





# 2012/13 FINANCIAL YEAR

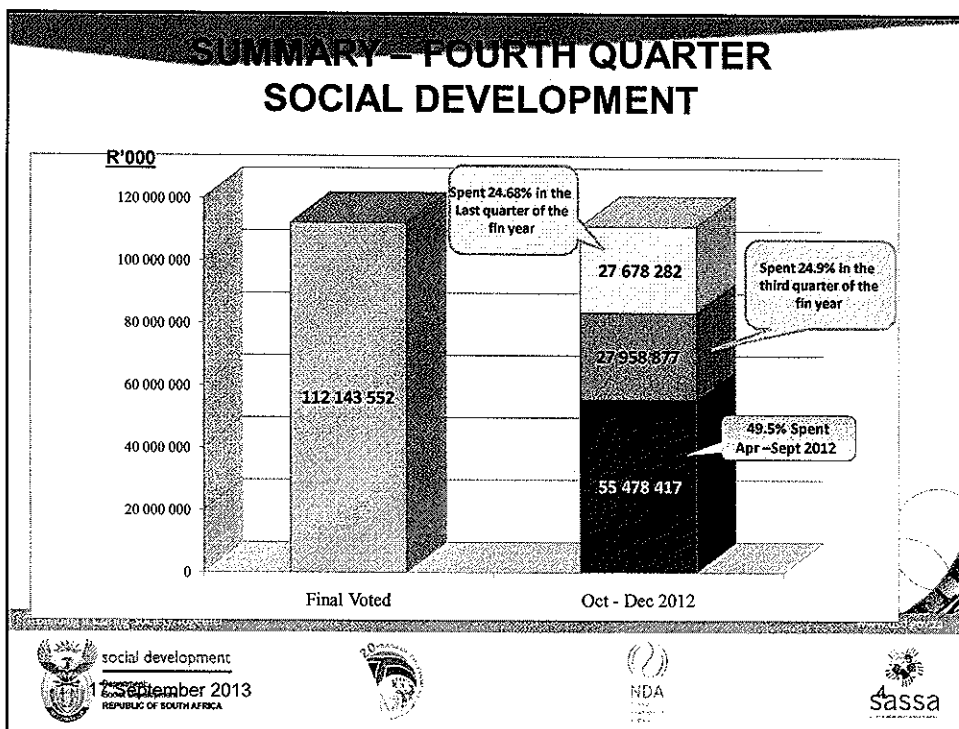
## Third and Fourth Quarter Expenditure October 2012 to March 2013

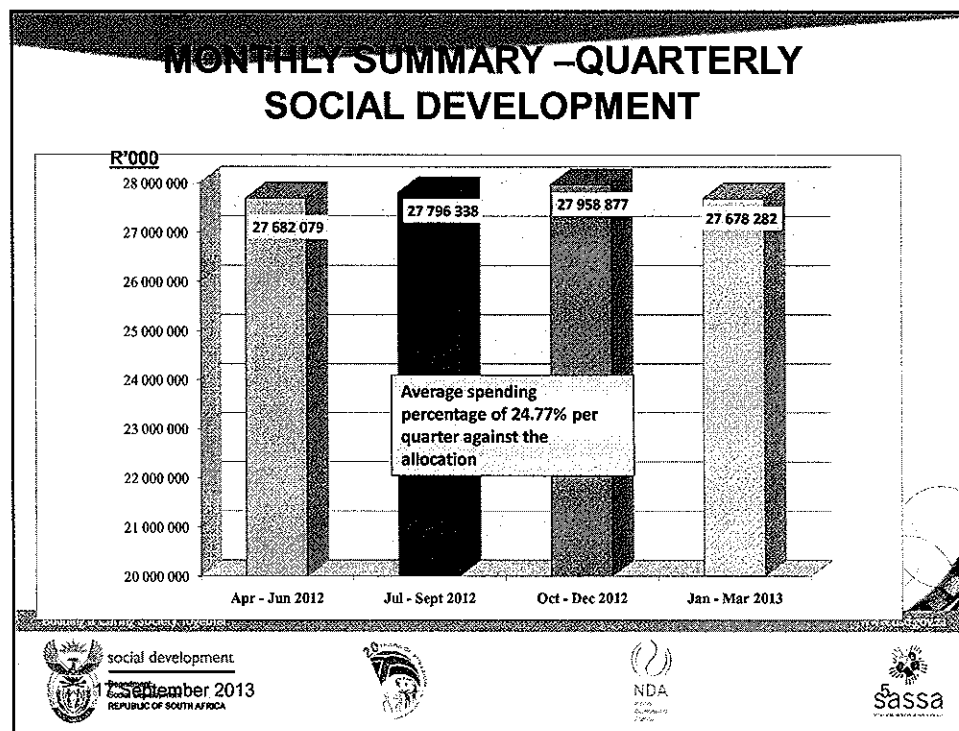
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### QUARTERLY EXPENDITURE PER PROGRAMME

Programme	Final Voted 2012/13 R' 000	Expenditure				Total R'000	% Spent	Deviation R'000
		Apr – Jun 2012 R'000	Jul – Sept 2012 R' 000	Oct – Dec 2012 R' 000	Jan – Mar 2013 R'000			
		R'000	R' 000	R' 000	R'000			
P1 :ADMINISTRATION	257 125	51 021	66 581	59 890	77 903	255 395	99.33%	1 730
P2: SOCIAL ASSISTANCE	104 887 916	25 797 990	26 036 387	26 115 863	25 948 605	103 898 845	99.06%	989 071
P3: SOCIAL SECURITY POLICY AND ADMINISTRATION	6 211 780	1 578 711	1 570 348	1 549 997	1 499 361	6 198 417	99.78%	13 363
P4: WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT	525 048	195 134	59 156	165 527	82 801	502 618	95.73%	22 430
P5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY	261 683	59 223	63 866	67 600	69 612	260 301	99.47%	1 382
<b>TOTAL</b>	<b>112 143 552</b>	<b>27 682 079</b>	<b>27 796 338</b>	<b>27 958 877</b>	<b>27 678 282</b>	<b>111 115 576</b>	<b>99.08%</b>	<b>1 027 976</b>

Spending progress  
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SOCIAL ASSISTANCE

## QUARTERLY EXPENDITURE PER ECONOMIC CLASSIFICATION

Economic Classification	Final Voted 2012/13	Expenditure						
		Apr – Jun 2012	Jul – Sept 2012	Oct – Dec 2012	Jan – Mar 2013	Total		
	R' 000	R'000	R' 000	R' 000	R'000	R'000		R'000
Compensation of Employees	300 508	70 252	75 355	73 541	72 188	291 336	96.95%	9 172
Goods and Services	324 403	40 800	73 432	76 895	106 313	297 440	91.69%	26 963
Transfers and Subsidies	111 505 389	27 569 314	27 646 066	27 807 102	27 483 554	110 506 036	99.10%	999 353
Payments of Capital Assets	13 252	1 713	1 485	1 339	6 324	10 861	81.96%	2 391
Payments for Financial assets					9 903	9903		-9 903
TOTAL	112 143 552	27 682 079	27 796 938	27 958 877	27 678 282	111 115 576	99.08%	1 027 976



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## Explanation of Increased Spending in the last Quarter

Goods and Services	R' 000
October month activities	4,883
National Youth Camps and dialogue	6,657
Older Person's golden games	14,000
NPO Submit and provincial dialogues	6,224

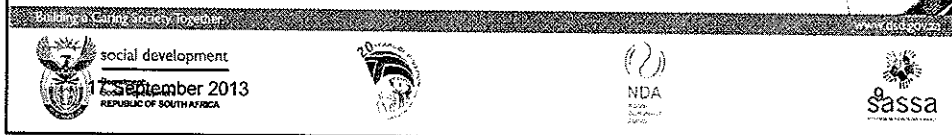


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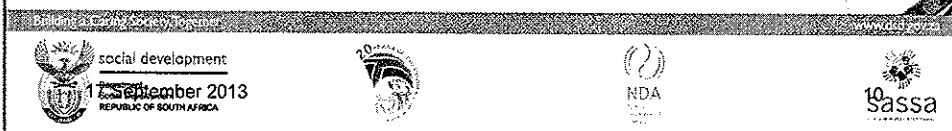
## Explanation of Increased Spending in the last Quarter

- Payment of Capital Assets
  - Delays were experienced in procurement processes for the followings projects (R7.2 million):
    - Upgrading of Information Technology Servers and software for the Department;
    - Upgrading of Security equipment to be compliant with the Security Act.



## Explanation of Increased Spending in the last Quarter

- Payment for Financial Assets – R 9.903 million
  - This relates to the irrecoverable Social Assistance Debtors that were written-off.



## Actions taken to improve management of expenditure

- Streamlined the Procurement processes i.e
  - Procurement and Spending Plans in place;
  - Functioning of Procurement committees improved;
  - Development of Procurement and payment monitoring system;
- Monthly reporting on Expenditure against plans by Programme Managers at Management meetings;
- Regular inter-departmental meetings to resolve disputes and outstanding matters;
- Oversight visits to NGO's receiving transfers.

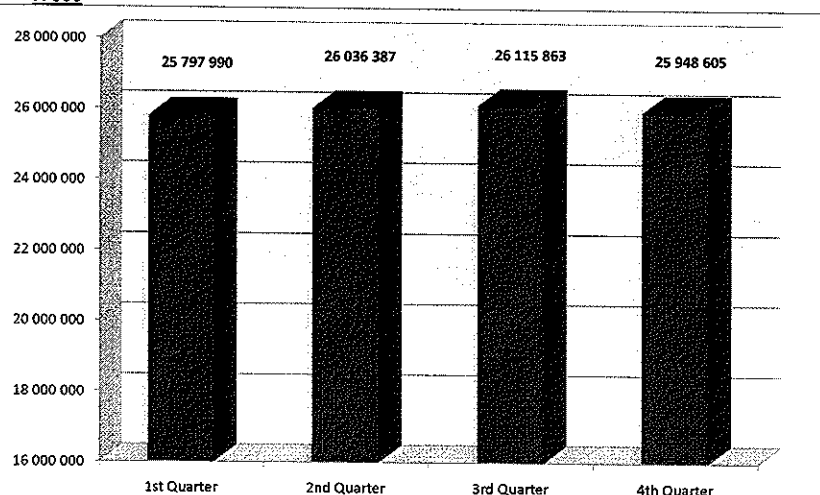


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## SOCIAL ASSISTANCE GRANTS

R'000



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## SOCIAL ASSISTANCE GRANTS

GRANT TYPE	Final Voted 2012/13	Expenditure					% Spent	Deviation
		Apr – Jun 2012	Jul – Sept 2012	Oct – Dec 2012	Jan – Mar 2013	Total		
	R' 000	R'000	R' 000	R' 000	R'000	R'000		R'000
OLD AGE	40 486 119	10 008 459	10 078 895	10 150 334	10 237 333	40 475 021	99.97%	11 098
WAR VETERANS	12 902	2 667	2 461	2 269	2 146	9 543	73.97%	3 359
DISABILITY	18 062 534	4 472 829	4 457 703	4 392 187	4 313 851	17 636 570	97.64%	425 964
FOSTER CARE	5 618 342	1 324 348	1 382 515	1 418 593	1 209 593	5 335 049	94.96%	283 293
CARE DEPENDENCY	1 897 401	464 528	469 064	471 838	471 982	1 877 412	98.95%	19 989
CHILD SUPPORT	38 310 293	9 439 984	9 529 347	9 565 380	9 553 279	38 087 990	99.42%	222 303
GRANT-IN-AID	245 144	57 705	58 933	60 153	61 183	237 974	97.08%	7 170
SOCIAL RELIEF	255 181	27 470	57 469	55 109	99 238	239 286	93.77%	15 895
<b>TOTAL</b>	<b>104 887 916</b>	<b>25 797 990</b>	<b>26 036 387</b>	<b>26 115 863</b>	<b>25 948 605</b>	<b>103 898 845</b>	<b>99.06%</b>	<b>989 071</b>



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## SOCIAL ASSISTANCE GRANTS

- **Under spending – R989,071 million**
  - Expenditure is driven by beneficiaries numbers, application process and grant values, which is linked to economic factors, policy changes, payment model efficiency and CPI inflation rates;
  - Savings on the total budget of R104 billion relate to “unpaid” grants as well as expenditure lower than projected when setting budget requirements specifically on Foster Care, Disability, Care Dependency and Child Support Grants;



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## Successes

- The Department and its Agencies managed to achieve Un-Qualified Audits for the 2012/13 financial year;
- The Department continued to maintain an overall spending of more than 98% for the year under review;

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20th Anniversary

NDA  
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SOCIAL DEVELOPMENT

15 Sassa  
15 YEARS OF SERVICE

## Grant specific successes

- Grant coverage and take-up rates of around 80% for older persons and 70% for child grants;
- Increase in efficiency of grant application process;
- Lower turn around times(90% of applications processed within 21 days) and back-pay resulting in decreased expenditure;
- The Agency has its own electronic biometric database of beneficiaries;
- Introduction of SASSA-branded smart payment master card which is chip enabled
- Incorporation of previously unbanked and under-banked beneficiaries into the banking community
- Reduced risk of beneficiaries having to draw all their money (can use the card for purchases at participating vendors or savings as they do not have to withdraw all the money);
- The project on re-registration of beneficiaries has resulted in numerous beneficiaries requesting voluntary cancellation of their social grants, thus resulting in savings;
- Increase in social grants payment gateways ( cash pay points, selected merchant stores and ATMs), resulting in beneficiaries being able to access their grants from the 1<sup>st</sup> of every month, anywhere, anytime .

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20th Anniversary

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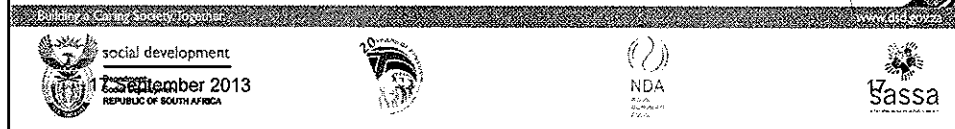
16 Sassa  
16 YEARS OF SERVICE



## Grant specific successes

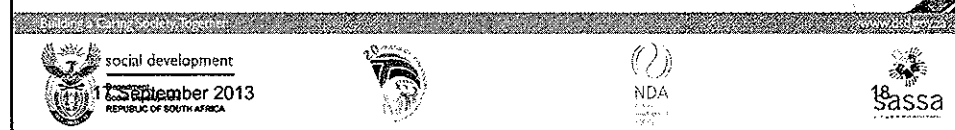
Number and expenditure patterns could be attributed to the following:

- **Disability grant:**
  - Implementation of a standardised medical assessment form and awareness on the disability assessment tool;
  - Introduction of a standardised quality assurance process.
- **Child support grant**
  - The realisation of extension of CSG to children up to the age of 18 years



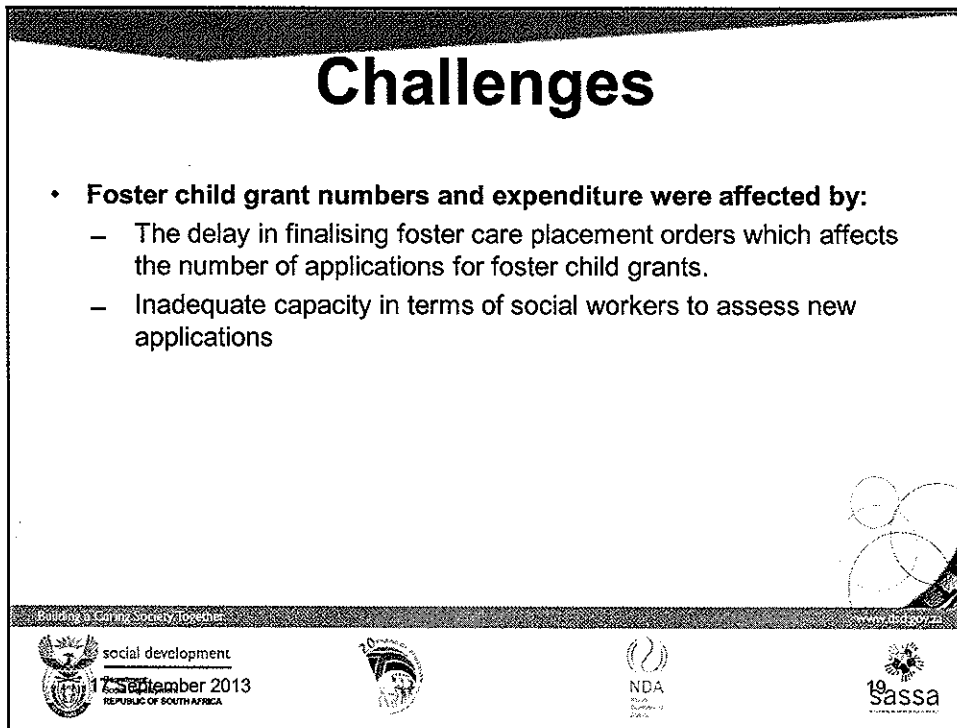
## Challenges

- **Continued budget pressures:**
  - Increasing demand for services versus declining resources;
  - Shortage of Social Workers results in inability to provide statutory services as required by specific legislation eg. Children's Act, Older Persons Act, etc.
- **War veterans grant numbers and expenditure were affected by:**
  - No new applicants and demise of beneficiaries
- **Disability grant numbers and expenditure were affected by:**
  - People with chronic conditions excluded from the social assistance system
- **Care dependency grant numbers and expenditure were affected by:**
  - A low number of children assessed as care dependent
  - Exclusion error - children with sensory, communication & temporary disabilities are excluded from the system. This is mainly due to lack of understanding of disability.



## Challenges

- **Foster child grant numbers and expenditure were affected by:**
  - The delay in finalising foster care placement orders which affects the number of applications for foster child grants.
  - Inadequate capacity in terms of social workers to assess new applications



**THANK YOU**

