- The Community Development Practice Policy was developed and approved by the Community Development Forum.

## Strategic outcome-oriented goals

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

- Expand Child and Youth Care Services (Isibindi programme).
- Social Welfare Reform Sector and services to deliver better results.
- Deepening Social Assistance and extending the scope of Social Security.
- Increase access to Early Childhood Development (ECD).
- Strengthening Community Development interventions.
- Combat Substance Abuse and Gender-Based Violence.
- Increase household food and nutrition security (Food for all).
- The protection and promotion of the rights of older persons and people with disabilities.
- Establish Social Protection Systems to strengthen coordination, integration, planning, Monitoring and Evaluation of services.

# EXECUTIVE MANAGEMENT

**Mr Thokozani Magwaza**
*Acting Director–General, Department of Social Development*

**Mr Clifford Appel**
*Chief Financial Officer*

**Dr Wiseman Magasela**
*Deputy Director–General: Social Policy*

**Mr Peter Netshipale**
*Deputy Director–General: Integrated Development*

**Ms Conny Nxumalo**
*Deputy Director–General: Welfare Services*

**Mr Oupa Ramachela**
*Acting Deputy Director–General: Corporate Support Services*

**Mr Mzolisi Toni**
*Deputy Director–General: Rights of Persons with Disabilities*

**Mr Brenton Van Vrede**
*Acting Deputy Director–General: Comprehensive Social Security*

**Mr Thabani Buthelezi**
*Acting Deputy Director–General: Strategy and Organizational Transformation*

# PROGRAMME 1
## Administration

PART B

Performance information by programme

## Programme Purpose

Provide leadership, management and support services to the Department and the social sector.

## Executive Support

The Department, through the Executive Support unit facilitated and convened 10 Forum of South African Director–General (FOSAD) Cluster on Social Protection, Community and Human Development (SPCHD) meetings during the period under review. There was full compliance in terms of the schedule that is circulated to members annually. The established sub-committee, the SPCHD Technical Working Group (TWG), is still functioning well, and all departments are participating. Two co-chairpersons from the departments of sports and recreation and telecommunications and postal services were appointed to chair the meetings of the TWG. The TWG is responsible for processing all submissions prior to tabling before the SPCHD for further consideration.

The Department successfully processed the following items at the Cluster, to obtain Cabinet approval:

- Amendments to the Children's Act
- Concluding observations for the African Union (AU) Expert Committee on the Rights and Welfare of the Child
- Revised terms of reference for the SPCHD Cluster
- Social Security Reform in South Africa
- International Social Services: the return of children in distress
- *White Paper on the Rights of Persons with Disabilities*
- Extension of Child Support Grant to cover orphans
- Review of the Early Childhood Development (ECD) Policy
- Amendments to the Social Assistance Amendment Bill

Through this unit, the Department has also embarked on the process of reviewing the Department of Social Development (DSD) FOSAD Participation Strategy. The aim is to ensure that the strategy is aligned to newly reconfigured Government Clusters and revised Government Coordination Systems Framework.

## International Relations

The Department's international agenda was largely echoed by the negotiations and subsequent adoption of the Sustainable Development Goals (SDGs) during the 70th Session of the United Nations (UN) General Assembly in September 2015. The SDGs resonate with the aspirations of the National Development Plan (NDP,) which articulates the Department's role concerning social development programmes. Study visits to Chile and Sweden were undertaken to benchmark the ECD programme as one of the key priority areas of the Department. With the assistance of Japan International Cooperation (JICA), a further benchmark exercise focused on persons with disabilities was conducted in Thailand. Funding has also been secured from the European Union (EU) to support and benchmark the implementation of the White Paper on Families in the next financial year. A technical visit to the United States of America (USA) was undertaken with the aim of establishing and consolidating formal bilateral ties with the State of Maryland in USA. The Department hosted delegations from Kenya and Lesotho, and commenced bilateral discussions with the authorities in Peru and Bulgaria to explore issues of common interest.

At a multilateral level, the Department continued to influence the international agenda in the relevant AU and UN Commissions dealing with the status of women, narcotics drugs and substance abuse, human rights and persons with disabilities. The Department engaged with the UN Special Rapporteur on Violence against Women and presented its cutting-edge Gender-Based Violence (GBV) programme. During the year under review, the GBV Command Centre won two prestigious international awards in London (England) and Las Vegas (USA). Through active involvement of the core functions, the Department participated in Brazil, Russia, India, China and South Africa (BRICS); Partners in Population and Development (PPD) as well as the International Social Services (ISS).

## Stakeholder Management

The Stakeholder Management unit coordinated several national events, including a conference in partnership with the Congress of Traditional Leaders of South Africa (CONTRALESA). Partnerships with international and local organisations supported various departmental programmes such as the Victim Empowerment Programme, youth camps, ECD and Child Protection Week. The Directorate coordinated more than 10 Ministerial outreach programmes in partnership with District and local municipalities.

## Strategy Development and Business

### Strategic Planning and Management

During the period under review, the Department completed a baseline study of the sector priorities, which will inform target-setting for the national and provincial departments of social development. This project is aimed at informing the planning, budgeting and reporting throughout the entire sector in order to improve the delivery of services.

### Business Processes and Risk Management

Through this unit, the Department completed the construction of an anti-substance abuse treatment centre in the North West province. In addition, the risk management programme was effectively managed, resulting in a Level 4 Management Performance Assessment Tool (MPAT) rating that is administered by the Department of Planning, Monitoring and Evaluation (DPME). Risk management contributes to the Department's overall governance and accountability environment.

## Customer Care

Through this unit, the Department developed its Service Delivery Improvement Plan and reviewed the Customer Service Charter. The unit provided active support during the implementation of Project Mikondzo, which included rolling-out the Cultural Reform Programme in the Eastern Cape, KwaZulu-Natal and Limpopo. Furthermore, the Department successfully refurbished 103 DSD service offices in six provinces (except Mpumalanga, Limpopo and the Western Cape). The unit also resolved 1 000 complaints received through the complaints help desk from Non-Profit Organisations (NPOs) and Presidential Hotline referrals and related to appeals and adoptions, among others.

This unit oversaw the establishment of the GBV Command Centre, which was voted the Global Gold Award winner for Technical Innovations for Small Contact Centres during award ceremonies in London and Las Vegas in 2015.

## Gender

The Department capacitated 150 officials in gender mainstreaming, training them in diversity management and emotional intelligence. Of the 150 officials, 89 were senior managers from the Department, the South African Social Security Agency (SASSA), and the National Development Agency (NDA). As a build up to the Women's Month celebrations, dialogues were conducted with female staff including cleaning and security personnel. These dialogues culminated in a presentation to the Minister that outlined the challenges faced by female staff within the Department.

## Monitoring and Evaluation

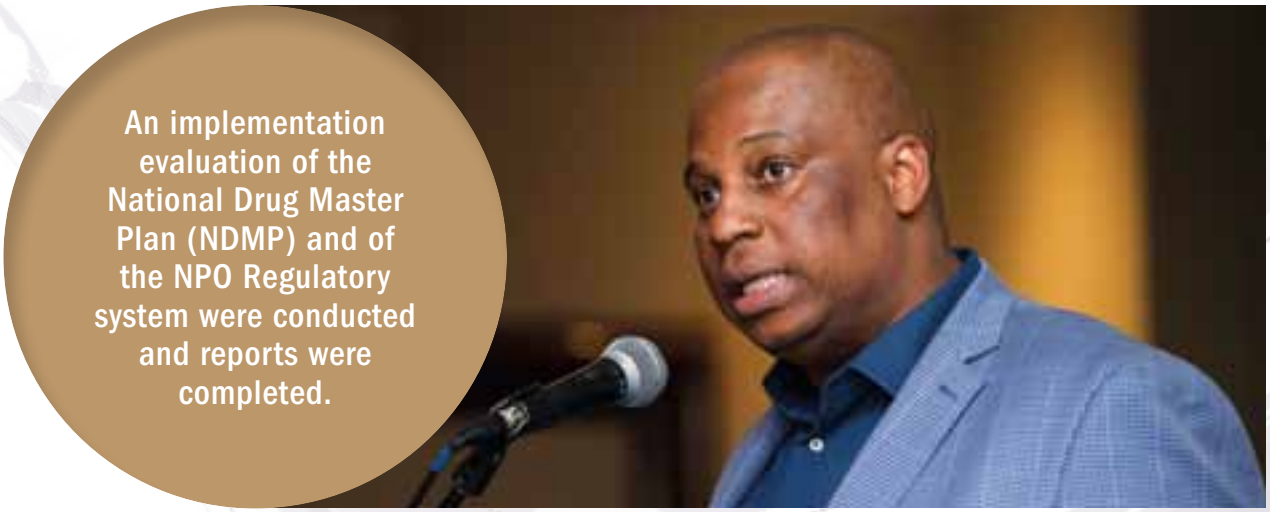
The Department continued to improve the social development sector performance through monitoring and evaluation. Provincial performance review meetings were held, and non-financial data indicators were reviewed and agreed upon with the provincial departments of social development for the next three financial years. Another notable achievement was the compilation of baseline data related to violence against women and children.

The implementation of the Department's multi-year evaluation plan continued during the period under review. An implementation evaluation of the National Drug Master Plan (NDMP) and of the NPO Regulatory system were conducted and reports were completed. The National Evaluation Plan for the next financial year includes an implementation evaluation of the Older Persons Act, 2006 (Act No. 13 of 2006).

Other initiatives included successful coordination of the Department's annual self-assessment in terms of the Management Performance Assessment Tool (MPAT), led by the DPME. The unit also coordinated the compilation of quarterly and annual performance reports, which were submitted to relevant stakeholders including, National Treasury, Auditor–General of South Africa (AGSA), DPME and Parliament. Quarterly performance reviews were conducted with programme managers to assess their achievements against targets and to recommend corrective actions in areas where targets were partially or not achieved. The Department received a clean audit on both financial and non-financial information, i.e. an unqualified audit outcome where there were no material findings on the usefulness and reliability of reported performance information. Furthermore, the unit coordinated the Department's inputs to the State of the Nation Address in February 2016. This contributed to Outcome 12: *An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship*.

## Entity Oversight

Through this unit, the Department continued to provide strategic guidance and support to its entities, SASSA and NDA. It participated in the development of their strategic plans; monitored their Public Finance Management Act (PFMA) Compliance Schedules; and received, assessed and approved their quarterly reports. The public entities submitted annual performance plans (APPs), which were tabled in Parliament. As part of its oversight role, the unit participated in executive committee and budget meetings. The unit also successfully completed the development of a Performance Information Management System (PIMS), which provides a platform for effective performance monitoring of the public entities.



## Legal Services

Through this unit, the Department successfully vetted all contracts through the contract management system, ensuring that all contracts were legally sound and complied with the relevant prescripts. The unit also succeeded in mitigating litigation, in particular with regard to social grants, as there was a significant reduction in the number of notice of motions received: 12 compared to 100 in the previous reporting period. This may be attributed to the unit defending cases where the merits are in favour of the Department and claiming costs de *bonis propriis* from the relevant attorneys.

The Regulations and the Directives on Combating and Trafficking in Persons were published and are in operation. The Regulations to the Social Assistance Act are at an advanced stage of finalisation and, once published, will put an end to the tide of unauthorised and unlawful deductions from social grants and ensure better control of Regulation 26A of the Social Assistance Act, which deals with deductions.

## Communication

Through this unit, the Department continued to heighten its visibility by producing promotional and publicity materials that were used to brand departmental events and campaigns organised in the year under review. Various platforms were used, such as the DSD News Bulletin, intranet and main website, to continue informing both internal and external target audiences on the Department's policies and programmes.

The Department attracted a vast following, both locally and internationally, through customised social media platforms. Over 1.6 million people were reached through our online platforms, such as the website, Facebook, Twitter, Instagram, SoundCloud and Youtube. The reach was extended through external/commercial websites featuring content about the Department. The website had over 15 million unique page clicks. Through the website, over 122 000 students were able to access information on social work scholarships and download application forms. The Department's online presence continues to grow and serves as a portal for enquiries on various social assistance matters, ranging from adoptions to grant queries.

## Internal Audit

This unit conducted financial, compliance, governance and performance audits in accordance with Auditing Standards of the Institute of Internal Auditors and the Department's Internal Audit Charter. The assessments were aimed at assessing the adequacy and effectiveness of the risk management, control and governance systems. A total of 24 risk-based audits were completed during the reporting period. Where the systems and controls were found to be adequate and effective, assurance was provided to management. Weaknesses identified during the audits were communicated and remedial steps 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. Management and the Audit Committee were instrumental in ensuring that corrective actions were taken to address identified weaknesses, which assisted the Department in strengthening the control environment.

## Human Capital Management

### Human Resource Management

The Department set out to reduce the vacancy rate to 8%, in order to ensure that it delivers on its mandate and objectives. However, this target was negatively affected by the implementation of the reviewed organisational structure (approved by the Minister in May 2015), as 60 posts were established. Of these 60 posts, 17 at Senior Management Service (SMS) level were prioritised for filling. Another contributing factor is that the filling of SMS posts can be delayed because Cabinet needs to approve some appointments, and ministers need to be available to serve on selection committees. The vacuum created by vacant SMS posts significantly affected service delivery.

### Labour Relations

The Department endeavours to comply with the three months turnaround time for finalising misconduct cases. The exceptions are occasioned by circumstances beyond its control, such as the unavailability of witnesses and the postponement of disciplinary hearings. A total of eight labour relations information sessions were conducted, attended by 232 departmental officials. To raise awareness on absenteeism,

more than 800 pamphlets were distributed to departmental officials. The Department also strives to deepen social dialogue in the sector with the trade unions, our social partners, and thus the ability to conclude collective agreements. The Department, together with unions, have jointly committed to continuously build the capacity of shop stewards and labour relations officers in the sector and to institutionalise alternative dispute prevention and conflict resolution mechanisms.

### Organisational Design and Human Resource Planning

As part of the preparatory work for developing the five-year Sector Human Resources (HR) Plan (2018–2023), the Department analysed baseline information for the sector in order to understand the current status of the sector's workforce. This analysis will assist to strengthen the workforce and capacity, address turnover rate and produce adequate skills within the sector. All these aspects will help the Department to optimally render its services and deliver on its mandate.

### Sector Education and Training

In an effort to contribute towards a skilled and capable workforce, the unit developed and implemented a Workplace Skills Plan, in accordance with the Skills Development Act, 1998 (Act No. 97 of 1998). A total of 282 officials, including interns, attended skills development courses within the Department. The Department also awarded bursaries to 101 officials studying towards qualifications in various study areas. The Department's internship programme placed 48 interns in various functional areas. The unit continued to provide technical support to line managers for implementing various capacity-building programmes.

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 completed in line with the departmental performance management and development system (PMDS). The outcomes of the performance assessments were communicated to all staff members.

## Finance

### Financial Management and Administration

The Department continued its efforts to develop and implement effective financial management and administration policies. Supply Chain Management (SCM) re-introduced the Bid Specification Committee to consider specifications and terms of references for all goods and services above R500 000. SCM policies and the financial management policies and prescripts were presented at departmental branch meetings and workshops. Internal Control coordinated audits effectively and contributed towards the Department achieving a clean audit.

### Cost and Management Accounting

The Department continued to oversee the management and administration of social grants by SASSA, and remained accountable for the R137 billion received for the payment of social grants. The unit has worked closely with line functions in analysing expenditure trends and financial compliance to ensure that appropriated funds are spent in line with the Department's mandate.

## Information Management and Technology

The Department facilitated the connectivity of the Integrated Justice System Transversal hub. This connectivity allowed the Justice Cluster Integrated Justice System (IJS) initiative to participate in the electronic sharing of information, ensuring improved internet speed and network connectivity.

A due diligence of the Department's business units was undertaken, and a review of business processes and their dependence on IT systems and technology was determined. The business impact assessment outcome report was used to develop a disaster recovery strategy, to ensure that an aligned IT Disaster Recovery facility that address the business continuity requirements will be procured. Furthermore, the unit conducted an audit and assessment of information management systems throughout the sector and gathered information related to the specification of provincial business needs. This will assist in preparing for the roll-out of the National Integrated Social Protection Architecture blueprint. The unit successfully developed incoming and outgoing message endpoint connectivity for the probation case management (PCM) project, which streamlines the end-to-end PCM business processes and improves turnaround times by strengthening the integration of the Department's services to children in conflict with the law and SAPS. The Department also developed the integration model-view-controller framework that seeks to build synergies and facilitate seamless exchange of information between government departments, for better coordinated planning, monitoring and evaluation of socio-economic development interventions across the social sector.

In an effort to improve the management of leave applications, contract management and the flow of submissions, the Department successfully upgraded and implemented the e-Leave, e-Contract and e-Submission systems. The upgrade enables auditable business transactions of the Department to ensure compliance with regulations. As part of automating information management processes, an information management plan was developed and includes the information management cycle (from creation to destruction or archiving), in line with the archiving guidelines. The plan also provides guidelines for classifying documents. Files that were ready for automation were sent to MetroFile for storage, as an initial step towards automating the information management process. They include NPO files, adoptions, Social Relief of Distress and finance. The automation process will be prioritised in the next financial year.

## Executive Support and Intergovernmental Relations

| Strategic objectives | Performance indicator | Baseline | Actual achievement for 2014/15 | Annual target 2015/16 | Actual output 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Ensure effective and efficient decision making and stakeholder relation by 2019 | % of FOSAD Social Sector Cluster decisions monitored and reported on | 50 (100%) FOSAD Social Sector Cluster decisions monitored and reported on | The Directorate provided executive support services to 9 FOSAD Social Cluster meetings during the period under review. | Monitor and report on 100% of FOSAD Social Sector Cluster | • All 10 scheduled SPCHD Cluster meetings were convened. The unit monitored and followed up on all decisions taken. An update was given in every meeting. | No deviation |
| | Number of international engagements facilitated | 4 bilateral Agreements | Agreements with Lesotho, Namibia and Benin were revised while bilateral relations were strengthened with, among others, Botswana, Uganda, Kenya, Brazil, Mexico, India, China, Chile, Czech Republic, Vietnam and Zimbabwe | Facilitate 4 bilateral Agreements | • Bilateral agreements are under negotiations with USA, Democratic Republic of Congo (DRC), Kenya, Benin, Nigeria, Bulgaria and Peru, while benchmark exchanges were conducted with Chile; Sweden and Thailand. An agreement was also signed with Lesotho. | No deviation |
| | | Facilitate DSD participation in 6 international bodies | DSD participated during the following meetings: SADC – 2; AU – 2; IBSA – 1; BRICS – 3; ISS – 2; ISSA– 2; PPD – 2; 4 UN – 3. | Facilitate DSD participation in 6 international bodies | • The Department participated in the following international bodies: 7 UN Commissions; 1 BRICS; 2 SADC; 4 AU and 2 PPD. | No deviation |
| | Number of partnership agreements concluded | Form partnerships with 8 stakeholders in support of DSD initiatives and projects | The unit coordinated meetings with the following stakeholders with the intention of forming partnerships: Tshikululu Social Investments, GIZ, United Nations Women, Tiger Brands, Old Mutual and the South African Football Association (SAFA).<br>Donations were solicited from the Kellogg Foundation and ACSA for Child Protection Week and from Sasol for the Golden Games.<br>Technical support was provided in Planning and organising several Departmental events and Ministerial outreach programmes such as: Child Protection Week, Youth Camps, and Golden Games to mention the few. | Form partnerships with 8 stakeholders in support of DSD initiatives and projects | • The unit formed partnerships with various organisations to support DSD programmes.<br>• ABI provided Water for the Golden Game.<br>• HDI supported the Cape town Khayamandi Fire victims.<br>• Shoprite (soup kitchen) assisted with breakfast for the Fish Hoek Fire victims.<br>• Kellogg's supplied breakfast cereal at ECD opening in Oudtshoorn.<br>• In partnership with Tiger Brands, class rooms were added and ECD centres were refurbished in Oudtshoorn.<br>• The team held Ministerial outreach programmes in partnership with various municipalities (Tshwane, Bojanala, Merafong). The unit held a partnership conference in Benoni with CONTRALESA. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Strategy Development and Business

| Strategic objectives | Performance indicator | Baseline | Actual achievement for 2014/15 | Annual target 2015/16 | Actual output 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Improve Social Development Sector implementation processes by 2019 | Approved Integrated Service Delivery Model | Revised Service Delivery Model | The review of the ISDM was not completed. | Finalise Integrated Service Delivery Model | • Target was not achieved. | Project continued to be delayed pending decision from the Project Steering Committee regarding the scope and terms of reference for the work. |
| | Spatial norms and standards and blueprint designs | Develop Spatial norms and standards as well as blueprint architectural designs for 23 facilities within the DSD | Terms of reference for the appointment of a service provider were developed, advertised and adjudicated. | Implement the new designs, special norms and standards for the construction of new facilities | • 15 new facilities were constructed in line with new designs, special norms and standards for the construction of new facilities. | No deviation |
| | Number of anti-substance treatment centres established | Establish 1 new treatment centre and a halfway house | One new substance dependency treatment centre was completed in the Eastern Cape Province | Construction of 4 public in-patient substance abuse treatment centres | • 1 treatment centre was completed in North West province. | The remaining centres will be constructed in the 2016/17 financial year. |
| | Number of improved social development sector offices | 27 offices in various province now have adequate waiting areas | 10 offices completed in Mpumalanga, 6 in the EC, 5 in NW and 15 in KZN | Facilitate the improvement of 25 DSD offices | • 103 offices were constructed or refurbished during the financial year. | No deviation |
| | Complaints Management System | Manual CMS is operational | Quarterly Complaints Reports completed. | Develop and pilot Complaints Management System within the National DSD Helpdesk | • Complaints management system was developed and is operational at GBV Command Centre. | No deviation |
| | Number of DSD officials capacitated on gender mainstreaming | New indicator | - | Capacitate 150 officials on gender mainstreaming | • 156 DSD officials were capacitated in gender mainstreaming. | No deviation |

**Strategies to overcome under-performance**

- The construction of the remaining public in-patient substance abuse treatment centres will be completed in the 2016/17 financial year.

## Monitoring and Evaluation

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Improve DSD Performance through M&E by 2019 | Logical Frameworks for social development sector priorities | Update DSD M&E system aligned to outcomes- based model | Social Development Sector M&Esystem aligned to outcomes-based model was updated. | Update Social Development Sector M&E system aligned to outcomes based model | • M&E system was updated and aligned to relevant outcomes. | No deviation |
| | Results based framework for social protection developed | Draft theory of change for social protection | – | Common set of outcomes and systematic indicators developed | • Common set of outcome and systemic indicators were developed. | No deviation |
| | National Integrated Social Protection Information System (NISPIS) | New indicator | – | Design of NISPIS and monitoring tools linked to sector priorities | • The system was not developed. However, the NISPIS concept document was developed and consulted. | The system was not developed due to lack of funding. |
| | Evaluation reports | Implementation evaluation of the EPWP of social sector<br>Diagnostic evaluation of violence against women and children | – | Implementation evaluation of the National Drug Master Plan | • Evaluation report and the 1/5/25 report (short report on evaluation of the National Drug Master Plan) were compiled. | No deviation |
| | | | – | Implementation evaluation of Isibindi Model | • Terms of reference were developed and service provider was appointed. | Delays in planning the evaluation process. |
| | | | – | Diagnostic evaluation of Regulatory Framework and Legislation for NPOs | • Evaluation report was produced on regulatory framework and legislation for NPOs. | No deviation |
| | | | – | Implementation and evaluation of Foster Care programme | • Draft report on foster care was produced. | Preliminary work was conducted and the review report finalised; hence the evaluation deferred to the next financial year. |

**Strategies to overcome under-performance**

- The development of NISPIS system will be prioritised in the next financial year.
- Proper planning of the evaluation process.
- An implementation evaluation of the Foster Care Programme will be completed in the next financial year.

## Entity Oversight

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Effective oversight of public entities reporting to the DSD by 2019 | Performance Information Management System (PIMS) for Public Entities developed | Performance Information Management System (PIMS) prototype | A Performance Information Management System prototype has been developed. PIMS and balance scorecard were consolidated. Consultation on the prototype, including the database, was done with all the units. | Develop the Performance Information Management System (PIMS) for Public Entities | • PIMS for public entities was developed, tested and approved. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Legal Services

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Efficient and effective legal services for the Department of Social Development | % of applications for appeals, letters of demand and practise directives responded to within3 days of receipt | Respond to 80% of applications for appeals, letters of demand and practise directives within 3 days of receipt | 3 507 application for appeals, letters of demand and practice directives were received. The unit responded timeously to 64.3% (2 254) letter of demand and practice directives. | Respond to 90% of applications for appeals, letters of demand and practise directives within three days of receipt | • 1 717 applications for appeals, letters of demand and practice directives were received. The Unit responded timeously to 1 671 (97.3%). | No deviation |
| | Percentage of outcome letters communicated to the attorneys | The unit responded timeously to 1 280 (60%) | 98% (1 016 of 1 034) of outcome letters communicated within 3 days of receipt thereof to attorneys. | Communicate 90% of outcome letters within 3 days to the attorneys | • 100% (1 143) of outcome letters were communicated within three days of receipt thereof to attorneys. | No deviation |
| | Implementation of contract management protocol | Contract Management System is being implemented | Contract management system is being implemented. All contracts (100%) referred for vetting were vetted through the contract management system. | 90% of contracts vetted through the contract management system | • All (100%) contracts – 81 service level agreements (SLAs) and 19 memoranda of understanding (MoU) – were vetted through the contract management system. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Communications

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Improve public access to DSD information and services and sustain employee engagement by 2019 | Number of people reached through marketing and advertising initiatives | 25 million people reached through marketing and advertising initiatives | 108 371 831 people were reached through marketing and advertising initiatives. | Reach 27 million people through marketing and advertising initiatives | • 5 542 018 people were reached through marketing and advertising initiatives. | Although more people were reached through marketing and advertising initiatives, the unit is unable to account for other people reached due to lack of reliable monitoring system. |
| | | 50 000 reached through online media | 588 258 people were reached through online and social media platforms. These numbers do not reflect the tracking through newspapers, as the Chief Directorate no longer has media monitoring. However, there was increased interaction with the public on the Department's social media platforms during the 2014/15 financial year. The Department's following has also increased. | Reach 120 000 people via DSD website and social media | • 1 603 725 people were reached through online and social media platforms (Facebook + Twitter + Instagram + website). The Department's following continues to grow on Facebook and Twitter, our audience's main platforms. | No deviation |
| | Number of public participation events | 16 for the Minister, and 16 for the Deputy Minister | Public participation/outreach programmes were conducted for the Minister (51) and Deputy Minister (33). On some occasions, the political principals attended the same Public Participation Programme (PPP) | 20 public participation events for the Minister, and 20 for the Deputy Minister | • Sixty-two evidence-based public participation programmes were conducted: 43 for the Minister and 19 for the Deputy Minister. | The Deputy Minister was on sick leave for the second quarter of the reporting period. |
| | Number of NPOs incorporating departmental branding | New indicator | Continued to monitor the national CI alignment with the provinces. Six provinces aligned their corporate colours and branding with the national CI.<br>Continued to work corporately with provinces on all CI alignment on all ministerial activities. All production material was produced in line with the National Branding Guidelines. | 5 NPOs incorporating departmental branding | • Target not achieved, but progress made:<br>○ Presentations were made to NPO representatives on co-branding guidelines at the Cooperatives and NPOs Summits held in Rustenburg and Cape Town. | Awaiting the approval of the SLA before embarking on a full-scale implementation of the branding project. |

## Communications *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| | Number of DSD newsletters published | Published 6 DSD Newsletters | Published one hard copy of DSD News. Distributed two copies of DSD News to staff members electronically. Continued to publish stories about Departmental events and activities using DSD News online on the intranet. More than 30 Newsletters were published on the DSD Intranet. | Publish 6 DSD Newsletters | • Over nine DSD News Bulletins were published. DSD newsletter editions, covering information on departmental events and campaigns, were published electronically on the intranet. | We could not publish hard copy versions of the DSD newsletter due to delays in the SCM tender processes. |
| | Production of television episode on any DSD matter | New indicator | – | 10 television programme episodes | • No television programme episodes were produced. Meetings were held between the Department, the University of KZN and the SABC on partnership, and a memorandum of agreement was signed. | Lack of resources. |
| | Host DSD Corporate radio station | New indicator | – | Research on feasibility of hosting departmental radio station | • Research on the feasibility of hosting DSD corporate radio station was not conducted. Two meetings to discuss the feasibility of establishing radio stations were held with relevant stakeholders. | Lack of resources. |

**Strategies to overcome under-performance**

- The Department will put systems in place for reliable monitoring of people reached through marketing and advertising initiatives.
- Going forward, the Department will publish the newsletters electronically and upload these on the intranet and website.
- The unit will prioritise approval of the service level agreement (SLA) for the branding project in the next financial year.
- The project on television episodes is discontinued due to lack of resources.

## Internal Audit

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Compliance with relevant legislation and policies | Number of risk-based projects audited as per the Internal Audit Coverage Plan | 20 risk-based projects audited | 21 risk-based audit projects were performed. | Audit 24 risk-based projects | • 24 audit projects completed | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Human Capital Management

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| Ensure adequate capacity, capability and sound employee relations for the department to deliver on its mandate | Number of posts filled within the prescribed time | 9 months | – | Posts filled within 8 months | • Posts are currently filled within 15 months. | There is currently a high vacancy rate at SMS level, and the filling of SMS posts takes longer. |
| | Vacancy rate | The vacancy rate is at 11% on PERSAL | The vacancy rate is currently 11% on PERSAL and 9% on the costing model (appointments approved but awaiting personnel suitability check results and acceptance of offers). | Reduce vacancy rate to 8% | • Vacancy rate is 14%. | Factors impacting on the vacancy rate are: the turnover rate is the same as the filling of posts, as well as the filling of posts results in almost the same number becoming vacant.<br>Posts are to be job evaluated or abolished because of implementing the reviewed organisational structure.<br>Filling of posts are held in abeyance due to reduction in compensation budget. |

## Human Capital Management *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| | Approved Social Development Sector HRP | New indicator | The HRP was not developed due to financial constraints | Develop and approve the HRP | • HRP was not developed. | Due to financial constraints, scope of project and stakeholders involved, project took a bit longer to start.<br>In light of the above, an agreement was reached between DSD and USAID (PACT) to fund the implementation of the project going forward. |
| | Number of targeted employees attending identified skills development programmes | 300 officials trained | 320 of 318 targeted employees (101%) attended identified skills development interventions | 100% of targeted employees to attend identified skills development programmes | • 282 of 372 (76%) identified employees attended learning interventions. | Due to budget constraints, identified group courses for the fourth quarter could not be coordinated. |
| | Number of grievances, complaints, disputes and disciplinary cases concluded within the prescribed time frames | 42 of 45( 93%) grievances, Complaints and disputes and disciplinary cases concluded within the prescribed time frames | • 31 of 38 (82%) grievances, complaints, disciplinary and disputes cases were concluded as follows:<br>○ 6 of 10 (60%) complaints/ grievances received were finalised and/ or are in the process of being finalised.<br>○ 23 of 24 (96%) disciplinary cases received were finalised; 1 case is still within the prescribed time frame for finalisation.<br>○ 1 of 2 (50%) disputes concluded at conciliation/ arbitration. 1 of 2 (50%) appeals finalised, 1 appeal still within the prescribed time frame for finalisation. | Conclude 100% of grievances, complaints, disputes and disciplinary cases within the prescribed time frames | • 15 of 15 (100%) complaints/ grievances received were finalised as follows: 14 finalised within time frame. 1 not finalised within time frame.<br>• 19 of 20 (95%) disciplinary cases received were finalised within the prescribed time frame.<br>• 1 (5%) case is in the process of being finalised and within the prescribed time frame (90 days).<br>• 4 disputes were received, 1 conciliation was held, and waiting for set down dates for 3 disputes from PHSDSBC | No deviation |

**Strategies to overcome under-performance**

- The filling of posts will be managed as a project. The prioritisation of posts to be filled will be done in consultation with EXCO.
- With regards to training targets, the nomination process and attendance will be monitored more closely and addressed timeously.

## Finance

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| To provide proactive strategic and financial support to DSD, enabling delivery of the mandate | Unqualified audit report on financial statements with no material misstatements | New indicator | All the relevant compliance documents were submitted to the National Treasury:<br>• Quarterly Financial Statements<br>• Monthly Compliance Certificates<br>• 30-day Payment Report. | Unqualified audit report on AFS with no material misstatements | • The Department obtained an unqualified audit opinion from the AGSA on its 2014/15 audited Annual Financial Statements. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Information Management Technology

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/6 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| An efficient ICT system and processes that enable planning and implementation of the Department's mandate by 2019 | Compliance to DPSA governance framework | Assessment of Sector-wide ICT Infrastructure and Information Systems Implementation of Phase 2 DPSA Corporate Governance ICT Framework DSD ICT Plan Governance and management of ICT Framework ICT Portfolio Management Framework Information Plan/ Information Management Framework Business Continuity Plan ICT Continuity and Plan Information security policy IT continuity plan | A national ICT strategy was developed and approved. | Develop a sector-wide ICT Strategy | • Infrastructure and systems audit completed for national DSD office and all provincial offices. | Lack of budget |
| | Integrated enterprise information management solution | Deployment of Information Exchange Platform for integrated Justice System | Development of integration framework was completed. Four silo systems were plugged into the framework, which includes: single sign-on an administration module: complete intake | Social Integrated Information System NISIS to latest platform | • Service provider was appointed and project charter was completed. | Late appointment of service provider. |
| | | Deployment of Information Exchange Platform for integrated Justice System | Development of integration framework Was completed. Four silo systems were plugged into the framework, which includes: single sign-on an administration module: complete intake | Deployment of Information Exchange Platform for Integrated Justice System | • Message engine for incoming and out-going message between PCM and SAPS was developed and successfully tested through stub. | Procurement for network connectivity. |

## Information Management Technology *(continued)*

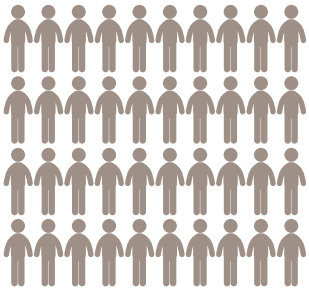
| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/6 | Reason for deviation from 2015/2016 target |
|---|---|---|---|---|---|---|
| | | Deployment of Information Exchange Platform for integrated Justice System | Development of integration framework was completed. Four silo systems were plugged into the framework, which includes: single sign-on an administration module: complete intake | Integration of Welfare services systems, RACAP, ADS, ADSQA, (PCM, CYCA and CPR, ACM, VEP) Integrated Community development (CBIMS, NPO, NISPIS) | • Integration requirements specification.<br>• Model-view-controller framework completed (integration framework) and intake functional requirements Specification was completed.<br>• The development of the Child Protection Register & Alternative Care was outsourced. | Prolonged procurement process. |
| | | Deployment of Information Exchange Platform for integrated Justice System | Development of integration framework was completed. Four silo systems were plugged into the framework, which includes: single sign-on an administration module: complete intake | Automation of Corporate Business | • Electronic management systems (e-Leave, e-Contract, e-Submissions). were successfully implemented. | No deviation |
| | Automated information management processes | Develop ECM Strategy<br>Develop Information Management Strategy | An Electronic Content Management strategy was developed. | Implementation of ECM and information Strategy: Automation of documents and records | • Information management plan was developed and implemented. Knowledge management platforms were created to store, disseminate and retrieve information.<br>• Vital records ready for automation were identified and filed accordingly and an index report has been created. | Automation of records/ documents has not been done. The priority was placed on transferring records/documents to an off-site storage facility. |
| | Access to<br>• business<br>• information<br>• systems and<br>• continuity | Upgrade of network storage<br>Upgrade the DSD e-mail system<br>Implement DSD Virtual Private Network (VPN) | – | Upgrade of DSD LAN infrastructure | • Target was not achieved. | Project put on hold due to unavailability of funding. |
| | | Upgrade of network storage<br>Upgrade the DSD e-mail system<br>Implement DSD Virtual Private Network (VPN) | – | Conduct IT DRP due diligence | • Business impact and IT risk assessment conducted and report produced. | No deviation |

**Strategies to overcome under-performance**

- ICT will source funding to execute the incomplete projects in the 2016/17 financial year.
- The automation process will be prioritised in the next financial year.
- Funded projects where service provider was appointed at the end of the financial year 2015/16 will be prioritised and closely monitored during 2016/17.

## Linking Performance with Budgets – Programme 1: Administration

| P 1: ADMINISTRATION | | | | | | |
|---|---|---|---|---|---|---|
| | 2015/16 | | | 2014/15 | | |
| | Final appropriation | Actual expenditure | Variance | Final appropriation | Actual expenditure | Variance |
| Details per Sub-programme | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 1.1 Ministry | 51 171 | 51 171 | – | 51 101 | 51 101 | – |
| 1.2 Departmental Management | 57 339 | 57 339 | – | 56 301 | 56 299 | 2 |
| 1.3 Corporate Management | 105 414 | 105 414 | – | 117 311 | 117 130 | 181 |
| 1.4 Finance | 54 383 | 54 383 | – | 55 749 | 55 193 | 556 |
| 1.5 Internal Audit | 8 946 | 8 946 | – | 7 760 | 7 760 | – |
| 1.6 Office Accommodation | 27 800 | 27 800 | – | 39 255 | 39 255 | – |
| **Total** | **305 053** | **305 053** | **–** | **327 477** | **326 738** | **739** |



KEY: = 3050

**122 000**

students were able to access information on social work scholarships and download application forms through the website

Another notable achievement was the compilation of baseline data related to violence against women and children

**1.6 MIL**

people were reached through our online platforms, such as the website, Facebook, Twitter, Instagram, SoundCloud and Youtube

# PROGRAMME 2
## Social Assistance

PART B

Performance information by programme

## Programme Purpose

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

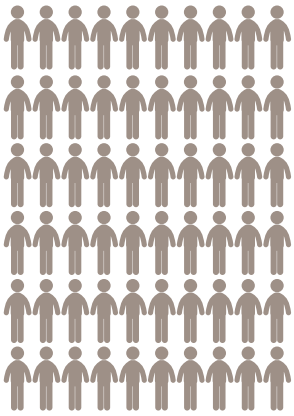
## Social Assistance

The provision of comprehensive social security, including income support and a safety net for the poor, remains a cornerstone of the fight against poverty and inequality, especially among children and older persons. In light of this, the Department, through the South African Social Security Agency (SASSA), expanded the safety net to almost 17 million South Africans during the period under review. Of these, almost 12 million children benefitted from the Child Social Grant (CSG) while 3.2 million older persons received an Old Age Grant. This augmented the incomes of grant recipients and enabled the Department to contribute directly to the realisation of Outcome 7: *Vibrant, equitable and sustainable rural communities with food security for all*; Outcome 2: *A long and healthy life for all South Africans* and Outcome 13: *An inclusive and responsive social protection system.*

ALMOST

**12 MIL**

children benefitted from child social grants



KEY: = 200 000

provision of comprehensive social security, remains a cornerstone of the fight against poverty and inequality

**3.2 MIL**

older persons received the Old Age Grant

## Social Assistance

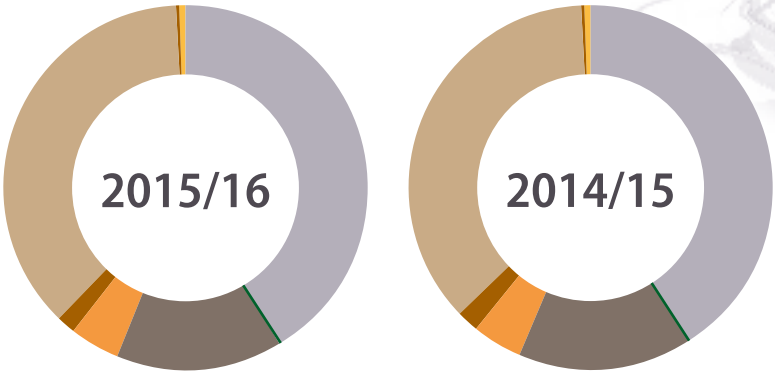
| Strategic objectives | Performance indicator | | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|---|
| Extend the provision of social assistance to eligible individuals by March 2019 | Number of social grant beneficiaries | Old age grant | 3 073 540 | 3 086 851 | 3 181 959 | 3 194 087 | No deviation |
| | | Child support grant | 11 674 436 | 11 703 165 | 12 042 973 | 11 972 900 | The uptake for the CSG was lower than envisaged. |
| | | War veterans grant | 305 | 326 | 223 | 245 | No deviation |
| | | Disability grant | 1 112 889 | 1 112 663 | 1 112 767 | 1 085 541 | The Disability Grant has been declining for the past four financial years, largely due to SASSA improving the grant's assessment process. The improved review process has ensured that beneficiaries are more rigorously assessed when claiming disability, which has also reduced the number of fraudulent claims. In addition, some of the Disability Grants were converted to Older Persons Grant due to age while some beneficiaries died. |
| | | Care dependency grant | 135 285 | 126 777 | 142 180 | 131 040 | Applications and take-up of the Care Dependency Grant was lower than projected due to legislative gaps in the definition of children with disabilities. While every effort is made to accurately project these values, the projections for disability-related grants are particularly difficult due to the lack of adequate statistics. |
| | | Foster care grant | 473 505 | 499 774 | 490 538 | 470 015 | The low uptake of the Foster Care Grant is mainly due to the lapsing of court orders when children turn 18 years. In addition, new applications were low, as the children have to be placed by the courts. |
| | | Grant-in-aid | 98 348 | 113 087 | 104 232 | 137 806 | No deviation |
| | Number of Social Relief of Distress (SRD) applications processed. | | 160 000 applications processed | 353 678 | Process 160 000 application | 366 769 applications processed | No deviation |

**Strategies to overcome under-performance**

- The annual targets are based on projections and, as such, the Department accepts any output within 5% (margin of error). In future, the Department will express the accepted maximum expected difference between the actual eligible beneficiary numbers for the year and the projected numbers.

## Linking Performance with Budgets – Programme 2: Social Assistance

| P 2: SOCIAL ASSISTANCE | | | | | | |
|---|---|---|---|---|---|---|
| | 2015/16 | | | 2014/15 | | |
| | Final appropriation | Actual expenditure | Variance | Final appropriation | Actual expenditure | Variance |
| Details per Sub-programme | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 2.1 Old Age | 53 311 707 | 53 134 481 | 177 226 | 49 051 677 | 49 044 747 | 6 930 |
| 2.2 War Veterans | 5 214 | 4 842 | 372 | 6 802 | 6 180 | 622 |
| 2.3 Disability | 19 407 761 | 19 166 969 | 240 792 | 18 906 448 | 18 744 785 | 161 663 |
| 2.4 Foster Care | 5 599 585 | 5 408 370 | 191 215 | 5 820 660 | 5 419 223 | 401 437 |
| 2.5 Care Dependency | 2 486 430 | 2 394 702 | 91 728 | 2 259 346 | 2 211 953 | 47 393 |
| 2.6 Child Support | 47 810 174 | 47 308 008 | 502 166 | 43 778 252 | 43 741 007 | 37 245 |
| 2.7 Grant-In-Aid | 517 195 | 503 085 | 14 110 | 377 081 | 371 259 | 5 822 |
| 2.8 Social Relief | 680 212 | 412 919 | 267 293 | 501 835 | 455 607 | 46 228 |
| **Total** | **129 818 278** | **128 333 376** | **1 484 902** | **120 702 101** | **119 994 761** | **707 340** |




P 2: SOCIAL ASSISTANCE DISTRIBUTION

Old Age
Foster Care
Grant-In-Aid
War Veterans
Care Dependency
Social Relief
Disability
Child Support

# PROGRAMME 3

## Social Security Policy and Administration

PART B

Performance information by programme

## Programme Purpose

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

## Social Security Policy Development

As part of exercising its oversight responsibilities, the Department undertook site visits to five provinces: the North West, Northern Cape, Western Cape, Mpumalanga and Gauteng. Site visit reports with recommendations were compiled, citing best practices and areas in need of improvement. The Department continued to monitor South African Security Agency (SASSA) performance based on agreed indicators through quarterly meetings. The discussion paper on comprehensive social security reform was revised in collaboration with National Treasury and the departments of labour and transport. The paper was presented to both the Technical Working Group of the Social Protection, Community and Human Development (SPCHD) Cluster and the Forum of South African Directors–General (FOSAD) Cluster on SPCHD. The FOSAD Cluster on SPCHD approved the tabling of the paper to the Cabinet Committee on SPCHD and Cabinet to request approval to release the paper for public consultation. The discussion paper will be completed in the next financial year.

The Department completed the very first Social Budget Bulletin, which is to be used as a tool to systematically report, analyse and review social expenditure across time. The bulletin will be produced regularly and will inform analysis of and dialogue on social protection policy developments in the country. Also completed was research on the feasibility of introducing employment guarantee schemes, as a way of addressing South Africa's high unemployment rate through labour-intensive approaches to production and the promotion of local enterprise development.

## Appeals Adjudication

The Appeals Adjudication Unit (ITSAA) and SASSA continued their collaboration to increase compliance to the adjudication of social assistance appeals. The unit adjudicated a total of 2 759 appeals, of which 2 277 (82.53%) were adjudicated within a period of 90 days, thereby significantly reducing the number of appeals that are older than 90 days. The unit also adjudicated all 1 019 appeals received with complete records from SASSA within 90 days of receipt. The Appeals Business Information System, which will enhance the management of the adjudication process, was implemented.

## Inspectorate for Social Security

The Inspectorate for Social Security is expected to contribute to the effective, transparent, accountable and coherent governance of the social assistance system. During the period under review, the Social Assistance Amendment Bill was presented to Cabinet Clusters to enable the Inspectorate to qualify as a Government Component. The Socio-Economic Impact Analysis System for the Social Assistance Amendment Bill was completed and approved by the DPME. The Bill will be processed through Parliament in the next financial year. Senior management positions and key support staff were appointed to the Inspectorate. Draft frameworks covering investigations, financial and compliance audits and comprehensive stakeholder analysis were developed. The Inspectorate will be operationalised in a phased approach.

## Social Security Policy Development

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| An effective and efficient social security system that protects poor and vulnerable people against income poverty by March 2019 | Level of adherence to norms and standards for the social assistance programme | Produce three oversight reports on adherence to norms and standards for the social assistance programme were | 4 oversight reports adherence to norms and standards for the social assistance programme were produced | Produce 4 oversight reports on adherence to norms and standards for the Social Assistance Programme | • Four oversight reports were compiled. | No deviation |
| | Discussion paper on the removal of social grant means test | Complete discussion paper on the universalisation of the Older Persons Grant | The draft discussion paper with policy proposals was developed. The discussion paper was consulted with different stakeholders, including The South African Older Person Forum (SAOPF), Age-In-Action (AIA) and the Limpopo Association of Pensioners (LAoP). The discussion paper was further consulted in six provinces excluding Mpumalanga, Free State and Northern Cape. | Adjust means test for the Older Persons Grant | • Both social grant increases and means test adjustments were made. | No deviation |
| | | Complete discussion paper on the universalisation of the child support grant | The draft discussion paper was developed. A brief on cost and financial implications of universalising the CSG was also completed. The Department is collaborating with UNICEF on a study to develop tax options or scenarios to fund the provision of a universal CSG. | Draft policy proposal on the universalisation of CSG | • Draft policy proposal was developed. Proposal will be completed once a study on tax options is done. Inception and first progress reports on the tax options study were completed. | No deviation |
| | Expansion of CSG to OVC | Completed policy proposal on expansion of CSG to OVC | _ | Consultations and costing of policy proposal completed | • Consultations and costing were completed and final policy was approved by Cabinet. | No deviation |
| | Consultation Reports | Finalise policy proposals on mandatory cover | _ | Consultation on proposals for mandatory cover for retirement, disability and survivor benefits | • No consultations were conducted on the proposals for mandatory cover. | No consultations were conducted, since the paper was not released due to the pending Cabinet approval. |

## Social Security Policy Development *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Policy options for guaranteed employment | Desktop research on international experience | _ | Develop policy options for guaranteed employment | • Final report with policy options was completed. | No deviation |
| | Policy on the inclusion of informal sector workers | Feasibility study completed | _ | Develop a Policy on the inclusion of informal sector workers | • Draft policy paper was completed. | No deviation |
| | Publication of Social Security Review | Publish and launch Social Security Review | Theme and topics were approved by the Editorial Committee.<br>TORs for the design, layout and printing were published, and quotations received and adjudicated.<br>The service providers for design, layout and printing were appointed. | Social Security Review | • Draft Social Security Review was compiled. | Late submission of chapters by authors. |

**Strategies to overcome under-performance**

- Consultation on proposals for mandatory cover for retirement, disability and survivor benefits will be conducted once Cabinet approves the paper for consultation. Cabinet approval will be prioritised in the new financial year.
- The Social Security Review will be completed in 2016/17.

## Appeals Adjudication

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Provide an effective, efficient and accessible appeals service for beneficiaries of social assistance by March 2019 | % of appeals adjudicated within 90 days of receipt | Adjudicate 60% of appeals within 90 days of receipt | A total of 2 307 appeals were adjudicated of these, 49,46% (1 141) within 90 days of receipt | Adjudicate 65% of appeals within 90 days of receipt | • A total of 2 759 appeals were adjudicated, of which 82.53% (2 277) within 90 days of receipt. Improved collaboration with SASSA and access to SASSA's electronic Internal Reconsideration Mechanism Management System contributed to reaching of target. | No deviation |
| | | 100% of appeals received from SASSA with complete records adjudicated within 90 days of receipt. | 100% (549, of 549) appeals received from SASSA with complete records were adjudicated within 90 days of receipt. | 100% of appeals received from SASSA with complete records adjudicated within 90 days of receipt | • 100% (1 019 of 1 019) appeals received from SASSA with complete records were adjudicated within 90 days of receipt. | No deviation |
| | Integrated Appeals Business Information System implemented | Implement Integrated Appeals Business Information System | ABIS has been deployed in the Departmental System. | Implement Integrated Appeals Business Information System | • Integrated Appeals Business Information System was implemented. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Inspectorate for Social Security

| Strategic Objectives | Performance Indicator | Baseline | Actual Achievement 2014/2015 | Annual Target 2015/16 | 2015/16 Actual Output | Reasons for Deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Functional Inspectorate for Social Security to ensure the integrity of the Social Assistance Framework and systems by March 2017 | Functional Inspectorate for social assistance | Incubate the Inspectorate within Comprehensive Security as a transitional arrangement. | The Inspectorate of Social Assistance has been incubated within the Branch Comprehensive Social Security as a transitional arrangement until legislation is amended to qualify it as Government Component, which will be independent of the Department and the Agency. | Incubate the Inspectorate within Comprehensive Social Security as a transitional arrangement | • The unit has incubated the Inspectorate within the branch Comprehensive Social Security, by developing strategic draft frameworks covering, investigations, financial and compliance audits and comprehensive stakeholder analysis<br>• Senior management and support staff positions were filled during the period under review. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

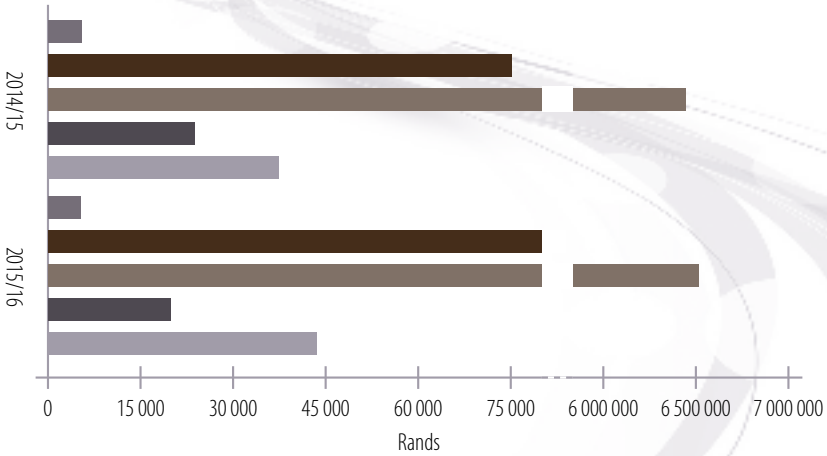
## Linking Performance with Budgets – Programme 3: Social Security Policy and Administration

| P 3: SOCIAL SECURITY POLICY AND ADMINISTRATION | | | | | | |
|---|---|---|---|---|---|---|
| | 2015/16 | | | 2014/15 | | |
| | Final appropriation | Actual expenditure | Variance | Final appropriation | Actual expenditure | Variance |
| Details per Sub-programme | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 3.1 Social Security Policy Development | 43 462 | 43 452 | 10 | 37 782 | 37 381 | 401 |
| 3.2 Appeals Adjudication | 25 780 | 24 803 | 977 | 28 759 | 28 759 | 0 |
| 3.3 Social Grants Administration | 6 564 085 | 6 564 077 | 8 | 6 442 173 | 6 442 173 | 0 |
| 3.4 Social Grants Fraud Investigation | 78 885 | 78 885 | – | 75 416 | 75 416 | 0 |
| 3.5 Programme Management | 5 208 | 5 207 | 1 | 5 431 | 5 352 | 79 |
| **Total** | **6 717 420** | **6 716 424** | **996** | **6 589 561** | **6 589 081** | **480** |

The Department completed the very first Social Budget Bulletin, which is to be used as a tool to systematically report, analyse and review social expenditure across time

**2 759**

appeals adjudicated by the Appeals Adjudication Unit (ITSAA)




P 3: SOCIAL SECURITY POLICY AND ADMINISTRATION ACTUAL EXPENDITURE

Social Security Policy Development
Social Grants Administration
Programme Management
Appeals Adjudication
Social Grants Fraud Investigation

# PROGRAMME 4

# Welfare Services Policy Development and Implementation Support

PART B

Performance information by programme

## Programme Purpose

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

## Service Standards

At a national summit in September 2015, the Ministerial Committee on the Review of the White Paper for Social Welfare presented its findings and preliminary proposals to the Minister and representatives from the entire social development sector, including from the National Planning Commission, United Nations and national government departments. The findings and preliminary proposals were discussed extensively in commissions at the summit. During the period under review, the Committee tested the feasibility of key proposals and engaged with government departments that work with social development to render social services to South Africans, and critical stakeholders such as institutions of higher learning and sustainable livelihoods and the Non-Profit Organisation (NPO) sector. Subsequent to that, the Ministerial Committee finalised the implementation review report, which provides the first comprehensive and most up-to-date national assessment of progress, gaps and key challenges in the implementation of the White Paper for Social Welfare since 1997.

The report further highlights the changing demographic, social and economic context especially with regard to poverty, inequality and vulnerability. Recommendations and proposals in the report focus on the National Development Plan (NDP) priorities related to social protection and developmental social welfare. The report will be a key reference for amendments to the White Paper and for overarching national legislation that will provide a framework on the functions, scope and types of provisions in social development.

In addition to the comprehensive report, the Ministerial Committee developed a summarised version of the review report, which was presented to MINMEC. The report will be presented to Cabinet Committee for approval in the next financial year. The outcome of the review contributes to Outcome 13: *An inclusive and responsive social protection system*.

Following the adoption of resolutions at the Social Work Indaba in 2014/15, the Department, in consultation with provinces, developed an action plan for the implementation thereof. As part of the action plan's implementation, the Department carried out audits on the status of supervision in provinces and non-social work managers managing social work services. Provincial implementation plans will be monitored through departmental structures and regularly reported to MINMEC.

The Department developed the Supervision Programme for social service practitioners. A technical team comprising representatives from the Department, institutions of higher learning, Health and Welfare Sector Education and Training Authority (HWSETA), South African Council for Social Services Professions (SACSSP) and social work veterans was established to oversee the process. Broad consultations were conducted with critical stakeholders within the social development sector. The accreditation and approval of the programme will be facilitated in the next financial year. Training on the Supervision Framework for Social Work Profession was conducted in four provinces: Western Cape, Gauteng, Mpumalanga and North West. This training targeted social work managers and supervisors, social workers and social auxiliary workers. Furthermore, training on Generic Norms and Standards for Social Welfare was conducted in Mpumalanga and the Northern Cape.

The Department further reviewed the Recruitment and Retention Strategy for social workers. The draft strategy was extensively consulted with all stakeholders at national and provincial levels.

The Department started developing the demand and supply model for the delivery of social development services. A desktop review was conducted to establish the geographic distribution of the social service workforce. In 2016/17, the Department will start collecting data, which will culminate in the development of the draft demand and supply model, which

will help the social development sector to understand service requirements, skills and capacity needed to deliver its services.

The Department awarded social work scholarships to 5 674 students, of which 1 860 were new intake for the academic year 2015. In this regard, 1 147 social work scholarship holders graduated from various institutions of higher learning. A total of 759 graduates were employed by provincial departments of social development, 165 by SASSA and 94 through funding from PACT (a USAID agency). The social work scholarship programme contributes towards skills development by recruiting youth to the social work profession.

## Service Provider Management Support

In line with the Recruitment and Retention Strategy for social workers, the Department implemented the Social Work Veterans Programme to enhance the capacity of social work practice through supervision, mentorship and coaching programmes. In October 2015, the National Social Work Veterans Committee was inaugurated for a three-year term of office. Although the committee was inaugurated in 2015, the programme has been operational for the past three years. The Department conducted an evaluation of the programme and its findings will be used to inform the policy development for this programme.

The Department facilitated an internal review of the Policy on Financial Awards (PFA) to Service Providers and had consultative sessions with relevant stakeholders. We have now appointed a service provider through PACT to assist with finalising the PFA review, which is a priority for the 2016/17 financial year.

The State-Civil Society Partnership Model was developed in consultation with internal structures and with provinces and the NPO sector. Inputs received from consultative sessions were consolidated into the document. This partnership model will serve as a basis for a structured process towards the effective and efficient building and maintenance of a tailored partnership between social development and the NPO sector. In the 2016/17 financial year, the Department will continue consulting extensively with relevant stakeholders and ensure that the model is approved by relevant management structures. All these efforts contributed to the realisation of Outcome 12: *An efficient, effective and development-oriented public service and an empowered fair and inclusive citizenship*.

## Care and Services to Older Persons

The Department continued implementing the National Active Ageing Programme, which improves the health of older persons by engaging them in activities that promote an optimal level of social, physical, mental and emotional well-being, to prevent and delay the onset of age-related physical, psychological and other challenges. In October 2015, more than 1 600 older persons from rural and urban areas in all provinces participated in the National Active Ageing Programme that was held in Northern Cape. The Programme was preceded by the Older Persons Parliament, the First National Choir Festival and the Annual General Meeting for the South African Older Persons Forum (SAOPF) and Social Work Veterans. This Programme is

in line with national policy and legislation and international obligations. For the past eight years, the departments of social development, health, and sports and recreation have partnered in the promotion of healthy lifestyles for older persons.

In order to support older persons, the Department developed a training manual to empower caregivers of older persons. During the year, a total of 120 caregivers in eight provinces except KZN were trained in the skills needed to provide quality services to older persons in both community-based and residential care facilities. This is in line with the Older Persons Act, 2006 (Act No. 13 of 2006) that mandates the Department to provide prescribed accredited training to care givers.

Within the social development sector, a priority remains the protection of older persons against abuse. To raise awareness of this issue, the Department developed an electronic elder abuse register. The system is functional, and practitioners are reporting abuse cases – a total of 331 cases were reported across all provinces. To strengthen the service, a total of 135 practitioners from all provinces were trained in the use of the electronic system.

In June 2015, in partnership with the Department of Justice and Constitutional Development, the Department commemorated World Elder Abuse Awareness Day in KwaZulu-Natal; while in October 2015, Gauteng was the host for the Department's commemoration of International Day for Older Persons and Grandparents' Day. These days are commemorated to highlight the plight of older persons and appreciate their contribution in families and communities. The Department has embarked on the process to amend the Older Persons Act, 2006 (Act No. 13 of 2006) to address gaps and challenges experienced during its implementation. As part of the amendment process, all provinces were consulted, and inputs received from provinces and other key stakeholders were consolidated into the draft bill. The Draft Amendment Bill will be finalised and submitted for approval to relevant stakeholders in the next financial year.

# Children

## Early Childhood Development

The Early Childhood Development (ECD) programme provides services related to care, stimulation to children and learning to socialise in a structured environment. These services should be holistic and demonstrate the appreciation of the importance of considering the child's health, nutrition, early stimulation, cognitive development, psychosocial and other needs within the context of the family and the community.

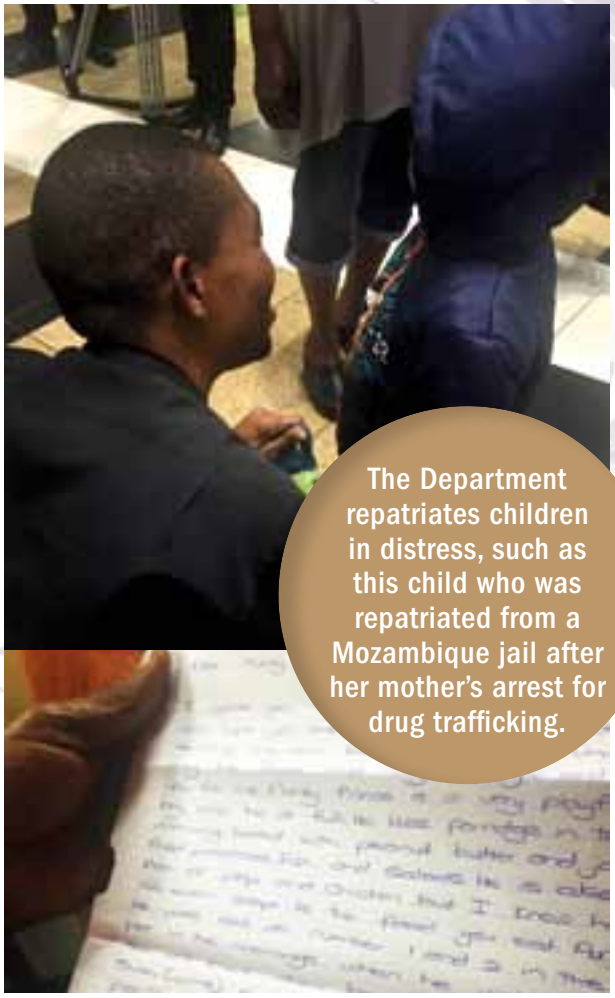
In this regard, Cabinet approved the ECD Policy in December 2015, following an extensive consultation process. The policy's aim is to ensure universal access of comprehensive age- and stage-appropriate quality services, equitable access, the alignment and harmonisation of inter-sectoral policies, legislation and programmes across the different sectors and adequate and effective leadership, coordinated planning, funding, implementation, monitoring of progress and on-going quality improvements. It highlights 15 policy positions to ensure universal access by 2030.

A Comprehensive ECD Programme was developed and aligned to the new ECD Policy. It provides the essential components of nutrition, health, and social protection, inclusion of children with disabilities and special needs, stimulation and early learning to ensure the best possible start in life. Early detection of any disease or developmental delays is also emphasised from conception and during the first one thousand days. The ECD Policy will be implemented in a phased approach, and costing was done in line with the three phases.

In an effort to increase the registration of ECD centres and programmes, the Department held capacity-building sessions with all provinces on the registration guidelines that were developed and allow for different levels of registration (e.g. conditional registration). Furthermore, a national registration plan was developed, to assist provinces in developing their own provincial plans and thereby increase registration of programmes and centres. Between 2014/15 and 2015/16, the number of registered ECD centres increased by 15%, from 24 191 to 27 728, while the number of children benefiting from ECD subsidies increased by 40%, from 704 798 to 987 636. All these efforts contributed towards the achievement of Outcome 1: *Improved quality of basic education* and Outcome 13: *An inclusive and responsive social protection system*.

## Adoptions and International Social Services

Adoptions remain a priority for securing permanency for children in need of care and protection. A key objective of the Department is, therefore, to ensure that this care and protection option is available and accessible to all those who may need it. In the past, only designated and accredited organisations and private practitioners provided adoption services. To expand the service and make it more accessible, adoption services will also be provided by government social workers who will be stationed at local service offices to serve all prospective adoptive parents. During the reporting period, 1 165 adoptions were registered. These included 978 national adoptions and 187 inter-country adoptions.



The Department repatriates children in distress, such as this child who was repatriated from a Mozambique jail after her mother's arrest for drug trafficking.

International Social Services (ISS) involve social work services related to unaccompanied and separated migrant children, and trans-national families; and support and reunification services to children whose parents are imprisoned in other countries. During the reporting period, the Department was instrumental in the return of a number of children in distress from abroad; some of these children were victims of alleged child trafficking. The Department continued to strengthen relationships with its counterparts in neighbouring countries and held roundtable discussions with Zimbabwe and Mozambique.

The Department manages the national specialist inter-country social services unit for South Africa. This unit provides inter-country casework services in collaboration with the relevant provincial DSD offices. Services include adult placement, services to abused children, family reunification and repatriation. The number of inter-country cases currently stands at 2 095, and those that are being attended to is 275.

The Department participated in various ISS management meetings, such as the Governing Board, International Council, Professional Advisory Council and Caseworkers Coordinating Committee Meetings. South Africa continues to influence future developments in the global ISS network and contributes to international policies developed by the network.

## Orphans and Vulnerable Children

In response to the increasing numbers of orphans and vulnerable children, and aligned to the NDP's objective of reaching the most vulnerable, the Department is implementing a range of community-based services to orphans and vulnerable children. The approach has shifted to be inclusive of all vulnerable children and youth in general, instead of focusing predominantly on those who are vulnerable as a result of HIV/AIDS. This has enabled programmes and services to cater for the comprehensive needs of all children. During the period under review, 400 919 orphans and vulnerable children benefitted from the implementation of the Isibindi model. In addition, this year saw 3 262 child and youth care workers enrolled and trained, and 38 partnerships established to implement the model.

## Child-Headed Households

The Department is registering identified child-headed households (CHH) on a national database. This year, 3 214 children were registered on the CHH national database. To improve the responsiveness of stakeholders to identify and register CHHs, capacity-building workshops on the National Guidelines for Statutory Services to CHH were conducted in provinces. The aim of the capacity-building sessions was to educate all role-players and stakeholders about Section 137 of the Children's Act, which makes provision for services to children in CHHs.

## Services to Children on the Streets

Chapter 13, Section 191 of the Children's Act makes provision for services to children in Child and Youth Care Centres (CYCCs) and also addresses the needs of street children. According to Subsection (2), the centres must offer therapeutic programmes designed for the residential care of children outside the family environment. During the reporting period, the Department developed a programme to stabilise street children in CYCCs that is aimed at assisting street children to adapt to their environment, participate meaningfully and benefit from the programmes.

## Child Rights Advocacy and Social Mobilisation

As part of advocating and mobilising communities to uphold the rights and responsibilities of children, the Department, in partnership with Save the Children South Africa and the Nelson Mandela Children's Fund (NMCF), held three child protection awareness campaigns for duty bearers: the Day of the African Child, National Children's Day and the National Children's Parliament.

Since 1991, the Day of the African Child has been celebrated on 16 June every year. From 13–15 June 2015, the Department gathered to celebrate the 2015 Day of the African Child, together with the AU Committee of Experts on the Rights of the Child (AUC), Chapter 9 institutions in South Africa, international organisations such as UNICEF, Pan, World Vision and other stakeholders, in order to discuss the challenges and opportunities related to fully realising the rights of children in Africa. More than 90 children from all provinces, including 20 from Ethiopia, Zimbabwe, Zambia, Lesotho and Swaziland, participated in the capacity-development programme that preceded the event.

Another child protection activity was hosting the National Children's Parliament in partnership with the NMCF at the Free State Provincial Legislature in October 2015. Ten children per province, including those with disabilities, participated in the programme. A notable achievement was the election of a deaf Speaker of the Parliament, a move that signifies children embracing equality of opportunities, freedoms and dignity of their peers with disabilities.

To celebrate the National Children's Day, a Christmas party was held on 16 December 2015 at the Hlayisani Centre of Hope in Kwabokweni township, Mpumalanga. More than 250 children participated in the event and received gifts such as Christmas clothes and toys. As part of the celebrations, children were educated on gender-based violence and child trafficking.

Advocacy and capacity-building workshops about children's rights and responsibilities were conducted in Limpopo, Western Cape, Northern Cape, Mpumalanga and Free State. A total

of 50 officials in all provinces from the South African Local Govenrment Association (SALGA), the Offices of the Premier and civil society organisations participated in the National Advocacy workshops on Child Participation.

Further workshops on child participation were conducted for stakeholders in municipalities. This culminated in the drafting of the Guidelines on Child Participation, which will be finalised during the next financial year. The concept document for the Integrated Capacity Building Framework for the rights and responsibilities of children was finalised. The sector will use this framework to support the implementation of the National Plan of Action for Children and the Child-Friendly Communities Framework.

## Child Protection

This unit is responsible for managing and administering the National Child Protection Register (CPR). Part B of the CPR is used to record the names of persons who are unsuitable to work with children, and this information is used to protect children in general from abuse by these persons. During the reporting period, 94 552 persons working with children were screened against Part B of the CPR.

Child Protection Week (CPW) remains the centrepiece of the Department's efforts to make communities aware of their responsibilities to protect and care for children, as well as the basket of services provided to children for their emotional, cognitive and physical development. Initiated in 1997, the CPW has since become an annual campaign to educate and mobilise communities to put children first. During the reporting period, the Minister launched CPW in KwaZulu-Natal and the closing ceremony was held in Gauteng. The 2016 CPW will be commemorated under the theme "Let Us All Protect Children to Move South Africa Forward". This is a five-year theme approved by the National Child Care and Protection Forum in August 2015. The theme is based on the spirit of "Moving South Africa Forward".

## Social Crime Prevention

Unacceptably high levels of crime, especially serious and violent crimes, result in people in South Africa, especially vulnerable groups such as women, children, older persons and people with disabilities, living in fear and feeling unsafe. It also has a negative impact on the country's economic development, undermines the well-being of people in the country and hinders their ability to achieve their potential. This is compounded by various risk factors and adverse conditions, which make them vulnerable to engaging in criminal behaviour. In response to these challenges, the Department implemented several interventions.

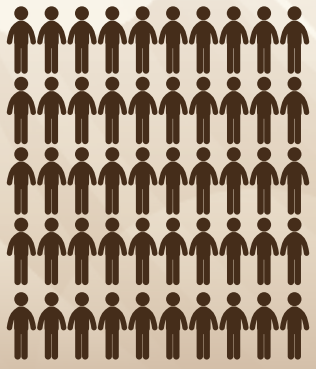
The 2010 Policy Framework on the Accreditation of Diversion Services was reviewed at a national consultative review workshop held with practitioners and stakeholders in October 2015. A draft reviewed framework based on the challenges identified during its implementation is in place.

A consolidated report on the training and monitoring of accreditation structures on the Accreditation of Diversion Services is available. The Quality Assurance System module was finalised and incorporated into the Accreditation of Diversion System, and 22 master trainers selected from all provinces were trained. The monitoring of 53 accredited service providers and diversion programmes was conducted across all provinces.

The Integrated Social Crime Prevention Strategy Action Plan was implemented in all provinces, with the national Department monitoring and providing support. The Department submits quarterly progress reports on the implementation of this action plan to the The Department of Planning, Monitoring and Evaluation (DPME). A total of 1 497 practitioners from DSD, other government departments and civil society organisations in Limpopo, North West, Eastern Cape and KwaZulu-Natal received trained on the strategy, with the intention of establishing local social crime prevention committees.

Through various provincial crime prevention awareness campaigns, the Department reached people in the following provinces: 800 people in Gauteng, 500 young people in Mpumalanga, 25 000 children in the Western Cape, 500 young people in the Northern Cape and 5 136 victims of crime and violence in Limpopo. A total of 8 949 people were reached through the Commemoration of the Restorative Justice week, which raised awareness about social crime prevention in communities in the North West province.

Furthermore, 500 individuals were reached through the sports against crime awareness campaign in the Eastern Cape, and 400 individuals were reached through the school holiday programme in Gauteng. A consolidated report on the implementation plans of prevention and early intervention programmes in all provinces was produced.



**500**

beneficiaries were reached through the sports against crime awareness campaign in the Eastern Cape

KEY: = 10

**THE WHITE DOOR CONCEPT**

provides temporary shelter to victims of GBV, mainly domestic violence

The Department trained 90 officials on the Child and Youth Care Application (CYCA) system in all Secure Care centres from the nine provinces and continued to monitor its implementation. These are the direct service providers who are expected to record all their interventions and services to a child while at the centre. Six provinces (Western Cape, North West, Gauteng, Mpumalanga, Limpopo and Eastern Cape) were visited and assisted with challenges in using the Probation Case Management (PCM) system in which 223 officials were trained.

## Victim Empowerment

The Department has developed a draft Victim Support Services (VSS) Bill, in response to the lack of legislation regulating victim empowerment services, especially shelters for abused women and their children. The VSS Bill has been refined and submitted to the state law advisors for certification. The legislation will address the gaps identified in all the existing legislation related to victim empowerment, such as the Domestic Violence Act, 1998 (No. 116 of 1998), which is silent on the DSD's role and the management and registration of shelter services for abused women and their children. It will also assist with monitoring the quality of services, including improved referrals of Gender-Based Violence (GBV) victims, and ensure resources are maximised within the victim empowerment sector and compliance to the norms and minimum standards.

The GBV Command Centre was established as a response to the high levels of violence against women and children. In its use of integrated technology for social service delivery, it is the first of its kind in South Africa and, arguably, in the developing world. Calls received cover a variety of cases, including domestic violence, rape, physical abuse, indecent assault, verbal abuse/ intimidation, abandoned children and non-GBV cases. The Centre provides immediate care and counselling by social workers and offers help, hope and the chance of a better life to thousands of GBV victims, even in the remotest and the most under-developed corners of South Africa.

The number of victims contacting the Centre has grown tremendously since Vodacom Foundation started advertising periodically to its clients the USSD (*120*7867#) and 0800 number (0800 428 428): 51 440 calls and 55 328 USSDs were received. (USSD refers to unstructured supplementary service data in the form of "please call me" short messages. GBV Command Centre agents then call the callers back.) In June 2015, the GBV Command Centre competed with Africa, Asia and Europe in the Technological Innovation Awards in London and won a Golden Award. It also won the Best Technology Innovation Small Centre in the World in Las Vegas, USA in November 2015.

Trafficking in persons, or human trafficking, is a hidden crime whose victims are not easily identifiable to service providers and members of communities. South Africa is a source, transit and destination country for men and women trafficked for forced labour and sexual exploitation. In August 2015, the Prevention and Combating of Trafficking in Persons Act, 2013 (Act No. 7 of 2013) came into force. In preparation for the

Act's implementation, the Department held capacity-building workshops in all provinces between July and November 2015. In these workshops, 116 officials from the nine provincial departments of social development and 33 representatives of civil society partners were trained in identifying and dealing with victims of trafficking, and accrediting shelters and providers of services to these victims. Provinces are continuing with the capacity-building programme to ensure the training of more officials and members of civil society partners, mainly the shelter staff. This will enable the Department to be ready to provide quality services to both foreign nationals and South Africans who may fall victim to the trickery of the trafficking syndicates.

The White Door concept emerged as a response to the lack of safe accommodation for women whose lives were threatened and needed to get away from their violent partners or spouses. The White Doors are meant to provide temporary shelter to victims of GBV, mainly domestic violence. They are a solution to the challenge in some parts of the country, where established shelters are situated far away from communities and so are not easily accessible. During the reporting period, a total of three White Door Safe Spaces were established, in Eastern Cape, Free State and Mpumalanga.

The Victim Empowerment Information System is operational, and 88 sites are currently collecting data about victims of crime and violence. The system is being used by the Department and civil society organisations, but the plan is to connect all Justice, Crime Prevention Security (JCPS) Cluster departments during 2016/17.

The task team established to look into setting up the DSD Academy, conducted a benchmarking exercise with Eskom, the Department of International Relations and Cooperation, SAPS College and Justice College to get a better understanding of the different models. The team also developed five different models. The proposal for the DSD Academy model has been developed and submitted for approval.

## Families

As part of implementation of the *White Paper on Families*, and in consultation with relevant stakeholders, the Department developed three new initiatives:

- A Programme for Teenage Parents, which addresses the challenges experienced by teenage parents in raising their children while they themselves are still growing up. Consultation about this programme took place in six provinces (Gauteng, North West, Northern Cape, Limpopo, Mpumalanga and Free State) and will take place in the remaining three provinces in the next financial year.
- A Holiday Programmes for Families strategy, in response to the issue of work-family balance wherein parents have to ensure that workplace demands do not overshadow the care of their children. Consultation took place in six provinces (North West, Gauteng, Western Cape, Eastern Cape, Northern Cape and KwaZulu-Natal) and will take place in the remaining provinces in the next financial year.
- A strategy to support and empower families facing the imminent risk of the removal of a family member, as a result of different social ills, such as substance abuse and mental illness. No coordinated support service was available to families undergoing such stressful circumstances.

## Anti-Substance Abuse

The fight against substance abuse remains uppermost in our minds. The Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) provides for the regulation of treatment centres which *inter alia* includes the registration of treatment centres. In order to ensure compliance with the Act's provisions, the Department assessed the registration of five existing public treatment centres in Limpopo (1), KwaZulu-Natal (2), Mpumalanga (1), and Eastern Cape (1). Only the assessed public treatment centre in Eastern Cape was registered.

There are currently seven public treatment centres, 73 out-patient treatment centres and 48 in-patient treatment centres. The Department completed a national audit of all registered and unregistered treatment centres and halfway houses to determine the country's capacity to treat people affected by substance abuse.

In response to the need for drug rehabilitation centres, the Department is in the process of establishing public treatment centres in provinces where no such facilities currently exist. Five provinces have been identified: Northern Cape, North West, Limpopo, Free State and Eastern Cape. The building of treatment facilities in Limpopo, North West and Eastern Cape has been completed, and the facilities will be operational in the next financial year. The building of treatment facilities in Free State and Northern Cape will be completed during 2016/17. Once these centres are operational, they will provide for the treatment of young persons. Eventually all provinces will each have at least one public treatment centre.

The Department continued to implement the National Drug Master Plan (NDMP) 2013–2017. Nine provincial Substance Abuse Forums and 14 national departments were capacitated on the NDMP and assisted to develop the provincial and departmental master plans aimed at combating substance abuse in the country. An implementation evaluation of the NDMP was conducted, and the report will be finalised in the next financial year. The purpose of the evaluation was to assess the extent to which the NDMP has been implemented and to identify areas of success as well as related challenges.

To educate and raise awareness on the harmful effects of substance abuse among communities, in June 2015, the Department, together with relevant stakeholders, commemorated the International Day against Drug Abuse and Illicit Trafficking at Eersterust in Pretoria. This was followed by a Presidential Imbizo, in response to the community's request for the President to intervene in the drug-abuse situations, which the community was experiencing. The programme of action was ultimately developed and implemented to help the community of Eersterust to deal with their challenges.

During the reporting period, the Ke Moja Drug Awareness Manuals were reviewed, with the aim of strengthening the campaign to create awareness and educate young people about the facts related to alcohol and drug abuse. To this end, a national workshop was convened to orientate provincial stakeholders on the reviewed manuals.

The Department also conducted a number of anti-substance abuse campaigns, together with the departments of trade and industry, transport, and agriculture:

- Festive Season campaign through activations at toll gates and roadshows.
- Ministerial Imbizo to raise awareness and educate the public in KwaZulu-Natal about facts related to substance abuse.
- Visits to liquor outlets in the City of Durban, to ensure that they comply with the conditions attached to their liquor registration certificates.
- Campaigns at 25 institutions for higher learning to prevent substance abuse among students through awareness-raising and education programmes.

- Roadshows in all provinces to capacitate communities to establish community-based services especially to under-serviced areas.

The Department capacitated 26 Local Drug Action Committees in all provinces to facilitate the establishment, registration and management of community-based services. The Department also continued to provide financial support to anti-substance abuse national bodies, such as the South African National Council on Alcohol and Drug Dependence (SANCA) and the South African Depression and Anxiety Group (SADAG), to ensure that their services complement those currently being rendered by expanding to previously disadvantaged areas.

## Youth

The mandate of the Department, in contribution to National Youth Development Agency (NYDA) strategy, is to mobilise young people, contribute to their life skills and skills development for employability, and enhance their livelihoods. In this regard, 131 900 youths were reached through its various youth mobilisation programmes, including the youth month commemoration that took place in Soweto. Furthermore, 1 798 youth participated in the annual youth leadership camps countrywide, and young people who previously took part in these camps established youth clubs in their wards and villages: 1 067 youth structures were established during the financial year.

A total of 94 former youth mentors were trained in asset-based community development, which is an accredited course at NQF Level 4, as part of the skills development programmes coordinated in provinces that reached a total of 32 806 young people.

## HIV and AIDS

The Department's HIV and AIDS unit focuses on reducing risky behaviours and promoting psychosocial support and well-being amongst the targeted key populations. The Department developed its Comprehensive Strategy on HIV, STIs and TB, which is in line with the National Strategic Plan (NSP) 2012–2016 on HIV, STIs and TB. The Department also developed a Technical Brief on social and behaviour change in order to communicate its approach in responding to the HIV and AIDS epidemic and further clarify its Comprehensive Strategy. The Department developed an activity-based costing model to estimate the resources required over the next three years in order to implement the Comprehensive Strategy, which was shared with the wider community through poster presentation at the 7th South African AIDS Conference held in June 2015 in Durban.

A study conducted by UNAIDS in 2013 found that every week more than 2 360 young women aged 15–24 years acquire new HIV infections. To address the social drivers of HIV among this age cohort, the Department developed a comprehensive programme that sought to develop young people's social skills so that they avoid engaging in risky sexual behaviours. The programme provides a core package of interventions to keep the girls AIDS-free. The programme was piloted and branded in October 2015 through a thorough engagement process with young people in Gauteng and North West.

Through these engagements, the YOLO (You Only Live Once) Programme was established and was launched by the Minister during the National Youth Camp held in Kimberley in December 2015. This programme was then tested in seven provinces except Western Cape and Northern Cape and 66 master trainers and 413 district facilitators were trained to implement the YOLO programme, which reached 4 873 young people in 15 districts. To complement the YOLO Programme, the Department implemented the Families Matter Programme in 27 districts in all provinces except Western Cape and Northern Cape.

Due to financial difficulties, young people are engaging in transactional sexual behaviours with older men. In response to this risky behaviour, the Department entered into partnership with the Sex Workers Education and Advocacy Taskforce (SWEAT), and conducted orientation workshops for both civil society organisations and social workers in four provinces (North West, Mpumalanga, Northern Cape and Limpopo). The purpose of these workshops was to integrate services for sex workers into the Department's basket of services, with the aim of reducing new HIV infections among this targeted key population.

In promoting evidence-based data and prevention programming for high risk orphaned and vulnerable children and

youth (OVCY), the Department conducted four complementary studies to inform the understanding of OVCY and HIV prevention in South Africa. The studies were a literature review on OVCY in South Africa, a secondary analysis of the 2012 Human Science Research Council (HSRC) national survey to expand on OVC-related findings and a situational analysis and needs assessment of NPOs providing HIV prevention programmes.

In mitigating the effects of HIV and TB and providing care and support to the infected and affected individuals, the Department developed the Psychosocial Support Guidelines for vulnerable children and youth. The guidelines were piloted in Home- and Community-based Care (HCBC) organisations in the Free State, Gauteng and North West provinces. Psychological support services (PSS) indicators were also developed and piloted in five organisations in Gauteng. During the reporting period, 11 officials and 83 community caregivers/child and youth care workers were trained in establishing and managing support groups in KwaZulu-Natal, Limpopo and Northern Cape.

The Department embarked on the review of the National Action Committee for Children Affected by HIV and AIDS (NACCA), to ascertain its continued relevance and responsiveness to the needs of the OVCY in line with new developments and its consistence with best practices. The review focused on the mandate of NACCA and the steering committee's terms of reference. A draft five-year strategy is being developed.

The Department trained 3 821 community caregivers in succession planning, child-care forums, the Children's' Act, psychosocial support, child protection, supportive supervision, and monitoring and evaluation. The Department also finalised the guidelines for using the Thogomelo materials on the three accredited skills development programmes.

Through the Community-based Intervention Monitoring System (CBIMS), the Department is able to capture data up to beneficiary level. A total of 603 CBOs and 230 officials were trained in the CBIMS during 2015/16, while over one million (1 058 558) people received PSS from funded organisations through the HCBC Programme.

The Department's HIV and AIDS HCBC Programme won one of the ka Moso Awards, which recognise excellence in the implementation of the Expanded Public Works Programme (EPWP) in the various sectors and categories. The Department is the leader in EPWP for the social sector, through its five programmes: ECD, HCBC, National School Nutrition, Community Crime Prevention, School Mass Participation and Kha Ri Gude Literacy Programmes.

## Rights of Persons with Disabilities

The Department remains committed to improving the lives of persons with disabilities. A notable milestone was reached in December 2015, when Cabinet approved the *White Paper on the Rights of Persons with Disabilities* and its Implementation Matrix. The White Paper focuses on embedding the mainstreaming of disability rights in administrative and governance systems, by strengthening the accountability of duty-bearers and recourse for rights-holders. The White Paper was officially launched at

the National Disability Rights Summit in March 2016. The Irene Declaration and Resolutions, adopted by the 300+ summit delegates, provide guidance for prioritising the implementation of the new disability rights policy.

A number of research reports, which informed the development of the new disability rights policy, were published during the reporting period. They include: a disability-disaggregation of the NDP; a report on the cost of disability; and a research report on experiences of persons with disabilities in learnerships, at institutions of higher education and in employment.

The development of the world's first Disability Inequality Index is underway and, once completed, will provide a comparative analysis annually on the progress being made in reducing inequality levels between persons with and persons without disabilities. The Department continues to support innovation in mainstreaming the rights of persons with disabilities and strengthening service delivery to persons with disabilities through strategic partnerships with the corporate sector. As such, four universally accessible ICT centres were opened in partnership with the MTN SA Foundation and two ECD centres were equipped with state-of-the-art learning and rehabilitation equipment.

The Department also continued to influence the international disability rights agenda, through its participation in the Eighth Session of the Conference of States Parties to the UN Convention on the Rights of Persons with Disabilities, the UN Partnership on the Rights of Persons with Disabilities and the finalisation of the UN-DESA Africa Toolkit on Disability. This year saw the conclusion of Phase 1 of the partnership project with the Japan International Aid Agency, (JICA), on strengthening disability mainstreaming in the social development sector, and the extension of this partnership for another three years. The Africa Disability Alliance bestowed the Ambassadorial Country Status Award on South Africa, in recognition of the country's contribution to the international disability rights agenda and the progress made in mainstreaming the rights of persons with disabilities.

## Service Standards and Social Service Provider Management Support

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Strengthen social welfare service delivery through legislative & policy reforms by 2019 | Review report on the implementation of the White Paper for Social Welfare | Conducted the national and provincial review of the White Paper for Social Welfare | Implementation of White paper has been reviewed in the remaining eight provinces (NC review took place in previous financial year). Two districts were sampled per province, except in Northern Cape where only one district was sampled. During district reviews, focus groups sessions were conducted with social service practitioners' beneficiaries and service providers in each district sampled. | Review implementation of the White Paper | • The review of the implementation of the White Paper was completed.<br>• Broad consultation with the social development sector was carried out.<br>• A comprehensive implementation review and a summary report were developed and presented to MINMEC. | No deviation |
| | Demand and supply Model for social service professionals | Guidelines on workload management for social service professionals developed<br>Report on readiness assessment to implement norms and standards | – | Conduct geographic distribution on social service workforce | • Geographic distribution on social service workforce was conducted through desktop review. | No deviation |
| | Resourcing strategy for SDS | New indicator | – | No target | • The target is applicable in 2017/18. | |
| | Implementation of the Supervision Framework | Training on Supervision Framework for social work profession<br>Monitored implementation of Supervision Framework | – | Develop Social Work Supervision Programme | • Social Work Supervision Programme was developed. | No deviation |
| | Review report on the Recruitment and Retention Strategy for Social Service Practitioners | Implementation plans for the Recruitment and Retention Strategy for social workers | – | Develop the Draft Recruitment and Retention Strategy for Social Service Practitioners | • Draft Recruitment and Retention Strategy for Social Service Practitioners was developed. | No deviation |

## Service Standards and Social Service Provider Management Support *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Skills Enhancement Programme developed | New indicator | – | Develop a skills enhancement programme | • Skills development programme was not developed. | A feasibility study was completed, with proposed model to be followed for the Academy. |
| | Number of new scholarships awarded to social work students | Award 1100 new scholarships | 1 436 new scholarships awarded | Award 1300 new scholarships | • 1 860 new scholarships were awarded. | No deviation |
| | Legislation on Social Service Practitioner reviewed | Finalise the Bill for Social Service Practitioners | Social service Bill for practitioners was developed and finalised | Submit the Bill for Social Service Practitioners to Cabinet for gazetting | • The Social Service Practitioners Policy was finalised and supported by HSDS. | The policy had to be approved prior to submission of the Bill to Cabinet. |
| | Policy on Financial Awards (PFA) to Service Providers implemented | Review the PFA to Service Providers | Draft reviewed policy have been developed | Approval of the PFA | • Reviewed policy not yet approved. | The process of appointing a service provider through PACT aimed at finalising the PFA review took longer than anticipated. |
| | Partnership Model developed | Draft State-Civil Society Partnership Model | Draft Partnership Model was developed | Approved State-Civil Society Partnership model in place | • Draft state-civil society partnership model in place but not yet approved. | The state-civil society partnership model could not be finalised due to sector demands for broader consultations. |
| | Policy on Social Work Veterans' Programme | Situation analysis on the implementation of the Social work veterans' Programme | Situational analysis has not been conducted | Develop the policy for the Social Work Veterans' Programme | • Evaluation on implementation of the Social Work Veterans Programme was conducted. | The development of the Policy will be informed by the findings of the Evaluations. |
| | Older Persons Amendment Bill | Finalise Amendment Bill to the Older Persons Act | The Amendment Bill to the Older Persons Act was developed but not finalised | Finalise Amendment Bill to the Older Persons Act | • The Draft Bill was developed and presented to the DDG Forum and Welfare Services Forum. The Draft Bill was not presented to MANCO, HSDS and MINMEC as planned. | The Draft Bill was not presented to MANCO, HSDS and MINMEC due to rescheduling of meetings. |

## Service Standards and Social Service Provider Management Support *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Implementation reports of the Active Ageing Programme | Implement the Active Ageing Programme for Older Persons | National, provincial and local Active Ageing Programmes were held as follows: National Active Ageing Programme in October 2014 in Mpumalanga, 2nd National Parliament in October 2014, Golden Games in October 2014). A report on the Active Ageing programme and a draft plan of action for the 2015/16 were developed | Facilitate the implementation of the Active Ageing Programme for Older Persons | • The National Active Ageing programme was successfully implemented by all provinces. The national programme was held from 25–30 October 2015 in Kimberley, Northern Cape. | No deviation |
| | Number of caregivers trained | Accredited Training Manual | No training was conducted. The manual was submitted to the HWSETA for accreditation | Provide training to caregivers on the Older Persons Accredited Training Manual in 9 provinces | • All provinces except KwaZulu-Natal were trained in the Accredited Training Manual for caregivers. | KwaZulu-Natal did not confirm a date for training. |
| | Number of service providers trained on the implementation of the Electronic Elder Abuse Register | Train 90 service providers on the implementation of the Electronic Elder Abuse Register | 408 service providers were trained on the electronic elder abuse register on all provinces | Conduct training on the implementation of the Electronic Elder Abuse Register in 9 provinces | • All provinces were trained in the implementation of the Electronic Elder Abuse Register. | No deviation |

**Strategies to overcome under-performance**

- The skills enhancement programme is dependent on the finalisation of the proposed model for the social sector training academy. Skills enhancement will be developed once the academy is operational.
- Draft Bill on Social Service Practitioners will be submitted to Cabinet for gazetting in 2018/19. Policy of the PFA as well as partnership model will be finalised in 2016/17 financial year.
- Policy on Social Work Veterans Programme will be developed next year. Amendment Bill on Older Persons will be completed in 2016/17 financial year.
- Training of caregivers in KwaZulu-Natal will be conducted in the first quarter of the financial year 2016/17.

## Early Childhood Development

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Strengthen child protection services and improve the quality of Early Childhood Development (ECD) services by 2019 | ECD policy | Finalise ECD Policy | The draft ECD policy has been finalised and gazetted for public comments | Approval of the ECD policy | • ECD policy was approved by Cabinet. | No deviation |
| | DSD HR Plan for ECD developed | Draft HR Plan for ECD | – | Develop the DSD HR Plan for ECD | • DSD HR plan for ECD was developed. | No deviation |
| | Consultation reports | New Indicator | – | Facilitate the development of an Integrated HR Plan for ECD | • Target was not achieved. | First draft report on the audit of HR capacity in the departments of social development, health and basic education at national and provincial level was presented. |
| | Approved infrastructure plan | New indicator | – | No target | • The target is applicable in 2016/17. | |
| | % increase in number of children accessing ECD Programmes | 1 299 559 | – | Increase number of children accessing ECD Programmes by 10% (129 955) | • 133 365 new children accessed ECD programmes during the reporting period, a 10% increase in the overall number of children accessing ECD services, i.e. 1 487 639 compared to 1 354 274 in the previous reporting period. | No deviation |
| | Capacity-building reports on comprehensive ECD Programmes | Draft comprehensive ECD Programme | The draft comprehensive ECD programme has been finalised and gazetted for public comments | Approval of the comprehensive ECD Programme | • A national comprehensive ECD programme was aligned to the approved ECD Policy. | No deviation |
| | Monitoring reports on the implementation of the Roll-out Plan in provinces | Finalised Roll-out Plan on ECD | The rollout plan has been developed and finalised | Capacity building on the universal access on Roll-out plan in provinces | • Capacity-building on the universal access roll-out plan in provinces was conducted and completed. | No deviation |
| | Children's Act on ECD provision reviewed | New indicator | A concept paper on the legislative alignment of ECD has been developed | Concept paper on the legislative alignment for ECD | • A draft concept paper on the legislative alignment for ECD was developed. | No deviation |
| | Funding policy for ECD | – | – | No target | • The target is applicable in 2017/18. | |

**Strategies to overcome under-performance**

- The development of an integrated HR plan for ECD will be coordinated by the Department of Basic Education in the coming financial years.

## Children

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Strengthen child protection services and improve the quality of Early Childhood Development (ECD) services by 2019 | Number of adoptions registered | Increase the number of children adopted by 10% (1980) | 1 651 adoptions registered | Increase the number of children adopted by 10% (2178) | • National adoptions: 978<br>• Inter-country adoptions:187<br>• Total: 1 165 | Faults received from Courts on adoption documents. |
| | Monitoring reports on the implementation of Programme of Action on no violence against children | Monitor implementation of the PoA in provinces | Monitoring of implementation of POA in provinces was not conducted | Monitor implementation of the PoA in provinces | • No monitoring reports were received on the implementation of POA.. | Non-compliance by provinces and other stakeholders to submit reports. |
| | Number of persons working with children screened against the CPR | 20 000 persons working with children screened against CPR Part B | 63 607 persons working with children were screened against CPR Part B | 30 000 persons working with children screened against CPR Part B | • 94 552 persons working with children were screened against CPR Part B. | No deviation |
| | Implementation of Isibindi Model | Develop an implementation plan for Isibindi model | All the provinces developed their implementation plans for Isibindi model. The plans were monitored on a quarterly basis and during the last quarter reviewed | Monitor the implementation of Isibindi model in provinces | • The implementation of the Isibindi model in the provinces was monitored, and the monitoring report is available. | No deviation |
| | Evaluation National Child Protection Week | National Child Protection Week commemorated | Child Protection Week commemorated successfully in Delft, Cape Town and Phalaborwa, Limpopo | 3 child protection awareness and participation sessions held (Child Protection Week, National Children's Parliament, Day of an African Child and National Children's Day) | • CPW was launched in KZN, and the closing ceremony was held in Gauteng. An evaluation report was compiled. The Day of the African Child, in partnership with the African Union was held in June 2015. The National Children's Parliament was held in October 2015.<br>• National Children's day was celebrated in December in Hlayisani Centre of Hope, a children's home in Mpumalanga. | No deviation |
| | Advocacy and capacity building conducted on children's rights and responsibilities | 24 advocacy workshop with municipalities on children's rights and responsibilities | – | 8 national advocacy and capacity development workshops on CRR | • A total of 10 advocacy and capacity development workshops were held in Mpumalanga (2), Western Cape (1), Gauteng (2), KwaZulu-Natal (3) and Limpopo (2). | No deviation |

## Children *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Capacity Building Programmes developed | New indicator | – | Development of the concept document for the integrated Capacity Building Framework | • The concept document for the Integrated Capacity Development Framework was developed. | No deviation |
| | Audit report on Foster Care Placements | Audit on current Foster Care Placements | Audit on current foster care placements was not completed | Audit on current Foster Care Placements | • The audit on current foster care placements was completed in nine provinces. | No deviation |
| | Monitoring reports on the implementation of the transformation plan for CYCC | Monitor the implementation of the transformation plan in provinces | Monitored the implementation of the transformation plan in nine provinces | Monitor the implementation of the transformation plan in provinces | • Implementation of the transformation strategies for CYCC was monitored in all provinces, and annual monitoring report was compiled. | No deviation |
| | Policy on stabilisation of street children in CYCCs implemented | New indicator | – | Approval of the draft Policy | • The policy on stabilisation of street children in CYCCs was not developed. However, the programme on stabilisation of street children in CYCCs was developed and approved. | The social welfare forum, which approves programmes and guidelines for social welfare services, recommended the development of a programme on stabilisation of street children in CYCCs instead of the policy. |
| | Monitoring reports of the Register on CHH | Merge provincial data of recognised CHH in 9 provinces into a national register | Merged provincial data of recognised CHH in nine provinces into a national register | Manage and monitor register on CHH | • Data on recognised CHH was collated and analysed. | No deviation |
| | Amendments to the Children's Act | Finalise Amendment Bill to the Children's Act | Children's Amendment Bill was finalised and approved by the Community and Development Technical Working Group and the Cabinet Committee | Approval of the Children's Second Amendment bill by Cabinet | • Briefing of Portfolio Committee on the Children's Second Amendment Bill was held in August 2015. Subsequent to this, two public hearings to obtain comments on the Children's Amendment Bill were held in September 2015. | The portfolio committee is undertaking its own Parliamentary process to approve the deal. |

## Children *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Provincial workshops held on child rights governance and compliance | New indicator | – | 9 provincial workshops on child rights governance and compliance | • Nine provincial workshops on child rights governance and compliance were held in nine provinces. | No deviation |
| | Number of Ulwazi Ngabantwana data system users capacitated | Development of the Ulwazi Ngabantwana data system | Ulwazi Ngabantwana data system was completed, but not launched | 100 Ulwazi Ngabantwana data system users capacitated | • 35 users participated. | Delayed due to the process of migrating the IT system from Department of Women to be incorporated into the DSD's IT environment. |

**Strategies to overcome under-performance**

- Plan is in place to launch Programme of Action (POA) to provinces and all national departments. Letters already written to national departments for their reports on the POA.
- The adoption target will be achieved in the next financial year, with special focus on responding to adoption cases with full records from the courts.
- The social welfare forum, which approves programmes and guidelines for social welfare services, recommended the development of a programme on stabilisation of street children in CYCCs instead of the policy.
- The Children's Amendment Bill and the Children's Second Amendment Bill will be submitted to the Speaker of the National Assembly on 14 April 2015.

## Social Crime Prevention and Victim Empowerment

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Reduce the incidence of social crime, substance abuse and facilitate the provision of support services to target groups by 2019 | Accredited service providing diversion programmes | 155 accredited service providers providing diversion programmes | Monitored and supported the implementation of organisational development plans of diversion service providers and compliance with quality assurance processes for accredited diversion programmes and service providers in five provinces, namely GP, LP, NW, FS, & MP for five service providers for diversion services. | Monitor accredited service providers providing diversion programmes in 9 provinces | • Monitoring of accredited service providers and diversion programmes was done for 53 service providers in nine provinces: Eastern Cape (2), Free State (4), Gauteng (12), KwaZulu-Natal (7), Limpopo (6), Mpumalanga (5), Northern Cape (3), North West (8) and Western Cape (6). | No deviation |
| | Reviewed Policy Framework on accreditation of Diversion Services | Policy Framework on accreditation of Diversion Services | A monitoring tool is in place. Monitoring for accreditation structures on the implementation of the Policy Framework on Accreditation was done in seven provinces, excluding MP and KZN. | Review Policy Framework on accreditation of Diversion Services | • A draft reviewed document was developed and provincial consultations took place in all provinces between October 2015 and March 2016.<br>• A national consultative review workshop was held in Gauteng. | No deviation |
| | Integrated implementation of the Action Plan | Monitor and support the implementation of the Integrated Social Crime Prevention Strategy Action Plan | Monitored and supported 9 provinces on the implementation of the Integrated Social Crime Prevention action plans.<br>A monitoring tool is in place One National multidisciplinary committee for the Integrated Social Crime Prevention Strategy has been established and is functioning.<br>Terms of reference for the National Multi-disciplinary social crime prevention committee finalized.<br>Coordinated and facilitated an inter-governmental consultative session on the integrated social crime prevention strategy in October 2014, minutes in place | Facilitate the implementation of Prevention and Early Intervention programmes in 9 provinces | • All provincial departments of social development implemented the Integrated Social Crime Prevention Strategy Action Plan.<br>• Consolidated report on the implementation plans of prevention and early intervention programmes in nine provinces was produced and is available. | No deviation |

## Social Crime Prevention and Victim Empowerment *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Integrated justice systems developed | Monitor implementation of the Accreditation of Diversion Services, Probation Case Management and Child and Youth Care Application systems | – | Monitor implementation of the Accreditation of Diversion Services, Probation Case Management and Child and Youth Care Application systems | • A consolidated report on training and monitoring of accreditation structures on the Accreditation of Diversion Services (ADS) was produced and is available.<br>• QA System was finalised and incorporated into the ADS.<br>• Training of master trainers selected from all nine provinces was conducted in the first quarter. | These three systems are not at the same implementation level. CYCA development completed in 2013/14, training commenced in 2015/16. CYCA feeds information into Probation Case Management system.<br>The term of office of ADS users who were supposed to be monitored, came to an end on the 30th June 2015, and so newly appointed users had to be trained. |
| | Bill on victim empowerment support services | Finalise Bill | The Bill was finalised after a consultative Workshop held with national stakeholders in March 2015. | Submit the Bill to Cabinet for gazetting | • The Victim Support Services (VSS) Bill was refined during consultations with stakeholders and then submitted to the state law advisors for certification. | Consultations with stakeholders and key government departments took more time than anticipated. |
| | Number of GBV victims accessing command centre | GBV command centre 24/7 days toll-free line<br>2 591 people have accessed the command centre services | Initially the GBV Command Centre was Established as a pilot site.<br>In 2014/15 the GBV Command Centre was established as a fully-fledged site and Programme. The GBV Command Centre attended to 9 990 calls and serviced 3 503 cases between 1 April 2014 and 31 March 2015. | Increase the number of people accessing command centre services by 10% (2 850) | • The GBV Command Centre attended to 51 440 calls and serviced 8 929 cases between 1 April 2015 and 31 March 2015.<br>• In addition, 55 328 USSDs (please call me short messages received) were received and then called back by the GBVCC agents. | No deviation |

## Social Crime Prevention and Victim Empowerment *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of White Doors Safe Space facilities established | White Door Safe spaces established | Only one Green Door facility was established and launched in the Mmakau area in North West in November 2014. | Establish 10 White Door Safe Space Facilities | • Three White Door Safe Spaces were established, one in the Eastern Cape, one in the Free State and one in Mpumalanga. | Delays in the submission of necessary documents and business plans from partner NGOs impacted negatively on the flow of the entire process to establish the required White Door. |
| | Implementation reports on Trafficking in Persons Framework | DSD Trafficking in Persons Policy Framework finalised | – | Train 9 provinces on the Policy Framework | • All nine provinces were trained on the Trafficking in Persons Policy Framework, and a consolidated report was completed. | No deviation |
| | 2nd Victim Satisfaction survey 2014 | Terms of Reference approved | – | Conduct the 2nd Victim Satisfaction Survey 2014 | • The Human Science Research Council was appointed as the service provider to conduct the 2nd Victim Satisfaction Survey.<br>• A report on literature review was submitted by HSRC. | Finalisation of the 2nd Victim Satisfaction Survey was delayed due to lack of cooperation from JCPS Cluster Departments with regard to the confirmation of sites for data collection. This was since raised with Cluster. |
| | Number of VEP services sites collecting VEP data | 827 users were trained on the VEP M&E system | – | Access to data on VEP services in 30 VEP services sites | • A total of 88 sites were connected and collected data on the VEP System.<br>• Data on VEP services and on abuse of older persons were accessed from all the sites and a report was compiled. | No deviation |
| | DSD Academy Concept approved | Feasibility study on increasing the cardre of Social Welfare professionals conducted | – | Approval of the DSD Academy Concept | • Target was not achieved. | Benchmarking excise was conducted of private and public training academies. A proposal of the recommended model for DSD Academy was developed and submitted for approval. |

## Social Crime Prevention and Victim Empowerment *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Existence of Family Development Programmes | Build capacity on and monitor the Fatherhood and Active Parenting Programme Teenagers | – | Develop a capacity building programme for teenage parents | • A draft capacity-building programme for teenage parents was developed and consulted in five provinces (Gauteng, Limpopo, Mpumalanga, North West and Free State). | No deviation |
| | | Build capacity on and monitor the Fatherhood and Active Parenting Programme Teenagers | – | Develop a holiday programme strategy for families | • A draft strategy was developed and consulted in six provinces (Gauteng, Northern Cape, North West, Eastern Cape, KwaZulu-Natal and Western Cape). | No deviation |
| | | Build capacity on and monitor the Fatherhood and Active Parenting Programme Teenagers | – | Develop a strategy to support families facing the imminent risk of a removal of a family member | • A strategy was developed and consulted in four provinces (KwaZulu-Natal, Eastern Cape, Northern Cape and Western Cape). | No deviation |
| | Number of local municipalities reached through education awareness campaigns | Monitor implemented by national departments | – | Conduct education and awareness campaigns in 35 local municipalities | • Education and awareness campaigns were conducted in 37 local municipalities. | No deviation |
| | Number of public treatment centres assessed for registration | Capacitate 120 stakeholder on the Act and Regulations | 114 stakeholders were capacitated on the Act and Regulations | Facilitate registration of 5 public treatment centres | • Five existing public treatment centres were assessed for registration: Limpopo (1), KwaZulu-Natal (2), Mpumalanga (1) and Eastern Cape (1). | No deviation |
| | Number of provinces reached through Road Shows to increase access to community-based services | Capacitate 120 stakeholder on the Act and Regulations | 114 stakeholders were capacitated on the Act and Regulations | Conduct Road Shows in 9 provinces to increase access to community-based services | • Roadshows were conducted in all provinces to increase access to community-based services. | No deviation |

## Social Crime Prevention and Victim Empowerment *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual outputs 2015/2016 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of provinces and national departments implementing the NDMP | Monitor and support implementation of the NDMP 2013/2017 | Monitored and supported national and provincial department to implement the NDMP 2013–2017. | Facilitate the development of NDMP in 9 provinces and 5 key national departments | • The development of the NDMP was facilitated with the departments of higher education, basic education, and international relation and cooperation, the South African Revenue Services and National Youth Development Agency.<br>• The development of Drug Master Plans (DMP) was facilitated in Mpumalanga, KwaZulu-Natal, Northern Cape and Gauteng Ekurhuleni Metro LDAC.<br>• Six provinces were capacitated to develop provincial DMPs, and DMPs were developed (Eastern Cape, Gauteng, Limpopo, Free State, North West and Western Cape).<br>• The Central Drug Authority (CDA) capacitated Msunduzi Municipality (KwaZulu-Natal) and the religious sector on the national DMP on 12March 2016.<br>• The CDA also capacitated the NATJOINTS (2–4 March 2016) and NICOC (18 March 2016) members in the Gauteng Province. | Facilitation of the development of the NDMP was not done in one key national department and five provinces due to capacity-building sessions that had be conducted prior to the development of the NDMP. |

**Strategies to overcome under-performance**

- Continuous bilaterals with provinces to ensure buy-in and confirmation of sites for the establishment of White Doors.
- Continuous workshops with HODs for their buy-in for the implementation of the systems in line with integrated justice systems. Refresher training with all stakeholders on using the system, to ensure the required statistics are generated.
- The Victim Satisfaction Survey will be conducted in the next financial year.
- Submission for the proposed model for the DSD Academy will be submitted to relevant authorities for approval.
- The Bill on VEP will be submitted to Cabinet for gazetting in 2016/17.
- The new NDMP will be developed in 2016/17, and provinces and key national departments will be capacitated to develop their own DMP.

## Youth

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual Outputs 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Build Conscious and active youth through mobilisation and skills development by 2019 | Number of youths participating in mobilisation programmes | 6 000 youths participating in mobilisation programmes | 47 276 youth participated in mobilisation programmes. | 8 000 youths participating in mobilisation programmes | • 131 900 youth participated in youth mobilisation programmes nationally. | No deviation |
| | Number of youths attending leadership camps | 1 200 youths attended leadership camps | 2 208 youths attended leadership camps. | 1 400 youths attending leadership camps | • 1 798 youth attended youth leadership camps in all provinces. | No deviation |
| | Number of youth structures established | 22 youth clubs were established. | 22 youth clubs were established. | 52 Youth Clubs | • 1 067 youth structures were established. | No deviation |
| | Approved Youth Development Strategy 2015–2020 | Draft Youth Development Strategy 2014–2019 | Strategy review process could not be finalised during the financial year. | Youth Development Strategy 2015–2020 | • Strategy review process was not concluded during the period under review. Submission for appointment of Bid Evaluation Committee (BEC) was approved, tender was advertised and proposals received. | Bids lapsed due to BEC not sitting. |
| | Number of youths participating in skills development programme | 5 600 youths participating in skills development programmes | 38 706 youths participated in skills development programmes. | 7 000 youths participating in skills Development Programme | • 32 806 youth participated in skills development programmes. | No deviation |

**Strategies to overcome under-performance**

- With regards to the review of the National Youth Development Strategy, the internal processes will need to be expedited and accelerated, so that the review process can be finalised. This includes approval of the business case and the adjudication of bids by Bid Adjudication Committee.
- Reference Team to monitor and advise appointed service provider established, comprising the NDA, DSD Units such as HIV/Aids and Anti-Substance Abuse among others.

## HIV and AIDS

| Strategic Objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual Outputs 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Contribute to the reduction in HIV risky behaviours and promote psychosocial wellbeing amongst targeted key populations by 2019 | Number of PSS beneficiaries reached | Reach 1 900 000 | 1 586 332 beneficiaries were reached through PSS. | Reach 2 100 000 | • 1 058 558 beneficiaries were reached through PSS. | Low reporting from provinces. While some provinces are not consistent in reporting, the Western Cape does not report on this target. |
| | Number of implementers trained | New Indicator | – | Train 500 implementers on social behaviour change | • 517 implementers were trained in behaviour change. | No deviation |
| | Number of facilitators trained on CCE | 93 | – | Train 300 facilitators on CCE | • 352 facilitators were trained on CCE. | No deviation |
| | Policy Guidelines for utilization of community based workers within the Social Development Sector (SDS) | New Indicator | – | Draft Policy Guidelines for utilization of community-based workers within the SDS | • Target was not achieved. | A situational analysis had to be done on the community caregivers and other departments consulted before policy guidelines can be drafted. |
| | Number of trainees on HIV and AIDS related programmes | Train 1900 community caregivers | 2 144 community caregivers were trained | Train 1 900 community caregivers on psychosocial programmes | • 3 821 community caregivers were trained on psychosocial programmes. | No deviation |
| | | Train 400 CBOs | 400 CBOs were trained on CBIMS | Train 400 CBOs on CBIMS | • 603 CBOs were trained on CBIMS. | No deviation |
| | | Train 120 Officials on CBIMS data quality management | 144 officials were trained on CBIMS data quality management. | Train 120 Officials on CBIMS data quality management | • 230 officials were trained on CBIMS data quality management. | No deviation |

**Strategies to overcome underperformance**

- The provision of PSS services is the primary responsibility of provincial departments through district offices. This target will no longer be included in the national department's APP. The Chief Directorate HIV and AIDS will in future focus on enabling the provinces to deliver on the indicator.
- The draft Policy Framework on the management of community-based workers is to be finalised by 2019.

## Rights of Persons with Disabilities

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/15 | Annual target 2015/16 | Actual outputs 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Promote, protect and empower persons with disabilities through the development and implementation of legislation, policies and programmes | National Disability Rights Policy | National Disability Rights Policy finalised | The National Disability Rights. Policy was not published.<br>Cabinet approval was obtained in December 2014.<br>Public comments are currently being incorporated into the final draft for Cabinet approval in the next financial year. | Develop a National Disability Rights Policy and implementation tools | • Cabinet approved the *White Paper on the Rights of Persons with Disabilities* and its Implementation Matrix on 9 December 2015. | No deviation |
| | Costed norms and standards for residential facilities | Norms and standards and policy guidelines for residential facilities developed and approved | – | Costing of norms and standards for residential facilities | • Costing of norms and standards was not done | Due to inadequate financial resources, costing will be undertaken in 2016/17. |
| | Transformation Plan for protective workshops | Policy Guidelines for protective workshops | – | Develop Transformation Plan for protective workshops | • Final draft of the Transformation Plan was developed. | Editorial work is in progress. However, due to the lack of financial resources, the Transformation Plan will be finalised in the 2016/17 financial year. |
| | Disability Inequality Index | National Disability Rights Indicator Matrix and M&E Framework developed | – | Finalise the Disability Inequality Index | • Disability Inequality Index was developed in partnership with Stats SA. | No deviation |
| **Strategies to overcome underperformance** | | | | | | |
| • The costing of norms and standards for residential facilities and the completion of the transformation plan will be finalised in the 2016/17 financial year. | | | | | | |

## Linking Performance with Budgets – Programme 4: Welfare Services Policy Development and Implementation Support

| P 4: WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT | | | | | | |
|---|---|---|---|---|---|---|
| | 2015/16 | | | 2014/15 | | |
| | Final appropriation | Actual expenditure | Variance | Final appropriation | Actual expenditure | Variance |
| Details per Sub-programme | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 4.1 Service Standards | 36 258 | 34 452 | 1 806 | 25 068 | 23 207 | 1 861 |
| 4.2 Substance Abuse | 73 919 | 73 875 | 44 | 62 894 | 41 701 | 21 193 |
| 4.3 Older Persons | 18 728 | 18 697 | 31 | 21 519 | 21 480 | 39 |
| 4.4 People With Disabilities | 21 569 | 21 569 | – | 20 695 | 19 094 | 1 601 |
| 4.5 Children | 76 029 | 76 026 | 3 | 69 458 | 67 904 | 1 554 |
| 4.6 Families | 8 830 | 8 830 | – | 8 379 | 8 377 | 2 |
| 4.7 Social Crime Prevention & Victim Empowerment | 64 449 | 64 449 | – | 50 005 | 47 981 | 2 024 |
| 4.8 Youth | 18 038 | 18 038 | – | 19 079 | 19 077 | 2 |
| 4.9 HIV and AIDS | 79 161 | 79 161 | – | 76 389 | 76 389 | – |
| 4.10 Social Worker Scholarship | 276 144 | 276 144 | – | 264 000 | 264 000 | – |
| 4.11 Programme Management | 5 162 | 5 162 | – | 10 103 | 10 103 | – |
| **Total** | **678 287** | **676 404** | **1 884** | **627 589** | **599 313** | **28 276** |

caregivers in eight provinces (except KZN) were trained in the skills needed to provide quality services to older persons in both community-based and residential care facilities

KEY: = 1 650

**32 806**
YOUNG PEOPLE
were reached as part of the skills development programmes coordinated in provinces

A study conducted by UNAIDS in 2013 found that every week more than 2 360 young women aged 15–24 years acquire new HIV infections.

**1 147**
social work scholarship holders graduated from various institutions of higher learning

Five provinces have been identified for drug rehabilitation centres: Northern Cape, North West, Limpopo, Free State and Eastern Cape

# PROGRAMME 5

# Social Policy and Integrated Service Delivery

PART B



Performance information by programme

## Programme Purpose

This programme supports social policy development and institutionalises evidence-based policy-making among social development departments and agencies. It registers and monitors the compliance of Non-Profit Organisations (NPOs) and community development organisations. It also coordinates the incubation and innovation of departmental and Social Cluster strategic initiatives, such as the Expanded Public Works Programme (EPWP).

## Social Policy Research and Development

During the period under review, the Department continued to contribute towards deepening the social policy discourse and evidence-based policy-making through developing and producing research and policy briefs. These briefs are derived from research and policy initiatives undertaken by the Department and its partners. Importantly, these briefs are distributed to the think-tanks in the field of social development and are used as an evidence base for policy design and interventions. The focus was on issues such as the sector's contribution towards radical socio-economic transformation, the implications of the implementation of the National Health Insurance (NHI) on the broader funding of the social protection system, as well as the social development sector's provisions towards minimum wages.

Through partnerships, the Department is able to access expertise that clarifies the global, continental and local contexts and challenges related to human and social development, and helps shape the Department's strategic direction. The Department has partnerships with academic institutions involved in evidence-based policy-making. The Department also partnered with the Southern Africa Social Policy Research Institute, the Nelson Mandela Metropolitan University (NMMU) and Rhodes University to plan and present training for senior government officials involved in social policy-making. 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

This unit continued to coordinate cross-cutting and transversal social sector mandates and, through its flagship programmes, to facilitate the integration, coordination and alignment of strategy to sector priorities. During the year under review, the unit coordinated the creation of work opportunities in the social sector and within DSD. The recently completed EPWP Social Sector Evaluation report confirmed the significant role played by this programme in responding to the challenges of poverty, unemployment and inequality. Part of the Department of Planning, Monitoring and Evaluation (DPME) 2014/15 National Evaluation Plan, the report found that "over the past five years, on average 71% of participants were women and 51% were young people". This means that the programme is offering income support to vulnerable women and young people. As at the end of March 2016, a total of 19 845 work opportunities had been created through social development sub-programmes.

In 2015/16, the Department received an EPWP Incentive Grant allocation of R61.6 million, which was used to create 3 379 full-time equivalent (FTE) work opportunities. Thanks to its improved overall performance, the Department is now eligible for R109 million of the R359 million allocated to the sector through the Incentive Grant for 2016/17. These allocations are for the creation of FTE work opportunities, which are contributing to realisation of Outcome 4: *Decent employment through inclusive economic growth*.

The Department's flagship programme, the Community Work Programme (CWP), provided home- and community-based care, early childhood development, sustainable livelihoods and anti-substance abuse social services in 43 CWP sites in six provinces: the Free State, Limpopo, North West,

Dr Wiseman Magasela, Deputy Director-General: Social Policy; Ms. Bathabile Dlamini, Minister of Social Development and Pali Lehohla, Statistician-General for Statistics South Africa, attending the African Population International Conference in December 2015.

Northern Cape, Gauteng and Western Cape. During the year, the unit worked with monitoring and evaluation experts to incorporate the community development indicators into the existing CWP management information system, to which the Department will be given access in order be able to report on the social sector services provided at all the CWP sites.

Through the implementation of Chapter 5 of the Military Veterans Act, 2011, (Act No. 18 of 2011) the Department has resumed a multi-stakeholder coordination platform geared at an integrated approach to providing support to military veterans. During the year under review, military veterans continued to receive psychosocial support services and Social Relief of Distress. A total of 191 EPWP military veterans were appointed as part of economic support and through the creation of EPWP work opportunities.

## Population Policy Promotion

The Department, through the Population and Policy Promotion unit, is mandated to facilitate, monitor and build capacity for the implementation of the population policy and the International Conference on Policy and Development (ICPD) Programme of Action (POA).

### Population Policy and ICPD Programme of Action

In December 2015, during the African Population International Conference and on South Africa Day, the Minister officially launched the *Fifteen Year Progress Review of The Implementation of the Population Policy for South Africa (1998) and the International Conference on Population and Development (ICPD) Programme of Action (1994) @20 Synthesis Report* (the Policy+15/ ICPD Programme of Action+20 Synthesis Report). Subsequent to the launch, the report was widely disseminated within and outside of the country, both in printed and electronic formats. The Department continued to monitor and coordinate the implementation of the 4th UNFPA Country Programme, which supports eight priority districts in the Eastern Cape and KwaZulu-Natal. The National Coordinating Forum (NCF) meetings took place in June and November 2015, and in March 2016.

### Research programme of the Inter-Ministerial Committee (IMC) on Population Policy

In consultation with lead and partner departments, the Department developed concept notes on the priority research areas contained in the 2015/16 work plan of the IMC on Population Policy. Research reports were produced, covering the following priority areas: migration and urbanisation, gender equality, equity and the empowerment of women, and causes and consequences of the changing population age structure. In addition, the National Research Report on Factors Associated with Teenage Pregnancy in SA was produced in March 2016.

### National Adolescent Sexual and Reproductive Health and Rights (ASRHR) Framework Strategy and IMC on Population Policy work plan

During the reporting period, the Department developed project plans outlining activities for each of the five priority areas contained in the National ASRHR Framework Strategy. The planned activities were coordinated and monitored through regular Technical Committee meetings, and reports for each priority area were submitted in November 2015. The implementation plan will be developed in the next financial year.

A total of 82 community-level ASRHR campaign dialogues (commonly called Ezabasha) were held in seven provinces: Limpopo, Eastern Cape, North West, Western Cape, KwaZulu-Natal, Mpumalanga and Gauteng. The Ezabasha dialogues form an integral part of the overall ASRHR campaign developed and implemented by the Department since 2014. The dialogues also address issues identified during the data/information collection phases of the Project Mikondzo. The Department provided young people from various municipalities with capacity-building on ASRHR issues, to enable them to capacitate other young people on these issues. In November 2015, the majority of these young people took part in the launch of the SiyaKwazi youth network (in the Free State), which seeks to provide young people with skills and training on ASRHR matters.

## National Population Policy seminars and short training courses

Four national Population Policy seminars were held during the reporting period: the commemoration of World Population Day (July 2015), a two-day seminar (October 2015), the official launch of the State of the World Population Report, and the official launch of the Policy+15/ICPD Programme of Action+20 Synthesis Report (both December 2015).

The Department conducted six short training courses, including:

- One population health and planning for development course at the North-West University, (August 2015).
- Inter-generational communication training that formed part of the Safeguarding Young People Programme. Seven sessions took place, two in the Western Cape (June 2015) and five in different locations in KwaZulu-Natal.
- One population-environment-development (PED) nexus training session in Gauteng (March 2016).
- One Applied Population Studies and Research (APSTAR) course (Cycle 12, consisting of four five-day modules) at the University of KwaZulu-Natal (UKZN) that was attended by trainees from various government departments (May–November 2015).

## Bursaries and scholarships

The Department, through the Health and Welfare Sector Education Training Authority (HWSETA), maintained bursaries for 26 students at Walter Sisulu University and North-West University, for undergraduate studies in population and development. Similarly, the Department awarded five scholarships for PPD country participants from Vietnam, Kenya, Ghana, Tunisia and Pakistan, and five scholarships for post-graduate students from Zimbabwe, Kenya, Ghana, Gambia and Uganda.

# Registration and Monitoring of Non-Profit Organisations

The Department implemented a range of national interventions to improve the registration, compliance and access to information of NPOs. These interventions included roadshows and capacity-building that reached out to NPOs at municipal level: 107 roadshows were conducted in 93 local municipalities. In accordance with the prescripts of the NPO Act, 1997 (Act No. 71 of 1997), 3 569 NPOs were capacitated. In addition, 509 officials underwent training aimed at strengthening their capacity to deliver quality services and meaningful support to NPOs. The Department secured R2 296 800 from the HWSETA for training 232 officials in facilitation, coaching and mentoring, to ensure that specialised skills are acquired and can be used over time to support NPOs for long-term sustainability.

The Department processed all the 31 183 applications received from organisations seeking registration, with 30 711 (98.5%) being processed within two months of receipt. To encourage NPOs to submit their annual reports, the Department partnered with the South African Institute of Tax Practitioners and the South African Institute of Business Accountants supported by First National Bank, to enable NPOs to access financial management software and services free of charge. During the reporting period, the Department received and processed 30 681 reports, of which 29 830 (97%) were processed within two months.

In line with the resolutions of the NPO Summit of 2012, the Department facilitated an engagement between the private sector and NPOs, to create an enabling platform for NPOs to access resources. This milestone was well received by the NPOs, and further engagements will be facilitated to provide NPOs with equal opportunities of receiving funding from the private sector. The Department finalised the NPO Policy, which culminated in the development of the NPO Draft Bill.

# Community Development

The Department developed the Community Development Policy Framework aimed at regulating community development practice, including the ethics and regulations that should govern community development practice. Consultations were held in all provinces. The Community Development Forum approved the Framework, which still has to be approved by other relevant management structures in the next financial year. Norms and standards were also developed for community development, including standard operating procedures with standard time per functions, tasks and activities.

The Department trained 1 342 Community Development Practitioners (CDP) in all provinces on community development guidelines, social mobilisation, monitoring and evaluation. The Department also trained 1 277 CBOs from across all provinces

in community development guidelines. The Concept Document on the Integrated Community Development Framework and Model was developed and was consulted with all provinces through a national workshop. The Framework will be revised in line with inputs from the consultative sessions.

## Sustainable Livelihoods

This unit continued with the implementation of Project Mikondzo, which emphasises service delivery interventions and promotes active citizenry. This project has instilled the understanding that government alone cannot address the socio-economic challenges facing the country. These challenges require a collective effort from government, communities, the private sector, Non-government Organisations (NGOs), civil society organisations, Community-based Organisations (CBOs) and faith-based organisations.

The Project Mikondzo has reached over 1 200 poor and vulnerable wards and over 322 020 people. A total of 1 907 communities and 258 947 households were profiled. In addition, 493 community dialogues were conducted and 1 042 community development plans were developed.

During the period under review, the Department successfully integrated into Project Mikondzo the Integrated Community Registration Outreach Programme (ICROP), which is a tool designed to expedite service delivery. Another notable achievement was the partnership between the Department and other stakeholders, such as the International Organization for Migration (IOM), in restoration of peace and stability during the spate of attacks on foreign nationals. The interventions were mostly in KwaZulu-Natal and Gauteng, where there were high incidents of attacks on foreign nationals. Interventions provided on the spot included psychosocial support services, Social Relief of Distress and reintegration services.

As part of strengthening the Food and Nutrition Security Programme, the Department appointed agents in all provinces to operate food distribution centres and to supply food to the current network of 167 Community Nutrition and Distribution Centres (CNDCs). The CNDCs provide over 3.3 million beneficiaries with nutritious food and have created employment opportunities for 937 people. In the next financial year, the Department plans to expand the number of CNDCs, from 167 to more than 200 in all provinces.

Additional capital assets provided to make the food distribution centres' operations more efficient include food delivery vehicles, cold-rooms, racking and fork-lifts. The Department also trained and provided uniforms to 365 cooks in the CNDCs, to ensure that nutritious food is prepared in a healthy and hygienic environment. In the next financial year, an additional 303 Cooks will be trained and provided with uniforms.

This programme spent more than R6.7 million on fresh produce purchased from about 141 local cooperatives, and will seek to encourage more purchases from local cooperatives, so that communities can gain confidence in government food procurement initiatives. As part of efforts to capacitate cooperatives, 860 cooperatives participated in training programmes on governance, conflict management, financial management and basic bookkeeping. They also participated in social transformation workshops facilitated by DSD officials and were assisted with registration and tax clearance issues. Furthermore 1 009 cooperatives were supported and linked to economic opportunities.

## Social Policy Research and Development

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Deepen social policy discourse and evidence-based policy-making in the department and social development sector | Number of officials trained in social policy and policy analysis | Train 50 officials | 48 officials were trained | Train 50 officials | • 31 officials were trained. | Attendance by officials was lower than targeted. |
| | Number of evidence-based social policies developed and reviewed | Develop and review 1 social policy in collaboration with the relevant directorate | A policy document on radical socio-economic transformation contribution of the Social Development sector was developed | Develop and review 1 social policy in collaboration with the relevant directorate | • Two policy analysis inputs were produced: Policy on the Special Housing Needs and the Draft Policy Framework on the Integration of Refugees into Local Communities. | No deviation |
| | Number of research and policy briefs disseminated | Develop and disseminated 4 policy briefs | Four research and policy briefs were developed<br>• What is the impact and what are the benefits of the CSG for South Africa's children? Evidence from research undertaken by the Department.<br>• The social and economic impact of South Africa's Social Security System.<br>• Considering research and policy evidence in the area of income support to pregnant women for the purpose of promoting a comprehensive ECD strategy: A policy approach for discussion.<br>• Social grants in SA – Meeting the poverty challenge: A policy brief | Develop and disseminate 4 policy briefs | • Four research and policy briefs were developed: the views of National Treasury on social grants and their impact entering the national minimum wage debate; minimum wage as a social development issue and a women's Issue; the social sector's contribution to radical socio-economic transformation; National Health Insurance: key considerations for Social Development. | No deviation |

**Strategies to overcome under-performance**

- The Department will work with Offices of the Premier to coordinate the training to provide impetus for full attendance.

## Special Projects and Innovation

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Facilitate management and coordination of cross-cutting functions for DSD and Social Cluster | Number of job opportunities created through social development sub-programmes | 42 517 work opportunities | 31600 job opportunities created by the DSD only | Create 46 768 job opportunities | • 19 845 work opportunities were created. | Non-compliant projects that did not meet system requirements, such as minimum stipend, certified ID copies and UIF. |
| | Number of Full-Time Equivalents (FTEs) created through the Incentive Grant | 2 163 FTEs | 2 456 FTEs created | Create 2271 FTEs | • 3 379 FTEs were created. | No deviation |
| | Number of Community Work Programme (CWP) sites providing integrated DSD services | Facilitate the provision of integrated DSD services to 21 CWP sites | DSD services were provided at 25 CWP sites | Facilitate the provision of integrated DSD services to 42 CWP sites | • DSD services were provided to 43 CWP sites. | No deviation |
| | Number of DSD services provided to military veterans | Facilitate provision of 5 services | 1 DSD service MVs (SRD) the MoU between DMV and DSD has been signed to facilitate provisions of services to MVs | Facilitate provision of 7 DSD services to Military Veterans | • Two DSD services were provided to military veterans through SRD and employment by creating 191 work opportunities through EPWP. | Lack of proper referral systems between DSD and DMV and intra departmentally within DSD. |

**Strategies to overcome under-performance**

- An intervention plan between the Department, its provincial counterparts and the Department of Public Works will be developed to overcome challenges experienced with the EPWP reporting system.
- The Department will strengthen intra-departmental coordination mechanisms for the Military Veterans Programme.

## Population Policy Promotion

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Facilitate, Monitor and build capacity for the implementation of the Population Policy and the International Conference on Population and Development (ICPD) PoA | Population Policy and ICPD progress reviews done | Policy+15/ICPD+20 Synthesis Report approved and disseminated | PPD:<br>• Inputs provided to PPD 5-year Strategic Planning Workshop<br>• The Department participated in the following PPD Annual Events in November 2014 in New Delhi, India:11th International Inter-Ministerial Conference,23rd Executive Meeting, 19th Annual Board Meeting, Finance and Risk Management Committee Meeting ,Partner Country Coordinators (PCC) Meeting, and Partner Institutions (PIs) Meeting<br>• The Minister was appointed as a PPD Secretary.<br><br>UNCPD:<br>The Department participated in the following UNCPD Events in New York;: the 47th Session of the United Nation Commission on Population and Development in April 2014 and the United Nation Nations General Assembly Special Session (UNGASS) on The status of implementation of the ICPD PoA in September 2014<br><br>BRICS:<br>The Department participated in the following BRICS Events: Meeting on BRICS Cooperation on population-related matters in New York in April 2014. The first BRICS Meeting of Ministers Responsible for Population Matters and the second BRICS Seminar of officials and experts on Population Matters which took place in Brasília, Brazil, in February 2015. | Disseminate Policy+15/ ICPD+20 Synthesis Report | • The Synthesis Report on the Policy+15/ICPD Programme of Action+20 review was officially launched by the Minister on South Africa Day during the African Population International Conference (December 2015). Printed and electronic copies of the report were disseminated widely after the launch, within and outside of the country. | No deviation |

## Population Policy Promotion *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | United Nations Population Fund (UNFPA) Country Programme developed and coordinated through the NCF | 4th UNFPA Country Programme coordinated through the NCF | The Fourth UNFPA Country Programme was coordinated through the NCF, and 3 meetings were held in June 2014, October 2014 and January 2015 | Monitor the 4th UNFPA Country Programme coordinated through the NCF | • National Coordination Forum (NCF) meetings were conducted to monitor and coordinate the implementation of the 4th UNFPA Country Programme of Support to the Government of South Africa in eight priority districts in the Eastern Cape and KwaZulu-Natal in June and November 2015, and March 2016. | No deviation |
| | Reports on the implementation of the National Adolescents Sexual Reproductive Health and Rights (ASRHR) Framework Strategy | ASRHR Framework Strategy approved by Cabinet | – | Coordinate and monitor National ASRHR Framework Strategy and IMC on Population Policy work plan | • Project plans were developed to outline activities for each of the five priority areas contained in the National ASRHR Framework Strategy. The planned activities were coordinated and monitored through regular Technical Committee meetings, aand written reports for each priority area, were tabled in November 2015. However, the implementation plan for 2016 has not yet been developed. | The Technical Committee for the ASRHR Framework Strategy has not produced a single, agreed plan for 2016 yet. |
| | Number of research reports produced | 10 Best Practice Case Studies on Sexual and Reproductive Health & Rights amongst Youth and Adolescents National Research Report on Factors Associated with Teenage Pregnancy in SA | 10 Best Practice Case Studies:<br>• The fieldwork and transcripts for the 10 Best Practice Case Studies were finalized, and report writing is underway.<br>National Research Report on Factors Associated with Teenage Pregnancy in SA:<br>• National Research Report on Factors Associated with Teenage Pregnancy in SA not produced | Coordinate the research programme of the IMC on Population Policy | • Concept notes were developed on the priority research areas contained in the 2015/16 work plan of the Inter-Ministerial Committee (IMC) on Population Policy, in consultation with lead and partner departments. | No deviation. |

## Population Policy Promotion *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of advocacy workshops/seminars conducted and support material produced | 56 advocacy workshops/seminars conducted and support material produced/ disseminated<br>Report on Awareness, Understanding and Implementation of the Population Policy produced by national government departments ASRHR Campaign approved | A total of 45 Sexual Reproductive Health Rights (SRHR) dialogues conducted. In addition 8 provincial mini-SWOP workshops and1 World Population Day event were also conducted.<br>Support material was produced and disseminated at each workshop and event | 4 National Population Policy Seminars | • Four national Population Policy seminars were held in October–December 2015, including the commemoration of World Population Day (July 2015), a two-day seminar (October 2015), the official launch of the State of the World Population Report and the official launch of the Policy+15/ICPD Programme of Action+20 Synthesis Report (2 December 2015). | No deviation |
| | | | | Conduct 40 ASRHR campaign dialogues | • 82 local/community-level ASRHR (Ezabasha) campaign dialogues were conducted during 2015/16, covering seven provinces: Limpopo, Eastern Cape, North West, Western Cape, KwaZulu-Natal, Mpumalanga and Gauteng. | No deviation |
| | Number of training short courses supported and monitored | 6 training courses supported and monitored | Seven (7) training sessions were conducted during the reporting period. These sessions included APSTAR training, Societies in Transition training, LEAD Pan-African Session training, PED nexus training, Population-Environment-Development Nexus training and a workshop on Intergenerational Communication on ASRHR. Participants included officials from all spheres of government and attendees from countries such as Mexico, Cuba, Malawi, Rwanda, Uganda and Gambia | Support and monitor 6 short training courses | • Six short training courses were conducted, including on: population health and planning for development; inter-generational communication; PED nexus; applied population studies and research (APSTAR). | No deviation |

## Population Policy Promotion *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of bursaries awarded | 46 bursaries for under-graduate studies maintained | A total of 46 bursaries for undergraduate students in population studies students at North West University and Walter Sisulu University were maintained | Maintain 26 bursaries for under-graduate studies | • 26 bursary holders were registered at the Walter Sisulu University (Eastern Cape) and North-West University (North West), for undergraduate studies in population and development. | No deviation |
| | | 10 international scholarships awarded for PED Nexus and Population Policy Analysis training | A total of 12 international scholarships were awarded. These included the following:<br>• 5 scholarships for the Post-Graduate Diploma in Population Policy Analysis training at NWU (students from Uganda, Zimbabwe, Kenya, Nigeria, Gambia). These were awarded in 2014 and are maintained;<br>• 2 international scholarships (Mexico & Ghana) awarded for PED Nexus training at University of Free State (Sept 2014);<br>• 5 international students were selected for bursaries for the Post-Graduate Diploma in Population Policy Analysis, from Mali, Zimbabwe, Ghana, Egypt and Tunisia. These scholarships were awarded in 2015 academic year | Award 5 international scholarships | • Five scholarships for PPD country participants (from Vietnam, Kenya, Ghana, Tunisia and Pakistan) were awarded.<br>• Five scholarships were awarded for post-graduate students from Zimbabwe, Kenya, Ghana, Gambia and Uganda. | No deviation. |

**Strategies to overcome under-performance**

- Proper prioritisation and cost-effective planning, in accordance with budget allocations for the financial year, are crucial prerequisites for adequate business performance.
- Quarterly monitoring of performance is essential, using quarterly APP and Operational Plan reports as a basis for discussion and interrogation.
- The monitoring of budget allocations through directorate spending plans should be emphasised as a key management responsibility, including a Director and Deputy Director levels (in accordance with the PFMA prescripts), in order to promote better/greater ownership and responsibility at lower (than Chief Director) management levels.
- Operational and annual work plans (of individual officials) should be better aligned and monitored, and periodic PMDS reporting taken more serious by supervisors, in order to identify pockets of under-performance, and initiate corrective actions, including in-service training, mentoring and capacity-building.
- Financial and operational planning and reporting should be better synchronised, on a quarterly and annual basis.

## Registration and Monitoring of Non-Profit Organisations

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Create an enabling environment for NPOs to deliver effective services by 2019 | % of NPO registration applications processed within two months of receipt | Process 95% of applications within two months of receipt | 31 999 of applications were received and 31 999 were processed<br>97.1 % ( 31 073) of application were processed within two months of receipt | Process 98% of applications within two months of receipt | • 31 183 applications were received and processed, of which 30 711 (98.5%) were processed within two months. | No deviation |
| | | 85% of NPO Reports processed within 2 months | 25 300 reports were received and 225 274 were processed. 90.7 % (22 944) of reports received were processed within two months | 90% of NPO Reports processed within 2 months | • 30 681 reports received and processed, of which 29 830 (97%) were processed within two months. | No deviation |
| | % of NPO appeals adjudicated within 3 months | Adjudicate 50% of NPO appeals within three months | No appeals received | Adjudicate 60% of NPO appeals within 3 months | • No appeals were received. | No deviation |
| | Number of road shows conducted in provinces | NPO National Roadshows in 70 Local Municipalities | Conducted NPO national roadshow in 97 local municipalities | Conduct NPO National Road shows in 70 Local Municipalities | • 107 NPO roadshows were held across 93 local municipalities. | No deviation |
| | NPO Audit Reports | No baseline | The Audit of DSD funded NPOs could not conducted | Audit 10 000 DSD funded NPOs | • Audit of 10 000 DSD funded NPOs was not completed.<br>• Progress made: the project charter and project plan, research tool/ questionnaire and pilot project were completed.<br>• The service provider is currently collecting data in the North West province to be followed by Gauteng and KwaZulu-Natal. | Delays with the procurement process.<br>The procurement process were only finalised in Quarter 3. |
| | Draft NPO Amendment Bill | NPO policy | Draft policy framework for amending NPO Act was developed and presented to HSDS. The HSDS requested that further consultations be conducted with all provinces. The Policy Framework was subsequently consulted with 5 provinces. | Draft NPO Amendment Bill | • Draft NPO Amendment Bill was completed. | No deviation |

## Registration and Monitoring of Non-Profit Organisations *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of trainees on governance and compliance with the NPO Act | Train 3 000 NPOs | 3 033 NPOs trained in 9 provinces | Train 3 000 NPOs | • 3 569 NPOs were trained. | No deviation |
| | | Train 350 provincial officials | 626 provincial officials trained | Train 400 provincial officials | • 509 provincial officials were trained. | No deviation |
| | Monitoring reports on the implementation of NPO Norms and Standards | Develop the NPO norms and standards | Norms and standards were developed | Implementation of the NPO norms and standards | • Norms and standards are integrated within the governance and compliance workshops. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| • The unit will fast-track the process of data collection to ensure completion of the NPOs Audit in 2016/17. | | | | | | |

## Community Development

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| Facilitate and coordinate community development efforts to build vibrant and sustainable communities by 2019 | Number of Community Development Practitioners (CDPs) trained | Train 1000 CDPs | 1 371 CDPs were trained | Train 1 200 CDPs | • 1 342 CDPs were trained. | No deviation |
| | Community Development Practice Policy developed | Facilitate Community Development Policy Framework | Community Development Policy Framework was finalised | Approve Community Development Practice Policy | • The Community Development Forum approved the Community Development Practice Policy. | No deviation |
| | Implementation Reports for the Norms and standards | Facilitate Norms and standards for community development | The Community Development Norms and Standards were finalised | Facilitate Implementation of the Norms and Standards | • Implementation Report for Norms and Standards was completed. | No deviation |
| | Integrated Framework and Model for community development. | No Baseline | – | Concept document on the Integrated Community Development Framework and Model | • Concept document on the Integrated Community Development Framework and Model was developed. | No deviation |

## Community Development *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of households profiled | 67 000 households profiled | 88 788 households were profiled | Profile 100 000 households | • 258 947 households were profiled. | No deviation |
| | Number of communities profiled | 400 Communities Profiled | 2 175 Communities were Profiled | Profile 400 communities | • 1907 communities were profiled. | No deviation |
| | Number of dialogues | 324 Dialogues were conducted | 325 Dialogues were conducted | Conduct 400 dialogues | • 493 dialogues were conducted. | No deviation |
| | Number of Wards reached through Mikondzo | 684 wards | All areas visited through Mikondzo and Ministerial Outreach Programmes, service delivery plans were developed and implementation was facilitated. | Reach 256 wards through Mikondzo | • 1 731 wards were reached through Project Mikondzo. | No deviation |
| | Number of people reached through outreach programmes | 50 000 People were reached | 111 250 people were reached through Ministerial outreach programme<br>110 365 people were reached through mobilisation programmes | Reach 60 000 people | • 322 025 people were reached through the Ministerial Outreach Programme. | No deviation |
| | Number of community based plans developed | Develop 200 community based plans | 568 community based plans were developed | Develop 400 community based plans | • 1 042 community-based plans were developed. | No deviation |
| | Number of cooperatives supported and operating | Train 48 cooperatives | 187 cooperatives trained | 300 cooperatives supported | • 860 cooperatives were supported. | No deviation |
| | Number of CBO supported and operating | Train 500 CBOs | 552 CBOs were trained on Community Development Practice | Support 720 CBOs | • 1 277 CBOs were trained. | No deviation |
| Contribute to poverty eradication and elimination of hunger through support to community driven programmes and the provision of food and nutrition security services by 2019 | Number of household supported and linked to socio-economic opportunities | No baseline | – | 400 households supported and linked to socio-economic opportunities | • 1 009 households were supported and linked to socio-economic opportunities. | No deviation |

## Community Development *(continued)*

| Strategic objectives | Performance indicator | Baseline | Actual achievement 2014/2015 | Annual target 2015/16 | Actual output 2015/16 | Reasons for deviation from 2015/16 target |
|---|---|---|---|---|---|---|
| | Number of DSD food distribution sites established and supported | 7 food Distribution Centres | 9 food distribution centres were established, one in each province | Support 9 food Distribution Centres | • 9 food distribution centres were supported. | No deviation |
| | | Establish and support 140 CNDC's | 140 CNDCs were established and funded | Support 140 CNDC's | • 167 CNDCs were supported. | No deviation |
| | Number of people accessing food through DSD programmes | 600,000 people accessing food through DSD programmes | 615 898 beneficiaries accessed through Community Development feeding programmes | 600 000 people accessing food through DSD programmes | • 379 094 people accessed food through DSD programmes. | Lack of reporting by provinces. |
| | Number of households accessing food through DSD programmes | 600 000 people accessing food through DSD programmes | – | 40 000 households accessing food through DSD programmes | • 272 217 households accessed food through DSD programmes. | No deviation |
| Strategies to overcome under-performance | | | | | | |
| | | | | | | |

## Linking Performance with Budgets – Programme 5: Social Policy and Integrated Service Delivery

| P 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY | | | | | | |
|---|---|---|---|---|---|---|
| | 2015/16 | | | 2014/15 | | |
| | Final appropriation | Actual expenditure | Variance | Final appropriation | Actual expenditure | Variance |
| Details per Sub-programme | R'000 | R'000 | R'000 | R'000 | R'000 | |
| 5.1 Social Policy Research and Development | 5 891 | 5 758 | 133 | 3 700 | 3 698 | 2 |
| 5.2 Special Projects and Innovation | 11 600 | 11 600 | – | 10 486 | 10 486 | 0 |
| 5.3 Population Policy Promotion | 35 815 | 35 736 | 52 | 32 096 | 32 096 | 0 |
| 5.4 Registration and Monitoring of Non-Profit Organisations | 30 301 | 30 301 | – | 29 431 | 29 084 | 347 |
| 5.5 Substance Abuse Advisory Services and Oversight | 4 078 | 4 078 | – | 3 878 | 3 878 | 0 |
| 5.6 Community Development | 97 795 | 97 795 | – | 85 751 | 85 751 | 0 |
| 5.7 National Development Agency | 184 381 | 184 381 | – | 178 337 | 178 337 | 0 |
| 5.8 Programme Management | 4 741 | 4 741 | – | 3 237 | 3 237 | 0 |
| **Total** | **374 602** | **374 417** | **185** | **346 916** | **346 567** | **349** |

"over the past five years, on average 71% of participants in the Social Sector EPWP were women and 51% were young people"

the National Research Report on Factors Associated with Teenage Pregnancy in SA was produced in March 2016

**191**

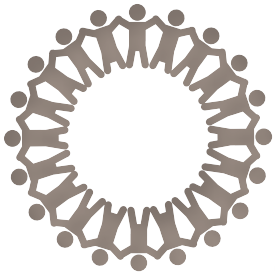
EPWP military veterans were appointed as part of economic support and through the creation of EPWP work opportunities

**3.3 MIL**

beneficiaries provided with nutritious food by the CNDCs

**19 845**

work opportunities had been created through social development sub-programmes as at the end of March 2016



KEY: = 1 000

# TRANSFER PAYMENTS

## Transfer Payments to Public Entities

| South African Social Security Agency (SASSA) | |
|---|---|
| Services rendered by the public entity | SASSA's objectives are to ensure the effective and efficient administration, management and payment of social assistance grants. |
| Amount transferred to the public entity R'000 | 6 642 970 |
| Amount spent by the public entity R'000 | 6 785 655 |
| Achievements of the public entity | As at 31 March 2016, SASSA paid 16 991 634 social assistance benefits. This represents a 2.1% increase compared to 2014/15.<br>SASSA continued to improve the turnaround time for processing social grants. In the period under review, 97% (473 234 out of 489 159) of new grant applications were processed within 15 working days. Although the target was 15 days, 83% (408 289 out of 489 159) of these applications were processed within one working day.<br>SASSA made 479 238 Social Relief of Distress (SRD) awards, including cash, food parcels, vouchers and school uniform. The total number includes beneficiaries who were assisted with SRD in response to disasters.<br>During the year under review, SASSA managed to convert 260 open pay points to fixed structures. The total number of conversions include the construction of steel structures and migration to community structures (i.e. community halls and churches).<br>SASSA processed 250 643 Foster Child Grant reviews during the year. |
| **National Development Agency (NDA)** | |
| Services rendered by the public entity | The NDA provides grants and capacity-building to civil society organisations (CSOs) that implement development programmes in poor communities. |
| Amount transferred to the public entity R'000 | 184 381 |
| Amount spent by the public entity R'000 | 256 251 |
| Achievements of the public entity | NDA funded 154 CSOs working in the areas of income generation, ECD and food and nutrition security, including organisations working with households. NDA's resource mobilisation programme supported a total of 896 households in Project Mikondzo areas.<br>R55.3 million was spent on institutional capacity-building interventions to 2 658 CSOs.<br>A total of 3 267 people benefitted from CSOs and cooperatives supported by the NDA programme. Cash to the value of R 74.7 million was disbursed to CSOs, benefitting 6 036 beneficiaries. 2 143 jobs were created through funded CSOs. |
| **National Student Financial Aid Scheme (NSFAS)** | |
| Services rendered by the public entity | The NSFAS administers the Social Work Scholarship Programme. |
| Amount transferred to the public entity R'000 | 276 144 |
| Amount spent by the public entity R'000 | 280 156 |
| Achievements of the public entity | 5 674 students were awarded scholarships in the 2015/16 financial year, including new scholarship recipients and continuing students, of which 1 819 are fourth year students. |

## Transfer payments to all organisations other than public entities

The table that follows reflects the transfer payments made for the period 1 April 2015 to 31 March 2016.

| Name of transferee | Type of organisation | Purpose for which the funds were used | Did the dept. comply with S38(1)(j) of the PFMA? | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|---|---|---|---|---|---|---|
| loveLife Trust | Non-Profit Organisation | Advocating for social behaviour change, as one of the approaches for preventing new HIV infections, STIs and teenage pregnancy. | Yes | 25 000 | 21 276 | Challenges in appointing provincial implementing agents. |
| South African National Aids Council | Non-Profit Company | Advocating for behaviour change through partnerships with provincial implementing agents to contribute to the prevention of further HIV infections, STIs and teenage pregnancies among the youth. | Yes | 28 331 | 0 | Challenges in appointing provincial implementing agents. |
| Soul City | Non-Profit Organisation | Providing on-going support of the communities that participated in Phase 1 of Kwanda project. | Yes | 1 046 | 1 000 | Funds rolled over from 2014/15 were spent by 31 March 2016. The 2015/16 funded activities commenced in April 2016 for a period of 12 months. |
| Ilitha Labantu | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in the Western Cape. | Yes | 10 208 | 12 772 | Expenditure includes funds rolled over from the 2014/15 financial year. |
| Meals on Wheels | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in KwaZulu-Natal. | Yes | 5 105 | 4 887 | Spending in line with approved project plan. |
| Motswedi Wa Sechaba | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in the North West. | Yes | 5 105 | 5 599 | Expenditure includes funds rolled over from the 2014/15 financial year. |
| Nonesi Development and Legal Advice | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in the Eastern Cape. | Yes | 5 105 | 4 221 | Newly appointed implementing agent. |
| Makotse Women's Club | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in Limpopo. | Yes | 5 105 | 6 266 | Expenditure includes funds rolled over from the 2014/15 financial year. |
| Thabang Information Centre | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in the Northern Cape. | Yes | 5 105 | 1 020 | The new provincial implementing agent only started in March 2016. |
| Adventist Development and Relief Agency PDC | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in the Free State. | Yes | 5 105 | 6 221 | Expenditure includes funds rolled over from the 2014/15 financial year. |

| Name of transferee | Type of organisation | Purpose for which the funds were used | Did the dept. comply with S38(1)(j) of the PFMA? | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|---|---|---|---|---|---|---|
| Kagisano | Non-Profit Organisation | Implementing the Household Food Nutrition Programme, as provincial implementing agents in Gauteng. | Yes | 5 105 | 4 858 | Some implementation costs funded from the provincial allocation. |
| Sinqobile Kingdom Empowerment Centre | Non-Profit Organisation | Implementing the Food Security Programme in Mpumalanga. | Yes | 5 105 | 6 329 | Expenditure includes funds rolled over from the 2014/15 financial year. |
| Suid Afrikanse Vroue Federasie | Non-Profit Organisation | Providing services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for social welfare services for children. | Yes | 726 | 726 | |
| Die Ondersteuningsraad | Non-Profit Organisation | | Yes | 917 | 917 | |
| Centre for Early Childhood Development | Non-Profit Organisation | | Yes | 713 | 0 | Project commenced in March 2016. |
| Child Welfare South Africa | Non-Profit Organisation | | Yes | 2 395 | 1 700 | Implementation period extended into the 2016/17 financial year. |
| Apostolic Faith Mission (AFM) (Die uitvoerendevelsynraad van die AGSA) | Non-Profit Organisation | | Yes | 689 | | |
| Afrikaanse Christlike Vroue Federasie (ACVV) | Non-Profit Organisation | | Yes | 1206 | 1 018 | |
| ChildLine South Africa | Non-Profit Organisation | | Yes | 928 | 928 | |
| Deaf Federation of South Africa (DEAFSA) | Non-Profit Organisation | Providing services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for social welfare services for children. | Yes | 500 | 500 | Awaiting consolidated report that was not finalised at the reporting period. |
| Epilepsy South Africa | Non-Profit Organisation | | Yes | 850 | 486 | Implementation period extended into the 2016/17 financial year. |
| Autism South Africa | Non-Profit Organisation | | Yes | 1 100 | 500 | Project was extended to 31 March 2017. |
| SA Federation for Mental Health | Non-Profit Organisation | | Yes | 1 301 | 801 | Implementation period was extended to 31 March 2017. |

| Name of transferee | Type of organisation | Purpose for which the funds were used | Did the dept. comply with S38(1)(j) of the PFMA? | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|---|---|---|---|---|---|---|
| Family and Marriage Society South Africa | Non-Profit Organisation | Providing services as a national body by developing, supporting and monitoring the implementation of policies, legislation and programmes to strengthen families. | Yes | 1 342 | 0 | Project started in March 2016 due to delayed compliance document. |
| South African Older Persons Forum | Non-Profit Organisation | Strengthening the existing Older Persons Forums in all provinces for the protection of the rights of older persons. | Yes | 1 249 | 1 249 | |
| National Institute Community Development and Management (NICDAM) | Non-Profit Organisation | Providing awareness training in nine provinces on Alzheimer's disease and related dementia. | Yes | 1 132 | 1 019 | One of the three cluster training sessions deferred to the first quarter of the 2016/17 financial year. |
| SA Depression and Anxiety Group | Non-Profit Organisation | Providing services as a national body by developing, supporting and monitoring implementation of policies, legislation and norms and standards for prevention and treatment of substance abuse. | Yes | 1 600 | 1 158 | Project was extended to the 2016/17 financial year. |
| SA Council on Alcoholism and Drug Dependence | Non-Profit Organisation | | Yes | 1 287 | 1 042 | Implementing period ends in 2016/17 financial year. |
| National Institute Community Development and Management (NICDAM) | Non-Profit Organisation | Establishing the national emergency response team. | Yes | 1 837 | 0 | The twelve month project commenced in March 2016. |
| Lifeline South Africa | Non-Profit Organisation | Increasing access of victim empowerment services to victims of crime and violence, through the Stop Gender Violence helpline, and conducting research on the Stop Gender Violence. | Yes | 1 100 | 1 223 | Includes funds rolled over from the 2014/15 financial year. |
| NICRO | Non-Profit Organisation | Developing a framework for an integrated social crime prevention strategy in practice, using partnership and practical approach at local level. | Yes | 1 010 | 462 | Project activities to be finalised in the 2016/17 financial year, as per the implementation plan. |
| Foundation for Victims of Crime | Non-Profit Organisation | Providing support services to victims of crime and violence. | Yes | 300 | 300 | |
| Youth Development Foundation | Non-Profit Organisation | Developing vocational programmes for children at risk and in conflict with the law in secure care centres. | Yes | 792 | 792 | |
| Khulisa Social Solutions | Non-Profit Organisation | | Yes | 189 | 189 | |

The monitoring of transfer payments is based on the service level agreements and activity plans agreed with the funded organisations. Funded organisations submit quarterly project reports, which are reviewed by the Department to monitor implementation, compliance and utilisation of funds.

## Transfer Payments Budgeted for but not made

The table below reflects the transfer payments that were budgeted for in the period 1 April 2015 to 31 March 2016, but were not made.

| Name of transferee | Purpose for which the funds were to be used | Amount budgeted for (R'000) | Amount transferred (R'000) | Reasons why funds were not transferred |
|---|---|---|---|---|
| Service Standards Organisation | Developing, promoting and maintaining training, ethical conduct and professional services. | 1 805 | 0 | Non-compliance with previous funding and 2015/16 application requirements. |

# CONDITIONAL GRANTS

## Conditional grants and earmarked funds paid

### Table 1

| Department/municipality to whom the grant has been transferred | Eastern Cape |
|---|---|
| Purpose of the grant | To provide funding for the construction of a substance dependency treatment facility in the Eastern Cape. |
| Expected outputs of the grant | • Reduction in recurrence of substance abuse.<br>• Affordable public treatment programmes. |
| Actual outputs achieved | • The building was completed, and the certificate of completion was handed to the Department on 17 September 2015.<br>• The registration of the treatment centre in terms of the Prevention of and Treatment for Substance Abuse Act, 2008 (No. 70 of 2008) was finalised in January 2016.<br>• A 12-month conditional registration status was approved. |
| Amount per amended DORA (R'000) | 2 000 |
| Amount transferred (R'000) | 2 000 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the department/municipality (R'000) | 1 998 |
| Reasons for the funds unspent by the entity | The construction of the treatment centre was completed. |
| Monitoring mechanism by the transferring department | Invoices were reviewed to confirm that the work done is in line with the purpose of the grant. Progress reports were submitted to the Department, and physical site visits were conducted. |

## Table 2

| Department/municipality to whom the grant has been transferred | Free State |
|---|---|
| Purpose of the grant | To provide funding for the construction of a substance dependency treatment facility in the Free State. |
| Expected outputs of the grant | • Reduction in recurrence of substance abuse.<br>• Affordable public treatment programmes. |
| Actual outputs achieved | • A site for the construction of the building was previously identified.<br>• The design of the centre was finalised.<br>• The contractor was appointed (February 2016). |
| Amount per amended DORA (R'000) | 12 500 |
| Amount transferred (R'000) | 12 500 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the department/municipality R'000 | 3 500 |
| Reasons for the funds unspent by the entity | The delay in spending was as a result of design modifications, which were made in an effort to reduce project costs. This led to delays in implementing the project plan, including the appointment of the contractor, which was finalised on 11 February 2016. |
| Monitoring mechanism by the transferring department | Invoices were reviewed to confirm that the work done is in line with the purpose of the grant. Progress reports were submitted to the Department, and physical site visits were conducted. |

## Table 3

| Department/municipality to whom the grant has been transferred | Northern Cape |
|---|---|
| Purpose of the grant | To provide funding for the construction of a substance dependency treatment facility in the Northern Cape. |
| Expected outputs of the grant | • Reduction in recurrence of substance abuse.<br>• Affordable public treatment programmes. |
| Actual outputs achieved | • Groundworks were completed by the end of the financial year.<br>• The contractor appointed for top structure started with foundations.<br>• Process for procurement of external fence has begun. |
| Amount per amended DORA (R'000) | 16 000 |
| Amount transferred (R'000) | 16 000 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the department/municipality R'000 | 16 000 |
| Reasons for the funds unspent by the entity | N/A |
| Monitoring mechanism by the transferring department | Invoices were reviewed to confirm that the work done is in line with the purpose of the grant. Progress reports were submitted to the Department, and physical site visits were conducted. |

## Table 4

| Department/municipality to whom the grant has been transferred | North West |
|---|---|
| Purpose of the grant | To provide funding for construction of a substance dependency treatment facility in the North West. |
| Expected outputs of the grant | • Reduction in recurrence of substance abuse.<br>• Affordable public treatment programmes. |
| Actual outputs achieved | • The site was handed over on 23 January 2015.<br>• Project progress is currently at 96% completion. |
| Amount per amended DORA (R'000) | 17 000 |
| Amount transferred (R'000) | 17 000 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the department/municipality | 17 000 |
| Reasons for the funds unspent by the entity | N/A |
| Monitoring mechanism by the transferring department | Invoices were reviewed to confirm that the work done is in line with the purpose of the grant. Progress reports were submitted to the Department, and physical site visits were conducted. |

During the reporting period, a total of 82 community-level ASRHR campaign dialogues (commonly called Ezabasha) were held in seven provinces

860 cooperatives participated in training programmes on governance, conflict management, financial management and basic bookkeeping

The Department awarded five scholarships for PPD country participants from Vietnam, Kenya, Ghana, Tunisia and Pakistan

5

**R61.6 MIL**

EPWP Incentive Grant allocation was used to create 3 379 full-time equivalent (FTE) work opportunities

# DONOR FUNDING

## Donor funding in cash

### Table 1

| Name of donor | Canadian International Development Agency (CIDA) |
|---|---|
| Full amount of the funding | R45 069 017.95 (5 million Canadian $) |
| Period of the commitment | June 2008 to March 2016 (no cost extension from June 2013 to March 2016) |
| Purpose of the funding | • To conduct research into the incidence of child abuse, neglect and exploitation (CANE) and hold workshops on evidence-based planning and programming. |
| Expected outputs | • The ultimate outcome of the SACPSS Project is an improved response to CANE that contributes to an enabling environment for the care and protection of children resident in South Africa, as provided for by the Children's Act, 2005 (Act No. 38 of 2005). The ultimate outcome will be achieved through the following intermediate outcomes:<br>o Improved inter-sectoral coordination between identified child protection stakeholders in terms of CANE data.<br>o Improved management of CANE data by DSD.<br>o Enhanced evidence-based gender-responsive programming and planning for CANE for boys and girls. |
| Actual outputs achieved | • Capacity-building in evidence-based planning and programming was conducted in all nine provinces.<br>• A total of 763 officials were trained.<br>• Preliminary study findings were presented to all the nine provinces.<br>• Business process mapping for the Child Protection Register was also done for each province, concurrently with the evidence-based planning and programming workshops. |
| | • The following capacity-building sessions took place:<br>o Eastern Cape: 15–16 October 2015 (86 officials)<br>o Eastern Cape: 22–23 October 2015 (71 officials)<br>o Free State: 12–14 August 2015 (94 officials)<br>o Gauteng: 09–11 September 2015 (76 officials)<br>o KwaZulu-Natal: 01–02 October 2015 (128 officials)<br>o Limpopo: 17–18 September 2015 (105 officials)<br>o Mpumalanga: 08–09 October 2015 (32 officials)<br>o Northern Cape: 17–18 November 2015 (27 officials)<br>o North West: 26–27 August 2015 (74 officials)<br>o Western Cape: 19–21 August 2015 (70 officials) |
| Amount received in current period (R'000) | 12 443 |
| Amount spent by the department (R'000) | 12 443 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Quarterly, semi-annual and annual reports are submitted to the donor. |

## Table 2

| Name of donor | German Development Bank (KfW) |
|---|---|
| Full amount of the funding | €9.9 million: €6.9 million allocated to the construction component (OVC1 project) and €3.0 million to the social component (OVC2 project) |
| Period of the commitment | 2013 to December 2016 |
| Purpose of the funding | To implement a care and support programme for child- and youth-headed households in KwaZulu-Natal, Limpopo and North West. |
| Expected outputs | • Construction of 18 community care centres.<br>• Implementation of the skills development programme (social component). |
| Actual outputs | • Construction of 16 community care centres was commenced in July 2015 in KwaZulu-Natal, Limpopo and North West.<br>• The Charlestown Community Care Centre in KwaZulu-Natal was officially handed over to the Department on 22 February 2016. |
| Amount received in the 2015/16 financial year (R'000) | 56 100 |
| Amount spent by the department (R'000) | 49 472 |
| Reasons for to the funds unspent | Activities relating to the remaining funds will be finalised in the 2016/17 financial year. |
| Monitoring mechanism by the donor | Quarterly reports were submitted to the donor, and steering committee meetings were held. |

## Table 3

| Name of donor | Global Fund |
|---|---|
| Full amount of the funding | Second allocation: R19 600 000.00 |
| Period of the commitment | 1 October 2013 to 31 March 2016 |
| Purpose of the funding | To strengthen monitoring and evaluation systems for programmes for orphans and other children made vulnerable by HIV and AIDS. |
| Expected outputs | • An advocacy plan to increase the use of data programming improvement.<br>• A capacity-building plan for strengthening HIV and AIDS monitoring, reporting and evaluation system.<br>• The development of community-based training material for the integrated HIV and AIDS reporting system.<br>• Standard operating procedures for data management processes.<br>• Data quality management (DQM), data analysis and utilisation.<br>• Strengthened HIV and AIDS programme monitoring, reporting and evaluation systems at provincial, district and local level.<br>• The creation of an evidence base for HIV and AIDS. |
| Actual outputs achieved | • 49 data capturers in eight provinces, one national coordinator and one project manager were appointed.<br>• Training on data quality, data analysis and improving of data in decision-making was conducted in North West, Northern Cape, Mpumalanga, Limpopo, Free State, Gauteng and Eastern Cape. |
| Amount received in current period (R'000) | 7 632 |
| Amount spent by the department in the current period (R'000) | The spending inclusive of funds rolled over from the 2014/15 financial year is reflected below.<br>7 684 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Quarterly reports were submitted to the donor. |

### Table 4

| Name of donor | Criminal Asset Recovery Agency (CARA) |
|---|---|
| Full amount of the funding | R26 000 000.00 |
| Period of the commitment | 1 July 2012 to 31 March 2016 |
| Purpose of the funding | To improve victim empowerment services, by providing capacity building and funding to emerging organisations and shelters. |
| Expected outputs | • Funding and building the capacity of civil society organisations (CSOs) providing services to victims of crime.<br>• Funding to shelters for victims of crime and vulnerable groups. |
| Actual outputs achieved | • Funds were transferred to 28 CSOs for the implementation of various activities under the Victim Empowerment Programme.<br>• Two of the organisations received funding to strengthen them and enable them to accommodate suspected victims of trafficking. |
| Amount received in current period (R'000) | 13 772 was rolled over from the 2014/15 financial year. |
| Amount spent by the department in the current period (R'000) | 6 554 |
| Reasons for the funds unspent | The Department continued to conduct guidance, support and monitoring visits to the funded CSOs. Most of these organisations faced challenges of inadequate financial, governance and human resource systems. As a result, there were delays in the submission of the required funding documents, which in turn delayed the release of funds to these organisations. |
| Monitoring mechanism by the donor | Quarterly reports were submitted to the donor. |

## Donor funds in kind

### Table 1

| Name of donor | German Development Bank (KfW) |
|---|---|
| Full amount of the funding | €1 601 000.00 |
| Period of the commitment | 2013 to December 2016 |
| Purpose of the funding | To implement the care and support programme for child- and youth-headed households in KwaZulu-Natal, Limpopo and North West. |
| Expected outputs | Provide general management, procurement advice, financial project management and overall reporting on the KfW-funded project for the construction of community care centres and implementation of the skills development programme. |
| Actual outputs | • Funding replenishment requests for the amount of R56.100 million were prepared, approved and transferred to the Department.<br>• Quarterly reports were prepared for the periods ending 31 March 2015, 30 June 2015, 30 September 2015 and December 2015. A draft report for the quarter ending 31 March 2016 was also prepared.<br>• In August 2015, the consultants submitted a monitoring and assessment tool for monitoring project expenditure and operational budgets.<br>• Prepared Addendum 2 to the consulting agreement to extend the consulting services to October 2017 in order to accommodate the additional works and extended implementation timelines due to delays encountered during implementation.<br>• Assisted the Department to prepare the VAT reimbursement report for submission to SARS. |
| Amount received in the 2015/16 financial year (R'000) | The donor paid €391 531.25 directly to GOPA for consultancy fees.<br>5 630 |
| Amount spent by the Department in the current period (R'000) | 5 630 |
| Reasons for to the funds unspent | N/A |
| Monitoring mechanism by the donor | Quarterly reports submitted to the donor. |

## Table 2

| Name of donor | UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) |
|---|---|
| Full amount of the funding | US$4 920 684.00 |
| Period of the commitment | 1 June 2012 to June 2016 (no cost extension to 2016 has been provided) |
| Purpose of the funding | To promote the maintenance and sustainability of the Children's Services Directory. |
| Expected outputs | • Provide support services to DSD for the Children's Services Directory.<br>• Promote maintenance and sustainability of the project.<br>• Provide technical assistance support and recommendations to DSD to maintain, update and ensure full functionality of the project.<br>• Increased competencies of DSD staff to perform roles and responsibilities related to the Children's Services Directory.<br>• Increased capacity of the electronic Children's Services Directory system.<br>• Increased prognosis for the sustainability of the Children's Services Directory. |
| Actual outputs achieved | • The web-based and SMS versions are in the process of being finalised.<br>• Verification of NPOs for the Children Services Directory was finalised.<br>• Training on the Children's Services Directory system was conducted in the provinces.<br>• The Directory is in place and ready for printing.<br>• A draft sustainability plan for the project is in place. |
| Amount received in the 2015/16 financial year (R'000) | An amount of US$866 015 was paid directly to service providers.<br>11 692 |
| Amount spent by the Department in the current period (R'000) | 11 692 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Quarterly reports including financial spending were submitted to the donor and the Department. |

## Table 3

| Name of donor | UNITED STATES AGENCY FOR INTERNATIOINAL DEVELOPMENT (USAID) |
|---|---|
| Full amount of the funding | US$4 900 000.00 |
| Period of the commitment | October 2013 to June 2016 |
| Purpose of the funding | • 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.<br>• To strengthen effective and efficient child protection responses, by increasing the capacity and engagement of civil society and state OVC providers.<br>• To strengthen evidence base through monitoring and operational research. |
| Expected outputs | • Training of community caregivers in psychosocial well-being and child protection.<br>• Training of supervisors on supportive supervision.<br>• Extended scope of accredited training service providers. |
| Actual outputs achieved | • A provincial orientation/induction workshop was held.<br>• A concept paper on guidelines for sustainability and transfer of ownership of programmes was developed and the proposed guidelines workshopped with national and provincial DSD.<br>• Materials utilisation guidelines for use by training service providers, DSD and HWSETA were printed and distributed.<br>• A five-day capacity-building workshop for new training service providers was held.<br>• All three skills development programmes for continuing professional development points were registered with the South African Council for Social Services Professions. |
| Amount received in the 2015/16 financial year R'000 | An amount of US$1 719 286 was paid directly to service providers.<br>23 213 |
| Amount spent by the Department in the current period R'000 | 23 213 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Quarterly reports including financial spending were submitted to the donor and the Department. |

## Table 4

| Name of donor | UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) |
|---|---|
| Full amount of the funding | 1 361 931.84 |
| Period of the commitment | 15 July 2015 to 15 July 2017 |
| Purpose of the funding | To strength the ECD programme. |
| Expected outputs | • Technical management and coordination support of the ECD programme.<br>• Technical guidance and support to DSD and other ECD stakeholders in developing and implementing the ECD Policy at national, provincial and local levels.<br>• Identification and organisation of capacity-building on the approved ECD Policy, Children's Act (registration of ECD programmes) and the parental/primary caregiver capacity-building training package, including training, coaching and mentoring for government officials in the DSD at national, provincial and local levels.<br>• Contribute towards inter-sectoral coordination, collaboration and networking between government departments, civil society, developmental organisations and the private sector level.<br>• Identify gaps and potential areas for research on ECD at household level. |
| Actual outputs achieved | • Programme was developed and aligned to the strategic and operational plans for implementation in the 2016/17 financial.<br>• Draft ECD Policy was approved on 09 December 2015 by Cabinet.<br>• ECD Policy was professionally edited and submitted to UNICEF as they are assisting with the printing of the Policy.<br>• The alignment between the ECD Policy and the Comprehensive ECD Programme took place and was submitted to the Chief Director: ECD on 15 March 2016.<br>• The planning for the 2016/17 capacity-building on the approved ECD Policy and parenting/primary caregiver capacity-building training package was completed.<br>• The ECD Focus Group of National Child Care and Protection Forum was briefed on the arrangements for the capacity-building sessions on 11 March 2016.<br>• The facilitators guidelines (first two modules completed) based on the ECD Policy that is being developed in collaboration with UNICEF were tabled at the management meeting between DSD and FHI360 on 23 March 2016.<br>• A concept paper was developed on stakeholder mapping and circulated to the members of the Sub-committee for ECD Policy and Legislation for comments.<br>• Final report was received for the Meta Assessment and Analysis for ECD data pertaining to children from birth to four years. |
| Amount received in the 2015/16 financial year (R'000) | 465 |
| Amount spent by the Department in the current period (R'000) | 465 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Monthly and quarterly reports were submitted to the donor.<br>Weekly supervisory meetings were held between the Technical Advisor: ECD and the supervisor in FHI360.<br>Monthly meetings were also held between FHI360 management and the Chief Director: ECD. The Technical Advisor was expected to attend monthly meetings with FHI360 to report on progress. |

## Table 5

| Name of donor | UNICEF |
|---|---|
| Full amount of the funding | R275 000.00 |
| Period of the commitment | 1 February to June 2015 |
| Purpose of the funding | To provide the office of the Deputy Director–General: Welfare Services in the Department of Social Development with administrative and management capacity for the development and finalisation of the ECD Policy and Comprehensive ECD Programme (individual consultancy assignment). |
| Expected outputs | • Provide monthly reports on the progress and process articulating challenges and solutions.<br>• Provide a final report on the overall process and lessons leant. |
| Actual outputs achieved | • Liaising with offices of deputy directors–general in key departments, the ECD sections and others on the various aspects of the policy and programme development. processes, such as relating to the review of the reports and documents prepared by the HSRC.<br>• Coordinate all communication and correspondence relating to the policy and programme development with all relevant partners and stakeholders.<br>• Coordinate all meetings relating to the policy and programme development. |
| Amount received in the 2015/16 financial year (R'000) | Amount paid directly to the consultant by the donor.<br>275 |
| Amount spent by the Department in the current period (R'000) | 275 |
| Reasons for the funds unspent | Not applicable |
| Monitoring mechanism by the donor | Monthly reports and regular weekly planning meetings with the donor and DSD. |

## Table 6

| Name of donor | UNICEF |
|---|---|
| Full amount of the funding | R32 167.00 |
| Period of the commitment | 8–9 June 2015 |
| Purpose of the funding | To fund the Violence Against Children Surveillance study. |
| Expected outputs | Technical team evaluated comments received from the public gazette process. |
| Actual outputs achieved | A successful workshop was hosted and each member of the technical team worked individually to provide the required evaluation on the comments received through the gazette process. |
| Amount received in the 2015/16 financial year (R'000) | Paid directly to suppliers of accommodation and venue for the workshop.<br>32 |
| Amount spent by the Department in the current period (R'000) | 32 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Outputs by each technical team collected and used to refine the draft ECD Policy. |

## Table 7

| Name of donor | UNICEF |
|---|---|
| Full amount of the funding | R220 000.00 |
| Period of the commitment | 20 July 2015 to 2 October 2015 |
| Purpose of the funding | • To conduct a feasibility study on the options for inter-sectoral management and coordination based on the national and international best practices from 20 July to 30 September 2016.<br>• To conduct a rapid assessment of local government by-laws and policies related to ECD from 3 September to 2 October 2015. |
| Expected outputs | Feasibility study<br>• Identify different role-players to understand why coordination is needed within and across departments, spheres of government and other role players.<br>• Identify arrangements that have been put in place to facilitate ECD inter-sectoral management and coordination. The main objective is to identify the status of current arrangements, their strengths and weaknesses, current resources and systems supporting the current arrangements.<br>• Identify assets that can be used going forward, key challenges and strengths that should be integrated into the broader analysis.<br><br>Rapid assessment<br>• Determine the current status of policy and by-law development regarding ECD at local government level.<br>• Use the outputs of the assessment to inform the findings in the study report, which will be used to contribute to broader policy and by-law development relevant to ECD. |
| Actual outputs achieved | • A contract was signed between UNICEF and the service provider.<br>• The feasibility study and rapid assessment was conducted during the financial year. |
| Amount received in the 2015/16 financial year (R'000) | Paid directly to suppliers of accommodation and venue for the workshop.<br>220 |
| Amount spent by the Department in the current period (R'000) | 220 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Appointed service provider will provide the study report and the presentation to UNICEF and DSD. |

## Table 8

| Name of donor | Japan International Cooperation Agency (JICA) |
|---|---|
| Full amount of the funding | Not specified in the agreement |
| Period of the commitment | Three years: 8 December 2012 to 7 December 2015 |
| Purpose of the funding | To enhance 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<br>• Improved knowledge and skills of DSD officials to effectively mainstream disability.<br><br>M&E<br>• Enhanced DSD's M&E system to enrich disability knowledge base, to facilitate full integration of disability into respective policies and programmes.<br><br>Networking<br>• Establish networks for sharing information on disability mainstreaming with Southern African countries (e.g. SADC) and initiate regional collaboration. |

| Name of donor | Japan International Cooperation Agency (JICA) |
|---|---|
| Actual outputs achieved in the 2014/15 financial year | • DSD and JICA conducted training (one national and 10 provincial) on disability mainstreaming in all nine provinces, and 617 delegates participated.<br>• The training was targeted at senior and middle managers of various DSD programmes (e.g. children, youth, HIV and AIDS, older persons), people with disabilities, representatives from local municipalities, other related departments (e.g. Department of Health, Department of Education) and neighbouring countries in the Southern African Region (e.g. Lesotho, Swaziland, Namibia, Zimbabwe and Botswana).<br>• According to the evaluation from the training participants, participants prior to the training had limited understanding of disability.<br>• Following the training, monitoring and evaluation were conducted in seven provinces (KwaZulu-Natal, Western Cape, Gauteng, Free State, Northern Cape, Eastern Cape and Limpopo). |
| Amount received in the 2015/16 financial year (R'000) | 250 |
| Amount spent by the Department in the current period (R'000) | 250 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | A JICA expert was dispatched to the national DSD and assisted DSD officials in implementing and monitoring the programme. |

## Table 9

| Name of donor | United Nations Partnership to Promote the Rights of Persons with Disabilities (UNPRDP) |
|---|---|
| Full amount of the funding | US$219 996.00 |
| Period of the commitment | 1 January 2015 to 31 March 2016 (Commitment period extended) |
| Purpose of the funding | To accelerate the implementation of the UN Convention on the Rights of Persons with Disabilities. |
| Expected outputs | • Strengthened monitoring and evaluation systems to track progress in realising the rights of persons with disabilities in South Africa, by strengthening statistics and data management systems, developing indicator matrix and disaggregating the National Development Plan.<br>• Establishment of the legal and policy framework that complies with and implements the provisions of the Convention on the Rights of Persons with Disabilities.<br>• A reduction in economic vulnerability of persons with disabilities by conducting Costs of Disability Research. |
| Actual outputs achieved | • National Development Plan disability disaggregation was completed.<br>• National Policy and Framework for the Monitoring and Evaluation of the Rights of Persons with Disability Rights was completed.<br>• Draft National Disability Rights Policy was released for public comment.<br>• Cost of Disability Research Study Phase 1 was completed. |
| Amount received in the 2015/16 financial year (R'000) | An amount of US$105 417.02 was paid by the donor directly to suppliers.<br>1 374 |
| Amount spent by the Department in the current period (R'000) | 1 374 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Monthly reports were submitted to the donor and monthly steering committee meetings were held. |

## Table 10

| Name of donor | PACT USAID |
|---|---|
| Full amount of the funding | Not specified in the agreement |
| Period of the commitment | September 2013 to 30 September 2018 |
| Purpose of the funding | To strengthen the capacity of South African government, in particular the DSD, to improve service outcomes for orphans, vulnerable children and youth, and to reduce the incidence of HIV and AIDS. |
| Expected outputs | • Improve timely availability of reliable data on programme performance monitoring and evaluation and information about the social effects of HIV and AIDS and other vulnerabilities faced by children.<br>• Strengthen coordination, management and oversight of community care service structures that protect and care for the most vulnerable children and their families.<br>• Strengthen inter-sectoral integration and coordination between the DSD and other government departments, such as health and education.<br>• Build a supportive multi-sectoral environment for vulnerable children, led by the Department through strengthening the system at national and provincial level. |
| Actual outputs achieved in the 2015/16 financial year | • Capacity-building provided to NPOs for improved services to children.<br>• A capacity assessment tool was developed, to be used with NPOs presently funded by DSD, and piloted in Mpumalanga.<br>• DSD national and provincial personnel were trained in conducting assessments.<br>• Assessments were conducted with nine CBOs providing home-based care services to orphans and vulnerable children.<br>• A rapid assessment began of the Department's policies, procedures, norms and standards, guidelines, programmes, research etc. related to children's services.<br>• Strategy development: A brainstorming session was held with personnel to identify linkages between expectations of Outcome 13 and the role of other government departments (23–24 June 2015).<br>• Legislation and policy review: workshops were conducted to review the Child Protection Policy Framework to identify gaps that need to be addressed. |
| Amount received in the 2015/16 financial year (R'000) | 53 700 |
| Amount spent by the Department in the current period (R'000) | 53 700 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | PACT submitted monthly reports to USAID, other contractual reports and meetings with USAID. |

**The Department continued to contribute towards deepening the social policy discourse and evidence-based policy-making through developing and producing research and policy briefs**

## Table 11

| Name of donor | UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) |
|---|---|
| Full amount of the funding | 1 500 000.00 |
| Period of the commitment | 8 December 2014 to 7 December 2016 |
| Purpose of the funding | To offer technical assistance and project management services for the Isibindi Project. |
| Expected outputs | • Provide a management, coordination, planning and oversight role for the implementation of the Isibindi model in all provinces and actively participate in the Isibindi Stakeholder Steering Committee.<br>• Create an evidence base for HIV and AIDS programmes.<br>• Review, upgrade and upscale capacity building initiatives including training, coaching and mentoring for key stakeholders at National, Provincial and district levels. |
| Actual outputs achieved | • The inception report was developed.<br>• The project plan, work plan, reporting templates and terms of reference were finalised for the mid-term review of the Isibindi Project.<br>• Monitoring and evaluation tools were reviewed and piloted in the North West province.<br>• Five task team meetings and meetings for resolving challenges experienced were arranged.<br>• Database was updated for implementing partners, safe parks, child and youth care workers learners and mentors.<br>• Grade 12 learner support initiatives were facilitated in partnership with the South African Institute of Chartered Accountants (SAICA) and the National Association of Child and Youth Care Workers (NACCW).<br>• Of the 3 997 Grade 12 Isibindi beneficiaries, 1 214 were reached through learning and development programmes.<br>• Stakeholder awareness, involvement and participation were enhanced in the implementation of the Isibindi Project.<br>• The MOU for partnership with SAICA was signed in January 2016.<br>• Desktop research was conducted on HWSETA's training regulatory framework and procedures and status of registration of the NACCW.<br>• HWSETA confirmed certification of 587 of the 1173 learners. |
| Amount received in the 2015/16 financial year (R'000) | 825 |
| Amount spent by the Department in the current period (R'000) | 825 |
| Reasons for the funds unspent | N/A |
| Monitoring mechanism by the donor | Reports were submitted to the Department and the Training and Capacity Building Director. |

# CAPITAL INVESTMENTS

## Capital investments, maintenance and asset management plan

### Capital investments

The Department's movable capital assets consist mainly of:

- Office furniture and equipment
- Vehicles
- IT infrastructure and equipment
- Kitchen equipment

The Department does not own any immovable capital assets. At the beginning of the financial year the Department had already embarked on a full-blown asset-verification process and cleaning up the asset register. This has been initiated to prepare for migration of assets from FastTrack system to Logis system. Some of the assets that are lost are still under investigation.

### Asset management

The Department's asset register complies with the minimum information required in terms of the Asset Management Guideline issued by the National Treasury. During the period under review, the Department conducted stock-takes of all assets, as required by the Department's Asset Management Policy. All newly acquired assets were reconciled against the accounting records. The Asset Management Office ensures that requests for assets comply with departmental policies, norms and standards before any asset is approved for procurement. The Department still uses the FastTrack Asset Management System.

### 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.

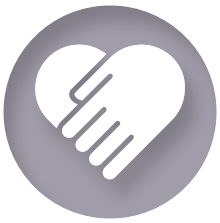
**R2 296 800**

secured by the Department from the HWSETA for training 232 officials

The Department's flagship programme, the Community Work Programme (CWP), provided HCBC, ECD, sustainable livelihoods and anti-substance abuse social services in 43 CWP sites at six provinces

**31 183**

applications received from (non-profit) organisations seeking registration processed by the Department



the Department has resumed a multi-stakeholder coordination platform geared at an integrated approach to providing support to military veterans

the Department is now eligible for

**R109 MIL**

of the R359 million allocated to the sector through the Incentive Grant for 2016/17

PART C

# GOVERNANCE

## 1. Introduction

The Department is committed to maintaining the highest standards of governance in the management of public finances and resources. As a result, effective risk management, anti-corruption and fraud prevention, occupational safety and adherence to the public service code of conduct are fundamental for good governance and administration. The frameworks and procedures discussed below are core pillars of the Department's corporate governance arrangements, and are developed and implemented based on relevant legislation as well as best practice.

## 2. Risk Management

Effective risk management is imperative for the Department to fulfil its mandate, meet the public's service-delivery expectations and improve its performance. Realising the strategic and annual performance plans depends on the ability to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Risk is defined as an unwanted outcome (actual or potential) to the institution's service delivery and other performance objectives that is caused by the presence of risk factor(s). Some risk factors also present upside potential, which management must be aware of and be prepared to exploit. This definition of "risk" also encompasses such opportunities.

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

- More sustainable and reliable delivery of services
- Achievements of targets
- Informed decisions underpinned by appropriate rigour and analysis
- Innovation
- Reduced waste
- Prevention of fraud and corruption
- Better value for money through more efficient and effective use of resources
- Better outputs and outcomes through improved project and programme management

In view of the above, the Department has adopted an entity-wide approach to risk management, which implies that every major risk in each section of the Department will be included in a structured and systematic risk management process. Therefore, the Department conducts annual risk assessments with all of its business units, which are then consolidated into a risk assessment report with action plans to mitigate the risks. The Risk Management unit ensures quarterly monitoring and reporting on the action plans.

The Department has also recognised the importance of compliance risks in respect of all relevant legislation and policies that support its objectives. Furthermore, significant attention is accorded to information and technology, financial, fraud and occupational health and safety risks.

The Department's risk management committee approves the risk policy, implementation plan and strategy, as part of its governance responsibilities. The committee meets quarterly and is chaired by an external chairperson. It submits quarterly reports on risk management to the audit committee, which is an independent committee responsible for the oversight of the Department's control, governance and risk management.

Risk management practices and maturity levels have generally improved within the organisation, and the ultimate goal is to ensure that risk management is embedded in the Department's systems and processes, so that responses to risk remain current and dynamic.

## 3. 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.
- To reinforce existing regulations aimed at preventing and detecting corruption and fraud.
- To create awareness among all employees, service providers and suppliers in order to get their buy-in to the fight against corruption and fraud.
- To take appropriate action against perpetrators.
- To improve or implement the necessary controls over fraud risk areas.

Annexure A of the policy explains the Department's Anti-Corruption and Fraud Prevention Plan. Annexure B explains the Department'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.

## 4. Minimising Conflict of Interest

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

## 5. Code of Conduct

The Code of Conduct provides guidance to employees of what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. In other words, it is a guideline on how officials should conduct themselves in the workplace.

The Department expects employees to comply with the Code of Conduct. Formal or progressive disciplinary steps are taken against any official who is in breach of the Code of Conduct.

### The process to follow for a breach of the Code of Conduct

If an official breaches the Code of Conduct, the official's manager issues an *audi alteram partem* rule letter to afford the official an opportunity to respond to the alleged transgression. Depending on the nature of the transgression and based on the official's response, a decision is taken as to whether or not formal or progressive disciplinary steps should be instituted against the official. For a progressive disciplinary process, the outcome is communicated to the official who has the right to appeal against the sanction, by filing an appeal with the Appeal Authority (Minister). In a formal disciplinary process, the disciplinary hearing is convened after the crafting of charges, and the outcome of the process is communicated to the employee. The employee still has a right to appeal against the outcome of the hearing by communicating the appeal to the Appeal Authority (Minister).

## 6. Health Safety and Environmental Issues

The Department's occupational health and safety (OH&S) committee holds meetings as often as may be necessary, but at least once every three months, at a time and place determined by the committee. During 2015/16, a number of meetings were cancelled due to the absence of OH&S representatives. As a result, only four meetings took place.

To prevent a recurrence of non-attendance at scheduled OH&S meetings, a meeting schedule for the new financial year has been communicated to all OH&S representatives. In addition, the Directorate: Security Management, together with Human Resource Management has finalised the key performance areas for the OH&S representatives for inclusion in their work plans.

The Department conducted an evacuation of the Human Science Research Council (HSRC) building that was approved by the Tshwane Disaster Management Unit. The Department also conducted OH&S Audits of its HSRC and Groenkloof offices, which both complied with the legislation. The audit report was submitted to the Risk Management unit and to the Directorate: Employee Health and Wellness, which in turn submitted the report to the Department of Labour, as required by legislation.

Training of OH&S representatives (first aiders, safety representatives and firefighting members) was conducted during the reporting period. The Directorate: Security Management continued to liaise on a regular basis with HSRC, as the building custodian, and participated in all OH&S meetings. All shortcomings in the OH&S plans and the public address system were presented during these meetings.

New appointments to the OH&S committee are made only after staff have been trained in firefighting, first aid and the duties of an OH&S representative. An internship post was created for one year within the Directorate to support the function and management of OH&S in the Department.

## 7. Portfolio Committees

The Department was invited to several meetings with the Portfolio Committee on Social Development, and the details are provided in the table below.

| Date of meeting | Purpose of meeting | Resolutions and recommendations |
|---|---|---|
| 15 April 2015 | Briefing by the Department on its strategic and annual performance plans<br>Briefing by the South African Social Security Agency (SASSA) on its strategic and annual performance plans<br>Briefing by the National Development Agency (NDA) on its strategic and annual performance plans | • The Committee noted the Strategic and Annual Performance Plans of the Department and SASSA and the apology from National Development Agency (NDA).<br>• It was resolved that the Department should arrange a workshop with the Committee in order to address some of the issues that had not been discussed, such as how the Committee can advise and guide the Department in implementing programmes such as the Food and Security Nutrition Programme.<br>• The Department was asked to invite the Committee when it embarked on its outreach programmes.<br>• The Committee recommended that the Department should ensure that the priorities in the strategic plan were aligned with the upcoming budget vote. |
| 29 April 2015 | Briefing by the Department on revised Programme 1: Administration<br>Presentation by the Department on Programme 1 of its annual performance plan for 2015/16 | • The Committee noted the presentation and indicated that members had interacted with the presentation before; the Committee requested the Department to re-do the Programme 1 presentation.<br>• The Department should brief the Committee on its Human Resource Development Plan.<br>• The Committee recommended that the Department should ensure that all its vacant posts are filled. |
| 20 May 2015 | Briefing by the Department on its 3rd quarter performance report (October–December 2014)<br>Analysis report for the 3rd quarter expenditure and performance | • The Committee recommended that, in future, more context on the target and actual achievements should be given, to allow the committee members to engage with the presentation in a more informed manner. |
| 03 June 2015 | Briefing by the Department on its 3rd quarter performance report (October–December 2014)<br>Briefing by SASSA on its 3rd quarter performance report (October–December 2014) | The Committee noted that the Department had given its 3rd quarter 2014/15 performance report in the previous meeting, but no questions had been asked. This meeting was an opportunity for members to raise issues on the presentation.<br>• The Committee commented that the finances of the Department were all in order as presented in the 3rd quarter performance report.<br>• The Committee further commented that work of Department and its agency, SASSA, appeared to be correlating well.<br>• The date of the planned workshop between the Committee and the Department (including heads of the provincial departments) was confirmed for the 24 and 25 June 2015 in Stellenbosch.<br>• The Committee confirmed that the week of 21–30 July was allocated for oversight visits, and that provinces and focus areas for these visits still had to be identified and confirmed. |
| 17 June 2015 | Briefing by the Department on its 4th quarter performance report (January–March 2015) | • The Committee was generally satisfied with the Department's successful implementation of its policies.<br>• Concerns were raised about the Department's disproportionate overachieving of targets and the possible financial consequences.<br>• The Department clarified that most of the overachieved targets were not associated with any major cost implications. |

| Date of meeting | Purpose of meeting | Resolutions and recommendations |
|---|---|---|
| 05 August 2015 | Briefing by the Department on the Children's Amendment Bill and the Children's Second Amendment Bill | • The Department should consider the possibility of joint meetings with the National Council of Provinces' committee during the discussion of the Children Amendment Bill.<br>• The Committee welcomed the proposed amendments, especially that state social workers will be allowed to facilitate the process of adoption and the Head of Social Development to extend anything regulated by the Children's Act.<br>• However, the Committee was concerned about how the Department will implement the Bill and whether budget was available. It recommended that the Department informs National Treasury of the financial resources required to implement this legislation.<br>• The Committee recommended that the Department invites more stakeholders, especially during the public hearings.<br><br>The Department acknowledged these recommendations and undertook to consult all relevant stakeholders. |
| 19 August 2015 | Briefing by the Department on the 1st quarter financial and performance report for 2015/16 financial year | • The Department was requested to return in the following week with an updated presentation and to brief the Committee on the remaining programmes.<br>• The Department was requested to return with an updated presentation covering Programme 1 with special focus on the filling of posts.<br>• The Committee noted with concern the low spending on Programme 3: Social Security Policy and Administration. The Department explained that this was due to delays in establishing the Inspectorate Unit, as well as litigation spending that was below expected targets because no litigation had been lodged.<br><br>The Department acknowledged these recommendations and undertook to make detailed presentations on Programmes 1 and 5. |
| 14 October 2015 | Auditor–General of South Africa (AGSA) briefing on the Department's audit outcomes for 2014/15<br><br>AGSA briefing on the NDA's audit outcomes for 2014/15 | The Department received a clean audit, and the four funds – the Disaster Relief Fund, the Social Relief Fund, the Refugee Relief Fund and the State President's Fund – received clean audit opinions, while SASSA and the NDA received unqualified opinions, with findings on predetermined objectives and compliance.<br>• The Committee commended the Department for obtaining a clean audit for 2014/15.<br>• The Department spent 99.3% of its budget, which was in accordance with its spending target of 95%–100%. The Committee expressed concerns about the number of vacant critical posts in the Department.<br>• The Department reassured the Committee that filling of critical posts was underway and prioritised.<br>• The Committee asserted that the fact that the NDA was operating without a board had a negative impact on its governance and accountability.<br>• The NDA reassured the Committee that the process of appointing a new board was underway.<br>• The Committee, through its Chairperson, commended the Department for being able to account well for its budget. However, concerns were raised about the lack of integration of the agencies under the Department, both with each other and with the Department. An example given was the supply chain management flaws in SASSA that were raised by the AGSA.<br>• The Department indicated that it was working on resolving the integration problems in order to enhance the monitoring and evaluation of the agencies. |

| Date of meeting | Purpose of meeting | Resolutions and recommendations |
|---|---|---|
| 21 October 2015 | Briefing by the Department on its Budgetary Review and Recommendations Report 2014/15. | • The Department should make all international agreements signed available to the Committee.<br>• The Committee needed to be involved in the appointment of Board members.<br>• A proper framework needed to be developed specifically for the funding of non-governmental organisations (NGOs) to ensure accountability.<br>• The Department needed to strengthen its oversight role over its entities.<br>• The Department needed to transfer funds to NGOs in a manner which does not disproportionally benefit one NGO over another.<br><br>The Budgetary Review and Recommendations Report was adopted with amendments. |
| 28 October 2015 | Briefing and responses by the Department on the Children's Amendment Act Private Member's Bill (PMB2–2015)<br><br>Department of Justice and Constitutional Development (DoJ&CD) comments on the alignment with other legislation | The Department was before the Committee to respond to the PMB submitted by Mr M Waters that called for amendments to the Children's Act, specifically to Section 120, in order to bring the Act into alignment with the ruling of the courts regarding placing the name of child sexual offenders onto the register of those not permitted to work with children.<br>• The DoJ&CD recommended that the references in the PMB to common law offences and to offences under the previous Sexual Offences Act of 1957 be included in the executive Bill.<br>• The Department pointed out that it received the comments on the PMB from the DoJ&CD after its Bills had begun the parliamentary process, and so it could not make the changes identified by DoJ&CD in the amendments.<br>• It was noted that the PMB (like B13–2015) did not align with Section 150 of the Sexual Offences Act. Section 150 provided the procedure to be followed in determining whether or not a child should be included in the register.<br>• The Department was of the view that the differences between the two Bills discussed above were not fundamental and could easily be bridged. The Department also pointed out that it would be preferable to deal with one set, not two sets, of amendments in order to avoid duplication<br>• The Department indicated that the current comments from DoJ&CD were in line with the previous comments submitted to the Department. The inputs were welcomed, and the Department had no objection to any of the suggestions.<br>• The Committee noted that the submissions made by the two departments had closed gaps and enabled each party to understand the reason for the suggested amendments. |
| 4 November 2015 | The Department's proposed amendments in response to the public hearings on Children's Amendment Bill (B13–2015) and Children's Second Amendment Bill (B14–2015) | Only four MPs were present, and many apologies had been received due to illness and personal matters. Therefore, the Committee stated that decisions would only be taken at the next meeting when more MPs would be present<br><br>Proposed amendments arising from the public hearings were:<br>• The expansion of the definition of "sexual offence", to include offences referred to in the Sexual Offences Act, as well as offences committed prior to the promulgation of the Sexual Offences Act 2007.<br>• The alignment of the amendments to Section 120 of the Bill with Section 50 of the Sexual Offences Act.<br>• The addition of offences in terms of the Prevention and Combating of Trafficking in Persons Act and Films and Publications Act to the offences in Section 120(4) relating to trafficking and child pornography.<br><br>Questions and discussions centred on aligning the registers, putting control measures in place to ensure offenders were checked against registers, red tape and the high cost of adoption, the training curriculum of social workers, as well as the responsible disciplinary and professional bodies regulating the activities of social workers.<br><br>The responses from the Department revealed that the entire process was academic, as it involved professors in the various universities, and did not consider the voice of the rural people. The Committee would include the clauses that were necessary and delete unnecessary clauses in the amendment. |

| Date of meeting | Purpose of meeting | Resolutions and recommendations |
|---|---|---|
| 2 March 2016 | Briefing by the Department on its performance report for Programmes 1 and 5 (April–June 2015)<br><br>Drafted report of the Portfolio Committee about Private Member Water's Children's Amendment Bill (PMB 2–2015)<br><br>Draft Committee Report on Oversight Visit to Northern Cape Provincial Department of Social Development, Regional SASSA offices and NDA projects | • The Department was expected to give a presentation on the progress of some of its programmes from April to June 2015. The Chief Financial Officer led the delegation, as the Director–General had sent an apology.<br>• The Committee was concerned about the Director–General's absence and, after discussing the matter in caucus, decided that the delegation would not be permitted to present.<br>• The meeting then moved on to take a formal Motion of Desirability (MOD) on the PMB – the Children's Amendment Bill (PMB 2–2015). The matter related to the automatic placing of a person's name on the register of sexual offences under the Sexual Offences Act, without that person being permitted to make representations.<br>• Due to Children's Amendment Bill (B13–2015), the Children's Second Amendment Bill (B14–2015) and DoJ&CD amendments to the Sexual Offences Act, Mr Waters had indicated that he would have no objection to his own Bill not proceeding, provided that the amendments he was proposing could be incorporated into the executive Bills.<br>• The Committee took a decision that the PMB should not proceed.<br>• The Committee had previously considered a draft report on the oversight visit to Northern Cape but discussed the recommendations again.<br>• It was noted that no recommendations were made specifically to the Minister because the matters were already being attended to by the MEC and the Chairperson of the provincial legislature's Portfolio Committee who had been present at the oversight visit.<br>• The general line of recommendation and reporting between Parliamentary Committees, Minister and MEC was outlined, and it was agreed that the Committee would follow up formally with the MEC to check on the progress of matters being dealt with.<br><br>The Report was adopted. |

the Department conducts annual risk assessments with all of its business units

The Code of Conduct is a guideline on how officials should conduct themselves in the workplace.

A series of six anti-corruption and fraud awareness booklets were distributed to personnel

The Committee commended the Department for obtaining a clean audit for 2014/15 and for achieving 69% of its targets

## 8. SCOPA Resolutions

The Department did not appear before SCOPA during the period under review.

## 9. Prior modifications to audit reports

The Department has received an unqualified audit report. There were no matters that had an effect on the auditor's report.

## 10. Internal Control Unit

The Internal Control Unit is entrusted to ensure that effective, efficient and transparent internal control systems are maintained within the Department in conformity with the requirements of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) and Treasury Regulations.

From the various reports of the internal auditors and the AGSA's management letter, no significant or material non-compliances with prescribed policies and procedures were reported. There were no matters that had an effect on the auditor's report.

During the period under review, the unit had effectively coordinated the external audits. An Audit Implementation Action Plan was developed and implementation of the recommendation by managers was monitored.

Compliance with financial prescripts on payment batches was conducted, and the financial documents were safely kept in lockable areas. Findings of the non-compliances were reported to the relevant managers for corrective action.

The dashboard report confirmed that drivers of internal controls were effectively coordinated and facilitated. The report required controls that are able to prevent, or detect and correct misstatements/control deviations/instances of non-compliance in a timely manner. The assessment revealed that controls are in place and leadership had improved, while financial and performance management and governance remained unchanged.

## 11. Internal Audit and Audit Committee

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

The internal audit function's key activities and objectives 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, governance 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 27 risk-based audit projects as per the Internal Audit Coverage Plan; 28 internal audit projects were carried out, and the audit reports were discussed with management and the Audit Committee.

The Audit Committee's key activities and objectives 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.

## 12. Audit Committee Report

*Report of the Audit Committee for the year ended 31 March 2016*

We are pleased to present our report for the financial year ended 31st March 2016.

### 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.

The table below discloses relevant information on the Audit Committee members:

| Name | Qualifications | Internal or external | If internal, position in the department | Date appointed | Date resigned | No. of meetings attended |
|---|---|---|---|---|---|---|
| **Adv MB Madumise (chairperson)** | B Proc<br>LLB<br>MBA<br>Graduate Diploma in International Trade Law | External member | N/A | October 2013 | N/A | 5 |
| **Mr JE van Heerden (contract extended)** | National Diploma in State Accounts and Finance | External member | N/A | April 2010 | N/A | 5 |
| **Ms B Mnganga** | B Com<br>Hons BCompt<br>Certificate in Theory of Accounting<br>Certificate in Theory and Practice of Accounting | External member | N/A | October 2013 | N/A | 4 |
| **Ms ADB Moloto** | Master's in Business Leadership<br>BA Hons (Psychology)<br>Master's Diploma in Human Resources Management<br>BA (Social Work) | External member | N/A | October 2013 | N/A | 4 |

## Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with its charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

## The Effectiveness of Internal Control

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.

## In-Year Management and Monthly/ Quarterly Report

The Department has reported monthly and quarterly to the Treasury as is required by the PFMA.

## Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the Department.

## 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.

## Auditor–General's Report

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

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

## 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 of South Africa for his value-adding contribution and interactions with the Department.

**Adv M B Madumise**
*Chairperson, DSD Audit Committee*
Date: 31 July 2016

PART D

# HUMAN RESOURCES MANAGEMENT

## 1. Legislation that governs HR management

The Constitution (Chapter 10 (195(1)(*h*)) compels the public service to be governed by democratic values and principles, including good human resource management practices to maximise human potential. Human capital management in the public service is governed by a myriad of legislation, regulations, bargaining council resolutions and directives. Key among them are, but not limited to, the following.

- Public Service Act
- Public Service Regulations
- Labour Relations Act
- Skills Development Act
- Skills Development and Levies Act
- Basic Conditions of Employment Act
- Promotion of Administrative Justice Act
- Promotion of Access to Information Act
- Public Service Coordinating Bargaining Council (PSCBC) Resolutions
- Public Health and Social Development Sectoral Bargaining Council (PHSDSBC) Resolutions

As human resource management is governed by such a large regulatory framework, it is compliance driven to a large extent. However, the field of human resources (HR) has shifted from being merely compliance and administratively driven to becoming more of a strategic business partner, in terms of understanding the Department's core business and advising on HR matters in order to ensure that the Department's mandate is met.

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

### 2.1 The value of human capital in the Department:

HR is a well-established function in the Department through the Chief Directorate: Human Capital Management. There are four Directorates, focusing on the main pillars:

- Human Resource Development and Performance Management
- Labour Relations
- Organisational Design and Human Resource Planning
- Human Resource Management (HR Administration, Recruitment & Selection and Employee Health and Wellness)

The Chief Directorate has a complement of approximately 44 officials responsible for all aspects of HR. Polices are in place, and delegations and HR processes and systems are well established.

Human capital is the heartbeat of any organisation and, therefore, human resource practices must ensure that the human capital is used optimally and developed, and the morale of the officials is uplifted through a conducive environment.

To give effect to the above, the Department ensures that all its HR policies are regularly reviewed to remove any barriers and keep up with the needs of the employees. The Department has developed retention measures through the Occupation-Specific Dispensation for Social Service Professions and Related Occupations, and participates in a task team responsible for the retention of social workers in the sector. The Department undertook a survey to establish the internal corporate climate and is currently developing interventions to address issues emanating from the survey.

Appreciating the value employees have in a department, some of the norms and standards that the Department will endeavour to uphold include attaining an 8% vacancy rate, addressing all grievances within three months and having a fully operational performance management and development system.

Further noting that key to the value of human capital is the continuous learning and development of employees, the Department undertakes to establish annually the development areas for employees that inform a skills development plan, which embraces the principle of life-long learning.

## 2.2 Set HR priorities for the year under review and the impact of these priorities:

Five HR priorities for the year under review were identified.

### Reducing the vacancy rate to 8%:

In order to have a fully effective department, it is critical to fill posts as soon as possible. The target of 8% was not met for various reasons, mainly because the turnover rate was equal to the appointment rate, i.e. for every post filled, a corresponding post became vacant. Internal promotions are not necessarily a bad practice, but they contributed to the high turnover rate. The Chief Directorate will be looking at ways to turn this into an opportunity. To compound the matter further, the intended cut in the Department's compensation budget forced the Department to prioritise the filling of posts.

Notwithstanding the above, the Department has made considerable strides in filling posts, in particular the Senior Management Service (SMS) posts: of the 60 posts filled, 17 were SMS posts. In order to address the challenges affecting the filling of the posts, a service provider was appointed to conduct the Personnel Suitability Checks.

### Develop and implement a Sector HR Plan for 2018/2019–2022/2023

Given the magnitude of the work that still requires scientific studies and analysis, a management decision was taken to review the timelines for finalising the Sector HR Plan 2018–2023 (five-year plan).

A number of achievements and/or strides were made towards the target. The achievements have played a significant role in the analysis of the baseline information or data received from the sector, so as to understand the current status of the sector's workforce. Engagement with critical stakeholders is an integral part of the target, as the information gathered helps with future forecasting and planning. It will also help to strengthen the workforce and capacity, address the turnover rate and produce adequate skills. These aspects will help the Department to achieve its goals and objectives (to enable the sector to deliver optimally on its mandate).

### Workplace Skills Plan

In an effort to contribute towards a skilled and capable workforce, the Directorate: Sector Education and Training, as per the regulation of the Skills Development Act, 1998 (No. 97 of 1998) developed and implemented a Workplace Skills Plan. A total number of 282 officials of all levels, including interns, attended identified skills development courses within the Department.

In order to enhance the formal skills base of the Department, 101 officials are currently supported through a bursary to study towards a qualification in various study areas. The Department continued its internship programme and 48 interns were placed in various functional areas. We continued to provide technical support to line managers implementing various capacity-building programmes.

### Performance management

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 (119), work plans (768), mid-term reviews (593) and annual performance appraisals (657) were completed in line with the departmental Performance Management and Development System (PMDS). Performance feedback and outcomes of the performance assessments were communicated to all staff members. The Chief Directorate will continue to make performance management function smoothly in the Department.

### Provide labour relations support

With regard to labour relations, the Department always endeavours to comply with norms and standards in terms of the finalisation of misconduct cases. Various interventions were also successfully implemented to continuously build the capacity of employees in the Department, including, but not limited to, a code of conduct for public servants and other theme-based labour relations matters.

## 2.3 Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce

Over and above the Occupation-Specific Dispensation (OSD) for Social Service Professions and Related Occupations, the Department also develops an Annual HR Plan.

The HR Plan seeks to ensure that the Department has the requisite capacity and capability at any given time to ensure that it delivers on its mandate. This HR Plan has taken note of the 14 government outcomes, the 18 sector priorities and the three outcomes that the Minister must contribute towards achieving government's objectives.

Government departments are required to develop and submit annual HR plans and progress reports to the Department of Public Service and Administration. The purpose of the HR Plan is to identify future scarce and critical skills within the Department that need to be prioritised and filled through normal recruitment and selection practices. The Department submitted the 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 Department is a structured process and is 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 requirements of Chapter 4 of the SMS handbook as well as the approved Departmental PMDS Policy are also taken into consideration.

Annual performance appraisals are conducted and can be regarded as part of the 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 (KPAs) and indicators as set out in the performance agreements (SMS) and work plans of officials. 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 five-year Employee Health and Wellness (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 regards to HIV and AIDS, there is regular condom distribution, awareness creation as well as commemorating World Aids Day.

With regards to health and productivity management, awareness is created among employees by inviting experts in specific fields to present information sessions. Financial management sessions are core to this, as a need in the Department. Information on diabetes and healthy lifestyle is also provided. The flagship programme under this pillar is the Annual Sports Day, which takes place in September. Employees are encouraged to participate in the fun walk, and in soccer and netball matches, as well as other activities to encourage those who are not so sport inclined.

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

In terms of the last pillar (wellness management) the two EHW practitioners, who are qualified social workers, provide counselling and debriefing sessions to employees in need. Information sessions are conducted for all employees. For specialised services, employees are referred to specialists at departmental expense in terms of the EHW Policy.

## 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/reviewed:

- Working hours policy (reviewed, approved/ consulting labour)
- Special leave policy (reviewed, approved/ consulting labour)
- Work outside the public service (reviewed, approved/consulting labour)

## 2.7 Challenges faced by the Department

The scarcity of financial and human resources within the current economic climate will continue to have an impact on the Department's capacity to deliver on its mandate. From an HR perspective, this 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 that has been made available for this purpose as well as the turnaround time for the filling of posts.

Although compliance to HR policies is 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 with interviewing panel members' compliance with timeframes regarding the filling of posts.

The Department will continue to explore the possibilities of 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 render an effective and efficient HR function in the Department.

## 2.8 Future HR plans/goals

The Department intends to focus its energy and resources on finalising the Sector HR Plan and the skills audit, which are the key building blocks to effective service delivery.

The Department also intends conducting a study to establish whether or not its current structure is aligned or effectively responding to its mandate. This is not a short-term goal but is important for ensuring that the manner in which the Department is structured gives effect to integration and effectiveness. In addition, it will establish whether the resources are adequate to deliver on its mandate, through scientific measurements including the optimal utilisation of existing resources.

The Department will continue reviewing existing human capital policies to ensure that identified gaps are addressed but also, more importantly, that the policies are in line with current best practices which serve both the Department and its officials.

# 3. Human resources oversight statistics

## 3.1 Personnel-related expenditure

The following tables summarise the final audited personnel-related expenditure by programme and by salary band. In particular, they provide an indication of the following:

- amounts spent on personnel
- amounts spent on salaries, overtime, homeowner'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 a % of total expenditure | Average personnel cost per employee (R'000) |
|---|---|---|---|---|---|---|
| **P1: Administration** | 286 653 | 154 135 | 0 | 0 | 53.8 | 159 |
| **P3: Social Security Policy and Administration** | 354 201 | 68 681 | 0 | 0 | 19.4 | 71 |
| **P4: Welfare Serv. Pol. Dev. and Impl. Support** | 6 143 686 | 41 624 | 0 | 0 | 0.7 | 43 |
| **P5: Social Policy and Integrated Service Delivery** | 528 969 | 126 762 | 0 | 0 | 24 | 131 |
| **Total** | **7 313 509** | **391 202** | **0** | **0** | **5.3** | **404** |

### Table 3.1.2 Personnel costs by salary band

| Salary band | Personnel expenditure (R'000) | % of total personnel cost | No. of employees | Average personnel cost per employee (R'000) |
|---|---|---|---|---|
| **Lower skilled (Levels 1–2)** | 0 | 0 | 0 | 0 |
| **Skilled (Levels 3–5)** | 10 826 | 2.7 | 71 | 152 479 |
| **Highly skilled production (Levels 6–8)** | 66 235 | 16.3 | 259 | 255 734 |
| **Highly skilled supervision (Levels 9–12)** | 153 170 | 37.7 | 286 | 535 559 |
| **Senior and top management (Levels 13–16)** | 103 201 | 25.4 | 112 | 921 438 |
| **Contract (Levels 1–2)** | 2 154 | 0.5 | 39 | 55 231 |
| **Contract (Levels 3–5)** | 10 618 | 2.6 | 78 | 136 128 |
| **Contract (Levels 6–8)** | 20 532 | 5.1 | 78 | 263 231 |
| **Contract (Levels 9–12)** | 15 328 | 3.8 | 34 | 450 824 |
| **Contract (Levels 13–16)** | 9 447 | 2.3 | 11 | 858 818 |
| **Periodical remuneration** | 8 185 | 2 | 127 | 64 449 |
| **Abnormal appointment** | 0 | 0 | 0 | 0 |
| **Total** | **399 696** | **98.4** | **1 095** | **3 693 891** |

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

| Programme | Salaries | | Overtime | | Home owner's allowance (HOA) | | Medical aid | |
|---|---|---|---|---|---|---|---|---|
| | Amount (R'000 | Salaries as a % of personnel costs | Amount (R'000) | Overtime as a % of personnel costs | Amount (R'000) | HOA as a % of personnel costs | Amount (R'000) | Medical aid as a % of personnel costs |
| P1: Administration | 122 878 | 77.9 | 624 | 0.4 | 2 936 | 1.9 | 3 940 | 2.5 |
| P3: Social Security Policy and Administration | 33 384 | 73.2 | 0 | 0 | 629 | 1.4 | 912 | 2 |
| P4: Welfare Serv. Pol. Dev. and Impl. Support | 17 822 | 84.3 | 0 | 0 | 173 | 0.8 | 365 | 1.7 |
| P3: Grant Systems and Service Delivery Assurance | 83 253 | 78.4 | 391 | 0.4 | 1 400 | 1.3 | 1 862 | 1.8 |
| P3: Social Assistance Transfer and Administration | 30 498 | 79.2 | 0 | 0 | 597 | 1.6 | 1 051 | 2.7 |
| Welfare | 28 384 | 77.1 | 0 | 0 | 508 | 1.4 | 661 | 1.8 |
| **Total** | **316 219** | **77.9** | **1 015** | **0.2** | **6 243** | **1.5** | **8 791** | **2.2** |

Table 3.1.4 Salaries, overtime, home owner's allowance and medical aid by salary band

| Salary band | Salaries | | Overtime | | Home owner's allowance (HOA) | | Medical aid | |
|---|---|---|---|---|---|---|---|---|
| | Amount (R'000 | Salaries as a % of personnel costs | Amount (R'000) | Overtime as a % of personnel costs | Amount (R'000) | HOA as a % of personnel costs | Amount (R'000) | Medical aid as a % of personnel costs |
| Skilled (Level s 1–2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Level s 3–5) | 7 741 | 71.1 | 292 | 2.7 | 639 | 5.9 | 454 | 4.2 |
| Highly skilled production (Levels 6–8) | 48 436 | 72.6 | 353 | 0.5 | 2 430 | 3.6 | 3 267 | 4.9 |
| Highly skilled supervision (Levels 9–12) | 120 024 | 77.6 | 331 | 0.2 | 1 584 | 1 | 3 788 | 2.4 |
| Senior management (Levels 13–16) | 85 383 | 80.4 | 0 | 0 | 1 580 | 1.5 | 1 128 | 1.1 |
| Contract (Levels 1–2) | 2 154 | 95.4 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 3–5) | 10 567 | 99.1 | 6 | 0.1 | 0 | 0 | 0 | 0 |
| Contract (Levels 6–8) | 19 521 | 94.4 | 31 | 0.1 | 1 | 0 | 3 | 0 |
| Contract (Levels 9–12) | 13 736 | 88.5 | 2 | 0 | 10 | 0.1 | 116 | 0.7 |
| Contract (Levels 13–16) | 8 601 | 89 | 0 | 0 | 0 | 0 | 36 | 0.4 |
| Periodical remuneration | 57 | 0.7 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **316 220** | **77.9** | **1 015** | **0.2** | **6 244** | **1.5** | **8 792** | **2.2** |

## 3.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies. They summarise the number of posts in the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post in the establishment 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 Employment and vacancies by programme

| Programme | Number of posts in approved establishment | Number of posts filled | Vacancy rate | Number of employees additional to the establishment |
|---|---|---|---|---|
| **P1: Administration** | 421 | 359 | 14.7 | 11 |
| **P3: Social Security Policy and Administration** | 100 | 86 | 14 | 1 |
| **P4: Welfare Service Policy Development and Implementation Support** | 227 | 190 | 16.2 | 86 |
| **P5: Social Policy and Integrated Service Delivery** | 158 | 127 | 19.6 | 13 |
| **Total** | **906** | **762** | **16** | **111** |

### Table 3.2.2 Employment and vacancies by salary band

| Salary band | Number of posts in approved establishment | Number of posts filled | Vacancy rate | Number of employees additional to the establishment |
|---|---|---|---|---|
| **Lower skilled (Levels 1–2)** | 6 | 5 | 16.7 | 0 |
| **Skilled (Levels 3–5)** | 87 | 70 | 19.5 | 0 |
| **Highly skilled production (Levels 6–8)** | 322 | 281 | 13.7 | 0 |
| **Highly skilled supervision (Levels 9–12)** | 352 | 295 | 11.3 | 0 |
| **Senior management (13–16)** | 139 | 111 | 13.3 | 2 |
| **Contract (Levels 1–2)** | 0 | 0 | 0 | 0 |
| **Contract (Levels 3–5)** | 0 | 0 | 0 | 21 |
| **Contract (Levels 6–8)** | 0 | 0 | 0 | 52 |
| **Contract (Levels 9–12)** | 0 | 0 | 0 | 30 |
| **Contract (Levels 13–16)** | 0 | 0 | 0 | 6 |
| **Total** | **906** | **762** | **16** | **111** |

Table 3.2.3 Employment and vacancies by critical occupations

| Critical occupation | Number of posts in approved establishment | Number of posts filled | Vacancy rate | Number of employees additional to the establishment |
|---|---|---|---|---|
| Administrative related: Permanent | 111 | 100 | 9.9 | 16 |
| Client inform clerks (switchboard reception inform clerks): Permanent | 13 | 12 | 7.7 | 0 |
| Communication and information related: Permanent | 8 | 8 | 0 | 0 |
| Community development workers: Permanent | 19 | 17 | 10.5 | 0 |
| Computer system designers and analysts: Permanent | 9 | 8 | 11.1 | 3 |
| Finance and economics related: Permanent | 1 | 1 | 0 | 0 |
| Financial and related professionals: Permanent | 35 | 31 | 11.4 | 2 |
| Financial clerks and credit controllers: Permanent | 36 | 28 | 22.2 | 5 |
| Food services aids and waiters: Permanent | 3 | 1 | 66.7 | 0 |
| General legal administration & related professionals: Permanent | 5 | 5 | 0 | 0 |
| Head of department/chief executive officer: Permanent | 1 | 0 | 100 | 0 |
| Human resources & organisational development & related professionals: Permanent | 17 | 17 | 0 | 0 |
| Human resources clerks: Permanent | 11 | 11 | 0 | 0 |
| Human resources related: Permanent | 10 | 10 | 0 | 0 |
| Information technology related: Permanent | 5 | 5 | 0 | 0 |
| Language practitioners interpreters & other commun: Permanent | 3 | 1 | 66.7 | 0 |
| Library mail and related clerks: Permanent | 20 | 18 | 10 | 1 |
| Logistical support personnel: Permanent | 22 | 19 | 13.6 | 0 |
| Material-recording and transport clerks: Permanent | 9 | 9 | 0 | 0 |
| Messengers porters and deliverers: Permanent | 10 | 8 | 20 | 1 |
| Other administrative & related clerks and organisers: Permanent | 260 | 198 | 10 | 18 |
| Other administrative policy and related officers: Permanent | 1 | 1 | 0 | 0 |
| Other information technology personnel: Permanent | 13 | 12 | 7.7 | 2 |
| Other occupations: Permanent | 2 | 2 | 0 | 0 |
| Printing and related machine operators: Permanent | 2 | 1 | 50 | 0 |
| Psychologists and vocational counsellors: Permanent | 1 | 1 | 0 | 0 |

| Critical occupation | Number of posts in approved establishment | Number of posts filled | Vacancy rate | Number of employees additional to the establishment |
|---|---|---|---|---|
| Risk management and security services: Permanent | 15 | 10 | 6.7 | 3 |
| Secretaries & other keyboard operating clerks: Permanent | 6 | 5 | 16.7 | 0 |
| Security officers: Permanent | 3 | 2 | 33.3 | 0 |
| Senior managers: Permanent | 135 | 118 | 11.9 | 7 |
| Social sciences related: Permanent | 40 | 27 | 21.7 | 0 |
| Social work and related professionals: Permanent | 80 | 76 | 2.2 | 53 |
| **Total** | **906** | **762** | **16** | **111** |

## 3.3 Filling of SMS posts

### Table 3.3.1 SMS post information as on 31 March 2016

| SMS level | Total number of funded SMS posts | Total number of SMS posts filled | % of SMS posts filled | Total number of SMS posts vacant | % of SMS posts vacant |
|---|---|---|---|---|---|
| Director–General/Head of Department | 1 | 0 | 0% | 1 | 100% |
| Salary level 16 | – | – | – | – | – |
| Salary level 15 | 9 | 7 | 77.8% | 2 | 22.2% |
| Salary level 14 | 31 | 25 | 80.6% | 6 | 19.4% |
| Salary level 13 | 89 | 78 | 87.6% | 11 | 12.4% |
| **Total** | **130** | **110** | **84.6%** | **20** | **15.4%** |

### Table 3.3.2 SMS post information as at 30 September 2015

| SMS level | Total number of funded SMS posts | Total number of SMS posts filled | % of SMS posts filled | Total number of SMS posts vacant | % of SMS posts vacant |
|---|---|---|---|---|---|
| Director–General/Head of Department | 1 | 0 | 0% | 1 | 100% |
| Salary level 16 | – | – | – | – | – |
| Salary level 15 | 8 | 7 | 87.5% | 1 | 12.5% |
| Salary level 14 | 29 | 22 | 75.9% | 7 | 24.1% |
| Salary level 13 | 93 | 81 | 87.1% | 12 | 12.9% |
| **Total** | **131** | **110** | **84%** | **21** | **16%** |

### Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2015 to 31 March 2016

| | Advertising | Filling of posts | |
|---|---|---|---|
| SMS level | Number of vacancies per level advertised in 6 months of becoming vacant | Number of vacancies per level filled in 6 months of becoming vacant | Number of vacancies per level not filled in 6 months but filled in 12 months |
| Director–General/ Head of Department | 1 | 0 | 0 |
| Salary level 16 | – | – | – |
| Salary level 15 | 2 | 0 | 0 |
| Salary level 14 | 4 | 3 | 0 |
| Salary level 13 | 6 | 0 | 0 |
| **Total** | **7** | **0** | **0** |

**Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS posts advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2015 to 31 March 2016**

**Reasons for vacancies not advertised within six months**

- Redesigning of job descriptions due to reviewed organisational structure that was approved by the Minister of Social Development on 29 May 2015.
- Heads of Branches re-organising their business units after approval of the reviewed organisational structure.
- The authority to approve the advertising of SMS posts is vested with the Minister of Social Development.

**Reasons for vacancies not filled within twelve months**

- Unavailability/competing work demands of selection committee members.
- Filling these types of posts within the required timeframe is often difficult because some appointments need to be approved by Cabinet and rely on the availability of Ministers to serve on selection committees.
- Filling of posts held in abeyance due to the reduced compensation budget that resulted in the re-prioritisation of critical posts.

**Table 3.3.5 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months for the period 1 April 2015 to 31 March 2016**

**Reasons for vacancies not advertised within six months**

- None

## 3.4 Job evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. 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 jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 3.4.1 Job evaluation by salary band for the period 1 April 2015 to 31 March 2016**

| Salary band | Number of posts in 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 (Levels1–2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3–5) | 140 | 0 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled production (Levels 6–8) | 263 | 6 | 0.02 | 0 | 0 | 0 | 0 |
| Highly skilled supervision (Levels 9–12) | 359 | 13 | 0.04 | 3 | 0.08 | 0 | 0 |
| Senior management service Band A | 90 | 2 | 0.02 | 0 | 0 | 0 | 0 |
| Senior management service Band B | 40 | 1 | 0.01 | 0 | 0 | 0 | 0 |
| Senior management service Band C | 9 | 1 | 0.1 | 0 | 0 | 0 | 0 |
| Senior management service Band D | 9 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 1–2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 3–5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 6–8) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 9–12) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band A) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band B) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band C) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band D) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **906** | **23** | **0.19** | **3** | **0.08** | **0** | **0** |

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded, as not all employees are automatically absorbed into the new posts, and some of the posts upgraded could also be vacant.

**Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2015 to 31 March 2016**

| Beneficiary | African | Asian | Coloured | White | Total |
|---|---|---|---|---|---|
| **Female** | 0 | 0 | 0 | 0 | 0 |
| **Male** | 0 | 0 | 0 | 0 | 0 |
| **Employees with a disability** | 0 | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** | **0** |

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

**Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation**

| Occupation | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|---|---|---|---|---|
| **Senior management** | 0 | 0 | 0 | 0 |
| **Administration** | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** |

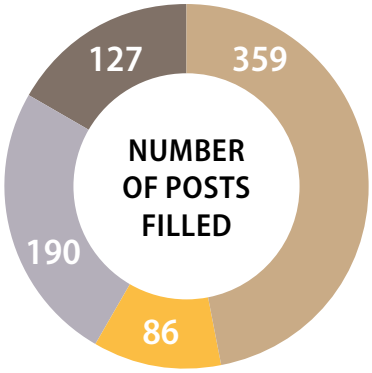
| | |
|---|---|
| **Total number of employees whose salaries exceeded the level determined by job evaluation** | 0 |
| **Percentage of total employed** | 0 |

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

**Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2015 to 31 March 2016**

| Beneficiary | African | Asian | Coloured | White | Total |
|---|---|---|---|---|---|
| **Female** | 0 | 0 | 0 | 0 | 0 |
| **Male** | 0 | 0 | 0 | 0 | 0 |
| **Employees with a disability** | 0 | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** | **0** |

| | | | | | |
|---|---|---|---|---|---|
| **Total number of employees whose salaries exceeded the grade determined by job evaluation** | 0 | 0 | 0 | 0 | 0 |




**EMPLOYMENT AND VACANCIES BY PROGRAMME**

- P1: Administration
- P3: Social Security Policy and Administration
- P4: Welfare Service Policy Development and Implementation Support
- P5: Social Policy and Integrated Service Delivery

**The Department will continue to explore the possibilities of recruiting and retaining a competent and capable workforce to ensure service delivery.**

## 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 provide a summary of turnover rates by salary band and critical occupations.

### Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2015 to 31 March 2016

| Salary band | Number of employees at beginning of period-April 2015 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---|---|---|---|---|
| Lower skilled (Levels 1–2) | 0 | 0 | 0 | 0 |
| Skilled (Levels 3–5) | 63 | 6 | 1 | 1.6 |
| Highly skilled production (Levels 6–8) | 253 | 11 | 13 | 5.1 |
| Highly skilled supervision (Levels 9–12) | 289 | 4 | 9 | 3.1 |
| Senior management service Band A | 74 | 3 | 1 | 1.4 |
| Senior management service Band B | 23 | 1 | 2 | 8.7 |
| Senior management service Band C | 6 | 0 | 0 | 0 |
| Senior management service Band D | 3 | 0 | 0 | 0 |
| Contract (Levels 1–2): Permanent | 0 | 46 | 7 | 0 |
| Contract (Levels 3–5): Permanent | 69 | 19 | 13 | 18.8 |
| Contract (Levels 6–8): Permanent | 73 | 16 | 6 | 8.2 |
| Contract (Levels 9–12): Permanent | 24 | 13 | 5 | 20.8 |
| Contract (Band A): Permanent | 6 | 0 | 0 | 0 |
| Contract (Band B): Permanent | 0 | 1 | 0 | 0 |
| Contract (Band C): Permanent | 1 | 0 | 0 | 0 |
| Contract (Band D): Permanent | 1 | 0 | 0 | 0 |
| **Total** | **885** | **120** | **57** | **6.4** |

### Table 3.5.2 Annual turnover rates by critical occupation

| Critical occupation | Number of employees at beginning of period-April 2015 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---|---|---|---|---|
| Administrative related: Permanent | 90 | 12 | 7 | 7.8 |
| Client inform clerks (switchboard reception inform clerks): Permanent | 12 | 0 | 0 | 0 |
| Communication and information related: Permanent | 8 | 0 | 0 | 0 |
| Community development workers: Permanent | 18 | 0 | 0 | 0 |
| Computer system designers and analysts: Permanent | 11 | 0 | 2 | 18.2 |
| Financial and related professionals: Permanent | 30 | 0 | 3 | 10 |
| Financial clerks and credit controllers: Permanent | 25 | 1 | 4 | 16 |
| Food services aids and waiters: Permanent | 1 | 0 | 0 | 0 |
| General legal administration & related professionals: Permanent | 5 | 1 | 0 | 0 |
| Human resources & organisational development & related professionals: Permanent | 15 | 3 | 2 | 13.3 |
| Human resources clerks: Permanent | 9 | 1 | 1 | 11.1 |
| Human resources related: Permanent | 10 | 0 | 0 | 0 |

| Critical occupation | Number of employees at beginning of period-April 2015 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---|---|---|---|---|
| Information technology related: Permanent | 4 | 0 | 1 | 25 |
| Language practitioners interpreters & other communication: Permanent | 2 | 0 | 0 | 0 |
| Library mail and related clerks: Permanent | 20 | 0 | 1 | 5 |
| Logistical support personnel: Permanent | 21 | 0 | 1 | 4.8 |
| Material-recording and transport clerks: Permanent | 9 | 0 | 0 | 0 |
| Messengers porters and deliverers: Permanent | 7 | 1 | 0 | 0 |
| Other administration & related clerks and organisers: Permanent | 198 | 75 | 26 | 13.1 |
| Other administrative policy and related officers: Permanent | 1 | 0 | 0 | 0 |
| Other information technology personnel: Permanent | 13 | 0 | 1 | 7.7 |
| Other occupations: Permanent | 2 | 0 | 0 | 0 |
| Printing and related machine operators: Permanent | 2 | 0 | 1 | 50 |
| Psychologists and vocational counsellors: Permanent | 1 | 0 | 0 | 0 |
| Risk management and security services: Permanent | 11 | 3 | 0 | 0 |
| Secretaries & other keyboard operating clerks: Permanent | 73 | 3 | 0 | 0 |
| Security officers: Permanent | 4 | 0 | 0 | 0 |
| Senior managers: Permanent | 110 | 5 | 3 | 2.7 |
| Social sciences related: Permanent | 53 | 2 | 3 | 5.7 |
| Social work and related professionals: Permanent | 120 | 13 | 1 | 0.8 |
| **Total** | **885** | **120** | **57** | **6.4** |

Table 3.5.3 **Reasons why staff left the Department for the period 1 April 2015 to 31 March 2016**

| Termination type | Number | % of total resignations |
|---|---|---|
| Death | 2 | 3.5 |
| Resignation | 39 | 68.4 |
| Expiry of contract | 10 | 17.5 |
| Dismissal – operational changes | 0 | 0 |
| Dismissal – misconduct | 0 | 0 |
| Dismissal – inefficiency | 0 | 0 |
| Discharged due to ill-health | 1 | 1.8 |
| Retirement | 5 | 8.8 |
| Transfer to other Public Service Departments | 22 | 38.5 |
| Other | 0 | 0 |
| **Total** | **79** | |
| Total number of employees who left as a % of total employment | – | 8.9 |

Table 3.5.4 Promotions by critical occupation for the period 1 April 2015 to 31 March 2016

| Occupation | Employees 1 April 2015 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progression as a % of employees by occupation |
|---|---|---|---|---|---|
| Administrative related | 90 | 6 | 6.7 | 57 | 63.3 |
| Client inform clerks (switchboard reception inform clerks) | 12 | 0 | 0 | 10 | 83.3 |
| Communication and information related | 8 | 0 | 0 | 3 | 37.5 |
| Community development workers | 18 | 1 | 5.6 | 3 | 16.7 |
| Computer system designers and analysts | 11 | 0 | 0 | 7 | 63.6 |
| Financial and related professionals | 30 | 3 | 10 | 18 | 60 |
| Financial clerks and credit controllers | 25 | 0 | 0 | 20 | 80 |
| Food services aids and waiters | 1 | 0 | 0 | 1 | 100 |
| General legal administration & related professionals | 5 | 0 | 0 | 0 | 0 |
| Human resources & organisational development & related professionals | 15 | 1 | 6.7 | 11 | 73.3 |
| Human resources clerks | 9 | 1 | 11.1 | 5 | 55.6 |
| Human resources related | 10 | 0 | 0 | 7 | 70 |
| Information technology related | 4 | 2 | 50 | 3 | 75 |
| Language practitioners interpreters & other communication | 2 | 0 | 0 | 1 | 50 |
| Library mail and related clerks | 20 | 0 | 0 | 10 | 50 |
| Logistical support personnel | 21 | 0 | 0 | 10 | 47.6 |
| Material-recording and transport clerks | 9 | 0 | 0 | 5 | 55.6 |
| Messengers, porters and deliverers | 7 | 0 | 0 | 6 | 85.7 |
| Other administration & related clerks and organisers | 198 | 8 | 2 | 111 | 56.1 |
| Other administrative policy and related officers | 1 | 0 | 0 | 0 | 0 |
| Other information technology personnel | 13 | 0 | 0 | 10 | 76.9 |
| Other occupations | 2 | 0 | 0 | 0 | 0 |
| Printing and related machine operators | 2 | 0 | 0 | 0 | 0 |
| Psychologists and vocational counsellors | 1 | 0 | 0 | 0 | 0 |
| Risk management and security services | 11 | 2 | 18.2 | 0 | 0 |
| Secretaries & other keyboard operating clerks | 73 | 6 | 4.1 | 2 | 2.7 |
| Security officers | 4 | 0 | 0 | 4 | 100 |
| Senior managers | 110 | 11 | 6.4 | 11 | 10 |
| Social sciences related | 53 | 2 | 3.8 | 38 | 71.7 |
| Social work and related professionals | 120 | 0 | 0 | 5 | 4.2 |
| **Total** | **885** | **42** | **3.6** | **358** | **40.5** |

Table 3.5.5 Promotions by salary band for the period 1 April 2015 to 31 March 2016

| Salary band | Employees 1 April 2015 | Promotions to another salary level | Salary band promotions as a % of employees by salary level | Progressions to another notch within a salary level | Notch progression as a % of employees by salary band |
|---|---|---|---|---|---|
| Lower skilled (Levels 1–2) | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3–5) | 63 | 0 | 0 | 31 | 49.2 |
| Highly skilled production (Levels 6–8) | 253 | 11 | 3.6 | 164 | 64.8 |
| Highly skilled supervision (Levels 9–12) | 289 | 19 | 4.8 | 140 | 48.4 |
| Senior management (Level 13–16) | 106 | 11 | 7.5 | 9 | 8.5 |
| Contract (Levels 3–5): Permanent | 69 | 0 | 0 | 0 | 0 |
| Contract (Levels 6–8): Permanent | 73 | 0 | 0 | 7 | 9.6 |
| Contract (Levels 9–12): Permanent | 24 | 1 | 4.2 | 5 | 20.8 |
| Contract (Levels 13–16): Permanent | 8 | 0 | 0 | 2 | 25 |
| **Total** | **885** | **42** | **3.6** | **358** | **40.5** |

## 3.6 Employment equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2016

| Occupational category | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 47 | 3 | 3 | 5 | 41 | 1 | 4 | 8 | 112 |
| Professionals | 92 | 2 | 3 | 9 | 153 | 7 | 3 | 16 | 285 |
| Technicians and associate professionals | 40 | 1 | 1 | 5 | 63 | 5 | 1 | 4 | 120 |
| Clerks | 120 | 2 | 2 | 2 | 239 | 6 | 4 | 14 | 389 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery 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 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **299** | **8** | **9** | **21** | **496** | **19** | **12** | **42** | **906** |
| Employees with disabilities | 6 | 0 | 1 | 2 | 8 | 1 | 0 | 0 | 18 |

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2016

| Occupational band | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top management (L15–L16) | 3 | 2 | 0 | 0 | 4 | 0 | 0 | 0 | 9 |
| Senior management (L13–L14) | 41 | 2 | 3 | 5 | 38 | 1 | 4 | 8 | 102 |
| Professionally qualified and experienced specialists and mid-management | 92 | 3 | 3 | 9 | 151 | 7 | 3 | 16 | 284 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 76 | 1 | 1 | 2 | 155 | 6 | 3 | 14 | 258 |
| Semi-skilled and discretionary decision making | 35 | 0 | 1 | 0 | 33 | 0 | 0 | 1 | 70 |
| Unskilled and defined decision making | 1 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 5 |
| Contract (top management): Permanent | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Contract (Senior management): Permanent | 4 | 0 | 0 | 0 | 3 | 2 | 0 | 0 | 9 |
| Contract (professionally qualified): Permanent | 9 | 0 | 0 | 0 | 22 | 1 | 0 | 2 | 34 |
| Contract (skilled technical): Permanent | 21 | 0 | 0 | 0 | 55 | 1 | 0 | 1 | 78 |
| Contract (semi-skilled): Permanent | 31 | 1 | 0 | 0 | 46 | 0 | 0 | 0 | 78 |
| Contract (unskilled): Permanent | 10 | 0 | 0 | 0 | 28 | 0 | 1 | 0 | 39 |
| **Total** | **325** | **9** | **8** | **16** | **539** | **18** | **11** | **42** | **968** |

Table 3.6.3 Recruitment by occupational band

| Occupational band | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management | 2 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 4 |
| Professionally qualified and experienced specialists and mid-management | 2 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 4 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 6 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 11 |
| Semi-skilled and discretionary decision making | 1 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 6 |
| Unskilled and defined decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (senior management): Permanent | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| Contract (professionally qualified): Permanent | 2 | 0 | 0 | 0 | 9 | 0 | 0 | 2 | 13 |

| Occupational band | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Contract (skilled technical): Permanent | 2 | 0 | 0 | 0 | 12 | 1 | 0 | 1 | 16 |
| Contract (semi-skilled): Permanent | 6 | 0 | 0 | 0 | 13 | 0 | 0 | 0 | 19 |
| Contract (unskilled): Permanent | 13 | 0 | 0 | 0 | 32 | 0 | 1 | 0 | 46 |
| **Total** | **34** | **0** | **0** | **0** | **79** | **3** | **1** | **3** | **120** |
| Employees with disabilities | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |

Table 3.6.4 **Promotions by occupational band**

| Occupational band | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management | 10 | 0 | 0 | 1 | 2 | 0 | 1 | 3 | 17 |
| Professionally qualified and experienced specialists and mid-management | 55 | 1 | 1 | 8 | 77 | 3 | 2 | 7 | 154 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 47 | 1 | 1 | 2 | 104 | 6 | 3 | 9 | 173 |
| Semi-skilled and discretionary decision making | 14 | 0 | 0 | 0 | 16 | 0 | 0 | 1 | 31 |
| Unskilled and defined decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (senior management): Permanent | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 2 |
| Contract (professionally qualified): Permanent | 2 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 6 |
| Contract (skilled technical): Permanent | 2 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 7 |
| **Total** | **131** | **2** | **2** | **11** | **208** | **10** | **6** | **20** | **390** |
| Employees with disabilities | 4 | 0 | 0 | 2 | 1 | 0 | 0 | 0 | 7 |

Table 3.6.5 Terminations by occupational band

| Occupational band | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management | 1 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 3 |
| Professionally qualified and experienced specialists and mid-management | 3 | 0 | 0 | 0 | 4 | 0 | 0 | 2 | 9 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 7 | 0 | 0 | 0 | 5 | 0 | 0 | 1 | 13 |
| Semi-skilled and discretionary decision making | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Unskilled and defined decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (professionally qualified): Permanent | 1 | 0 | 0 | 0 | 3 | 0 | 1 | 0 | 5 |
| Contract (skilled technical): Permanent | 3 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 6 |
| Contract (semi-skilled): Permanent | 4 | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 13 |
| Contract (unskilled): Permanent | 2 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 7 |
| **Total** | **22** | **0** | **0** | **0** | **30** | **1** | **1** | **3** | **57** |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Table 3.6.6 Disciplinary action by occupational band

| Disciplinary action | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| | **10** | | | | **7** | | | | **17** |

Table 3.6.7 Skills development by occupational band

| Occupational category | Male | | | | Female | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 32 | 3 | 3 | 5 | 14 | 2 | 3 | 2 | 64 |
| Professionals | 21 | 0 | 0 | 2 | 45 | 3 | 2 | 6 | 79 |
| Technicians and associate professionals | 21 | 0 | 0 | 0 | 37 | 0 | 0 | 1 | 59 |
| Clerks | 14 | 0 | 1 | 0 | 21 | 0 | 1 | 0 | 37 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery 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 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interns | 13 | 0 | 0 | 0 | 28 | 1 | 1 | 0 | 43 |
| **Total** | **101** | **3** | **4** | **7** | **145** | **6** | **7** | **9** | **282** |
| Employees with disabilities | 4 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 5 |

## 3.7 Signing of performance agreements by SMS Members

Table 3.7.1 Signing of performance agreements by SMS as at 31 May 2015

| SMS level | Total number of funded SMS posts | Total number of SMS posts | Total number of signed performance agreements | Signed performance agreements as % of total number of SMS members |
|---|---|---|---|---|
| Director–General/ Head of Department | 0 | 0 | 0 | 0 |
| Salary Level 16 | 2 | 2 | 2 | 100% |
| Salary Level 15 | 7 | 7 | 7 | 100% |
| Salary Level 14 | 30 | 30 | 30 | 100% |
| Salary Level 13 | 80 | 80 | 80 | 100% |
| **Total** | **119** | **119** | **119** | **100%** |

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as at 31 March 2015

| Reasons |
|---|
| N/A |

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 March 2015

| Reasons |
|---|
| N/A |

## 3.8 Performance rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability

| Race and gender | Beneficiary profile | | | Cost | |
|---|---|---|---|---|---|
| | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee |
| **African** | 158 | 590 | 26.8 | 3 007 | 37 828 |
| **Male** | 51 | 197 | 25.8 | 983 | 37 828 |
| **Female** | 107 | 393 | 27.2 | 2 024 | 37 828 |
| **Asian** | 4 | 14 | 28.6 | 158 | 63 082 |
| **Male** | 1 | 6 | 16.7 | 63 | 63 082 |
| **Female** | 3 | 8 | 0.38 | 95 | 31 936 |
| **Coloured** | 4 | 15 | 26.7 | 126 | 31 936 |
| **Male** | 2 | 6 | 33.3 | 63 | 31 936 |
| **Female** | 2 | 9 | 22.2 | 63 | 31 936 |
| **White** | 13 | 38 | 34.2 | 486 | 31 936 |
| **Male** | 1 | 7 | 14.3 | 32 | 31 936 |
| **Female** | 12 | 31 | 38.7 | 454 | 31 936 |
| **Total** | **179** | **657** | **27.2** | **377** | **298 383** |

Table 3.8.2 Performance rewards by salary band for personnel below Senior Management Service level

| Salary band | Beneficiary profile | | | Cost | | Total cost as a % of the total personnel expenditure |
|---|---|---|---|---|---|---|
| | Number of beneficiaries | Number of employees | % of total within salary bands | Total cost (R'000) | Average cost per employee | |
| Lower skilled (Levels 1–2) | 0 | 0 | 0 | 0 | 0 | 0% |
| Skilled (Levels 3–5) | 13 | 42 | 30.9 | 67.4 | 7 424 | 0% |
| Highly skilled production (Levels 6–8) | 77 | 205 | 37.6 | 973 | 13 668 | 0% |
| Highly skilled supervision (Levels 9–12) | 89 | 244 | 13.3 | 2 731 | 37 832 | 1% |
| **Total** | **179** | **491** | **36.5** | **3 772** | **58 924** | **1%** |

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 |
| Administrative related | 16 | 79 | 20.3 | 510 | 31 936 |
| Client inform clerks (switchboard reception inform clerks) | 4 | 7 | 57.1 | 64 | 16 248 |
| Communication and information related | 9 | 16 | 56.2 | 287 | 31 936 |
| Community development workers | 6 | 13 | 46.2 | 82 | 13 668 |
| Computer system designers and analysts | 4 | 9 | 44.4 | 81 | 20 279 |
| Financial and related professionals | 6 | 25 | 0.24 | 226 | 37 828 |
| Financial clerks and credit controllers | 7 | 13 | 53.8 | 77 | 11 006 |
| Food services aids and waiters | 0 | 1 | 0 | 0 | 0 |
| General legal administration & related professionals | 0 | 2 | 0 | 0 | 0 |
| Head of department/chief executive officer | 0 | 0 | 0 | 0 | 0 |
| Human resources & organisational development & related professionals | 3 | 12 | 0.25 | 96 | 31 936 |
| Human resources clerks | 5 | 7 | 71.4 | 68 | 13 668 |
| Human resources related | 3 | 5 | 0.6 | 113 | 37 828 |
| Information technology related | 1 | 3 | 33.3 | 7 | 7 500 |
| Language practitioners interpreters & other communication | 1 | 2 | 0.5 | 0 | 0 |
| Legal related | 1 | 2 | 0.5 | 8 | 8 915 |
| Library mail and related clerks | 7 | 14 | 0.5 | 77 | 0 |
| Logistical support personnel | 12 | 19 | 0 | 89 | 8 915 |
| Material-recording and transport clerks | 4 | 7 | 57.1 | 24 | 6 209 |
| Messengers, porters and deliverers | 4 | 6 | 6.6 | 24 | 6 209 |
| Other administration & related clerks and organisers | 23 | 132 | 17.4 | 374 | 16 248 |

| Critical occupation | Beneficiary profile | | | Cost | |
|---|---|---|---|---|---|
| | Number of beneficiaries | Number of employees | % of total within occupation | Total cost (R'000) | Average cost per employee |
| Other administrative policy and related officers | 0 | 0 | 0 | 0 | 0 |
| Other information technology personnel | 4 | 12 | 33.3 | 65 | 16 248 |
| Other occupations | 0 | 2 | 0 | 0 | 0 |
| Printing and related machine operators | 0 | 2 | 0 | 0 | 0 |
| Psychologists and vocational counsellors | 1 | 1 | 0 | 31 | 31 936 |
| Rank: Unknown | 0 | 0 | 0 | 0 | 0 |
| Risk management and security services | 1 | 36 | 0.28 | 31 | 31 936 |
| Secretaries & other keyboard operating clerks | 24 | 63 | 38 | 225 | 8 915 |
| Security officers | 2 | 4 | 0.5 | 12 | 0 |
| Senior managers | 4 | 116 | 3.4 | 345 | 86 440 |
| Social sciences related | 27 | 47 | 57.4 | 862 | 31 936 |
| **Total** | **179** | **657** | **27.2** | **3 773** | **50 184** |

Table 3.8.4 **Performance-related rewards (cash bonus), by salary band for Senior Management Services**

| Salary band | Beneficiary profile | | | Cost | | Total cost as a % of the total personnel expenditure |
|---|---|---|---|---|---|---|
| | Number of beneficiaries | Number of employees | % of total within salary band | Total cost (R'000) | Average cost per employee | |
| Band A | 4 | 80 | 0.05 | 345 | 86 440 | 0.4% |
| Band B | 0 | 30 | 0 | 0 | 0 | 0% |
| Band C | 0 | 7 | 0 | 0 | 0 | 0% |
| Band D | 0 | 2 | 0 | 0 | 0 | 0% |
| **Total** | **4** | **119** | **0.34** | **345** | **86 440** | **0.4%** |

## 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 2015 | | 31 March 2016 | | Change | |
|---|---|---|---|---|---|---|
| | Number | % of total | Number | % of total | Number | % change |
| Lower skilled | 0 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled production (Levels 6–8) | 0 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled supervision (Levels 9–12) | 2 | 50 | 1 | 33.3 | –1 | 100 |
| Senior management (Levels 13–16) | 1 | 25 | 1 | 33.3 | 0 | 0 |
| Contract (Levels 6–8) | 1 | 25 | 1 | 33.3 | 0 | 0 |
| Contract (Level 9–12) | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 13–16) | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **4** | **100** | **3** | **100** | **–1** | **100** |

Table 3.9.2 **Foreign workers by major occupation**

| Major occupation | 01 April 2015 | | 31 March 2016 | | Change | |
|---|---|---|---|---|---|---|
| | Number | % of total | Number | % of total | Number | % change |
| **Professionals and managers** | 4 | 100 | 3 | 100 | –1 | 100 |
| **Total** | **4** | **100** | **3** | **100** | **–1** | **100** |

## 3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 **Sick leave**

| 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) |
|---|---|---|---|---|---|---|
| **Lower skills (Levels 1–2)** | 0 | 0 | 0 | 0 | 0 | 0 |
| **Skilled (Levels 3–5)** | 319 | 57.7 | 49 | 7.2 | 7 | 202 |
| **Highly skilled production (Levels 6–8)** | 1 554 | 77.2 | 208 | 30.4 | 7 | 1 575 |
| **Highly skilled supervision (Levels 9–12)** | 1 568 | 73 | 235 | 34.3 | 7 | 3 283 |
| **Top and senior management (Levels 13–16)** | 379 | 78.9 | 71 | 10.4 | 5 | 1 353 |
| **Contract (Levels 1–2)** | 15 | 40 | 5 | 0.7 | 3 | 4 |
| **Contract (Levels 3–5)** | 113 | 65.5 | 36 | 5.3 | 3 | 66 |
| **Contract (Levels 6–8)** | 316 | 65.5 | 59 | 8.6 | 5 | 324 |
| **Contract (Levels 9–12)** | 88 | 67 | 19 | 2.8 | 5 | 139 |
| **Contract (Levels 13–16)** | 14 | 92.9 | 3 | 0.4 | 5 | 45 |
| **Total** | **4 366** | **73** | **685** | **100** | **6** | **6 991** |

Table 3.10.2 **Disability leave (temporary and permanent)**

| 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) |
|---|---|---|---|---|---|---|
| **Lower skilled (Levels 1–2)** | 0 | 0 | 0 | 0 | 0 | 0 |
| **Skilled (Levels 3–5)** | 156 | 100 | 7 | 35 | 4.4 | 126 014.14 |
| **Highly skilled production (Levels 6–8)** | 121 | 100 | 3 | 15 | 2.4 | 109 732.01 |
| **Highly skilled supervision (Levels 9–12)** | 276 | 100 | 9 | 45 | 3.2 | 694 675.06 |
| **Senior management (Levels 13–16)** | 14 | 100 | 1 | 5 | 7.1 | 46 405.17 |
| **Total** | **567** | **100** | **20** | **100** | **3.5** | **976 826.39** |

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

Table 3.10.3 **Annual leave**

| Salary band | Total days taken | Number of employees using annual leave | Average per employee |
|---|---|---|---|
| **Lower skilled (Levels 1–2)** | 0 | 0 | 0 |
| **Skilled (Levels 3–5)** | 1 119 | 62 | 18.05 |
| **Highly skilled production (Levels 6–8)** | 5 924 | 277 | 21.39 |
| **Highly skilled supervision (Levels 9–12)** | 7 236 | 313 | 23.12 |
| **Senior management (Levels 13–16)** | 2 560 | 110 | 23.27 |
| **Total** | **16 839** | **762** | **22.10** |

Table 3.10.4 **Capped leave**

| Salary band | Total days of capped leave taken | Number of employees using capped leave | Average number of days taken per employee | Average capped leave per employee as at 31 March 2015 |
|---|---|---|---|---|
| **Lower skilled (Levels 1–2)** | 0 | 0 | 0 | 0 |
| **Skilled (Levels 3–5)** | 240.43 | 15 | 6.25 | 16.03 |
| **Highly skilled production (Levels 6–8)** | 670.06 | 25 | 3.73 | 26.80 |
| **Highly skilled supervision (Levels 9–12)** | 2 104.46 | 79 | 3.75 | 26.64 |
| **Senior management (Levels 13–16)** | 2 31.51 | 43 | 18.6 | 47.24 |
| **Total** | **5 046.46** | **162** | **3.2** | **31.15** |

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

Table 3.10.5 **Leave payouts**

| Reason | Total amount (R'000) | Number of employees | Average per employee (R'000) |
|---|---|---|---|
| **Leave payout for 2015/16 due to non-utilisation of leave for the previous cycle** | 0 | 0 | 0 |
| **Capped leave payouts on termination of service for 2015/16** | 621 891.59 | 4 | 15 025 |
| **Current leave payout on termination of service for 2015/16** | 679 697.24 | 44 | 1 366 |
| **Total** | **1 301 588** | **48** | **16 391** |

## 3.11 HIV/AIDS & health promotion programmes

Table 3.11.1 **Steps taken to reduce the risk of occupational exposure**

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk |
|---|---|
| | |
| N/A | |

**Table 3.11.2 Details of health promotion and HIV/AIDS programmes (tick the applicable boxes and provide the required information)**

| Question | Yes | No | Details, if yes |
|---|---|---|---|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position. | ✓ | | Chief–Director: Human Capital Management<br>Mr D Chinappan |
| 2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | ✓ | | 2 Employee Health and Wellness Practitioners<br>Budget: R360 000 |
| 3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this programme. | ✓ | | **Wellness management programme:**<br>Counselling, Crisis intervention and Trauma debriefing. Proactive interventions: Sexual harassment, Weight-loss sessions, Mental health, Financial wellness and Annual sports activities.<br>**Health and productivity programmes:**<br>Health and risk screenings which includes blood pressure, cholesterol, blood sugar, and HIV counselling and testing.<br>**HIV/AIDS and TB management:**<br>Commemoration of HIV/AIDS calendar events; Candlelight Memorial, World Aids Day and STI/condom week.<br>HIV/AIDS counselling and testing as well as monitoring of condom distribution |
| 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. | ✓ | | Employee Health and Wellness Committee<br>Director: Human Resource Management<br>Director: Occupational Health and Safety<br>Deputy–Director: Gender<br>Deputy–Director: HIV/AIDS Prevention<br>Deputy–Director: Care and Support<br>Deputy–Director: Population Development<br>Employee Health and Wellness Unit<br>Branch Representatives |
| 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. | ✓ | | HIV/AIDS and TB Management Policy<br>Health and Productivity Management<br>Wellness Management 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. | ✓ | | HIV/AIDS Awareness on Stigma and Discrimination.<br>HIV/AIDS and TB Management Policy |
| 7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have you achieved. | ✓ | | HIV counselling and testing<br>Total number of employees tested: 70<br>Females: 25<br>Males: 50 |
| 8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators. | ✓ | | EHW monthly report<br>DPSA quarterly reports<br>MPAT |

The Department will endeavour to reach an 8% vacancy rate.

The Department has made considerable strides in filling posts, in particular the Senior Management Service (SMS).

The Department continued its internship programme and 48 interns were placed in various functional areas.

Employees are encouraged to participate in the fun walk, and in soccer and netball matches, as well as other activities to encourage those who are not so sport inclined.

## 3.12 Labour relations

### Table 3.12.1 Collective agreements

| Subject Matter | Date |
|---|---|
| Resolution 1 of 2015 agreement on the amendments of the constitution of the phsdsbc | 30 July 2015 |
| Resolution 2 of 2015 amendments to the rules for the conduct of the proceedings before the phsdsbc | 15 July 2015 |
| Resolution 3 of 2015 agreement on the establishment of the phsdsbc's council committees | 28 October 2015 |
| Resolution 4 of 2015 agreement on operations of chambers | 28 October 2015 |
| Resolution 5 of 2015 co-ordination of caucuses | 28 October 2015 |
| Resolution 1 of 2016 agreement on the transfer and placement of the inspection and compliance function in the national department of health (NDON) to the office of health standards, complaints and compliance (OHSC) | 31 March 2016 |

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

### Table 3.12.2 Misconduct and disciplinary hearings finalised

| Outcomes of disciplinary hearings | Number | % of total |
|---|---|---|
| **Correctional counselling** | 01 | 5.9 |
| **Verbal warning** | 01 | 5.9 |
| **Written warning** | 02 | 11.8 |
| **Final written warning** | 04 | 23.5 |
| **Suspended without pay** | 01 | 5.9 |
| **Fine** | 00 | 0 |
| **Demotion** | 00 | 0 |
| **Dismissal** | 00 | 0 |
| **Not guilty** | 00 | 0 |
| **Case withdrawn** | 08 | 47 |
| **Total** | **17** | **100** |

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

| Type of misconduct | Number | % of total |
|---|---|---|
| Assault, bringing the name of the Department into disrepute and intended theft | 01 | 50 |
| Absenteeism | 01 | 50 |
| **Total** | **02** | **100** |

Table 3.12.4 **Grievances logged**

| | Number | % of total |
|---|---|---|
| Number of grievances resolved | 04 | 66.7 |
| Number of grievances not resolved | 02 | 33.3 |
| **Total number of grievances lodged** | **06** | **100** |

Table 3.12.5 **Disputes logged with Councils**

| | Number | % of total |
|---|---|---|
| Number of disputes upheld | 0 | 0 |
| Number of disputes dismissed | 0 | 0 |
| **Total number of disputes lodged** | **0** | **0** |

Table 3.12.6 **Strike actions**

| | |
|---|---|
| Total number of persons working days lost | 0 |
| Total costs working days lost | 0 |
| Amount (R'000) recovered as a result of no work no pay | 0 |

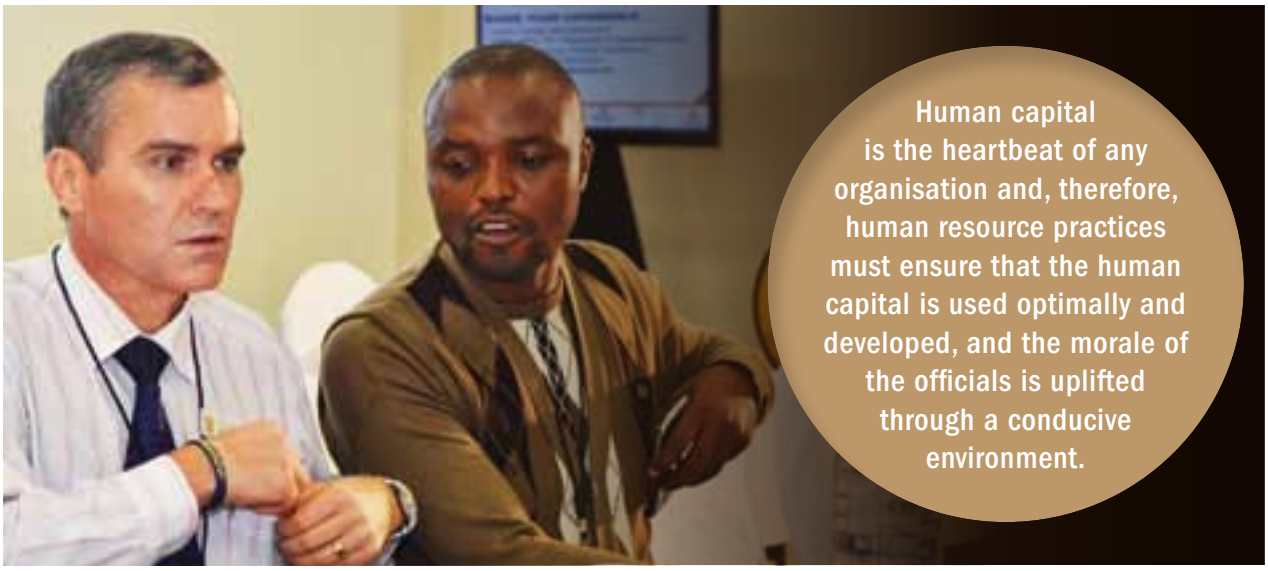
Table 3.12.7 **Precautionary suspensions**

| | |
|---|---|
| Number of people suspended | 0 |
| Number of people who's suspension exceeded 30 days | 0 |
| Average number of days suspended | 0 |
| Cost (R'000) of suspension | 0 |

In order to enhance the formal skills base of the Department, 101 officials are currently supported through a bursary to study towards a qualification in various study areas.

Skills programmes & other short courses

Other forms of training




## 3.13 Skills development

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

Table 3.13.1 Training needs identified

| Occupational category | Gender | Number of employees as at 1 April 2016 | 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 | 57 | 0 | 14 | 3 | 17 |
| | Male | 59 | 0 | 61 | 4 | 65 |
| Professionals | Female | 179 | 0 | 114 | 10 | 124 |
| | Male | 105 | 0 | 68 | 9 | 77 |
| Technicians and associate professionals | Female | 180 | 0 | 68 | 28 | 96 |
| | Male | 80 | 0 | 27 | 11 | 38 |
| Clerks | Female | 36 | 0 | 58 | 7 | 65 |
| | Male | 35 | 0 | 44 | 9 | 53 |
| Service and sales workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 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 | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Interns | Female | 0 | 0 | 31 | 31 | 62 |
| | Male | 0 | 0 | 13 | 13 | 26 |
| Sub total | Female | 0 | 0 | 285 | 79 | 364 |
| | Male | 0 | 0 | 213 | 46 | 259 |
| **Total** | | **731** | **0** | **498** | **125** | **623** |

Table 3.13.2 **Training provided for the reporting period**

| Occupational category | Gender | Number of employees as at 1 April 2016 | Training provided within the reporting period | | | |
|---|---|---|---|---|---|---|
| | | | Learnerships | Skills programmes & other short courses | Other forms of training | Total |
| **Legislators, senior officials and managers** | Female | 57 | 0 | 23 | 5 | 28 |
| | Male | 59 | 0 | 54 | 6 | 60 |
| **Professionals** | Female | 179 | 0 | 48 | 16 | 64 |
| | Male | 105 | 0 | 21 | 3 | 24 |
| **Technicians and associate professionals** | Female | 180 | 0 | 43 | 4 | 47 |
| | Male | 80 | 0 | 25 | 2 | 27 |
| **Clerks** | Female | 36 | 0 | 28 | 0 | 28 |
| | Male | 35 | 0 | 16 | 0 | 16 |
| **Service and sales workers** | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 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 | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| **Plant and machine operators and assemblers** | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| **Elementary occupations** | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| **Interns** | Female | 0 | 0 | 38 | 32 | 70 |
| | Male | 0 | 0 | 12 | 11 | 23 |
| **Sub total** | Female | 0 | 0 | 180 | 57 | 237 |
| | Male | 0 | 0 | 128 | 22 | 150 |
| **Total** | | **731** | **0** | **308** | **79** | **387** |

## 3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 **Injury on duty**

| Nature of injury on duty | Number | % of total |
|---|---|---|
| **Required basic medical attention only** | 0 | 0 |
| **Temporary total disablement** | 0 | 0 |
| **Permanent disablement** | 0 | 0 |
| **Fatal** | 0 | 0 |
| **Total** | **0** | **0** |

## 3.15 Utilisation of consultants

The following tables provide information on the use of consultants in the Department. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice
- The drafting of proposals for the execution of specific tasks
- The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department

Table 3.15.1 **Report on consultant appointments using appropriated funds for the period 1 April 2015 to 31 March 2016**

| Project title | Total number of consultants that worked on project | Duration (work days) | Contract value in rand |
|---|---|---|---|
| **Editorial services for the national disability rights policy** | 3 | 30 | R382 755.00 |
| **Customisation of reports on EMP** | 3 | 60 | R386 414.60 |
| **Editorial, design and layout – Annual Report** | 6 | 60 | R469 645.80 |
| **Implementation evaluation of the social work veterans programme** | 4 | 120 | R495 000.00 |
| **Editorial, design, layout and publication for two reports** | 2 | 7 | R152 760.00 |
| **Provincial consultative workshop on VEP and support services** | 1 | 90 | R350 000.00 |
| **Development and facilitation of the youth camp** | 2 | 30 | R500 000.00 |
| **Study to conduct a study to explore the use of the tax system for the financing and delivery of CSG** | 2 | 120 | R493 000.00 |
| **Alignment and editing of three (3) disability welfare services documents** | 2 | 180 | R495 000.00 |
| **Design & layout for pilot study report on people with disabilities** | 3 | 30 | R356 972.76 |
| **Desktop & laptop (end-point) data backup and recovery solution** | 3 | 1, 095 | R1 673 515.44 |
| **Payment for annual fee and maintenance** | 3 | 730 | R768 447.00 |

| Total number of projects | Total individual consultants | Total duration work days | Total contract value in rand |
|---|---|---|---|
| 12 | 34 | 2 552 | R 6 523 510.61 |

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 to 31 March 2016**

| Project title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups that work on the project |
|---|---|---|---|
| Editorial services for the national disability rights policy | 100% | 100% | 3 |
| Customisation of reports on EMP | 27% | 22% | 2 |
| Editorial, design and layout – Annual Report | 0% | 20% | 2 |
| Implementation evaluation of the social work veterans programme | 16% | 16% | 2 |
| Editorial, design, layout and publication for two reports | 100% | 100% | 2 |
| Provincial consultative workshop on VEP and support services | 100% | 100% | 1 |
| Development and facilitation of the youth camp | 100% | 100% | 1 |
| Study to conduct a study to explore the use of the tax system for the financing and delivery of CSG | 40% | 40% | 1 |
| Alignment and editing of three (3) disability welfare services documents | 100% | 100% | 2 |
| Design & layout for pilot study report on people with disabilities | 100% | 90% | 3 |

**Table 3.15.3 Report on consultant appointments using donor funds for the period 1 April 2014 to 31 March 2015**

| Project title | Total number of consultants that worked on project | Duration (work days) | Donor and contract value in rand |
|---|---|---|---|
| **None** | | | |
| | | | |

**Table 3.15.4 Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2014 to 31 March 2015**

| Project title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups that work on the project |
|---|---|---|---|
| **None** | | | |
| | | | |

PART E

# FINANCIAL INFORMATION

# ANNUAL FINANCIAL STATEMENTS

*for the year ended 31 March 2016*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# Report of the Auditor–General to Parliament on Vote 17: 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 163 to 208, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, 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 Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), 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 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 2016 and its financial performance and cash flows for the year then ended, in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and DoRA.

### Additional matter

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

### Unaudited supplementary information

8. The supplementary information set out on pages 209 to 219 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

## Report on other legal and regulatory requirements

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and 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 of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
    - Programme 2: Social assistance on pages 49 to 52
    - Programme 4: Welfare services policy development and implementation support on pages 59 to 84
11. 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).

12. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
13. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:
    - Programme 2: Social Assistance
    - Programme 4: Welfare services policy development and implementation support

## Additional matter

14. Although I identified 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

15. Refer to the annual performance report on pages 49 to 52 and 59 to 84 for information on the achievement of the planned targets for the year.

## Compliance with legislation

16. 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

17. 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.

Auditor-General

Pretoria
30 July 2016

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

# Appropriation Statement

*for the year ended 31 March 2016*

## Appropriation per programme

| Voted funds and direct charges R'000 | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation R'000 | Shifting of funds R'000 | Virement R'000 | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final appropriation R'000 | Actual expenditure R'000 |
| PROGRAMME | | | | | | | | | |
| 1. Administration | 297 015 | – | 8 038 | 305 053 | 305 053 | – | 100.0 | 327 477 | 326 738 |
| 2. Social Assistance | 129 818 278 | – | – | 129 818 278 | 128 333 376 | 1 484 902 | 98.9 | 120 702 101 | 119 994 761 |
| 3. Social Security Policy and Administration | 6 741 165 | – | (23 745) | 6 717 420 | 6 716 424 | 996 | 100.0 | 6 589 561 | 6 589 081 |
| 4. Welfare Services Policy Development And Implementation Support | 677 362 | – | 925 | 678 287 | 676 403 | 1 884 | 99.7 | 627 589 | 599 313 |
| 5. Social Policy and Integrated Service Delivery | 359 820 | – | 14 782 | 374 602 | 374 417 | 185 | 100.0 | 346 916 | 346 567 |
| **TOTAL** | **137 893 640** | | **–** | **137 893 640** | **136 405 673** | **1 487 967** | **98.9** | **128 593 644** | **127 856 460** |

| RECONCILIATION WITH STATEMENT OF FINANCIAL PERFORMANCE | | | | | |
|---|---|---|---|---|---|
| Add: | | | | | |
| Departmental receipts | 23 926 | | | 62 896 | |
| NRF Receipts | – | | | – | |
| Aid assistance | 76 175 | | | 20 253 | |
| Actual amounts per Statement of Financial Performance | 137 993 741 | | | 128 676 793 | |
| Add: | | | | | |
| Aid assistance | | 76 152 | | | 27 430 |
| Prior year unauthorised expenditure approved without funding | | | | | |
| Actual amounts per Statement of Financial Performance | | 136 481 825 | | | 127 883 890 |

## Appropriation per economic classification

| Economic classification | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation R'000 | Shifting of funds R'000 | Virement R'000 | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final appropriation R'000 | Actual expenditure R'000 |
| Current payments | 776 348 | (1 354) | 536 | 775 530 | 774 553 | 977 | 99.9 | 758 191 | 734 773 |
| Compensation of employees | 423 586 | (8 877) | 5 185 | 419 894 | 419 894 | – | 100.0 | 376 108 | 374 492 |
| Salaries and wages | 369 894 | (4 724) | 9 275 | 374 445 | 374 445 | – | 100.0 | 335 445 | 334 162 |
| Social contributions | 53 692 | (4 153) | (4 090) | 45 449 | 45 449 | – | 100.0 | 40 663 | 40 330 |
| Goods and services | 352 762 | 7 523 | (4 649) | 355 636 | 354 659 | 977 | 99.7 | 382 083 | 360 281 |
| Administrative fees | 8 312 | (2 598) | 322 | 6 036 | 6 036 | – | 100.0 | 6 095 | 6 089 |
| Advertising | 14 771 | 8 757 | (397) | 23 131 | 23 131 | – | 100.0 | 25 568 | 25 643 |
| Minor assets | 2 285 | (1 342) | (353) | 590 | 590 | – | 100.0 | 378 | 377 |
| Audit costs: External | 14 020 | (251) | – | 13 769 | 13 769 | – | 100.0 | 16 959 | 16 959 |
| Bursaries: Employees | 1 000 | 199 | (66) | 1 133 | 1 133 | – | 100.0 | 1 031 | 1 031 |
| Catering: Departmental activities | 18 144 | (2 916) | 975 | 16 203 | 16 203 | – | 100.0 | 11 049 | 11 049 |
| Communication (G&S) | 7 710 | 2 785 | 2 207 | 12 702 | 12 702 | – | 100.0 | 11 108 | 11 023 |

# Appropriation Statement

*for the year ended 31 March 2016*

Appropriation per economic classification *continued*

| Economic classification | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of funds | 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 | R'000 |
| Computer services | 18 813 | (8 907) | (2 148) | 7 758 | 7 758 | – | 100.0 | 22 793 | 22 793 |
| Consultants: Business and advisory services | 34 179 | 13 085 | (6 752) | 40 512 | 40 512 | – | 100.0 | 34 823 | 34 350 |
| Infrastructure and planning services | 13 232 | (13 091) | – | 141 | 141 | – | 100.0 | 19 645 | – |
| Legal services | 6 052 | (752) | (931) | 4 369 | 3 392 | 977 | 77.6 | 12 996 | 12 996 |
| Contractors | 5 846 | (2 691) | 428 | 3 583 | 3 583 | – | 100.0 | 4 473 | 4 249 |
| Agency and support / outsourced services | 4 550 | 1 006 | (1 960) | 3 596 | 3 596 | – | 100.0 | 3 416 | 3 416 |
| Entertainment | 500 | 260 | (96) | 664 | 664 | – | 100.0 | 410 | 389 |
| Fleet services (including government motor transport) | 2 446 | 2 643 | 868 | 5 957 | 5 957 | – | 100.0 | 11 172 | 11 172 |
| Consumable supplies | 1 085 | 568 | (57) | 1 596 | 1 596 | – | 100.0 | 660 | 660 |
| Consumable: Stationery, printing and office supplies | 10 262 | (1 362) | (2 850) | 6 050 | 6 050 | – | 100.0 | 5 472 | 5 373 |
| Operating leases | 30 737 | (4 840) | (1 496) | 24 401 | 24 401 | – | 100.0 | 35 353 | 35 122 |
| Property payments | 5 202 | 1 180 | 80 | 6 462 | 6 462 | – | 100.0 | 6 685 | 6 684 |
| Transport provided: Departmental activity | 739 | (535) | 1 560 | 1 764 | 1 764 | – | 100.0 | 886 | 886 |
| Travel and subsistence | 98 651 | 14 407 | 8 494 | 121 552 | 121 552 | – | 100.0 | 109 405 | 108 665 |
| Training and development | 7 106 | (3 776) | (1 201) | 2 129 | 2 129 | – | 100.0 | 6 158 | 6 135 |
| Operating payments | 7 522 | 4 430 | (560) | 11 392 | 11 392 | – | 100.0 | 6 617 | 6 617 |
| Venues and facilities | 31 390 | 579 | (1 253) | 30 716 | 30 716 | – | 100.0 | 23 388 | 23 060 |
| Rental and hiring | 8 208 | 685 | 537 | 9 430 | 9 430 | – | 100.0 | 5 543 | 5 543 |
| **Transfers and subsidies** | **137 107 656** | **271** | **210** | **137 108 137** | **135 621 147** | **1 486 990** | **98.9** | **127 817 642** | **127 077 103** |
| Provinces and municipalities | 47 500 | – | – | 47 500 | 47 500 | – | 100.0 | 29 000 | 27 530 |
| Departmental agencies and accounts | 7 104 706 | – | – | 7 104 706 | 7 104 698 | 8 | 100.0 | 6 961 054 | 6 961 054 |
| Higher education institutions | 1 430 | – | 69 | 1 499 | 1 467 | 32 | 97.9 | 2 200 | 2 200 |
| Foreign governments and international organisations | 4 230 | – | 64 | 4 294 | 4 053 | 241 | 94.4 | 4 705 | 4 691 |
| Non-profit institutions | 101 979 | – | 5 730 | 107 709 | 105 904 | 1 805 | 98.3 | 101 378 | 97 052 |
| Households | 129 847 811 | 271 | (5 653) | 129 842 429 | 128 357 525 | 1 484 904 | 98.9 | 120 719 305 | 119 984 576 |
| **Payments for capital assets** | **9 636** | **1 083** | **(746)** | **9 973** | **9 973** | **–** | **100.0** | **17 811** | **17 015** |
| Buildings and other fixed structures | – | 295 | – | 295 | 295 | – | 100.0 | – | – |
| Machinery and equipment | 9 160 | 830 | (1 080) | 8 910 | 8 910 | – | 100.0 | 17 703 | 16 907 |
| Software and other intangible assets | 476 | (42) | 334 | 768 | 768 | – | 100.0 | 108 | 108 |
| **Payment for financial assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **27 569** |
| **TOTAL** | **137 893 640** | **–** | **–** | **137 893 640** | **136 405 673** | **1 487 967** | **98.9** | **128 593 644** | **127 856 460** |

# Appropriation Statement

*for the year ended 31 March 2016*

## Programme 1: Administration

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation R'000 | Shifting of funds R'000 | Virement R'000 | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final appropriation R'000 | Actual expenditure R'000 |
| SUB-PROGRAMME | | | | | | | | | |
| 1. Ministry | 32 662 | 9 984 | 8 525 | 51 171 | 51 171 | – | 100.0 | 51 101 | 51 101 |
| 2. Department Management | 63 705 | (6 366) | – | 57 339 | 57 339 | – | 100.0 | 56 301 | 56 299 |
| 3. Corporate Management | 104 987 | 914 | (487) | 105 414 | 105 414 | – | 100.0 | 117 311 | 117 130 |
| 4. Finance | 55 243 | (860) | – | 54 383 | 54 383 | – | 100.0 | 55 749 | 55 193 |
| 5. Internal Audit | 9 433 | (487) | – | 8 946 | 8 946 | – | 100.0 | 7 760 | 7 760 |
| 6. Office Accommodation | 30 985 | (3 185) | – | 27 800 | 27 800 | – | 100.0 | 39 255 | 39 255 |
| **TOTAL** | **297 015** | **–** | **8 038** | **305 053** | **305 053** | **–** | **100.0** | **327 477** | **326 738** |
| **ECONOMIC CLASSIFICATION** | | | | | | | | | |
| Current payments | 292 562 | (4 124) | 7 667 | 296 105 | 296 105 | – | 100.0 | 321 903 | 320 985 |
| Compensation of employees | 166 749 | (630) | 3 533 | 169 652 | 169 652 | – | 100.0 | 153 364 | 153 363 |
| Salaries and wages | 147 987 | (1 213) | 3 628 | 150 402 | 150 402 | – | 100.0 | 136 398 | 136 398 |
| Social contributions | 18 762 | 583 | (95) | 19 250 | 19 250 | – | 100.0 | 16 966 | 16 965 |
| Goods and services | 125 813 | (3 494) | 4 134 | 126 453 | 126 453 | – | 100.0 | 168 539 | 167 622 |
| Administrative fees | 4 361 | 2 801 | 221 | 1 781 | 1 781 | – | 100.0 | 1 972 | 1 972 |
| Advertising | 1 571 | (117) | – | 1 454 | 1 454 | – | 100.0 | 9 982 | 9 802 |
| Minor assets | 382 | (255) | – | 127 | 127 | – | 100.0 | 52 | 51 |
| Audit costs: External | 14 020 | (251) | – | 13 769 | 13 769 | – | 100.0 | 16 959 | 16 959 |
| Bursaries: Employees | 911 | 229 | – | 1 140 | 1 140 | – | 100.0 | 805 | 805 |
| Catering: Departmental activities | 1 036 | (552) | 63 | 547 | 547 | – | 100.0 | 1 112 | 1 112 |
| Communication (G&S) | 4 145 | 2 721 | 1 949 | 8 815 | 8 815 | – | 100.0 | 6 247 | 6 246 |
| Computer services | 14 480 | (6 722) | – | 7 758 | 7 758 | – | 100.0 | 22 683 | 22 683 |
| Consultants: Business and advisory services | 2 935 | (1 187) | 36 | 1 784 | 1 784 | – | 100.0 | 3 636 | 3 635 |
| Legal services | 30 | 69 | – | 99 | 99 | – | 100.0 | 84 | 84 |
| Contractors | 826 | 383 | 27 | 1 236 | 1 236 | – | 100.0 | 2 868 | 2 868 |
| Agency and support / outsourced services | 2 222 | 548 | (4) | 2 766 | 2 766 | – | 100.0 | 2 559 | 2 559 |
| Entertainment | 161 | (98) | (6) | 57 | 57 | – | 100.0 | 58 | 58 |
| Fleet services (including government motor transport) | 1 890 | 2 725 | 710 | 5 325 | 5 325 | – | 100.0 | 9 387 | 9 387 |
| Consumable supplies | 254 | 4 | 29 | 287 | 287 | – | 100.0 | 173 | 178 |
| Consumable: Stationery, printing and office supplies | 4 580 | (1 949) | (126) | 2 505 | 2 505 | – | 100.0 | 2 391 | 2 391 |
| Operating leases | 27 779 | (4 455) | (84) | 23 240 | 23 240 | – | 100.0 | 34 206 | 34 278 |
| Property payments | 4 512 | 1 360 | (1) | 5 871 | 5 871 | – | 100.0 | 6 107 | 6 107 |
| Transport provided: Departmental activity | – | – | – | – | – | – | – | – | – |
| Travel and subsistence | 31 116 | 9 394 | 1 620 | 42 130 | 42 130 | – | 100.0 | 40 610 | 39 871 |
| Training and development | 3 259 | (1 534) | (570) | 1 155 | 1 155 | – | 100.0 | 1 531 | 1 531 |
| Operating payments | 2 167 | 698 | 68 | 2 933 | 2 933 | – | 100.0 | 2 549 | 2 549 |
| Venues and facilities | 3 074 | (1 702) | 255 | 1 627 | 1 627 | – | 100.0 | 1 901 | 1 829 |
| Rental and hiring | 102 | (2) | (53) | 47 | 47 | – | 100.0 | 667 | 667 |
| Transfers and subsidies | 1 564 | 121 | – | 1 685 | 1 685 | – | 100.0 | 2 891 | 2 881 |
| Departmental agencies and accounts | 1 211 | – | – | 1 211 | 1 211 | – | 100.0 | 1 128 | 1 128 |
| Households | 353 | 121 | – | 474 | 474 | – | 100.0 | 1 763 | 1 759 |
| Payments for capital assets | 2 889 | 4 003 | 371 | 7 263 | 7 263 | – | 100.0 | 2 683 | 2 682 |
| Machinery and equipment | 2 413 | 4 083 | 37 | 6 533 | 6 533 | – | 100.0 | 2 585 | 2 284 |
| Software and other intangible assets | 476 | (80) | 334 | 730 | 730 | – | 100.0 | 98 | 98 |
| Payment for financial assets | – | – | – | – | – | – | – | – | 184 |
| **TOTAL** | **297 015** | **–** | **8 038** | **305 053** | **305 053** | **–** | **100.0** | **327 477** | **326 738** |

# Appropriation Statement

*for the year ended 31 March 2016*

## Programme 2: Social Assistance

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of Funds | Varement | 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 |
| SUB-PROGRAMME | | | | | | | | | |
| 1. Old Age | 53 517 707 | (206 000) | – | 53 311 707 | 53 134 481 | 177 226 | 99.7 | 49 051 677 | 49 044 747 |
| 2. War Veterans | 5 014 | 200 | – | 5 214 | 4 842 | 372 | 92.9 | 6 802 | 6 180 |
| 3. Disability | 19 733 911 | (326 150) | – | 19 407 761 | 19 166 792 | 240 792 | 98.8 | 18 906 448 | 18 744 785 |
| 4. Foster Care | 5 534 585 | 65 000 | – | 5 599 585 | 5 408 370 | 191 215 | 96.6 | 5 820 660 | 5 419 223 |
| 5. Care Dependency | 2 460 930 | 25 500 | – | 2 486 430 | 2 394 702 | 91 728 | 96.3 | 2 259 346 | 2 211 953 |
| 6. Child Support | 47 841 724 | (31 550) | – | 47 810 174 | 47 308 008 | 502 166 | 98.9 | 43 778 252 | 43 741 007 |
| 7. Grant-In-Aid | 274 195 | 243 000 | – | 517 195 | 503 085 | 14 110 | 97.3 | 377 081 | 371 259 |
| 8. Social Relief of Distress | 450 212 | 230 000 | – | 680 212 | 412 919 | 267 293 | 60.7 | 501 835 | 455 607 |
| TOTAL | 129 818 278 | – | – | 129 818 278 | 128 333 376 | 1 484 902 | 98.9 | 120 702 101 | 119 994 761 |
| ECONOMIC CLASSIFICATION | | | | | | | | | |
| Transfers and subsidies | 29 818 278 | – | – | 129 818 278 | 128 333 376 | 1 484 902 | 98.9 | 120 702 101 | 119 967 376 |
| Households | 129 818 278 | – | – | 129 818 278 | 128 333 376 | 1 484 902 | 98.9 | 120 702 101 | 119 967 376 |
| Payment for financial assets | – | – | – | – | – | – | – | – | 27 385 |
| TOTAL | 129 818 278 | – | – | 129 818 278 | 128 333 376 | 1 484 902 | 98.9 | 120 702 101 | 119 994 761 |

# Appropriation Statement

*for the year ended 31 March 2016*

## Programme 3: Social Security Policy and Administration

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of funds | 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 |
| **SUB-PROGRAMME** | | | | | | | | | |
| 1. Social Security Policy Development | 53 440 | – | (9 978) | 43 462 | 43 452 | 10 | 100.0 | 37 782 | 37 381 |
| 2. Appeals Adjudication | 40 012 | – | (14 232) | 25 780 | 24 803 | 977 | 96.2 | 28 759 | 28 759 |
| 3. Social Grants Administration | 6 564 085 | – | – | 6 564 085 | 6 564 077 | 8 | 100.0 | 6 442 173 | 6 442 173 |
| 4. Social Grants Fraud Investigation | 78 885 | – | – | 78 885 | 78 885 | – | 100.0 | 75 416 | 75 416 |
| 5. Programme Management | 4 743 | – | 465 | 5 208 | 5 207 | 1 | 100.0 | 5 431 | 5 352 |
| **TOTAL** | **6 741 165** | **–** | **(23 745)** | **6 717 420** | **6 716 424** | **996** | **100.0** | **6 589 561** | **6 589 081** |
| **ECONOMIC CLASSIFICATION** | | | | | | | | | |
| **Current payments** | **94 032** | **–** | **(23 112)** | **70 920** | **69 943** | **977** | **98.6** | **67 489** | **67 468** |
| Compensation of employees | 47 632 | – | (2 018) | 45 614 | 45 614 | – | 100.0 | 40 228 | 40 228 |
| Salaries and wages | 40 877 | – | (344) | 40 533) | 40 533 | – | 100.0 | 35 894 | 35 894 |
| Social contributions | 6 755 | – | (1 674) | 5 081 | 5 081 | – | 100.0 | 4 334 | 4 334 |
| Goods and services | 46 400 | – | (21 094) | 25 306 | 24 329 | 977 | 96.1 | 27 261 | 27 240 |
| Administrative fees | 543 | – | (367) | 176 | 176 | – | 100.0 | 254 | 254 |
| Advertising | 1 119 | – | (934) | 185 | 185 | – | 100.0 | 87 | 87 |
| Minor assets | 471 | – | (159) | 312 | 312 | – | 100.0 | 11 | 11 |
| Bursaries: Employees | 59 | – | (59) | – | – | – | – | 29 | 29 |
| Catering: Departmental activities | 309 | – | (216) | 93 | 93 | – | 100.0 | 60 | 60 |
| Communication (G&S) | 1 054 | – | 221 | 1 275 | 1 275 | – | 100.0 | 1 360 | 1 360 |
| Computer services | 2 148 | – | (2 148) | – | – | – | – | – | – |
| Consultants: Business and advisory services | 14 145 | – | (4 100) | 10 045 | 10 045 | – | 100.0 | 8 200 | 8 200 |
| Legal services | 4 600 | – | (931) | 3 669 | 2 692 | 977 | 73.4 | 7 792 | 7 792 |
| Contractors | 433 | – | 80 | 513 | 513 | – | 100.0 | 124 | 124 |
| Agency and support / outsourced services | 1 939 | – | (1 939) | – | – | – | – | 10 | 10 |
| Entertainment | 89 | – | (69) | 20 | 20 | – | 100.0 | 13 | 13 |
| Fleet services (including government motor transport) | 342 | – | 166 | 508 | 508 | – | 100.0 | 1 636 | 1 636 |
| Consumable supplies | 102 | – | 32 | 134 | 134 | – | 100.0 | 106 | 106 |
| Consumable: Stationery, printing and office supplies | 2 499 | – | (2 016) | 483 | 483 | – | 100.0 | 338 | 339 |
| Operating leases | 1 955 | – | (1 442) | 513 | 513 | – | 100.0 | 247 | 247 |
| Property payments | 435 | – | 81 | 516 | 516 | – | 100.0 | 509 | 509 |
| Transport provided: Departmental activity | – | – | – | – | – | – | – | – | – |
| Travel and subsistence | 9 544 | – | (4 664) | 4 880 | 4 880 | – | 100.0 | 4 510 | 4 510 |
| Training and development | 827 | – | (480) | 347 | 347 | – | 100.0 | 225 | 203 |
| Operating payments | 1 468 | – | (1 407) | 61 | 61 | – | 100.0 | 488 | 488 |
| Venues and facilities | 1 524 | – | 52 | 1 576 | 1 576 | – | 100.0 | 1 262 | 1 262 |
| Rental and hiring | 795 | – | (795) | – | – | – | – | – | – |
| **Transfers and subsidies** | **6 645 720** | **–** | **53** | **6 645 773** | **6 645 754** | **19** | **100.0** | **6 520 853** | **6 520 853** |
| Departmental agencies and accounts | 6 642 970 | – | – | 6 642 970 | 6 642 962 | 8 | 100.0 | 6 517 589 | 6 517 589 |
| Higher education institutions | 1 000 | – | – | 1 000 | 998 | 2 | 98.8 | 1 800 | 1 800 |
| Foreign governments and international organisations | 1 610 | – | – | 1 610 | 1 602 | 8 | 99.5 | 1 400 | 1 400 |
| Households | 140 | – | 53 | 193 | 192 | 1 | 99.5 | 64 | 64 |
| **Payments for capital assets** | **1 413** | **–** | **(686)** | **727** | **727** | **–** | **100.0** | **1 219** | **760** |
| Machinery and equipment | 1 413 | – | (686) | 727 | 727 | – | 100.0 | 1 219 | 760 |
| **Payment for financial assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL** | **6 741 165** | **–** | **(23 745)** | **6 717 420** | **6 716 424** | **996** | **100.0** | **6 589 561** | **6 589 081** |

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

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of funds | 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 | R'000 |
| SUB-PROGRAMME | | | | | | | | | |
| 1. Service Standards | 27 561 | 7 881 | 816 | 36 258 | 34 452 | 1 806 | 95.0 | 25 068 | 23 207 |
| 2. Substance Abuse | 77 570 | (3 651) | – | 73 919 | 73 875 | 44 | 99.9 | 62 894 | 41 701 |
| 3. Older Persons | 20 701 | (1 973) | – | 18 728 | 18 697 | 31 | 99.8 | 21 519 | 21 480 |
| 4. People With Disabilities | 28 494 | (6 925) | – | 21 569 | 21 569 | – | 100.0 | 20 695 | 19 094 |
| 5. Children | 80 295 | (4 375) | 109 | 76 029 | 76 026 | 3 | 100.0 | 69 458 | 67 904 |
| 6. Families | 8 744 | 86 | – | 8 830 | 8 830 | – | 100.0 | 8 379 | 8 377 |
| 7. Social Crime Prevention & Victim Empowerment | 59 875 | 4 574 | – | 64 449 | 64 449 | – | 100.0 | 50 005 | 47 981 |
| 8. Youth | 13 197 | 4 841 | – | 18 038 | 18 038 | – | 100.0 | 19 079 | 19 077 |
| 9. HIV and Aids | 81 219 | (2 058) | – | 79 161 | 79 161 | – | 100.0 | 76 389 | 76 389 |
| 10. Social Worker Scholarship | 276 144 | – | – | 276 144 | 276 144 | – | 100.0 | 264 000 | 264 000 |
| 11. Programme Management | 3 562 | 1 600 | – | 5 162 | 5 162 | – | 100.0 | 10 103 | 10 103 |
| TOTAL | 677 362 | – | 925 | 678 287 | 676 403 | 1 884 | 99.7 | 627 589 | 599 313 |
| ECONOMIC CLASSIFICATION | | | | | | | | | |
| Current payments | 269 912 | 2 770 | 883 | 273 565 | 273 565 | – | 100.0 | 258 303 | 236 173 |
| Compensation of employees | 137 251 | (8 247) | 816 | 129 820 | 129 820 | – | 100.0 | 117 155 | 115 541 |
| Salaries and wages | 119 708 | (3 511) | 816 | 117 013 | 117 013 | – | 100.0 | 105 088 | 103 805 |
| Social contributions | 17 543 | (4 736) | – | 12 807 | 12 807 | – | 100.0 | 12 067 | 11 736 |
| Goods and services | 132 661 | 11 017 | 67 | 143 745 | 143 745 | – | 100.0 | 141 148 | 120 632 |
| Administrative fees | 1 913 | 203 | – | 2 116 | 2 116 | – | 100.0 | 2 403 | 2 397 |
| Advertising | 9 834 | 8 874 | – | 18 708 | 18 708 | – | 100.0 | 12 357 | 12 612 |
| Minor assets | 1 225 | (1 087) | – | 138 | 138 | – | 100.0 | 183 | 183 |
| Bursaries: Employees | 30 | (30) | – | – | – | – | – | – | – |
| Catering: Departmental activities | 10 844 | (2 364) | – | 8 480 | 8 480 | – | 100.0 | 7 073 | 7 073 |
| Communication (G&S) | 1 891 | 64 | – | 1 955 | 1 955 | – | 100.0 | 2 453 | 2 369 |
| Computer services | 2 185 | (2 185) | – | – | – | – | – | 76 | 76 |
| Consultants: Business and advisory services | 10 507 | 14 272 | – | 24 779 | 24 779 | – | 100.0 | 20 174 | 20 049 |
| Infrastructure and planning services | 13 232 | (13 091) | – | 141 | 141 | – | 100.0 | 19 645 | – |
| Legal services | 1 422 | (821) | – | 601 | 601 | – | 100.0 | 5 111 | 5 111 |
| Contractors | 4 257 | (3 074) | – | 1 183 | 1 183 | – | 100.0 | 1 044 | 820 |
| Agency and support / outsourced services | 200 | 458 | – | 658 | 658 | – | 100.0 | 698 | 698 |
| Entertainment | 117 | 358 | – | 475 | 475 | – | 100.0 | 199 | 178 |
| Fleet services (including government motor transport) | 194 | (82) | – | 112 | 112 | – | 100.0 | 131 | 131 |
| Consumable supplies | 541 | 564 | – | 1 105 | 1 105 | – | 100.0 | 310 | 305 |
| Consumable: Stationery, printing and office supplies | 1 688 | 587 | – | 2 275 | 2 275 | – | 100.0 | 1 709 | 1 609 |
| Operating leases | 810 | (385) | – | 425 | 425 | – | 100.0 | 717 | 414 |
| Property payments | 180 | (180) | – | – | – | – | – | 25 | 24 |
| Transport provided: Departmental activity | 558 | (535) | – | 23 | 23 | – | 100.0 | 818 | 818 |
| Travel and subsistence | 40 846 | 5 013 | – | 45 859 | 45 859 | – | 100.0 | 43 112 | 43 111 |
| Training and development | 2 615 | (2 242) | – | 373 | 373 | – | 100.0 | 2 940 | 2 939 |

# Appropriation Statement

*for the year ended 31 March 2016*

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of funds | 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 | R'000 |
| Operating payments | 3 375 | 3 732 | – | 7 107 | 7 107 | – | 100.0 | 3 077 | 3 077 |
| Venues and facilities | 20 030 | 2 281 | 67 | 22 378 | 22 378 | – | 100.0 | 13 217 | 12 962 |
| Rental and hiring | 4 167 | 687 | – | 4 854 | 4 854 | – | 100.0 | 3 676 | 3 676 |
| **Transfers and subsidies** | **403 036** | **150** | **42** | **403 228** | **401 344** | **1 884** | **99.5** | **367 637** | **361 827** |
| Provinces and municipalities | 47 500 | – | – | 47 500 | 47 500 | – | 100.0 | 29 000 | 27 530 |
| Departmental agencies and accounts | 276 144 | – | – | 276 144 | 276 144 | – | 100.0 | 264 000 | 264 000 |
| Foreign governments and international organisations | 689 | – | 42 | 731 | 653 | 78 | 89.3 | 773 | 759 |
| Non-profit institutions | 78 657 | – | – | 78 657 | 76 852 | 1 805 | 97.7 | 73 764 | 69 438 |
| Households | 46 | 150 | – | 196 | 195 | 1 | 99.5 | 100 | 100 |
| **Payments for capital assets** | **4 414** | **(2 920)** | **–** | **1 494** | **1 494** | **–** | **100.0** | **1 649** | **1 313** |
| Buildings and other fixed structures | – | 295 | – | 295 | 295 | – | 100.0 | – | – |
| Machinery and equipment | 4 414 | (3 253) | – | 1 161 | 1 161 | – | 100.0 | 1 639 | 1 303 |
| Software and other intangible assets | – | 38 | – | 38 | 38 | – | 100.0 | 10 | 10 |
| **Payment for financial assets** | **–** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL** | **677 362** | **–** | **925** | **678 287** | **676 403** | **1 884** | **99.7** | **627 589** | **599 313** |

## Programme 5: Social Policy and Integrated Service Delivery

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of Funds | 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 | R'000 |
| SUB-PROGRAMME | | | | | | | | | |
| 1. Social Policy Research and Development | 5 204 | – | 687 | 5 891 | 5 758 | 133 | 97.7 | 3 700 | 3 698 |
| 2. Special Projects and Innovation | 8 563 | – | 3 037 | 11 600 | 11 600 | – | 100.0 | 10 486 | 10 486 |
| 3. Population Policy Promotion | 31 247 | – | 4 568 | 35 815 | 35 736 | 52 | 99.5 | 32 096 | 32 096 |
| 4. Registration and Monitoring of Non-profit Organisations | 30 387 | – | (86) | 30 301 | 30 301 | – | 100.0 | 29 431 | 29 084 |
| 5. Substance Abuse Advisory Services and Oversight | 6 114 | – | (2 036) | 4 078 | 4 078 | – | 100.0 | 3 878 | 3 878 |
| 6. Community Development | 90 838 | – | 6 957 | 97 795 | 97 795 | – | 100.0 | 85 751 | 85 751 |
| 7. National Development Agency | 184 381 | – | – | 184 381 | 184 381 | – | 100.0 | 178 337 | 178 337 |
| 8. Programme Management | 3 086 | – | 1 655 | 4 741 | 4 741 | – | 100.0 | 3 237 | 3 237 |
| TOTAL | **359 820** | **–** | **14 782** | **374 602** | **374 417** | **185** | **100.0** | **346 916** | **346 567** |
| ECONOMIC CLASSIFICATION | | | | | | | | | |
| Current payments | 119 842 | – | 15 098 | 134 940 | 134 940 | – | 100.0 | 110 496 | 110 147 |
| Compensation of employees | 71 954 | – | 2 854 | 74 808 | 74 808 | – | 100.0 | 65 361 | 65 360 |
| Salaries and wages | 61 322 | – | 5 175 | 66 497 | 66 497 | – | 100.0 | 58 065 | 58 065 |
| Social contributions | 10 632 | – | (2 321) | 8 311 | 8 311 | – | 100.0 | 7 296 | 7 295 |
| Goods and services | 47 888 | – | 12 244 | 60 132 | 60 132 | – | 100.0 | 45 135 | 44 787 |
| Administrative fees | 1 495 | – | 468 | 1 963 | 1 963 | – | 100.0 | 1 466 | 1 466 |
| Advertising | 2 247 | – | 537 | 2 784 | 2 784 | – | 100.0 | 3 142 | 3 142 |
| Minor assets | 207 | – | (194) | 13 | 13 | – | 100.0 | 132 | 132 |
| Bursaries: Employees | – | – | (7) | (7) | (7) | – | 100.0 | 197 | 197 |
| Catering: Departmental activities | 5 955 | – | 1 128 | 7 083 | 7 083 | – | 100.0 | 2 804 | 2 804 |
| Communication (G&S) | 620 | – | 37 | 657 | 657 | – | 100.0 | 1 048 | 1 048 |
| Computer services | – | – | – | – | – | – | – | 34 | 34 |
| Consultants: Business and advisory services | 6 592 | – | (2 688) | 3 904 | 3 904 | – | 100.0 | 2 813 | 2 466 |
| Contractors | 330 | – | 321 | 651 | 651 | – | 100.0 | 437 | 437 |
| Agency and support / outsourced services | 189 | – | (17) | 172 | 172 | – | 100.0 | 149 | 149 |
| Entertainment | 133 | – | (21) | 112 | 112 | – | 100.0 | 140 | 140 |
| Fleet services (including government motor transport) | 20 | – | (8) | 12 | 12 | – | 100.0 | 18 | 18 |
| Consumable supplies | 188 | – | (118) | 70 | 70 | – | 100.0 | 71 | 71 |
| Consumable: Stationery printing and office supplies | 1 495 | – | (708) | 787 | 787 | – | 100.0 | 1 034 | 1 034 |
| Operating leases | 193 | – | 30 | 223 | 223 | – | 100.0 | 183 | 183 |
| Property payments | 75 | – | – | 75 | 75 | – | 100.0 | 44 | 44 |
| Transport provided: Departmental activity | 181 | – | 1 560 | 1 741 | 1 741 | – | 100.0 | 68 | 68 |
| Travel and subsistence | 17 145 | – | 11 538 | 28 683 | 28 683 | – | 100.0 | 21 173 | 21 173 |
| Training and development | 405 | – | (151) | 254 | 254 | – | 100.0 | 1 462 | 1 462 |

# Appropriation Statement

*for the year ended 31 March 2016*

| | 2015/16 | | | | | | | 2014/15 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appropriation | Shifting of Funds | 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 | R'000 |
| Operating payments | 512 | – | 779 | 1 291 | 1 291 | – | 100.0 | 503 | 503 |
| Venues and facilities | 6 762 | – | (1 627) | 5 135 | 5 135 | – | 100.0 | 7 008 | 7 007 |
| Rental and hiring | 3 144 | – | 1 385 | 4 529 | 4 529 | – | 100.0 | 1 200 | 1 200 |
| **Transfers and subsidies** | **239 058** | **–** | **115** | **239 173** | **238 988** | **185** | **99.9** | **224 160** | **224 160** |
| Departmental agencies and accounts | 184 381 | – | – | 184 381 | 184 381 | – | 100.0 | 178 337 | 178 337 |
| Higher education institutions | 430 | – | 69 | 499 | 469 | 30 | 94.0 | 400 | 400 |
| Foreign governments and international organisations | 1 931 | – | 22 | 1 953 | 1 798 | 155 | 92.1 | 2 532 | 2 532 |
| Non-profit institutions | 23 322 | – | 5 730 | 29 052 | 29 052 | – | 100.0 | 27 614 | 27 614 |
| Households | 28 994 | – | (5 706) | 23 288 | 23 288 | – | 100.0 | 15 277 | 15 277 |
| **Payments for capital assets** | **920** | **–** | **(431)** | **489** | **489** | **–** | **100.0** | **12 260** | **12 260** |
| Machinery and equipment | 920 | – | (431) | 12 260 | 12 260 | – | 100.0 | 12 260 | 12 260 |
| **Payment for financial assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL** | **359 820** | **–** | **14 782** | **374 602** | **374 417** | **185** | **100.0** | **346 916** | **346 567** |

# Notes to the Appropriation Statement

*for the year ended 31 March 2016*

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

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

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

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

## 3 Detail on payments for financial assets

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

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

### 4.1 Per programme:

| PROGRAMMES | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Variance as a % of Final appropriation % |
|---|---|---|---|---|
| ADMINISTRATION | | | | |
| Current payment | 296 105 | 296 105 | – | 0.00 |
| Transfers and subsidies | 1 685 | 1 685 | – | 0.00 |
| Payment for capital assets | 7 263 | 7 263 | – | 0.00 |
| SOCIAL ASSISTANCE | | | | |
| Transfers and subsidies | 129 818 278 | 128 333 376 | 1 484 902 | 1.14 |
| The under-expenditure mainly relates to slow spending on foster care, disability and war veterans as a result of lesser than anticipated projected beneficiaries. | | | | |
| SOCIAL SECURITY POLICY AND ADMINISTRATION | | | | |
| Current payment | 70 920 | 69 943 | 977 | 1.38 |
| Transfers and subsidies | 6 645 773 | 6 645 754 | 19 | 0.00 |
| Payment for capital assets | 727 | 727 | – | 0.00 |
| The under-expenditure mainly relates to slow spending on legal services in terms of litigation cases reported for the financial year. | | | | |
| WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT | | | | |
| Current payment | 273 565 | 273 565 | – | – |
| Transfers and subsidies | 403 228 | 401 344 | 1 884 | 0.47 |
| Payment for capital assets | 1 494 | 1 494 | – | – |
| The under-expenditure mainly relates to the non-payment of nonprofit organisations due to non-compliance. | | | | |
| SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY | | | | |
| Current payment | 134 940 | 134 940 | – | – |
| Transfers and subsidies | 239 173 | 238 988 | 185 | 0.08 |
| Payment for capital assets | 489 | 489 | – | – |
| The under-expenditure mainly relates to the non-payment to foreign government and international organisations for research not conducted in the financial year. | | | | |

## 4.2 Per economic classification

| PROGRAMMES | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Variance as a % of Final appropriation % |
|---|---|---|---|---|
| **Current expenditure** | | | | |
| Compensation of employees | 419 894 | 419 894 | – | 0.00 |
| Goods and services | 355 636 | 354 659 | 977 | 0.27 |
| Interest and rent on land | – | – | – | – |
| **Transfers and subsidies** | | | | |
| Provinces and municipalities | 47 500 | 47 500 | – | 0.00 |
| Departmental agencies and accounts | 7 104 706 | 7 104 698 | 8 | 0.00 |
| Higher education institutions | 1 499 | 1 467 | 32 | 2.13 |
| Public corporations and private enterprises | – | – | – | – |
| Foreign governments and international organisations | 4 294 | 4 053 | 241 | 5.61 |
| Non-profit institutions | 107 709 | 105 904 | 1 805 | 1.68 |
| Households | 129 842 429 | 128 357 525 | 1 484 904 | 1.14 |
| **Payments for capital assets** | | | | |
| Buildings and other fixed structures | 295 | 295 | – | – |
| Machinery and equipment | 8 910 | 8 910 | – | – |
| Software and other intangible assets | 768 | 768 | – | – |
| **Payments for financial assets** | – | – | – | – |

The under-expenditure mainly relates to households in terms of slow spending on foster care, disability and war veterans as a result of fewer than anticipated projected beneficiaries.

## 4.3 Per conditional grant

| | Final appropriation R'000 | Actual expenditure R'000 | Variance R'000 | Variance as a % of Final appropriation % |
|---|---|---|---|---|
| SUBSTANCE ABUSE CONDITIONAL GRANT | 47 500 | 47 500 | – | 0.00 |

Department of Social Development: Vote 17

# Statement of Financial Performance

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Annual appropriation | 1 | 137 893 640 | 128 593 644 |
| Departmental revenue | 2 | 23 926 | 62 896 |
| Aid assistance | 3 | 76 175 | 20 253 |
| **TOTAL REVENUE** | | 137 993 741 | 128 676 793 |
| **EXPENDITURE** | | | |
| Current expenditure | | | |
| Compensation of employees | 4 | 419 894 | 374 491 |
| Goods and services | 5 | 354 678 | 360 278 |
| Aid assistance | 3 | 70 638 | 23 476 |
| Total current expenditure | | 845 210 | 758 245 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 7 | 135 621 128 | 127 077 104 |
| Aid assistance | 3 | 5 124 | 2 290 |
| Total transfers and subsidies | | 135 626 252 | 127 079 394 |
| Expenditure for capital assets | | | |
| Tangible assets | 8 | 9 862 | 18 574 |
| Intangible assets | 8 | 501 | 108 |
| Total expenditure for capital assets | | 10 363 | 18 682 |
| Payments for financial assets | 6 | – | 27 569 |
| **TOTAL EXPENDITURE** | | 136 481 825 | 127 883 890 |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | | **1 511 916** | **792 903** |
| Reconciliation of Net Surplus/(Deficit) for the year | | | |
| Voted funds | | 1 487 967 | 737 184 |
| Annual appropriation | | 1 487 967 | – |
| Conditional grants | | – | – |
| Departmental revenue and NRF Receipts | 14 | 23 926 | 62 896 |
| Aid assistance | 3 | 23 | (7 177) |
| SURPLUS/(DEFICIT) FOR THE YEAR | | **1 511 916** | **792 903** |

# Statement of Financial Position

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | 11 015 394 | 9 613 174 |
| Unauthorised expenditure | 9 | – | 26 168 |
| Cash and cash equivalents | 10 | 759 014 | 388 819 |
| Prepayments and advances | 11 | 10 238 022 | 9 184 566 |
| Receivables | 12 | 18 367 | 13 621 |
| Non-current assets | | | |
| Receivables | 12 | 1 256 686 | 1 032 631 |
| **TOTAL ASSETS** | | 12 271 989 | 10 645 805 |
| **LIABILITIES** | | | |
| Current liabilities | | 11 048 817 | 9 647 964 |
| Voted funds to be surrendered to the Revenue Fund | 13 | 646 626 | 62 786 |
| Departmental revenue and NRF receipts to be surrendered to the Revenue Fund | 14 | 17 552 | 45 588 |
| Bank overdraft | 15 | 10 334 714 | 9 498 423 |
| Payables | 16 | 40 161 | 37 980 |
| Aid assistance repayable | 3 | 9 010 | – |
| Aid assistance unutilised | 3 | 754 | 3 187 |
| Non-current liabilities | | | |
| Payables | 17 | 1 215 954 | 984 069 |
| **TOTAL LIABILITIES** | | 12 264 711 | 10 632 033 |
| **NET ASSETS** | | **7 218** | **13 772** |
| Represented by: | | | |
| Retained funds | | 7 218 | 13 772 |
| **TOTAL** | | **7 218** | **13 772** |

# Statement of Changes in Net Assets

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **RETAINED FUNDS** | | | |
| **Opening balance** | | 13 772 | 20 027 |
| Transfer from voted funds to be surrendered (Parliament/Legislatures) | | – | (6 255) |
| Utilised during the year | | (6 554) | (6 225) |
| **Closing balance** | | 7 218 | 13 772 |
| **TOTAL** | | **7 218** | **13 772** |

# Cash Flow Statement

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Receipts | | 137 152 400 | 128 002 395 |
| Annual appropriated funds received | 1.1 | 137 052 299 | 127 919 246 |
| Departmental revenue received | 2 | 11 614 | 51 409 |
| Interest received | 2.2 | 12 312 | 11 487 |
| Aid assistance received | 3 | 76 175 | 20 253 |
| Net (increase)/decrease in working capital | | (1 253 808) | (534 356) |
| Surrendered to Revenue Fund | | (114 748) | (1 471 119) |
| Surrendered to RDP Fund/Donor | | – | (1) |
| Current payments | | (845 210) | (758 245) |
| Payments for financial assets | | – | (27 569) |
| Transfers and subsidies paid | | (135 626 252) | (127 079 394) |
| Net cash flow available from operating activities | 18 | (687 618) | (1 868 289) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Payments for capital assets | 8 | (10 363) | (18 682) |
| Net cash flows from investing activities | | (10 363) | (18 682) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Increase/(decrease) in non-current payables | | (231 885) | 291 153 |
| Net cash flows from financing activities | | (231 885) | 291 153 |
| Net increase/(decrease) in cash and cash equivalents | | (466 096) | (1 595 818) |
| Cash and cash equivalents at beginning of period | | (9 109 604) | (7 513 786) |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | 19 | **(9 575 700)** | **(9 109 604)** |

# Accounting Policies

*for the year ended 31 March 2016*

## 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. Management has concluded that the financial statements present fairly the Department's primary and secondary information.

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), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

## 1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

## 2 Going concern

The financial statements have been prepared on a going concern basis.

## 3 Presentation currency

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

## 4 Rounding

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

## 5 Foreign currency translation

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

## 6 Comparative information

### 6.1 Prior period comparative information

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

### 6.2 Current year comparison with budget

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

## 7 Revenue

### 7.1 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.

### 7.2 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.

### 7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will 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) is measured at amounts receivable from collecting agents.

## 8 Expenditure

### 8.1 Compensation of employees

#### 8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

#### 8.1.2 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.

### 8.2 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.

### 8.3 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, when they are rendered to the Department or in the case of transfers and subsidies when they are due and payable.

Accrued expenditure payable is measured at cost.

### 8.4 Leases

#### 8.4.1 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.

#### 8.4.2 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.

## 9 Aid assistance

### 9.1 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.

### 9.2 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.

## 10 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 as a current liability.

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.

## 11 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.

Pre-payments are expensed on receipt of an invoice

## 12 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. Write-offs are made according to the Department's write-off policy.

## 13 Financial assets

### 13.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

### 13.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation 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.

## 14 Payables

Loans and payables are recognised in the statement of financial position at cost.

## 15 Capital assets

### 15.1 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 are measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined reliably, 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 OAG) may be recorded at R1.

Immovable capital 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 immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

### 15.2 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 are measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, 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) may be recorded at R1.

Movable capital 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 movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

### 15.3 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 commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, 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) may be 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.

## 16 Provisions and contingents

### 16.1 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 it is probable that an outflow of resources embodying economic benefits or service potential will 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.

### 16.2 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.

### 16.3 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.

### 16.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an 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.

## 17 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.

## 18 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.

## 19 Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred 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, transferred to receivables for recovery or not condoned and is not recoverable.

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.

## 20 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

## 21 Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

## 22 Departures from the MCS requirements

No departures

## 23 Capitalisation reserve

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

## 24 Recoverable revenue

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

## 25 Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

# Notes to the Annual Financial Statements

*for the year ended 31 March 2016*

## 1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

| | 2015/16 | | | 2014/15 | |
|---|---|---|---|---|---|
| | Final appropriation R'000 | Actual funds received R'000 | Funds not requested/ not received R'000 | Final appropriation R'000 | Appropriation received R'000 |
| Administration | 297 015 | 297 015 | – | 327 476 | 262 782 |
| Social Assistance | 129 818 278 | 128 976 937 | 841 341 | 120 702 101 | 120 076 611 |
| Social Security and Administration | 6 741 165 | 6 741 165 | – | 6 589 561 | 6 589 559 |
| Welfare Services Policy Development | 677 362 | 677 362 | – | 627 589 | 602 918 |
| Social Policy and Integrated Service Delivery | 359 820 | 359 820 | – | 346 916 | 322 682 |
| **Total** | **137 893 640** | **137 052 299** | **841 341** | **128 593 644** | **127 919 246** |

Funds not requested relates to the payment of grants in terms of slow spending on foster care, disability and war veterans.

## 2 Departmental revenue

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Sales of goods and services other than capital assets | 2.1 | 3 | 23 |
| Interest, dividends and rent on land | 2.2 | 12 312 | 11 487 |
| Transactions in financial assets and liabilities | 2.4 | 11 611 | 51 386 |
| **Departmental revenue collected** | | **23 926** | **62 896** |

Decrease in revenue collected is due to the fact that less debt was collected by SIU to be surrendered to revenue fund.

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

| | Note 2 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Sales of goods and services produced by the department | | | |
| Other sales | | 3 | 23 |
| **Total** | | **3** | **23** |

Fewer tender documents and waste paper were sold during the financial year.

## 2.2 Interest, dividends and rent on land

| | Note 2 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Interest | | 12 312 | 11 487 |
| **Total** | | **12 312** | **11 487** |

## 2.3 Transactions in financial assets and liabilities

| | Note 2 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Receivables | | 11 360 | 51 151 |
| Other Receipts including Recoverable Revenue | | 251 | 235 |
| **Total** | | **11 611** | **51 386** |

Decrease due to no funds collected by the SIU in respect of grant debtors was paid to the revenue fund.

# 3 Aid assistance

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | **3 187** | **4 110** |
| Transferred from statement of financial performance | | 23 | (7 177) |
| Transfers to or from retained funds | | 6 554 | 6 255 |
| Paid during the year | | – | (1) |
| **Closing balance** | | **9 764** | **3 187** |

The Department spent R49 million from the donor KfW to build ECD centres in three Provinces.

## 3.1 Analysis of balance by source

| | Note 3 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Aid assistance from RDP | 3 | 9 010 | – |
| Aid assistance from other sources | | 754 | 3 187 |
| **Closing balance** | | **9 764** | **3 187** |

The R6 628 million relates to funds still to be spent of the funds drawn from RDP fund donated by KfW. The Department also receives funds from the Global Fund managed by the Department of Health and there is R3 136 that will be spent in 2016/17.

## 3.2 Analysis of balance

| | Note 3 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Aid assistance unutilised | 3 | 754 | 3 187 |
| Aid assistance repayable | | 9 010 | – |
| **Closing balance** | | **9 764** | **3 187** |

# 4 Compensation of employees

## 4.1 Salaries and wages

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Basic salary | | 287 808 | 258 752 |
| Performance award | | 4 809 | 3 918 |
| Service based | | 202 | 201 |
| Compensative/circumstantial | | 7 442 | 5 335 |
| Periodic payments | | – | 789 |
| Other non-pensionable allowances | | 74 183 | 65 166 |
| **Total** | | **374 444** | **334 161** |

Normal increase in salaries and adjustment to housing allowances from 1 July 2015.

## 4.2 Social contributions

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Employer contributions | | | |
| Pension | | 33 677 | 30 982 |
| Medical | | 11 710 | 9 327 |
| Bargaining council | | 63 | 21 |
| **Total** | | **45 450** | **40 330** |
| | | | |
| **Total compensation of employees** | | 419 894 | 374 491 |
| **Average number of employees** | | **897** | **848** |

Increase in employer's contribution relating to medical contributions.

## 5 Goods and services

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Administrative fees | | 6 037 | 6 090 |
| Advertising | | 23 131 | 25 134 |
| Minor assets | 5.1 | 589 | 377 |
| Bursaries (employees) | | 1 133 | 1 031 |
| Catering | | 16 203 | 11 132 |
| Communication | | 12 704 | 11 026 |
| Computer services | 5.2 | 7 758 | 22 791 |
| Consultants: Business and advisory services | | 40 509 | 34 351 |
| Infrastructure and planning services | | 141 | – |
| Legal services | | 3 381 | 12 995 |
| Contractors | | 3 584 | 1 625 |
| Agency and support / outsourced services | | 3 595 | – |
| Entertainment | | 663 | 388 |
| Audit cost – external | 5.3 | 13 770 | 16 958 |
| Fleet services | | 5 956 | 11 170 |
| Consumables | 5.4 | 7 643 | 6 285 |
| Operating leases | | 24 401 | 35 123 |
| Property payments | 5.5 | 6 461 | 6 685 |
| Rental and hiring | | 9 430 | 5 543 |
| Transport provided as part of the departmental activities | | 1 765 | 885 |
| Travel and subsistence | 5.6 | 121 552 | 108 664 |
| Venues and facilities | | 30 733 | 23 207 |
| Training and development | | 2 127 | 6 135 |
| Other operating expenditure | 5.7 | 11 412 | 12 683 |
| **Total** | | **354 678** | **360 278** |

Increase in spending on catering and travelling was due to the Ministerial outreach programmes. Increase in venues was due to venues needed in Provinces for the Mikondzo Programme. Decrease in legal services and fleet service were due to the fact that old invoices were paid in the 2014/15 financial year.

### 5.1 Minor assets

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Tangible assets | | | |
| Machinery and equipment | | 589 | 377 |
| **Total** | | **589** | **377** |

New desktops were bought in order to ensure all computer equipment is compatible with programmes the Department is using.

## 5.2 Computer services

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| SITA computer services | | 3 799 | 6 785 |
| External computer service providers | | 3 959 | 16 006 |
| **Total** | | **7 758** | **22 791** |

## 5.3 Audit cost – external

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Regularity audits | | 12 713 | 16 528 |
| Computer audits | | 1 057 | 430 |
| **Total** | | **13 770** | **16 958** |

## 5.4 Consumables

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Consumable supplies | | 1 594 | 1 209 |
| Uniform and clothing | | 196 | 86 |
| Household supplies | | 339 | 86 |
| Building material and supplies | | – | 295 |
| IT consumables | | 129 | 352 |
| Other consumables | | 930 | 390 |
| Stationery, printing and office supplies | | 6 049 | 5 076 |
| **Total** | | **7 643** | **6 285** |

Increase in household supplies and other consumables.

## 5.5 Property payments

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Municipal services | | 4 172 | 5 351 |
| Property maintenance and repairs | | 2 212 | 1 286 |
| Other | | 77 | 48 |
| **Total** | | **6 461** | **6 685** |

## 5.6 Travel and subsistence

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Local | | 105 410 | 96 457 |
| Foreign | | 16 142 | 12 207 |
| **Total** | | **121 552** | **108 664** |

Increase in travelling due to Ministerial outreach programmes and the implementation of programmes and monitoring in the provinces.

## 5.7 Other operating expenditure

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Professional bodies, membership and subscription fees | | 682 | 712 |
| Resettlement costs | | 268 | 452 |
| Other | | 10 462 | 11 519 |
| **Total** | | **11 412** | **12 683** |

Increase in resettlement costs relates to officials who was transferred from other provinces and qualified for compensation in line with the resettlement policy of the Department.

# 6 Payments for financial assets

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Material losses through criminal conduct** | | | |
| Other material losses written off | 6.1 | – | 27 385 |
| Debts written off | 6.2 | – | 184 |
| **Closing balance** | | **–** | **27 569** |

No write-offs in respect of grant debtors or any other losses during the year under review.

## 6.1 Other material losses written off

| | Note 6 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Nature of losses | | | |
| SASSA debtors | | – | 27 385 |
| **Total** | | **–** | **27 385** |

No write-offs in respect of grant debtors during the year under review.

## 6.2 Debts written off

| | Note 6 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Nature of debts written off | | | |
| Prescribed financial misconduct cases | | – | 184 |
| **Total** | | **–** | **184** |

## 7 Transfers and subsidies

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Provinces and municipalities | 33 | 47 500 | 27 530 |
| Departmental agencies and accounts | Annex 1A | 7 104 698 | 6 959 926 |
| Higher education institutions | Annex 1B | 1 467 | 2 200 |
| Foreign governments and international organisations | Annex 1D | 4 031 | 4 692 |
| Public corporations and private enterprises | Annex 1C | – | 1 128 |
| Non-profit institutions | Annex 1E | 105 904 | 97 053 |
| Households | Annex 1F | 128 357 526 | 119 984 576 |
| **Total** | | **135 621 126** | **127 077 105** |
| Unspent funds transferred to the above beneficiaries | | 9 000 | |

Increase in transfer of the Substance Abuse Conditional Grant to the provinces, normal increase in the take on of beneficiaries who receive grants and an increase in transfers to nonprofit organisations.
Unspent fund transfers to households for procurement of food on the Food and Nutrition Programme.

## 8 Expenditure for capital assets

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Tangible assets | | 9 862 | 18 574 |
| Buildings and other fixed structures | 32 | 685 | 330 |
| Machinery and equipment | 30 | 9 177 | 18 244 |
| Intangible assets | | 501 | 108 |
| Software | 31 | 501 | 108 |
| **Total** | | **10 363** | **18 682** |

## 8.1 Analysis of funds utilised to acquire capital assets – 2015/16

| | Voted funds | Aid assistance R'000 | Total R'000 |
|---|---|---|---|
| Tangible assets | 9 472 | 390 | 9 862 |
| Buildings and other fixed structures | 295 | 390 | 685 |
| Machinery and equipment | 9 177 | – | 9 177 |
| Intangible assets | 501 | – | 501 |
| Software | 501 | – | 501 |
| **Total** | **9 973** | **390** | **10363** |

Decrease in capital expenditure due to the fact that in the 2014/15 financial year equipment and vehicles were bought for the Food Relief Programmes.

## 8.2 Analysis of funds utilised to acquire capital assets – 2014/15

| | Voted funds | Aid assistance R'000 | Total R'000 |
|---|---|---|---|
| Tangible assets | 16 910 | 1 664 | 18 574 |
| Buildings and other fixed structures | – | 330 | 330 |
| Machinery and equipment | 16 910 | 1 334 | 18 244 |
| Intangible assets | | | |
| Software | 108 | – | 108 |
| **Total** | **17 018** | **1 664** | **18 682** |

During the 2014/15 financial year, equipment was bought for the Food Relief Programmes stated in some provinces. New computer equipment was bought to replace old computers

# 9 Unauthorised expenditure

## 9.1 Reconciliation of unauthorised expenditure

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | 26 168 | 26 168 |
| Balance | | 26 168 | 26 168 |
| Less: Amounts approved by Parliament/Legislature with funding | | **(26 168)** | **26 168** |
| **Closing balance** | | **–** | **26 168** |

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

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Transfers and subsidies | | – | 26 168 |
| **Total** | | **–** | **26 168** |

The Finance Act was passed by Parliament to approve with funds, the unauthorised expenditure for the 2007/08 financial year.

## 9.3 Analysis of unauthorised expenditure awaiting authorisation per type

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Unauthorised expenditure relating to overspending of the vote or a main division within a vote | | – | 26 168 |
| **Total** | | **–** | **26 168** |

## 10 Cash and cash equivalents

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Consolidated Paymaster General Account | | 759 004 | 388 779 |
| Cash receipts | | 2 | 20 |
| Disbursements | | – | 12 |
| Cash on hand | | 8 | 8 |
| **Total** | | **759 014** | **388 819** |

More funds were available in the commercial bank of SASSA at year end.

## 11 Prepayments and advances

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Travel and subsistence | | 458 | 127 |
| Advances paid | 11.1 | 1 958 | 2 995 |
| SOCPEN advances | | 10 235 606 | 9 181 444 |
| **Total** | | **10 238 022** | **9 184 566** |

Increase in funds transferred to SASSA for the paying of grants to beneficiaries on 1 April 2016.

## 11.1 Advances paid

| | Note 11 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| National departments | | 1 958 | 2 995 |
| **Total** | | **1 958** | **2 995** |

Advance paid to Government Communication Information Services and Department of International Relations was followed up and invoices were received to clear most of the amounts.

## 12 Receivables

| | Note | 2015/16 | | | 2014/15 | | |
|---|---|---|---|---|---|---|---|
| | | Current R'000 | Non-current R'000 | Total R'000 | Current R'000 | Non-current R'000 | Total R'000 |
| Claims recoverable | 12.1 | 1 142 | 15 908 | 17 050 | 2 846 | 16 436 | 19 282 |
| Staff debt | 12.4 | 10 | 163 | 173 | 4 | 190 | 194 |
| Fruitless and wasteful expenditure | 12.3 | – | 53 | 53 | – | 53 | 53 |
| Other debtors | 12.4 | 17 215 | 1 240 462 | 1 257 677 | 10 771 | 1 015 952 | 1 026 723 |
| **Total** | | **18 367** | **1 256 586** | **1 274 953** | **13 621** | **1 032 631** | **1 046 252** |

## 12.1 Claims recoverable

| | Note 12 and Annex 3 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| National departments | | 1 043 | 3 497 |
| Provincial departments | | 15 360 | 15 785 |
| Public entities | | 647 | – |
| **Total** | | **17 050** | **19 282** |

The claims issued to other departments were followed up and most of the outstanding claims are less than 60 days.

## 12.2 Staff debt

| | Note 12 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Staff debt | | 173 | 194 |
| **Total** | | **173** | **194** |

Staff debtors are followed up and recovered on a monthly basis. Debt account is opened for all new debt cases and officials are informed of the debt according to the debt policy.

## 12.3 Other debtors

| | Note 5 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| General Suspense | | 2 448 | 4 760 |
| Salary Reversal | | – | 76 |
| Tax Debt | | 32 | 28 |
| Ex Departmental Official Debt | | 799 | 664 |
| Salary Deduction Disallowance | | – | 1 |
| Salary Pension Fund | | 4 | – |
| SASSA Debtors | | 1 254 394 | 1 021 194 |
| **Total** | | **1 257 677** | **1 026 723** |

The increase in other debtors is mainly due to the increase in grant debtors managed by SASSA.

## 12.4 Fruitless and wasteful expenditure

| | Note 12 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Opening balance | | 53 | 53 |
| **Total** | | **53** | **53** |

## 12.5 Impairment of receivables

| | Note 12 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Estimate of impairment of receivables | | 906 066 | 634 528 |
| **Total** | | **906 066** | **634 528** |

Impairment of receivables related to the grant debtors.

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

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | **62 786** | **1 411 585** |
| Transfer from Statement of Financial Performance (as restated) | | 1 487 967 | 737 184 |
| Voted funds not requested/not received | 1.1 | (841 341) | (674 398) |
| Paid during the year | | (62 786) | (1 411 585) |
| **Closing balance** | | **646 626** | **62 786** |

Increase in funds to be surrendered to Revenue Fund is mainly due to the saving on payments of grants to beneficiaries.

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

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | **45 588** | **42 226** |
| Transfer from Statement of Financial Performance (as restated) | | 23 926 | 62 896 |
| Paid during the year | | (51 962) | (59 534) |
| **Closing balance** | | **17 552** | **45 588** |

Decrease in revenue collected is due to the fact that no funds were paid to revenue fund for grant debtors collected by SIU.

## 15 Bank overdraft

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Consolidated Paymaster General Account | | 10 334 714 | 9 498 423 |
| **Total** | | **10 334 714** | **9 498 423** |

Bank overdraft is in respect of social grants to be paid to the beneficiaries on 1 April. Advances are paid during March of a year to the Cash Pay Contractors in order prepare for the payment.

## 16 Payables – current

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Clearing accounts | 16.1 | 102 | 673 |
| Other payables | 16.2 | 40 059 | 37 307 |
| **Total** | | **40 161** | **37 980** |

Increase is due to new grant debtors identified and debt are raised

### 16.1 Clearing accounts

| | Note 16 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Salary Pension Fund | | – | 80 |
| Salary Income Tax | | 102 | 593 |
| **Total** | | **102** | **673** |

Decrease due to clearing of suspense account and no transaction done in March which only interfaced in April.

## 16.2 Other payables

| | Note 16 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| SASSA claim payable | | 351 | 282 |
| Disallowance miscellaneous | | 34 015 | 35 895 |
| SASSA unallocated receipts | | 5 693 | 1 130 |
| **Total** | | **40 059** | **37 307** |

Increase is mainly due to the increase in monies received by SASSA for grant debtors where the debt account could not be traced. The amount in the disallowance account relates to funds received from SIU in respect of monies collected for grant debtors and paid to the Department. The remainder of the funds will be transferred to the National Revenue Fund once all claims from the provinces in respect of debtors on their books are finalised.

## 17 Payables – non-current

| | | 2015/16 | | | | 2014/15 |
|---|---|---|---|---|---|---|
| | | R'000 | R'000 | R'000 | R'000 | R'000 |
| | Note | One to two years | Two to three years | More than three years | Total | Total |
| Advances received | 17.1 | – | – | 5 512 | 5 512 | 5 512 |
| Other payables | 17.2 | 11 793 | 46 186 | 1 152 463 | 1 210 442 | 978 557 |
| **Total** | | **11 793** | **46 186** | **1 157 975** | **1 215 954** | **984 069** |

Increase is mainly due to debt receivable income related to grant debtor.

## 17.1 Advances received

| | Note 17 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Provincial departments | Annex | 5 512 | 5 512 |
| **Total** | | **5 512** | **5 512** |

Funds received from the provincial departments and to be spent on expenditure related to NSIS.

## 17.2 Other payables

| | Note 17 | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Differ Revenue: SASSA and SOC DEV | | 785 | 978 557 |
| Debt receivable income | | 1 121 615 | – |
| Debt receivable interest | | 88 042 | – |
| **Total** | | **1 210 442** | **978 557** |

Increase is mainly due to debt receivable income related to grant debtor.

## 18 Net cash flow available from operating activities

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Net surplus/(deficit) as per Statement of Financial Performance | | 1 511 916 | 792 903 |
| Add back non cash/cash movements not deemed operating activities | | (2 199 534) | (2 661 192) |
| (Increase)/decrease in receivables – current | | (228 701) | (301 010) |
| (Increase)/decrease in prepayments and advances | | (1 053 456) | (269 527) |
| (Increase)/decrease in other current assets | | 26 168 | – |
| Increase/(decrease) in payables – current | | 2 181 | 36 181 |
| Proceeds from sale of capital assets | | 10 363 | 18 682 |
| Surrenders to Revenue Fund | | (114 748) | (1 471 119) |
| Surrenders to RDP Fund/Donor | | – | (1) |
| Voted funds not requested/not received | | (841 341) | (674 398) |
| **Net cash flow generated by operating activities** | | **(687 618)** | **(1 868 289)** |

## 19 Reconciliation of cash and cash equivalents for cash flow purposes

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Consolidated Paymaster General account | | (9 575 710) | (9 109 644) |
| Cash receipts | | 2 | 20 |
| Cash at commercial banks | | – | 12 |
| Cash on hand | | 8 | 8 |
| **Total** | | **(9 575 700)** | **(9 109 604)** |

## 20 Contingent liabilities and contingent assets

### 20.1 Contingent liabilities

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Liable to Nature** | | | |
| Claims against the department | Annex 3B | 758 | 773 |
| Intergovernmental payables (unconfirmed balances) | Annex 5 | 2 216 | 1 747 |
| **Total** | | **2 974** | **2 520** |

Claims of other departments not yet paid at year end and civil claims and against the department not yet finalised.

## 21 Commitments

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Current expenditure | | | |
| Approved and contracted | | 38 945 | 33 407 |
| Approved but not yet contracted | | 2 097 | 9 997 |
| | | 41 042 | 43 404 |
| Capital expenditure | | | |
| Approved and contracted | | – | 3 120 |
| Approved but not yet contracted | | 471 | – |
| | | 471 | 3 120 |
| **Total commitments** | | **41 513** | **46 524** |

Indicate whether a commitment is for longer than a year.

## 22 Accruals and payables not recognised

### 22.1 Accruals

| Listed by economic classification | 30 Days | 30+ Days | 2015/16 R'000 Total | 2014/15 R'000 Total |
|---|---|---|---|---|
| Goods and services | 25 055 | 24 409 | 49 464 | 3 074 |
| Interest and rent on land | – | – | – | – |
| Transfers and subsidies | – | – | – | – |
| Capital assets | 150 | 408 | 558 | 314 |
| Other | – | – | – | – |
| **Total** | **25 205** | **24 817** | **50 022** | **3 388** |

| Listed by programme level | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Listed by programme level | | | |
| Administration | | 28 762 | 1 413 |
| Social Security Policy and Administration | | 891 | 78 |
| Welfare Services Policy Development and Implementation | | 14 426 | 1 319 |
| Social Policy and Integrated Service Delivery | | 5 943 | 578 |
| **Total** | | **50 022** | **3 388** |

Increase in accrual due to commitments carried over from previous financial year that had an impact on the budget of the department in the year under review.

## 22.2 Payables not recognised

| Listed by economic classification | 30 Days | 30+ Days | 2015/16 R'000 Total | 2014/15 R'000 Total |
|---|---|---|---|---|
| Goods and services | 1 453 | 9 208 | 10 661 | 11 961 |
| **Total** | **1 453** | **9 208** | **10 661** | **11 961** |

| Listed by programme level | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Listed by programme level | | | |
| Administration | | 98 | 309 |
| Social Security Policy and Administration | | 2 528 | 1 633 |
| Welfare Services Policy Development and Implementation | | 8 035 | 10 019 |
| **Total** | | **10 661** | **11 961** |

| *Included in the above totals are the following:* | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Confirmed balances with other departments | Annex 4 | 8 445 | 11 537 |
| **Total** | | **8 445** | **11 537** |

# 23 Employee benefits

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Leave entitlement | | 16 840 | 17 187 |
| Service bonus (Thirteenth cheque) | | 10 348 | 9 494 |
| Performance awards | | – | – |
| Capped leave commitments | | 9 714 | 9 477 |
| Other | | 169 | 187 |
| **Total** | | **37 071** | **36 345** |

At this stage the department is not able to reliably measure the long-term portion of the long-service awards.

# 24 Lease commitments

## 24.1 Operating leases expenditure

| 2015/16 | Building and other fixed structures | Machinery and equipment | Total |
|---|---|---|---|
| Not later than 1 year | 23 878 | 1 047 | 24 925 |
| Later than 1 year and not later than 5 years | 1 942 | 626 | 2 568 |
| **Total lease commitments** | **25 820** | **1 673** | **27 493** |

| 2014/15 | Building and other fixed structures | Machinery and equipment | Total |
|---|---|---|---|
| Not later than 1 year | 27 370 | 1 902 | 29 272 |
| Later than 1 year and not later than 5 years | 25 585 | 351 | 25 936 |
| **Total lease commitments** | **52 955** | **2 253** | **55 208** |

Operating lease increased due to additional copiers acquired.

## 24.2 Finance leases expenditure

| 2015/16 | Machinery and equipment | Total |
|---|---|---|
| Not later than 1 year | 2 418 | 2 418 |
| Later than 1 year and not later than 5 years | 873 | 873 |
| **Total lease commitments** | **3 291** | **3 291** |

| 2014/15 | Machinery and equipment | Total |
|---|---|---|
| Not later than 1 year | 3 071 | 3 071 |
| Later than 1 year and not later than 5 years | 1 329 | 1 329 |
| **Total lease commitments** | **4 400** | **4 400** |

Departmental cell phone contract and contract for 3G cards are recorded here. Cell phone and 3G card contracts are renewed when the two-year contract expires.

# 25 Irregular expenditure

## 25.1 Reconciliation of irregular expenditure

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | **45 040** | **29 056** |
| Add: Irregular expenditure – relating to prior year | | – | – |
| Add: Irregular expenditure – relating to current year | | 8 312 | 17 873 |
| Less: Prior year amounts condoned | | (10 606) | (1 889) |
| **Closing balance** | | **42 746** | **45 040** |
| Analysis of awaiting condonation per age classification | | | |
| Current year | | 8 312 | 17 873 |
| Prior years | | 34 434 | 27 167 |
| **Total** | | **42 746** | **45 040** |

Irregular expenditure mainly relates to the non-compliance to SCM processes.

## 25.2 Details of irregular expenditure – current year

| Incident | Disciplinary steps taken/ criminal proceedings | 2015/16 R'000 |
|---|---|---|
| Non-compliance with SCM processes and order number was not issued prior to the services | | 8 047 |
| Social Relief Distress (SRD) | | 256 |
| **Total** | | **8 312** |

## 25.3 Details of irregular expenditure condoned

| Incident | Condoned by (condoning authority) | 2014/15 R'000 |
|---|---|---|
| Transfer of funds on Food and Nutrition Programme | | 10 595 |
| Non-compliance to SCM and order number was not issued prior to the services | | 11 |
| **Total** | | **10 606** |

## 26 Fruitless and wasteful expenditure

### 26.1 Reconciliation of fruitless and wasteful expenditure

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **Opening balance** | | 550 | 582 |
| Fruitless and wasteful expenditure – relating to current year | | 666 | 152 |
| Less: Amounts resolved | | – | (184) |
| **Fruitless and wasteful expenditure awaiting resolution** | | **1 216** | **550** |

Increase in the current year relates to an accident with a hired vehicle and the abuse of the use of a departmental cell phone. Cases are under investigation.

### 26.2 Analysis of awaiting resolution per economic classification

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Current | | 784 | 195 |
| Capital | | 432 | 355 |
| **Total** | | **1 216** | **550** |

### 26.3 Analysis of current year's fruitless and wasteful expenditure

| Incident | Disciplinary steps taken/ criminal proceedings | 2015/16 R'000 |
|---|---|---|
| Traffic fines | | 2 |
| Car damage | | 3 |
| Hotel no show | | 4 |
| Car damage – accident | | 74 |
| Cell phone abuse | | 98 |
| Posters and ribbons | | 485 |
| **Total** | | **666** |

Fruitless expenditure for the current year relates to an accident with a hired vehicle and departmental cell phone abuse.

## 27 Related party transactions

**Related party relationships**

The following Entities established in terms of the Fund Raising Act No 107 of 1978 report to the Minister of Social Development:

- Disaster Relief Fund
- Social Relief Fund
- State President Fund
- Refugee Relief Fund

The following Public Entities report to the Minister of Social Development:

- South African Social Security Agency
- National Development Agency

There were no transactions with the above related parties in the reporting period.

These related parties are under the control of the Minister and are compiling their own Annual Financial Statements which reflect the financial activities of the parties.

## 28 Key management personnel

| Political office bearers (provide detail below) | No. of Individuals | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Officials: | 2 | 4 211 | 4 055 |
| Level 15 to 16 | 10 | 15 660 | 11 973 |
| Level 14 (incl. CFO if at a lower level) | 34 | 32 035 | 24 005 |
| Family members of key management personnel | 3 | 962 | 324 |
| **Total** | | **52 868** | **40 357** |

## 29 Provisions

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Social Assistance Debtors over recovery | | 15 136 | 9 074 |
| **Total** | | **15 136** | **9 074** |

The provision relates to an estimated calculation of refunds payable to Social Assistance debtors whose payments exceeded the amount receivable. The timing and actual amount is not yet established.

**Change in Accounting Estimates**

The Provision for refund of over-recoveries from Social Assistance debtors as per Note 29 is based on the estimated average interest rate of 11.13%. This represents a change to the prior year estimated average interest rate of 11.4%. The rate was amended in the 2015/16 financial year to incorporate developments in the Standard Interest Rate as published by the Minister of Finance. In addition to other movements in the debtors account balances, the change to the estimated average interest rate has been applied prospectively and retrospectively and resulted in an increase in the provision from R9 074 354.52 in 2014/15 to R14 492 866.76 in 2015/16 in respect of only the debtors administered by the Special Investigations Unit (SIU).

### 29.1 Reconciliation of movement in provisions – 2015/16

| | Note | Provision 1 R'000 | Total provision R'000 |
|---|---|---|---|
| Opening balance | | 9 074 | 9 074 |
| Increase in provision | | 6 062 | 9 062 |
| **Closing balance** | | **15 136** | **15 136** |

Provision is made in respect of grant debtors.

## 29.2 Reconciliation of movement in provisions – 2014/15

| | Note | Provision 1 R'000 | Total provision R'000 |
|---|---|---|---|
| Opening balance | | | |
| Increase in provision | | 9 074 | 9 074 |
| Settlement of provision | | | |
| **Closing balance** | | **9 074** | **9 074** |

## 30 Movable tangible capital assets

### Movement in movable tangible capital assets per asset register for the year ended 31 March 2016

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|---|---|---|---|---|
| Machinery and equipment | 78 062 | 9 450 | 1 542 | 85 970 |
| Transport assets | 14 053 | – | – | 14 053 |
| Computer equipment | 30 197 | 7 609 | 781 | 37 025 |
| Furniture and office equipment | 23 021 | 1 121 | 703 | 23 439 |
| Other machinery and equipment | 10 791 | 720 | 58 | 11 453 |
| **Total movable tangible capital assets** | **78 062** | **9 450** | **1 542** | **85 970** |

### Movable tangible capital assets under investigation

| Incident | Number | Value R'000 |
|---|---|---|
| Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation: | | |
| Machinery and equipment | 1 004 | 23 788 |

Assets under investigation include lost assets and assets not found during verification and assets transferred to provinces without necessary documentation. Action taken: Assets will be investigated and necessary steps will be taken according to the outcome of the investigation.

## 30.1 Additions

### Additions to movable tangible capital assets per asset register for the year ended 31 March 2016

| | Cash R'000 | Received current, not paid (paid current year, received prior year) R'000 | Total R'000 |
|---|---|---|---|
| Machinery and equipment | 9 177 | 273 | 9 450 |
| Transport assets | 150 | (150) | – |
| Computer equipment | 7 215 | 394 | 7 609 |
| Furniture and office equipment | 1 006 | 115 | 1 121 |
| Other machinery and equipment | 806 | (86) | 720 |
| **Total additions to movable tangible capital assets** | **9 177** | **273** | **9 450** |

## 30.2 Disposals

### Disposals of movable tangible capital assets per asset register for the year ended 31 March 2016

| | Transfer out or destroyed or scrapped R'000 | Total disposals R'000 |
|---|---|---|
| Machinery and equipment | | |
| Transport assets | – | – |
| Computer equipment | 781 | 781 |
| Furniture and office equipment | 703 | 703 |
| Other machinery and equipment | 58 | 58 |
| **Total movable tangible capital assets** | **1 542** | **1 542** |

## 30.3 Movement for 2014/15

### Movement in tangible capital assets per asset register for the year ended 31 March 2015

| | Opening balance R'000 | Prior period error R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|---|---|---|---|---|---|
| Machinery and equipment | 56 748 | 2 376 | 18 985 | 47 | 78 062 |
| Transport assets | 4 094 | 1 282 | 8 677 | – | 14 053 |
| Computer equipment | 26 156 | 275 | 3 786 | 20 | 30 197 |
| Furniture and office equipment | 20 940 | 424 | 1 684 | 27 | 23 021 |
| Other machinery and equipment | 5 558 | 395 | 4 838 | – | 10 791 |
| **Total movable tangible capital assets** | **56 748** | **2 376** | **18 985** | **47** | **78 062** |

### 30.3.1 Prior period error

| | Note | 2014/15 R'000 |
|---|---|---|
| Nature of prior period error | | 2 376 |
| Relating to 2014/15 *[affecting the opening balance]* | | 2 376 |
| **Total prior period errors** | | **2 376** |

## 30.4 Minor assets

### Movement in minor assets per the asset register for the year ended as at 31 March 2016

| | Machinery and equipment R'000 | Total R'000 |
|---|---|---|
| Opening balance | 11 693 | 11 693 |
| Value adjustment | – | – |
| Additions | 589 | 589 |
| Disposals | 305 | 305 |
| **Total minor assets** | **11 977** | **11 977** |

| | Machinery and equipment R'000 | Total R'000 |
|---|---|---|
| Number of R1 minor assets | 6 095 | 6 095 |
| Number of minor assets at cost | 6 857 | 6 857 |
| **Total number of minor assets** | **12 952** | **12 952** |

### Minor capital assets under investigation

| Incident | Number | Value R'000 |
|---|---|---|
| Included in the above total of the minor capital assets per the asset register are assets that are under investigation: | | |
| Machinery and equipment | 949 | 1 170 |

Assets under investigation include lost assets and assets not found during verification and assets transferred to provinces without necessary documentation. Action taken: Assets will be investigated and necessary steps will be taken according to the outcome of the investigation.

### Movement in minor assets per the asset register for the year ended as at 31 March 2015

| | Machinery and equipment R'000 | Total R'000 |
|---|---|---|
| Opening balance | 11 469 | 11 469 |
| Value adjustments | 170 | 170 |
| Additions | 491 | 491 |
| Disposals | 437 | 437 |
| **Total minor assets** | **11 693** | **11 693** |

| | Machinery and 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 |
| **Total number of minor assets** | **19 267** | **19 267** |

### Prior period error

| | Note | 2014/15 R'000 |
|---|---|---|
| Nature of prior period error | | 170 |
| Relating to 2014/15 *[affecting the opening balance]* | | 170 |
| **Total prior period errors** | | **170** |

## 31 Intangible capital assets

### Movement in intangible capital assets per asset register for the year ended 31 March 2016

| | Opening balance R'000 | Additions R'000 | Closing balance R'000 |
|---|---|---|---|
| Software | 8 146 | 501 | 8 647 |
| **Total intangible capital assets** | **8 146** | **501** | **8 647** |

## 31.1 Additions

### Additions to intangible capital assets per asset register for the year ended 31 March 2016

| | Cash R'000 | Total R'000 |
|---|---|---|
| Software | 501 | 501 |
| **Total additions to immovable tangible capital assets** | **501** | **501** |

## 31.2 Movement for 2014/15

### Movement in intangible capital assets per asset register for the year ended 31 March 2015

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|---|---|---|---|---|
| Software | 11 225 | 108 | 3 187 | 8 146 |
| **Total intangible capital assets** | **11 225** | **108** | **3 187** | **8 146** |

# 32 Immovable tangible capital assets

### Movement in immovable tangible capital assets per asset register for the year ended 31 March 2016

| | Opening balance R'000 | Value adjustments R'000 | Additions R'000 | Closing balance R'000 |
|---|---|---|---|---|
| Buildings and other fixed structures | 330 | – | 685 | 1 015 |
| Dwellings | – | – | 685 | 685 |
| Other fixed structures | 330 | – | | 330 |
| **Total immovable tangible capital assets** | **330** | **–** | **685** | **1 015** |

## 32.1 Additions

### Additions to movable tangible capital assets per asset register for the year ended 31 March 2016

| | Cash R'000 | Total R'000 |
|---|---|---|
| Buildings and other fixed structures | 685 | 685 |
| Other fixed structures | 685 | 685 |
| **Total additions to immovable tangible capital assets** | **685** | **685** |

## 32.2 Movement for 2014/15

### Movement in intangible capital assets per asset register for the year ended 31 March 2016

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|---|---|---|---|---|
| Buildings and other fixed structures | – | 330 | – | 330 |
| Other fixed structures | – | 330 | – | 330 |
| **Total intangible capital assets** | **–** | **330** | **–** | **330** |

## 33 Statement of conditional grants paid to the provinces

| NAME OF PROVINCE/ GRANT | GRANT ALLOCATION | | | TRANSFER | | SPENT | | | 2014/15 |
|---|---|---|---|---|---|---|---|---|---|
| Substance Abuse Grant | Division of Revenue Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | Spent % | Amount received by department R'000 | Amount spent by department R'000 | % of available funds spent by department % | Division of Revenue Act R'000 |
| Summary by province | | | | | | | | | |
| Eastern Cape | 2 000 | – | 2 000 | 2 000 | – | 2 000 | 2 000 | 100 | 13 000 |
| Free State | 6 500 | 6 000 | 12 500 | 12 500 | – | 12 500 | 3 500 | 28 | 2 000 |
| Northern Cape | 22 000 | (6 000) | 16 000 | 16 000 | – | 16 000 | 16 000 | 100 | 2 000 |
| North West | 17 000 | – | 17 000 | 17 000 | – | 17 000 | 17 000 | 100 | 12 000 |
| TOTAL | 47 500 | – | 47 500 | 47 500 | – | 47 500 | 38 500 | – | 29 000 |
| Summary by province | | | | | | | | | |
| Substance Abuse Conditional grant | 47 500 | – | 47 500 | 47 500 | – | 47 500 | 38 500 | 81 | 29 000 |
| TOTAL | 47 500 | – | 47 500 | 47 500 | – | 47 500 | 38 500 | – | 29 000 |

The Department of Social Development complied with all the DORA requirements.

# Annexures to the Annual Financial Statements

*for the year ended 31 March 2016*

## ANNEXURE 1A

### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/ AGENCY/ ACCOUNT | TRANSFER ALLOCATION | | | TRANSFER | | 2014/15 |
|---|---|---|---|---|---|---|
| | Adjusted appropriation R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| National Development Agency | 184 381 | – | 184 381 | 184 381 | 100 | 178 337 |
| South African Social Security Agency | 6 642 970 | – | 6 642 970 | 6 642 962 | 100 | 6 517 589 |
| National Student Financial Aid Scheme (Social Work Bursaries) | 276 144 | – | 276 144 | 276 144 | 100 | 264 000 |
| Health and Welfare Sector Education and Training Authority | – | 1 211 | 1 211 | 1 211 | 100 | – |
| **TOTAL** | **7 103 495** | **1 211** | **7 104 706** | **7 104 698** | **100** | **6 959 926** |

## ANNEXURE 1B

### STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

| NAME OF HIGHER EDUCATION INSTITUTION | TRANSFER ALLOCATION | | | TRANSFER | | | 2014/15 |
|---|---|---|---|---|---|---|---|
| | Adjusted appropriation R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | Amount not transferred R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| North West University | 215 | – | 215 | 200 | 15 | 100 | 200 |
| University of KwaZulu Natal | 215 | – | 215 | 200 | 15 | 100 | 200 |
| University of Witwatersrand | – | 1 000 | 1 000 | 998 | 2 | (5) | 1 800 |
| University of Stellenbosch | – | 69 | 69 | 69 | – | 100 | – |
| **TOTAL** | **430** | **1 069** | **1 499** | **1 467** | **32** | **–** | **2 200** |

## ANNEXURE 1C

### STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE | TRANSFER ALLOCATION | | | EXPENDITURE | | | 2014/15 |
|---|---|---|---|---|---|---|---|
| | Adjusted Appropriation Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Current R'000 | Appropriation Act R'000 |
| PUBLIC CORPORATIONS | | | | | | | |
| Health and Welfare Sector Education and Training Authority | – | – | – | – | – | – | 1 128 |
| **TOTAL** | **–** | **–** | **–** | **–** | **–** | **–** | **1 128** |

## ANNEXURE 1D

### STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

| FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION | TRANSFER ALLOCATION | | | EXPENDITURE | | 2014/15 |
|---|---|---|---|---|---|---|
| | Adjusted Appropriation Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| TRANSFERS | | | | | | |
| International Social Security Association | 1 308 | 210 | 1 518 | 1 512 | 100 | 1 318 |
| International Federation for the Aged | 47 | – | 47 | 16 | 16 | 23 |
| International Social Service | 194 | 131 | 325 | 316 | 97 | 251 |
| Walvis Bay | – | 321 | 321 | 320 | 100 | 500 |
| Partners in Population and Development | 550 | 178 | 728 | 730 | 100 | 1 819 |
| International Organisation for Pension Supervisors | 52 | 40 | 92 | 89 | 97 | 81 |
| UNFPA | 498 | – | 498 | 498 | 100 | 471 |
| International Planned Parenthood Federation | 215 | – | 215 | 200 | 93 | 200 |
| Union for African Population Studies (WITS University) | 55 | – | 55 | 50 | 91 | 50 |
| United Nations Research Institute for Social Development | 133 | – | 133 | – | 0 | – |
| United Nations International Drug Control Programme | 44 | – | 44 | – | 0 | – |
| Leadership for Environment and Development – LEAD SA | – | 300 | 300 | 300 | 100 | – |
| **TOTAL** | **3 096** | **1 180** | **4 276** | **4 031** | **–** | **4 713** |

## ANNEXURE 1E

### STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

| | TRANSFER ALLOCATION | | | EXPENDITURE | | 2014/15 |
|---|---|---|---|---|---|---|
| NON-PROFIT INSTITUTIONS | Adjusted Appropriation Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| TRANSFERS | | | | | | |
| Lovelife | 25 000 | – | 25 000 | 25 000 | 100 | 50 986 |
| South African National Aids Council | 28 331 | – | 28 331 | 28 331 | 100 | – |
| Soul City | 1 046 | – | 1 046 | 1 046 | 100 | 1 000 |
| Khanya-AICDD | 639 | (639) | – | – | – | 611 |
| Population Association of South Africa | 200 | – | 200 | 200 | 100 | 200 |
| Kagisano | – | 2 865 | 2 865 | 2 865 | 100 | 1 844 |
| Meals on wheels | – | 2 865 | 2 865 | 2 865 | 100 | 1 844 |
| Ruliv | – | – | – | – | 100 | 1 844 |
| Ilitha La Bantu | – | 4 888 | 4 888 | 4 888 | 100 | 3 270 |
| Motswedi wa sechaba | – | 2 865 | 2 865 | 2 865 | 100 | 1 844 |
| Makotse | – | 2 864 | 2 864 | 2 864 | 100 | 1 844 |
| Adventist | – | 2 864 | 2 864 | 2 864 | 100 | 1 844 |
| Brian Hermanus | – | – | – | – | – | 1 247 |
| Sinqobile | – | 2 865 | 2 865 | 2 865 | 100 | 1 247 |
| Thabang Information Centre | – | 2 865 | 2 865 | 2 865 | 100 | – |
| Nonesi Developments and Legal Office | – | 2 865 | 2 865 | 2 865 | 100 | – |
| Sunrise Faith Based | – | – | – | – | – | 187 |
| Thandululo Community rehab | – | – | – | – | – | 187 |
| Thabo Drop in centre | – | – | – | – | – | 187 |
| Mtha-Khanya | – | – | – | – | – | 187 |
| Siyazama HIV/AIDS | – | – | – | – | – | 187 |
| Philani HIV/AIDS programmes | – | – | – | – | – | 187 |
| Springfontein Soup Kitchen | – | – | – | – | – | 187 |
| Batho pele social development | – | – | – | – | – | 187 |
| Youth for survival | – | – | – | – | – | 187 |
| Resurrection Feeding scheme | – | – | – | – | – | 187 |
| Kgobokwane Youth on AIDS | – | – | – | – | – | 187 |
| Simunye Youth Development | – | – | – | – | – | 187 |
| Bright Youth Council | – | – | – | – | – | 187 |
| Women of Calvary | – | – | – | – | – | 187 |
| Bholani | – | – | – | – | – | 187 |
| **Subtotal** | **55 216** | **27 167** | **82 383** | **82 383** | **–** | **78 601** |
| SUBSIDIES | | | | | | |
| Suid Afrikanse Vroue Federasie | 726 | – | 726 | 726 | 100 | 691 |
| Die Ondersteuningsraad | 917 | – | 917 | 917 | 100 | 592 |
| National Council for Persons with Physical Disabilities (NCPPDSA) | – | – | – | – | – | 500 |
| Deaf Federation of South Africa (DEAFSA) | 500 | – | 500 | 500 | 100 | 476 |
| SA Federation for Mental Health | 1 301 | – | 1 301 | 1 301 | 100 | 423 |

# Annexures to the Annual Financial Statements

*for the year ended 31 March 2016*

| NON-PROFIT INSTITUTIONS | TRANSFER ALLOCATION | | | EXPENDITURE | | 2014/15 |
|---|---|---|---|---|---|---|
| | Adjusted Appropriation Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| SA Council on Alcoholism and Drug Dependence (SANCA) | 1 287 | – | 1 287 | 1 287 | 100 | 1 200 |
| Child Welfare South Africa | 2 395 | – | 2 395 | 2 395 | 100 | 1 979 |
| Apostolic Faith Mission (AFM) (Die Uitvoerende velsynraad van die AGSA) | 689 | – | 689 | 689 | 100 | 658 |
| Family and Marriage Society South Africa (FAMSA) | 1 342 | – | 1 342 | 1 342 | 100 | 1 283 |
| Epilepsy South Africa | 850 | – | 850 | 850 | 100 | 500 |
| Afrikaanse Christlike Vroue Federasie (ACVV) | 1 206 | – | 1 206 | 1 206 | 100 | 1 149 |
| Disabled Children Action Group (DICAG) | – | – | – | – | – | 500 |
| BADISA | – | – | – | – | – | 658 |
| South African Council for Social Service Profession (SACSSP) | – | – | – | – | – | 1 726 |
| South African Older Persons Forum | 1 249 | – | 1 249 | 1 249 | 100 | 1 518 |
| ChildLine South Africa | 928 | – | 928 | 928 | 100 | 884 |
| SA Depression and Anxiety Group (SADAG) | 1 600 | – | 1 600 | 1 600 | 100 | 1 560 |
| Lifeline South Africa | 1 837 | – | 1 837 | 1 837 | 100 | 1 200 |
| Centre for Early Childhood Development | 713 | – | 713 | 713 | 100 | 142 |
| Age in Action | – | – | – | – | 100 | 759 |
| Autism South Africa | 1 100 | – | 1 100 | 1 100 | 100 | 500 |
| Foundation for Victims of Crime | 300 | – | 300 | 300 | 50 | 600 |
| Khulisa Social Solution | 189 | – | 189 | 189 | 100 | 378 |
| The Albanism Society of South Africa | – | – | – | – | – | 600 |
| YDF – Youth Development Foundation | 792 | – | 792 | 792 | 100 | 1 584 |
| Welfare Services Organisations | – | – | – | – | – | 719 |
| NICDAM–Older Persons | 1 133 | – | 1 133 | 1 133 | 100 | – |
| Service Standards: National Bodies | 1 805 | – | 1 805 | – | – | – |
| National Institute of Community Development | 1 457 | – | 1 457 | 1 457 | 100 | – |
| NICRO | 1 010 | – | 1 010 | 1 010 | 100 | – |
| Subtotal | 25 326 | – | 25 326 | 23 521 | – | 22 779 |
| **TOTAL** | **80 542** | **27 167** | **107 709** | **105 904** | **–** | **101 380** |

## ANNEXURE 1F

### STATEMENT OF TRANSFERS TO HOUSEHOLDS

| | TRANSFER ALLOCATION | | | EXPENDITURE | | 2014/15 |
|---|---|---|---|---|---|---|
| HOUSEHOLDS | Adjusted Appropriation Act R'000 | Adjustments R'000 | Total available R'000 | Actual transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| TRANSFERS | | | | | | |
| Social Grants | 129 818 278 | (275 00) | 129 543 278 | 128 333 376 | 99 | 120 702 101 |
| Social Benefit Ex-officials | – | – | – | 910 | – | – |
| Donation: Food and Nutrition Programme | 51 046 | (27 806) | 23 240 | 23 240 | 100 | 15 197 |
| **Total** | **129 869 324** | **(302 806)** | **129 566 518** | **128 357 526** | **–** | **120 717 298** |

## ANNEXURE 1G

### STATEMENT OF AID ASSISTANCE RECEIVED

| NAME OF DONOR | PURPOSE | Opening Balance R'000 | Revenue R'000 | Expenditure R'000 | Closing Balance R'000 |
|---|---|---|---|---|---|
| RECEIVED IN CASH | | | | | |
| CIDA | Child Protection Register | – | 12 443 | 12 443 | – |
| HW Seta | Various Training Programmes | 754 | – | – | 754 |
| Global Fund | Fight Against Aids, TB and Malaria | 2 434 | 7 632 | 7 684 | 2 382 |
| CARA Fund* | Victim Empowerment Support | – | – | – | – |
| KfW | OVCY Care and Support | – | 56 100 | 49 472 | 6 628 |
| Subtotal | | 3 188 | 76 175 | 69 599 | 9 764 |
| *CARA funds was transferred to Retained funds | | | | | |
| RECEIVED IN KIND | | | | | |
| KfW | OVC Care and Support: Implementation of a Care and Support programme targeting child- and youth-headed households in KZN, Limpopo and North West (Consultancy Services) | – | 5 630 | 5 630 | – |
| JICA | Conducting disability mainstreaming program relating to training for officials and people with disabilities, M&E and networking activities | – | 250 | 250 | – |
| USAID | Maintenance and sustainability of the Children's Services Directory | 20 376 | – | 11 692 | 8 684 |
| USAID | Training of community caregivers and their supervisors on Psychosocial well-being, child protection and supportive supervision | – | 23 213 | 23 213 | – |
| USAID | Placement of staff members within Social Development to provide various levels of support (IT Technical manager and Helpdesk Manager to provide technical support during the enhancement, testing and training phases.) including other expenditure incurred on behalf of the appointed staff | 3 | – | – | 3 |
| USAID_FH1360 | To offer technical assistance and project management services for the Isibindi project | – | 825 | 825 | – |
| USAID_FH1361 | To offer technical assistance and project management services for the Early Childhood Development Chief Directorate | – | 465 | 465 | – |
| UNICEF | Conducting a rapid assessment of local government by-laws and policies on early childhood development as well as a feasibility study on the options for intersectional management and coordination based on the national and international best practices | – | 220 | 220 | – |
| UNICEF | Individual consultancy assignment: To provide administrative and management capacity for the development and finalisation of an Early Childhood Development Policy and Comprehensive ECD Programme and logistical support for development of the programme. | – | 275 | 275 | – |
| UNICEF | Workshop on evaluation of public comments on the draft ECD Policy received through gazetting process | – | 32 | 32 | – |
| UNICEF | Audit of unregistered child and youth care centres and situational analysis of state houses | 433 | – | – | 433 |
| United Nations Partnership to Promote the rights of Persons with Disabilities (UNPRDP) | Accelerating the implementation of the UN Convention on the rights of persons with Disabilities | – | 1 374 | 1 374 | – |
| PACT / United States Agency for International Development | Government Capacity Building Systems | – | 53 700 | 53 700 | – |
| Subtotal | | 20 812 | 85 984 | 97 676 | 9 120 |
| TOTAL | | 24 000 | 162 159 | 167 275 | 18 884 |

## ANNEXURE 1H
## STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

| GRANT TYPE | APRIL 2015 R'000 | MAY 2015 R'000 | JUN 2015 R'000 | JUL 2015 R'000 | AUG 2015 R'000 | SEPT 2015 R'000 | OCT 2015 R'000 | NOV 2015 R'000 | DEC 2015 R'000 | JAN 2016 R'000 | FEB 2016 R'000 | MAR 2016 R'000 | TOTAL R'000 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Old age | 4 361 341 | 4 355 596 | 4 376 838 | 4 395 341 | 4 396 942 | 4 402 279 | 4 451 726 | 4 459 327 | 4 473 527 | 4 469 042 | 4 487 993 | 4 504 529 | 53 134 481 |
| War veterans | 460 | 458 | 443 | 423 | 409 | 396 | 395 | 391 | 379 | 367 | 363 | 358 | 4 842 |
| Disability | 1 624 321 | 1 596 204 | 1 592 038 | 1 615 304 | 1 596 211 | 1 593 353 | 1 611 292 | 1 600 026 | 1 607 043 | 1 598 767 | 1 560 170 | 1 572 240 | 19 166 969 |
| Grant in aid | 38 496 | 38 516 | 39 285 | 40 450 | 40 892 | 41 567 | 42 854 | 43 251 | 44 061 | 44 468 | 44 146 | 45 099 | 503 085 |
| Foster care | 471 178 | 454 279 | 461 175 | 471 039 | 470 734 | 472 284 | 478 451 | 476 730 | 478 432 | 379 896 | 382 202 | 411 970 | 5 408 370 |
| Care dependency | 196 726 | 196 159 | 196 876 | 198 367 | 198 409 | 198 926 | 201 299 | 201 328 | 201 621 | 202 205 | 200 669 | 202 117 | 2 394 702 |
| Child support grant | 3 907 720 | 3 900 800 | 3 916 166 | 3 931 093 | 3 935 441 | 3 940 751 | 3 954 420 | 3 959 839 | 3 969 804 | 3 957 151 | 3 959 694 | 3 975 129 | 47 308 008 |
| Other | 7 584 | 5 538 | 9 435 | 15 431 | 25 171 | 16 424 | 17 938 | 16 846 | 56 329 | 42 325 | 58 407 | 141 491 | 412 919 |
| **TOTAL** | **10 607 826** | **10 547 550** | **10 592 256** | **10 667 448** | **10 664 209** | **10 665 980** | **10 758 375** | **10 757 738** | **10 831 196** | **10 694 221** | **10 693 644** | **10 852 933** | **128 333 376** |

## ANNEXURE 2

### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016

| NATURE OF LIABILITY | | OPENING BALANCE 1 APRIL 2015 R'000 | LIABILITIES INCURRED DURING THE YEAR R'000 | LIABILITIES PAID/ CANCELLED/ REDUCED DURING THE YEAR R'000 | CLOSING BALANCE 31 MARCH 2016 R'000 |
|---|---|---|---|---|---|
| CLAIMS AGAINST THE DEPARTMENT | | | | | |
| Civil Claim (War Veteran's Grant Claim) | | 73 | 58 | 73 | 58 |
| Civil Claim (Disaster Relief – Drought) | | 552 | – | – | 552 |
| Civil Claim (Disaster Relief – Storm) | | 58 | – | – | 58 |
| Labour Matter: Unfair Labour Practice | | 90 | – | – | 90 |
| **TOTAL** | | **773** | **58** | **73** | **758** |

# ANNEXURE 3

## CLAIMS RECOVERABLE

| GOVERNMENT ENTITY | CONFIRMED BALANCE OUTSTANDING | | UNCONFIRMED BALANCE OUTSTANDING | | TOTAL | | CASH IN TRANSIT AT YEAR END 2015/16 | |
|---|---|---|---|---|---|---|---|---|
| | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | Receipt date up to six (6) working days after year end | Amount R'000 |
| DEPARTMENT | | | | | | | | |
| Department of Health and Welfare – Limpopo | – | 7 851 | 7 884 | – | 7 884 | 7 851 | – | – |
| Department of Social Development – Gauteng | – | 2 870 | 2 870 | – | 2 870 | 2 870 | – | – |
| Department of Environment Affairs | – | 11 | | – | – | 11 | – | – |
| Department of Human Settlement | – | 9 | – | – | – | 9 | – | – |
| Department of Justice | – | 2 484 | – | – | – | 2 484 | – | – |
| National Treasury – Free State | – | – | 423 | 423 | 423 | 423 | – | – |
| National Treasury – Mpumalanga | – | – | 670 | 670 | 670 | 670 | – | – |
| National Treasury (Limpopo) | – | – | 694 | 694 | 964 | 694 | – | – |
| National Treasury (Free State) | – | – | 2 423 | 2 423 | 2 423 | 2 423 | – | – |
| National Treasury – Over surrender | – | – | 244 | 232 | 244 | 232 | – | – |
| National Treasury | – | – | 670 | 670 | 670 | 670 | – | – |
| Department of Home Affairs | 8 | 8 | – | – | 8 | 8 | – | – |
| Department of Justice (SALARIES) | – | 306 | 355 | 11 | 355 | 317 | – | – |
| Unknown Conversion | – | – | 55 | 55 | 55 | 55 | – | – |
| South African Social Security Agency (PMG ADMIN ACC) | – | – | – | 539 | – | 539 | – | – |
| KZN Public Works | – | – | 26 | 26 | 26 | 26 | – | – |
| Limpopo Provincial Education | – | – | 16 | – | 16 | – | – | – |
| Department of Science and Technology | – | – | 32 | – | 32 | – | – | – |
| Dept of Telecom and Postal Serv | – | – | 2 | – | 2 | – | – | – |
| Dept of Transport | – | – | 1 | – | 1 | – | – | – |
| Dept of Rural Development | – | – | 9 | – | 9 | – | – | – |
| SASSA – Kwa-Zulu Natal | – | – | 104 | – | 104 | – | – | – |
| SASSA Trial balance | – | – | 21 | – | 21 | – | – | – |
| SASSA Trial balance | – | – | 543 | – | 543 | – | – | – |
| TOTAL | **8** | **13 539** | **17 042** | **5 743** | **17 050** | **19 282** | **–** | **–** |

## ANNEXURE 4

### INTER-GOVERNMENT PAYABLES

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | | Cash in transit at year end 2015/16 | |
|---|---|---|---|---|---|---|---|---|
| | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | Payment date up to six (6) working days before year end | Amount R'000 |
| DEPARTMENTS | | | | | | | | |
| Current | | | | | | | | |
| Dept Justice & Constitutional | 1 948 | 1 323 | 983 | 424 | 2 931 | 1 747 | – | – |
| Department of Women | 6 496 | 9 913 | – | – | 6 496 | 9 913 | – | – |
| Department Performance Monitoring | – | 301 | 1 135 | – | 1 135 | 301 | – | – |
| Department of Science and Technology | 1 | – | – | – | 1 | – | – | – |
| Government Printing | – | – | 98 | – | 98 | – | – | – |
| **TOTAL** | **8 445** | **11 537** | **2 216** | **424** | **10 661** | **11 961** | **–** | **–** |

## ANNEXURE 5A

### INTER-ENTITY ADVANCES PAID (note 14)

| ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | |
|---|---|---|---|---|---|---|
| | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 |
| NATIONAL DEPARTMENTS | | | | | | |
| Department of International Relations and Cooperation | 669 | 186 | 387 | 827 | 1 056 | 1 013 |
| Government Communication and Information Systems | 2 349 | 2 744 | 53 | – | 2 402 | 2 744 |
| **TOTAL** | **3 018** | **2 930** | **440** | **827** | **3 458** | **3 757** |

## ANNEXURE 5B

### INTER-ENTITY ADVANCES RECEIVED (note 16)

| ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | |
|---|---|---|---|---|---|---|
| | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 | 31/03/2016 R'000 | 31/03/2015 R'000 |
| PROVINCIAL DEPARTMENTS | | | | | | |
| Non-current | | | | | | |
| NISIS Project | – | – | 5 512 | 5 512 | 5 512 | 5 512 |
| **TOTAL** | | | **5 512** | **5 512** | **5 512** | **5 512** |

# 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 221 to 229, which comprise the statement of financial position as at 31 March 2016, 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 authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the general notice issued in terms of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), 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 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 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the general notice issued in terms of the PAA.

### 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 1.12 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 1.12, 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 have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and 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 Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (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

Pretoria

29 July 2016

Disaster Relief Fund

# Statement of Financial Performance

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Other income | 2 | 4 989 | 4 512 |
| **TOTAL REVENUE** | | **4 989** | **4 512** |
| **EXPENDITURE** | | | |
| Administrative expenses | 3 | (145) | (23) |
| Audit fees | 4 | (2) | (10) |
| Other operating expenses | 5 | (525) | (2 523) |
| **TOTAL EXPENDITURE** | | **(672)** | **(2 556)** |
| **SURPLUS/(DEFICIT) FROM OPERATIONS** | | **4 317** | **1 956** |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | | **4 317** | **1 956** |

Disaster Relief Fund

# Statement of Financial Position

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Non-current assets | | – | – |
| Current assets | | | |
| Cash and cash equivalents | 7 | 81 199 | 76 882 |
| Account receivable | | | |
| **TOTAL ASSETS** | | **81 199** | **76 882** |
| **LIABILITIES** | | | |
| Non-current liabilities | | – | – |
| Current liabilities | | – | – |
| **TOTAL LIABILITIES** | | **–** | **–** |
| **CAPITAL AND RESERVES** | | | |
| Accumulated surplus | 9 | 81 199 | 76 882 |
| **TOTAL NET ASSETS** | | **81 199** | **76 882** |

Disaster Relief Fund

## Statement of Changes in Net Assets

*as at 31 March 2016*

| | Accumulated Funds R'000 |
|---|---|
| **Balance as at 31 March 2014** | **74 926** |
| (Deficit) Surplus for the year | 1 956 |
| **Balance as at 31 March 2015** | **76 882** |
| (Deficit) Surplus for the year | 4 317 |
| **Balance as at 31 March 2016** | **81 199** |

Disaster Relief Fund

## Cash Flow Statement

*31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash paid to stakeholder, suppliers and employees | | | |
| Grant and project payments | | (106) | (1 867) |
| Payments to suppliers and other | | (566) | (689) |
| Cash generated from operations | 10 | (672) | (2 556) |
| Interest income | 2 | 4 989 | 4 512 |
| Net cash inflow/ (outflow) from operating activities | | **4 317** | **1 956** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | – | – |
| Net cash flows from investing activities | | **–** | **–** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Provisioning for Lottery Board | | – | (7 063) |
| Net cash flows from financing activities | | **–** | **(7 063)** |
| Net (decrease) / increase in cash and cash equivalents | | 4 317 | (5 107) |
| Cash and cash equivalent at beginning of the year | | 76 882 | 81 989 |
| Cash and cash equivalent at end of the year | 9 | **81 199** | **76 882** |

# Notes to the Financial Statements

*for the year ended 31 March 2016*

## 1 Summary of significant accounting policies

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

### 1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 20: Related Party Disclosures
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of 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

These financial statements are presented in South African Rands. All figures are rounded 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.

### 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.

Income from donations and grants are included in the grant income when these are received.

### 1.4.1 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.

### 1.4.2 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.

### 1.4.3 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.

## 1.5 Investments

Investments are shown at fair value including interest capitalised.

## 1.6 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.7 Financial instruments

### 1.7.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### 1.7.2 Measurement

Financial instruments are initially measured at fair value, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

### 1.7.3 Financial assets

The Fund's principal financial assets are cash and cash equivalents.
All financial assets are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.7.4 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.

### 1.7.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

### 1.7.6 Financial liabilities

The Fund's principle financial liabilities are accounts payable.
All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

## 1.8 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## 1.9 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.

## 1.10 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.

## 1.11 Related party transactions

### 1.11.1 The Department of Social Development

The executive authority of the Disaster Relief Fund is the Minister of Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with the DSD.

### 1.11.2 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.

### 1.11.3 National Development Agency (NDA)

A related party relationship exists between the Disaster Relief Fund and the NDA. There were no transactions between the parties.

### 1.11.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Disaster Relief Fund and SASSA. There were no transactions between the parties.

## 1.12 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 and the Fund Raising Act, the process of which commenced in the 2012/13 financial year.

# 2 Revenue

| | 2015/16<br>R'000 | 2014/15<br>R'000 |
|---|---|---|
| Interest received | 4 989 | 4 512 |
| **Total** | **4 989** | **4 512** |

## 3 Administrative expenditure

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| Fees for services – board members | 12 | 140 | – |
| Bank charges | | 5 | 23 |
| **Total** | | **145** | **23** |

## 4 Audit fees

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Audit fees | 2 | 10 |
| **Total** | **2** | **10** |

## 5 Other operating expenses

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Travel and accommodation | 93 | – |
| Advertising | – | 556 |
| Legal fees | 326 | – |
| Assistance to beneficiaries (DSD) | 106 | 1 867 |
| Lottery refund | – | 100 |
| **Total** | **525** | **2 523** |

## 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 optimising return. The Disaster Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 6.1.2 Credit risk

Credit risk is the risk of financial loss to the Disaster Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations. The Disaster Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| **Credit risk affects financial assets** | | |
| Cost | 76 882 | 76 627 |
| Additions (decrease) during the year | 2 632 | (4 823) |
| **Closing balance** | **79 514** | **71 804** |

### 6.1.3 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 optimises its cash return on investments.

*Cash and cash equivalents*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| **Cash and cash equivalents** | | |
| Cash and balances with banks | 1 685 | 357 |
| Investments | 79 514 | 76 525 |
| **Total** | **81 199** | **76 882** |

### 6.1.4 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.

| | Change | 2015/16 Effective Rate | 2014/15 Effective Rate |
|---|---|---|---|
| **Investments** | **0.38%** | **6.27%** | **5.90%** |
| **Interest risk sensitivity analysis** | | | |
| Investments | | **79 514** | 76 525 |
| 0.38% interest fluctuation impact | | **302.15** | 608.05 |

The sensitivity of the interest rate was incorrectly calculated in the previous financial year and is now corrected.

### 6.1.5 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.

### 6.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

## 7 Cash and Cash Equivalents

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash – Bank deposits | 1 685 | 357 |
| Cash – Corporation for public deposits | 78 285 | 75 374 |
| Cash – Public Investment Corporation | 1 229 | 1 151 |
| **Total** | **81 199** | **76 882** |

Credit quality of cash at bank and short term deposits, excluding cash on hand.
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

## 8 Retained Income

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Accumulated surplus /(Accumulated deficit) | 76 882 | 74 926 |
| Net Profit/(Loss) for this year | 4 317 | 1 956 |
| **Total** | **81 199** | **76 882** |

## 9 Cash Generated from / (Utilised in) Operations

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Surplus/ (deficit) before tax | 4 317 | 1 956 |
| (Interest received) | (4 989) | (4 512) |
| **Net cash flow from operating activities** | **(672)** | **(2 556)** |

## 10 Contingent Liabilities

10.1 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 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.

10.2 Lists of beneficiary names were sent to Free State, KwaZulu-Natal, Eastern Cape, Limpopo and North West provinces in the 2012/13 financial year to trace 2 449 unpaid flood relief beneficiaries. The projected amount payable to the beneficiaries was calculated at a rate of R3 420 per beneficiary. In the 2013/14 financial year, Eastern Cape (335) and North West (45) beneficiaries were paid to the value of R1 299 600.00. It is projected that the remaining 2 069 beneficiaries outstanding at the end of the 2013/14 financial year amount to R7 075 980. This is an on-going process which is expected to be finalised by the end of the 2014/15 financial year as the beneficiaries are traced. During the 2014/15 financial year, 546 beneficiaries could be traced in all the provinces combined, and the amount of R1 867 320 was paid. A projected 1523 beneficiaries are untraceable or might still come forward in the new financial year.

The newly appointed Board took a decision to pay the people who litigated. 875 people will be paid R1450.00 to the value of R1 268 750.00.

- Possible legal fees to be paid still might amount to R500 000.00.
- A letter was written to the litigation lawyer for an appointment with the Board and the legal team. The State Attorney confirmed that a letter was sent to the litigation lawyer. Response from the litigation lawyer is still awaited.
- 31 of the 1523 outstanding beneficiaries were located and paid R3 420.00 to the value of R106 020.00. The newly appointed Board decided to view the matter as being closed.

## 11 Events after Balance Sheet Date

None identified to date.

## 12 Board Members Emoluments

12.1 Activities 2015/16

| Names | Designation | Total (R) | Meeting fees (R) | Travel (R) |
|---|---|---|---|---|
| CD Khan | Board member | 7 462 | 5 453 | 2 009 |
| GN Mabaso | Board member | 6 948 | 5 453 | 1 495 |
| SM Mangena | Board member | 17 431 | 5 453 | 11 978 |
| LL Matsila | Board member | 19 306 | 5 453 | 13 854 |
| Z Mkiva | Board member | 13 368 | 5 453 | 7 915 |
| BM Modise | Board member | 8 752 | 5 453 | 3 299 |
| J Modise | Board member | 8 514 | 5 453 | 3 061 |
| T Mothlathe | Board member | 7 358 | 5 453 | 1 905 |
| N E Mpungose | Board member | 10 056 | 5 453 | 4 603 |
| VS Nadesan | Board member | 6 549 | 4 592 | 1 957 |
| JR Rikhotso | Board member | 5 696 | 4 879 | 817 |
| T Rakoloti | Board member | – | – | – |
| MW Thango | Board member | 12 054 | 5 453 | 6 601 |
| PPZ Vezi | Board member | 8 709 | 5 453 | 3 256 |
| N Mohlala | Board member | 7 856 | 5 453 | 2 403 |
| **Total** | | **140 060** | **74 907** | **65 153** |

12.2 Meeting attendance for the period 1 April 2015 to 31 March 2016

| Names | 26 Jan 16 | 25 Feb 16 | 26 Feb 16 | 29 Mar 16 | 30 Mar 16 | Total |
|---|---|---|---|---|---|---|
| CD Khan | 1 | 1 | 1 | 1 | 1 | **5** |
| GN Mabaso | 1 | – | 1 | – | – | **2** |
| SM Mangena | 1 | 1 | 1 | 1 | 1 | **5** |
| LL Matsila | 1 | 1 | 1 | 1 | 1 | **5** |
| Z Mkiva | 1 | 1 | – | 1 | 1 | **4** |
| BM Modise | 1 | 1 | – | 1 | 1 | **4** |
| J Modise | 1 | 1 | 1 | 1 | 1 | **5** |
| T Mothlathe | 1 | 1 | – | 1 | 1 | **4** |
| N E Mpungose | 1 | 1 | 1 | 1 | 1 | **5** |
| VS Nadesan | 1 | 1 | 1 | 1 | 1 | **5** |
| JR Rikhotso | 1 | 1 | 1 | 1 | – | **4** |
| T Rakoloti | – | – | – | – | 1 | **1** |
| MW Thango | 1 | 1 | 1 | – | 1 | **4** |
| PPZ Vezi | 1 | 1 | 1 | 1 | 1 | **5** |
| N Mothlala | 1 | 1 | 1 | – | 1 | **4** |
| **Total** | **14** | **13** | **11** | **11** | **13** | |

12.3 Activities 2014/15

| 2014/15 | Designation | Total (R) | Meeting fees (R) | Travel (R) |
|---|---|---|---|---|
| **Total** | **–** | **–** | **–** | **–** |

No Board exists in the 2014/15 financial year.

# 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 231 to 237, which comprise the statement of financial position as at 31 March 2016, 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 general notice issued in terms of the PAA, 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 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 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the general notice issued in terms of the PAA.

### 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 1.11 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 1.11, indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## Report on other legal and regulatory requirements

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof. I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and 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

Pretoria
29 July 2016

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

Refugee Relief Fund

# Statement of Financial Performance

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Other income | 2 | 30 | 28 |
| **TOTAL REVENUE** | | **30** | **28** |
| **EXPENDITURE** | | | |
| Administrative expenses | 3 | (5) | (5) |
| Audit fees | 4 | (2) | (5) |
| **TOTAL EXPENDITURE** | | **(7)** | **(10)** |
| **SURPLUS/(DEFICIT) FROM OPERATIONS** | 7 | 23 | 18 |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | | **23** | **18** |

Refugee Relief Fund

# Statement of Financial Position

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Non-current assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 587 | 564 |
| Account receivable | | | |
| **TOTAL ASSETS** | | **587** | **564** |
| **LIABILITIES** | | | |
| Non-current liabilities | | – | – |
| Current liabilities | | – | – |
| **TOTAL LIABILITIES** | | **–** | **–** |
| **NET ASSETS** | | | |
| Accumulated surplus | | 587 | 564 |
| **TOTAL NET ASSETS** | | **587** | **564** |

Refugee Relief Fund

## Statement of Changes in Net Assets

*as at 31 March 2016*

| | Accumulated Funds R'000 |
|---|---|
| **Balance as at 31 March 2014** | **546** |
| (Deficit) Surplus for the year | 18 |
| **Balance as at 31 March 2015** | **564** |
| (Deficit) Surplus for the year | 23 |
| **Balance as at 31 March 2016** | **587** |

Refugee Relief Fund

## Cash Flow Statement

*31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash paid to stakeholder, suppliers and employees | 7 | (7) | (10) |
| Cash generated from / (utilised in) operations | | **(7)** | **(10)** |
| Interest received | 2 | 30 | 28 |
| Net cash inflow/ (outflow) from operating activities | | **23** | **18** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | – | – |
| Trading investments | | – | – |
| Net cash inflow / (outflow) from investing activities | | **–** | **–** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Net cash flow from financing activities | | – | – |
| Net (decrease) / increase in cash and cash equivalents | | 23 | 18 |
| Cash and cash equivalent at beginning of the year | | 564 | 546 |
| Cash and cash equivalent at end of the year | 6 | **587** | **564** |

# Notes to the Financial Statements

*for the year ended 31 March 2016*

## 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 20: Related Party Disclosures
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of 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

### 1.2 Currency

These financial statements are presented in South African Rands. All figures are rounded to the nearest one thousand 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.

### 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.

### 1.4.1 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.

### 1.4.2 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.

### 1.4.3 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.

## 1.5 Investments

Investments are shown at fair value including interest capitalised.

## 1.6 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.7 Financial instruments

### 1.7.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### 1.7.2 Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

### 1.7.3 Financial assets

The Fund's principal financial assets are investments.
All financial assets are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.7.4 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.

### 1.7.5 Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

### 1.7.6 Financial liabilities

The Fund's principle financial liabilities are accounts payable.
All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

## 1.8 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## 1.9 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.

## 1.10 Related party transactions

### 1.10.1 The Department of Social Development

The executive authority of the Refugee Relief Fund is the Minister of Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with the DSD.

### 1.10.2 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.

### 1.10.3 National Development Agency (NDA)

A related party relationship exists between the Refugee Relief Fund and the NDA. There were no transactions between the parties.

### 1.10.4 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.

## 1.11 Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund Raising Act, the processes of which commenced in the 2012/13 financial year.

# 2 Revenue

| | 2015/16<br>R'000 | 2014/15<br>R'000 |
|---|---|---|
| Interest received | 30 | 28 |
| **Total** | **30** | **28** |

# 3 Administrative Expenditure

| | 2015/16<br>R'000 | 2014/15<br>R'000 |
|---|---|---|
| Bank charges | 1 | 1 |
| Management fee | 4 | 4 |
| **Total** | **5** | **5** |

## 4 Audit Fees

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Audit fees | 2 | 5 |
| **Total** | **2** | **5** |

## 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.

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| **Credit risk affects financial assets** | | |
| Cost | 562 | 538 |
| Additions during the year | 25 | 24 |
| **Closing balance** | **587** | **562** |

#### 5.1.3 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*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash and balances with banks | 4 | 2 |
| Investments | 583 | 562 |
| **Total** | **587** | **564** |

### 5.1.4 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.

| | Change | 2015/16 Effective Rate | 2014/15 Effective Rate |
|---|---|---|---|
| **Investments** | **0.16%** | **5.15%** | **4.98%** |

### 5.1.5 Interest risk sensitivity analysis

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Investments | 583 | 562 |
| **0.16% interest fluctuation impact** | **0.95** | **5.02** |

The sensitivity of the interest rate was incorrectly calculated in the previous financial year and now corrected.

### 5.1.6 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.

### 5.1.7 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

## 6 Cash and Cash Equivalents

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash – Bank deposits | 4 | 2 |
| Cash – Corporation for Public Deposits | 43 | 45 |
| Cash – Public Investment Corporation | 540 | 517 |
| **Total** | **587** | **564** |

Credit quality of cash at bank and short term deposits, excluding cash on hand.
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

## 7 Cash Generated from / (Utilised in) Operations

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Surplus/ (deficit) before tax | 23 | 18 |
| (Interest received) | (30) | (28) |
| **Net cash flow from operating activities** | **(7)** | **(10)** |

## 8 Events after Balance Sheet Date

None identified to date.

# 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 239 to 246, which comprise the statement of financial position as at 31 March 2016, 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 general notice issued in terms of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), 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 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 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the general notice issued in terms of the PAA.

### 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 1.10 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 1.10, indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## Report on other legal and regulatory requirements

9. In accordance with the PAA and the general notice issued in terms thereof. I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and 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 Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (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

Pretoria
29 July 2016

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

Social Relief Fund

# Statement of Financial Performance

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Other income | 2 | 1 925 | 1 694 |
| **TOTAL REVENUE** | | **1 925** | **1 694** |
| **EXPENDITURE** | | | |
| Administrative expenses | 3 | (1) | (1) |
| Audit fees | 4 | (2) | (4) |
| **TOTAL EXPENDITURE** | | **(3)** | **(5)** |
| **SURPLUS/(DEFICIT) FROM OPERATIONS** | | 1 922 | 1 689 |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | | **1 922** | **1 689** |

Social Relief Fund

# Statement of Financial Position

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Non-current assets | | – | – |
| Current assets | | | |
| Cash and cash equivalents | 8 | 31 431 | 29 509 |
| **TOTAL ASSETS** | | **31,431** | **29,509** |
| **LIABILITIES** | | | |
| Non-current liabilities | | – | – |
| Current liabilities | | | |
| Other Payables | 11 | (12) | (12) |
| **TOTAL LIABILITIES** | | **(12)** | **(12)** |
| **CAPITAL AND RESERVES** | | | |
| Accumulated surplus | | 31 419 | 29 497 |
| **TOTAL NET ASSETS** | | **31 419** | **29 497** |

Social Relief Fund

## Statement of Changes in Net Assets

*as at 31 March 2016*

| | Note | Accumulated Funds R'000 |
|---|---|---|
| **Balance as at 31 March 2014** | | **27 820** |
| (Deficit) Surplus for the year | | 1 689 |
| Prior period error | 12 | (12) |
| **Restated balance as at 31 March 2015** | | **29 497** |
| (Deficit) Surplus for the year | | 1 922 |
| **Balance as at 31 March 2016** | | **31 419** |

Social Relief Fund

## Cash Flow Statement

*31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash paid to stakeholder, suppliers and employees | 10 | (3) | (5) |
| Cash generated from / (utilised in) operations | | **(3)** | **(5)** |
| Deposit | 2 | 1 | 12 |
| Interest received | 2 | 1 924 | 1 682 |
| **Net cash inflow / (outflow) from operating activities** | 10 | **1 922** | **1 689** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | – | – |
| Net cash flows from investing activities | | **–** | **–** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Net cash flows from financing activities | | **–** | **–** |
| Net inflow / outflow in cash and cash equivalents | | 1 922 | 1 689 |
| Cash and cash equivalent at beginning of the year | | 29 509 | 27 820 |
| Cash and cash equivalent at end of the year | 6 | **31 431** | **29 509** |

# Notes to the Financial Statements

*for the year ended 31 March 2016*

## 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 20: Related Party Disclosures
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of 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

### 1.2 Currency

These financial statements are presented in South African Rands. All figures are rounded 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.

### 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.

### 1.4.1 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.

### 1.4.2 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 procedure

## 1.5 Investments

Investments are shown at cost including interest capitalised.

## 1.6 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.7 Financial instruments

### 1.7.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### 1.7.2 Measurement

Financial instruments are initially measured at fair value which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

### 1.7.3 Financial assets

The Fund's principal financial assets are investments.
All financial assets are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.7.4 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.

### 1.7.5 Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

### 1.7.6 Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

### 1.7.7 Financial liabilities

The Fund's principle financial liabilities are accounts payable.
All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

## 1.8 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## 1.9 Related Party Transactions

### 1.9.1 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 the DSD.

### 1.9.2 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.

### 1.9.3 National Development Agency (NDA)

A related party relationship exists between the Social Relief Fund and the NDA. There were no transactions between the parties.

### 1.9.4 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.

## 1.10 Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund Raising Act, the processes of which commenced in the 2012/13 financial year.

## 2 Revenue

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Interest received | 1 924 | 1 682 |
| Deposit | 1 | 12 |
| **Total** | **1 925** | **1 694** |

## 3 Administrative Expenditure

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Bank charges | 1 | 1 |
| **Total** | **1** | **1** |

## 4 Audit Fees

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Audit fees | 2 | 4 |
| **Total** | **2** | **4** |

## 5 Financial Instruments

### Financial Liabilities

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cost | 12 | – |
| Additions during the year | – | 12 |
| **Closing balance** | **12** | **12** |

## 6 Trade and other payables

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| | **12** | **12** |

## 7 Risk Management

### 7.1.1 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 optimising 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.

### 7.1.2 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.

*Credit risk affects financial assets*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cost | 29 494 | 27 817 |
| Additions during the year | 1 918 | 1 677 |
| **Closing balance** | **31 412** | **29 494** |

### 7.1.3 Liquidity risk

Liquidity risk is the risk that the 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.

*Cash and cash equivalents*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash and balances with banks | 18 | 15 |
| Investments | 31 412 | 29 494 |
| **Total** | **31 431** | **29 509** |

### 7.1.4 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 capitalised and will therefore not affect the operations of the Social Relief Fund.

| | Change | 2015/16 Effective rate | 2014/15 Effective rate |
|---|---|---|---|
| **Investment** | **0.42%** | **6.13%** | **5.70%** |

*Interest risk sensitivity analysis*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Investments | 31 412 | 29 509 |
| **0.42% interest fluctuation impact** | **132.62** | **177.35** |

### 7.1.5 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.

### 7.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

## 8 Cash and Cash Equivalents

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash – Bank deposits | 18 | 15 |
| Cash – investment account | 31 412 | 29 494 |
| **Total** | **31 430** | **29 509** |

Credit quality of cash at bank and short term deposits, excluding cash on hand.
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

## 9 Cash Generated from (Utilised in) Operations

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Surplus/ (deficit) before tax | 1 922 | 1 689 |
| (Interest received) | (1 925) | (1 694) |
| **Net cash generated from operations** | **(3)** | **(5)** |

## 10 Net Cash Inflows / Outflows from Operating Activities

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash payments to suppliers and employees | (3) | (5) |
| Cash generated from (utilised in) operations | (3) | (5) |
| Interest received | 1 925 | 1 694 |
| **Net cash inflows / outflows from operating activities** | **1 922** | **1 689** |

## 11 Events after Balance Sheet Date

None identified to date.

## 12 Correction of Prior Period Error

It was identified in the current year that a prior year error existed relating to the recognition of revenue. The error was limited to the prior financial year

The comparative amount has been restated as follows:

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Other income: Interest income | – | (12) |
| Net effect on surplus (deficit) for the year | – | (12) |
| | | |
| Other payables: Amounts to be refunded | – | 12 |
| Net effect on Statement of Financial Position | – | 12 |
| | | |
| Accumulated surplus closing balance | – | (12) |
| Net effect on Statement of Changes in Net Assets | – | (12) |

# 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 248 to 254, which comprise the statement of financial position as at 31 March 2016, 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 general notice issued in terms of the PAA, 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 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 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the general notice issued in terms of the PAA.

### 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 1.11 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 1.11, indicate the existence of a material uncertainty that may cast significant doubt on the fund's ability to operate as a going concern.

## Report on other legal and regulatory requirements

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof. I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and 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

Pretoria

29 July 2016

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

State President Fund

## Statement of Financial Performance

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Other income | 2 | 2 010 | 1 758 |
| **TOTAL REVENUE** | | **2 010** | **1 758** |
| **EXPENDITURE** | | | |
| Administrative expenses | 3 | (1) | (1) |
| Audit fees | 4 | (13) | (15) |
| **TOTAL EXPENDITURE** | | **(14)** | **(16)** |
| **SURPLUS/(DEFICIT) FROM OPERATIONS** | | 1 996 | 1 742 |
| **SURPLUS/(DEFICIT) FOR THE YEAR** | | **1 996** | **1 742** |

State President Fund

## Statement of Financial Position

*for the year ended 31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 32 818 | 30 822 |
| **TOTAL ASSETS** | | **32 818** | **30 822** |
| **LIABILITIES** | | | |
| Non-current liabilities | | – | – |
| Current liabilities | | – | – |
| **TOTAL LIABILITIES** | | **–** | **–** |
| **NET ASSETS** | | | |
| Accumulated surplus | 9 | 32 818 | 30 822 |
| **TOTAL NET ASSETS** | | **32 818** | **30 822** |

State President Fund

## Statement of Changes in Net Assets

*as at 31 March 2016*

| | Accumulated Funds R'000 |
|---|---|
| **Balance as at 31 March 2014** | **29,080** |
| (Deficit) Surplus for the year | 1,742 |
| **Balance as at 31 March 2015** | **30,822** |
| (Deficit) Surplus for the year | 1,996 |
| **Balance as at 31 March 2016** | **32,818** |

State President Fund

## Cash Flow Statement

*31 March 2016*

| | Note | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash paid to suppliers and employees | 7 | (14) | (16) |
| Cash generated from / (utilised in) operations | | **(14)** | **(16)** |
| Interest received | 2 | 2 010 | 1 758 |
| Net cash inflow / (outflow) from operating activities | | **1 996** | **1 742** |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Net cash flows from investing activities | | **–** | **–** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | – |
| Net cash from financing activities | | **–** | **–** |
| Net (decrease) / increase in cash and cash equivalents | | 1 996 | 1 742 |
| Cash and cash equivalent at beginning of the year | | 30 822 | 29 080 |
| Cash and cash equivalent at end of the year | 6 | **30 818** | **30 822** |

# Notes to the Financial Statements

*for the year ended 31 March 2016*

## 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 20: Related Party Disclosures
- GRAP 105: Transfer of Function Between Entities Under common Control
- GRAP 106: Transfer of Function Between Entities Not Under common Control
- GRAP 107: Mergers

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of 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

These financial statements are presented in South African Rands. All figures are rounded 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.

### 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.

### 1.4.1 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.

### 1.4.2 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.

## 1.5 Investments

Investments are shown at cost including interest capitalised.

## 1.6 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

## 1.7 Financial instruments

### 1.7.1 Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

### 1.7.2 Measurement

Financial instruments are initially measured at fair value, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

### 1.7.3 Financial assets

The Fund's principal financial assets are cash and cash equivalents.
All financial assets are measured at amortised cost, comprising original debt less principle payments and amortisations.

### 1.7.4 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.

### 1.7.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

### 1.7.6 Financial liabilities

The Fund's principle financial liabilities are accounts payable.
All financial liabilities are measured at amortised cost, comprising original debt less principle payments and amortisations.

## 1.8 Expenditure

Expenditure is accounted for on the accrual basis of accounting.

## 1.9 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.

## 1.10 Related party transactions

### 1.10.1 The Department of Social Development

The executive authority of the State President 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.

### 1.10.2 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.

### 1.10.3 National Development Agency (NDA)

A related party relationship exists between the State President Fund and the NDA. There were no transactions between the parties.

### 1.10.4 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.

## 1.11 Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund Raising Act, the processes of which commenced in the 2012/13 financial year.

# 2 Revenue

| | 2015/16<br>R'000 | 2014/15<br>R'000 |
|---|---|---|
| Interest received | 2 010 | 1 758 |
| **Total** | **2 010** | **1 758** |

# 3 Administrative Expenditure

| | 2015/16<br>R'000 | 2014/15<br>R'000 |
|---|---|---|
| Bank charges | 1 | 1 |
| Financial assistance | – | – |
| **Total** | **1** | **1** |

## 4 Audit fees

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Audit fees | 13 | 15 |
| **Total** | **13** | **15** |

## 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 optimising return. The State President Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

#### 5.1.2 Credit risk

Credit risk is the risk of financial loss to the State President Fund if a financial institution to a financial instrument fails to meet its contractual obligations. The State President Fund'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 investing and cash handling purposes.

*Credit risk affects financial assets*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cost | 30 822 | 29 076 |
| Additions during the year | 1 996 | 1 742 |
| **Closing Balance** | **32 818** | **30 818** |

#### 5.1.3 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 optimises its cash return on investments.

*Cash and cash equivalents*

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Investment | 32 814 | 30 819 |
| Cash and balances with banks | 3 | 3 |
| **Total** | **32 817** | **30 822** |

### 5.1.4 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.

| | Change | 2015/16 Effective rate | 2014/15 Effective rate |
|---|---|---|---|
| **Investments** | **0.42%** | **6.13%** | **5.70%** |

*Interest risk sensitivity analysis*

| | 2015/16 R | 2014/15 R |
|---|---|---|
| Investment | 32 814 | 30 819 |
| **0.42% interest fluctuation impact** | **138.2** | **211.56** |

The interest rate sensitivity was incorrectly calculated in the previous financial year.

### 5.1.5 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.

### 5.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

## 6 Cash and Cash Equivalents

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Cash – Bank deposits | 3 | 3 |
| Cash – investment account | 32 814 | 30 819 |
| **Total** | **32 817** | **30 822** |

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

| | 2015/16 R'000 | 2014/15 R'000 |
|---|---|---|
| Surplus/ (deficit) before tax | 1 996 | 1 742 |
| (Interest received) | (2 010) | (1 758) |
| **Cash generated from operations** | **(14)** | **(16)** |

## 8 Events after Balance Sheet Date

None identified to date.

PART F

# ABBREVIATIONS

| | |
|---|---|
| **ACSA** | Airports Company of South Africa |
| **ACVV** | Afrikaanse Christlike Vroue Federasie |
| **ADS** | Accreditation of Diversion Services |
| **AENE** | Adjusted Estimates of National Expenditure |
| **AFM** | Apostolic Faith Mission |
| **AGSA** | Auditor–General of South Africa |
| **AIA** | Age-in-Action |
| **AIDS** | Acquired Immune Deficiency Syndrome |
| **APP** | Annual Performance Plan |
| **APSTAR** | Applied Population Science in Training and Research |
| **ASRHR** | Adolescent Sexual Reproductive Health Rights |
| **AU** | African Union (Formerly OAU) |
| **BEC** | Bid Evaluation Committee |
| **BRICS** | Brazil, Russia, India, China, South Africa |
| **CANE** | Children Abuse, Neglect and Exploitation |
| **CARA** | Criminal Assets Recovery Account |
| **CBIMS** | Community-Based Interventions Monitoring System |
| **CBO** | Community-Based Organisation |
| **CCE** | Community Capacity Enhancement |
| **CDA** | Central Drug Authority |
| **CDP** | Community Development Practitioner(s) |
| **CEO** | Chief Executive Officer |
| **CHH** | Child-Headed Household |
| **CIDA** | Canadian International Development Agency |
| **CNDC** | Community Nutrition and Distribution Centre |
| **CONTRALESA** | Congress of Traditional Leaders of South Africa |
| **COO** | Chief Operations Officer |
| **CPR** | Child Protection Register |
| **CPW** | Child Protection Week |
| **CRM** | Complaints Response Management |
| **CRR** | Children's Rights and Responsibilities |
| **CSG** | Child Support Grant |
| **CSO** | Civil Society Organisation |
| **CWP** | Community Works Programme |
| **CYCA** | Child and Youth Care Application |
| **CYCC** | Child and Youth Care Centre |
| **DDG** | Deputy Director General |
| **DEAFSA** | Deaf Federation of South Africa |
| **DoJ&CD** | Department of Justice and Constitutional Development |
| **DPME** | Department of Planning, Monitoring and Evaluation |
| **DPSA** | Department of Public Service and Administration |
| **DQM** | Data Quality Management |
| **DRC** | Democratic Republic of Congo |
| **DSD** | Department of Social Development |
| **ECD** | Early Childhood Development |
| **ECM** | Enterprise Content Management |
| **EHW** | Employee Health and Wellness |
| **EPWP** | Extended Public Works Programme |
| **EXCO** | Executive Committee |
| **FOSAD** | Forum of South African Directors–General |
| **FTE** | Full-Time Equivalent |
| **GBV** | Gender-Based Violence |
| **GRAP** | General Recognised Accounting Principles |
| **HCBC** | Home and Community-Based Care |
| **HDI** | Historically Disadvantaged Individual |
| **HIV** | Human Immunodeficiency Virus |
| **HR** | Human Resources |
| **HRP** | Human Resource Plan |

| | |
|---|---|
| **HSDS** | Heads of Social Development |
| **HSRC** | Human Science Research Council |
| **HWSETA** | Health and Welfare Sector Education and Training Authority |
| **IBSA** | India, Brazil, South Africa |
| **ICPD** | International Conference on Policy and Development |
| **ICROP** | Integrated Community Registration Outreach Programme |
| **ICT** | Information and Communication Technology |
| **ID** | Injecting Drug |
| **IJS** | Integrated Justice System |
| **IMC** | Inter-Ministerial Committee |
| **IOM** | International Organization for Migration |
| **ISDM** | Integrated Service Delivery Model |
| **ISS** | International Social Services |
| **ISSA** | International Social Security Association |
| **IT** | Information Technology |
| **ITSAA** | Independent Tribunal for Social Assistance Appeals |
| **JCPS** | Justice, Crime Prevention and Security |
| **JICA** | Japan International Cooperation Agency |
| **KfW** | German Development Bank |
| **KPAs** | Key Performance Areas |
| **KZN** | KwaZulu-Natal |
| **LAoP** | Limpopo Association of Pensioners |
| **M&E** | Monitoring and Evaluation |
| **MANCO** | Management Committee |
| **MINMEC** | Minister and Members of the Executive Council |
| **MOD** | Motion of Desirability |
| **MoU** | Memorandum of Understanding |
| **MPAT** | Management Performance Assessment Tool |
| **NACCA** | National Action Committee for Children Affected by HIV and AIDS |
| **NACCW** | National Association of Child and Youth Care Workers |
| **NC** | Northern Cape |
| **NCF** | National Coordinating Forum |
| **NDA** | National Development Agency |
| **NDMP** | National Drug Master Plan |
| **NDP** | National Development Plan |
| **NEPAD** | New Partnership for Africa's Development |
| **NGO** | Non-Governmental Organisation |
| **NHI** | National Health Insurance |
| **NICRO** | National Institute for Crime Prevention and Rehabilitation of Offenders |
| **NISPIS** | National Integrated Social Protection Information System |
| **NMCF** | Nelson Mandela Children's Fund |
| **NMMU** | Nelson Mandela Metropolitan University |
| **NPO** | Non-Profit Organisation |
| **NQF** | National Qualifications Framework |
| **NRF** | National Research Foundation |
| **NSFAS** | National Student Financial Aid Scheme |
| **NSP** | National Strategic Plan |
| **NYDA** | National Youth Development Agency |
| **OAG** | Old Age Grant |
| **OH&S** | Occupational Health and Safety |
| **OHSC** | Office of Health Standards, Complaints and Compliance |
| **OSD** | Occupation-Specific Dispensation |
| **OVC** | Orphaned and Vulnerable Children |
| **OVCY** | Orphaned and Vulnerable Children and Youth |
| **PAA** | Public Audit Act |
| **PCC** | Partner Country Coordinator |
| **PCM** | Probation Case Management |
| **PED** | Population-Environment-Development |

| | |
|---|---|
| **PFA** | Policy on Financial Awards |
| **PFMA** | Public Finance Management Act |
| **PHSDSBC** | Public Health and Social Development Sectoral Bargaining Council |
| **PIMS** | Performance Information Management System |
| **PIs** | Partner Institutions |
| **PMB** | Private Member's Bill |
| **PMDS** | Performance Management and Development System |
| **POA** | Programme of Action |
| **PPD** | Partners in Population and Development |
| **PPP** | Public Participation Programme |
| **PSCBC** | Public Service Coordinating Bargaining Council |
| **PSS** | Psychological Support Services |
| **QA** | Quality Assurance |
| **RACAP** | Register on Adoptable Children and Prospective Adoptive Parents |
| **SABC** | South African Broadcasting Corporation |
| **SACSSP** | South African Council for Social Services Professions |
| **SADAG** | South African Depression and Anxiety Group |
| **SADC** | Southern African Development Community |
| **SAFA** | South African Football Association |
| **SAICA** | South African Institute of Chartered Accountants |
| **SANCA** | South African National Council on Alcoholism and Drug Dependence |
| **SAOPF** | South African Older Persons Forum |
| **SAPS** | South African Police Service |
| **SARS** | South African Revenue Service |
| **SASSA** | South African Social Security Agency |
| **SBD** | Standard Bidding Document |
| **SCM** | Supply Chain Management |
| **SDG** | Sustainable Development Goal(s) |
| **SDS** | Social Development Sector |
| **SHERQ** | Safety Health Environment Risk and Quality |
| **SLA** | Service Level Agreement |
| **SMMEs** | Small, Medium and Micro Enterprises |
| **SMS** | Senior Management Service |
| **SPCHD** | Social Protection, Community and Human Development Cluster |
| **SRD** | Social Relief of Distress |
| **SRHR** | Sexual Reproductive Health Rights |
| **STI** | Sexually Transmitted Infections |
| **SWEAT** | Sex Workers Education and Advocacy Taskforce |
| **TB** | Tuberculosis |
| **TWG** | Technical Working Group |
| **UKZN** | University of KwaZulu-Natal |
| **UN** | United Nations |
| **UNCPD** | United Nation Commission on Population and Development |
| **UNFPA** | United Nations Population Fund |
| **UNGASS** | United Nation General Assembly Special Session |
| **UNICEF** | The United Nations Children's Fund |
| **UNPRPD** | United Nations Partnership to Promote the Rights of Persons with Disabilities |
| **USA** | United States of America |
| **USAID** | United States Agency for International Development |
| **USSD** | Unstructured Supplementary Service Data |
| **VEP** | Victim Empowerment Programme |
| **VPN** | Virtual Private Network |
| **VSS** | Victim Support System/Services |
| **YOLO** | You Only Live Once |

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