30 August 2021

**Research Analysis: Department of Social Development’s Briefing on the 2021 Second Special Appropriation Bill**

**Introduction**

The brief provides issues and questions for consideration by members of the Standing Committee on Appropriations when dealing with the Second Special Appropriation Bill 2021 with the Department of Social Development. The Bill proposes an allocation of funds in support of measures for responding to the effect of the recent unrest and COVID-19.

 The Department of Social Development (DSD) is among the affected departments given its mandate of providing social assistance and cushioning vulnerable groups against any form of socio-economic challenges. The proposed allocations in this regard includes:

* R26.2 billion towards the extension of the Social Relief of Distress Grant
* R500 million towards the South African Social Security Agency (SASSA) for system enhancements

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| **Issues and Questions for consideration** * The Committee is pleased with the additional allocation of R26.2 billion to support as much as 9.4 million people in distress, especially given the prevailing conditions:
* Perhaps the Department should reassure members that this allocation will be used in the most efficient and effective manner to ensure that it reaches the intended beneficiaries with as little waste as possible.
* Among the key objectives of the National Development Plan (NDP) and Vision 2020 is to reduce poverty, inequality and reduce unemployment to 6% by 2030:
* Given DSD’s strategic involvement in these key developmental targets, the Committee would like to hear if the country is will still be able to achieve this noble goal in light of the ongoing pandemic?
* Among the worries that the Committee has is the capacity issues within the Department, especially the limitation in personnel that resulted from the cumulative effective of budget cuts over the past 10 years:
* Out of the total post establishment in the Department, what is the current vacancy rate?
* What is the current vacancy rate out of the total post establishment within SASSA?
* Which service providers are awarded the contracts for developing the Enhancements Systems for SASSA, and what is the racial and gender profile of the ownership of such service providers?
* On the allocation of R26.2 billion towards the Social Relief of Distress Grantfor the estimated 9.4 million beneficiaries:
* How was the 9.4 million estimated number of beneficiaries arrived at?
* Is it possible that the actual number of applications could exceed the estimate of 9.4 citizens?
* What happens if applications exceed the estimated or planned number of beneficiaries?
* In terms of the SRD grant distribution uptake across provinces, as shown on slide 17:
* Are there any surprises for the Department or is the distribution in line with expectations, especially in terms of unemployment and poverty distribution across the country?
* On slide 19, is the distribution of applications for the SRD grant in line with official statistics on unemployment and poverty by education levels in the country or there are certain discrepancies?
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**Source**

Department of Social Development (2021) *Standing Committee on Appropriations on the Second Special Appropriation Bill [B17-2021], dated 14 September 2021*

National Treasury (2021a) *2021 Second Special Appropriation Bill Standing Committee Appropriations* Presented by: Dr Mampho Modise: National Treasury, August 2021

National Treasury (2021b) *Second Special Appropriation Bill [B 17—2021].*