**The Budgetary Review and Recommendation Report of the Portfolio Committee on Social Development, dated 16 October 2013**

The Portfolio Committee on Social Development, having considered the performance and the submission to the National Treasury for the medium term period of the Department of Social Development, reports as follows:

**1. Introduction**

**1.1. Mandate of Committee**

The Committee’s mandate as prescribed by the Constitution of South Africa and the Rules of Parliament is to build an oversight process that ensures a quality process of scrutinising and overseeing Government’s action and that is driven by the ideal of realising a better quality of life for all people of South Africa.  It is also required to facilitate public participation, monitoring and oversight over the legislative processes relating to social development and also to confer with relevant governmental and civil society organs on social development matters. It also enhances and develops the capacity of its members to exercise effective oversight over the Executive Authority in social development.  It monitors whether the Department of Social Development fulfils its mandate.

The Committee also processes and approves legislation and international protocols and conventions relating to social development. It participates in the national and international social development conferences. It confers with the National Council of Provinces on social development legislation affecting the Provincial Legislatures, and engages in any activities and programmes aimed at the development and delivery of quality social development to all South Africans. It is also mandated to perform the following:

·         Considers legislation referred to it;

·         Conducts oversight of any organ (s) of the state and constitutional institution(s) falling within its portfolio;

·         Facilitates appointment of candidates to entities;

·         Considers international agreements; and

·         Considers budget of department and entities falling within its portfolio.

**1.2. Description of core functions of the Department of Social Development**

The department derives its mandate from several pieces of legislation and policies, including the White Paper for Social Welfare (1997) and the Population Policy (1998). The constitutional mandate of the department is to provide sector-wide national leadership in social development by developing and implementing programmes for the eradication of poverty and social protection and development amongst the poorest of the poor and most vulnerable and marginalized.

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

**1.3. Purpose of the BRR Report**

In terms of Section 5 of the Money Bills Amendment Procedures and Related Matters Act, No. of 2009, the National Assembly (NA) through its committees must annually assess the performance of each national department. Portfolio Committees must thus annually submit Budget Reviews and Recommendation Reports (BRRRs) for tabling in the NA in order for Parliament to compile a report for the Medium Term Budget Policy Statement.

The Money Bills Amendment Procedure and Related Matters Act therefore make it obligatory for Parliament to assess the department’s budgetary needs and shortfalls vis-à-vis the department’s operational efficiency and performance

**1.4. Method**

This report culminated from a very intense and thorough analysis and interaction with the department and its entities through briefings, oversight visit to KwaZulu-Natal and Gauteng and interactions with relevant stakeholders. These included a briefing from the Department of Social Development on its annual report, a briefing from the Office of the Auditor-General on the audit outcomes and deliberations on the analysis done by the support staff on the performance of the department in terms of its service delivery targets and financial performance.

**2. Overview of the key relevant policy focus areas**

**SONA Analysis**

The 2012 SONA highlighted the importance of social grants and improving access to food in households that are most likely to experience hunger. The President committed government to expand welfare services in the area of Child and Youth Care, intensify anti-substance abuse campaigns, link social grants to broader macro-economic strategy of higher growth and job creation. Most importantly, the President committed government to provide quality Early Childhood Development (ECD) by raising subsidy levels.

To expand Child and Youth Care services, the department in its 2012/2013 strategic plan prioritised to put additional efforts on youth development through youth leadership camps, skills development through the bursary programme and profile the Child Support Grant (CSG) primary care givers. The aim of profiling care givers would be to facilitate the potential entry to economically active youth into the labour market. Most importantly, the department planned to expand the Isibindi model, which had proven to be effective in addressing the needs of orphans and vulnerable children. With regard to anti-substance abuse, the department planned to intensify anti-substance abuse campaigns and introduce policy reforms that would bring coherence on how government deals with alcohol and illicit drugs. Pertaining to the ECD, the department prioritised to raise the ECD subsidies to the levels that would support cognitive, social and physical development of a child, address social infrastructure related to the ECD and ensure universal access to the ECD. With regard to ensuring food security, the department planned to participate in the Zero Hunger programme which is led by the Department of Agriculture, Forestry and Fisheries.

The department also planned to introduce a policy on social infrastructure that would guide the overall establishment and management of social facilities within the social development sphere. It would also implement a National Integrated Social Information System (NISIS), aimed at improving the level of coordination of anti-poverty efforts and bring the country in line with the international best practices

**Department’s Strategic Priorities (2012/13)**

The Department’s Strategic Plan (2012/13 – 2014/15) identifies child and youth care services, ECD, social crime and substance abuse and food security as the priority focus areas. The department’s core objectives stated in the Annual Performance Plan (2012/13) flowed from this Strategic Plan, but with the addition of “older persons” and people with disabilities, as strategic focus areas. The Department’s Annual Report (2012/13) identifies its strategic goals over the medium term as:

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

**Overview of the Key Developments in the Organisational Development of the Department**

Vacancies in the department were prevalent at salary levels 11-12 and 13-16, mainly due to most posts being held in abeyance as a result of restructuring. The staff establishment is set to increase over the medium term due to contract positions being converted to permanent posts to give effect to the department’s mandate.

The department also introduced some structural adjustments in its sub-programmes with an aim to strengthen their capacity to perform their core functions. Organisational reorganisation occurred in these functional areas: anti-substance abuse, social crime prevention, services to children, victim empowerment and corporate governance. The department identified priority posts which would be filled under these functional areas over the MTEF period. The aforementioned functional areas are important as they seek to provide interventions to address the social ills that have had adverse consequences in families and communities. Therefore strengthening the human resource capacity of these functional areas will enable the department to improve its performance and increase access to relevant services.

**3. Summary of previous key financial and performance recommendations of Committee**

**3.1. 2012/13 BRRR recommendations**

The Committee noted that the department implemented some of the recommendations and observations it had made in its previous reports –2012/2013 Budgetary Review and Recommendation Report (BRRR) and the 2011/12 budget vote report, for the department to address. The Committee had raised serious concerns over the delays in the processing and finalisation of the court orders for foster care as these deprived children from receiving the foster care grant they are eligible for. The delays also impacted negatively on the implementation of the Children’s Act, which the Committee monitored very closely. These challenges resulted in high backlog of foster care applications. The Committee thus recommended that the department in collaboration with the Department of Justice and Constitutional Development (DJ&CD) should urgently address the hurdles that caused delays and high backlog in the processing and finalisation of foster care court orders.

The Committee therefore welcomed the department’s undertaking to conduct a comprehensive investigation into the services provided to orphaned children when it briefed the Committee on the proposed amendments to the Children’s Act. Furthermore, the Committee viewed the proposed amendment to section 159 of the Children’s Act to allow the Department of Social Development (DSD or the department) to extend certain foster care court orders as a significant step towards resolving this challenge. This is in line with the High Court ruling that allowed social workers to extend court orders on foster care until 2014. The court made this ruling in response to the case that was brought to it by the Centre for Child Law wherein at the time there were over 110 000 foster care orders that had lapsed. [[1]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn1)The court deemed those orders not lapsed.

In her written reply to the National Assembly, the Minister of Social Development reported that as at April 2011 there were 33 391 foster care cases awaiting investigations by the social workers. The department estimated that the backlog would be eliminated by December 2011. However, in her written reply to the National Assembly in June 2012 the Minister reported that there was of backlog of 49 300 investigations for foster care placements.

Despite the existing high backlog in foster care applications, the department in its 2012/2013 annual report, reported that it increased the number of children in foster care by 157 024 (31%) from 23 873 (4.7%) in 2011/2012, even though it had targeted to increase it by 10%. It is however not clear whether the increase was of new applications or it includes reducing the existing backlog because there was no clear baseline reported for 2012/2013.The concern of the Committee was that without the baseline it is not easy to measure the achievement of the department in meeting this target. This is essentially critical as the figures show a high demand for foster care. It also noted that the department seems to have set a low target of 10% but it exceeded the actual achievement by 21%

The Committee also noted that the DJ&CD holds a different view to that of the DSD to amend section 159 as indicated above to allow it to extend court orders issued by the children’s court. The DJ&CD’s view is that other judicial matters, such as removal of a child from foster care should remain with the children’s court. The DJ&CD also told the Committee that the State Law Advisor had the same view. The Committee therefore reiterates its recommendation that the DSD and the DJ&CD should strengthen their working relationship to solve challenges around foster care.

**3.2. Adoption**

The Committee recommended that the Minister of Social Development should address challenges that have been encountered in the implementation of certain sections of the Children’s Act. Particularly, she should make sure that the issue around the qualification of social workers who process inter-country adoptions are resolved. Proper monitoring and co-ordination should be done between the department and the private organisations to ensure that inter-country adoption processes between the department and private organisations are done symmetrically. It also recommended that the Minister should intensify educational campaigns to de-stigmatise adoption, especially among Black communities. Equally, she should explore ways of incentivizing people to adopt so as to eliminate Foster Care Grant being a deterrent to adoption.

The Committee welcomes the department’s interventions to implement its recommendations. It commends the department for including the amendment to the Children’s Act to allow the state social workers to deal with both national and inter-country adoptions. It also welcomes the department’s report that it accredited 52 service providers for national adoptions, and two for inter-country adoptions. Particularly, it was pleased with the report that at least 50 social workers per province were trained in inter-country adoptions in the Western Cape, Gauteng, Mpumalnga and KwaZulu-Natal. It further commends the department for developing promotional material on adoption services in Xhosa, Zulu, Venda and Tsonga and conducting dialogues on adoption services in North West, Mpumalanga and Limpopo.

**3.3. Substance abuse**

The scourge of substance abuse in the country has risen to alarming levels with devastating consequences, especially among the youth. The President over the past years reiterated the fight against substance abuse as a priority policy area. Similarly the Committee identified substance abuse as one of its priority areas in its oversight work, particularly in ensuring that the Prevention of and Treatment for Substance Abuse Act is implemented. Even though the department has made remarkable progress in implementing the Act, the shortage of rehabilitation centres continues to be the concern of the Committee. Hence, it recommended that the expansion of rehabilitation centres should be prioritised in all provinces. Also, fees for treatment programmes should be made affordable as much as possible. It also recommended that the Minister should ensure that awareness campaigns against substance abuse include public awareness on the dangers of drug trafficking and different ways in which victims are lured into being drug mules. The campaign should also educate the public about the impact drug trafficking has on families.

Even though the Committee noted the department’s interventions aimed at fighting against substance abuse, such as developing an integrated community based approach, which put great emphasis on prevention and social mobilisation strategy, it observed that the primary focus has been on prevention and awareness campaigns. These are important initiatives, however the Committee wants to re-emphasise that treatment and after care programmes should be given similar priority. For example, the department reported during a committee meeting held on 11 September 2012 that the funds allocated for building a treatment facility in Northern Cape were reallocated to other priorities. It was also reported that the building of the treatment facility in Limpopo was almost completed. The 2012/13 annual report was silent about the progress made to implement the Committee’s recommendation to the Minister to expand the rehabilitation centres and educate the public about the dangers of South African women being lured into becoming drug mules.

**3.4. Child Protection Register (CPR)**

The Committee had recommended that the Minister in collaboration with the Ministers of Police and Justice and Constitutional Development should urgently clear the confusion around the interpretation, implementation and reporting on Part B of the CPR. The ministers should ensure that convictions are reported to the Department of Social Development as soon as they occur. In addition, the confusion around the reporting by the Department of Justice and Constitutional Development that should convictions either be reported according to the department’s Criminal Law (Sexual Offences and Related
Matters) Amendment Act (No. 32, of 2007) or  according to the Children’s Act (No 38 of 2005) of the Department of Social Development needed to be addressed. The Ministers of the three departments should ensure that systems to enhance reporting are developed and integrated.

The Committee welcomes the proposed amendment to the Children’s Act to redefine “found unsuitable” to “deemed unsuitable” to work with children, immediately when the conviction is made. The department explained that “deemed unsuitable” would mean that once the person is convicted, the status of unsuitability will be automatically made. This will eliminate the separate ruling of unsuitability by the courts.

**3.5. Places of Safety**

The Committee had recommended that the Minister in collaboration with the Minister of Human Settlement should explore ways to resolve the challenges of the lack of housing for places of safety. The annual 2012/2013 report reported that the department completed a draft bill on victim support services, which will give the department a role in managing and registering shelters for abused woman and children. The Committee hopes that the bill will address the challenge of lack of places of safety.

**3.6. Internal controls**

The Committee recommended that the Minister should ensure that stringent controls and systems are developed to prevent any possibilities of the department incurring irregular expenditure.  This means the Minister should ensure that the management has effective systems to monitor expenditure on a regular basis. Similarly, the department should try harder to meet its quarterly expenditure targets by making sure that accountability technicalities are not reasons for under spending. Also, it should ensure that it meets its performance targets as planned for, for each quarter.

The Committee congratulates the department for receiving a clean audit outcome as a result of it addressing the non-compliance findings on procurement and expenditure management.  It however urges the department to further strengthen its interventions to improve its planning and setting of targets to make sure they are as close as possible to their implementation realities.

**4. Overview and assessment of financial performance**

This section summarises and analyses the department’s financial performance with regards to the overall spending on programmes and sub-programmes (from the Annual Performance Plan and Annual Report). Furthermore, spending is gauged against the department’s strategic targets (from the Strategic Plan). The financial virements are discussed per division and economic classification.

The financial performance is discussed for the periods: 2012/13, 2013/14 (first quarter) and the 2012/13 - 2014/15 Medium Term Expenditure Framework (MTEF).

**4.1. FINANCIAL PERFORMANCE 2012/13**

The department (Vote 19) received a final annual appropriation of R112 billion and spent 99.1% of the allocation in the 2012/13 financial year. The largest portion of the budget allocation was in the form of transfers to Programme 2: Social Assistance of which 99% was spent.

|  |  |  |
| --- | --- | --- |
| **Programme** | **2012/13** |  |
| **Final Appropriation** | **Actual Expenditure** | **Variance** | **Exp as % of final appropriation** | **%****(Over)/****Under****Spending** |
| **1** | **Administration** | **257 125** | **255 395** | **1 730** | **99.32%** | **0.67%** |
| **2** | **Social Assistance** | **104 887 916** | **103 898 845** | **989 071** | **99.05%** | **0.94%** |
| **3** | **Social Security & Administration** | **6 211 780** | **6 198 417** | **13 363** | **99.78%** | **0.22%** |
| **4** | **Welfare Service Policy Devt & Implementation Support** | **525 048** | **502 618** | **22 430** | **95.72%** | **4.27%** |
| **5** | **Social Policy & Integrated Service Delivery** | **261 683** | **260 301** | **1 382** | **99.47** | **0.53%** |
|  | **TOTAL** | **112 143 552** | **111 115 576** | **1 027 976** | **99.1%** | **0.92%** |

*Source: DSD (2013)*

During the 2012/13 financial year, the department had an average overall spending of 99.1%. Under-spending amounted to R1 027 976, constituting 0,92% of the overall budget. The spending as regards the programmes are as follows:

**Programme 1: Administration**

The objective of this programme is to provide leadership, management and support services to the department and the social development sector.

The budget allocation for this programme was R257, 125 million and its overall spending amounted to R 255 359 million. The bulk of the budget went to compensation of employees, which contributed on average 54.7 % of the total of this programme’s budget. Other items in this programme included operating lease for office accommodation, constituting 10.3% of budget.The under-expenditure for this programme amounted to R1, 730 million (0.67%). The department attributed this to: lack of capacity; incorrect targeting; and some targets that were not budgeted for. Examples of this included: use of a target where the department does not make the final decision (in terms of signing bilateral [and other] agreements, which is the task of the Department of International Relations and Co-operation; designing indicators and targets without having the necessary human resource capacity and lacking a budget for targets.

**Programme 2: Social Assistance**

This programme received the budget allocation of R104, 887 billion. It primarily consists of payments for social grants, of which the Old Age Pension and Child Support Grant constituted for the largest allocation.

In the year under review, social grants increased from 15 893 639 to 16 079 635, or 1.2%. The new total as at 31 March 2013 comprised of 12 010 192 children’s grants; 2 811 380 older persons’ grants; 1 187 457 disability grants; 641 war veterans’ grants and 69 965 grants-in-aid. Foster Child Grants increased by 3.7%, Grants-in-Aid by 2,0%, Child Support Grants by 1,3%, and Old Age Grants by 0.8%. However, War Veterans’ Grants decreased by 7.6%, and Disability Grants by 0.46%.

The under-expenditure for this programme amounted to R989, 071 million (0.94%) and mainly relates to the Social Assistance Grants - due to the lower than expected beneficiary uptake rates.

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

The budget allocated of this programme amounted to R6211, 780 billion. This programme is responsible for making provisions for social security policy development and the fair distribution of social assistance.

The main cost drivers of this programme were consultant legal costs for social assistance litigation, travel and subsistence and venues and facilities in support of the departmental outreach programmes.

The under- expenditure for this programme amounted to R13, 363 million (0.22%) and this was mainly due to the delays in the finalisation of planned projects such as the Social Security Legislative Review, Service Delivery Survey and the Disaster Risk Mitigation Toolkit.  The delays in the finalization of the Social Security Legislative Review resulted in the department not meeting its target to establish the Social Security Inspectorate.

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

This programme received a budget allocation of R525 million. It has a responsibility to create an enabling environment for delivery of suitable developmental welfare services by formulating policies, norms and standards and the best practices and supporting implementation agencies.

The under - expenditure for this programme amounted to R22, 430 million (4.27%), which is the largest proportion of under-spending and was mainly due to the delays in the finalisation of planned projects for the Early Childhood Development Audit.

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

This programme received a budget allocation of R261 million. It supports social policy development and institutionalises evidence based policy making in the social development sector. The cost drivers of this programme were payment of service providers for projects such as Review of the National Development Agency, development of norms and standards for Community Development and Development of Community Development Occupational Framework and Youth camps.

The under-expenditure for this programme amounted to R1, 384 million (0.53%) and it was mainly due to funded vacancies and related operational costs.

**Virements**

At the close of the 2012/13 financial year, the following virements were effected:

**Virements Per Main Division:**

|  |  |  |
| --- | --- | --- |
| **Virement** | **Amount** | **Reason** |
| From Programme 3 to Programme 1 | R3, 450 million | To fund the upgrading of the Departmental Local Area Network as well as its central storage area. |
| From Programme 3 to Programme 1 and Programme 5 | R 4 880 000 | To fund increased expenditure under Programmes 1 and 5. |
| From Programme 3 to Programme 5 | R 1 430 000 | To fund increased expenditure on community outreach activities during Social Development month and on youth camps. |

**Virements Per Economic Classification:**

**Compensation of Employees**

An amount of R10 320 000 was shifted from Compensation of Employees to fund increased expenditure on goods and services related to the community outreach activities during the Social Development month, as well as increased transfers to Soul City.

**Goods and Services**

An amount of R7 565 000 was shifted to Goods and Services to fund increased expenditure on goods and services related to the community outreach activities during the Social Development month and the hosting of the youth camps.

**Transfers and Subsidies**

Approval was obtained from the National Treasury to increase the 2012/13 allocations to Soul City and Walvis Bay by R1 500 000 and R246 000 respectively.

**Report of the Auditor General (AG)**

According to the AG Report, the department received an unqualified audit report. The improvement in the audit outcome of the department was due primarily to addressing the non-compliance findings on procurement and expenditure management, as well compliance with the Social Assistance Act in respect of the social assistance grants.

Furthermore, the disaster relief, refugee relief, social relief and State President funds addressed the non-compliance findings on the quality of submitted annual financial statements. For the first time in SASSA’s existence, a decision was made not to make use of consultants in compiling the financial statements. SASSA was successful in compiling the financial statements, except for some disclosure notes that were materially adjusted during the audit process. Accordingly, this resulted in a material non-compliance finding on the financial statements. This adjustment, as well as the non-compliance finding on internal audit regarding its three-year rolling plan not being in place, led to unqualified with findings. The audit outcome for the National Development Agency remained unchanged.

**4.2. FINANCIAL PERFORMANCE 2013/14 (FIRST QUARTER)**

**GENERAL OVERVIEW OF FIRST QUARTER EXPENDITURE**

The department has a 2013/14 available appropriation of R120.5 billion which represents a nominal increase of R8.3 billion, or 7.4 %, from 2012/13.  Transfers and Subsidies accounted for R119.8 billion of the available budget and of this amount the department had transferred R30.8 billion by the end of quarter 1, or 25.7 %, mainly to households. This means the department had an available budget of R644.8 million for operations. Of this, the department had spent R135.5 million, or 21 %, the majority of which had been used on compensation of employees and goods and services.

The largest element of operational expenditure towards the end of first quarter in 2013/14 was R59 million under the Administration programme, which was mainly spent on compensation of employees and goods and services. The next largest element was R40.6 million under the Welfare Services Policy Development And Implementation Support programme, followed by R22.7 million under the Social Policy And Integrated Service Delivery programme, again primarily for compensation of employees and goods and services.

Operational expenditure had grown at a nominal rate of 20.1 %, or R22.7 million, when compared to the same period in the previous financial year. Rand value expenditure growth has been greatest in the Welfare Services Policy Development and Implementation Support programme, mainly driven by increased spending on goods and services. The Administration and Social Policy and Integrated Service Delivery programmes show the next highest growths primarily due to increases in spending on goods and services and compensation of employees. Spending under the Social Security Policy and Administration programme had decreased, however, mainly due to lower spending on goods and services.

At the end of first quarter of 2013/14 the department had transferred R30.8 billion or 25.7% of the total available budget for transfers. Nominal growth in transfers from the same period in 2012/13 was 11.9 % or R3.3 billion, with the growth being in transfers to Households. Transfers to Departmental Agencies and Accounts at the end of quarter 1 were R1.8 billion, the majority of which was to the South African Social Security Agency for the administration of Social Assistance. This represented an increase of R49.3 million, or 2.8 %, when compared with the same period last year.

Transfers to Foreign Governments and International Organisations at the end of quarter 1 were R1.6 million. This represented an increase of R0.2 million, or 15.1 %, when compared with the same period last year. Transfers to Non-Profit Institutions at the end of quarter 1 were R2 million, all of which was to the Population Association of Southern Africa for population programmes. This represented a decrease of R10.9 million, or 98.2 %, when compared with the same period last year. The majority of this decrease was under the Lovelife: prevention of HIV infection amongst the youth transfer for which no transfer had been paid yet.

**4.3. 2014/15 MTEF FINANCIAL ALLOCATIONS**

**The National Development Plan (NDP)**

The National Development Plan recognises the important role social assistance plays in alleviating poverty in the country, as well as the importance of a coordinated social security system. It makes specific reference to the establishment of a national register of grant beneficiaries. The South African Social Security Agency (SASSA), through its new payment system, has developed a national database of all social grant beneficiaries that is biometrically based. The provision of social assistance by the department is growing steadily, and is projected to reach 17.2 million people by 2015/16.

The number of social service professionals is set to increase as a result of the department’s social work scholarship programme and the training of child and youth care workers through the Isibindi model. The number of jobs created in the social sector through the expanded public works programme, which the department will spearhead, is set to increase over the medium term. The development plan also emphasises the importance of ECD, and the department will focus on increasing access to development services for the 0-4 year age cohort – to 90% by 2030. The number of ECD sites to be registered will increase to 29 239 by 2015/16.

**The following table shows the projected budgets for the Medium Term Expenditure Framework (MTEF) period 2013/14 to 2015/16.**

|  |  |
| --- | --- |
| **Programme****R million** | **MEDIUM TERM EXPENDITURE ESTIMATE** |
| **2013/14** | **2014/15** | **2015/16** | **Average****% Growth Rate over MTEF** |
| **1** | **Administration** | 264.0 | 278.8 | 293.3 | 5% |
| **2** | **Social Assistance** | 113 006.8 | 121 482.1 | 129 493.3 | 7.5% |
| **3** | **Social Security & Administration** | 6 417.9 | 6 682.5 | 6 950.8 | 3.8% |
| **4** | **Welfare Service Policy Devt & Implementation Support** | 513.1 | 525.7 | 545.7 | 2.5% |
| **5** | **Social Policy & Integrated Service Delivery** | 289.7 | 310.2 | 327.0 | 7.9% |
|  | **TOTAL** | 120 491.6 | 129 279.4 | 137 610.1 | 7.3% |

*Source: DSD (2013)*

**Expenditure Trends**

The main spending focus over the medium term will be on the payment of social assistance grants, which on average comprise 93.8% of the total budget allocations between 2012/13 and 2015/16. These grants aim to boost the income of poor households, who suffer the brunt of the unemployment, poverty and inequality that persists in South African society. It is estimated that social grants will be paid to 17.2 million beneficiaries by the end of 2015/16.

Trends of spending show significant growth in spending, which was evident between 2009/10 and 2012/13, mainly due to the extension of the Child Support Grant to 18 year olds, and the equalisation of the old age grant at the age of 60 years. In 2011/12, the means test for the adult grants was increased as part of the broader social security reform process. Greater awareness is being generated about the *Grant-in-aid*and *Care Dependency*sub-programmes, and expenditure is therefore projected to increase over the MTEF period. Expenditure on the payment of social assistance grants is expected to increase to provide for inflation related increases in the grant values of the individual grant types, and for the growth in beneficiary numbers. The growth in beneficiaries is projected to slow significantly in 2013/14 compared to the previous three years given that most eligible beneficiaries are now in receipt of a grant, and there is a leveling off of the child population.

Spending reductions of R200 million in 2013/14 and R500 million in 2014/15 have been effected against the social assistance programme as part of the Cabinet approved budget reductions. This is mainly due to lower expenditure projections. An additional R1.9 billion has been allocated in 2015/16 to provide for an estimated shortfall in the budget allocations for the payment of social assistance grants, due to an increase in the number of social grant beneficiaries.

Spending on consultants is equivalent to 24% of the department’s budget allocation for compensation of employees over the medium term. An amount of R41 million was allocated in the 2012 budget for consultants to perform an audit of early childhood development centres in South Africa. The nature and extent of this audit required significant technical and human capacity, which meant it was not possible for the work to be carried out by personnel employed within the department. Over the medium term, expenditure on consultants includes the payment of panel members who are part of the social grant appeals adjudication process, and the establishment of an inspectorate for social assistance whose main function will be to investigate financial misconduct and implement necessary interventions to combat leakage and fraud associated with the social assistance administration system.

The 2013 Budget includes additional allocations of R35.6 million in 2013/14, R47.2 million in 2014/15 and R2 billion in 2015/16. These allocations include: R1.9 billion in 2015/16 for a projected shortfall in the payment of social assistance grants; R30 million, R40 million and R50 million to FoodBank South Africa for food relief; and R5.6 million, R7.2 million and R12.6 million to the department for improved conditions of service.

As part of Cabinet approved budget reductions, the department will reduce spending by R451.8 million in 2013/14, R844 million in 2014/15 and R412.3 million in 2015/16. Of this, R945.8 million has been reduced from transfers to public entities, mainly due to a reduced rate paid to contractors responsible for the payment of social grants and R700 million has been reduced from social assistance transfers due to lower than projected expenditure. A further R62.3 million has been reduced from spending on goods and services, and to effect this, the department will review its policies on travel, accommodation, venues and communication to ensure that spending on these non-core service delivery items is reduced.

**4.4. CONCLUDING COMMENTS ON FINANCIAL PERFORMANCE**

There appears to be some disjuncture between the financial expenditure and service delivery performance – with an average expenditure of 99.1% while only 61% of targets were achieved for 2012/13. Some of the reason for deviations stated by the department suggests a need for enhanced planning. In some instances the lack of funds is cited, processes such as consultation that impacted on inability to meet targets (which could reasonably been foreseen and therefore anticipated in the planning processes), human capacity constraints, etc.  The Auditor General also referred to the fact that indicators and targets were not always suitably developed during the planning processes – which should therefore become an oversight focus of the Committee, especially during the tabling of Strategic Plans and APPs in future.

Furthermore, the department needs to improve on setting of objectives and related targets and indicators. These objectives and indicators should relate to the department’s strategic priorities, governments programme of action and the country’s broader-level National Develop Plan objectives.

The Auditor General and the internal Audit Committee recommended that the department and its agencies should improve on their financial controls – especially on the Supply Chain Management.

The most significant financial outcome was SASSA’s in-house compiling of the financial statements and receiving an unqualified audit report, albeit with material statements (which was resolved by management).

**5. OVERVIEW AND ASSESSMENT OF SERVICE DELIVERY PERFORMANCE**

**5.1. Service delivery performance for 2012/13**

**A General Overview of Targets and Achievements of the Strategic Priorities - for the 2012/13 financial year:**

The report of the Auditor General shows that out of a total of 154 targets planned for the year under review, the department managed to achieve only 60 targets. This represented 39% targets that were not achieved. The Auditor General attributed this to “the fact that indicators and targets were not suitably developed during the strategic planning process”.

In addition to the targets not achieved, the department either under achieved or the achievement over exceeded the targets by remarkable margins. This was mainly evident in all the programmes but particularly under programmes three and four.

Despite the aforementioned analysis, the department made important achievements in different policy areas, as indicated below:

· **Child and youth care:**A number of orphans and vulnerable children ( **OVC),**including children living and working on the streets, were placed in Child and Youth Care Centres (CYCC) for care, protection and development. A total of 32 935 employees working with children were screened against the Child Protection Register (Part B).

· **Early Childhood Development (ECD):**The number of children accessing ECD programmes up to school-going-age increased by 15% (124 870). ECD services now reach 900 000 children. A 6 216 ECD centres were audited in all provinces.

· **Substance abuse and social crime:**Prevention of and Treatment for Substance Abuse Act 70 of 2008 proclaimed by President came into force from 1 April 2013. A “Treatment model” was approved and capacity to enhance its implementation was established in all provinces. A total of 369 practitioners and service providers were trained on the Social Crime Prevention Programmes.

· **Food for all / Zero hunger:**55 5957 households accessed food through the department and the Food Bank South Africa food nutrition security programme. The target was to reach 200 000 households.  This will ensure the department realises Outcome 7: vibrant, equitable and sustainable rural communities contributing to food security for all, as well as the department’s-specific goal of improving access to diverse and affordable food.

· **Older Persons:**The department registered more than 180 residential facilities for older persons. A total of 104 community-based care and support services for older persons were registered, which benefited 35 197 older persons. The department hosted the “Golden Games” in October 2012  as part of the department’s efforts to ensure that older people regard themselves as important members of the South African society.

· **People with disabilities:**As a signatory to the Convention on the Rights of Persons with Disabilities, South Africa is obliged to align its national policies, laws and programmes with the convention as well as the Continental Plan of Action on Disability. As a result, the department developed a comprehensive policy on social development services to people with disabilities which incorporates the principle of disability mainstreaming. It also developed an implementation plan which assigns roles and responsibilities to other government departments as well as other partners. The policy was approved by the Management Committee. It seeks to ensure that people with disabilities are considered in all social development policies, legislation and programmes. It also contains monitoring and evaluation indicators which can be used to ascertain whether South Africa is indeed meeting the social needs of people with disabilities, thereby improving the quality of their lives.

**PROGRAMME PERFORMANCE**

This section will briefly analyse the department’s operational performance of various programmes and sub-programmes. The targets set out in the Strategic Plan 2012/13-2014/15 will be compared to the actual achievements in the annual report for the year ended 31 March 2013.

**Programme 1: Administration**

The objective of this programme is to provide leadership, management and support services to the Department and the Social Development Sector.

Out of a total of 55 performance targets set for Programme 1, 21 of these targets were not achieved **,**which means that only 61.8% were achieved.  However, 99.3% of the funding appropriated to this programme was spent by the end of the financial year.

Of concern is the fact that Legal Services could only respond timeously to 64% of letters of demand instead of 90% as targeted due to inadequate and incomplete records. The lack of adequate funding for planned targets is also a concern since it suggests inadequate planning.

**Human Capital Management:**The department’s vacancy rate increased to 10%, after it was reduced from 8% in 2010/2011 to 5. 2% in 2011/12. In the year under review, a total of 92 appointments were made (as opposed to 95 appointments made in 2011/12). It was reported that the main reason for the increase in the vacancy rate was as a result of the increase of the department’s post establishment by 60 posts from 724 as at 31 March 2012 to 784 as at 31 March 2013. This was due to 34 contract posts being converted to permanent posts, and the Chief Directorate: NPO being enlarged by 15 posts and seven (7) Independent Tribunal for Social Assistance Appeals (ITSSA) posts were held in abeyance as a result of the restructuring. Furthermore, the staff turnover rate was increased to 11%. A total of 67 officials left the department as opposed to 53 officials who left in 2011/12.

**Programme 2: Social Assistance**

The objective of the programme is to provide income support to vulnerable groups.

Programme 2 had a total of only 4 performance targets, and succeeded in only meeting 2 targets, resulting in a 50% achievement of its stated performance targets for 2012/13. The department was unable to extend the CSG to the targeted levels for the 0 to 4 yrs cohort as well as generally.  However, the expenditure for this programme totalled 99.05%.

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

The objective of this programme is to provide for social policy development and the fair administration of social assistance.

All objectives and targets for this programme were not achieved by 31 March 2013. This means that Programme 3 met 0% of its performance targets for 2012/13, yet managed to spend 99.78% of its budget. Non achievement relates to the following strategic objectives: ensure uniformity in social security; link grant beneficiaries to economic opportunities; provide applicants and beneficiaries of social assistance with access to internal remedies; establish an inspectorate for social security.

The reasons for the non-achievement of some of the objectives’ targets included initiatives that did not receive cabinet approval and the lack of internal capacity. As in the case of Programme 1, this programme failed to meet a target due to incomplete records - adjudicating 90% of appeals within 90 days. It is prudent therefore, that this programme prioritises its record keeping.

**Programme 4: Welfare Services Policy Development and Implementation**

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

Out of a total of 54 stated targets set, only 36 were achieved, resulting in 66.6% of the targets achieved. However, 95.7% of Programme 4’s funding allocated was spent over the same period. There appears to be a challenge with planning adequately, since performance targets are stated, but afterwards the department realises that more work should precede the specific target.

For example, an impact assessment of the department’s scholarship programme was supposed to be conducted, but it was subsequently decided that the department should first build a baseline and this resulted in a deviation. Also a scoping exercise towards developing an M&E framework for funded NPOs, approval of White Paper on Families, as well as approval of a Policy on Social Service Professionals and Occupations were not achieved due to consultative processes. The department should ideally have factored in the consultation with stakeholders in its timeframes during planning.

Thus, within the same programme, three targets were reportedly not met due to “extensive” consultation – the question is whether the department could not anticipate in its planning that consultation would be required?

**Operational Achievements for Programme 4:**

**Children:**The number of children accessing Child and Youth Care Centres increased by 123% (8 972). The total number of adoptions registered were 1 696 (68%).This comprised 1 522 national and 174 inter-country adoptions. The number of children in foster care increased by 31% (157 024).

**Families:**The draft White Paper on Families was finalized and was due to be presented to Cabinet in May 2013.

**Strategies for Overcoming Underperformance**

The department reported the following actions to overcome shortcomings of the targets.

· **Scholarship Office:**The Scholarship Unit developed terms of reference for a new evaluation of the efficacy of the Scholarship Programme which was due to start in June 2013. The terms of reference for service providers were forwarded to Supply Chain Management.

· **Policy for Social Service Practitioners:**The delays caused by sectoral divisions had been addressed, as both Community Development and Youth Development had taken a position on inclusion or non-inclusion. Given this, the policy was prepared for internal approval.

· **Scoping exercise:**Guidelines were developed, and plans were under way for scoping the development of the M&E framework for funded NPOs

· **Older Person’s Parliaments:**Convening provincial parliaments is a provincial competence. However, the national and provincial departments are collaborating to ensure that more resources are allocated to this initiative.

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

The objective of this programme is to support community development and promote evidence-based policy making in the department and the social development sector.

Programme 5 identified a total of 32 performance targets for 2012/13, yet managed to achieve only 59.2% (19 targets). In contrast, the budget expenditure totalled 99.47%. Of particular concern is the Special Projects and Innovation sub-programme that failed to meet all of its four (4) stated performance targets (0% achievement). Yet this is the sub-programme that drives the department’s participation in achieving Outcome 4: “Decent employment through inclusive economic growth.”

Another sub-programme that did not perform well was the Registration and Monitoring of Non-Profit Organisations which contributes to Outcome 12: “An effective, efficient and development orientated public service and empowered, fair and inclusive citizenship.” Only 55.5% of the 9 targets were achieved.

The department indicated that the protection and promotion of the rights of older people and people with disabilities is one of its five strategic priorities over the medium term. However, it failed to train 45 senior managers and 66 middle managers on disability mainstreaming as planned – instead only 40 middle managers and department officials (non management) were trained due to the non-availability of the target audience. Failure to meet this target may raise an issue on the level of commitment - especially among the senior management who were initially targeted for training.

**5.2 Other service delivery performance findings**

**Older Persons**

The oversight visits by the Committee to the old age homes in Eastern Cape (Empilweni old age home), KwaZulu-Natal (Aryan Benevolent Old Age Home) and Gauteng (Soweto old age home) revealed that there was a serious lack of attention given to frail care, mental health and disability, both in terms of medical and human resources. This was attributed to the fact that the Older Persons Act does not make provisions for these services. The Committee therefore recommended that there is an urgent need for the department to review the Act to make provisions for these services. This is critical as it negatively affect older persons who are extremely vulnerable and in need of care.

The Older Person’s Act provided for the establishment of the National Register of Elder Abuse. The department is yet to establish the register. The Committee during its interactions with the department on the implementation of the Older Person’s Act strongly emphasised the need for an electronic national register of older abuse. It advised the department to develop the register as a matter of urgency. The department undertook to develop it before the end of the 2013/14 (current financial year).

**Early Childhood Development (ECD)**

During a committee briefing by the Department of Social Development and the Department of Basic Education on the implementation of the ECD National Action Plan and the Comprehensive Strategy to train the ECD practitioners, the Committee noted that the provinces had unequal budget allocation for training of the ECD practitioners. For instance, KwaZulu-Natal had a sharp decrease in the number of trainings conducted during 2011/12. Similarly, the Committee emphasised the importance of ensuring that the ECD centres in rural areas are adequately resourced to accommodate the needs of children with disabilities. The Department of Basic Education explained that the challenge had been that provinces have to allocate budgets to competing statutory services and non statutory services. In such situations the provinces tend to take the money budgeted for non statutory services to fund the statutory services. Also, ECD facilities in rural areas did not always have the funding or the capacity.

The Committee thus recommended that the two departments should put more focus in ensuring that the ECD centres in the rural areas are adequately resourced and priority should be given to children with disabilities. It was also of the view that municipalities have a critical role to play to ensure that adequate and appropriate infrastructure is provided to the ECD centres, particularly to those located in the rural areas. It also emphasised the importance of having ECD programmes standardised across provinces.

**Social assistance**

The Committee expressed concern that the South African Social Security Agency’s (SASSA) Socpen and the Department of Justice and Constitutional Development’s child maintenance registers are still not interlinked. It recommended that there was a need for the Department of Social Development, Department of Justice and Constitutional Development and SASSA to explore the possibility of linking child maintenance programme and the social assistance programme. The Committee would invite the aforementioned departments to brief it on this.

**Substance abuse**

The Committee was concerned with the non existence of an inspectorate unit to ensure quality of care at treatment facilities and compliance to norms and standards as stipulated for by the Prevention of and Treatment for Substance Abuse Act. The findings made by the Committee during its oversight visit in KwaZulu-Natal in July 2012 of the dilapidated state of the Newlands Rehabilitation Centre and subsequent upgrading of the centre by the department clearly demonstrated the importance of having an inspectorate unit to oversee department’s facilities.

The Committee also raised concern over the illegal sale of liquor in close vicinity of schools, as well as delays in the finalisation of the Regulations of the Prevention for and Treatment of Substance Abuse Act, as this impacted on the implementation the Act. The department promised to finalise the Regulations by the end of 2011/2012 financial year. The department informed the Committee that the Department of Trade and Industry was mandated to look into the issue of the trading of liquor outlets, and these were being targeted and the police had taken action to close them.

**Food security**

During the department’s briefing on the 2012 State of the Nation Address, the Committee required more details about food security for vulnerable households. The department indicated that the Zero Hunger programme aimed at preventing malnutrition and provision of food. Furthermore, in addition to the female headed households and people with disabilities, this programme also targeted children-headed households. The department would partner with the Food Bank of South Africa to provide food to those in need.

**Relevant external research assessing performance of the Department.**

This section highlights some of the inputs made by independent institutions on the implementation of services that affect different vulnerable groups.

**Issues raised by Age in Action**

Age-in-Action [[2]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn2)*(the former South African Council for the Aged*,) represents more than 2.7 million older persons, and has membership of over 800 NGOs [[3]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn3)providing essential services to older persons in need of care. [[4]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn4)Age-in-Action reports that increasingly older persons are seen as a burden to their families, and most often tolerated for their financial contribution within households via the old age grant. The organisation reported that it receives an average of 30-35 new cases on each month. Cases received include placement and referrals for residential placements for older persons, abuse (emotional, physical, sexual, financial and neglect), etc.

An area that requires attention are facilities for independent living for older persons who are not in residential care – and in instances where  older persons attempt to make ends meet by taking on tenants who create all sorts of problems in the long run. Also, older persons who face loneliness and isolation often become depressed and unable to cope with everyday issues.

Age-in Action reports that a major challenge in rendering effective support to psychiatric clients, who are discharged from care facilities, relates to accommodation. While such persons receive support from their local Department of Social Development, it is not sufficient in meeting their needs.

**Summary of the World Bank 2012**

A 2012 World Bank report [[5]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn5)found that despite progress to transform the South Africa economy, levels of poverty and unemployment remain high outside urban centres. Furthermore, Black children from rural areas with parents who did not finish school were most likely not to complete school or have access to health care. The report argues that quality primary education for children should be prioritised and the employment opportunities they face as young adults, irrespective of location, gender, or ethnicity should be based on merit. The report concedes that the above is not automatic but dependent on various interventions including broadening basic services such as water, sanitation, electricity, security and healthcare needs specifically to peripheral areas, townships and informal settings. The report also confirmed the findings by Statistics South Africa (2012) that an appropriate 35% of children lived in households without any employed members, and social grants and remittances were used to improve children’s access to food, healthcare and education.

**Profile of vulnerable groups**

A report [[6]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn6)by Statistics South Africa confirms that the most vulnerable segments of South African society are women, the elderly and people with disability. It purports that an approximately 35% of children lived in households without any employed members, and that social grants and remittances are vital to improve the access to food and education. Furthermore household-based care is increasingly becoming more important for the provision of care and support to vulnerable individuals, including the elderly, people living with disabilities, orphans, and people living with HIV [[7]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn7)and AIDS [[8]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn8). However, this burden is often disproportionately carried by female-headed households, who are much more likely to have lower household income and rely more on social grants than male-headed households. The report underscores the increase of skip-generation households where the burden of care for grandchildren is abdicated to the elderly females, particularly in rural provinces.

The report recommends that child support grants should be particularly used in households where children are accommodated, rather than by the parents who might be living elsewhere. Furthermore, it argues that Black African female-headed households are much more vulnerable to hunger than their male counterparts, or households from other population groups.

The report further recommends up-scaling participation in agricultural activity in remote areas where poverty and hunger are more apparent than urban centres. The report argues that this intervention should be made attractive to young people, since currently a relatively small proportion of older women are participative to this form of intervention. Important to this point is that migratory patterns from rural to cities may decline when investment in this intervention is prioritised.

**The status of children**

The annual Child Gauge [[9]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftn9)publication on the status of South Africa's children found that estimated 60% of children were living in poverty. It further reports that 26% of all children in the poorest 20% of households experienced hunger, while 37% of children in the poorest households lived in inadequate housing.

It also purports that 54% of children in the poorest 20% of households did not have adequate supplies of potable water, while 46% did not have adequate sanitation. The report acknowledges government’s intervention of Child Support Grants (CSG) in addition to free access to health care for pregnant women and young children, the National School Nutrition Programme for grade R children in public schools, and free water and electricity allowances for indigent families. It argues, however, that these services are not easily attainable due to long distances and high transport costs, including lack of roads and public health facility infrastructure specifically in remote areas where children are most vulnerable.

The report recommends that priority be given to providing infrastructure and ECD services for children in the poorest and remote areas, as well as children with disabilities. Priority number two is improving food security and nutrition for pregnant women and young children to prevent stunting and mental development for children. The third priority is to increase funding programmes to assist caregivers and families give appropriate care and stimulation of children especially for the earliest years.

**5.3 Concluding comments on service delivery performance**

The fact that the department only managed to achieve 61% of its targets meant that most of targets of specific programmes were not achieved. As indicated earlier in the report all targets for programme 3 were not achieved. This creates a negative impression on the performance of this programme. The department may therefore need to give specific attention on this programme to ensure that the targets set are realistic and achievable. However, this should not be limited to this programme as the performance trend showed that there was a consistent serious under achievements of targets in all the programmes. Focus should also be given to those targets that were over achieved with very big margins. Future planning on these targets should address this to ensure that targets can be set accordingly.

Service delivery to older persons came up a few times in the report. Oversight visits by the Committee to the old age homes revealed that the department is lagging behind in delivering services for frail care, mental health and disability. In addition, old age homes have serious shortage of nurses to attend to the frail. Also, the issue of abuse and killings of elderly people continue to be a worrying problem. Elder person who are not in residential facilities are the ones who are most vulnerable and at risk. They are not only vulnerable to physical abuse but also to financial, emotional and psychological abuse as indicated by the Age in Action report. The department therefore needs to pay urgent attention to the plight of older persons by creating and/or strengthening programmes aimed at protecting older persons. This means that the department should ensure that it achieves its undertaking to establish the National Register for Elder Abuse by end of 2013/2014.

The lack of rehabilitation centres was identified a number of times by the Committee as an area of concern. Some provinces have no rehabilitation centres and those that have them they are in poor conditions. Also, the issue of affordability of the fees charged at these centres was identified as an area that the department needs to address. The poor conditions of the rehabilitation centres demonstrated an urgent need for the establishment of an inspectorate to ensure that facilities adhere to the norms and standards. As the department continues to raise awareness against substance abuse, it should also urgently pay attention to the aforementioned concerns.

The assessment by the World Bank on the education opportunities of Black children living in rural areas has particular resonance to the provision of ECD in rural areas. The Committee continuously identified this as an area of concern as ECD centres in rural areas continue to be under resourced and have inadequate infrastructure. Interventions such as expanding access to basic services and infrastructure for children with disabilities cannot be over emphasised enough.

The findings by the World Bank and Statistics South Africa that approximately 35% of children live in households without any employed members, particularly female headed (most often elderly headed) households raised the crucial issue of who the primary care givers in reality are. This issue requires the department in collaboration with SASSA, post re-registration process, to do an assessment to ensure that households where children are accommodated are the ones who benefit from the CSG, not parents who might be living elsewhere. Still on the same subject, the Committee expressed a concern that the social assistance programme and the child maintenance register are still not interlinked. This is another area that needs urgent attention for the benefit of children.

**6. COMMITTEES Observations and response**

Technical issues

·         The Committee commended the South African Social Security Agency (SASSA) for using its officials to audit its financial statements. It also welcomed the improvements made by SASSA and the National Development Agency (NDA) that resulted in them receiving an unqualified audit report.

Service delivery performance

·         The Committee was concerned that the actual achievement of some targets exceeded the planned targets.  This portrayed an impression that the department had under-targeted or poor planning. It also expressed a serious concern that the department managed to achieve only 61% of its planned targets meaning, 39% targets were not achieved.

In response, the department explained that out of the 39% targets, 29% were partially achieved and 10% were not achieved.  It raised a concern that in the public service it is often a challenge to quantify the outputs of the service delivery. The reason is that it is not always easy to have accurate estimates of the population demands. In some instances the demand, such as youth mobility programmes, from the population/communities contributes to over achievements of targets.

The department further explained that a lot of work that goes into the operational delivery by the department is difficult to incorporate it in the annual report. The office of the Auditor General had guided it on which performance areas it should report on. It therefore had been a challenge to reconcile its Annual Performance Plans and operational plans. However, it acknowledged that it still has to improve in its planning and setting of targets. It undertook to improve on its monitoring of expenditure, particularly shifting of funds and report to Parliament.

·         Committee again raised its concerns regarding the five (5) dormant funds of the department. It wanted know the reasons that caused the delays in deactivating these funds as they have been dormant for some time.

The department explained that it intended to draft a fund repeal legislation that would provide for the close of these funds. However, due to the fact that Parliament would have a short year (in 2013) this was shifted to the next financial year. It would also hold discussions with the Department of Defence with regard to the fund that falls within its jurisdiction.

·         The Committee expressed serious concern about the brutal killings of elderly women. It requested the department to develop strong interventions to both protect older persons and put an end to these killings.

·         With regard to the ECD centres, the Committee reiterated its concern that the ECDs are still under resourced with inadequate infrastructure, especially those located in rural areas. It emphasized the need for these centres to be well resourced.

**Summary of reporting requests**

|  |  |  |
| --- | --- | --- |
| **Reporting matter** | **Action required** | **Timeframe** |
| The department should verify and provide the committee with report containing an accurate number of people found to be unsuitable to work with children in the Child Protection Register. | Written report | October 2013 |

**Recommendations**

Having made the above-mentioned observations, the Committee recommends the following:

·         The Minister should ensure that the department reviews how it sets its annual targets to ensure that they are Simple, Measurable, Attainable, Realistic and Time bound (SMART).  The department and its entities should also strengthen its monitoring and evaluation unit. It should ensure that it meets its performance targets as planned for each quarter. The department should use evidence based planning in setting its targets. Evidence should be based on statistics and findings of the national census, community surveys and community profiling of the War Room on Poverty. This kind of evidence is vital to ensure that the targets set meet the populations demands.

·         The budget and the planning process of the department should be aligned with the National Development Plan (NDP).

·         The Minister should ensure that substance abuse evaluation centres are rolled out to all provinces. These centres are important in enabling the practitioners to assess and locate users to appropriate intervention programmes. In addition, there should be an increase in the roll out of in-patient, out-patient and after care programmes. The in-patient facilities should be adequately capacitated and monitored to ensure that they adhere to norms and standards.

·         In relation to the high foster care backlog, the Minister should ensure that the department exercises caution when it sets the targets to increase the number of foster care placements. It should also prioritise interventions aimed at eliminating delays in the applications to extend court orders and placements.

·         The Minister should facilitate a process to ensure that the five dormant funds of the department are deactivated or a legislation to close them is drafted and submitted to Parliament in the next financial year.

**5. Appreciation**

The Committee wishes to express its appreciation to the Department of Social Development for its continuous co-operation and for making available all the information the Committee requested. It also wishes to express its gratitude to the office of the Auditor General for availing itself to brief the Committee on its audit report, which proved invaluable when it considers and deliberates on the department and its entities annual reports. It also appreciates the support it receives from its support staff.

Report to be considered.

[[1]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref1)Black Sash (16 April 2013)

[[2]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref2)Age-in-Action at [www.age-in-action.co.za](http://www.age-in-action.co.za/)

[[3]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref3)NGOs – refers to Non-Governmental Organisations

[[4]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref4)Information accessed on Age-in-Action’s website on 11 October 2013

[[5]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref5)*Inequality in Focus (2012)*

[[6]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref6)Statistics South Africa (2012)

[[7]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref7)HIV – refers to Human Immune Virus

[[8]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref8)AIDS – refers to Acquired Immune Deficiency Syndrome

[[9]](https://server/pmg%20shared/WEBSITE%20FILES/comreports/2013/comreports/131023pcsocdevreport.htm#_ftnref9)Children’s Institute, University of Cape Town (2012)