

PORTFOLIO COMMITTEE ON SOCIAL DEVELOPMENT BUDGET REVIEW AND RECOMMENDATION REPORT (BRRR), 2020/2021, DATED 24 NOVEMBER 2021

1. INTRODUCTION

The Portfolio Committee on Social Development considered the financial and non-financial performance of the Department of Social Development, South African Social Security Agency (hereafter SASSA or the Agency), and the National Development Agency (hereafter the NDA or Agency) on 10 November 2021. It also received briefings from the Auditor-General of South Africa on the same day. The Committee reports as follows:

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 the department's action, 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.

The Committee 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 according to priorities.

The Committee also has a mandate 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.

For the current medium term (2019 – 2024), the Committee's oversight focuses on the department and its entities performance with regard to the implementation of the priorities set in the National Development Plan and in the Medium Term Strategic Framework (MTSF). The Committee also conducts oversight over the department's performance in implementing the priorities of the State of the Nation Address (SONA).

National Development Plan (NDP)

These are the priorities of the NDP that the Committee focuses on:

- establishment of a social floor which outlines an acceptable or decent standard of living,
- bringing the informal sector into the mandatory contributory scheme,
- expanding social welfare system,
- reviewing funding to not-for-profit organisations,
- training more welfare professionals and community workers,
- expanding public employment programmes,
- promoting opportunities for youth employment.
- use of social audits to enhance accountability in the welfare system, and
- the integration of all databases of people who receive different forms of social security services.

Medium Term Expenditure Framework (MTEF) Priorities – 2019/2024

- Priority 1: A Capable, Ethical and Developmental State
- Priority 2: Economic Transformation and Job Creation
- Priority 3: Education, skills and Health
- Priority 4: Consolidating Integration, Human Settlement and Local Government
- Priority 5: Spatial Integration, Human Settlement and Local Government
- Priority 6: Social Cohesion and Safe Communities
- Priority 7: A better Africa and World

State of the Nation Address (SONA), February 2020

The 2020 SONAs outlined the following policy objectives that have a bearing on social development sector:

- **Gender-based violence:** SONA recognised the need to confront the violence perpetrated by men against women. In this regard, Government is committed to amend the Domestic Violence Act (No. 116 of 1998) to better protect victims in violent domestic relationships, as well as broadening the categories of sex offenders whose names must be included in the **National Register for Sex Offenders** through amendment of The Sexual Offences Act, 1957 (Act No. 23 of 1957, originally the Immorality Act, 1957).
- **Job Creation:** Government is committed to finding solutions to the unemployment crisis and to removing blockages and driving interventions that will save and create jobs.
- **Early Childhood Development (ECD):** SONA noted that 2.4 million children attend ECD facilities or pre-school. The Department of Social Development caters for 0-4 years only in early childhood development.
- **Persons with disabilities:** Government established the Presidential Working Group on Disability to advise the President's office on measures to advance the empowerment of persons with disabilities as government plans, budgets and implements programmes.
- **Poverty and inequality:** Government remains committed to the strategic objective of our National Development Plan (NDP) to eliminate poverty and reduce inequality by 2030.

2. PURPOSE OF THE BRRR

As part of exercising its oversight work, the Committee considered the 2019/2020 annual reports of the department and its entities. This BRRR reports on the financial and non-financial performance of the department and its entities.

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.

Most importantly, the budget review process enables the Committee to amend the budget allocation of the department through the recommendations it makes. Its recommendations are considered during the consideration of the Medium Term Budget Policy Statement (MTBPS).

The budget review process also enables the Committee to make recommendations to the Minister of Social Development on issues pertaining to service delivery. This therefore means that the analysis contained in the BRRR is both backward and forward looking.

Methodology

The BRRR culminated from a very intense and thorough analysis and interaction with the Department of Social Development, the South African Social Security Agency (SASSA) and the National Development Agency (NDA). These included briefings from the department and its entities on their quarterly reports and briefings on their annual reports. The Committee also received a briefing from the Office of the Auditor-General on the audit outcomes of the department and its entities financial and non-financial performance for the year under review (2019/2020).

THE DEPARTMENT OF SOCIAL DEVELOPMENT (DSD)

3. COMMITTEE OVERSIGHT

3.1 ANALYSIS OF FINANCIAL EXPENDITURE AND TARGETS ACHIEVED PER QUARTER, 2020/2021

Table 1: DSD Budget expenditure per quarter

Programme	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	Budget	Actual	%									
Administration	436 660	76 890	17%	436 660	84 717	19%	436 660	119 020	27%	436 660	108 899	24%
Social Assistance	213 309 661	41 107 071	19%	213 309 661	66 700 616	31%	213 309 661	61 417 208	28%	213 309 661	52 159 625	24%
Social Security Policy & Administration	7 826 470	1 922 245	24%	7 826 470	1 936 617	24%	7 826 470	1 937 854	24%	7 826 470	1 751 721	22%
Welfare Services Policy Development & Implementation Support	1 262 198	261 927	21%	1 262 198	262 760	20%	1 262 198	68 603	5%	1 262 198	1 127 980	89%
Social Policy & Integrated Service Delivery	346 073	157 581	45%	346 073	22 794	6%	346 073	115 709	33%	346 073	22 036	6%
Total	233 637 298	43 525 715	19%	233 637 298	69 007 504	29%	233 637 298	63 658 394	27%	233 637 298	55 170 261	23%

Figure 1: DSD performance success rate per quarter



s quarter amounted to financial year. This was a financial year, which ic Classifications, the 20) was spent towards

Compensation of Employees and R37 977 million (compared to R28 million in 2019/2020) was spent towards Goods. The department had planned to achieve 53 targets for this quarter but managed to achieve 27 (50%). Most targets were not achieved in Programme 4 and 5, where only 9 out of 19 set targets and 10 out of 19 set targets were achieved.

Quarter 2 (July – Sept) of 2020: The overall departmental expenditure by the end of the 2nd quarter amounted to R69 007 billion (29%), which was an improvement compared to the previous quarter as reported above. The department had planned to achieve 58 targets but it achieved 47 (81%). Both Programme 4 and 5 had significant achievement of targets, 86% and 81%, respectively. This was a significant performance compared to quarter 1.

Quarter 3 (Oct – Dec) of 2020: The overall budget expenditure for this quarter totalled to R63 658 billion (27%), which was slightly lower compared to quarter 2, as shown above. There was also a

sharp decline in the achievement of targets, wherein the department only managed to achieve 67 % of its planned targets. Most targets were not achieved in Programmes 1, 4 and 5, with 30% ,51%, 52% achievement, respectively. Programme 4 also had the lowest budget expenditure of only R68 603 million compared to other programmes.

Quarter 4 (Jan – March) of 2021: The department spent a total of R55 170 billion (23%) in this quarter, which was also lower compared to the previous two quarters. It had planned to achieve 59 targets but only managed to achieve 42 targets (71%). Programmes 1 and 4 had lowest achievement of targets at 50% and 76%, respectively, compared to the other programmes, which had above 90% achievement rate.

COMMITTEE OBSERVATIONS

- The Committee reiterated its concern over the lack of reporting on the outcomes and impact of policies and strategies implemented. For effective oversight it was important for the Committee to be briefed on the changes these policies bring on people’s lives.
- The Committee also reiterated its concern over the non-achievement of targets. There were some long standing targets in the Information Management Systems and Technology (IMST) and Monitoring and Evaluation (M&E) programmes that were yet again not achieved in quarter 4. It emphasised that information systems are critical to ensure optimum functioning of the department. Also, non-achievement of targets resulted in under expenditure in some quarters.
- It also expressed a deep concern over the R77 million underspending due to lower absorption of social workers and not meeting the target of employing 1809 social workers. This was concerning in the context of increasing social ills. It wanted to know the reason behind this.
- The Committee was also concern over under expenditure in the ECD programme even though there are many ECD centres that have not received their subsidies. It was equally concerned over the non-employment of ECD registration support officials.
- The Committee reiterated its concern over the high handling costs for the distribution of food parcels.

4. OVERVIEW OF FINANCIAL AND NON-FINANCIAL PERFORMANCE OF THE DEPARTMENT FOR 2021/2022 FINANCIAL YEAR

The core mandate of the Department of Social Development (DSD) originates from the Constitution of the Republic of South Africa, 1996, as well as the White Paper on Welfare (1998) and other applicable legislation. Section 27(1) (c) of the Constitution provides for the right of access to appropriate social assistance to those unable to support themselves and their dependants. Section 28(1) sets out the rights of children with regard to among others, appropriate care, basic nutrition, shelter, healthcare and social services. Furthermore, Schedule 4 of the Constitution identifies welfare services, population development and disaster management as functional areas of concurrent national and provincial legislative competence. The department executes its mandate and performance in line with guided the National Development Plan (NDP), Medium Term Strategic Framework (MTSF), State of Nation Address (SONA) and sector plans.

Analysis of the department and its entities financial and non-financial performance is based on the revised Budget Vote and Annual Performance Plans (APPs), which were approved by the Portfolio Committee on Social Development on 08 July 2020.

4.1 Financial Performance

The following can be observed from the financial statements:

Table 2: Expenditure per Programme, 2020/21 vs 2019/20

	2020/21	2019/18
--	---------	---------

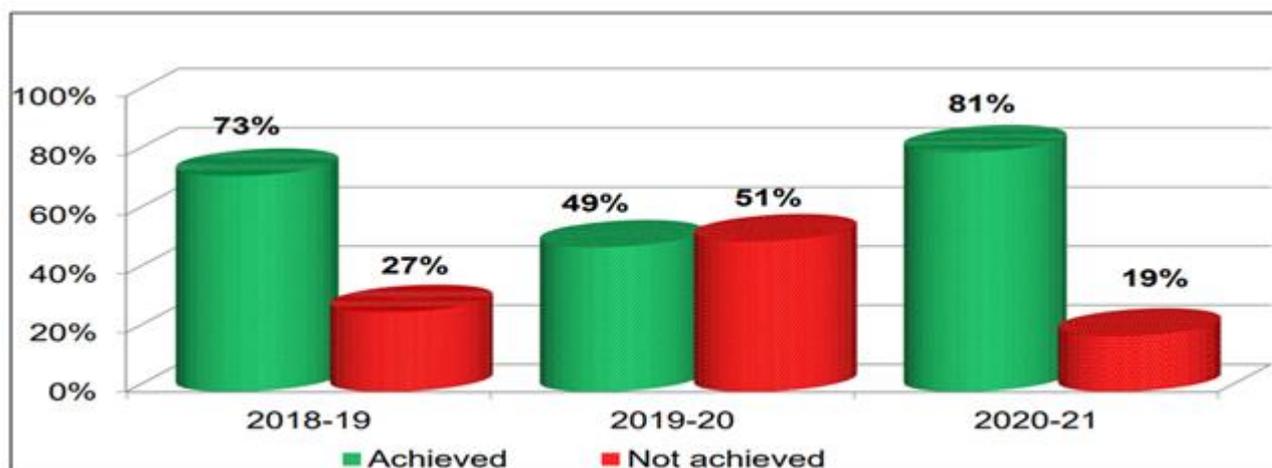
		Final Appropriation	Actual Expenditure	% Expenditur e	Final appropriation	Actual expenditure
1	Administration	426 560	391 451	91.8%	421 874	421 388
2	Social Assistance	220 606 557	218 945 760	99.2%	175 155 593	190 289 380
3	Social Security & Administration	7 585 831	7 548 537	99.5%	7 659 416	7 634 289
4	Welfare Service Policy Development & Implementation Support	1 842 277	1 718 632	93.3%	1 071 807	979 201
5	Social Policy & Integrated Service Delivery	346 073	318 322	92.0%	413 282	406 123
	TOTAL	230 807 298	199 730 381	99.2%	184 721 972	199 730 381

The Department was initially allocated a budget of R197,718 billion for the 2020/2021 financial year and it spent R199 730 billion, marking 99.2%. The budget was later adjusted upwards as shown below, through both the Special Adjustments and Normal Adjusted Estimates of National Expenditure. The budget then increased to R230 807 billion. The bulk budget allocation goes for transfer for social grants, which is accounted for in Programme 2.

- An amount of R25 473 882 000 was additionally allocated to fund the top-up grants and to provide funding for the special Covid-19 social relief grant of R350 for a period of six months;
- An amount of R6,797 billion was allocated for the further extension of the special Covid 19 Social Relief of Distress (SRD) Grant for three months until 31 January 2021 in terms of section 6(1)(a) of the Appropriation Act (2020);
- An additional R500 million was allocated for food relief as part of the social relief of distress grant in terms of section 30 of the Public Finance Management Act (1999);
- An additional R588,728 million was allocated to support early childhood development (ECD) programmes as a result of the disruption of ECD services during the Covid 19 lockdown, and for the short-term employment of social workers. Of this amount, R496,25 million was for the early childhood development conditional grant to provide unemployment support to 83 333 ECD related workers for up to six months and top-up payments to 25 500 employed ECD workers for compliance support duties, and R92,478 million to sustain 1 809 temporary social workers and 500 registration support officers for ECD centres.

4.2 Performance by Programme (non-financial performance)

Figure 2: Target achievement trends of DSD over the MTSF (2018/19-2020/2021)



– i.e. increased levels of poverty (food insecurities), increase in the levels of GBV and Femicide (GBVF) cases, as a result of the lockdown and sheltering for homeless persons. The Department also needed to respond to related to loss of income particularly in the informal economy. Relief of hunger and social distress, access to healthcare, income, water and sanitation have become the key priorities of Government during this period.

Programme 1: Administration

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

Table 3: Programme 1: Achievement of targets

Total targets set Annual Performance Plan (APP)	8
Total targets reflecting in the Annual Report	8
Targets achieved in Annual Report	6
Targets not achieved	2
Performance success rate	75%
Total budget spent	R391.4 million (91.8%)

Under this Programme, the Department achieved six out of eight planned targets. This marked a performance success rate of 75%. The most important targets achieved, which contribute to the realisation of the NDP's priority of a capable state are as follows:

- Development of the Sector Human Resources Plan (SHRP), which will guide and meet the human resource needs of the sector. It will also ensure that the Department provides the capacity, capability and resources that will enable the sector to deliver on its mandate.
- Development of the Integrated Service Delivery Model (ISDM) which seeks to address challenges of duplications and working in silos. It promotes a more portfolio approach to service delivery.
- Development of an Entity Governance and Oversight Framework, which gives guidance on how the Department should perform its governance and oversight function on its entities.
- Producing an inception report on the electronic Monitoring and Evaluation (M & E) system, which assist the Department to improve its data collection, quality of data collected, reporting and risk management.
- Implementation of certain elements of the Integrated Sector IT Strategy. These are Older Persons Abuse Register module and Accreditation of Diversion Services and Quality Assurance module. This is a very important strategy which will integrate data sets of the

department's welfare services – substance abuse, GBV and VEP systems and the two services stated above.

Programme 2: Social Assistance

The objective of this programme is to provide social assistance to eligible beneficiaries in terms of the Social Assistance Act 13 of 2004, and its regulations.

Table 4: Programme 2: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	1
Total targets reflecting in the Annual Report	1
Targets achieved in Annual Report	1
Targets not achieved	0
Performance success rate	100%
Total budget spent	R218. 9 billion (99.2%)

This Programme has a sole mandate of transferring funds to the South African Social Security Agency (SASSA) for the payment of social grants. Also, through this Programme, the Department oversaw and was accountable for the additional funding for the social grants top up and Special Covid 19 Social Relief of Distress (SRD) Grant of R350. A total amount of R223.4 billion was transferred to SASSA between April 2020 and March 2021.

Programme 3: Social Security Policy and Administration

This programme is responsible for the provision of social security policy development, administrative justice of social grants, and the reduction of incorrect benefits payments.

Table 5: Programme 3: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	7
Total targets reflecting on the Annual Report	7
Targets achieved in Annual Report	6
Targets not achieved	1
Performance success rate	86%
Total budget spent	R7.5 million (99.5%)

This Programme had a good performance by meeting six out of seven planned targets. Thus marking 99.5 performance success rate. Some of the achieved targets relate to the government's goal of reforming the existing social security system with the aim of expanding it to reach excluded populations groups. The following performance was reported:

- Completion of the Green Paper on Comprehensive Social Security. The Paper makes significant proposals for the complete overhaul of the current social security system. This includes creation of the reforms will create a social security system that covers everyone in the country, ensuring that those who are unable to support themselves are provided with social grants, while those in both formal and informal employment are provided with an institutional platform to make mandatory and voluntary contributions to cover themselves and their families in the event of their retirement, death or disability.
- Completion of the Draft Policy Proposal on Income Support to 18-59 year olds who are currently not eligible for social assistance.
- Costing of the policy options for the linking of Child Support Grant beneficiaries to other government services.

- Costing of the Maternal Benefits Policy, which recognises the importance of the first 1 000 days in a child's life and the role that poverty and deprivation play in early development of the child from birth onwards.

Programme 4: Welfare Services Policy Development and Implementation

The aim 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.

Table 6: Programme 4: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	26
Total targets reflecting on the Annual Report	26
Targets achieved in Annual Report	20
Targets not achieved	6
Performance success rate	77%
Total budget spent	R1 719. 2 million (93.3%)

As shown in table 1 above, the Department had set to achieve 27 targets under this programme. It only managed to achieve 17 targets, marking a 62.9.8% success rate. The following were the most important targets achieved:

- Introducing the Children's Amendment Bill to Parliament in August 2020. This is important as it forms part of the North Gauteng High Court judgement that the Department together with Parliament needed to provide a legal solution to the challenges in the foster care system. The Department had previously failed to meet the Court's deadlines – November 2017 and 2019. The current extended deadline expires on 27 November 2022. Whilst the Bill is still under consideration by the Portfolio Committee on Social Development, the Department achieved its target of finalising the draft Regulations for the Bill. The Regulations provide procedures and guidelines on how the Children's Amendment Act, once it has been promulgated by the President, will be implemented.
- Developing the Service Delivery Model and the Framework for Quality Assurance and Support System in relation to Early Childhood Development (ECD). These provide a different perspective in the implementation of ECD services, the quality of service that need to be taken into consideration and the support that will be provided to service providers to improve the quality of service in their programmes. Provision of quality and universal access to ECD services is one of the NDP priorities, which should be realized by 2030.
- Reviewed the White Paper on Families. The White Paper will contribute to strengthening of families in South Africa with a focus on addressing the behaviours and attitudes of men towards their female counterparts. Programmes within the White Paper will also address the roles of both parties within the families and how children, both boys and girls should behave around each other.
- Capacitated 432 Social Workers in eight provinces on the Adoption Policy Framework and Strategy, Guidelines and Training Manual and the Register of Adoptable Children Prospective Adoptive Parents (RACAP). This target was overachieved as the Department had planned to capacitate 180 Social Workers. This is an important target as the Children's Amendment Bill makes provision for the state Social Workers to perform adoption services. Also, the Children's Second Amendment Act includes the state Social Workers in the definition of an adoption Social Worker.

- Developed a draft Monitoring Tool on the Intersectoral Protocol on the Prevention and Management of Violence against Children, Child Abuse, Neglect and Exploitation. South Africa is plagued by high levels of child abuse, violence, neglect and exploitation. Even though the Department has the sole mandate to provide child protection services, other government departments as well as civil society organisations also provide these services. The Monitoring Tool thus aims to provide standardised and uniform services rendered by all child protection stakeholders.
- Submitted the Social Service Practitioners Draft Bill to the Office of the Chief State Law Advisor (OCSLA) for pre-certification.
- Developed and submitted the Older Persons Amendment Bill to Cabinet for approval. The Bill aims to address the gaps in the Older Persons Act to ensure protection of older persons.

The most important targets that were not achieved included submission of the Policy on Social Development Services to Persons with Disabilities to Cabinet and tabling of the Older Persons Amendment Bill to Cabinet.

There are five (5) targets that appear in the Annual Report but do not appear in the Annual Performance Plan. These are:

- Appointment of 36 111 ECD Compliance Monitors,
- Situational analysis report on ECD Human Resources,
- Guidelines on Respite Care Services to Families and Persons with Disabilities piloted through virtual platforms.
- Review of the Integrated Social Crime Prevention Strategy.

Programme 5: Social Policy and Integrated Service Delivery

The programme's responsibility is to support community development and promote evidence-based policy making in the Department and the Social Development Sector.

Table 7: Programme 5: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	19
Total targets reflecting on the Annual Report	17
Targets achieved in Annual Report	16
Targets not achieved	1
Performance success rate	94.1%
Total budget spent	R318.3 million (91.10%)

The Department had set to achieve 17 targets under this Programme. There are however, two targets that appeared in the APP but are not reported on in the Annual Report. There are developing education and awareness information on professionalization of the Community Development Practitioners (CDPs) and finalising the Community Mobilisation and Empowerment Framework.

Nevertheless, the Department under this programme managed to achieve 16 targets, marking 94.1% achievement rate. These are the most important targets achieved, which contributes towards the implementation of the National Development Plan and Medium Term Strategic Framework:

- Development of a Framework on Linking Social Protection Beneficiaries to Sustainable Livelihoods Opportunities. This Framework responds to the government policy shift towards developmental social development, which promotes self-sufficiency. The Framework also contributes towards creation of employment opportunities and thereby reduce levels of poverty, hunger, unemployment and inequality. It also contributes towards integrated approaches to poverty alleviation.
- Reaching 10 million individuals for food and nutrition, instead of 3.3 million as originally planned. This target was exceeded due to additional funding received from National Treasury in the form of

Relief Fund, which amounted to R50 million. Also, 2.4 million households were reached, instead of the original target of 1 million.

- Creation 39 437 work opportunities through the Extended Public Works Programme. This was an over-achievement of the planned target of 17 400. The Presidential Economic Stimulus allocation to provinces contributed to the overachievement of targets in the sector during this year under review.
- Development and finalisation the National Community Development Policy, which provides policy leadership and guidance on the implementation of community development in the country, including by other government departments. It also intends to give guidance on the coordination and integration of community development interventions at community level by multiple role-players involved in community development. The policy also highlights the importance of professionalising community development practice within the SSP in the country.
- Development and finalisation of the DSD Youth Development Policy, which focuses on enhancement of capabilities and development of aspirations for youth in a way that enables them to participate in socio-economic opportunities within communities.
- Processing 55% (original target was 30%) of NPO applications for registration within two months. This process was expedited by the implementation of the web based NPO application system.
- Development of the NPO Policy Framework, which outline the challenges faced by the sector and how to ensure greater accountability from the sector.

5. THE SOUTH AFRICA SOCIAL SECURITY AGENCY (SASSA)

MANDATE

The mandate for the South African Social Security Agency (SASSA) is to ensure the provision of comprehensive social security services against vulnerability and poverty within the constitutional and legislative framework. As per this mandate, SASSA is primarily responsible for implementing the Medium Term Strategic Framework's (2020 – 2025) Priority 3: Consolidating the Social Wage through Reliable and Quality Basic Services. It also contributes towards the achievement of the following government's medium term outcomes:

- Reduced levels of poverty, inequality, vulnerability and social ills.
- Empowered, resilient individuals, families and sustainable communities.
- Functional, efficient and integrated sector.

As an administrator for the payment of social assistance grants, SASSA had to implement the special Covid 19 interventions announced by President Cyril Ramaphosa in April 2020 for the introduction of additional R250 to the social grants (older persons grant, foster care grant, disability grant and care dependency grant), a once off R300 top up to the Child Support Grant per child for the month of May and a R500 payment to caregivers from June - October 2020. It also had to implement the announcement for a new Special Relief of Distress Grant (SRD) of R350 to be paid to the unemployed people who are not benefitting from any other government provisions.

SASSA also administers the payment of the Social Relief of Distress (SRD) in the form of either food parcels or cash vouchers to provide temporary relief to families experiencing undue hardship due disasters, fires or death of provider. The Agency had to significantly scale up the roll out of food parcels to respond to the high demand of food due to the impact of the nationwide lockdown which resulted in some workers losing their employment. These changes necessitated for SASSA to draw up a revised budget and amend the originally tabled 2020/2021 Annual Performance Plan.

Furthermore, SASSA has a critical role to play in implementing the annual priorities identified in the State of the Nation Addresses (SONA). For the year under review (2020/2021), SONA identified the following priorities that have implications on the work of SASSA:

- **Job Creation:** Government is committed to finding solutions to the unemployment crisis and to removing blockages and driving interventions that will save and create jobs.

- **Persons with disabilities:** Government has established the Presidential Working Group on Disability to advise the President's office on measures to advance the empowerment of persons with disabilities as government plans, budgets and implements programmes.
- **Poverty and inequality:** Government remains committed to the strategic objective of our National Development Plan (NDP) to eliminate poverty and reduce inequality by 2030.

SASSA also has a role to play in the implementation of the National Development Plan (NDP) priorities for the social sector. It implements the following priorities:

- Eliminating income poverty by reducing the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero. To achieve this goal, the Plan identified these milestones:
 - Ensure household food and nutrition security.
 - Entrench a social security system covering all vulnerable groups, with social protection for the poor and other groups in need, such as children, people with disabilities, women and youth.
 - Promote active participation in the economy and society for those unemployed and underemployed through labour market activation measures, employment services and income support programmes.
 - Realize a developmental, capable and ethical state that treats citizens with dignity.
 - Eliminate exclusions of those who are eligible for social protection benefits by reducing administrative bottlenecks that prevent them from accessing these benefits.

The analysis of SASSA's annual performance will assess based on the revised 2020/2021 Annual Performance Plan, NDP priorities, MTSF outcomes and SONA priorities.

5.1 COMMITTEE OVERSIGHT

Table 8: SASSA Budget expenditure per quarter

Programme	Quarter 2			Quarter 3			Quarter 4		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Administration	2 995 507	1 345 690	44%	2 995 507	2 029 064	67%	2 847 453	2 797 319	98%
Benefits Administration & Support	4 762 914	2 033 689	42%	4 762 914	3 727 188	78%	4 641 329	4 758 264	102%
Total	7 718 421	3 379 379	43%	7 718 421	5 301 252	68%	7 488 782	7 375 583	98%

Figure 3: SASSA performance success rate per quarter



Quarter 1 (April - June) of 2020: The Committee did not consider performance for this quarter.

Quarter 2 (July – Sept) of 2020: The budget expenditure for this quarter amounted to R3 379 million (43%). For the year SASSA had planned to achieve 40 targets and by the end of the second quarter it had achieved 30, marking 74% performance success rate. In contributing towards the NDP priority of poverty reduction, despite continuing to pay social grants, SASSA implemented the to-up to existing grants as was announced by President Ramaphosa to cushion vulnerable groups from the economic impact of Covid 19 pandemic. This was despite some technical glitches as SASSA had few days to develop a payment system. Most importantly, it achieved its target of reducing exclusion errors in the social assistance programme for children under the age of 1. By the end of August 2020 54% (39% in March 2014) of the children in this age cohort were in receipt of the children’s grant. To contribute towards economic transformation, SASSA managed to achieve its target of providing assistance to beneficiaries to achieve greater self-sufficiency by linking them to economic and developmental opportunities. It developed a database of matriculants who are/were in receipt of social grants developed. It also conducted research in collaboration with Finmark Trust to explore mechanisms that could be used to increase the beneficial use of social grants to develop a pathway out of poverty framework 18 and 35. The research further considered poverty alleviation programmes in other countries. To improve its customer experience, it managed to automate the Covid 19 SRD grant application system. It also managed to develop and pilot the system for Social Grants Online Grants Applications.

Quarter 3 (Oct – Dec) of 2020: For this quarter, SASSA had a total budget expenditure of R5. 301 million (68%). It managed to achieve 35 out of 47 planned targets, marking a performance success rate of 74%. Programme 2 recorded 72% performance rate and Programme 1 recorded 76%. For this quarter, the most important targets achieved related to implementation of the social grant payment staggering to ease the burden on the National Payment System. It separated payment dates for older persons and persons with disabilities from other social grants beneficiaries. It also managed to achieve 94% (out of the target of 95%) success rate in processing new grant applications within 10 days. The persistent and escalating fraud and corruption in the social assistance programme as well as implementation of consequence management to officials implicated in irregular expenditure are always the main concerns of the Committee. For the quarter under review, SASSA had set a target to have 50% of reported fraud and corruption cases investigated and finalized. It managed to achieve this target by investigating 81% (198 of 243) of reported cases. It also finalized 99% (73 of 74) labour relations cases relating to non-compliance/irregular expenditure/financial misconduct.

Quarter 4 (Jan – March) of 2021: The budget expenditure for this quarter amounted to R7 375 million (98%). SASSA managed to achieve 31 out of 49 planned targets, marking performance success rate of 69%. Importantly for this quarter, SASSA, as part of automating its grant administration system, it developed and implemented the Application Programme Interface (API) to enable validation and analysis against datasets. The datasets include Unemployment Insurance Fund (UIF), National Student Financial Aid Scheme (NSFAS), South African Revenue Services (SARS), Department of Correctional Services and National Population Register. It also implemented online application channels for SRD Grant – USSD, WhatsApp, Telephony, Website and email.

Even though SASSA had planned to have 580 000 children below the age of 1 in receipt of children’s grants, it managed to reach 550 919 children. This marked 95% achievement rate.

Committee Observations

- The Committee was concerned over the implications of the budget cut and its impact on the payment of social grants.
- Throughout the quarterly reporting period, the Committee reiterated its concern over social grants beneficiaries sleeping outside SASSA offices. It seemed as if mechanisms put in place were not effective were effective in preventing this from happening.
- The Committee observed with concern what seems to be a trend of delays caused by National Treasury, particularly with regard to prolonged delays to grant condonations, roll over of funds from 2020/2021 for payment of SRD grants as well payments for ECD Stimulus Package. The Committee was particularly concerned over the non-payment of SRD grant for March 2021.
- It was also concerned that R6 million in debt collection had not changed and wanted to know the reasons for that.
- It noted the implementation of an online application system and impact it has had in making application processes easier but requested that the system should be manned to assist challenges that may be encountered by the public.
- It also noted that financial problems at the South African Post Office will not impact the payment of social grants.

5.2 OVERVIEW OF FINANCIAL AND NON-FINANCIAL PERFORMANCE OF THE SOUTH AFRICAN SOCIAL SECURITY AGENCY (SASSA) FOR 2020/2021 FINANCIAL YEAR

5.2.1 Financial Performance

The Agency functions through two main programmes, namely, Programme 1: Administration and Programme 2: Benefits Administration and Support.

The SASSA was allocated a final budget of R7.489 billion for the 2020/21 financial year. In terms of economic classification, R3.958 billion was channelled towards goods and services, while compensation of employees constituted R3.468 billion. Overall expenditure reached 96.4%, which translates into under-spending of R268.14 million

Table 9: Financial performance 2020/21

	2020/21 Financial year
--	-------------------------------

Programme	Final Appropriation	Actual Expenditure	Variance in R	Expenditure as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Administration	2,847,453	2,639,920	207,533	93%
Benefits Administration & Support	4,641,329	4,580,722	60,607	99%
Total	7,488,782	7,220,782	268,14	96%

The table above shows that both the Administration and Benefits Administration and Support underspent, which resulted in 96% overall underspending by the Agency. In monetary value, underspending totalled R268.14 million.

5.2.2 Non- Financial Performance by Programme

Analysis of the Agency's performance will be aligned to the achievement of the priorities of the MTSF mentioned earlier as well as the 2020 State of the Nation Address priorities. These are also aligned to the National Development Plan priorities. The Figure below shows SASSA's performance trends between the 2018/19 and 2020/21 financial years.

Figure 4: Performance trends



Programme 1: Administration

The purpose of this programme is to provide leadership, management and support services to SASSA.

Table 10: Programme 1: Achievement of targets

Total targets set Revised Annual Performance Plan (APP)	27
Total targets reflecting on the Annual Report	32
Targets achieved in Annual Report	23
Targets not achieved in the Annual Report	9
Performance success rate	71.9%

Total budget spent	R2.639 million (92.7%)
--------------------	------------------------

The Administration Programme had a final appropriation of R2 847 453 billion and managed to spend R2 639 920 billion (93%) of the total allocation. Five of the six sub-programmes under this programme underspent their allocated budgets and the main contributor being the *Internal Audit and Risk Management*. This sub-programme spent R58 373 million (57%) of the allocated budget of R103 045 million.

In relation to the NDP priority of government departments and entities improving internal efficiency, SASSA implemented some of the targets aimed at automatic and digitising its business processes. These include the following:

- Developing the Digital Transformation Strategy.
- Reviewing the ICT Strategy which identified key projects that will automate and digitise grant application and payment system, modernising the Call Centre Solution, electronic fraud detection system, bank account verification and integrated grants system, among others.
- Implementation of the Biometric Identity Access Management System for SOCPEN users.
- Implementation of the Automated and Digitised Grants Administration system.
- Implementation of the online grant applications solution.
- Developing an integrated validation database with Government Datasets.
- Implementation of an online application channels (USSD, WhatsApp, Telephony, Website and email) for SRD Grant.

Vacancies

SASSA’s vacancy rate is 57.4% in 2020/2021, which is based on the total posts on the establishment, and include both funded and unfunded posts. During 2020/2021 Financial Year, the Agency had 8 013 filled funded posts and 10 808 vacant posts on the establishment. The total number of 8 013 employees, accounts for both permanent (7 798) and all contracts (215) employees in the Agency. The Agency received funding from National Treasury to fill 191 of the vacant posts at the beginning of the financial year 2020/2021. With employees leaving the Agency, the number of vacant post that had funding increased to 411 (Replacement posts). A total of 10 617 vacant posts were funded on the establishment. This implies that vacant posts that do not have funding cannot be filled. The Agency will require additional funding to reduce the vacancy rate.

Disciplinary and corruption cases

Table 11: Labour Relations - Misconduct and disciplinary actions

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal Warning	10
Written Warning	31
Final Written Warning	50
Dismissal	5
Suspension Without Pay	13
Total	109

number of employees the action was taken disciplinary actions were caused by the appeals 2020/2021 period, and terminations were Labour Relations’ database dismissals had During the period under review (2020/2021), officials, and also finalised 145 cases for

different categories.

Equity

The Agency states that 2020/21 financial year was the second year of the implementation of the three-year Employment Equity (EE) Plan, which was effective from 01 April 2019 to 31 March 2022. It further states that the National EE Manager successfully monitored the implementation of the EE Plan through the established EE Consultative Forum and the CEO successfully submitted the Annual Reports to the Department of Labour as mandated by the Employment Equity Act (Act 55 of 1998).

The overall Employment Equity targets were not achieved due to the major cost reduction that the Agency has embarked which impacted on the filling of posts. Only critical posts that were identified were allocated funds for filling. EE targets for Disability were set at 3% of the total funded positions across occupational levels as at the time of the EE Plan development, SASSA's total current work force is 8 013 inclusive of 176 employees with disabilities, this represents a 2.2% of disability quota for the period under review.

Programme 2: Benefits Administration and Administration and Support

The purpose of this programme is provide a grant administration service and ensures that operations within SASSA are integrated. It also ensures implementation of the full value chain of grants administration.

Table 12: Programme 2: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	15
Total targets reflecting on the Annual Report	18
Targets achieved in Annual Report	15
Targets not achieved	6
Performance success rate	83.3%
Total budget spent	R4 580 million (98.7%)

The Benefits Administration and Support Programme which is the core business of the Agency had a final appropriation of R4 641 329 billion and managed to spend R4 580 722 billion (99%) of the total allocation.

In relation to the NDP's priority of reduction of income poverty, through this Programme SASSA processed and approved 1.3 million social grants applications, over achieving its target of 1.2 million. The high unemployment rate as a result of the impact of Covid 19 had a direct impact on the application for social grants. Accordingly, the total number of grants in payment increased from 18 290 592 in 2019/2020 to 18 440 572 in the year under review. Most importantly, out of this total, 74.99% beneficiaries were women, 32.12% was youth and 9.09% were people with disabilities.

During the reporting period, SASSA had to implement the SRD Grant of R350 and social grants to up payments announced by the President as income security to cushion the vulnerable groups against the impact of Covid 19 pandemic. An average of 5.5 million individuals benefited from the SRD Grant and 12 million beneficiaries benefited from the social grants to up payments. SASSA also awarded Social Relief of Distress (SRD) 191 558 in a form of food parcels, cash, uniform and vouchers to individuals and families who experienced undue hardship. The target was to award 250 983 applications but some beneficiaries were diverted to SRD Grant.

In recent years, SASSA had made special effort to reach children below the age of 1 who had been identified in a study it jointly conducted with the United Nations Children's Fund (Unicef) had been excluded from the social assistance programme. For the year under review, SASSA had set a target to reach 580 000 children to receive children's grants and managed to reach 550 919 due to office closures as a result of Covid 19.

In relation to the NDP priority of improving service delivery, SASSA achieved its target of monitoring and managing compliance to its Service Level Agreement with the South African Post Office (SAPO). This resulted in 99% success rate in payment transactions of social grants beneficiaries receiving their grants through SAPO. There was also a reduction of pay points and post offices without chairs, shelter and water for beneficiaries. To reduce long queues on payment days and ease the burden on the National Payment System, SASSA implemented the social grant payment staggering. This entails starting the payment cycle dates on the third day of the month, with the first two payment days dedicated to Older Age Grant and Disability Grant. The third day is dedicated to the payment of children's grants.

6. THE NATIONAL DEVELOPMENT AGENCY (NDA)

MANDATE

The National Development Agency (NDA) is mandated to contribute towards the eradication of poverty through supporting civil society organisations (CSOs) by funding them to implement development projects in poor communities, as well as strengthening their institutional capacity.

The National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), Sector Plans and the United Nations Sustainable Development Goals (SDGs), and the 2019 State of the Nation Address (SONA) guide the NDA's functions. The contribution of the NDA on the above strategic frameworks is discussed below:

National Development Plan

The NDA, as a public entity, reporting to the Department of Social Development, has aligned its strategy to respond mainly to chapter 11 of the NDP on social protection. The NDP vision 2030 has a long-term perspective to eliminate poverty and reduce inequality by 2030. The NDA's revised strategy is aligned to the NDP/Vision 2030. The alignment is informed by the NDA mandate of contributing towards the eradication of poverty in poor communities. The mandate directly contributes to the main goal of the NDP of reducing poverty, inequalities and unemployment.

Medium Term Strategic Framework (MTSF)

The NDA has adopted MTSF that focuses on civil society organisations in the most deprived and prioritised districts in South Africa, and its main contribution will be building capacity at these organisations. The strategy is based on the NDA integrating its work with the social development sector, municipalities, and other public and private agencies that work with communities and civil society organisations.

State of the Nation Address 2020

SONA identified the following priorities that also have implications on the work of the NDA:

- **Job Creation:** Government is committed to finding solutions to the unemployment crisis and to removing blockages and driving interventions that will save and create jobs.
- **Persons with disabilities:** Government has established the Presidential Working Group on Disability to advise the President's office on measures to advance the empowerment of persons with disabilities as government plans, budgets and implements programmes.
- **Poverty and inequality:** Government remains committed to the strategic objective of our National Development Plan (NDP) to eliminate poverty and reduce inequality by 2030.

6.1 COMMITTEE OVERSIGHT

Table 13: NDA Budget expenditure per quarter

Programme	Quarter 2			Quarter 3			Quarter 4		
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
Governance and Administration	53 990 903	43 081 192	79%	111 435 793	64 040 403	57%	101 611 632	90 357 986	88%
CSO Development	96 157 792	80 789 187	84%	226 031 757	109 338 553	48%	123 322 578	112 246 329	91%
Research	4 103 992	2 911 660	70%	8 483 991	4 341 154	51%	8 281 265	6 218 596	75%
Total	154 252 687	126 782 039	82%	345 941 541	177 720 110	51%	233 215 475	208 822 911	89%

Figure 5: NDA performance success rate per quarter



or this quarter.
%). The NDA only
achievement rate. Some of
own regulations. Among
sations (CSOs)
of funds for grant funding
t rates, respectively. Yet
id wasteful expenditure

Quarter 3 (Oct – Dec) of 2020: For the third quarter the NDA had an improved budget expenditure of R177 720 million (51%) compared to the previous quarter. There were 19 targets that were set to be achieved. A total of nine (9) targets were achieved, marking 47% achievement rate. Some targets not achieved included implementation of 60% consequence management in relation to irregular and fruitless expenditure cases. The NDA managed to get 55% achievement rate. This under achievement was attributed to inadequate capacity in the Business Unit responsible for the implementation of the key performance indicator. The lack of consequence management on this area has been one of the key concerns of the Committee and it had made recommendations on it in its previous BRR recommendations. However, three (3) targets were achieved which related to other areas the Committee raised concerned about regarding the alignment of the NDA's operations to its mandate and lack of visibility. An NDA Turnaround Strategy was approved, a Draft Band Strategy was developed and a position document on the Amended National Development Act was approved.

Quarter 4 (Jan – March) of 2021: For the quarter under review, the NDA had a budget expenditure of R208.822 million (89%). This was an improved expenditure compared to the third quarter. The achievement rate of targets for this quarter increased from 47% in the third quarter to 63%. The NDA still did not achieve its target of implementing consequence management. It only managed to achieve 64% instead of 80% planned success rate.

6.2 COMMITTEE OBSERVATIONS

- The Committee observed that the NDA's attempt of aligning its quarterly reporting with the result based management principles. It however, noted that there was a weakness on understanding and reporting on the object of change, which is the main interest of the Committee. It is the main interest of the Committee to make sure that programmes implemented by the social development portfolio bring changes to the lives of people.
- The Committee expressed a concern that it was clear as to what extent or how much value and impact the commissioned research projects have on people's lives.

6.3 OVERVIEW OF FINANCIAL AND NON-FINANCIAL PERFORMANCE OF THE NATIONAL DEVELOPMENT AGENCY (NDA) 2020/2021 FINANCIAL YEAR

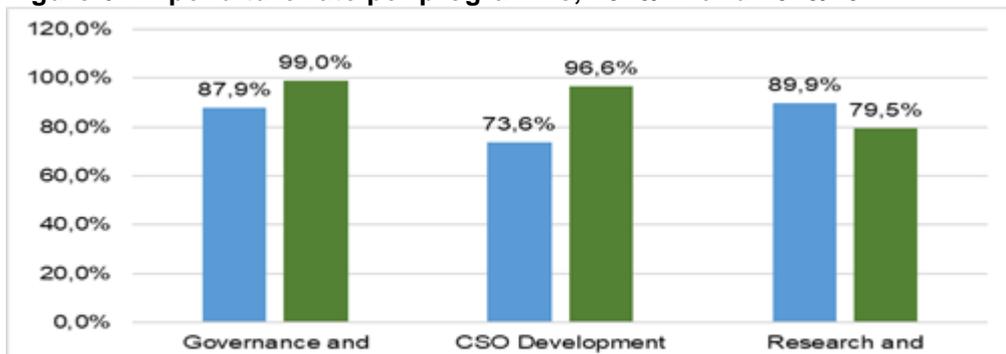
6.3.1 Financial Performance

Table 14: Appropriation statement

Programme	2020/21			2019/20		
	Final Budget	Actual Spending	Under/Over spending	Final Budget	Actual Spending	Over/under spending
R'000						
Governance and Administration	102 682	90 284	12 398	114 990	113 799	1 191
CSO Development	224 883	165 587	59 296	128 120	123 740	4 380
Research and Development	7 228	6 499	729	10 030	7 978	2 052
TOTAL	334 793	262 370	72 423	253 140	245 517	7 623

The NDA secured a final appropriation amounting to R334.8 million for 2020/21. Expenditure amounted to R262.4 million, resulting in under-expenditure of R72.4 million. The Governance and Administration programme spent R90.3 million which reflects an under-expenditure of R12.4 million. The CSO Development programme underspent with R59.3 million.

Figure 6: Expenditure rate per programme, 2020/21 and 2019/20



The under-expenditure incurred by the NDA is a concern especially in Programme 2, which is critical in the fulfilment of the NDA primary mandate. This programme contributes directly to the NDP aspiration of eliminating poverty and reduce inequality by 2030.

The Governance and Administration programme spent 87.9% of its funding, while the CSO Development programme spent 73.6%. Overall, the NDA spent 74.8% during 2020/21, compared to an expenditure rate of 97.0% in 2019/20.

6.3.2 Non-Financial Performance

Programme 1: Governance and Administration

Table 14: Programme 1: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	7
Total targets reflecting on the Annual Report	7
Targets achieved in Annual Report	5
Targets not achieved	2
Performance success rate	87.9%
Total budget spent	R90.284 million (98.7%)

The NDA had set to achieve 7 targets under this Programme and managed to achieve 5 targets, marking a 71.4% achievement rate. The annual performance was consistent with the quarterly performance in that targets that were not achieved during the financial year were also reported as not achieved in the annual performance report. The target to achieve 80% of the consequence management was not achieved. Only 64% was achieved. Throughout the quarterly reports and also in the annual report, gave the same reason why this target was not achieved. It reported there was lack of capacity in the unit responsible for the implementation of this target, even though in quarter 1 it had reported that a recruitment process for a resource to assist in the process of legal assessment and investigations was underway and would be concluded by the end of December 2020. The NDA also did not achieve its target of having 80% reduction of cumulative balance of irregular, fruitless and wasteful expenditure. This target was not achieved due to delayed condonation of this expenditure by National Treasury.

Despite the above-mentioned performance, the NDA managed to achieve three most important targets, which were also reported on in the quarterly reports – development of the Draft Brand Strategy Document, concept document for the Turnaround Strategy and the position document on the NDA Amendment Act. However, these documents were not approved by EXCO because the Turnaround Strategy would only be finalised in 2020/2021 financial year, even though it was a performance target for 2020/2021 financial year.

Programme 2: CSO Development

Table 15: Programme 2: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	7
Total targets reflecting on the Annual Report	7
Targets achieved in Annual Report	5
Targets not achieved	2
Performance success rate	87.9%
Total budget spent	R165.587 million (73.6%)

The most important targets (which relate to the NDP) achieved under this programme included 2049 work opportunities created as a result of CSOs development interventions, five (5) strategic partnerships, 1 114 CSOs empowered through online and e-development interventions and 100% disbursement of funds for grant funding. However, the target to raise R100 million resources to fund CSOs development interventions was not achieved. It only managed to raise R15.785 million. This was attributed to poor economic outlook of the country. Potential donors reprioritised their resources towards Covid 19 interventions.

Programme 3: Research and Development Management

Table 16: Programme 2: Achievement of targets

Total targets set on Revised Annual Performance Plan (APP)	5
Total targets reflecting on the Annual Report	5
Targets achieved in Annual Report	5
Targets not achieved	0
Performance success rate	100%
Total budget spent	R6. 499 million (89.9%)

The programme had a good performance wherein all targets were achieved and some over achieved. Most importantly, the NDA under this Programme conducted two additional researches, one was on the Behaviour Change Modification in the wake of Covid 19 and the other one was on Analysis of the ECD policy implementation in rural areas. Covid 19 pandemic brought drastic changes on people's behavioural patterns as well as their movements, which have implications on the social cohesion of the country. The NDP acknowledges that social cohesion is important for the country to achieve unity among its citizens. It also prioritised universalisation of the early childhood development (ECD).

7. REPORT OF THE AUDITOR GENERAL (AG) FOR COMMITTEE OVERSIGHT

The Office of the Auditor-General reported to the Committee on its audit findings and recommendations to address them. The Committee has then a responsibility to conduct regular oversight over their implementation. The following were the findings and recommendations made for the social development portfolio:

The Department received an unqualified audit outcome with no findings. Both SASSA and the NDA received unqualified audit outcome with findings. The office of the AG had some findings and recommendations that the Committee would need to conduct oversight over their implementation. These are detailed below:

Audit Findings	Recommendations	Committee Oversight
<p>The department incurred irregular expenditure of R3 million due to failure to follow a competitive process.</p> <p>It also incurred R1.9 million fruitless and wasteful expenditure due to car damages and no shows (at accommodation/flights and car</p>	<p>There should be timely completion of investigations so that appropriate actions can be taken to prevent the occurrence of irregular and fruitless and wasteful expenditure.</p> <p>Management to ensure</p>	<p>Monitor and regularly follow up with the executive authority and accounting officer/authority on:</p> <ul style="list-style-type: none"> Filling of vacancies to ensure stability of leadership

<p>hire), undelivered goods and unused assets.</p> <p>SASSA incurred R73 million irregular expenditure due to failure to follow competitive process. It also incurred R1 million fruitless and wasteful expenditure due to penalties and no shows.</p> <p>Delays in the finalisation of investigations on non-compliance to legislation.</p>	<p>adequate and effective implementation of preventative controls.</p> <p>Management to implement adequate review and monitor controls regarding performance and consequence management.</p> <p>Management to implement a proper record management system to maintain information that supports the reported financial and performance information.</p>	<ul style="list-style-type: none"> • Provide oversight on the implementation of action plans to address the audit findings. • A culture of consequence management should be enforced in the portfolio.
<p>Uncompetitive and unfair procurement practices (SASSA, NDA, DSD).</p> <p>Inadequate contract management (DSD)</p> <p>Service providers submitted more than one bid in relation to one project. (SASSA)</p> <p>Shortened advertisement period not approved by an appropriately delegated official. (SASSA)</p> <p>Award of quotation not approved by an appropriately delegated official. (SASSA)</p>	<p>Accounting officers/authorities should ensure procurement delays and inadequate project management are addressed.</p> <p>Preventative controls should be strengthened to ensure no irregular or fruitless and wasteful expenditure is incurred.</p> <ul style="list-style-type: none"> • SCM training should be provided to ensure understanding and application of legislation. <p>Management to develop and implement effective action plans to address audit findings, specifically relating to SCM.</p>	
<p>There were inadequate security management, user account management, change management and IT service continuity processes, due to Covid 19 restrictions making it difficult for the department to coordinate all the business functions SASSA did not have disaster recovery infrastructure for SRD applications. IT management thought SRD was a temporary</p>	<p>ICT management should ensure that adequate controls are implemented around security management, user account management, change management and IT service continuity processes. This should include updating policies and ensuring that controls are monitored by designated</p>	

application for a national emergency, therefore a disaster recovery instance was not created.	personnel.	
---	------------	--

Progress Report on the Special Audit Report

Audit findings	Progress	Recommendations
<p>Special relief of distress grant</p> <p>Payments of beneficiaries who were directors of companies that have government contracts for investigation.</p> <ul style="list-style-type: none"> IT developers were granted excessive access on the SRD system that allowed them to perform operational functions and payment job scheduling. They also had unrestricted access to the SRD database. 	<p>SASSA put processes in place to recover payments made to individuals that were paid the grant but were not entitled to it.</p> <p>SASSA communicated with other government entities to recover payments made to government employees that were not entitled to the grant.</p> <p>The process to stop and or recover grant payments made to directors of companies, is still in progress.</p> <p>The entity has not finalised the improvement of network security controls for the grant system.</p> <p>The reconciliation of the manual applications to that of social pension system (Socpen) was not fully completed.</p>	
<p>Payment of SRD Grant to ineligible beneficiaries</p> <p>Payments made to possible ineligible applicants from October 2020 to March 2021. These applicants are potentially also receiving income from other sources. By 31 March 2021, 727 084 potential ineligible applicants were paid the grant, which represented 1,33% of all the approved applications. The total amount of potential ineligible applicants</p>		<p>SASSA should obtain the most recent and updated data from Home Affairs, UIF, NSFAS, SARS and other government institutions to strengthen the controls and prevent payments to invalid beneficiaries.</p> <ul style="list-style-type: none"> Processes should be put in place to recover payments to individuals that were not entitled to the grant funding.

<p>paid is R254,48 million.</p> <p>Distribution of food parcels by SASSA</p> <p>Inadequate planning, record keeping and guidelines resulted in inconsistencies in delivery of food parcels, including people receiving food parcels multiple times, grant recipients also receiving food parcels, and approved beneficiaries not receiving the parcels. The lack of documentation and reconciliations also exposed the scheme to the risk of abuse.</p>		
<p>Distribution of food parcels by SASSA</p> <p>The reconciliation of the manual applications to that of social pension system (Socpen) was not fully completed during our review and anomalies were identified</p> <p>The anomalies were in relation to a lack of adequate records to support reconciliations in some cases, food parcels distributed not agreeing to Socpen (5,8% variance), 526 beneficiaries that received more than two food parcels and 1526 beneficiaries that received a food parcel and a grant (grant beneficiaries were not entitled to the food parcels).</p>		<p>Finalise the reconciliation of food parcels distributed per the manual registers to those on Socpen.</p>

8. COMMITTEE OBSERVATIONS

- The Committee supported the AG's commentary that the clean audit outcome of the Department should translate to improved service delivery.
- The Committee also shared the same concern of the AG over the non-completion of investigations of cases of irregular and fruitless and wasteful expenditure at SASSA. It wanted to know if the mandate of the AG can be extended through amendment of the Public Audit Act to ensure that the investigations on cases of irregular and fruitless and wasteful expenditure are shortened and completed on time?

The AG explained that it does not have a mandate to set timelines on investigations. National Treasury has published regulations for these timelines but that depends on the nature of the

investigation. It however emphasises and highlights to the Committee that it should address this issue with the Executive and Accounting Authority of the Department and its entities.

- The Committee noted with concern that each year the AG makes the same findings of fruitless and wasteful expenditure due to car damages and no shows at hotels and there seems to be no consequence management. It wanted to know what advise can the AG give to the Department on how this can be prevented.
- The Committee sought clarity on how AG's findings on internal controls relate to the overall performance of the auditee. In this instance, the Committee was concerned that even though the NDA had poor performance, the AG gave it a good performance on the status of internal controls – effective leadership, financial and performance management and governance.

The AG explained that the performance on internal controls and assurance provided improved compared to the previous year. In the previous year it had made a lot of findings regarding lack of proper record management system to maintain information that supported the reported performance information in the annual performance report. This included information that related to the collection, collation, verification, storing and reporting of actual performance information. The NDA also did not implement sufficient review and monitoring controls by NDA to ensure that quarterly performance reports are accurate and complete. Data integrity and verifications checks were not conducted resulting in material findings identified in reported performance information. There was also non-compliance with legislation identified in expenditure management especially within procurement and contract management. For example, the non-compliance resulted in the payment of stipends without proper approval during the implementation on the Covid 19 interventions. The NDA had since put systems in place to prevent the non-compliance. Hence it received good performance on the status of internal controls and assurance provided in the year under reviews.

- The Committee noted the AG's ongoing concern over the vacancies in critical positions in the Department and its entities. The AG over the past years had raised issue of vacancies in critical positions as a matter of concern. It wanted to know what can AG recommend to the Department regarding prioritising the filling of vacancies.
- The AG explained it identified the ongoing vacancies as a high risk as it affects performance of the social development portfolio. This is a serious matter that the management has to address.
- The Committee wanted to know progress made by the AG on the allegations of fraud and corruption in the NDA that the Committee had received from the NDA officials. The previous Committee Chairperson had forwarded them to AG's office. Was there an investigation conducted?

The AG reported that it had discussed the abovementioned with the previous NDA board because it was its responsibility to attend to it. The board indicated that the matter would be handed over to the new board as its term had come to an end. The Committee can make a follow up on this matter with the new board.

- It wanted to know if the AG had ever identified any cases of non-payment of Social Relief of Distress to beneficiaries who were victims of natural disasters. Members were made aware of victims of fire from an informal settlement in Cape Town who were approved to receive Social Relief of Distress in 2018 but did not receive it.

The AG replied that it had never identified such cases.

- The Committee noted with concern the AG's findings on the payment of the Social Relief of Distress Grant (R350) to ineligible beneficiaries - government employees and directors of companies that have government contracts. What advice can AG give to SASSA recover these monies?

The AG reported that investigations were being conducted on the aforementioned and that once completed those found guilty would be required to pay back the money. It will report on this matter in the next financial year (2021/2022). It however continues to monitor the payment of the SRD grant.

Resolutions

- The Committee to submit a formal letter to the AG requesting specific information it requested in the meeting. For example, the names of people implicated in irregular expenditure and fruitless and wasteful expenditure, a breakdown of irregular expenditure, payment of stipends by the NDA and payment of cleaning services. The letter should also include a request for a Management Report that was forwarded to the accounting officers of the Department and its entities.
- The Committee to be provided with the report on the recovery of grants paid to ineligible beneficiaries once completed.

9. COMMITTEE OBSERVATIONS ON THE SOCIAL DEVELOPMENT PORTFOLIO

9.1. Department of Social Development

- The Committee congratulated the Department for receiving a clean audit but emphasised that this should translate to improved service delivery.
- For the entire social development portfolio, the Committee reiterated its serious concern over the AG's findings on the delays in finalising investigations on historical cases of irregular expenditure and fruitless and wasteful expenditure.

The Department explained that investigations were not finalised timeously as some of the affected officials were not DSD officials and the investigations took longer to trace the officials responsible for the fruitless expenditure. Furthermore, the Travel Agent was not fully operating during Level 5 lockdown and submitted their therefore invoices late to the department. The Department managed to finalise 90% of the outstanding cases and will ensure that the remaining cases are finalised in the current financial year.

- The Committee reiterated its concern over the AG's repeat findings on fruitless and wasteful expenditure due to hotel no shows and car damages. It wanted to know what consequence management or disciplinary actions were taken against those implicated.

The Department reported that wasteful expenditure was committed by different officials. It issued a Circular on 4 May 2021 on Preventative Controls to reduce Irregular, Fruitless and Wasteful Expenditure with the intention to prevent fruitless expenditure. A total of six (6) cases of fruitless expenditure were recovered from the officials in the Department. One case of fruitless expenditure was recovered from the Travel Agent. One case was written off. The case of flight no-show was wrongly classified and should be classified as shuttle no show and will be recovered from the Travel Agent. The Department has already engaged with the Travel Agent with regards to the recoveries. The affected officials have made arrangements with the Finance Unit for the deductions to be made in instalments.

- It observed with concern again the delays in the payments of NPOs in some provinces that has led to them underspending. This is a serious concern considering the plight of vulnerable people during this Covid 19 times. What is the Department doing to address this?

- It also observed with serious concern the non-payment of Early Childhood Development Stimulus Relief Fund to qualifying ECD centres, which was raised in most of the Committee's provincial public hearings on the Children's Amendment Bill. This has resulted in some provinces not fully spending their ECD Conditional Grant and had to return unspent amounts. The non-payment was attributed to the centralisation of verification system at the National Department of Social Development. What is the Department doing to verify and correct applicants details quicker so that these ECDs can be paid?

The Department explained that the inclusion of unregistered ECD necessitated the centralized call for application and verification given the tight timeframes for the implementation of the fund and pressures provinces experience with limited capacity. The fact that most of unregistered ECDs were unknown to the department as not all ECDs participated in the Vangasali campaign made the process more challenging. Given the tight timelines within which the stimulus package was required to be spent, and the limited capacity provinces are faced with, both national and provinces agreed on the centralization of the application and document verification process, with provinces also having a role to play. The first step was that applicants were called by the call centre to correct their information on the system.

Targeted Short Message Services (SMSs) were also sent to individual applicant to correct their information. To strengthen this, information sessions were held online to take applicants on step by step process to effect corrections. Help desks were established in Districts to support applicants in correcting their information.

- It also observed during its public hearings that there is still a large number of unfunded and unregistered ECD centres despite the roll out of Phase 1 of the Vangasali Programme. It wanted to know when will phase 2 and 3 of the Programme be rolled out. Will it continue after the ECD migration and if so under which department?

The Department reported that Phase 2 and 3 of Vangasali has commenced where 727 24 000 registration packs have been printed and distributed to provinces. Jamborees have been conducted in provinces to empower ECD programmes on registration process. The online registration tracking tool has been developed to track the registration. Provinces have been trained on the registration system. DSD has involved the Department of Basic Education in this process to ensure continuity.

- It also noted with concern the ongoing vacancy in the position of the Director-General and other critical positions. This is despite the AG continually flagging this as a risk to the overall performance of the Department and its entities. It wanted to know when will these vacancies be filled. And what are the reasons vacant posts were not filled during the 2021/2022 financial year?

The Department reported that the filling of vacant posts is monitored on a monthly basis. The intention is to have all critical posts identified to be filled by the end of the financial year. It explained that when posts are filled this results in another vacancy with the vacancy rate remaining unchanged and this is due to the fact that appointments are largely made from within the Department. The reduction in the compensation budget also requires that the Department fills critical posts through a prioritization process in order to remain within the compensation ceiling. There are also processes within the Department that would inform the type and nature of posts required with a result of a cautious approach. The Department through the MTSF process is realigning itself to the strategic trajectory which would inform the skills and nature of posts needed.

- It further noted that the target to train 100 master trainers on parenting programmes was reviewed and only focused on conducting an audit on existing programmes when the Department's APP was revised and re-tabled. Funds were then reprioritized to fund ECD Covid 19 programmes. The target was revised to only focus on conducting an audit on the existing parenting programmes. The Committee advised the Department to prioritize these programmes as it became evident during the

Committee's public hearings that parents need help in relation to their children. Parents need to be empowered.

The Department reported that parenting programmes remain one of its key priority. For the two quarters, the department conducted training in 5 provinces. The training will proceed until the end of this financial year and continue in the outer years.

- The Committee further noted with serious concern that that sub programme *Children* underspent by just over R30 million. The sub *programmme social crime prevention and victim empowerment* also had an underspending of just over R50 million. These sub programmes had the biggest underspending. This was concerning considering the Covid 19 lockdown period. More children were vulnerable and reported cases of GBV increased. This was observed in the GBV Command Centre statistics on the number of calls received. The Committee wanted to know the reasons for this underspending.

The Department reported that underspending was as a result of the limited movement given that most of the interventions conducted by National DSD are planned to be undertaken at provincial level therefore could not be executed due to COVID-19 restrictions. For example, the Department had initially planned to conduct face to face consultation which were eventually executed virtually either via MS Team or Zoom platforms. The cost of travel, accommodation and conferencing was not utilized effectively. The Department ordinarily travels to institutions of higher learning to reach out to students on issues, conduct dialogues at community levels however most had to be done remotely or virtual.

- The Committee further wanted to know what progress has been made during the reporting period to move towards a centralised call centre, where people will be able to access assistance for GBV, substance abuse and other social ills through one DSD number.

The Department reported that all victims and survivors of GBV should be able to access care and support services to reduce the impact of GBV 24 hours a day and seven (7) days a week. In ensuring immediate response services, the Department has established the Gender Based Violence Command Centre (GBVCC) to offer immediate response and psychosocial support services to victims. The GBVCC operates a National, 24hr/7days Call Centre facility manned by qualified Social Workers who are responsible for call taking and case referrals to local social services. The Centre has an Emergency Line number- 0800 428 428, supported by a "please call me" facility: *120*7867#, a Skype Line to assist the deaf community (add 'Helpme GBV' to your Skype Contacts) and an SMS Based Line (SMS 'Help' to 31531).

- The Committee wanted to know the status on the funding of the Child Support Grant Top-Up it approved in the Social Assistance Amendment Act. Similarly, it wanted to know the status of the discussions on the implementation of the Basic Income Grant (BIG).
- The Committee also wanted to know the progress made in negotiations with the banks regarding the rolling out of cash send as SRD.
- The Committee reiterated its concern over non-compliance to legislation and Supply Chain Management (SCM) which result in irregular expenditure. It wanted to know what ethical training is provided to all managers.

The Department explained that there is a scheduled Ethics training which the Chief Directorate official/ managers have been asked to attend. All SCM official have been targeted to attend training on ethics in the Public Sector. Arrangements have been made with the Legal Services unit to provide this training for SCM officials in groups in order to ensure continuation of services for the Department while officials are being trained. The first group will attend during the Month of November 2021 while the second group will attend training during the first week of December 2021.

- It also raised a concern over serious allegations of abuse at secure care centres. It wanted to know how does the Department monitor operations of its partners, such as these secure care centres, which are delivering services on its behalf.
- It also noted with concern the disjuncture between setting of targets in the APPs and their real time implementation in communities. To what extent is the implementation of APPs translated to the Key Performance Indicators of all officials across the portfolio?
- It also raised a concern regarding the AG's finding of double-dipping where some families received multiple food parcels and grant support from the Department and its entities. It wanted to know the reasons why the Department and SASSA have not been able to improve their systems over the reporting period to put an end to double-dipping. What are the plans going forward to eliminate this practice?
- It reiterated its concern that the Department continues to employ a very low number of people with disabilities, falling far short of its 6% target. It wanted to know what interventions were put in place to remedy this situation and why did these interventions not yield results? What will be done to reach the 6% target in the next financial year.

The Department explained that the government target for disability is 2%. The department fell short as a result of the transfer of the entire Disability Branch to the Department of Women, Youth and Persons with Disabilities. The Department has an established Employment Equity Committee and the targets are monitored on a monthly basis. The substantive interventions to meeting the disability targets is that all vacancy advertisements encourage persons with disability to apply for posts. All vacancy adverts are sent to the Disability Forum in the Department as well Disability SA focal person to distribute to all organisations. This, however is not yielding the intended results.

- The Committee also noted with concern that the Department only managed to employ 1 060 social workers instead of the targeted 1 600 even though funds were allocated. This is concerning considering the serious need of social workers in the country. It wanted to know what progress has been made in implementing the 2019 Government Resolution which required relevant key departments absorb government trained social workers. How many Government-trained social workers remained jobless for the period under review and what are the plans to employ them in the next financial year?

The Department reported that it secured additional funding from The National Treasury to appoint 1809 Social Workers to provide psychosocial support as a result of the COVID19 pandemic. The number of Social Workers were allocated to Provinces based on need and the number of service points due to geographical spread.

The allocation is tabulated below:

Province	Allocation per Province	Total SWs employed	Assumed Duty
Northern Cape	33	32	1 June 2020
Eastern Cape	171	175	1 June 2020
Western Cape	246	0	-
Limpopo	116	116	1 June 2020
Free State	92	92	1 June 2020
Mpumalanga	128	113	1 July 2020
North West	81	77 4	1 June 2020 1 July 2020
Gauteng	676	160	1 July 2020
KZN	266	222 46	1 June 2020 1 July 2020
TOTAL	1809	1037	

The social workers were identified from the Provincial databases of unemployed graduates and self-funded Social Workers.

The initial appointments were made from June and July 202 to August and September 2022 respectively (3 months). These contracts were extended from November to March 2021 when National Treasury confirmed additional funding. Due to the unavailability of Social Workers, the short periods of appointment and the fact that Western Cape did not participate resulted in the intended target of 1809 not being achieved as indicated in the report above.

The Department has had engagements with all the affected Sector Departments with a view to implementing Cabinet's decision on the employment of unemployed government trained social workers. It was currently drafting a strategy for the recruitment of the unemployed Social Service Professions. A draft focusing on the internal Public Service has been drafted and will be consulted with external stakeholders, NPO's, NGO's and the Private Sector as the second phase in 2022/23. A final strategy will be taken to Cabinet in the 2023/24 reporting period.

Approximately 4500 Social Workers who were recipients of the Government bursary are on the database maintained by Provincial Departments. Part of the strategy proposes that a joint bid be made to National Treasury for funding, supported by all the Sector Departments. This will make it possible for Sector Departments to employ Social Workers as all have the same dilemma of managing a reduced compensation budget.

9.2 National Development Agency

- The Committee noted with concern the non-payment of the second tranche of the CARA funding (Criminal Assets Recovery Account) to the majority of CARA recipients (CSOs). Some of these CSOs continue to provide GBV services despite lack of funding. Others had to scale down their services. It wanted to know the reasons of the non-payment. And when will the payments resume?

The NDA reported that the payment of the second tranche depends on the time a CSO received its first tranche. Some might still be busy using their first tranche. Secondly, the payment of second tranche is based on the CSO being monitored by the province and report to the national office to release of second tranche. In some cases, the submitted report might need correction to comply with payment requirements. In other instances, there would be delays in the payment because of outstanding documents. A total of 157 CSOs were paid in the second tranche. A total of 155 CSOs were not paid due to the reasons stated above.

- The Committee had observed that the NDA in the second and third quarter expenditure reports had reported an under expenditure with running costs exceeding income. However, in the annual report, the Agency reported 100% expenditure. It wanted to know how did it manage to turn around its financial status.

The NDA explained that it managed the overspending that was reported in previous quarterly reports by conducting a half yearly budget review in October 2020. Additional budget was reallocated to expenditure items that were overspending in the previous quarters from expenditure items that were underspending.

- It also noted with concern that the NDA only managed to achieve 78.9% of its planned targets but spent R262 370 million out of a total budget of R334 793. In this regard, it wanted to know how effective was the NDA in dealing with the socio-economic impact of Covid 19 pandemic as well as CSOs? It emphasised that expenditure of the NDA needs to be aligned with performance.

The NDA reported that the variance between 68% achievement of targets and budget utilisation of 78,9% was due to expenditure on overheads such as office rentals and other office running costs that are not linked to any organisational targets.

- The Committee requested the NDA to provide timeframes within which all outstanding investigations will be finalized.

The NDA reported that during the 2021 financial year, 421 transactions with a rand value of R 96,1 million from a cumulative balance of irregular expenditure of R 146 million reported in the financial statement for 2020 financial year were assessed, determined, investigated and submitted to National Treasury for condonation in accordance with the Framework determine by Treasury. These transactions were awaiting condonation and the remainder of the transactions were under investigation by Legal and Risk.

The remainder of the cases of Irregular expenditure will be completed by 31 March 2022. The appointment of the independent Loss Control Committee was approved by EXCO and will be finalised in December 2021. The committee will evaluate all outstanding cases with a view of ensuring they are finalised before end of the financial year.

In the interim, 6 out of 8 cases have been dealt with internally. These were referred to HR from Legal for processing, 6 have been concluded and those employees have signed the debt acknowledgement forms and the money has been deducted. An amount of R8 030.44 was immediately recovered from employees.

- The Committee also wanted to know the status of investigations on the alleged fraud and corruption that was reported to the Committee which it forwarded to AG's office? The AG reported that it had forwarded this matter to the NDA board.

9.3 South African Social Security Agency

- Similarly, to the Department, the Committee raised a concern over the AG's repeat findings on wasteful expenditure pertaining to no-shows (accommodation, car hire, car damage and flights). It wanted to know if there have been any officials who were held accountable for no-shows during the period under review and were any monies recovered. It also wanted to know the breakdown of the wasteful expenditure.

SASSA reported that it had recorded R1 million fruitless and wasteful expenditure. The fruitless and wasteful expenditure breakdown of the R1, 083, 218 as reported by AGSA is made up of the following (Refer to note no. 30 of SASSA Annual Report):

- **Interest and penalties R61, 147** which include a material amount of R58, 136.99 (R50, 000 with interest) paid to an official for the unfair disciplinary process and defamation of character as per the court judgement made on a matter employee vs SASSA. There were penalties and interest levied by municipalities relating to car renewals and accounts payments cycle negatively impacted by the pandemic making the balance of the amount.
- **Hotel no shows amounted to R8, 908** sometimes officials are booked and due to circumstances related to Covid-19 the accommodation could not be utilised. An amount of R 3,303.06 associated to a SASSA appointed Dr for disability assessment the amount was then deemed recoverable from the relevant doctor. Hotel no shows does not make a major portion of the fruitless and wasteful expenditure. All the cases have been finalised, four were finalised in the previous financial year (2020/21) and last one was finalised during the current financial year (2021/22). Three cases were written off and two are being recovered.
- **Payment made to a service provider R266, 760** the service provider did not render the service but claimed the money and a case of fraud was opened. The corrective disciplinary process was undertaken and the affected official who has since left the agency was cleared due to insufficient evidence of wrong doing. The agency was waiting for the outcome of the criminal case.
- **Other matters R746, 403 made out of the following amounts:**
 - a. R 549,942.75 salary paid to an official from KZN who was not at work, when SASSA requested the alleged sick notes could not get any. The employee has since been dismissed. We are currently trying to recover funds; she does not have enough pensions as she started work the past two years.

- b. R187,920.53 relate to salary paid to an official in Gauteng region together with legal costs (There is currently a disciplinary process underway to deal with this matter)
- c. R8, 381.20 a KZN official did not attend arranged training. The circumstances are being investigated.
- d. R158.52, a beneficiary was booked for medical assessment in the month the grant was still valid
- It also noted with concern that in the year under review the Agency's information technology system controls had a number of challenges leaving beneficiaries without any assistance, including financial assistance. It wanted to know what prevention systems has SASSA put in place in the 2021/2022 financial year.

SASSA explained that it relies on databases provided by various government departments and entities and this is not information which is within SASSA's control. However, given the findings of the Auditor General for the first cycle of the relief grant, SASSA has negotiated with the various departments to receive a refreshed database by the 15th of each month. Memorandum of Understanding (MOU's) have been entered into with NSFAS, GEFP and UIF to enable more frequent data sharing. The information from SARS comes directly from these institutions. SARS does not provide a database to SASSA but validate the ID numbers made available to them of all applicants, and send back the responses.

The implementation of the SRD grant on electronic validations has certainly revealed shortcomings in the information held by government and the lack of a comprehensive database of citizens. This is an issue which has been raised with the Presidency, so that the process of developing a single view of the citizen can be driven from the centre of government.

- The Committee noted with concern that an investigation on the R316 million irregular expenditure has taken over 7 years. It wanted to know what will happen to the interest incurred.
- The Committee wanted to know who will be liable for the Material Irregularity due to the payment of the R350 SRD Grant to people who didn't qualify. Considering that the CEO of SASSA said during one meeting of the PC that SASSA will not be seeking to recover monies from ordinary citizens, will these monies a) be recovered from the Executives of SASSA? b) how far has SASSA gone in the period under review to recover the R350 that was irregularly paid to Government officials?

SASSA explained that it will not be possible to hold any SASSA official liable, since the irregularity is as a result of its reliance on various databases over which SASSA has no control. In particular, the databases that the AG relied on in conducting the audit were not identical to the ones that SASSA was provided by the various government institutions, since they were drawn at different times. In some instances, the AG was able to access databases to which SASSA had no access. The monies cannot be recovered from SASSA officials, since they have not been found guilty of any deliberate acts of financial misconduct or fraud in this regard. SASSA has sent letters to the relevant Departments for assistance where officials have been confirmed to have improperly received the grant. SASSA was still waiting for the responses from those departments.

- It also noted with concern that SASSA reported that operations of the call centre was still work in progress. This was concerning because a number of applicants have complained for not being able to be attended to.
- It noted that SASSA reported awarding 158 866 food parcels as part of SRD. It however wanted to know how accurate is this figure considering the AG's finding of possible double dipping as this process was done manually.

10. RESOLUTION

- The Department to provide the Committee with a list of physical addresses and contact details of 14 completed community centres, report on their operational status, the names of operating service providers and of the building providers.
- The Committee to organize a meeting with the Department and its entities to be briefed on the action plans to address AG's findings and recommendations.

- Request for a follow up meeting with the portfolio to discuss the impact of the annual plans in service delivery
- The Committee to organize a meeting with the Department and its entities to be briefed on the outcomes of consequence management.
- The Department and its entities to provide the Committee with the names of service providers that were involved in uncompetitive and unfair procurement practices as found by the AG.
- The Department to brief the Committee quarterly the action plans on the progress made in implementing the recommendations of the Auditor-General.
- The Department to brief the Committee on the assessment report on the impact of the Social Relief of Distress Grant (SRD Grant) highlighting its findings and recommendations. This should include future prospects of the Grant as well as the Basic Income Grant.
- The Department to brief the Committee on the status of the Sanitary Towel Programme, its budget allocation and expenditure.
- The Committee to intensify its oversight over the performance of the National Development, particularly to monitor how it delivers on its core mandate programmes and the impact they have on people's lives.
- SASSA to brief the Committee on the outcomes of its skills audit on its employees as it was found that some employees did not have appropriate qualifications.
- The Department of Social Development and the Department of Communications and Digital Technologies to brief the Committee on the impact of the closure of some branches of the South African Post Office on the payment of social grants.

11. RECOMMENDATIONS

11.1 Department of Social Development

- The Minister should ensure that the social development portfolio, particularly SASSA and the NDA before the end of the 2021/2022 financial year complete all investigations on historical irregular expenditure, fruitless and wasteful expenditure. Debts owed should be recovered and necessary consequence management should be taken. The portfolio should provide the Committee with regular reports.
- The Minister should also ensure that within the 2022/2023 financial year the Department conducts strict oversight over the provinces to ensure timely payment of NPOs to avoid underspending on this function. NPOs play a vital role in addressing the plight of vulnerable groups especially during this time of Covid 19 pandemic.
- The Minister should also ensure that within the 2022/2023 financial year the Department eliminates all the bottlenecks that delayed the payment of the ECD Stimulus Relief Fund to the majority of qualifying ECD centres. The Department should also have a programme that will assist the ECD sector to apply for the Fund. Equally, the Department should strengthen its communication strategy with its stakeholders to ensure that they are well informed about the Department's programmes and policies.
- The Minister should also ensure that within the 2022/2023 financial year the Department together with the Department of Education roll out phase 3 of the Vhangasali Programme. The Department should provide the Committee with quarterly progress reports on the implementation of this programme and the payment of the ECD Stimulus Relief Fund
- The Minister should also ensure that the Department on quarterly basis reports to the Committee on the statistical analysis, findings and impact of the work of the Gender Based Violence Command Centre.
- The Minister should also ensure that the Department in its 2022/2023 Annual Performance Plan includes the target to train 100 master trainers on parenting programme. This is essential to support and strengthen family bonds.
- The Minister should also ensure that within the 2022/2023 financial year the Department implements the payment of the Child Support Grant Top-Up as legislated in the Social Assistance Amendment Act (No.16 of 2020).

- The Minister should also ensure that before the end of the 2021/2022 financial year that the Department fills all the vacant critical positions, especially the Director-General position.
- The Minister should also ensure that the Department prioritizes the employment of people with disabilities to reach the official target of 2%. Equally, the Department should ensure that more schools for children with special needs are constructed and are adequately funded.
- The Minister should ensure that the Department updates its website regularly and ensure that all newly completed policies are available.
- The Minister should ensure that the Department should before the end of the 2021/2022 financial year submits to the Committee a detailed report on investigations into the unlawful payment of the R350 grant to ineligible beneficiaries and provide a detailed report on consequence management, collection and prosecution.
- The Minister should ensure that within the 2022/2023 financial year the Department employs permanent social workers including social work managers and supervisors. It should also make sure that each ward has a social worker deployed.

11.2 National Development Agency (NDA)

- The Minister should ensure that within the 2022/2023 financial year the NDA pays out second tranches of the Criminal Assets Recovery Account (CARA) to the qualifying recipients (CSOs).
- The Minister should also ensure that before the end of 2021/2022 financial year the NDA board conducts investigation and reports to the Committee on the allegations of fraud and corruption that were referred to it by the office of the Auditor-General.
- The Minister should ensure that within the 2022/2023 the NDA improves its performance by meeting its quarterly targets and budget expenditure, especially on the core programmes. There should be a visible real time impact of these programmes on the lives of the people.
- The Minister should also ensure that the NDA within the 2022/2023 financial year fills the vacant post of the Chief Executive Officer (CEO).
- The Minister should also ensure that before the end of the 2021/2022 financial year the NDA reports to the Committee on the R29 million irregular expenditure with regard to the Volunteer Programme. It should also report on its future plans for this programme.
- The Minister should also ensure that the NDA reviews its food and nutrition programme to make it focus more on skills development and enable communities to be self-sustainable.

11.3 South African Social Security Agency

- The Minister should ensure that within the 2022/2023 financial year SASSA resolves all challenges relating to information technology system controls, particularly the social grant payment system to ensure that all beneficiaries are paid at the right time.
 - The Minister should also ensure that within the 2022/2023 financial year SASSA makes sure that its call centre is fully functional and adequately resourced. There should also be a skills and knowledge transfer from the service provider to SASSA employees for long term benefit.
-