

ANNUAL REPORT

2022-2023

Building a Caring Society. Together.

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social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA



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PART A: GENERAL INFORMATION



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social development

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REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF SOCIAL DEVELOPMENT

The Hon. Ms Lindiwe Zulu
Minister of Social Development
Private Bag X 855
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Honourable Minister

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

I have the pleasure of presenting the Annual Report of the Department of Social Development for the year 1 April 2022 to 31 March 2023.

The Annual Report has been prepared as required by section 40 (1) (d) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and Part III J3 of the Public Service Regulations, 2001.

A handwritten signature in black ink, appearing to read 'Linton Mchunu', written over a horizontal line.

Linton Mchunu
Acting Director-General

3: Foreword by the Minister



It is with great satisfaction that we present the annual report of the Department of Social Development (DSD) for the financial year under review. During the period under review, we continued to implement a range of policies and legislation to intensify our efforts to fight poverty and improve the lives of ordinary South Africans. This report outlines our achievements in all key areas of work and bears testimony to our continued determination to realise this goal.

We, the Department, and its Entities (SASSA and NDA) remain conscious of the fact that we are one of the government institutions at the forefront of improving the lives of the majority of our citizens. As such, we strengthened efforts to expand our services to people with disabilities, victims of gender-based violence (GBV), the elderly and those affected by COVID-19. Our efforts have seen an increase in the number of Social Grants Beneficiaries from 18.6 million in 2021/22 financial year to 18.8 million. An increase in the number of Social Relief of Distress Grant Beneficiaries to almost 11 million beneficiaries, was one of the notable highlights of the period under review.

Our programmes are part of government-wide initiatives expressed through the National Development Plan. During the period under review, a number of policies and legislation are at different phases of development within Social Security. These policies and legislation are part of the targeted outcome to reduce levels of poverty, inequality, vulnerability and social ills.

To this end, we submitted and presented the Draft Policy on Voluntary Cover for Retirement and Risk Benefits for Atypical and Informal Sector Workers to the Social Protection, Community and Human Development (SPCHD) Forum of Director-Generals (FOSAD) Cluster. Although South Africa has a highly regarded framework of social assistance, social insurance and a large private and occupational-based pension system, existing provisions are not tailor-made to the needs and circumstances of atypical and informal sector workers. This results in poor social security coverage for this vulnerable category of workers, which exacerbates income poverty in old age. This policy work therefore seeks

to establish measures that will result in basic contributory income security for those workers in atypical and informal work environments in the event of life cycle contingencies.

We also led the refinements of the Green Paper on Comprehensive Social Security, following its withdrawal from public comments in the 2021-22 financial year to allow for further refinements and technical consultations. Due to the wider scope of issues covered in the paper, the Department is finalising the processes for Government to issue a public call for comments which will guide the development of the White Paper on Comprehensive Social Security. The overall objective is to ensure that a system of comprehensive social security is established in South Africa that combines social redistribution, social insurance, and voluntary individual insurance.

In contributing to topical policy debates, we commenced the work towards the publication of the second Social Security Bulletin Review. The call for chapters was completed and diverse authors were selected to provide evidence-based research contributions in the second edition. Arising from the inaugural edition, the Department remains committed to providing platforms in which various stakeholders participate and provide thought leadership in topical policy debates

The process of amending the NPO Legislation as per Financial Action Task Force (FATF) through Omnibus commenced in November 2022 and the NPO Amendment Bill was amended as part of the General Laws (Anti-Money Laundering and Financing Terrorism) Amendment Act, 2022 (GLAA) as introduced by National Treasury. On 31 December 2022, the President of the Republic of South Africa, Mr. Cyril Ramaphosa approved the Bill into General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Act, 2022 which is now inclusive of the objectives of amendments to the NPO Act.

The devastating impact of floods in provinces such as KwaZulu-Natal called for immediate and emergency relief to provide food to vulnerable individuals and households. The Food and Nutrition Security Programme contributes to the goal of improving access to diverse and affordable food. These interventions are part of the targeted outcome to reduce levels of poverty, inequality, vulnerability and social ills. During the reporting period, Food Safety and Quality Assurance (FSQA) was initiated to mitigate the risk of contamination and food poisoning in the handling, preparation and food service within the provincial DSD food centres. The FSQA toolkit is under development in partnership with UNICEF, and the FSQA Assessment tool was developed. Moving forward, we seek to strengthen FSQA capacity through training within all the DSD centres.

As part of strengthening the legislation of the victim empowerment services, we are in the process of finalizing the Victim Support Services (VSS) Bill. The Policy on Victim Support Services was approved by Cabinet insert month date. Both the VSS Bill and Policy seek to address

3: Foreword by the Minister

the gaps identified in all the existing victim empowerment legislation including the challenges in the provision of sheltering services. The VSS Bill was gazetted, and it will be presented to Cabinet for introduction to Parliament in 2023/24.

During the reporting period, we have intensified our efforts to fight the scourge of Gender Based Violence and Femicide. Through the introduction of 100 GBV ambassadors and the deployment of 50 social workers to provide psychosocial services in the 30 identified National hotspot. During the period under review, we partnered with the Department of Women, Youth and Persons with Disabilities to have the Presidential Summit on GBV and Femicide in November 2022. We are a leading department in the implementation of Pillar 4, Response, Care, Support and Healing. Furthermore, we have developed, consulted, and approved two policies being Intersectoral Shelter Policy and the Policy on Provision of Psychosocial Services. Both policies are meant to standardise services offered to victims of GBVF.

We continued to provide psychosocial services to over 53 000 victims of GBV and Femicide, through the Gender Based Violence Command Centre. More communities are reached by the Command Centre through community campaigns on education and awareness raising on GBVF and services of the Centre. All these efforts contribute to Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services

The Department is in the process of reviewing the White Paper on Families. To this end, and as part of the broader consultations, we presented the White Paper on Families to the Technical Working Group (TWG) to the FOSAD. The White Paper was first gazetted and subsequently consulted with civil society organisations in all the nine provinces. The White Paper seeks to provide guidelines and strategies for the strengthening of families in South Africa as well as realisation of their well-being through the strengthening of communities as support networks for families. The White Paper seeks to prevent the family from disintegration and vulnerability. It further seeks to change the unfavourable conditions affecting families and communities.

The Department as the custodian of children with a responsibility to care for and protect children whilst ensuring their well-being is concerned about the high levels of vulnerability, abuse, neglect and exploitation of children as these factors contribute to teenage pregnancy. We recognise the persistent challenges of teenage and unplanned pregnancies that continue to have a significant impact on the quality of life and economic status of young people, especially young girls.

Social and structural factors such as poverty, inequality, inadequate access to quality education, alcohol and drug use increase vulnerability to teenage pregnancy, HIV and STIs. Teenage pregnancy is exacerbated

by deep-rooted and pervasive gender inequalities. Our interventions include, but not limited to:

- Research studies are conducted to contribute to an increased understanding of factors associated with teenage pregnancy.
- Social behavioural change programmes targeting children, men, boys, traditional leaders, families, and communities.
- Psychosocial support services (PSS) for children who experienced trauma through sexual violation and abuse.
- Substance abuse prevention programmes through awareness campaigns conducted in schools.
- Early intervention programmes to interrupt the progression of substance abuse to higher levels of dependence or risky behaviours and
- Accessing children through the Integrated School Health Programme (ISHP).

We continued to implement social and behavioural change programmes to address risky behaviours and harmful social norms as one significant component of the existing package of social services. The programmes include the following:

- Parenting skills training for parents and teenage mothers.
- “Ke moja” awareness raising campaigns on substance abuse.
- Anti-Gangsterism programme as part of social crime prevention.
- Educational programmes and peer support groups offered in partnership with NPO’s, such as DREAMS, Chommy, Soul City to mention the few.

On the international desk, we continued to participate in a number of high-level bilateral and multilateral exchanges through which we promoted South Africa’s foreign policy goals and elevated our country’s social development policies and programmes to regional and global scrutiny. Some of the most notable institutions in which we participated include 55th Session of the United Nations Commission on Population and Development which took place in April 2022 and the 55th Session of the Commission on Development and Development.

In conclusion, I wish to thank the Deputy Minister, the Acting Director-General, the staff of the national department, the agencies, provincial departments, and social partners who continue to make contributions towards Building a Caring Society, Together.



Ms. Lindiwe Zulu, MP

Minister of Social Development

4: Statement by the Deputy Minister



During the year under review, the Department intensified its efforts to fight poverty and to improve the lives of ordinary South Africans. The achievements reflected in this report bear testimony to our continued efforts to realise this goal.

The Department is one of the main government institutions tasked with improving the lives of the majority of our population. As such, we developed new policies and reviewed existing ones to ensure the effective provision of services to people with disabilities, those affected by HIV and AIDS and community development.

The Policy on Social Development Services to Persons with Disabilities was approved to be gazetted for public comments by Cabinet in November 2022. The Policy has been translated into IsiZulu, the second most spoken language in the country and will be printed and made available to all interested parties in English, IsiZulu, braille, children's version, audio, summarized versions of tactile and other accessibility means. Furthermore, during the reporting period, the Department supported and funded DPOs with a focus on marginalized sectors such as Deaf Blind Organisation of South Africa and Autism South Africa.

We continued to intensify our efforts in reducing risky behaviour among children and youth, promoting access to universal treatment, care, psychosocial support and wellbeing among the targeted key populations. We focused on community conversations on addressing the social and structural drivers of HIV and AIDS and to strengthen the capacity of communities and systems to address this challenge. Through these efforts, the Department will be better placed to contribute to the realisation of the goal of a long and healthy life for all South Africans. We capacitated an additional 648 social service professionals (SSPs) on the SBC Compendium. A total of 446 Social Service Practitioners were orientated on HIV Testing Services (HTS) guidelines in Eastern Cape, Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, Northern Cape, North West and Western Cape provinces. The guidelines enhance the social service sector's responses in relation to improving access to HIV testing, treatment and adherence support to those affected by HIV.

We officially handed over two Community Care Centres (CCCs) to the North West Provincial DSD in partnership with the German Development Bank. A further milestone in this regard is the opening of a 20-seater state-of-the-art multimedia centre at Idlebe CCC in KwaZulu Natal province in partnership with the MTN SA Foundation.

The levels of violence directed at vulnerable groups, especially women, children and older persons remain unacceptably high. As part of our contribution to the reduction of social crimes, the Department facilitated the implementation of the Integrated Social Crime Prevention Strategy by providing training to other government departments and civil society organisations. Furthermore, we implemented DSD Anti-gangsterism Strategy in reaching an additional (9) nine High Risk Districts to the ones reached in FinYr2021/2. The High-Risk Districts and targets reached included: Xhariep District (Zastron), eThekweni Metro (Wentworth), Francis Baard District (Pampierstad), Sarah Baartman District (Humansdorp), Dr Kenneth Kaunda District (Jouberton), Sedibeng (Sebokeng and VanderBijl Park), Capricorn District (Polokwane), Vhembe District (Biaba) and Gert Sibande District (Secunda). The interventions targeted parents and children from schools. With the aim to create awareness, prevention, and early intervention on gangsterism, knowing its causes and signs and where to get help.

Interventions were also undertaken at 14 institutions of higher learning and colleges through the provision of prevention and early intervention information and skills. These are measures were implemented with anticipated outcomes for reducing social-ills, empowering children, youth and parents with comprehensive knowledge of crime prevention related aspects.

The Department in collaboration with the provincial counterparts and stakeholders hosted a series of seminars across the country on the developmental issues on Population. The seminars culminated in a Conference on Sexual and Reproductive Justice (SRJ), which was held in March 2023. The overall purpose of the SRJ Conference was to promote and strengthen the inter-connectedness of research, training, policy, advocacy, and practice to facilitate SRJ in South Africa. The key learnings from the seminar series and the conference will lead to the development of a National Sexual and Reproductive Justice Strategy to promote SRJ in the country.

Civil Society Organisations (CSO) play an important role in delivering services to communities, especially those who remain beyond the reach of government, because of the limited resources at our disposal. The Department implemented a range of national interventions to improve the registration, compliance and access to information for non-profit organisations (NPOs), especially within the Faith-Based Sector through the "Know Your NPO Status" and Service Delivery Blitz. Both initiatives were aimed at bringing NPO services closer to communities especially

4: Statement by the Deputy Minister

those in far flung areas where access to services remains a challenge and to also educate them on financial crimes that the NPO Sector is vulnerable to, namely money laundering and terrorism financing. The outreach was held in partnership with other stakeholders such as NLC, FIC and SARS. To date over 2 900 NPOs were reached.

The creation of an inclusive and caring society can only be realised through the efforts of all South Africans. Civil society organisations are and continue to be an integral part of this process. Following the floods in the Province of KZN and Eastern Cape the Department mobilised donations aimed at providing relief to the affected communities and families. We wish to express our sincere gratitude to all the government departments who facilitated these donations, foreign missions and embassies for their countries' support, the private sector, civil society organisations, families, individuals, and government employees across all three spheres for your immeasurable contributions and hard work. Substance Use Disorder (SUD) remains one of the deeply entrenched challenges in our society. During the period under review, we upscaled the rolling out of the Universal Treatment Curriculum (UTC) to strengthen the provision of evidence-based treatment modalities and application of treatment tools for Substance Use Disorders concerning treatment, care, rehabilitation, recovery and support.

As we increase our efforts and interventions in addressing challenges posed by SUD in our country, we need to escalate the Harm Reduction agenda. Over the years we have seen how punitive efforts have not yielded the desired results, instead they have managed to infringe more and more on the rights of people who use drugs. Shifting our focus towards Harm Reduction ensures that we first and foremost treat people who use drugs as people first and that we don't impose interventions on them, but rather work with them in designing programmes and policies.

As we upscaled our commitment towards support for key populations such as sex workers. We held more dialogues with the sector to support and prepare for the "The Road to Decriminalisation of Sex Work" and to also support in addressing and bringing to the fore challenges such as access to services including reproductive health rights services. Two more provincial dialogues were held in the Northern Cape and Eastern Cape.

One other significant milestone I would like to highlight is our commitment towards the realisation of the objectives of the District Development Model (DDM) and ensuring its success. The interventions undertaken under the DDM over the past year have impacted many lives, especially of those in rural communities.

I therefore take renewed pride in the efforts of civil society organisations in working towards the execution of our mandate. I wish to thank the Minister, the Acting Director-General, the staff of the Social Development Portfolio and our provincial counterparts for their support during the foregoing period.



Ms Hendrietta Bogopane-Zulu
Deputy Minister of Social Development



Overview of the operations of the department

The Department of Social Development is mandated by the National Development Plan (NDP), Vision 2030 to provide comprehensive social development services to the poor and vulnerable in our society. It leads government efforts to forge partnerships through which an enabling environment is created to ensure that vulnerable individuals, groups, and communities receive the necessary support and assistance to become self-reliant participants in their development. During the year under review, the Department has remained committed to its effort to strengthen social welfare service delivery through legislative reforms; and expansion of social services to the poor, and vulnerable. Our community development work remained steady alongside our extensive social assistance program and commitment to a comprehensive social security agenda.

This Annual Report provides an account of the financial and service delivery performance of the Department as outlined in the Annual Performance Plan (APP) for 2022-2023 financial year. The report therefore provides progress registered by the Department and its efforts towards maintaining the highest standards of governance in the management of public finances and resources.

The delivery of our services was in an environment marked by high levels of poverty, unemployment, and inequality as well as the rising incidences of social ills such as gender-based violence, and substance and child abuse. The increasing levels of unemployment in our country meant that we must play a key role in increasing the provision of a safety net for the poor, marginalised, and vulnerable members of our society. We remained at the forefront of government to deal with these issues, placing demand on the Department to increase access and quality of its services.

In response to the government's call to tackle the triple challenges of poverty, unemployment, and inequality, we continued to play a key role in providing a safety net for the poor, marginalized, and vulnerable members of our society in line with the goals espoused in the National Development Plan (NDP).

The Social Assistance Programme is undoubtedly the single most significant contributor to the fight against poverty and inequality. This program witnessed its largest expansion yet, resulting in almost 18 million individuals benefitting from the social safety net. Several policies and legislations were considered and are at different stages of development and are part of the targeted outcome to reduce levels of poverty, inequality, vulnerability, and social ills. These policies include; the integration of children's grant beneficiaries with other government services, addressing income support needs for the missing middle, 18-59-year-olds, closing social security gaps through voluntary cover for retirement and risk benefits for atypical and informal sector workers as well as maternal support interventions. Consultations with stakeholders are at the advanced stage and reports were produced reflecting the insights received.

Furthermore, the Department is finalising the development of the Social Security Bill. Consultations with various stakeholders were conducted including amongst others Wits University and the International Labour Organization (ILO) and the Technical review team on the Green Paper on Comprehensive Social Security. Due to the wider scope of issues covered in the paper, the Department is finalising the processes for Government to issue a public call for comments which will guide the development of the White Paper on comprehensive social security. Refinements to the Green Paper were completed with the assistance of the appointed Technical Expert Panel. The Bill will improve the coverage and adequacy of social security benefits and the responsiveness of the institutional framework to ensure universal coverage through coherent policymaking and equitable financing.

The Social Assistance Appeals provide an effective, efficient, and accessible social assistance appeals service for applicants and beneficiaries of social assistance. It provides access to their constitutional right to administrative justice by ensuring that the administrative decisions taken by the Agency (SASSA) in relation to grant applications are timeously reviewed (by an Independent Tribunal) to ensure they are lawful, reasonable and procedurally fair. During the reporting period, the Department adjudicated 57.34% of appeals (2 763 of 4 819) within 90 days of receipt.

5: Report of the Accounting Officer

Regarding our Welfares Services, attempts were made to strengthen families and communities and the realisation of their well-being. The Department presented the revised white paper on families to the relevant governance structures and implemented innovative programs such as the Sinovuyo Digital Parenting. The Program seeks to improve caregiver-teen relationships through active social learning, caregiver mental health through social support and caregiver-teen communication about risky situations for teens in the community. During the period under review the Department monitored Sinovuyo programme in Gauteng and Western Cape provinces to ensure effective implementation. A total of 200 caregivers and their teenagers were reached and engaged in a structured working group setting.

The Department remains a custodian of children and has a responsibility to care and protect children whilst ensuring their well-being. The Department noted with concern the high levels of vulnerability, abuse, neglect and exploitation of children, and teenage pregnancy which is exacerbated by deep-rooted and pervasive gender inequalities. In response to this, we implemented our social and behavioural change programmes to address risky behaviours and harmful social norms as one significant component of the existing package of social services. The Child Protection Campaigns were rolled out in districts with high levels of teenage pregnancies and addressed other issues affecting children. The Child Protection Month Launch was held on 29 May 2022 in the Eastern Cape the closing was held on 05 June 2022 in Kwa-Zulu Natal, Umfolozi Local Municipality.

Capacity building of the sector workforce is a priority that was identified in the NDP and the MTSF. In 2022/23 financial year, a total of 2 929 social service practitioners were capacitated representing 40% of the baseline. A total of 445 Social Service Practitioners were orientated on HIV Testing Services (HTS) guidelines in Eastern Cape, Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, Northern Cape, North West and Western Cape provinces. The guidelines enhanced the social service sector's responses in relation to improving access to HIV testing, treatment and adherence support to those affected by HIV.

The Department continued to scale-up the implementation of primary prevention of sexual violence and reducing the incidence of HIV and AIDS amongst children and youth through Social and Behaviour Change programmes (SBC). Interventions in this regard included programs such as the YOLO for 15 - 24 years, Chommy for children aged 10-14 years. These SBC programmes directly contributed to preventing teenage pregnancy by empowering young people with knowledge and skills to prevent and reduce risky sexual behaviours. The project surpassed its 95% treatment line mark by achieving 99.7%.

A total of 1 245 of adoptions have been registered in the Adoption Register with the breakdown of 1 137 being National and 108 being International Adoptions respectively. This implies that those children

have been afforded life placement with those families. In addition, 396 Social Workers were trained on Adoption Policy Framework and Strategy.

Provinces were closely monitored by the national office on the implementation of the foster care programme of action. In line with the North Gauteng High Court Order which was extended on 11 November 2022 and is due to lapse in November 2023. The national office and provinces submitted the quarterly progress reports to the High Court. The White Paper on Social Development was tabled before NEDLAC following the recommendations of the Cabinet Committee meeting in November 2021 and a task team was established consisting of social partners from Business, Community, Labour and Government Constituencies to engage on the contents thereof. A NEDLAC Report arising from the discussions was developed in July 2022 and approved by the task team in August 2022.

In response to the gaps in the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008) and the challenges faced by the Social Development Sector, the Department developed the National Drug Master Plan (NDMP) 2019 - 2024 and capacitated seven (7) public treatment centres on the implementation of the Universal Treatment Curriculum (UTC). The UTC capacity-building sessions were meant to ensure the implementation of effective, standardised, and evidence-based treatment modalities and tools for the management of Substance Use Disorders.

The draft Prevention of and Treatment for Substance Use Disorders Policy was consulted extensively with many stakeholders including various government departments, and inter-governmental relations structures. The Policy will contribute to the attainment of targets in Goal 5 of the National Development Plan (NDP) Vision 2030, and NDP, Priority 4: Prevent and reduce the disease burden and promote health. The Department also commemorated the International Day against Drug Abuse and Illicit Trafficking on the 26th of June 2022, at Lavenderhill, Western Cape Province in protection of the right to health for the most vulnerable, including youth and people with drug use disorders.

On matters of GBV, the Department is in the process of strengthening the legislation of the victim empowerment services. The development of the Victim Support Services (VSS) Bill is at an advanced stage. A policy on Victim Support Services was approved by the Cabinet. Both the VSS Bill and Policy seek to address the gaps identified in all the existing victim empowerment legislation including the challenges in the provision of sheltering services. The VSS Bill was gazetted and the office of the state law advisers completed the processing of public the comments on the Bill.

5: Report of the Accounting Officer

Further on GBV, the Department has enhanced its response services in the thirty National GBVF hotspots through 100 GBVF ambassadors and 50 Social Workers deployed to provide psychosocial services in the hotspot areas across the country. The Department has in partnership with the Department of Women, Youth, and Persons with Disabilities supported the Presidential Summit on GBV and Femicide.

In strengthening the implementation of Pillar, Response Care Support and Healing of the National GBVF Strategy, the Department developed and consulted on two policies, the Intersectoral Shelter Policy and Policy on Provision of Psychosocial Services which are meant to standardise services offered to victims of GBVF. During the reporting period, the Gender Based Violence Command Centre provided psychosocial services to over 53 000 victims of GBV and Femicide. More communities were reached by the Command Centre through community campaigns on education and awareness raising on GBVF and services of the Centre.

On the Community Development front, the Department continued with the Implementation of the National Food and Nutrition Security Plan (2018 -2023). During the reporting period, seven provinces (7) except for Gauteng and Eastern Cape were assisted in developing Provincial Food and Nutrition Security Plans (PF&NSP) as part of rolling out the implementation of the National Food and Nutrition Security Plan (NF&NSP) in the provinces. The Department has also initiated the Food Safety and Quality Assurance (FSQA) to mitigate the risk of contamination and food poisoning in the handling, preparation, and food service within the DSD food centers.

Other achievements are in the area of Non-Profit Organisations, (NPOs) where the Department implemented a range of national interventions to improve the registration and access to information on non-profit organisations (NPOs). The Department received a total of 28 306 applications from organisations seeking registration and 27 898 (98.6%) were processed within two months of receipt. During the reporting period, the Department visited seven provinces to implement its campaign “Know Your NPO Status (KYNS)” The services rendered during the campaign included compliance status, printing of compliance letters, collection of annual reports and other post registration services. The Department reached 5,400 NPOs through this initiative.

The Department is also on course in the implementation of the National Youth Policy. A monitoring report on the implementation of the Policy in all nine provinces was produced. The report highlights the achievements, challenges and areas that require service delivery improvement. The Department has through its Social Mobilisation and Community Empowerment programme, capacitated 18 Districts in facilitating and addressing complex social issues that are experienced by communities; and provide community-driven solutions that are required in transformative processes.

Whilst the Department is satisfied with the current performance, we equally take cognizance of the harsh realities exacerbated by the rising cost of living, the severe load shedding, and the dire state of our people who are dependent on our services for their livelihoods. Going forward, we commit to keep a bull’s eye focus on pre-determined objectives, priorities, and promises made during this term and to make sure that we consolidate all the gains and expedite on any outstanding projects in the current administration which is tapering to an end.



Linton Mchunu
Acting Director General

5: Report of the Accounting Officer

Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	-	-	-	-	30	30
Interest, dividends and rent on land	1 089	2 251	1 162	2 616	1 037	(1 579)
Sale of capital assets		488	488			
Financial transactions in assets and liabilities	22 261	329 336	307 075	21 490	21 201	(294)
Total	23 350	332 075	308 725	24 106	22 268	(1 843)

Programme Expenditure

Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	540 485	539 076	1 409	474 797	472 269	2 528
Social Assistance	239 132 592	233 037 419	6 095 173	224 542 226	222 717 897	1 824 329
Social Security Policy and Administration	7 505 989	7 489 527	16 462	8 072 401	8 052 807	19 594
Welfare Services Policy Development and Implementation Support	313 492	295 255	18 237	1 516 316	1 505 208	11 108
Social Policy and Integrated Service Delivery	362 334	360 587	1 747	366 378	360 751	5 627
Total	247 854 892	241 749 207	6 133 028	234 972 118	233 108 932	1 863 186

5: Report of the Accounting Officer

The Budget

The initial budget allocation for the National Department of Social Development for the 2022/23 financial year amounted to R257,001 billion. During the Adjusted Estimates of National Expenditure and the 2nd Adjusted Budget processes, the following adjustments were approved to the voted funds to the National Department of Social Development:

- An amount of R15,531 million has been additionally allocated to the National Department of Social Development for the Annual Cost of Living increases relate to Compensation of Employees.
- Approval was granted to write-off an amount of R537.7 million related to Social Assistance Debtors in the 2022/23 financial year. Savings under Programme 2 Social Assistance, transfers to households will fund the debtor's write-off under "payments for financial assets" for the 2022/23 financial year.
- R5.462 billion has been declared as savings in the 2022 Adjusted Estimates of National Expenditure and R3,7 billion during the 2nd Adjustment Budget due to low uptake of the R350 Social Relief of Distress grant following the lower income threshold and bank verification of applicants' income.

This revised the budget allocation of the Department to R247,854 892 billion for the 2022/23 financial year.

Virements

The Department applied the following virements at the end of the 2022/23 financial year:

1. Programme 1: Administration

An amount of R26,816 million was approved to be shifted from Programme 3 to Programme 1 to fund the increased expenditure related to the personnel costs as a result of misalignment of the budget structure, prior year accrual expenditure as a result of increased expenditure related to the payment of the of the Telkom Toll-Free line as well as centralized payment of the IT refresh in the procurement of laptops for social development employees.

2. Programme 3: Social Security Policy and Administration

An amount of R26,816 million was approved to be shifted from Programme 3 to Programme 1: Administration for increased spending programmes during the 2022/23 financial year.

Unauthorised, fruitless and wasteful expenditure

Reasons for Irregular Expenditure and Unauthorised Expenditure.

- Non-compliance with the Public Finance Management Act, Act 1 of 1999.
- Supply Chain Management processes were not followed.

Reasons for Fruitless and Wasteful Expenditure

- Damages to hired vehicles
- Hotel no-show

Irregular, fruitless and wasteful expenditure

Expenditure	R'000
Irregular Expenditure	18 238 000.00
Fruitless and Wasteful Expenditure	303 000.00

Steps taken to address and prevent recurrence

- Cases of Irregular, Fruitless and Wasteful Expenditure were investigated and presented to the Loss Control Committee.
- The Department continues to enforce the recently revised Subsistence and Travel Policy as well as the Financial Misconduct Policy.
- Facilitated, coordinated and provided guidance and advice in terms of audit queries through the implementation and monitoring of the audit action plan.
- Cases were referred to the Labour Relations to institute disciplinary processes against officials found liable for irregular, fruitless and wasteful expenditure.
- Cases were referred to Finance to create a debt in order to recover expenditure from officials who were found liable for financial misconduct through the recommendations of the Loss Control Committee.

Future Plans of the Department

The Sixth Administration of the South African Government adopted seven priorities over the 2019 to 2024 Medium Term Strategic Framework (MTSF). These priorities provide a practical Framework within which government is implementing the National Development Plan (NDP). The Department is leading coordination of social protection imperatives outlined in the NDP through priority number 4, namely "Consolidating the social wage through reliable and quality basic services". The Strategy Management and Transformation unit has a responsibility to coordinate the implementation of the commitments in the 2019 to 2024 Medium Term Strategic Framework (MTSF), as derived from Priority 4. This programme has a responsibility to facilitate alignment between the MTSF Priority 4, the Strategic Plans and APPs of the DSD sector.

The DSD has concurrent functions, with a responsibility to coordinate the development and review of sector-specific plans, standardization of gender sensitive (including disability) indicators and to provide policy direction that is gender transformative and establish processes for engaging with provincial departments of social development and public entities. This is intended to ensure that plans and related timelines are synchronised with national and provincial planning timeframes and are aligned to the government and sector priorities.

5: Report of the Accounting Officer

The DSD developed a Sector Strategic Plan that articulates the mandate, vision, mission, impact, outcomes and indicators for the national and provincial departments and entities. Provincial departments and entities are expected to contribute to the common impact through the outcomes. Since the beginning of the new MTSF, the DSD sector develops the APPs which contributes to the impact of “Improved quality of life for the poor and vulnerable”. In ensuring the contribution this, these APPs were assessed to ensure alignment to the impact and the outcomes. The annual reports of the DSD sector are beginning to reflect on the progress made towards the achievement of the five-year impact and outcomes.

The Social Development Sector adopted a mantra “Building cohesive, resilient families and communities by investing in people to reduce poverty and vulnerability to create sustainable livelihoods” to re-invent the DSD Sector. The development of the Sector Strategic Plan and the adoption of the mantra provides evidence of the start of a paradigm shift to ensure that all plans begin to address the felt needs of our people.

The key aspects of this change of “paradigm” are summarised below:

Then	Now
Business as Usual	Reimagined/ reinvented DSD
Working Individually	Working together as a sector
Regional delivery model	District delivery model
Focus on outputs	Focus on Impact

To expand on this paradigm shift and unpack the Social Development Sector mantra, an Imvuselelo (Revival) was held in September 2021 to advance the commitment of re-inventing the DSD Sector/Portfolio. The Imvuselelo was preceded by a series of round-tables on the following topics: Digital Transformation and Innovation, Improving Service Delivery Excellence within the NPO Sector, Sustainable Livelihoods, Social Welfare Index, State of Children in South Africa, Future Funding for the DSD Portfolio as well as Practically Implementing the District Development Model for the DSD Portfolio.

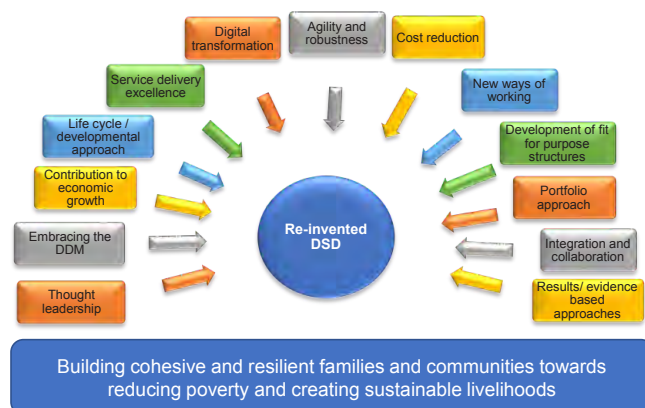
The key focus was to create a shared understanding of where the sector is, where it wants to go to and how it intends on getting there, whilst clearly identifying the various actions, projects and initiatives that will be carried out in the 2022/2023 financial year and beyond. The roundtables and the Imvuselelo resulted in several outputs to inform future planning within the sector. These outputs include:

- Create jobs for youth, women and persons with disabilities
- Link beneficiaries to economic opportunities
- Sector service delivery model designed – including shared services model
- Organisation structures designed that enable greater service delivery and customer focus

- Build sector capacity
- Development of sector wide M&E framework
- Clearly defined portfolio roles and responsibilities
- Definition of the link between social development and social welfare
- Research agenda for the sector
- Develop Social Welfare Index
- Design the integrated social protection information system
- Identify digitisation opportunities to improve service delivery access and quality
- Develop the One Plan for the sector that incorporates the 52 district plans
- Develop the State and CSO partnership model
- Promote the social development brand

The DSD Sector is continuing its path of “re-inventing” through making these strategic shifts from its current trajectory in order to deliver effectively and efficiently on its mandate. The Department continues to take lessons from the challenges experienced due to COVID-19, the continuing budget cuts, systemic issues and the increased demand for our services. Therefore, realization of future APP targets will demand us to be innovative using technology and maximize partnership opportunities and improved coordination of the DSD Sector. DSD has begun a fundamental paradigm shift to ensure that all plans begin to address the felt needs of our people.

The details of the above paradigm change are further elucidated in the Transformation Wheel picture below:



5: Report of the Accounting Officer

Both the Sector Outputs and the Transformation Wheel were adopted by Heads of Social Development Sector for implementation through the APPs of the DSD Sector in 2022/23 and beyond.

The DSD has also taken into consideration the issues emanating from the Presidents' State of the Nation Address (SONA) 2022 and the alignment of its plans, particularly the APP to the Economic Reconstruction and Recovery Plan. Several performance areas are included in the APP which reflects alignment of the Departmental plans to the SONA commitments and the Economic Reconstruction and Recovery Plan:

Public Private Partnerships

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

Discontinued activities / activities to be discontinued

The Department is amending the Fund-Raising Act (Act No.107 of 1978). The Amendment Bill seeks to address the fragmentation and inefficiency that currently exists in the process of responding to disasters in the country. The current legislation provides for multiple funds to address very narrow categories of disasters. The objective of the Bill is to consolidate all relief funds into a single fund with a single Board to enhance responsiveness and efficiency. The Department briefed the Portfolio Committee on Social Development on the Fund-Raising Amendment Bill in June 2021. The Amendments are envisaged to be concluded in the 2023/24 financial year.

Supply Chain Management

The department did not consider any unsolicited bid proposals for the year under review. All procurement was done in terms of the department's Supply Chain Management Policy and procedures to prevent any irregular expenditure. The department continues to promote small, medium and micro enterprises including co-operatives in areas where the events are hosted.



5: Report of the Accounting Officer

Gifts and Donations received in kind from non-related parties

Purpose	Amount paid directly to service provider
	R'000
PACT/USAID	
Government Capacity Building Systems	23 207
To strengthen the Department's response in addressing social and structural barriers that increase the vulnerability of OVC to Human Immunodeficiency Virus (HIV), Sexually Transmitted Infections (STI) and Tuberculosis (TB) and addresses specific constraints hampering the health and social development system to achieve better outcomes for orphaned and other vulnerable children (e.g. those affected by poverty, child abuse, neglect and exploitation).	
THE DG MURRAY TRUST	
NPO Funding Coordination	1 523
To implement a financing approach towards sustainability of social welfare services for the most vulnerable.	
United Nations Population Fund (UNFPA)	
Population and Development	
Sponsorship for the Department to attend the Safeguard Young People Steering Committee meetings.	4
Southern Hemisphere	
Population and development	
To host a workshop on the National Adolescent Sexual and Reproductive Health and Rights Framework Strategy's evaluation report.	32
Japan International Cooperation Agency (JICA)	
Services to people with disabilities	
Capacity building on Respite care services for children with disabilities and their families.	1 102
KFW	
HIV and AIDS: Care and Support	
Consulting services on the OVCY Care and Support project: Implementation of a Care and support programme targeting child an youth headed households in KwaZulu-Natal, Limpopo and North West	839
SASOL	
Monitoring and Evaluation	
Assistance to Social Protection Beneficiaries who are starting a new journey at tertiary institutions with thirty (30) Laptops and twenty nine (29) book vouchers.	299

Exemptions and deviations received from the National Treasury

The following exemption was granted by National Treasury during the 2022/23 financial year.

Exemption	Condition	Mechanisms	Date
Exemption from the application of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000 - PPPFA) to continue with procurement processes	The exemption is limited to the specific categories of goods and services and values as stipulated in the application. Procurement must still comply with Section 217 of the Constitution and other legislation applicable.	The normal procurement process and procedures will be followed in ensuring a fair, equitable, transparent, competitive, and cost-effective system.	17 March 2022

5: Report of the Accounting Officer

The following deviation was granted by NT during 2022/23 FY:

Deviations and Variations exceeding 15%	Condition	Mechanism	Date
4 000 000	For the first three months, the Department of Social Development had limited time to go out on an open tender process for the hosting of the call centre for the GBCCC. For the second three months, the Department was completing the evaluation of the advertised tender process for the GBVCC.	The Procurement was done through TR16A6.4 as it was not practical to follow competitive bidding processes	30-09-2022
219 198,77	The unverified assets were over R30 Million and an urgent investigation to reduce this amount was needed.	Variation for this procurement was above 15%.	30-June-2022
1 318 900	The cleaning contract did not include officials from another DSD occupied building (Harlequins and GBV Command Centre). The second expansion was due to additional registry clerks employed by the Department which increased the consumables like toilet paper. The expansion was also approved to finalise the tender process.	Variation for this procurement was above 15%.	31-02-2023
89 900	More officials attended the training which the order was approved for. A variation exceeding 15% was approved.	Variation for this procurement was above 15%.	29-10-2021
26 195	More officials attended the training which the order was approved for. A variation exceeding 15% was approved.	Variation for this procurement was above 15%.	29-07-2022
6 195	The event finished two hours later than initially anticipated, the sign language interpreter had to work two extra hours. That variation exceeded 15% of the original amount	Variation for this procurement was above 15%.	23-06-2022
42 115,5	The hybrid setup on the venue was erroneously not included in the initial specification that the original order was issued for. The inclusion of this service resulted in a variation of more than 15%	Variation for this procurement was above 15%.	05-08-2022
9 556,25	A variation exceeding 15% of the original order had to be approved to cater for additional people	Variation for this procurement was above 15%.	23-11-2022

Events after the reporting date

No events occurred after the reporting

Acknowledgement/s or Appreciation

In conclusion, I would like to thank the Minister, the Deputy Minister, the CEOs of SASSA and the NDA, the staff of the Department, our provincial counterparts, civil society and all stakeholders who contributed to the work of the Department during the reporting period.



Mr Linton Mchunu: Acting Director General

Department of Social Development

Date: 31 August 2023



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor General South Africa.

The annual report is complete, accurate and is free from any omissions.
The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2023.

Yours faithfully

Linton Mchunu
Acting Director-General
31 August 2023

7: Strategic Overview

Mandate

The DSD provides social protection services and leads government efforts to forge partnerships through which vulnerable individuals, groups and communities become capable and self-reliant participants in their own development.

Vision

A caring and self-reliant society.

Mission

Provision of integrated, comprehensive and sustainable social development services.

Values

DSD values are:

- **Respect** – showing due regard for the rights and obligations of others
- **Equality and equity** – treating everyone fairly and equally
- **Accountability** – taking ownership for decisions and actions and accepting the consequences that come with them
- **Caring** – showing sympathy and concern; embodying heart for all stakeholders and beneficiaries
- **Human dignity** – respecting everyone's human rights
- **Ubuntu**

Principles guiding how we work

The DSD operates according to the following principles:

- **Batho Pele principles** – The Batho Pele principles aim to enhance the quality and accessibility of government services by improving efficiency and accountability to the recipients of public goods and services.
- **Social justice** – Social justice is a concept of fair and just relations between the individual and society. People should have equal access to wealth, health, well-being, justice, and opportunity.
- **Human rights** – are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. It includes the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more.
- **Good Governance** – describes how the Department will conduct public affairs and manage public resources in an effective and responsible manner.
- **Collaboration** – the process of two or more people or organizations working together to complete a task or achieve a goal.
- **Discipline** – the practice of training people to obey rules or a code of behaviour, using punishment to correct disobedience.

Impact and Outcomes

The Department has identified and committed itself to the impact statement and outcomes.

Impact Statement:

- Improved quality of life for the poor and vulnerable.

Outcomes:

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

:

8: Legislative and other mandates

The Constitution

The Department of Social Development derives its core mandate from the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). Section 27(1) (c) of the Constitution provides for the right to access to appropriate social assistance to those unable to support themselves and their dependents. In addition, Section 28(1) of the Constitution sets out the rights of children regarding appropriate care, basic nutrition, shelter, health care and social services, and detention.

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

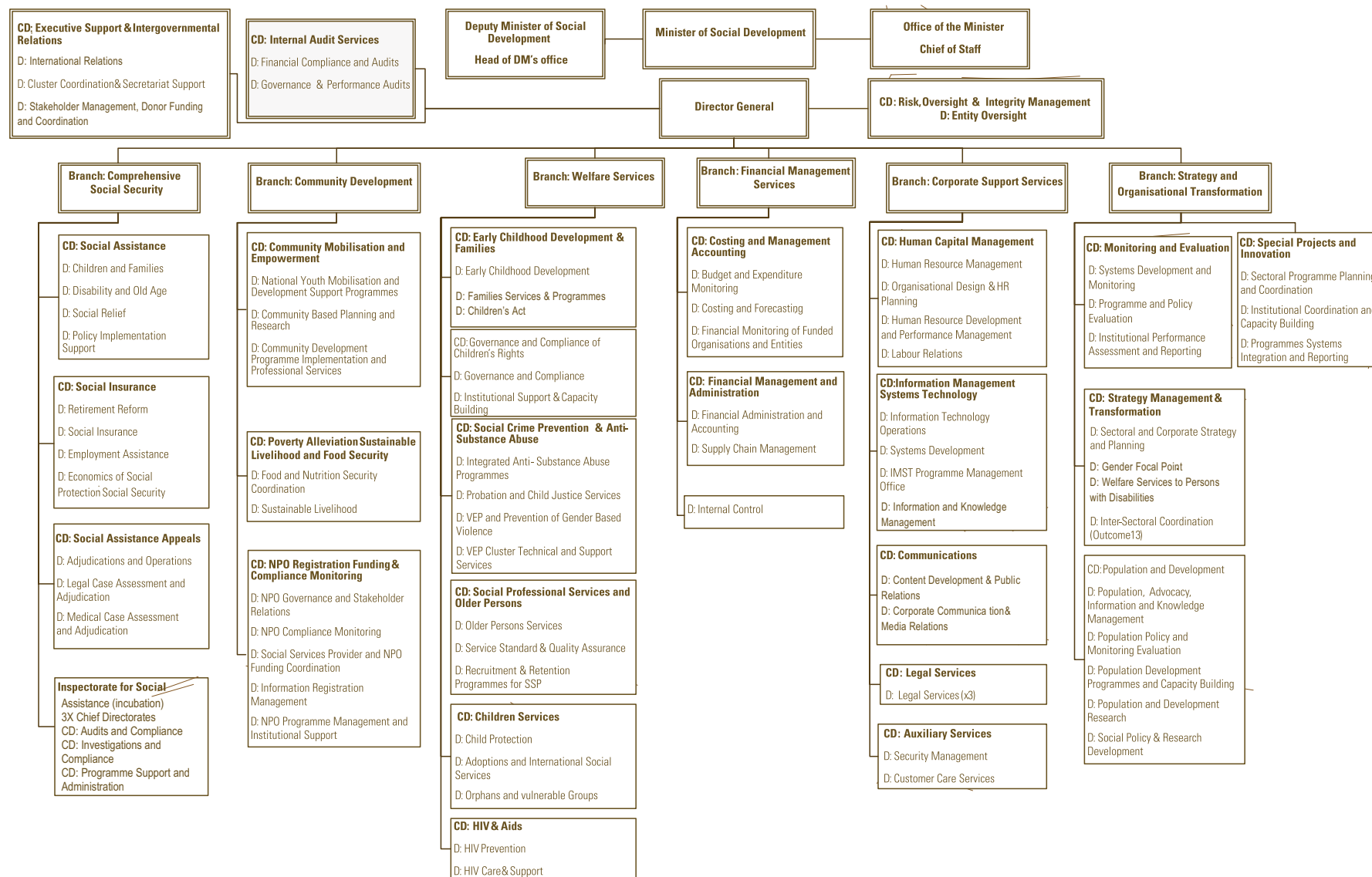
The following existing laws constitute the legal framework for the Department of Social Development in South Africa:

Acts of Parliament

- Children's Act, 2005 (Act No. 38 of 2005)
- Children's Amendment Act 2007 (Act No. 41 of 2007)
- Fund-Raising Act, 1978 (Act No. 107 of 1978)
- Non-Profit Organisations Act, 1997 (Act No. 71 of 1997)
- National Development Agency Act, 1998 (Act No. 108 of 1998), as amended by Act No. 6 of 2003
- Older Persons Act, 2006 (Act No. 13 of 2006)
- Prevention and Treatment of Drug Dependency Act, 1992 (Act No. 20 of 1992)
- Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008)
- Probation Services Act, 1991 (Act No. 116 of 1991)
- Social Assistance Act, 2004 (Act No. 13 of 2004)
- Social Assistance Amendment Act, 2010 (Act No. 5 of 2010)
- Social Service Professions Act, 1978 (Act No. 110 of 1978)
- The National Welfare Act, 1978 (Act No. 100 of 1978)
- The South African Social Security Agency Act, 2004 (Act No. 9 of 2004)



9: Organisational Structure



10: Public Entities reporting to the Minister

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
South Africa Social Security Agency	<p>The South African Social Security Agency Act of 2004 (Act No. 9 of 2004)</p> <p>The Social Assistance Act of 2004 (Act No. 13 of 2004 as amended)</p>	Transfer and subsidies	<p>The key functions of the agency include the effective management, administration and payment of social assistance as well as:</p> <ul style="list-style-type: none"> the processing of applications for social assistance, namely: Older Persons Grants, War Veterans Grants, Child Support Grants, Care Dependency Grants, Foster Child Grants, Disability Grants, Grant-in-Aid and Social Relief of Distress; the verification and timely approval of grant applications; manage and reconcile the payment of grants to eligible beneficiaries by contractors; market social assistance; and quality service assurance by ensuring compliance with norms and standards, as well as fraud prevention and detection.
National Development Agency	The National Development Agency Act, 1998 (Act No. 108 of 1998 as amended)	Transfers and subsidies	<p>The key functions of the agency include grant funding, capacity building and research and development to civil society organisations.</p> <ul style="list-style-type: none"> The key strategic objectives of the NDA, as prescribed in the legislation, are to: grant funds to civil society organisations for the purpose of meeting the developmental needs of poor communities; strengthen the institutional capacity of organisations for long-term sustainability; proactively source funds for purposes of achieving its development objectives; promote consultation, dialogue and sharing of developmental experiences to debate and influence developmental policies; and develop strategies to collaborate with local community development trusts, foundations, government clusters and civil society organisations.

PART B: PERFORMANCE INFORMATION



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA

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

The Auditor General's Report is included and published in Part E: Financial Information of the Annual Report.

2: Overview of Departmental Performance

Voted funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
	R'000	R'000	R'000	R'000
Department of Social Development	247 854 892	247 854 892	241 721 864	6 133 028
Responsible Minister	Minister of Social Development			
Administering Department	Department of Social Development			
Accounting Officer	Acting Director-General of the Department of Social Development			

Aim of Vote

Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.

Programmes

Programme 1: Administration

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

Programme 2: Social Assistance

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

Programme 3: Social Security Policy and Administration

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

Programme 4: Welfare Services Policy Development and Implementation Support

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

Programme 5: Social Policy and Integrated Service Delivery

Support community development and promote evidence-based policy making in the Department and the Social Development Sector.

Social Assistance

The Department continued to assist people and lift them out of extreme poverty and deprivation through the Social Assistance programme. The programme continues to grow, partly as result of low levels of economic growth and a resultant rise in unemployment. The Department continued with the payment of the SRD R350-00 grant since April 2022. A total of R 239 billion was made available to SASSA for the payment of social grants between April 2022 and March 2023. Funding has been allocated until the end of March 2023.

Appeals Adjudication continued to provide redress to aggrieved applicants and beneficiaries through a fair and just adjudication of social assistance appeals. During the reporting period, a total of 57.34% of appeals (2 763 of 4 819) were adjudicated within 90 days of receipt. Significant increase in the number of appeals were as a result of the amendment of the Social Assistance Act which allows direct access to lodge appeals with the Independent Tribunal and delays in the finalisation of appointment processes of new Tribunal Members to serve on the Independent Tribunal.

During the financial year the Independent Tribunal has further received 12 554 800 SRD R350-00 related appeals and adjudicated 9 139 751 of these appeals which represents 72.80% of SRD R350-00 appeals received during the period of June 2022 to 31 March 2023. The remainder of these appeals will be adjudicated during the 1st Quarter of the 2022/23 financial year.

Social Security Policy and Administration

A number of policies and legislation are at different phases of development within Social Security. These policies and legislations are part of the targeted outcome to reduce levels of poverty, inequality, vulnerability and social ills. These policies include;

- **A Policy Proposal on Income Support to 18-59 Year Olds** has been reviewed and finalised and the stakeholder consultations was conducted. A consultation report has been compiled
- **The Policy on Maternal Support** stakeholder consultations was conducted including Social Grants beneficiaries and the Provincial DSD. The draft Policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers submitted and presented to SPCHD DG Cluster
- **Policy on Voluntary Cover for Retirement and Risk Benefits for Atypical and Informal Sector Workers** was developed and consulted with informal sector stakeholders. Consultation report was finalised and the draft policy paper was updated.
- **The Policy on Linking Children Grants Beneficiaries to Government Services** has been revised, and stakeholder consultations was conducted with National Child Care and Protection Forum (NCCPF), Social Grants Beneficiaries and the Provincial DSD. Consultation Report on Income Support for 18- to 59-year-olds Draft Policy developed

The Department is also in a process to finalise the development of Green Paper on Comprehensive Social Security, following its withdrawal from public comments in 2021-22 financial year. Due to wider scope of issues covered in the paper, the Department is finalising the processes for Government to issue a public call for comments which will guide the development of the White Paper on comprehensive social security. Refinements to the Green Paper completed with the assistance of the appointed Technical Expert Panel. The draft white paper was not developed. However engagements with National Treasury and the Department of Employment and Labour commenced.

Welfare Services

The Department continued to strengthen social welfare service delivery through legislative and policy reforms. These reforms include among others,

- The Department is finalising the White paper on Families. Consultations with various stakeholders to review the Revised White Paper on Families were conducted. Similarly, the Department presented the Revised White Paper on Families to Technical Working Group (TWG) for FOSAD to solicit further inputs. TGW recommended that the Revised White Paper on Families tabled before the SPCHD Cluster prior submission to Cabinet for approval for public comments. The White Paper seeks to provide guidelines and strategies for the strengthening of the families in South Africa and the realisation of their well-being as well as the strengthening of communities as support networks for families.
- The finalization of the Policy on the Prevention of and Treatment for Substance Use Disorders. The Policy will address the impact of alcohol and substance abuse to families, communities and society. The development of the Policy form part of the process to review the Prevention of and Treatment for Substance Abuse Act, 2008 (Act No. 70 of 2008). The Act focuses on scaling up prevention, treatment and rehabilitation strategies to address the scourge of alcohol and drug abuse in the country. The Policy was further consulted extensively with several stakeholders among others JCPS and SPCHD Clusters, MinMec, HSDS, CDA, Government management structures due to the new added policy provisions on Alcohol Harm Reduction prior to submission to Cabinet for approval.
- DSD conducted the Readiness Assessment to implement the White Paper for Social Development. Readiness Assessments is an evaluation of the Departments' and various stakeholders' preparedness to implement changes resulting from the adoption of the Draft White Paper for Social Development. The results of a Readiness Assessment will inform a formal plan for the implementation of the White Paper.

3: Service Delivery Environment in 2022/23

A total of 398 Social Workers were capacitated on Policy Framework and Strategy in seven (7) provinces namely Gauteng, Free State, KwaZulu-Natal, Limpopo, North West Mpumalanga and Northern Cape. A total of 1 245 adoptions were registered, 1 137 being national and 108 being intercountry adoptions. Furthermore, a total of 263 children and 44 prospective adoptive parents registered in the Register on Adoptable Children and Prospective Adoptive Parents (RACAP)

The Department monitored the implementation of the Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children across provinces. National Monitoring report was consolidated. The Report assists in measuring outcomes of interventions on the lives of beneficiaries; identify gaps and provide support to provinces where challenges are identified to orphans and vulnerable children.

The Department in partnership with Pact SA continued to capacitate Social Service Practitioners (SSP's) on Psychosocial Support Services in Gauteng, KwaZulu-Natal and Mpumalanga provinces, reaching a total of 204 SSP's. The Guidelines ensure early identification of Orphans, Vulnerable Children and Youth (OV CY) at higher risk of contracting HIV. A non-cumulative number of one hundred and sixty-eight three hundred and twenty-three 168 323 vulnerable children were reached on the implementation of community-based prevention and early intervention services; and 992 of those were children with disabilities. Intersectoral Protocol on the Prevention and Management of Violence against Children, Child Abuse and Neglect and Exploitation (VCANE). The Intersectoral Protocol was successfully monitored in across provinces. The monitoring report assists in measuring outcomes of interventions on the lives of beneficiaries; identify gaps and provide support to provinces where challenges are identified for children affected by violence, child abuse, neglect and exploitation. This further assist in to strengthen the identification, reporting, referral, and effective case management in collaborative and coordinated manner.

The Department monitored the implementation of the Programme of Action on Foster Care that incorporates the directives of the High Court Order across provinces. The North Gauteng High Court Order was extended on 11 November 2022 and is due to lapse in November 2023. The intended impact is to put in place the required systemic mechanisms in the provinces for the provision of Foster Care services, reducing the challenges that are currently experienced in the implementation of this service.

The Department capacitated Social Service Practitioners (SSP's) on Psychosocial Support Services in In this regard, a total of 445 SSPs were capacitated on the Guidelines on HIV Testing Services for Social Services Practitioners in Eastern Cape, Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, Northern Cape, North West and Western Cape provinces reaching a total of 445 SSP's. The Guidelines ensure early

identification of Orphans, Vulnerable Children and Youth (OV CY) at higher risk of contracting HIV. The provision of psychosocial support services is provided with an emphasis on disclosure and adherence. Furthermore, the Guidelines advocate for routine HIV risk assessment and referral to appropriate health-testing services and promotes the national Cheka Impilo Wellness Campaign. The campaign encourages citizen to know their HIV status in order to access treatment. The intervention of trained SSPs also contributes to the UNAIDS 95-95-95 strategy, which encourages 95% of people with HIV to test, of those tested, 95% to be on treatment, and 95% of those on treatment to be virally suppressed.

The Department further trained 702 SSP's on the Compendium of Social and Behaviour Change (SBC) programmes. The Compendium comprised the following SBC programmes: YOLO, ChommiY, Family Matters programme, Boys Championing Change and Men Championing Change programmes. This will assist the SSPs to implement the programmes to contribute to the reduction of new HIV infections and teenage pregnancies.

Prior the process of finalisation of the White Paper on Social Development, DSD had to conduct Readiness Assessment for implementation of the White Paper for Social Development. This Readiness Assessments is an evaluation of the Departments' and various stakeholders' preparedness to implement changes resulting from the adoption of the Draft White Paper for Social Development. The results of a Readiness Assessment will inform a formal plan for the implementation of the White Paper. The White Paper sets the basis for the development of a national overarching social development legislation. The Social Development legislation will provide a unified system to guide the provision of comprehensive, integrated, rights based, well-resourced quality social development services.

DSD continued to implement the Anti-gangsterism Strategy in (9) nine High Risk Districts namely; Xhariep District in Free State, eThekweni South in KwaZulu-Natal, Francis Baard in Northern Cape, Sarah Baartman and Dr Kenneth Kaunda in North West, Sedibeng in Gauteng Province, Capricorn in Limpopo and Gert Sibande in Mpumalanga. These campaigns are implemented with anticipated outcomes for curbing social-ills, empowering children and youth on a comprehensive knowledge on crime prevention related matters at an early stage for future benefit.

The Department conducted capacity building on the implementation of the Universal Treatment Curriculum (UTC) in seven (7) public treatment centres namely; Charlotte Maxeke in Free State, Dr Fabian and Florence Ribeiro Treatment Centre in Gauteng, Ernest Malgas in Eastern Cape, Kensington Treatment Centre in Western Cape, Madadeni and Khanyani Treatment Centres in KwaZulu-Natal and Taung Treatment Centres in

3: Service Delivery Environment in 2022/23

North West. The UTC aims to increase skills, knowledge and capacity of cadres working in the field of substance abuse; particularly treatment, care and support. The implementation of UTC programme has strengthened the provision of evidence-based treatment modalities and application of treatment tools for Substance Use Disorders (SUD) in relation to treatment, care, rehabilitation, recovery and support.

The Department in collaboration with various stakeholders in the field of substance abuse, conducted information sharing sessions at various institutions of higher learning on prevention and early intervention measures to curb social ills during the period under review. In addition, the Department conducted twenty (28) activations during the festive season campaign through information dissemination, door-to-door visits, blitzes, dialogues as well as visits to hot spot areas. The Department conducted four capacity building trainings on the National Drug Master Plan (NDMP) 2019-2024 in Eastern Cape, Gauteng, North West and Northern Cape. Cluster Departments were also trained which included DTIC, SAPS, COGTA, DCS, DoJ&CD, NYDA, SAHPRA, DHET and SARS.

The Department commemorated the International Day against Drug Abuse and Illicit Trafficking on the 26th of June 2022, at Lavenderhill, Western Cape Province. The 2022 UNODC theme for the day was “Addressing Drug Challenges in Health and Humanitarian crises”. The theme emphasise importance of individual to continue advocate and protect the right to health for the most vulnerable, including youth and people with drug use disorders, and also to tackle the world drug problem with evidence-based approaches for prevention and treatment of substance abuse in times of crises. The event was commemorated through an interdenominational approach whereby 300 community members attended the event

The Department has successfully implemented the enhancement of response services in the thirty (30) National Gender Based Violence and Femicide (GBVF) hotspots with 100 GBVF ambassadors and fifty (50) Social Workers deployed to provide Psychosocial Support Services (PSS) in the hotspot areas across the country. Over 53 000 victims of GBV and Femicide were reached. The DSD as a lead department in the implementation of Pillar 4 (Response Care Support and Healing) has developed, consulted and approved two policies (Intersectoral Shelter Policy and Policy on provision of psychosocial Services)

Respite Care Services is a non-institutional based service targeting families of Persons with Disabilities and chronic illnesses. The service utilises different models to reach out to families/parents at community-based level, who by virtue of the support needs of their children, require a support service to sustain them and enable them to care for their children and persons with disabilities. The service also focuses on providing necessary support service through direct referrals aimed at improving the developmental outcomes of the children.

The Department capacitated four (4) provinces namely Northern Cape (Upington), Mpumalanga (Mbombela), Free State (Bethlehem) and KwaZulu-Natal (Blaaubosch) in collaboration with DOH, DOE and NGOs. Home-based care services were capacitated on the Guidelines on Respite Care Services. Furthermore, a Study Tour on Welfare and Respite Care services for six (6) DSD officials was undertaken from the 07-16 February 2023 to learn and benchmark on the development of Respite Care services, implementation and costing Welfare services to Children and families in Japan. Participants were to deepen their understanding of the services and enhanced their contribution on the benchmark for the development of Respite Care services.

Community based system for Personal Assistance to Support Independent Living within the Community for Persons with Disabilities has been identified as one of the Frameworks to be developed by the DSD in its quest to implement the WPRPD. In this regard, User Specification on community-based system for personal assistance to support independent living within the community for persons with disabilities was developed. Utilizing the Empowerment of Persons with disabilities and Disability Mainstreaming concept, the following has been achieved towards the development of the service:

- Created a platform at district level to obtain buy-in from key stakeholders
- Established a working group at local municipality level to guide and oversee the implementation process
- Conducted a training to empower the working group
- Conducted a baseline survey and develop an activity plan based on results of the survey.
- Implemented planned activities by the working group

DSD recognises the persistent challenges of teenage and unplanned pregnancies that continues to have a significant impact on the quality of life and economic status of young people especially young girls. Department developed a DSD Integrated School Health Programme (ISHP) Plan to curb teenage pregnancy. The Plan was monitored on activities implemented at National and Provincial Departments of Social Development to curb teenage pregnancy. Furthermore, National and Provincial activities were conducted in schools, communities, whereas some were performed at a strategic level. Activities conducted include:

- Department through the National Population Unit hosted eight seminars across the country in preparation for a Sexual Reproductive Justice (SRJ) conference held from 22 to 24 March 2023. The purpose of the SRJ conference was an important milestone towards consolidating the Population Policy related to Sexual and Reproductive Health Rights (SRHR) work that has been done over the past 24 years, and to chart a way forward based on the lessons learnt to date. The World population day was commemorated on 26 Nov 2022 under the Theme: **“A world of 8 billion: Towards a resilient future. Harnessing opportunities and**

ensuring rights and choices for all.” The commemoration aimed at advocating towards a world where young people everywhere have control over their own bodies and their destinies. A world where they are free to choose parenthood or not, free to decide how many children they will have and when; free to pursue healthy sexual lives without fear of unwanted pregnancies and sexually transmitted infections, including HIV. A world where gender or sexuality are no longer a source of inequality or stigma.

- On 29 May to 05 June 2022, the Department commemorated Child Protection Week (CPW) in districts with high levels of teenage pregnancies and other issues affecting children. The CPW launch was held on 29 May 2022 in Eastern Cape at Ngquza Hill Municipality whereas the closing was held on 05 June 2022 in Kwa-Zulu Natal, Umfolozi Local Municipality. A total of 1000 people including children were reached. The launch was preceded by community dialogues with teenagers and community members with a view to understand their experiences, feelings and opinions about teenage pregnancy. CPW is one of the governmental programmes implemented annually to raise awareness on child protection and mobilise communities around childcare and protection. CPW is now honoured 365 days to escalate prevention and early intervention programmes and to reduce the high levels of teenage pregnancy.
- The Department facilitated implementation of Social and Behaviour Change programmes in schools, over 25 000 beneficiaries were reached through You Only Live Once (YOLO) school-based programme. YOLO is a DSD branded and evidence-based Youth Social and Behaviour Change Communication programme, targeting orphans, vulnerable, children and youth (OVCY) aged 15-24 years age group. The programme is aimed at the reduction of HIV Infections and Teenage/Unplanned Pregnancy.

Community Development

The Social Mobilisation and Community Empowerment programme coordinated DSD participation in the Districts Development Model (DDM) in 18 Districts. During the reporting, the Department trained 924 CDPs. The training provided an opportunity to identify the gaps and propose solutions with regards to future optimal implementation of the Toolkit.

The Department is in a process to develop a National Community Development Policy. The draft National Community Development Policy was presented to SPCHD Cluster for approval and the policy was approved for Cabinet approval. The Policy was further presented to internal DSD governance structures for endorsement. The Policy seeks to clarify roles of key stakeholders and institutional mechanism for effective and efficient delivery of community development services towards building vibrant, equitable, cohesive and sustainable

communities. The Department monitored the implementation of the National Youth Policy, and the Monitoring report was produced. The policy seeks to address amongst others, the fragmented approaches by provinces on implementation of youth development programmes, to align the DSD Youth Policy with the macro National Youth Development Policy 2020-2030, in order to improve the quality of life for the youth as they constitute the majority of the South African population.

During the period under review, a total of 31 720 Social Protection Beneficiaries have been linked to Sustainable Livelihoods Opportunities. The profiled beneficiaries are linked to existing job opportunities particularly EPWP, cooperatives and skills development programs. This contributes significantly towards integrated approaches to poverty alleviation as well as empowered and strengthened income, assets and capabilities on the profiled beneficiaries.

Furthermore, the Department presented the Sustainable Livelihoods Framework at the Heads of Social Development Sector (HSDS), Technical Working Group (TWG) and the SPCHD to ratify its submission process to Cabinet. Presentation of the Framework at various forums will promote buy within the Social Cluster prior to its approval by cabinet. This will ensure that the document will assist Community Development Practitioners to practice community development in a way that promotes community resilience and sustainability.

The Department conducted evaluation study on the Household Food and Nutrition Security Programme (HF&NSP). The study was conducted to assess the appropriateness of the design and implementation of the Programme in addressing the identified hunger challenges in South Africa. The study also aimed to assess the effectiveness of the Programme in all provinces in terms of its objectives and improvement on the design of the model. It provided beneficiaries with opportunity to share their experiences, perceptions and challenges in the programme of which the concerns raised would inform the department 's review of the programme and the draft evaluation report was produced.

The Department has a mandate to administer the Non-profit Organisations (NPO) Act, 1997 (Act No. 71 of 1997) which provides for a facility for non-profit organisations to register as NPOs. The NPO sector is characterised by organisations of different sizes, shapes and scopes of operation across all development and social formations. These organisations range from faith-based organisations (FBOs) to welfare, social, health and agriculture organisations and sports clubs. South Africa is a highly unequal society where there are gross disparities in income and wealth. In an endeavor to address societal inequalities and other challenges, the NPO sector represent an important mechanism for encouraging philanthropy, promoting greater equity and implementing empowerment programmes.

3: Service Delivery Environment in 2022/23

The Department, in its endeavors to implement the NPO Act, encouraged and supported NPOs in their contribution to meeting the diverse needs of the population through regulatory frameworks and recognition. In administering the NPO Act, the Department established and maintained an efficient registration, compliance monitoring and regulatory framework for NPOs, which created a conducive and enabling environment for NPOs to flourish. During the period under review, the Department received 28 306 applications from organisations seeking registration status. The Department processed 28 061 and 98.6% (27 898) of received applications were processed within two months.

Governance and Institutional Development

Maintaining sound organisational and business practice is an integral part of promoting accountability and efficiency in the Department. As a result, the Department continues to implement a number of initiatives towards maintaining the highest standards of governance in the management of public finances and resources. Some of these initiatives are discussed below.

Audits: Audits were conducted in accordance with the standards and requirements of the Institute of Internal Auditors and the Department's Audit Charter. The reports detailing the audit findings and action plans to respond to such findings were submitted to the Audit Committee and the Department's top management, who took the necessary corrective action to address identified deficiencies. Progress on the Audit Action Plans were also presented to oversight bodies such as the Portfolio Committee on Social Development in Parliament.

Risk and Ethics Management: The Department has a functional Risk and Ethics Management Committee (REMC), which meets on a quarterly basis to review the progress that the Department is making in addressing its risks, to provide strategic direction and overall advice to the Accounting Officer on risk management. Quarterly risk management reports are produced, discussed at the committee meetings and submitted to all relevant stakeholders.

Programme Performance Reporting and Performance Reviews: The management of programme performance information and generation of quarterly and annual performance reports on predetermined objectives has been institutionalised. These reports are submitted to the Executive Authority, the National Treasury, DPME and the Auditor-General of South Africa (AGSA) as well as presented to Portfolio Committee on Social Development on a regular basis. The Department has also institutionalized Programme Performance Reviews at branch and departmental level. The performance reviews provide early warning system and identify barriers towards the achievement of set targets. The reviews allow managers to identify and implement measures to ensure that the Department achieves all set targets.

Planning: The Department has improved on its planning processes. Among others, the start of the annual planning has been shifted back by two months to ensure development of quality plans takes

place ahead of time. During development of its plans, particularly the APP, the indicators and targets are subjected to SMART (Specific, Measurable, Attainable, Realistic, Time bound) principles to ensure that all commitments in the APP are achievable. Risks as well as mitigation strategies are identified for all measurable outputs to ensure that if such risks arise, the impact on the delivery of services is minimal. Through its planning processes, the Department identified a need to develop the Support Services APP (SSAPP). The SSAPP elaborates how support services functions within the Department enables and enhances the internal operational environment for improved efficiencies. The SSAPP brings core and support services closer together and ensures a collective focus on service delivery.

Standard Operating Procedures for all departmental support functions: The Department has developed and reviewing all existing Standard Operating Procedures (SOPs) for support services functions to improve service delivery. The SOPs provide details on the requirements and turn-around timelines for procurement of services as well as development and submission of compliance reports. Improved compliance will result in improved performance.

Alignment of individual performance agreements to institutional plans: The Performance Agreements of all Senior Managers are being intrinsically linked to the specific targets in the Annual Performance Plan and operational plans of the Department. This alignment will improve the management of performance at institutional and individual level in line with the directive issued by the Minister of Public Service and Administration on the Performance Management and Developments System for the members of Senior Management Services (SMS), which came in to effect from 1 April 2018.

Directive on implementation of preventative controls: The Department issued a directive to all its Senior Managers to implement Preventative Control Guides (PCG). These are guides developed by the Auditor-General of South Africa advising management on how to enhance the current financial management systems to utilise public resources effectively, efficiently and economically, and consequently receive positive audit outcome. These PCG cover issues related to Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring components, which are applicable in promoting a sound financial management system as well as non-financial management controls as well as the efficient utilisation of resources.

4: Service Delivery Improvement Plan

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Customer Care Helpdesk	Citizen complainants to the Department	7 days turn-around to give feedback to client	3 days/72 hours turn-around to give client feedback	On average, 7 days turn-around time

Batho-Pele arrangements with beneficiaries (Consultation, access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Customer Service Charter placed at every service office where DSD services are delivered	To develop and implement service standards for each service office to set a standard for service delivery for DSD clients	Customer and Batho Pele Charters are placed in every service office of the Department

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
The Department has a comprehensive service delivery information tools approach including media, social media, community radio platforms, webs services, Toll-free lines and an active Outreach programme	Information tools in place	Information tools in place

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
DSD Customer Care Helpdesk	A DSD Integrated Contact Centre service	DS Customer Care Help desk



5: Overview of the Organisational Environment for 2022/23

The Department did not experience any major disruptions such as strike actions by staff, system failures or resignation of key personnel. However, a number of challenges briefly discussed below impacted on the full and regular implementation of some of its programmes.

6: Key Policy Development and Legislative Changes

The following are policies and legislation developed or approved during the reporting period, which may have affected the Department's operations or will affect future financial periods.

- Regulations on the Social Assistance Amendment Act
- White Paper for Social Development
- Social Services Practitioners Bill
- Older Persons Amendment Bill
- Regulations on the Children's Amendment Bill
- National Plan of Action for Children in South Africa
- Non-Profit Organisations Amendment Bill
- Victim Support Services (VSS) Bill
- Policy on linking CSG beneficiaries to government services
- Policy on Mandatory Cover for Retirement, Disability and Survivor Benefits
- Policy on Maternal Support
- Policy Proposal on income support for 18-59-year-olds
- Revised White Paper on Families
- Fund-Raising Amendment Bill
- Green Paper on Comprehensive Social Security
- National Community Development Policy
- Youth Development Policy

7: Progress Towards Achievement of Institutional Impact and Outcomes

The Department is leading coordination of social protection imperatives outlined in the NDP through priority number 4, namely "Consolidating the social wage through reliable and quality basic services". The Strategy Management and Transformation unit has a responsibility to coordinate the implementation of the commitments in the 2019 to 2024 Medium Term Strategic Framework (MTSF), as derived from Priority 4. The DSD developed a sector strategic plan that articulates the mandate, vision, mission, impact, outcomes and indicators for the national and provincial departments and entities. Provincial departments and entities are expected to contribute to the common impact through the outcomes. Since the beginning of the new MTSF, the DSD sector developed the APPs contributing to the impact of "Improved quality of life for the poor and vulnerable" and the key outcomes, which are:

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

In ensuring contribution to this, the APPs of the sector were assessed to ensure alignment to the impact and the outcomes. All the DSD targets in the MTSF are included in the APP. The annual reports of the DSD sector are therefore beginning to reflect on the progress made towards the achievement of the five-year impact and outcomes. The next section on Performance Information by programme provides detailed progress on the DSD's milestones towards achievement of its five-year impact and outcomes.

As we conclude the year 2022/23 we are looking forward to begin the last financial year of the 6th Administration, which will be dedicated to consolidating the work and closing service delivery gaps. A government-wide mid-term review report led by the DPME was compiled to reflect comprehensive progress on the outcomes within Strategic Plans and Priority 4.



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8: Performance by programme

8.1: Programme 1: Administration

Programme Purpose

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

Entity Oversight

During the reporting period, the Department convened Entity Oversight quarterly meetings with the National Development Agency and the South African Social Security Agency (SASSA) to monitor performance and address other critical issues. The DSD through the Welfare Services Branch also held other quarterly engagements with the South African Council for Social Service Professions (SASSP) to discuss the business plan and strategic planning processes. The following were achieved as part of implementing the Entity Governance and Oversight Framework:

- **Development of Entity Agreements:** The Entity Oversight Unit developed Entity Agreements and submitted them to the Acting Director General (DG) and Legal Services Unit for quality assurance. The Acting DG approved all the three Agreements, however Legal Services Unit returned them for corrections and advised Entity oversight to develop explanatory notes for all the three Entities. The Legal Services Unit finalized the Entity Agreements and was approved by Minister.
- **Interface with Entities:** The Department, through Entity Oversight Unit held three Interface meetings with SASSA, NDA and South African Council for Social Service Professionals. The SASSA oversight meeting was held with the Minister and the Audit Committee, and several concerns were raised. A report was prepared to that effect on the decisions and way forward. Similarly, the oversight meeting with NDA was held with the Minister and the NDA on the Turnaround Strategy, also in preparation for the Portfolio Committee. The Oversight meeting with a Council was an induction of the new council members, whereby an integrated presentation was prepared.
- **Quarterly reports:** The Department further provided analyses for the first 2 quarters of the quarterly reports of SASSA and NDA for 2022/23. This analysis was submitted to the Minister.

Monitoring and Evaluation

The Electronic M&E System was successfully piloted in Eastern Cape, Kwa Zulu Natal and Gauteng Provinces. The Electronic M&E System was welcomed in all the Pilot Provinces. The NPO sector specifically participated enthusiastically and appreciated the efforts by the Department to provide a tool that will lessen on the burden of reporting to the Department. The pilot effort provided useful lessons and identified challenges and risk for rolling out the System to the rest of the Provinces in the future. A detailed analysis and review of the Electronic M&E System was done based on the Pilot efforts and

feedback from the provinces. Enhancements on the Electronic M&E system based on the Pilot feedback will be done in the new financial year. Furthermore, the unit developed a draft concept document for the Social Welfare Index. The Index was discussed with Provincial and National Officials and a final document was completed.

Financial Management and Administration

The Department obtained an unqualified audit opinion with findings from the AGSA on its 2021/22 audited Annual Financial Statements. The Department continued to oversee the management and administration of social grants by SASSA and remained accountable for the R 234 billion received for the payment of social grants. Monthly analyses of expenditure trends and financial compliance was done to ensure that appropriated funds are spent in line with the Department's mandate.

The Department also continued its efforts of developing, reviewing, and implementing effective financial management and administration policies. The Bid Committees (Specification, Evaluation and Adjudication) continued to perform efficiently and effectively within the Department concerning tenders above the value of R 1 000 000. During the year under review, the Department complied with all the Instruction Notes and Circulars received from the National Treasury.

Information Management Systems and Technology

During the period under review, the Department established a logical location platform for National Integrated Social Protection Information System (NISPIIS) which defines the location where information will be exchanged for social services to the citizenry. The Department also collaborated with South African Police Service to track all the arrested children in conflict with the law. The automated process will enable the expungement of the historical cases of children that were in conflict with the law. This is the first integration between DSD and the Integrated Justice System (IJS) and further established an early warning system for Foster Care for court orders that will be expiring.

8: Performance by programme

Human Capital Management

During the period under review, the Human Capital Management unit conducted costing exercise for the workforce demand from across government departments and entities on the Strategy for Employment of Social Service Professionals. Furthermore, the Department developed a joint bid requesting funding from National Treasury for employment of Social Service Professionals. The joint bid was presented to National Treasury in July 2022. A Cabinet memo was developed on the draft strategy for employment of social service professionals and the presentation on the draft strategy were presented in February 2023 to the Technical Working Group for Social Protection, Community and Human Development Cluster. The Strategy for employment of social service professionals will be submitted to Cabinet in the 2023/2024 financial year.

Legal Services

The Department continued to develop and review policies and legislations. These policies and legislations are part of the targeted outcome to reduce levels of poverty, inequality, vulnerability and social ills. During the period under review, DSD amended the SASSA Act. The amendment Bill was presented to both the FOSAD Technical Working Group (TWG) and the Social Protection, Community and Human Development (SPCHD) Cluster in November and December 2022 respectively. FOSAD approval was granted to submit the amendment Bill to Cabinet for approval to publish for public comments.

The Draft Regulations on Children's Amendment Bill were submitted to the Minister for approval as the draft Regulations post promulgation of the Children's Amendment Act by the President, for publication in the government gazette.



8: Performance by programme

Programme 1: Administration

Entity Oversight

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
An implemented Entity Governance and Oversight Framework	Entity Governance and Oversight Framework implemented	The entity Governance and Oversight Framework was reviewed, finalized and approved	The shareholder Compacts (Entity Agreements) were developed.	Implement the Entity Governance and Oversight Framework.	As part of implementation of the Entity Oversight Framework, performance reports for 2022/23 for SASSA and NDA were presented and analysed. The Entity Agreements were submitted to Legal for quality assurance, corrections and improvements were incorporated for final approval. Consultations were held with the Central Drug Authority (CDA) to customise the agreement accordingly and that the Department should further investigate the classification of CDA as it is different from the normal Schedule 2 or 3 Entities. Interface meetings were conducted with Entities to finalise the 1st and 2nd draft of the APP 2023/24 with the Minister	No deviation

8: Performance by programme

Stakeholder Management and Donor Coordination

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Implemented Strategy on Stakeholder and Donor Management	Stakeholder and Donor Management Strategy implemented	N/A	<p>Strategy on Stakeholder and Donor Management was developed and approved. The strategy was implemented as follows:</p> <p>Memoranda of Understanding were signed with the following organization:</p> <ul style="list-style-type: none"> Financial Intelligence Center on strengthening and formalising matters of mutual collaboration, assistance and exchange of information between the Parties, as well as increasing transparency and accountability within the NPO sector Nikela Trust on the Rounder Initiative South African Revenue Services on establishing cooperation between SARS and DSD regarding programmes that may directly complement or supplement one another as well as leveraging resources by sharing resources, information and expertise for common beneficial purposes that will enhance both Parties' organisational strategies and mandates DG Murray Trust on the technical support for Social Welfare and Community Development programmes. Procter & Gamble on initiatives which are set to bolster gender equality and woman empowerment; foster collaboration in initiatives which aim to increase provision of sanitary dignity packs in schools and cooperate on initiatives to support local female entrepreneurs 	Implement Stakeholder and Donor Management Strategy	<p>The strategy was implemented as follows:</p> <ul style="list-style-type: none"> The department profile on partnerships has been updated and placed on share point A data base for the department's partnerships/stakeholders has been created and digitised Coordination of humanitarian relieve assistance from various donors for floods victims during the state of disaster. Stakeholder/donor engagement roundtables were held which focused on service delivery areas that require public/private partnership for effective implementation. An engagement on disaster relief was held with the Church of Jesus Christ of the Latter-day Saints after the declaration of a national state of disaster due to impact of flooding. 	No deviation

8: Performance by programme

Stakeholder Management and Donor Coordination

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
			<p>Meetings with stakeholders:</p> <ul style="list-style-type: none"> A total of seven (7) stakeholder roundtables were organized on the following topics: Digital Transformation and innovation, improving service delivery excellence within the NPO sector, Sustainable Livelihoods, social Welfare index, State of children in SA, Future funding for the DSD Portfolio as well as Practically implementing the district Development Model for the DSD Portfolio. Participated in a session with UNICEF to discuss partnership with the DSD. Lead a process of consolidation of the Department 's database on signed partnership agreements. Coordinated and participated in a meeting with SARS to discuss programmes for the implementation of the signed MOU between SARS and DSD. 		<ul style="list-style-type: none"> Gill and Allan Grey Foundation on partnership in initiatives which set to bolster social entrepreneurship that promotes youth and women empowerment, collaboration on social services infrastructure programmes as well as technical and capacity building programmes for social enterprises. Sasol Foundation collaboration on the support of SASSA grant beneficiaries who have passed matric First Rand foundation on GBV, disaster relief, linking of grant beneficiaries to opportunities. International We Luv U foundation donated 500 food parcels to 500 people in three Shelters in KZN on provision of support during natural disasters. UNDP on cooperation in areas of mutual concern on social development broadly and social entrepreneurship as well as enhancing the effectiveness of their effort. Memorandums of Understanding were signed with action development agency, Procter and Gamble, United Nations Development Programme 	No deviation

8: Performance by programme

Monitoring and Evaluation

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
An implemented Electronic M&E System for the Social Development Sector	Electronic M&E System for the Social Development Sector Implemented	Inception report and project plan for the Electronic M&E System was produced	<p>The Electronic M&E System for selected Social Development Sector Programmes has been developed:</p> <ul style="list-style-type: none"> • M&E Framework, Theories of Change, Output and Outcomes Indicators, Technical Indicator Descriptions for all DSD Programmes finalized. • As-Is Reports for all provincial DSD Completed • Business and functional requirements report for the M&E System completed. • Proof of concept of M&E System completed. • The proof of Concept was demonstrated to the DSD by the service provider. • The Electronic M&E System has now been deployed on the DSD training platform. 	Pilot the Electronic M&E System for Social Development in three provinces	The Electronic M&E System was successfully piloted in Eastern Cape, Kwa Zulu Natal and Gauteng Provinces.	No deviation
A developed Social Welfare Index Report (SWI)	Social welfare Index Report developed	N/A	N/A	Develop a concept document for the Social Welfare Index Report (SWI)	A concept document for the Social Welfare Index Report (SWI) was developed.	No deviation

Finance

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Reliable Annual Financial Statements AFS	Audit opinion on AFS	The Department obtained an unqualified audit opinion from the AGSA on its 2019/20 audited Annual Financial Statements	The Department obtained unqualified audit opinion from the AGSA on its 2020/21 audited Annual Financial Statements	Obtained Unqualified Audit opinion	The Department obtained an unqualified audit opinion with findings from the AGSA on its 2022/23 audited Annual Financial Statements.	No deviation

Information Management Systems and Technology

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
An implemented National Integrated Social Protection Information System (NISPIIS)	National integrated Social Protection Information System (NISPIIS) implemented	<p>As part of implementing Sector ICT Strategy, the Department developed two (2) modules on Social Development Integrated Case Management System (SDICMS), namely; the Older Persons Abuse Register module and the Accreditation of Division Services and Quality Assurance module.</p> <p>A service provider was also appointed to assist with the integration of Gender-Based Violence (GBV) Victim Empowerment (VEP) Systems, which is also part of the implementation of the Sector ICT Strategy</p>	<p>Service provider was appointed for the development of the system which will be finalised and rolled-out throughout the country in June 2023. VEP and GBV systems fully integrated.</p> <p>Enterprise architect and system prototype for Alternative Care Management System have been completed.</p>	Implement NISPIIS	As part of implementing the NISPIIS, the Concept Note was approved, acquired and registered the NISPIIS Domain through SITA and the convergence tool was procured to enable information exchange between Social Cluster departments in order to realise NISPIIS	No deviation

Human Capital Management

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Implemented Government Wide Strategy for the employment of Social Service Professionals	Government-Wide strategy for the employment of Social Service Professionals implemented	N/A	<p>The draft Sector Strategy for the Employment of Social Service Professionals has been developed and supported by both HODs and MEC's of the provincial departments.</p> <p>The concept paper was developed depicting the need to enhance and strengthening the relationship, collaboration, integration, consultation, mutual support and cooperation between sector departments on the development of the sector Strategy for Employment of Social Service Professionals.</p> <p>The Terms of Reference were developed to establish the inter-Sectoral Forum to guide and provide strategic direction to the development of Sector Strategy for Employment of Social service Professionals.</p> <p>Several consultations and engagements were held with various critical stakeholders to table the draft strategy.</p> <p>The capacity analysis was conducted to determine the workforce and post supply and demand. A capacity analysis report with supply and demand of post within the provincial departments and sector departments was developed.</p>	Submit the Government Wide Strategy on the Employment of Social Service Professionals to Cabinet	Government Wide Strategy on the Employment of Social Service Professionals was not submitted to Cabinet. The Strategy was presented to the Technical Working Group for Social Protection	Due to external dependencies, the target could not be achieved however, progress towards achievement has been made. The target will be achieved in the next financial year
Please provide strategies to overcome underperformance below						
The target will be prioritised and achieved in the next financial year						

Legal Services

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Amended SASSA Act	SASSA Act Amended	N/A	Draft SASSA Amendment Bill was compiled	Submit the Draft SASSA Amendment Bill to Cabinet	SASSA Amendment Bill was not submitted to Cabinet. The Bill is still being considered for a preliminary opinion by the Office of the Chief State Law Adviser.	External dependency as the Bill must first have a preliminary certification with legality and constitutionality before it can be approved by Cabinet.
Regulations on the Children's Amendment Bill	Regulations on the Children's Amendment Bill published	The draft Regulations on the Children's Bill has been developed	Consultation report on the Draft Regulations on Children's Amendment Bill has been developed	Draft Regulations on Children's Amendment Bill submitted to the Minister for Approval	Draft Regulations Children's Amendment Bill submitted to the Minister for approval to solicit public comments	No deviation
Draft Social Development Bill	Draft Social Development Bill approved	The Draft Social Development Bill was developed and consulted with stakeholders within the Social Development Sector	Consultation report on the Draft Social Development Bill was developed	Refine and validate the Draft Social Development Bill	Draft Social Development Bill refined and validated	No deviation

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Regulations for Older persons Amendment Bill	Regulations for Older persons Amendment Bill approved	The Older Person Amendment Bill was not tabled in Cabinet. The Bill was finalized and presented to TWG and Social Cluster and all the documents were revised and submitted to the Ministry for tabling to Cabinet	The Older Persons Amendment Bill was presented to Cabinet in August 2021. The Amendment Bill was also submitted to the Office of the Chief State Law Advisor for final certification and the final certification was issued in January 2022. The Amendment Bill was then gazetted in March 2022 for introduction in Parliament. The Amendment Bill was therefore not tabled in Parliament.	Draft Regulations on Older Persons Amendment Bill	Draft Regulations on Older Persons Amendment Bill developed.	No deviation
Approved Victim Support Services Bill	Victim support Services Bill approved	N/A	VSS Bill was not submitted to Cabinet for approval, however the following progress was recorded: Development of the final SEIAS report was done and the final certificate was granted. The VSS Bill was submitted to the Office of the Chief State Law Advisors in August 2021. The State Law Advisors have sent the feedback which include comments and recommendation in November 2021	Submit the VSS Bill to Cabinet for approval	Victim support Services Bill was not submitted to Cabinet. The Bill is still being considered at NEDLAC before it can be submitted to Cabinet	Delay in finalising the consultation at NEDLAC
NPO Bill	NPO Amendment Bill approved	N/A	The NPO Amendment Bill was not tabled to Parliament. The NPO Amendment Bill was however gazetted for public comments.	Table NPO Amendment Bill to Cabinet/ Parliament	Target not achieved. NPO Amendment Bill withdrawn due to promulgation of the General Laws Amendment Act, 2022 which rendered the NPO Bill obsolete	Bill has been withdrawn and substituted for the General Laws Amendment Act which has necessitated the Department to develop Regulations to take the place of the NPO Bill.

Outcome	Functional efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Amended NDA Act	NDA Act amended	N/A	Concept document on amendment of NDA Act has been developed	Produce a Draft Amendment NDA Bill	Draft NDA Amendment Bill developed	No deviation

Please provide strategies to overcome underperformance below

Submit the Draft SASSA Amendment Bill to Cabinet: The target will be prioritised and achieved in the next financial year

Submit the VSS Bill to Cabinet for approval. The target will be prioritised and achieved in the next financial year

Table NPO Amendment Bill to Cabinet/Parliament. The target will be prioritised and achieved in the next financial year

Linking performance with budgets- Programme 1: Administration

P 1: ADMINISTRATION							
Details per Sub-Programme R'000		2022/2023			2021/2022		
		Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	
1.1	Ministry	56 520	56 424	96	42 789	42 534	255
1.2	Departmental Management	78 560	78 008	552	72 023	71 338	685
1.3	Corporate Management	190 402	189 917	485	210 657	210 344	313
1.4	Finance	161 987	161 957	30	91 070	89 797	1 273
1.5	Internal Audit	14 409	14 163	246	18 201	18 199	2
1.6	Office Accommodation	38 607	38 607	-	40 057	40 057	-
	Total	540 485	539 076	1 409	474 797	472 269	2 528

8.2: Programme 2: Social Assistance

Programme Purpose

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

Social Assistance

During the reporting period, the Department continued to expand access to social security through availing funds to the South African Social Security Agency (SASSA) monthly for the provision of social grants to eligible beneficiaries. The Department of Social Development continued with the payment of the SRD R350-00 grant since April 2022. A total of R239 billion was made available to SASSA for the payment of social grants between April 2022 and March 2023. Funding has been allocated until the end of March 2023. During February 2023, the National Treasury published a 2nd Adjustment Budget for the 2022/23 financial year and declared a second saving of R3.7 billion on the SRD R350 grant.

Programme 2: Social Assistance

Outcome						
Reduced levels of poverty, inequality, vulnerability, and social ills						
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Social grants for eligible individuals	Monthly payment of social grant beneficiaries as administered and paid by SASSA on behalf of DSD	<p>A total of R223 436 557 000 was transferred to SASSA between April 2020 and March 2021 with the monthly breakdown as follows (R'000):</p> <ul style="list-style-type: none"> • April: R36 929 • May: R20 532 603 • June: R20 537 539 • July: R32 941 898 • Aug: R12 111 660 • Sept: R21 647 059 • Oct: R26 202 419 • Nov: R17 816 138 • Dec: R17 398 652 • Jan: R17 037 009 • Feb: R 14 034 690 • Mar: R18 660 341 	<p>A total of R222,645,214,000 was made available to SASSA for the payment of social grants between April 2021 to March 2022 with the monthly breakdown as follows:</p> <ul style="list-style-type: none"> • April: R18.1 billion • May: R15.8 billion • June: R16.0 billion • July: R16.0 billion • Aug: R16.1 billion • Sept: R16.1 billion • Oct: R16.15 billion • Nov: R16.19 billion • Dec: R16.2 billion • Jan: R16.15 billion • Feb: R29.2 billion • March: R29.3 billion 	R248 billion	<p>A total of R239 billion was made available to SASSA for the payment of social grants between April 2022 to March 2023 with the monthly breakdown as follows:</p> <ul style="list-style-type: none"> • April: R20.5 billion • May: R20.5 billion • June: R20.6 billion • July: R20.6 billion • Aug: R20.6 billion • Sept: R20.7 billion • Oct: R20.7 billion • Nov: R20.7 billion • Dec: R20.7 billion • Jan: R20.7 billion • Feb: R17.9 billion • March: R14.3 billion 	<p>During the 2022 AENE process, an amount of R6 billion was declared a saving on the SRD R350 grant</p> <p>A 2nd Adjustment Budget was tabled in March 2023 where an additional amount of R3.7 billion was declared a saving on the SRD R350 grant, which resulted that a total amount of R9.7 billion was declared a saving on the SRD R350 grant for the 2022/23 financial year.</p>
Strategies to overcome under performance						

Linking performance with budgets- Programme 2: Social Assistance

P 2: SOCIAL ASSISTANCE							
Details per Sub-Programme		2022/23			2021/2022		
		Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
2.1	Old Age Grant	91 387 417	90 675 006	712 411	84 987 482	84 102 284	885 198
2.2	War Veterans Grant	965	520	445	1 212	704	508
2.3	Disability Grant	25 420 412	25 404 908	15 504	24 081 935	24 081 504	431
2.4	Foster Care Grant	4 174 937	4 169 214	5 723	4 488 120	4 373 497	114 623
2.5	Care Dependency Grant	3 877 526	3 772 238	105 288	3 658 015	3 492 803	165 212
2.6	Child Support Grant	77 683 321	76 857 750	825 571	73 236 920	72 666 743	570 177
2.7	Grant-In-Aid Grant	1 900 870	1 778 716	122 154	1 618 052	1 529 872	88 180
2.8	Social Relief Grant	34 687 144	30 379 067	4 308 077	32 470 490	32 470 490	-
	Total	239 132 592	233 037 419	6 095 173	224 542 226	222 717 897	1 824 329

8.3: Programme 3: Social Security Policy and Administration

Programme Purpose

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

Social Security Policy Development

The Inspectorate for Social Assistance conducted an audit of Disability Grant Medical Review and Grant Payment Processes. The purpose of the audit was to review the integrity of systems in the Disability Grant Medical Review Processes and compliance.

Key findings out of the report, amongst others, revealed that there are instances of non-compliance with the social assistance frameworks and systems which increases the impact of fraud and theft in respect of social grants within SASSA. To address this, SASSA must ensure that amongst others, only electronic cash dispensing machines are used, and the ability to override the biometrics system without SASSA authorization when paying social grants at cash pay points is stopped.

Furthermore, the social grant debtors book balance continuously increases mainly as result of grants being paid to non-existent, deceased, and/or ineligible beneficiaries. In most cases these are non-recoverable debtors due to cost benefit analysis, as the affected people are mostly the vulnerable. SASSA should ensure that grants are paid to verified beneficiaries and where non-compliance with SASSA prescripts occurs, consequence management is accordingly implemented to avoid recurrence of audit findings. The implementation of the Social Assistance Amendment Act, 2020 on 30 May 2022 now allows applicants and beneficiaries who are dissatisfied with the decision of SASSA relating to their grant application or review, to have direct access to lodge appeals with the Independent Tribunal for Social Assistance Appeals. The year 2022/23 has experienced a significant increase of 267% for the number of appeals received by the Independent Tribunal. For the year 2021/22, 1 601 appeals were received compared to 5 881 appeals in 2022/23.

This significant increase was exacerbated by delays in the finalisation of the appointment of new panel members, resulted in the Independent Tribunal being unable to reach its Annual Target of 70% of appeals adjudicated within the 90-day period. To mitigate the risk associated with the creation of a possible backlog and the litigation risk associated therewith, the Independent Tribunal reviewed its business

strategy resulting in new workflow processes and redesigned adjudication forms. These changes ensured that, with the limited number of Tribunal Members, the Tribunal was able to adjudicate and finalise 81.94% (4 819 of 5 881) of appeals received during the Financial Year. Of those 57.34% of appeals (2 763 of 4 819) were adjudicated within 90 days of receipt. The remaining balance of appeals was received mostly during the latter part of the 4th Quarter and are accordingly still within the 90-day period. Further thereto, the appointment process of the newly enlisted legal and medical practitioners to serve on the Independent Tribunal has been finalised and following the completion of the induction processes, will be able to assist the Tribunal with the timeous adjudication of appeals received.

During the financial year the Independent Tribunal has further received 12 554 800 Covid-19 SRD related appeals and adjudicated 9 139 751 of these appeals (which represents 72.80% of Covid-19 SRD appeals received during the period of 27 June 2022 to 31 March 2023). The remainder of these appeals will be adjudicated during the first Quarter of the new Financial Year.

DSD has successfully conducted consultations with various stakeholders, including both DSD and SASSA officials, stakeholders such as ward committees, councillors and other related stakeholders within the social protection cluster at local level. The Department also used the consultations on the new policies being developed to also present the CSG-Top Up Policy, which forms part of the Minister's performance agreement. The latter has been done with a view to improve the take up rate, which has been very low in ever since the implementation of the CSG Top Up Policy from June 2022.

The Department submitted and presented the draft policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers to the Social Protection, Community and Human Development (SPCHD) Director-General's Cluster. Although South Africa has a highly regarded framework of social grants, social insurance and a large private and occupational-based pension system, existing provisions are not tailor-made to the needs and circumstances of atypical and informal sector workers. This results in poor social security coverage for this vulnerable category of workers, which exacerbates income poverty in old age. This policy work therefore seeks to establish measures which will result in basic contributory income security for those workers in atypical and informal work environments in the event of life cycle contingencies. Prior research shows that these workers are interested in saving for

their old age but that they need an arrangement that recognises the uncertainty and irregularity of incomes.

The Department led the refinements of the Green Paper on comprehensive social security following its withdrawal from public comments in 2021-22 financial year. Due to wider scope of issues covered in the paper, the Department is finalising the processes for Government to issue a public call for comments which will guide the development of the White Paper on comprehensive social security. The overall objective is to ensure that a system of comprehensive social security is established in South Africa which combines social redistribution, social insurance, and voluntary individual insurance.

In contributing to topical policy debates, the Department commenced the work towards the publication of the second Social Security Review. The call for chapters was completed and diverse authors selected to provide evidence-based research contributions in the second edition. Arising from the inaugural edition, the Department remains committed to providing platforms in which various stakeholders participate and provide thought leadership in topical policy debates.

Programme 3: Social Security Policy and Administration

Comprehensive Social Security

Outcome						
Reduced levels of poverty, inequality, vulnerability, and social ills						
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
An approved Policy on Integrating Children's Grant Beneficiaries with Government Services	Policy on Integrating Children's Grant Beneficiaries with Government Services approved	Costed policy options on linking children grants to government services was completed	A draft Policy on Integrating Children's Grants Beneficiaries with Government Services developed.	Develop a consultations report on Draft Policy on Integrating Children's Grant Beneficiaries with Government Services	Consultations Report on Draft Policy on Integrating Children's Grants Beneficiaries with Government Services developed	No deviation
Outcome						
Empowered, resilient individuals, families and sustainable communities						
An implemented Policy on Maternal Support for Vulnerable Pregnant Women and Children	Policy on Maternal Support for Vulnerable Pregnant Women and Children approved	Costing of Maternal Support Policy was completed	Policy on Maternal Support completed.	Develop a Consultations report on draft Policy on Maternal Support for Vulnerable Pregnant Women and Children	Consultations Report on Draft Policy on draft Policy on Maternal Support for Vulnerable Pregnant Women and Children developed.	No deviation

Outcome	Reduced levels of poverty, inequality, vulnerability, and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
An approved Policy on Income Support for 18 to 59 year olds	Policy on Income Support for 18 to 59 year olds approved	Draft policy proposal on income support to 18 to 59 year olds was completed	Consultation Report on Income Support to 18 to 59-year-olds compiled.	Develop a consultations report on draft Policy on Income Support for 18 to 59 year olds	Consultations Report on Draft Policy on Income Support for 18 to 59 year olds developed.	No deviation
Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Adjudicated appeals	% of appeals adjudicated within 90 days of receipt	96.42% of appeals (1240 of 1286) were adjudicated within 90 days of receipt	97.96% of appeals (1588 of 1621) were adjudicated within ninety (90) days of receipt	Adjudicate 70% of appeals within 90 days of receipt	57.34% of appeals (2 763 of 4 819) were adjudicated within 90 days of receipt.	Significant increase in the number of appeals following the amendment of the Social Assistance Act which allows direct access to lodge appeals with the Independent Tribunal and delays in the finalisation of appointment processes of new Tribunal Members to serve on the Independent Tribunal.
Outcome	Functional, efficient and integrated sector					
Produced Audit report of the Social Assistance Frameworks and Systems	Audit report on the Social Assistance Frameworks and Systems produced	The Social Assistance Systems audit was not conducted. However, the draft 2020-21 Annual Audit Coverage Plan and 2020-23 Strategic Social Assistance Audit Plan were updated	The Audit Report on PHASE 2 of Social Assistance Grants Payment Model completed	Produce an Audit report on Disability Grant Medical Review Processes	An Audit report on Disability Grant Medical Review Processes produced	No deviation.

Outcome	Reduced levels of poverty, inequality, vulnerability, and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Outcome	Empowered, resilient individuals, families and sustainable communities					
An approved Policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers	Policy on voluntary Cover for retirement and risk benefits for atypical and informal sector workers approved	N/A	Consultation report on draft policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers finalised. Draft policy paper was updated.	Submit the draft Policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers to SPCHD DG Cluster	The draft Policy on voluntary cover for retirement and risk benefits for atypical and informal sector workers submitted and presented to SPCHD DG Cluster.	No deviation
Outcome	Empowered, resilient individuals, families, and sustainable communities					
Social Security Bill	Social Security Bill approved	Green Paper on Comprehensive Social Security was completed	Engagements with the NEDLAC social partners were finalised. The Green Paper was gazetted for public comments. However, consultation report was not completed due to the withdrawal of the Green Paper. Refinements to the Green Paper commenced and a Cabinet memo prepared.	Develop the Draft White Paper on Comprehensive Social Security	The draft white paper not developed. However, refinements to the Green Paper completed with the assistance of the appointed Technical Expert Panel. Engagements with National Treasury and the Department of Employment and Labour commenced.	Call for public comments on the refined Green Paper on comprehensive social security pending as the revised paper is being considered by other government departments for a Cabinet submission to be processed. The draft White Paper to be developed following public comments on the Green Paper.

Outcome	Reduced levels of poverty, inequality, vulnerability, and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Outcome	Functional, efficient and integrated sector					
Social Security Review	Social Security Review published	N/A	The Department finalised the work on the third edition which focuses on social expenditure in South Africa. The tables and model were updated with recent data from various sources.	Produce the Social Security Review Volume 2 draft	The Social Security Review Volume 2 draft produced	No deviation
Strategies to overcome under performance						
<p>Appeals: To mitigate the risk associated with the creation of a possible backlog and the litigation risk associated therewith, the Independent Tribunal reviewed its business strategy resulting in new workflow processes and redesigned adjudication forms. These changes ensured that the Tribunal was able to adjudicate and finalise 81.94% (4 819 of 5 881) of appeals received during the Financial Year. The remaining balance of appeals was received mostly during the latter part of the fourth Quarter and are accordingly still within the 90-day period. Further thereto, the appointment process of the newly enlisted legal and medical practitioners to serve on the Independent Tribunal has been finalised and following the completion of the induction processes, will be able to assist the Tribunal with the timeous adjudication of appeals received.</p> <p>Draft White Paper on Comprehensive Social Security target: In the next financial year, the Department will fast-track and facilitate further engagements with other relevant Government departments and social security entities on the refined Green Paper on comprehensive social security. Following these engagements, a Cabinet submission will be processed for approval to call for public comments. On completion, the draft white paper on comprehensive social security will be developed considering the comments and inputs from various stakeholders.</p>						

Linking performance with budgets-Programme 3: Social Security Policy and Administration

P 3: SOCIAL SECURITY POLICY AND ADMINISTRATION							
		2022/2023			2021/2022		
Details per Sub-Programme		Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
3.1	Social Security Policy Development	54 777	45 183	9 594	76 260	60 355	15 905
3.2	Appeals Adjudication	31 487	25 798	5 689	28 080	25 881	2 199
3.3	Social Grants Administration	7 343 571	7 343 571	-	7 893 008	7 893 008	-
3.4	Social Grants Fraud Investigation	72 008	72 008	-	70 893	70 893	-
3.5	Programme Management	4 146	2 967	1 179	4 160	2 670	1 490
	Total	7 505 989	7 489 527	16 462	8 072 401	8 052 807	19 594

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

Programme Purpose

Create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards, best practices and provide support to implementation agency.

Children's Legislation and Families

Revision of the White Paper on Families

The Department is in a process of finalising the White paper on Families. During the reporting period, DSD conducted consultations with various stakeholders to review the Revised White Paper on Families. Similarly, the Department presented the Revised White Paper on Families to Technical Working Group (TWG) for FOSAD to solicit further inputs. TWG recommended that the Revised White Paper on Families tabled before the SPCHD Cluster prior submission to Cabinet for approval for public comments. The White Paper seeks to provide guidelines and strategies for the strengthening of the families in South Africa and the realisation of their well-being as well as the strengthening of communities as support networks for families. The Revised White Paper aim to address the following policy gaps among others; unequal distribution of care giving work between men and women or boys and girls, the high rate of absent fathers and to address the issue of paternity leave to mention the few.

Sinovuyo Teen Parent Digital Programme

The Department monitored the implementation of Sinovuyo Teen Parent Digital Programme. The Programme was monitored in six provinces namely; Eastern Cape, Gauteng, Limpopo, North West, Northern Cape and Western Cape. The Programme seeks to improve caregiver-teen relationship through active social learning, improving caregiver mental health through social support and improving caregiver-teen communication about risky situations for teens in the community. A total of 200 caregivers and their teenagers were reached through the implementation of the programme which was facilitated in a structured working group setting. The programme was implemented over 14 structured sessions where different topics were discussed with the purpose of strengthening relationships and improving effective communication between parents, caregivers and teenagers. Monitoring report on the implementation of the Programme by provinces was consolidated. The monitoring report assisted to track the impact of the programme in provinces and to identify gaps for further improvements. The implementation of the Sinovuyo Teen Parent Digital Programme proved to be effective in enhancing positive interactions and relationships between parents/caregivers and teenagers. Participants were able to share own experiences and learn from each other on how to deal with personal challenges in a conducive and safe space.

Monitoring of Family Preservation Programmes.

The Department monitored the implementation of the Family Preservation Programmes, which includes Fatherhood Programme, Marriage Enrichment Programme and Mediation Services. The Programme seeks to ensure that services delivered to families are integrated and rendered from a strengths-based perspective. The Programme was implemented across provinces. A total of 12 992 beneficiaries were reached through the Programmes. The Programmes were essential to ensure that services delivered to families are integrated and rendered from a strengths-based perspective. Monitoring reports on the implementation of the Family Preservation Programmes by provinces was consolidated. The monitoring report assists to assess the impact of the Family Preservation Programmes on our communities and identify gaps with a view to improve their efficacy.

DSD Integrated School Health Programme (ISHP) Plan to curb teenage pregnancy.

The unacceptably high levels of teenage pregnancy in South Africa are an infringement on the rights of a girl-child as enshrined in the Constitution. Children falling pregnant are at risk; and amongst these is medical, social, and emotional problems, in comparison to adult mothers. Other factors affecting children falling pregnant include dropping out of school, decrease in graduation rates, and poverty because of unemployment. This is a cause for concern and requires a concerted effort by all key stakeholders in government and non-government sector including children, parents, caregivers, families, and community at large. The Department as the custodian of children with a responsibility to care and protect children whilst ensuring their well-being has made efforts to address the high levels of vulnerability, abuse, neglect and exploitation of children as these factors contribute to teenage pregnancy. During the period under review, the Department developed a DSD Integrated School Health Programme (ISHP) Plan to curb teenage pregnancy. The Plan was monitored on activities implemented at National and Provincial Departments of Social Development to curb teenage pregnancy.

The National and Provincial activities were conducted in schools, communities, whereas some were performed at a strategic level. Activities conducted include:

- The Department through the National Population Unit hosted eight seminars across the country in preparation for a Sexual Reproductive Justice (SRJ) conference held in March 2023. The purpose of the SRJ conference was an important milestone towards consolidating the Population Policy related to Sexual and Reproductive Health Rights (SRHR) work that has been done over the past 24 years, and to chart a way forward based on the lessons learnt to date.

- **The World Population Day was commemorated on 26 Nov 2022 under the Theme:** “A world of 8 billion: Towards a resilient future. Harnessing opportunities and ensuring rights and choices for all.” The commemoration aimed at advocating towards a world where young people everywhere have control over their own bodies and their destinies. A world where they are free to choose parenthood or not, free to decide how many children they will have and when; free to pursue healthy sexual lives without fear of unwanted pregnancies and sexually transmitted infections, including HIV. A world where gender or sexuality are no longer a source of inequality or stigma.
- The Department commemorated the Child Protection Week (CPW) in districts with high levels of teenage pregnancies and other issues affecting children. The CPW launch was held on 29 May 2022 in Eastern Cape at Ngquza Hill Municipality whereas the closing was held on 05 June 2022 in Kwa-Zulu Natal, Umfolozi Local Municipality and over 1000 people including children were reached. The launch was preceded by community dialogues with teenagers and community members with a view to understand their experiences, feelings and opinions about teenage pregnancy. Child Protection Week is one of the government programmes implemented annually to raise awareness on child protection and mobilise communities around childcare and protection. Child Protection Week is now honoured 365 days to escalate prevention and early intervention programmes and to reduce the high levels of teenage pregnancy.
- The Department facilitated the implementation of Social and Behaviour Change (SBC) programmes in schools, over 25 000 beneficiaries were reached through You Live Once (YOLo) school-based programme. YOLO is a DSD branded and evidence-based Youth Social and Behaviour Change Communication programme, targeting orphans, vulnerable, children and youth (OVY) aged 15-24 years age group. The programme is aimed at the reduction of HIV Infections and Teenage/Unplanned Pregnancy. Moreover, it seeks to create a safe and enabling environment in which young people can safely engage in discussion about HIV prevention and teenage pregnancy, and where positive values, and quality decisions related to the sexuality of young people can emerge.

Capacity Building of the Sector Workforce

Capacity building of the Sector workforce is a priority that was identified by the National development Plan (NDP) 2030 and the Medium Term Strategic Framework (MTSF) 2019-2024, where 80% (5 916) of the sector workforce has to be capacitated on the Children’s Act. This contributes directly towards the NDP which states that “to address the twin challenges of poverty and inequality, the state needs to play a transformative and developmental role which requires well-run and effectively coordinated state institutions with skilled public servants who are committed to the public good and capable of delivering consistently high-quality services, while prioritising the nation’s developmental objectives”. The National Development Plan

(NDP) further states that South Africa needs to focus on building a professional public service and a capable state by addressing the skills deficit in the social welfare sector.

During the reporting period 20% of the Sector Workforce had to be capacitated. A total of (2 962 of 7 395) Social Service Practitioners were capacitated representing 40% of the baseline.

HIV and AIDS

The Department continued with capacity building of Social Service Practitioners (SSPs). In this regard, a total of 445 SSPs were capacitated on the Guidelines on HIV Testing Services for Social Services Practitioners in eight provinces except Free State.

The guidelines enhance the social service sector’s responses in relation to improving access to HIV testing, treatment and adherence support to those affected by HIV. They support SSPs working at community level to provide necessary counselling and support, promote access to HIV testing, treatment and adherence support for children and their caregivers, and clarify roles and responsibilities of SSPs.

The Department further trained 702 SSPs on the Compendium of Social and Behaviour Change (SBC) programmes. The Compendium comprised the following SBC programmes: YOLO, Chommy, Family Matters programme, Boys Championing Change and Men Championing Change programmes. This will assist the SSPs to implement the programmes to contribute to the reduction of new HIV infections and teenage pregnancies.

The Department officially handed over two Community Care Centres (CCCs) to North West DSD. The CCCs were built with funds from the German government. The Deputy Minister officially opened a 20 seater multimedia centre at Idlebe CCC in KwaZulu Natal province.

The Government 2 Government (G2G) goal was achieved by strengthening DSD’s capacity to scale-up the implementation of primary prevention of sexual violence. This also include the HIV activities among children and youth and reduce incidence of HIV and AIDS through Social and Behaviour Change programmes. This was done using the HIV Prevention programmes YOLO for 15 - 24 years, Chommy for those aged 10-14 years. These SBC programmes directly contributed to cubing the teenage pregnancy through empowering young people with knowledge and skills to prevent and reduce risky sexual behaviours for South African youth; and link them to the 95-95-95 clinical cascade. The project surpassed the 95% treatment line mark by achieving 99.7%. In addition, the Project provided Community Based Intervention Monitoring System (CBIMS) database training to 7 provinces. The database allows for granular data analysis to inform programming

Children's Services

Adoptions and ISS

The Department continued to conduct capacity building training sessions on the Adoption Policy Framework and Strategy. In this regard, a total of 398 Social Workers were capacitated on Policy Framework and Strategy in seven (7) provinces namely Gauteng, Free State, KwaZulu-Natal, Limpopo, North West Mpumalanga and Northern Cape. The trained Social Workers were empowered with knowledge and skills which will assist them in providing adoption services to the communities as mandated by Section 247 of the Children's Act of 38 of 2005 to record and manage the Adoption Register.

Furthermore, training sessions conducted on the Guidelines for dealing with unaccompanied and separated migrant children in South African. The capacity buildings were conducted in three (3) provinces namely; Gauteng, Limpopo and North West. These trainings contributed to the outcome of MTSF which indicates the empowered, resilient individuals, families and sustainable communities and Departmental Priority 6 on Social Cohesion and Safe Communities.

During the reporting period, a total of 1 245 adoptions were registered, which include 1 137 national and 108 being intercountry adoptions.

Furthermore, a total of 263 children and 44 prospective adoptive parents registered in the Register on Adoptable Children and Prospective Adoptive Parents (RACAP). The aim of RACAP is to facilitate matching of adoptable children with prospective adoptive parents within the country. The register thus facilitates adherence to the subsidiarity principle of the Hague Convention (29 May 1993) on Protection of Children and Co-operation in Respect of Inter-country Adoption, according to which all avenues to place a child within the country of origin must be explored before inter-country adoption is considered.

Orphans and Vulnerable Children (OVC)

During the reporting period under review, the Department monitored the implementation of the of the Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children across provinces. The National Department consolidated Monitoring report that assists in measuring outcomes of interventions on the lives of beneficiaries; identify gaps and provide support to provinces where challenges are identified to orphans and vulnerable children.

A non-cumulative number of 168 323 vulnerable children were reached on the implementation of community-based prevention and early intervention services and 992 of those were children with disabilities. A total of 917 NPOs and CBOs implemented Community Based Prevention and Early Intervention Services to vulnerable children (Risiha) in all the provinces.

Furthermore, capacity building sessions were held on implementation for Guidelines on Community Based Prevention and Early Intervention Services to vulnerable children and mainstreaming of children with disabilities. The capacity buildings were conducted in Eastern Cape, Gauteng, Free State, Limpopo, Mpumalanga, North West and Northern Cape. A total number of 377 people were reached.

Child Protection

The Department also monitored the implementation of the Intersectoral Protocol on the Prevention and Management of Violence against Children, Child Abuse and Neglect and Exploitation (VCANE). The Intersectoral Protocol was successfully monitored in across provinces and the monitoring report was produced. The monitoring report assists in measuring outcomes of interventions on the lives of beneficiaries; identify gaps and provide support to provinces where challenges are identified for children affected by violence, child abuse, neglect and exploitation. It further assist in strengthening the identification, reporting, referral, and effective case management in collaborative and coordinated manner.

As part of the prevention and management of the violence against children, child abuse, neglect and exploitation, the Department trained 93 social workers and their supervisors on the provision of therapeutic services to children and families affected by child sexual abuse. The trainings were conducted in Eastern Cape, Gauteng and Mpumalanga

Furthermore, the capacity buildings were conducted with all nine provinces including civil society organizations on the following:

- Guidelines for the Prevention of and Response to Child Exploitation, legislation and the Sustainable Development Goals (SDGs) with overall total of 65 social workers, social service practitioners and relevant stakeholders from NGOs South African Veterinary Foundation (SAVF) and Child Welfare South Africa (CWSA).
- Programmes for Exploited Children, Social workers manual and the child exploitation brochure, with the attendance of 75 social service practitioners and various stakeholders from Western Cape and KwaZulu-Natal.
- Awareness programme focussing on child trafficking and cybercrime and online safety with relevant stakeholders. The awareness programme reached 410 social service and 245 children across provinces.

The Department further conducted webinars with specific focus on child trafficking and interface of provisions of the Children's Act and other pieces of legislation relevant to child exploitation.

As part of commemoration of the 365 days child protection programme of action on addressing violence against children, Department held several build up activities which include among others:

- Commemoration of the Child Protection Week (CPW) from 29

May to 05 June 2022. The commemoration took place in Eastern Cape, OR Tambo district, Ingquza Hill- Lusikisiki. The closing of the Child Protection Week was held on the 05 June 2022 in Kwa-Zulu Natal, King Cetshwayo district in Nhlabane.

- The launch of the Child Protection Week was done simultaneously with presentation of the Disrupting Harm Study by the Minister of Social Development to share the findings and recommendations of the study regarding children's online use, benefits and risks whilst promoting protection from online exploitation.
- Festive Season Child Protection Awareness campaign held in Mpumalanga in December 2022, reaching 120 children and 87 parents. The purpose of the programme was to raise awareness on Online safety, reduction of the high levels of teenage pregnancy, identification and reporting of child abuse, neglect and exploitation.
- DSD held Safer Internet Day in Gqberha, reaching 200 school children and 25 educators in February 2023.

Foster Care

During the reporting period, the Department monitored provinces on the implementation of the foster care programme of action that incorporates the directives of the High Court Order. The North Gauteng High Court Order was extended on 11 November 2022 and is due to lapse in 11 November 2023. The national office and provinces submitted the quarterly progress reports to the High Court. Monitoring report on the implementation of the was Programme of Action on Foster Care across provinces was produced. The intended impact is to put in place the required systemic mechanisms in the provinces for the provision of Foster Care services, reducing the challenges that are currently experienced in the implementation of this service.

Professional Social Services and Older Persons

The Department is a process to develop the White Paper on Social Development. As recommended by Cabinet a task team was established at NEDLAC, consisting of social partners from Business, Community, Labour and Government Constituencies to consider the White Paper on Social Development and engage on the contents thereof.

The NEDLAC Report arising from the discussions was developed in July 2022 and approved by the task team in August 2022. Albeit protracted, the process yielded valuable contributions prompting the need for the Department to retreat and relook into the document for further enhancement. As a result, further engagements were held with critical stakeholders in consideration of the inputs and contributions made by Constituencies at NEDLAC.

Parallel to the finalization of the White Paper, the Department had to conduct Readiness Assessment for implementation of the White Paper for Social Development. This Readiness Assessments is an evaluation of the Departments' and various stakeholders' preparedness to implement changes resulting from the adoption of the Draft White Paper for Social Development. The results of a Readiness Assessment

will inform a formal plan for the implementation of the White Paper.

Social Crime Prevention and Anti –Substance Abuse

Social Crime Prevention

DSD continued to implement the Anti-gangsterism Strategy. The Strategy was implemented through Educational Sessions conducted with parents as children in (9) nine High Risk Districts namely; Xhariep District in Free State, eThekweni South in KZN, Francis Baard in Northern Cape, Sarah Baartman and Dr Kenneth Kaunda in North West, Sedibeng in Gauteng, Capricorn and Vhembe in Limpopo and Gert Sibande in Mpumalanga. Key activities among others included awareness on causes of gangsterism and bullying; granting platform for parents to share how they are affected by gangsterism as individuals, family and community; utilizing testimonies of rehabilitated and reformed former-gangsters (adult and a child).

The activities further included motivating and encouraging parents and children to take steps to prevent gangsterism; knowing and identifying signs when the children are in gangs. These also included how children reach out for help with parents when they feel bullied and have an urge to join gangs and to use the information on their rulers and pencil cases to get assistance.

Through the session, parents benefited from understanding early signs of children at risk of gangsterism, communication skills on how to constructively confront a child or teen at risk of being involved in gangs as well as how parents can manage conflict when a child report, she/he is bullied (Social Crime). The children were empowered on their self-worth and managing the anger through use of sessions in the DSD Playing through the Forest and Rhythm of life which are Social Crime Prevention Therapeutic Programmes as part on the spot early intervention.

Education and Awareness at Institutions of Higher Learning

DSD continued with education and awareness campaigns at 28 campuses amongst children and youth in institutions of higher learning and colleges. The campaigns are implemented with anticipated outcomes for curbing social-ills, empowering children and youth on a comprehensive knowledge on crime prevention related matters at an early stage for future benefits. The focus was on educating youth in institutions of higher learning on measures to prevent being either victims or perpetrators of crime and violence. To also promote an increase and equitable access of services, blowing the whistle and alert on the social-ills that are opportunistic and contributing to the committal of criminal and violent activities.

Anti-Substance Abuse & CDA

Implementation of the National Drug Master Plan 2019- 2024

During the reporting period, capacity building sessions on the implementation of the National Drug Master Plan (NDMP) 2019-2024

were conducted in four (4) provinces namely; Eastern Cape, Gauteng, North West and Northern Cape. Cluster Departments which included DTIC, SAPS, COGTA, DCS, DoJ&CD, NYDA, SAHPRA, DHET and SARS were also trained to implement the NDMP.

Universal Treatment Curriculum (UTC)

Department conducted capacity building training sessions on the implementation of the Universal Treatment Curriculum (UTC) in seven (7) public treatment centres namely; Charlotte Maxeke in Free State, Dr Fabian and Florence Ribeiro Treatment Centre in Gauteng, Ernest Malgas in Eastern Cape, Kensington Treatment Centre in Western Cape, Madadeni and Khanyani Treatment Centres in KwaZulu-Natal and Taung Treatment Centres in North West. The training on the implementation of the UTC will strengthen the provision of evidence-based treatment modalities and application of treatment tools for Substance Use Disorders in relation to treatment, care, rehabilitation, recovery and support. The UTC ensures uniform and improved quality of treatment services by standardising treatment programmes in public substance abuse treatment centres. It thus, contributes to the government priority number 4: consolidating the social wage through reliable and quality basic services with the focus on scaling up treatment and rehabilitation strategies to increase the number of people accessing treatment programmes.

Policy on the Prevention of and Treatment for Substance Use Disorders.

The Daft Policy on Prevention of and Treatment for Substance Use Disorders was reconsulted extensively with several stakeholders among others JCPS and SPCHD Clusters, MinMec, HSDS, Central Drug Authority, Government departments due to the new added policy provisions on Alcohol Harm Reduction Fund. The Policy will contribute to the attainment of targets in Chapter 10 (Goal 5) of the National Development Plan (NDP) Vision 2030, and NDP, Priority 4: Prevent and reduce the disease burden and promote health. The Priority 4 also highlight the prevention and control epidemic burdens through deterring and treating HIV/AIDS, new epidemics and alcohol abuse. It is aligned to the Medium-Term Strategic Framework's (MTSF) key targets relating to safety, establishing social protection systems, strengthen coordination, integration, planning, monitoring and evaluation of services. It contributes to the vision and mission of the department of Social Development, through the Provision of integrated and comprehensive systems of care that incorporates the continuum of services from prevention, early intervention, treatment, rehabilitation, reintegration and aftercare services.

Commemoration of the International Day against Drug Abuse and Illicit Trafficking

During the reporting period the Department commemorated the International Day against Drug Abuse and Illicit Trafficking on the 26th of June 2022 in Western Cape Province. The 2022 United Nations Office

on Drugs and Crime (UNODC) theme for the day was "Addressing Drug Challenges in Health and Humanitarian crises". The theme emphasizes importance of individual to continue advocate and protect the right to health for the most vulnerable, including youth and people with drug use disorders. To also to tackle the world drug problem with evidence-based approaches for prevention and treatment of substance abuse in times of crises.

The event was commemorated through an interdenominational approach whereby 300 community members attended the event. Since the commemoration day was on Sunday, the national theme was: "My Faith, My Hope against alcohol and drugs", which means that there is still hope and faith when addressing issues of alcohol and drugs. The event was led by the Minister of Social Development, supported by the Deputy Ministers of Police and Cooperate Governance and Traditional Affairs. Both the Ministers emphasised the importance of concerted effort which is required from stakeholders to combat alcohol and drug abuse. The United Nations Office on Drugs and Crime (UNODC) and Central Drug Authority (CDA) also supported the event by giving messages of support on how to fight the scourge of substance abuse in the country.

The Victim Empowerment Programme and Prevention of Gender Based Violence (GBV)

As part of strengthening the legislation of the victim empowerment services, the Department is in process of finalizing the Victim Support Services (VSS) Bill. A policy on Victim Support Services was approved by Cabinet. Both the VSS Bill and Policy seeks to address the gaps identified in all the existing victim empowerment legislation including the challenges in the provision of sheltering services. The VSS Bill was gazetted and the office of the state law advisers had completed the processing of public the comments on the Bill. It is currently before the NEDLAC and it will be presented to Cabinet for introduction to Parliament in 2023/24.

The Department has implemented the enhancement of response services in the thirty (30) National Gender Based Violence and Femicide (GBVF) hotspots with 100 GBVF ambassadors and fifty (50) Social Workers deployed to provide psychosocial services in the hotspot areas across the country. The DSD in partnership with the Department of Women, Youth and Persons with Disabilities have successfully support the Presidential Summit 02 on GBV and Femicide. The DSD as a lead department in the implementation of Pillar 4 (Response Care Support and Healing) has developed, consulted and approved two (2) policies (Intersectoral Shelter Policy and Policy on Provision of Psychosocial Support Services). Both policies are meant to standardise services offered to victims of GBVF. All provinces were reached through capacity building on both the policies. Stakeholders from the JCPS Cluster has been reached across the country and more stakeholders will be

reached with capacity building on the policies. The partnership with the Department of Public Works and Infrastructures has resulted in progress of over fifteen (15) buildings identified and prepared for more facilities to be handed over as GBV Shelters.

The Department through Gender Based Violence Command Centre continued to provide Psychosocial Support Services to over 53 000 victims of GBV and Femicide. More communities are reached by the Command Centre through community campaigns on education and awareness raising on GBV and services of the Centre.

Office on the Rights of the Child

The Department is responsible to coordinate issues of children in the country. In this regard, the National Steering Committee on the Rights of the child was established which convene on a quarterly basis. This is a structure that is intersectoral in nature and comprises of Government Departments and Civil Society in the children's sector.

South Africa is signatory to the African Charter on the Rights and Welfare of the Child. As such, the country is obliged to submit periodic reports to the African Committee of Experts on the Rights and Welfare of the Child (ACERWC) in terms of article 43 of the Children's Charter. The Department therefore coordinated responses on the African Committee of Experts on the Rights and Welfare of the Child (ACERWC) and list of issues emanating from the second State Party Report. Consultation on the United Nations Optional on the Communications Procedure was also conducted during the period under review. The Draft State Party on the Rights of the Child was submitted to Department of International Relations and Cooperations (DIRCO). The Report provides updates the Committee on measures taken to give effect to the rights of children as outlined in the Convention and the Constitution through development of legislation and policies to uphold the rights of children.

Services to Persons with Disabilities

Guidelines on Respite Care Services to Families and Persons with disabilities

A programme focusing on Respite care services for Parents of/and children with disabilities, was conceptualized following increase in number of complains and concerns, on lack of support and services to parents and children with disabilities, were reported to the department. Utilizing the developed Disability Mainstreaming (DEM) model on the Empowerment of Persons with disabilities and Disability Mainstreaming concept. The Department in partnership with Japan International Cooperative Agency (JICA), commenced with the development of the Respite care services focusing on the following objectives:

- To identify practical methodology to empower children with disabilities and their families
- To identify practical methodology to improve accessibility to services in communities for children with disabilities and their families
- To identify areas of capacity development for DSD officials for

implementing the identified practical methodologies identified

- To conduct capacity building workshops for parents of children with disabilities in four provinces

In this regard, the Department conducted capacity buildings workshops in Northern Cape, Mpumalanga, Free State and KwaZulu-Natal in collaboration with the Department of Health, Education and Non-Government Organisations to empower children with disabilities and their families to become users and/ or caregivers for Respite Care Services.

The Department embarked on the Study Tour to Japan on Welfare and Respite Care services in February 2023 to learn and benchmark on the development of Respite Care services, implementation and costing of Welfare services to Children and families in Japan. This participation in the Japan Tour contributed in providing inputs in the direction for concrete cooperation between South Africa and Japan on the Respite care project.

Community -Based System for Personal Assistance to Support Independent Living within the Community for Persons with Disabilities

The DSD Disability programme is informed by several government policies, legislation, International and Regional signed treaties on disability including the UNCRPD and the Regional protocol on Disability. The Department of Women, Youth and Persons with Disabilities (DWYPD) developed the White paper on the Rights of Persons with Disabilities, which domesticates the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) which is the global disability law, for overall service provision by the entire public service, including DSD as a line function department and NGOs in the country. WPRPD guides the development of sectoral policies, legislation, programmes, budget and reporting system across government in line with Constitutional and international instruments, amongst others.

Community based system for Personal Assistance to Support Independent Living within the Community for Persons with Disabilities has been identified as one of the Frameworks to be developed by the DSD in its quest to implement the WPRPD. Utilizing the Empowerment of Persons with disabilities and Disability Mainstreaming concept, the following has been achieved towards the development of the service:

- Create a platform at district level to obtain buy-in from key stakeholders
- Establish a working group at local municipality level to guide and oversee the implementation process
- Conduct a training to empower the working group
- Conduct a baseline survey and develop an activity plan based on results of the survey.
- Implement planned activities by the working group.

Children's Legislation and Families

Outcome	Empowered, resilient individuals, families and sustainable communities					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
A Revised White Paper on Families	Revised White Paper on Families approved	The Revised White Paper on Families has been developed	The Department consulted on the Revised White Paper	Present the Revised White Paper on Families to Technical Working Group for FOSAD	The Revised White Paper on Families presented to Technical Working Group for FOSAD	No deviation
Sector workforce Capacitated on the Children's Act	% of the sector workforce Capacitated on the Children's Act	New Indicator	New Indicator	Capacitate 20% of the sector workforce on the Children's Act	Capacitated 40% (2 962 of 7 395) of the sector workforce on the Children's Act	Overachievement as a result of high demand on capacity building.
A produced annual report of DSD Integrated Schools Health Programme (ISHP) Plan to curb Teenage pregnancy	Annual monitoring report on the implementation of ISHP Plan to curb teenage pregnancy consolidated	New indicator	New indicator	Consolidate the annual monitoring report on the DSD implementation of ISHP Plan to curb Teenage pregnancy	The annual monitoring report on the DSD implementation of ISHP Plan to curb Teenage pregnancy consolidated	No deviation
A produced Annual monitoring report on The Sinovuyo Teen Parent digital programme	Sinovuyo Teen Parent Digital programme implemented	New indicator	Capacity building was conducted on the Sinovuyo Teen Parent digital Programme for implementation by provinces	Consolidate annual monitoring report on the Sinovuyo Teen Parent digital programme	The annual monitoring report on the Sinovuyo Teen Parent Digital Programme consolidated	No deviation
A produced monitoring report on the family preservation programmes	Implementation of family preservation programmes monitored	New indicator	New indicator	Consolidate the monitoring Report on the implementation of family preservation programmes	Monitoring Report on the implementation of family preservation programmes consolidated.	No deviation
Please provide strategies to overcome underperformance below						

8. Performance by Programme

HIV and AIDS

Outcome	Empowered, resilient individuals, families and sustainable communities					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
SSPs capacitated on HIV Testing Services (HTS) guidelines	Number of SSPs capacitated on HIV Testing Services guidelines	Two hundred and twenty-six (226) SSPs capacitated on Social and Behaviour Change (SBC) programmes	Capacitated seven hundred and thirty (730) SSPs on Social and Behaviour Change (SBC) programmes	Capacitate 400 SSPs on HIV Testing Services guidelines	Capacitated 445 SSPs on HIV Testing Services guidelines	Target exceeded due to the provinces and G2G funding support of the training that was demanded and provided.
SSPs capacitated on Social and Behaviour Change (SBC) programme	Number of SSPs Capacitated on Social and Behaviour Change (SBC) programmes	New indicator	New indicator	Capacitate 500 SSPs on Social and Behaviour Change (SBC) programmes	Capacitated 702 SSPs on Social and Behaviour Change (SBC) programmes	Demand for training from provinces to allow scale up of the programme.
OVCY in G2G districts provided with core package of services	Number OVCY in G2G districts provided with core package of services	New indicator	New indicator	Provide 20 000 OVCY in G2G districts with core package of services	Provided 36 870 OVCY in G2G districts with core package of services	Based on the alarming increase in teenage pregnancy, the project increased reach in providing SBC programmes to assist adolescents to secure their future
OVCY who know their HIV status in G2G districts provided with core package of services	% of OVCY who know their HIV status in G2G districts provided with core package of services	New indicator	New indicator	Provide core package of services to 60% OVCY who know their HIV status in G2G districts	78% (28 667 of 36 870) OVCY knowing their HIV status received core package of services	Due to the increased reach and the risky adolescent sexual behaviour, it was at utmost importance to ensure that OVCY know their HIV status to ensure no lost opportunity for early ART initiation
OVCY who know their HIV positive status in G2G districts supported to adhere to treatment	% of OVCY who know their HIV positive status in G2G districts supported to adhere to treatment	New indicator	New indicator	Support 80% of OVCY who know their HIV positive status in G2G district to adhere to treatment	Supported 97% (240 of 248) of OVCY who know their HIV positive status in G2G district to adhere to Treatment	The current ART regulations stipulations test and treat, the project therefore adheres to the regulations
Please provide strategies to overcome underperformance below						

8. Performance by Programme

Children's Services

Outcome	Empowered, resilient individuals, families and sustainable communities					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Social workers Capacitated on the Adoption Policy Framework and Strategy	Number of Social Workers capacitated on Adoption Policy Framework and Strategy	Capacitated 430 Social Workers in the following provinces; North-West, Limpopo, Eastern Cape, Western Cape, KwaZulu-Natal, Gauteng, Free State and Northern Cape	Capacitated 287 Social Workers on Adoption Policy Framework and Strategy	Capacitate 270 Social Workers on Adoption Policy Framework and Strategy	Capacitated 398 Social Workers on Adoption Policy Framework and Strategy	The target was exceeded due to high demand of the capacity building sessions especially by Gauteng Province
Monitoring tool on the Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children	Monitoring tool on the implementation of Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children implemented	Draft monitoring tool on the implementation of the Guidelines on Community-Based Prevention and Early intervention Services to vulnerable children has been finalised	Monitoring tool on the implementation for Guidelines on Community Based Prevention and Early Intervention Services to vulnerable children was piloted in three (3) provinces, namely LP, NW, GP	Monitor the implementation of the Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children in 9 provinces.	Implementation of the Guidelines for Community Based prevention and early intervention services to vulnerable children was monitored in nine (9) provinces	No deviation
Intersectoral Protocol on the Management and Prevention of Violence against Children, Child Abuse, Neglect and Exploitation Monitoring tool	Monitoring tool on the Implementation of Guidelines for Community Based Prevention and Early Intervention Services to vulnerable children implemented	Draft monitoring tool on the implementation of the Intersectoral Protocol on the Prevention and Management of Violence against Children, Child Abuse, Neglect and Exploitation has been finalised	Monitoring tool on the implementation of the Intersectoral Protocol on the Management and Prevention of Violence against Children, Child Abuse and Exploitation was piloted in three (3) provinces, namely KZN, EC, GP.	Monitor the Implementation of the Intersectoral Protocol on Management of Violence Against Children, Child Abuse and exploitation	Implementation of the Intersectoral Protocol on Management of Violence Against Children, Child Abuse and exploitation was monitored in all provinces except Mpumalanga	No deviation
Implementation of the Programme of Action (PoA) on foster care monitored	Programme of action for foster care implemented	New indicator	New indicator	Monitor the implementation of the programme of action on foster care in provinces	Implementation of the programme of action on foster care was monitored in nine (9) provinces	No deviation
Please provide strategies to overcome underperformance below						

8. Performance by Programme

Professional Social Services and Older Persons

Outcome	Functional, efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
An implemented White Paper on Social Development	White Paper on Social Development implemented	The implementation plan on the White Paper on Social Development was developed and consulted with all provinces	Sector-wide consultations on the implementation of the White Paper for Social Development were conducted.	Develop a Readiness Assessment report on the implementation of the White Paper for Social Development	Readiness Assessment report on the implementation of the White Paper for Social Development developed	No deviation

Please provide strategies to overcome underperformance below

Social Crime Prevention and Anti-Substance Abuse

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
An implemented DSD Anti-Gang strategy	DSD Anti- Gang Strategy implemented	Implementation of Anti-Gangsterism Strategy was monitored in six provinces, namely, KZN, EC, WC, MP, GP and LP	Anti-Gangsterism strategy has been implemented through capacitating nine (9) high-risk districts	Implement the DSD Anti-Gang Strategy in nine high risk districts	DSD Anti- Gangsterism Strategy was implemented through capacitating nine (9) high-risk districts	No deviation
Prevention and early Intervention measures implemented in campuses to curb social ills amongst children and youth	Number of campuses Wherein prevention and early intervention measures to curb social ills amongst children and youth are implemented	New indicator	A total of thirty-seven (37) campuses were reached through prevention and early intervention measures to curb social ills during the period under review. The following campuses were reached: Sol Plaatjie University and NCR TVET College (Upington, Kathu and Kuruman) in Northern Cape,	Implement prevention and early intervention measures to curb social ills (VEP GBV, SCP & Substance Abuse) amongst children and youth in 14 campuses	A total of twenty-eight (28) campuses were reached through prevention and early intervention measures to curb social ills (VEP GBV, SCP & Substance Abuse) amongst children and youth during the period under review.	The department received more requests from institutions of higher learning during the fourth quarter to support university student's orientation programmes

8. Performance by Programme

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
			<p>Lehurutse TVET and North-West University (Mafikeng campus) in North-West,</p> <p>Mpumalanga University (Nelspruit and Siyabuswa Campuses), and Nkangala TVET in Mpumalanga,</p> <p>Lovedale TVET (Alice Campus) and St Marks (East London Campus) in the Eastern Cape,</p> <p>Capricorn TVET (Polokwane, Senwabarwana and Seshego Campuses),</p> <p>Tshwane University of Technology and University of Venda in Limpopo;</p> <p>Tshwane South College, West Col TVET, University of Pretoria, and University of Johannesburg (Auckland, Soweto, Bunting Road, Doornfontein campuses) in Gauteng;</p>		<p>The following campuses were reached:</p> <p>Baffalo City TVET College: ST Marks East London and JKB Campuses,</p> <p>in the Eastern Cape,</p> <p>University of Free State,</p> <p>TOSA VET College in Free State Province,</p> <p>Tshwane TVET College: Pretoria West Campus,</p> <p>University of Pretoria: (Groenkloof and Prinshof Campuses,</p> <p>Sefako Makgatho Health Sciences University in Gauteng,</p>	

8. Performance by Programme

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
			<p>University of Free State (Bloemfontein and South Campuses) in the Free State,</p> <p>Elangeni TVET (Inanda and Ntuzuma Campuses), Durban University of Technology (Steve Biko campus), Mangosuthu University of Technology and University of Zululand (Kwadlangezwa and Richards Bay campuses) in KwaZulu-Natal, and Cape Peninsula University of Technology (District Six, Bellville, Mowbray, Wellington, Granger Bay and Athlone campuses) in Western Cape.</p>		<p>Mangosuthu University of Technology, Durban University of Technology Main Campus, Durban University of Technology (Ritson and Pietermaritzburg Campuses), University of Zululand (Kwa-Dlangezwa and Richards Bay Campuses) in KwaZulu-Natal,</p> <p>Ehlanzeni TVET College (Main campus, Mapulaneng and Mthimba Campuses), Nkangala TVET College (CN Mahlangu, Middleburg, and Waterval Boven Campuses) in Mpumalanga University of Limpopo and University of Venda in Limpopo,</p> <p>Vuselela TVET College in North-West,</p>	

8. Performance by Programme

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
					Northern Cape Urban TVET College and Sol Plaatjie University in Northern Cape, Cape Peninsula University of Technology (District Six and Bellville campuses) in Western Cape.	
Public Treatment Centres capacitated to implement Universal Treatment Curriculum (UTC)	Number of public treatment Centres capacitated on the implementation of the UTC	The Universal Treatment Curriculum was implemented in three public treatment centres. These includes Nkangala Treatment Centre in Mpumalanga, Northern Cape Substance Dependency Treatment Center in Northern Cape and Newlands Park Treatment Center in KwaZulu-Natal	Seven (7) public treatments Centers, namely, Nkangala, Swartfontein, JB Marks, Seshogo, FF Ribeiro, Newlands Park public treatment centres and Northern Cape Substance Dependency Treatment Centre were capacitated on the implementation of the UTC.	Capacitate 7 public treatment Centres on the implementation of the UTC	Seven (7) public treatments Centers, namely, Charlotte Maxeke, Dr Fabian and Florence Ribeiro, Ernest Malgas, Kensington, Madadeni, Khanyani and Taung Treatment Centres were capacitated on the implementation of the UTC.	No deviation

8. Performance by Programme

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Capacitated Cluster Departments and Provinces to Implement the National Drug Master Plan (NDMP)	Number of Provinces and Government Cluster Departments capacitated to implement NDMP	A total of seven Provincial Substance Abuse Forums were capacitated on the National Drug Master Plan 2019-2024. The provinces are: FS, GP, EC, NC, NW, WC and KZN	N/A	Capacitate 4 provinces and 2 Cluster Departments to implement NDMP	A total of four (4) provinces were capacitated on NDMP, namely, Eastern Cape, Gauteng, North- West and Northern Cape. The following Departments from Clusters were also capacitated to implement the NDMP namely, DTIC, SAPS, COGTA, DCS, DoJ&CD, NYDA, SAHPRA, DHET and SARS.	High Demand for capacity building to improve on implementation of the NDMP.
An Implemented National Strategic Plan (NSP) on Gender Based Violence and Femicide Pillar 4 of Response, Care, Support and Healing	The NSP on Gender Based Violence and Femicide Pillar 4 of Response, Care, Support and Healing implemented	New indicator	<p>A total of four (4) provinces (WC, KZN, MP, NC) were capacitated on the provision of psychosocial support services policy and Intersectoral policy on the sheltering services in implementing the NSP</p> <p>Conducted capacity building in six (6) GBVF hotspot districts on the provision of psychosocial support services policy and intersectoral policy on the sheltering services in implementing the NSP.</p>	Capacitate 15 GBVF hotspot districts on the provision of Psychosocial services policy and Intersectoral Policy on Sheltering Services in implementing the NSP	A total of fifteen (15) GBVF hotspot districts were capacitated on the provision of psychosocial support services policy and Intersectoral policy on the sheltering services in implementing the NSP namely, North-West: Dr Kenneth Kaunda District (Ikageng GBVF hotspot); Gauteng Province: Johannesburg Metro (Alexandra, Moroka, Diepsloot, Honeydew, Orange Farm	

8. Performance by Programme

Outcome	Reduced levels of poverty, inequality, vulnerability and social ills					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
			The hotspot districts were in EC on the 16-17 February 2022, MP on the 09-10 February 2022, NC on the 15-16 March 2022, LP on the 23 – 24 February 2022, GP on the 22 – 23 March 2022 and FS on the 29-30 March 2022).		Sedibeng District (Mfuleni) West Rand Region; Kagiso Eastern Cape: (OR Tambo District) Nelson Mandela Bay and Amathole districts Free State: District: Mangaung (Bloemspuit); Western Cape: Cape Town Metro, (Deft, Khayelitsha and Nyanga); KZN: District: eThekweni Metro, eThekweni North, eThekweni South, King Cetshwayo, Durban North and Amajuba (Umlazi, Nanda, Ntuzuma, KwaMashu, Empangeni and Osizweni)	No deviation
An approved Prevention of and Treatment for Substance Use Disorders Policy	Prevention of and Treatment for Substance Use Disorders Policy submitted to Cabinet for approval	New indicator	New indicator	Submit draft Prevention of and Treatment for Substance Use Disorders Policy to Cabinet for approval to gazette for public comments	Target was not achieved. However, the SEIAS application process was finalised. The Department consulted JCPS and SPCHD Clusters, MinMec, HSDS, CDA, Government departments and other stakeholders.	The Draft Policy had to be consulted due to the new added policy provisions on Alcohol Harm Reduction Fund.
Please provide strategies to overcome underperformance below						
Submit draft Prevention of and Treatment for Substance Use Disorders Policy to Cabinet for approval to gazette for public comments: the target will be prioritised and achieved in the next financial year						

8. Performance by Programme

Office on the Rights of the Child

Outcome	Functional, efficient and integrated sector					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
A developed periodic State Report on the Rights of the Child	State Party Report on the Rights of the Child submitted	New indicator	New indicator	Submit draft State Party Report on the Rights of the Child to DIRCO	Draft State Party Report on the Rights of the Child was submitted to DIRCO	No deviation

Services for Persons with Disabilities

Outcome	Empowered, resilient individuals, families and sustainable communities					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
Implemented Guidelines on Respite Care services to Families and Persons With Disabilities	Guidelines on Respite care services to Families and Persons with Disabilities implemented	Guidelines on Respite Care Services to Families and Persons with Disabilities was not finalised and piloted through virtual platforms	The Guidelines on Respite care services for Families of Children and Persons with Disabilities were approved. An implementation plan for the guidelines was also developed and approved together with the guidelines. The Respite care baseline survey was undertaken, where a questionnaire was developed and administered.	Capacitate four provinces on the Guidelines on Respite Care Services for Families of Children and Persons with Disabilities	A total of four provinces namely Northern Cape, Mpumalanga, Free State and Kwazulu-Natal in collaboration with DOH, DOE and NGO, Home-based care services were capacitated on the Guidelines on Respite Care Services for Families of Children and Persons with Disabilities	No deviation

8. Performance by Programme

Outcome	Empowered, resilient individuals, families and sustainable communities					
Outputs	Output indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual target 2022/23	Actual Outputs 2022/2023	Reasons for Deviation from 2022/2023 target
			An analysis report has been developed and will be used to guide the development of the methodologies and capacity building programmes for the DSD officials in the implementation of the Respite Care Services.			
An implemented community-based system for personal assistance to support independent living within the community for persons with disabilities	Community-based system for personal Assistance to support Independent living within the community for persons with disabilities implemented	New indicator	New indicator	Develop user specification on community-based system for personal assistance to support independent living within the community for persons with disabilities	User Specification on community-based system for personal assistance to support independent living within the community for persons with disabilities was developed	No deviation

8. Performance by Programme

Linking performance with budgets- Programme 4: Social Policy Development and Implementation

P 4: WELFARE SERVICES POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT							
Details per Sub-Programme		2022/2023			2021/2022		
		Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	
4.1	Service Standards	26 295	22 051	4 244	22 440	19 023	3 417
4.2	Substance Abuse	24 084	24 018	66	18 235	18 087	148
4.3	Older Persons	15 046	14 121	925	12 515	11 963	552
4.4	People With Disabilities	14 867	12 413	2 454	13 208	12 259	949
4.5	Children	83 824	82 871	953	1 319 543	1 318 092	1 451
4.6	Families	8 485	7 041	1 444	8 019	7 354	665
4.7	Social Crime Prevention & Victim Empowerment	79 845	76 263	3 582	68 889	67 664	1 225
4.8	Youth	13 062	10 725	2 337	8 856	8 686	170
4.9	HIV and Aids	43 989	43 260	729	41 688	40 018	1 670
4.10	Social Worker Scholarship	-	-	-	-	-	-
4.11	Programme Management	3 995	2 492	1 503	2 923	2 062	861
	Total	313 492	295 255	18 237	1 516 316	1 505 208	11 108

8. Performance by Programme

8.5: Programme 5: Social Policy and Integrated Service Delivery

Programme Purpose

To support community development and promote evidence-based policy making in the DSD Sector

Social Policy

During the period under review, the Social Policy sub-programme supported the departmental process for the finalisation of the planning documents for the Social and Human Sciences Programme. This entailed organizing and serving as Secretariat for the UNESCO Social and Human Sciences Committee's quarterly meeting held in February 2023. The Sub-programme made further input to the programme of Action for the 2023/24 financial year for the National Commission for UNESCO.

Furthermore, the Department organized a Public Lecture to commemorate the International Day Against Racism and Other forms of Discrimination. The lecture focused on Social Policy as a methodology for facilitating social transformation. The public lecture also coincided with 50 years since the UN signing pact against apartheid. This was significant as it paved ways for sanctions against the former apartheid government in South Africa.

The Department worked with the Human Sciences Research Council (HSRC) on the Gender, Youth Sexual Reproductive Health & Rights Knowledge Hub. The Knowledge Hub is now live online as a resource to support individual decision making. The Department further hosted a strategic planning session for the Human and Social Sciences Committee. The outcomes of the strategic planning session is a report detailing the action plan for the committee over the next two years.

Special Projects and Innovation

The Department of Social Development implements the Expanded Public Works Programme and further leads the social sector which includes the departments of Social Development, Health, Education, Community Safety and Sports. Together and collectively as a sector, these departments contribute through the EPWP on the provision of temporary work opportunities targeting mainly the youth, women and persons with disabilities. DSD has invested in terms of creating coordination mechanisms that ensures unity and integration pulling together the five departments towards this critical common goal. Ultimately the whole sector contributes towards a bigger goal of pushing away the frontiers of poverty. Participants in the programme, some of whom are primary caregivers of children receiving the Child Support Grant, are provided with work experience and training opportunities which provide critical pathways to employability and enterprise development. During the third Phase of the Programme (2014 – 2018/19) the sector managed to achieve 83% of the 1 038 million target of work

opportunities which provided a cushion to poor communities while also providing much needed public assets and services in the fields such as child care, home community based care, sports, community safety and school nutrition. The programme has targeted to achieve over 875 754 work opportunities for the fourth phase which commenced in April 2019 and will run for five years until 2024. This target has been broken into annual targets as follows: 171 702 for the 2019/20 financial year, 174 204 for the 2020/21 financial year, 175 253 for the 2021/22 financial year, 176 474 for the 2022/23 financial year and 178 120 for the 2023/24 financial year which will be last year of Phase 4.

This year under review therefore marked the fourth year of this Phase 4. Since the beginning of this fourth phase the department of social development has been inundated with the task of providing capacity building for the whole sector in order to ensure that all stakeholders in the sector are geared towards achieving the set targets. For the current financial year, the sector has targeted to achieve 176 474 work opportunities. By the end of the fourth quarter this target had been overachieved reaching 204 997 work opportunities which shows the resilience of the programme in the sector. This achievement also shows that the sector is well on track to achieve its five-year target.

Community Mobilisation and Empowerment

During the reporting period, the Department through Social Mobilisation and Community Empowerment programme, capacitated eighteen (18) Districts on the Community Mobilisation and Empowerment Framework, as part of its mandate and responsibilities to empower individuals, families and communities. The Framework aims to assist in facilitating and addressing complex social issues that are experienced by communities; and provide community driven solutions that are required in transformative processes.

The Social Mobilisation and Community Empowerment programme further coordinated DSD participation in the Districts Development Model (DDM) in 18 Districts. During the period under review, the Department trained 1 181 CDPs. The training provided an opportunity to identify the gaps and propose solutions with regards to future optimal implementation of the Toolkit. The revised version will capacitate CDPs to facilitate community development in such a manner that contributes towards sustainability of vulnerable individuals and households.

The Department is in a process to develop the National Community Development Policy. To this end the draft National Community Development Policy was to SPCHD Cluster for approval and the policy was approved for Cabinet approval. The Policy was further presented to internal DSD governance structures for endorsement. The Policy seeks to clarify roles of key stakeholders and institutional mechanism

for effective and efficient delivery of community development services towards building vibrant, equitable, cohesive and sustainable communities

Youth Development

During the reporting period, the Department implemented the National Youth Policy and produced an M&E report on the implementation of the DSD Youth Development Policy in all nine Provinces. The report highlights the extent of policy implementation by Provinces. In addition, the report also highlights the achievements, challenges and areas that require service delivery towards improvement of the quality of life for youth in the country. The report also highlights youth programmes that implemented by various stakeholders for benefit of the Youth across the departmental programmes both at National and at provincial level.

Poverty Alleviation, Sustainable Livelihoods and Food Security

A total of 29 297 Social Protection Beneficiaries have been linked to Sustainable Livelihoods Opportunities. The areas for linkages were through exposure and support on various entrepreneurship activities, Skills development programs. Profiled beneficiaries are linked to existing job opportunities particularly EPWP, cooperatives and skills development programs. The impact of these linkage contributes significantly towards integrated approaches to poverty alleviation as well as empowered and strengthened income, assets and capabilities of the social protection beneficiaries to achieve sustainable livelihood. The Department have plans to strengthen the implementation on Programme for Linking Social Protection Beneficiaries to Sustainable Livelihoods Opportunities through Pilot projects that are envisaged to be undertaken in three (3) provinces.

The Sustainable Livelihoods Framework was presented at MANCO, HSDS, TWG and SPCHD to ratify its submission process to Cabinet. Presentation of the document at various forums will promote buy within the Social Cluster prior to its approval by cabinet. This will ensure that the document will assist Community Development Practitioners to practice community development in a way that promotes community resilience and sustainability.

Implementation of the National Food and Nutrition Security Plan (2018 -2023) - Seven provinces (with the exception of Gauteng and Eastern Cape) were provided support to develop Provincial Food and Nutrition Security Plans (PF&NSP) as part of rolling out the implementation of the National Food and Nutrition Security Plan (NF&NSP) in the provinces. Most of the provinces have the PF&NSPs, the next step will be to support the establishment and / or strengthening of coordination structures once the National Food and Nutrition Security Council is established. DSD led the implementation of Strategic Objective 3, which is about expanding targeted social protection measures and compiling the report on the implementation of the NF&NSP 2018 -2023

The Department initiated the Food Safety and Quality Assurance

(FSQA) to mitigate the risk of contamination and food poisoning in the handling, preparation and food service within the DSD food centres. The FSQA toolkit is under development in partnership with UNICEF, FSQA Assessment tool was developed and some of the DSD centres (CNDs) were assessed on FSQA. The Department is also seeking to strengthen FSQA capacity through training within all the DSD centres. The also conducted the Evaluation of the Household Food and Nutrition Security Programme (HF&NSP), during the reporting period. The study was conducted with the intention assess the appropriateness of the design and implementation of the Programme in addressing the identified hunger challenges in South Africa. The evaluation also seeks to assess the effectiveness of the Programme in all provinces in terms of its objectives and improvement on the design of the model.

The evaluation provided beneficiaries an opportunity to share their experiences, perceptions and challenges in the programme of which the concerns raised would inform the department 's review of the programme going forward. The draft evaluation report was developed, and a validation workshop and the development of the improvement plan will be held in the new financial year.

Furthermore, the Department conducted a training on FSQA. About total of 387 officials were trained on FSQA from Gauteng, Northern Cape, North West and Mpumalanga provinces and 90 officials were trained on Nutrition Assessment Counselling and Support (NACS) in the current financial year 2022/23. In coordination with the other remaining provinces, all DSD centres will be provided continuous support to build food and nutrition security capacity within the sector.

Population and Development

During the year under review a total of 137 municipalities were trained on Population, Human Rights and Sustainable Development. Training enhanced knowledge of 137 municipalities to manage and respond effectively by integrating migration issues into the IDPs.

A regional launch on the "State of World Population 2022 report" was held in KwaZulu-Natal in June 2022. It was a hybrid event with hundred and twenty (120) people participating physically including 5 Ministers and 2 Deputy Ministers from the East and Southern Africa region, young people, civil society organisations and government.

The National Population Unit in collaboration with the Provincial Population Units and stakeholders hosted a series of seminars in the South African context which covers Underserved Populations and Sexual and Reproductive Justice, Underserved Populations and towards a resilient future. Harnessing opportunities and Ensuring Rights, Migration, Urbanisation, Poverty, Inequality and Intersections, Power and SRJ: A Focus on Patriarchy, Language and Religion. Gauteng, Eastern Cape, KwaZulu-Natal, North West, The seminars culminated into a conference on Sexual and Reproductive

Justice (SRJ), which was held in March 2023. The overall purpose of the Sexual and Reproductive Justice Conference was to promote and strengthen the interconnectedness of research, training, policy, advocacy, and practice to facilitate SRJ in South Africa. It is anticipated that key learnings from the seminar series and the conference will lead to the development of a National Sexual and Reproductive Justice Strategy to promote Sexual and Reproductive Justice in the country.

The Department delivered a Country Statement at the 55th session of the United Nations Commission on Population and Development which took place in April 2022 at the United Nations Headquarters in New York, under the theme "Population and Sustainable Development, in particular sustained and inclusive economic growth". Two monitoring reports for the implementation of the population policy in the country were produced: (i) "Population and Sustainable Development, in particular sustained and inclusive economic growth" was produced for reporting at the 55th session of the United Nations Commission on Population and Development. (ii) The South African Commitments to Nairobi Summit ICPD+25 Progress Review Report which reports initiatives that are linked to the National Development Plan, the governments Mid Term Strategic Plans 2019-2024, and the government priorities 2019-2024

NPOs Registration and Information Management

Registration and Information Management

The Department continues to register and monitor compliance of NPOs in line with the NPO Act. A total of 28 306 applications were received and processed 28 061 and 98.6% (27 898) of received applications were processed within two months. Similarly, a total of 59 624 reports were received and processed 57 528 and 96.5% (56 739) of received reports were processed within two months. These are part of the Department's efforts to strengthening civil society organisations in communities and improving its services for registering NPOs in terms of the NPO Act.

The Department was at advance stage with the development of NPO Bill. The Bill was published in the Government Gazette for public comments, and in October 2022 comments opened for 30 calendar days and the repeated gazetting was due to public demand. Comments were consolidated and the first SEAS report was submitted.

A process of amending the NPO Legislation as per Financial Action Task Force (FATF) through Omnibus commenced in November 2022 and the NPO Act was amended as part of General Laws (Anti-Money Laundering and Financing Terrorism) Amendment Act, 2022 (GLAA). On 31 December 2022, the President of the Republic of South Africa Mr. Cyril Ramaphosa approved the Bill into General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Act, 2022 which is inclusive of the NPO Act Amendments.

NPO Funding

In relation to the funding of Non-profit organizations, implementation of the DSD Sector Funding Policy (SFP) focused on building the capacity of the provinces. A training manual was developed which was followed by pilot exercises and Train-a-Trainer programme for the provincial champions which focused on the processes related to the management of transfers. The NPO Engagement sessions were also held with representatives from the sector with the aim to capacitate them on the Policy and to gather more information around the development of guidelines, tools, and templates. To this end, a consolidated report on capacity building was developed. Parallel to this, a refresher training was also conducted on DSD-NPO Partnership Model with a view to capacitate provinces for the roll-out of the training to the NPO sector in their respective provinces. The ultimate implementation of both the Policy and the Model will contribute towards improving relations and efficiency in the funding and delivery of social services within the sector.

Similarly, the implementation phase of the NPO online funding system focused on building the capacity of the users in provinces to be able to carry out the next steps of implementation. This commenced with the development of a pilot implementation plan and a training manual. The pilot was conducted in three Provinces, namely Free State, North-West and Eastern Cape and this was followed by on-going training for the rest of the provinces. Re-testing of the modules and interactive system walkthroughs with provinces formed part of this implementation phase to improve system functionality and processing.

For delivery of services, government often partners with a range of relevant stakeholders in ensuring the efficient and effective provision of such services to individuals and communities. In realizing this, the Department allocates funding in the form of transfers to qualifying organisations that are aligned to its mandates. In the year under review, the Department provided financial support to a total of 19 national funded organizations and 8 383 provincially funded NPOs which constitutes 97% of funded organizations.

Education and Awareness Programme

In relation to NPO Education and Awareness programme, the Department conducted sessions for NPOs in all provinces with the objective on empowering NPOs on critical aspects required for effective management of NPOs. This includes workshops on governance and leadership, NPOs Act (compliance), Money Laundering and Terror Financing (ML/TF), financial management and other legislations affecting NPOs. The sessions reached 452 NPOs. The intervention seeks to ensure that NPOs are run in a more accountable manner and exercise transparency in conducting their business.

The Department also shared information with stakeholders i.e. National Development Agency (NYDA) on NPO Act, NPO Registration in preparing NPOs to be funded by NYDA and a total of 56 organisations were capacitated.

Train A Trainer Programme

The initiative is aimed at equipping officials supporting NPOs with relevant skills to ensure that they provide quality services to NPOs. The content of the conducted trainings included areas such as NPO governance, financial management, resource mobilisation and administration of the NPO Act. The officials from 2 districts of KZN participated in the 3-day session in December 2022 and the engagement managed to deepen understanding on subject matters that are critical when supporting and managing NPOs.

A national workshop was in November 2022 and was attended by provincial coordinators responsible for funding of NPOs. The NPO Funding Coordinators were trained on the NPO Act, financial management and resource mobilisation including operation of the NPO System. This was to ensure that officials responsible for funding are also empowered so that they are able to address NPOs issues comprehensively and not only limited to funding. A total number of 76 officials were reached.

Induction Workshops

During the 2022/23 financial year, the Department initiated an Induction Programme for newly registered NPOs. The objective of the programme is to ensure that organisations are empowered with understanding on the functioning of NPOs and the legal obligations imposed by the Act post registration. This is also to ensure that organisations have insight on the NPO legislative requirements before receiving NPO certificates and commence with operations. The induction sessions were conducted in all provinces, reaching 3 370 NPOs and issued with NPO certificates. The programme also provided insight on the NPO Act and importance of reporting and it is anticipated that the inducted NPOs will be able to comply with NPO compliance requirements.

Know Your Status Campaign (KYNS)

The Department started implementation of the Know Your NPO Status (KYNS) campaign in 2019 as a pilot project. The campaign is aimed at encouraging NPOs to submit annual reports and update organisations details. The pilot project was implemented nationally and was positively received. The Department visited seven provinces during the financial year 2022/23. The campaigns were held in at least 16 Districts in different provinces including Limpopo, Northern Cape, Gauteng, Eastern Cape, KwaZulu Natal, Free State, and Mpumalanga. The services rendered during the campaign included compliance status, printing of compliance letters, collection of annual reports and other post registration services.

During the visits 5400 NPOs were provided with services such as checking compliance status, printing of compliance letters, general changes, submission of annual reports and new applications, submission of foundation changes and changes of office bearers. The Department formed part of 3 exhibitions organised by Government Communication and Information System (GCIS), which included Know Your NPO Status Campaign organised by the Deputy Minister for the Religious Sector.

NPO Panel of Arbitrators

The Department has initiated the process of appointing NPO Panel of Arbitrators. The names of the nine (9) shortlisted members to serve as the Panel of Arbitrators were published in the government gazette and the newspaper. The appointment of the panel members will ensure that the Department afford deregistered NPOs to have recourse if they want to appeal the decision to deregister them. The Panel of Arbitrators members were appointed, and their orientation and training will happen in the month of May 2023.

The Department has started with the development the of content for the deregistration campaign. The deregistration campaign will ensure that members of the public and office bearers who serve in the NPOs that are noncompliant become aware of the department's intentions to deregister them and those that want to comply with the requirements to submit annual reports will be assisted to comply. This campaign will ensure that no one will claim ignorance of the need to comply and will protect the Department from any possible litigation.

Programme 5: Social Policy and Integrated Service Delivery

Social Policy

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
A produced report on the State of the People of South Africa	Report on the State of the People of South Africa produced	New Indicator	New Indicator	Produce the Report on the State of the People of South Africa	A report on the State of the People of South Africa produced.	No deviation

Special Projects and Innovations

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
EPWP work Opportunities created through Social Sector EPWP Programmes	Number of EPWP work Opportunities created through Social Sector EPWP Programmes	A total of 39 437 EPWP Work Opportunities were created through DSD Programmes	A total of 236 875 Work Opportunities were created through Social Sector EPWP Programmes	Create 176 474 EPWP work opportunities through Social Sector EPWP Programmes	204 997 work opportunities created through Social Sector EPWP Programmes	The Incentive Grant that programmes received the National Treasury

Community Mobilisation and Empowerment

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Districts capacitated on the implementation of the Community Mobilisation and Empowerment Framework	Number of Districts capacitated on the Community Mobilisation and Empowerment Framework	Community Mobilisation and Empowerment Framework has been finalised	Capacity building of nine provinces on Community Mobilisation and Empowerment Framework has been conducted	Capacitate 18 Districts on the Community Mobilisation and Empowerment Framework towards Implementation of DDM	Capacitated 18 Districts on the Community Mobilisation and Empowerment Framework towards implementation of DDM	No Deviation
DSD participating in the Districts Development Model	Number of districts Implementing DDM plans	N/A	N/A	Coordinate DSD Participation in the Districts Development Model (DDM) in 18 Districts	Coordinated DSD participation in the Districts Development Model (DDM) in 18 Districts	No Deviation
CDPs trained on the Community Development Practice and Methodologies	Number of CDPs trained on community development practice and methodologies	N/A	Eight hundred and fourteen (814) CDPs has been trained on community development practice and methodologies	Train 840 CDPs on community development practice and methodologies	Trained 1 181 CDPs on community development practice and methodologies	High demand of training by provinces
Outcome	Functional, efficient, and integrated sector					
An implemented National Community Development Policy	National Community Development Policy approved	National Community Development Policy has been finalised	National Community Development Policy has been consulted with stakeholders	Submit the draft National Community Development Policy to SPCHD Cluster for approval	Submitted the draft National Community Development Policy to SPCHD Cluster for approval	No Deviation

Youth Development

Outcome		Reduced levels poverty, inequality, vulnerable and social ills				
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Youth Development Policy	Youth Development Policy implemented	Youth Development Policy has been finalised	Capacity building on the DSD Youth Policy 2021-2030 was conducted in all provinces	Produce an M&E report on the implementation of the DSD Youth development Policy	Produced an M&E report on the implementation of the DSD Youth Development Policy	No Deviation
Skilled youth	Number of youth Participating in skills development programmes	N/A	N/A	Train 600 youth on the skills development programme	A total of 255 youth completed training in skills development programme. 326 youth participated this training. Of this 326, a total of 255 completed the full 5 days training. A total of 71 youth people did not attend for the full 5 days	A suitable service provider could not be found for Project Management following two attempted processes of sourcing for the service.
Strategies to overcome under performance						
Due to the challenge of sourcing and re-sourcing and not being able to find a suitable service provider in Project Management through Supply Chain processes, the Directorate is exploring alternative skills set including exploring a partnership with a provider or province towards offering the training of 345 Youth that could not be achieved in the previous financial year. The plan is to have the training in Quarter 3 subject to necessary budget approvals being granted.						

Non-Profit Organisations

Outcome						
Reduced levels poverty, inequality, vulnerable and social ills						
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Registered NPOs	% of new applications for NPO registration processed within two months	A total of 22 685 NPO applications were received and 13 621 were processed. Of those processed, 12 551 (55%) were processed within two months	A total of 27 552 applications were received and 27 127 were processed, of which 98% (27 089) of received applications were processed within two months	Process 98% of NPO registration applications within two months of receipt	Received 28 306 applications and processed 28 061 and 98.6% (27 898) of received applications were processed within two months	The officials were working overtime. Assistance was required from other units and the daily targets were increased to assist with meeting the target.
Processed NPO monitoring reports	% of NPO Monitoring reports processed within two months of receipt	A total of 29 780 NPO reports were received and 18 809 were processed. Of those processed, 17 950 (60.3%) were processed within two months	A total of 41 147 reports were received and 35 627 were processed, of which 33 369 (81%) of received reports were processed within two months	Process 80% of submitted NPO annual reports within two months of receipt	Received 59 624 reports and processed 57 528 and 56 739 (95.2%) of received reports were processed within two months	The officials were working overtime and more reports were processed during compliance drives.
An implemented NPO Mentorship Model	NPO Mentorship Model implemented	Three provinces, namely; Eastern Cape, Northern Cape and Limpopo, implemented the DSD-NPO Partnership Model	The NPO Mentorship Model has been developed	Capacitate Stakeholders to implement NPO Mentorship Model	Stakeholders were capacitated in all provinces to implement NPO Mentorship Model	No deviation
An implemented DSD Sector Funding Policy	DSD Sector Funding Policy implemented	Three provinces namely; Mpumalanga, KwaZulu-Natal, and North West, implemented the Sector Funding Policy	Provinces were capacitated on DSD Sector Funding Policy.	Build capacity of provinces on the implementation of the DSD Sector Funding Policy	Capacitated Train-a-Trainer programme with provincial champions to build capacity towards implementation of the DSD Sector Funding Policy	No deviation
An implemented NPO Sector payment system	NPO Sector payment system implemented	The NPO online system was enhanced. The NPO System implementation report for the enhancement was developed	The base NPO payment system with the first set of modules developed and tested.	Implement NPO sector payment system in all provinces	The NPO System has been implemented in all provinces	No deviation

Poverty Alleviation, Sustainable Livelihood and Food Security

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
An implemented National Food and Nutrition Security Plan	National Food and Nutrition Security Plan implemented	N/A	A report on the Implementation of the DSD food and nutrition security plan has been developed.	Develop an annual report on the implementation of the National Food and Nutrition Security Plan	An annual report on the implementation of the National Food and Nutrition Security Plan developed.	No deviation
Implemented programme to link social Protection beneficiaries to sustainable livelihood opportunities	Programme to link social protection Beneficiaries to sustainable livelihood opportunities implemented	N/A	N/A	Link 20 000 social Protection beneficiaries to sustainable livelihood opportunities	29 297 Social Protection Beneficiaries linked to Sustainable Livelihoods Opportunities	<p>The two provinces namely Gauteng and Eastern Cape contributed immensely to the achievement of this indicator.</p> <ul style="list-style-type: none"> - Gauteng have institutionalised the “Welfare to Work” Program where people participate in various skills development and entrepreneurship activities. Particularly Youth. - Eastern Cape implemented this Linking Program through CNDs and Cooperatives. They have linked CNDC beneficiaries with various skills and developmental initiatives, even trained some as health ambassadors.

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Reviewed Sustainable Livelihood Framework for CDPs	Reviewed Sustainable Livelihood Framework for CDPs implemented	Framework on Programme to Link Social Protection Beneficiaries to Sustainable Livelihood Opportunities Developed and ready for external consultations	The Framework for a Programme to Link Social Protection Beneficiaries to Sustainable Livelihoods is finalised.	Submit the reviewed Sustainable Livelihood Framework to Cabinet for approval	The Sustainable Livelihoods Framework was not submitted to Cabinet for approval. The Framework was submitted to MANCO, HSDS TWG and SPCHD.	The framework has to go through other process before Cabinet and the delay is external beyond the Department's control
Conducted Study Report on the Design and Implementation Evaluation of the Sustainable Livelihood Programme	Study on the Design and Implementation Evaluation of the Sustainable Livelihood Programme conducted	N/A	N/A	Conduct a Study on the Design and Implementation Evaluation of the Sustainable Livelihood Programme	The study on the Design and Implementation Evaluation of the Sustainable Livelihood Programme has been completed the report has been produced	No deviation
Strategies to overcome under performance						
Progress towards achievement of this is halfway through since 3 critical structures amongst others MANCO, HSDS, and Technical Working group have approved it. It is prioritised for the next financial year 2023/24						

Population and Development

Outcome	Reduced levels poverty, inequality, vulnerable and social ills					
Output	Output Indicator	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Annual Target 2022/23	Actual Output 2022/23	Reasons for Deviation from 2022/23 target
Produced monitoring report on the implementation of the Population Policy	Population Policy implemented	N/A	The implementation of the Population Policy was monitored through producing three reports on;(i) Impact of the pandemic on the well-be Wing of youth, (ii) Report on the South African commitments to Nairobi Summit ICPD+25, (iii) Population and Sustainable Development, and a concept note for the development ICPD+30 and Policy+25 progress review reports	Monitor and report on the implementation of the Population Policy	Monitored the implementation of the Population Policy through producing 2 reports and a concept note	No deviation
Implemented Adolescent Sexual and Reproductive Health and Rights Programme	Adolescent Sexual and Reproductive Health and Rights Programme implemented	N/A	N/A	Implement the Adolescent Sexual and Reproductive Health and Rights programme	The Adolescent Sexual and Reproductive Health was implemented through conducting sexual and Reproduction Justice seminars and a conference	No deviation
Outcome	Functional, efficient, and integrated sector					
Produced monitoring reports on the implementation of the Framework on integration of Population Policy in the District Development Model	Framework on integration of Population Policy into District Development Model implemented	N/A	Capacitate nine (9) provinces on the implementation of the integration of Population Policy into the District Development Model	Produce monitoring reports on the implementation of the framework on integration of Population Policy in the District Development Model	A monitoring report on the implementation of the Framework on the integration of the Population Policy in the District Development Model produced	No deviation
Municipalities trained on integrating Migration issues into the Integrated Development	Number of municipalities Trained on integrating migration issues into the IDPs	N/A	Train ninety-two (92) municipalities on the Integrating Migration issues into the IDP	Train 92 municipalities on the Integrating Migration issues into the IDP	137 municipalities trained on the Integrating Migration issues into the IDP	The overachievement came from attempt to cover the backlog of the previous financial year

Linking performance with budgets- Programme 5: Social Policy and Integrated Service Deliver

P 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY							
Details per Sub-Programme		2022/2023			2021/2022		
		Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	
5.1	Social Policy Research & Development	4 543	4 364	179	5 756	4 763	993
5.2	Special Projects & Innovation	8 285	8 236	49	9 723	6 533	3 190
5.3	Population Policy Promotion	30 848	29 476	1 372	26 720	25 469	1 251
5.4	Registration & Monitoring of Non-Profit Organizations	49 216	49 151	65	38 701	38 701	-
5.5	Substance Abuse Advisory Services & Oversight	7 831	7 783	48	5 046	4 994	52
5.6	Community Development	36 684	36 651	33	30 675	30 590	85
5.7	National Development Agency	219 274	219 274	-	245 970	245 970	-
5.8	Programme Management	5 653	5 652	1	3 787	3 731	56
	Total	362 334	360 587	1 747	366 378	360 751	5 627

9: Performance in relation to Standardised Outputs and Output Indicators

The Social Development Sector was not customised for the 2022/23 financial year. The reason for not being customised was that the sector could not reach agreement with all the provincial departments on a standardised set of indicators to be included as customised indicators. However, despite the non-customised status of the sector, most of the provincial departments report on a standardised set of indicators as part of the quarterly performance reporting on the Electronic Quarterly Performance Reporting System (EQPRS).

The national Department of Social Development analyse data and produce quarterly reports and an annual report on provincial performance, acknowledging the gaps in the data that is available. The Department is addressing the issue of non-customisation in the sector for future reporting periods.

10: Transfer Payments

Transfer payments to public entities

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity																		
South African Social Security Agency	The South African Social Security Agency's objectives are to ensure the effective and efficient administration, management and payment of social assistance grants.	7 415 579	7 365 500	<p>SASSA managed to increase the number of social grants in payment including grant in aid from 18 677 339 at the end of March 2022 to 18 829 716 at the end of March 2023 at a cost of R202, 330 billion. This represents an overall increase of approximately 0.81%.</p> <p>The breakdown per grant type is presented in the table below:</p> <table><tr><th>Grant Type</th><th>Total as at 31 March 2023</th></tr><tr><td>OAG</td><td>3 886 708</td></tr><tr><td>WVG</td><td>15</td></tr><tr><td>GIA</td><td>328 507</td></tr><tr><td>DG</td><td>1 035 437</td></tr><tr><td>FCG</td><td>274 130</td></tr><tr><td>CDG</td><td>156 982</td></tr><tr><td>CSG</td><td>13 147 937</td></tr><tr><td>Total</td><td>18 829 716</td></tr></table> <p>Between the periods, 01 April 2022 and 31 March 2023, SASSA processed 1 840 623 social grant applications. Of these applications 1 687 407 were approved representing about 92% approval rate.</p> <p>In line with the extension of the COVID-19 SRD grant for another year to the end of March 2023, SASSA continued to process applications for this grant to benefit eligible South Africans, Asylum Seekers and Special Permit Holders.</p> <p>By March 2023, 13 973 545 applications (both new and existing) were processed and 8 343 314 were approved representing a 59.7% approval rate.</p> <p>Both the normal grants and COVID-19 SRD grant combined increase the number of people dependent on social transfers to about 45% of the population.</p> <p>As part of processing these applications, SASSA regularly (monthly) runs a verification process with various databases (GEPF, UIF, NSFAS, Correctional services, etc) to ensure that deserving applicants benefit from the grant.</p>	Grant Type	Total as at 31 March 2023	OAG	3 886 708	WVG	15	GIA	328 507	DG	1 035 437	FCG	274 130	CDG	156 982	CSG	13 147 937	Total	18 829 716
Grant Type	Total as at 31 March 2023																					
OAG	3 886 708																					
WVG	15																					
GIA	328 507																					
DG	1 035 437																					
FCG	274 130																					
CDG	156 982																					
CSG	13 147 937																					
Total	18 829 716																					

10: Transfer Payments

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				<p>In the same reporting period, SASSA continued with the normal Social Relief of Distress (SRD) in which 106 173 SRD applications were awarded at a cost of R252 million. The awards were issued to individuals and households who were affected by disastrous situations, these awards were in different forms ranging from cash, vouchers, school uniform and disasters.</p> <p>Towards closing the exclusion gap for the children below the age of 1. By end of March 2023, a total of 509 430 eligible children below the age of 1 were in receipt of children's grants against the eligible baseline of 776 715. This represents 65.59% of the eligible population.</p>
National Development Agency (NDA)	The NDA's primary mandate is to contribute towards the eradication of poverty and its causes by granting funds to civil society organisations. Its secondary mandate is to promote consultation, dialogue and sharing of development experience between the CSOs and relevant organs of state.	219 274	237 427	<p>The NDA has consistently implemented the CSO Development Model, particularly in the areas of mobilisation, formalisation, and capacity-building of CSOs. A total of 3124 CSOs were trained in CSO-management related programmes such as governance, financial management, community development practice, and conflict management. Each CSO was represented by at least two delegates. As a result, the NDA has increased the capacity of civil society by impacting over 6000 leaders.</p> <p>In fulfilling its mandate of mobilising resources and acting as a conduit for the disbursement of the same funds to CSOs in the pursuance of their developmental aspirations, the NDA has raised R103.5 million in the financial year under review. These resources were solely raised from the Unemployment Insurance Fund (UIF). This collaboration with the UIF is aimed at supporting UIF beneficiaries in New Venture Creation (NVC).</p> <p>The NDA has furthermore grant-funded 98 CSOs enabling CSOs to address poverty relief to the vulnerable and poor in our society. They have ensured that the NDA makes inroads in ridding society of the dire effects of poverty, especially in areas where these CSOs operate. The grant funding focuses on assisting CSOs with seed funding that enables them to provide services to communities. Through the grant funding programme and the volunteer programme, the NDA created 3 175 work opportunities. These work opportunities ensure that economically disadvantaged families have their quality of life improved through participation in the NDA supported community projects.</p>

10: Transfer Payments

11. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
South African Older Persons Forum	Non-Profit Organisation	The promotion and protection of the rights, safety and wellbeing of older persons.	Yes	1 545	1 577	Amount spent includes expenditure on funds rolled over from the 2021/22 financial year.
National Institute Community Development and Management	Non-Profit Organisation	For the provision of comprehensive services to older persons suffering from Alzheimers' and related illnesses, and mentoring of upcoming organisations rendering services to older persons.	Yes	1 757	1 515	Remaining activities are expected to be finalised by 31 August 2023.
Families and Marriage Society South Africa	Non-Profit Organisation	The strengthening, supporting and preserving of families through transformed and sustainable services and programmes.	Yes	1 158	1 140	Remaining activities are expected to be finalised by 31 October 2023.
Suid Afrikaanse Vroue Federasie	Non-Profit Organisation	The strengthening, supporting and preserving of families through transformed and sustainable services and programmes.	Yes	711	512	Remaining activities are expected to be finalised by 30 September 2023.
Cape Development and Dialogue Centre Trust	Non-Profit Organisation	The provision of prevention and early intervention services to orphans and vulnerable children.	Yes	1 417	1 416	Remaining activities are expected to be finalised by 30 September 2023.
Suid Afrikaanse Vroue Federasie	Non-Profit Organisation	For the provision of child protection services.	Yes	887	861	Remaining activities are expected to be finalised by 30 September 2023.
Childline South Africa	Non-Profit Organisation	For the provision of child protection services.	Yes	1 479	1 908	Amount spent includes expenditure on the funds rolled over from the 2021/22 financial year.

10: Transfer Payments

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
RATA	Non-Profit Organisation	The provision of prevention and early intervention services to orphans and vulnerable children.	Yes	723	807	Amount spent includes expenditure on the funds rolled over from the 2021/22 financial year.
South African Drug and Anxiety Group	Non-profit Organisation	For the Management and Maintenance of the Substance Abuse free telephonic number and provide assistance to service users.	Yes	1 889	2 140	Expenditure includes funds rolled over from the 2021/22 financial year which were utilised until September 2022.
South African Council on Alcoholism and Drug Dependence	Non-profit Organisation	Monitoring of substance abuse treatment services.	Yes	1 920	2 136	The amount spent includes expenditure related to the 2021/22 activities, which were implemented until September 2022.
National Shelter Movement	Non-profit Organisation	For the provision of inter-sectoral helpline in response to violence against victims of crime.	Yes	723	693	Outstanding activities to be implemented until September 2023.
Lifeline South Africa	Non-profit Organisation	To provide an Inter-sectoral helpline in response to violence against victims of crime.	Yes	2 214	2 094	Unspent funds will be utilised to finalise remaining funded activities until August 2023.
National Institute Community Development and Management	Non-profit Organisation	For the provision of early trauma support following incidences of violence, particularly against women and children.	Yes	1 337	1 337	N/A

10: Transfer Payments

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Autism South Africa	Non-profit Organisation	Provision of capacity, empowerment and service delivery to affiliated organizations and beneficiaries, to facilitate research and development of best practice models to inform Services to Person with disabilities and to facilitate and coordinate advocacy and awareness programmes on the rights of persons with disabilities.	Yes	1 501	1 842	The amount spent includes expenditure related to the 2021/22 activities, which were implemented until January 2023.
DeafBlind South Africa	Non-profit Organisation	Provision of capacity, empowerment and service delivery to affiliated organisations and beneficiaries.	Yes	1 385	1 591	Expenditure includes funds rolled over from the 2021/22 financial years.
UHAMBO Foundation	Non-profit Organisation	To facilitate research and development of best practice models to inform Services to Person with disabilities.	Yes	1 400	1 236	Unspent funds will be used to implement the remaining 2022/23 activities until March 2024.
NICRO	Non-profit Organisation	Capacity building, implementation of comprehensive integrated social crime prevention programmes and implementation of reintegration and after care services.	Yes	1 678	1 342	Unspent funds will be used to implement the remaining 2022/23 activities until July 2023.

10: Transfer Payments

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
South African National AIDS Council	Non-profit Organisation	Supporting the implementation of the National Strategic Plan for HIV, TB and STIs 2017-2022(NSP) and to promote and secure nationally in South Africa the provision of related educational , prevention , care and treatment programmes. To promote or advocate for the human rights of people infected or affected by HIV, TB and STIs.	Yes	15 635	18 169	Expenditure includes funds rolled over from the 2021/22 financial year.
South African Council for Social Service Professions	Statutory Body	Strengthen the functioning of Council, Boards and Committees through promotion of corporate governance practices and expand access education, training and development interventions for SSPs.	Yes	2 298	2 298	N/A

Funded Non-profit organisations are monitored through quarterly performance and financial reports as well as submission of audited annual financial statements. The expenditure reported above is based on the consolidated progress reports for the year ended 31 March 2023. The expenditure is still subject to review.

10: Transfer Payments

The table below reflects the transfer payments made to International Organisations for the period 1 April 2022 to 31 March 2023

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
International Social Security Association	International organization	Affiliate membership fees	1 939	1 359	Savings related to foreign currency translation
International Federation for the Aged	International organization	Annual Contribution	26	17	Savings related to foreign currency translation
International Social Services	International organization	Annual contribution to the ISS Resource Center and annual membership fees to the ISS in Geneva, Switzerland.	421	386	Savings related to foreign currency translation
Partners in Population and Development (PPD)	International organization	The South African Government is affiliated to the PPD through the National Department of Social Development	1 083	1 011	Savings related to foreign currency translation
International Organisations of Pension Supervisors	International organization	Membership fees	109	92	Savings related to foreign currency translation
United Nations Population Fund (UNFPA)	International organization	Membership fees	651	651	
United Nations International Drug Control Programme	International organization	Membership fees	26	25	N/A

10: Transfer Payments

The table below reflects the transfer payments which were budgeted for in the period 01 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Child Welfare South Africa	Non-Profit Organisation	For the provision of child protection services.	664	0	No payments made due to non-compliance and unsatisfactory performance.
Khulisa Social Solutions	Non-profit Organisation	For implementation of comprehensive integrated social crime prevention programmes and diversion services.	1 644	0	Contract terminated due to non-compliance.
Walvisbay	International Organisation	Subsidise the social work post of the Kerklike Maatskaplike Raad organisation and the residence of South African citizens in the House of Palms Old Age Home in walvisbay.	442		

11. Conditional Grants

The Department did not have the Conditional Grant during the reporting period.

12: Donor Funds

Donor Funds Received in Cash

Table 1: German Development Bank

Name of donor	German Development Bank (KfW)
Full amount of the funding	€ 9 900 000.00
Period of the commitment	2012 – December 2022
Purpose of the funding	The building of 17 CCCs in the Northwest, Limpopo and Kwa- Zulu Natal provinces
Expected outputs	<p>To complete the remaining works in the Northwest and Limpopo provinces:</p> <ul style="list-style-type: none"> • To complete the remaining works in the Northwest and Limpopo provinces: • Facilitate acquisition of the outstanding Compliance (CoCs) for the 3 completed NW CCCs • Handover the 3 completed CCCs to the NW province • Facilitate to signing of the Asset Transfer Certificates for the 3 NW CCCs • Request additional funding to augment the project funds to complete the 3 Limpopo CCCs and Purchase furniture for the completed Lethabong CCC in the Northwest province, whilst waiting for the VAT refunds from SARS. • Appoint a contractor to complete the 3 Limpopo CCCs • Appointment of the service provider to facilitate Vat Claims refunds from SARS • Appointment of the service provider to audit the donor funds (disposition account).
Actual outputs achieved	<ul style="list-style-type: none"> • Acquired all outstanding Certificates of Compliance (CoC) for the 3 NW CCCs (Letlhakeng, Lethabong and Groot Marico CCCs) (gas, glass and plumbing CoCs). • All 3 NW CCCs have been handed over to the province. <ul style="list-style-type: none"> * 2 CCCs (Letlhakeng and Lethabong CCCs) were handed over to the province on 21 June 2022 by the ADG and DDG. * Groot Marico CCC was handed to the province on 14 October 2022 by the Chief Directorate: HIV and AIDS. • Asset Transfer Certificates for the 3 CCCs signed by the ADG and the NW HOD. • Rezoning of Groot Marico CCC approved by the Ramotshere Moiloa Municipality on 12 December 2022. • Submission approved for additional funding to augment the project funds The funds will be utilised to complete Limpopo CCCs and purchase furniture for 1 NW CCC (Lethabong CCC) • The contractor to build the 3 Limpopo CCCs has been appointed; construction has commenced in February 2023 and anticipated to be completed in November 2023. • Social facilitation took place on 16-19 January 2023 to prepare communities to receive and support the appointed contractor; The technical site handover to the contractor was conducted on 25 – 27 January 2023; and the Deputy Minister visited the CCCs, the leadership and communities to introduce the contractor on 01 and 02 March 2023.
Amount received (R'000)	6 664
Amount spent by the department (R'000)	3 409
Reasons for the funds unspent	The project experienced delays with finalisation of appointment of the contractor to build 3 Limpopo CCCs and the appointment was only finalised in February 2023 and construction only commenced in February 2023 and will be finalised in November 2023.
Monitoring mechanism by the donor	Quarterly reports; Annual audited financial statements and reports; Random donor site visits.

12: Donor Funds

Table 2: USAID

Name of donor	USAID
Full amount of the funding	\$12 000 000
Period of the commitment	1 October 2019 – 30 September 2026
Purpose of the funding	Implementation of Government-to-Government project. The goal of the project is to strengthen DSD's capacity to scale-up the implementation of primary prevention of sexual violence and HIV activities among children and youth and reduce incidence of HIV and AIDS through Social and Behavior Change programs (SBC). This is done using the HIV Prevention program "YOLO" (You only live once) for 15 - 24 years, Young YOLO - CHOMMY - (10-14 years), Let's Talk (13-19 and their caregivers) and other gender-based violence and HIV prevention interventions for children and youth. These SBC programs focus on empowering young people with knowledge and skills to prevent and reduce risky sexual behaviors for South African youth; and link them to the 95-95-95 clinical cascade.
Expected outputs	<ul style="list-style-type: none"> • Provision of quality core package of services to 32 000 vulnerable children in EThekweni, Ekurhuleni and City of Johannesburg. • Capacity building of facilitators to implement YOLO and Chommy HIV prevention programmes. • 9 NPOs implementing G2G Project in KZN and GP.
Actual outputs achieved	<ul style="list-style-type: none"> • Provision of core package of services to 33 000 vulnerable children in Gauteng and Kwa-Zulu Natal. • HIV Assessment of beneficiaries to facilitate the 95 95 95 initiative (95% knowing HIV positive status; 95% put on treatment; 95% viral load suppressed). • Provision of support for CBIMS implementation at contracted NPOs. • Continuous Project Data Capturing on CBIMS database. • Data verification at NPOs. • Reporting of services provided on USAID reporting platform DATIM. • Development of semi-annual assessment reports on the implementing NPOs. • Preparations for FS Implementation. • Conceptualizing the New G2G project to care for children living with HIV and children who experienced GBV. • Initiation meetings with NW and WC on project Provincial expansion. • Development of the COP 2023 work plan. • Planning workshop with the G2G provinces. • Reporting to USAID on Human resources and finances. • Contracted NPOs assessment reports. • Progress reporting site visits to the Contracted NPOs. • Development of year end NPOs reports. • Reporting of Overall project achievement. • Development of the FY2022/23 NPO work plans. • Provision of award letter to continue implementation in the COP 22.
Amount received (R'000)	15 004
Amount spent by the department (R'000)	23 934
Reasons for the funds unspent	The deficit of R8 930 548 will be recovered from the available funds at National Treasury in the first quarter of the 2023/24 financial year
Monitoring mechanism by the donor	Quarterly reporting to Donor and Steering Committee meetings

12: Donor Funds

Table 3: Criminal Asset Recovery Account: Services to Victims of Crime

Name of donor	Criminal Asset Recovery Account (CARA)
Full amount of the funding	R50 000 000
Period of the commitment	From October 2017 to March 2023
Purpose of the funding	Provision of financial assistance to institutions rendering services to victims of crime
Expected outputs	Improved access to care support and prevention, and interventions through strengthened support for those involved in response and prevention, including civil society stakeholders.
Actual outputs achieved from 01 April 2022 to 31 March 2023	<ul style="list-style-type: none"> As at 31 March 2023, a total of 169 civil society organisations were funded since the commencement of the project. The total of R40 million was transferred to Civil Society Organisations since commencement of the project and the R3 469 000.00 has been paid for mentoring of emerging Civil Society Organisations from the R5 million which was set aside for this objective. R5 million was paid for implementation of integrated media campaign in partnership with GCIS. Two service providers were appointed to implement the mentoring and coaching programmes for these Civil Society Organisations in eight provinces. The contract between the two service providers was signed for implementation of mentoring and coaching for 78 Civil Society Organisations. The total amount paid to these service providers for mentoring of Civil Society Organisations by 31 March 2023 is R3 469 000.00.
Amount received (R'000)	R10 000 (Amount rolled over from the 2021/22 financial year)
Amount spent by the department (R'000)	R8 469
Reasons for the funds unspent	The quotations from the two service providers appointed for mentoring were cheaper and there was therefore a saving of R1 531 000 from the R5 million allocated for this objective. However, the DSD is still considering to use these funds for mentoring of emerging CSOs.
Monitoring mechanism by the donor	Quarterly reports to the Donor

12: Donor Funds

Table 4: Criminal Asset Recovery Account: Gender Based Violence and Femicide

Name of donor	Criminal Asset Recovery Account (CARA)
Full amount of the funding	R50 000 000
Period of the commitment	From December 2019 to March 2023
Purpose of the funding	Supporting services to victims of Gender Based Violence and Femicide
Expected outputs	<ul style="list-style-type: none"> Improved access to justice of victims and violence including survivors of Gender-Based Violence and Femicide A better-informed public about laws, rights and responsibilities underpinned by a public education campaign around survivors' (women, children and LGBTQI) rights under the law, challenging the use and acceptability of GBV, patriarchy and related forms of discrimination and inequalities Increased access to economic opportunities that set out to meaningfully addressed women's social and economical vulnerability
Actual outputs achieved from 01 April 2022 to 31 March 2023	<ul style="list-style-type: none"> The total R20 350 000 was transferred to 128 Civil Society Organisations as first tranche payments. Another R18 850 000 has been transferred to 110 of these Civil Society Organisations as second tranche payments since commencement of the project. The total amount transferred to the Civil Society Organisations by 31 March 2023 amounted to R39 200 000. Thirty-six (36) new Civil Society Organisations were recommended for funding as part of the second call for proposals. The 36 new Civil Society Organisations were approved for funding and contracts between these Civil Society Organisations and NDA have been signed to the total amount of R8,1 million. The process of transferring the funds to the Civil Society Organisations is underway.
Amount received (R'000)	R19 450 (Rolled over from the 2021/22 financial year)
Amount spent by the department (R'000)	R8 650
Reasons for the funds unspent	R10 800 000 is unspent. However, R8 100 000 has been committed for transfer to 36 new Civil Society Organisations as approved and the process of contracting for the payment of the funds to these Civil Society Organisations is underway. R2 350 000 is committed for payment of second tranches to the 18 funded Civil Society Organisations which are still undergoing performance reviews for compliance.
Monitoring mechanism by the donor	Quarterly reports to the Donor

Table 5: Criminal Asset Recovery Account: Provision of Victim Empowerment Services

Name of donor	Criminal Asset Recovery Account (CARA)
Full amount of the funding	R26 000 000
Period of the commitment	01 July 2012 to March 2016
Purpose of the funding	To improve victim empowerment services by providing capacity building and funding to emerging organisations and shelters
Expected outputs	<p>Funding and capacity building of CSOs that provide services to victims of crime</p> <p>Funding to shelters for victims of crime and vulnerable groups</p>
Actual outputs achieved	The Department continued to monitor funded Civil Society organisations (CSOs) in the Victim Empowerment Programme sector.
Amount received (R'000)	R258 (Rolled over from 2021/22 financial year)
Amount spent by the department (R'000)	R0
Reasons for the funds unspent	Remaining funds will be used for continued monitoring and project close-out in the 2023/24 financial year
Monitoring mechanism by the donor	Quarterly reports to the Donor

12: Donor Funds

Donor Funds Received in Kind

Table 1: DG Murray Trust

Name of donor	The DG Murray Trust
Full amount of the funding	R3 500 000
Period of the commitment	01 July 2019 - April 2022
Purpose of the funding	To implement a financing approach towards sustainability of social welfare services for the most vulnerable
Expected outputs	<ul style="list-style-type: none"> Finalise the Sector Funding Policy, including the prioritisation framework, and pilot the implementation thereof in selected province(s). Conceptualise a platform for delivering an integrated package of core social welfare services and develop a costing model for delivering such package of services. Review and develop a monitoring framework for the social welfare services sector. Support integration of NPO data management systems into national and provincial DSD systems. Identify other areas of work with systemic blockages that may require external support.
Actual outputs achieved	<ul style="list-style-type: none"> Developed SFP Mini-Guidelines 2: "Management of Transfers" and administrative tools. Facilitated pilot training and Train-a-trainer capacity building workshops. Facilitated NPO Sector Engagement sessions (virtual and face-to-face). Finalized the development of the transformation scorecard and remedial guideline. A final report was developed based on consultations facilitated on legislative review to determine statutory services that the department is required to provide in terms of its mandate. Inception report on Integrated Platform developed. A prototype for e-learning platform developed and training materials are under development.
Amount received (R'000)	1 523
Amount spent by the department (R'000)	1 523
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Quarterly reports to DGMT Board of Trustees.

12: Donor Funds

Table 2: German Development Bank

Name of donor	German Development Bank (KfW)
Full amount of the funding	Nil funding received during this period. The entire project is funded with 9,9 Million.
Period of the commitment	2012 – December 2022
Purpose of the funding	For the provision of technical expertise including the supervision and monitoring of the construction of 17 CCCs in the Northwest, Limpopo and Kwa- Zulu Natal provinces
Expected outputs	<ul style="list-style-type: none"> To complete the remaining works in the Northwest and Limpopo provinces: Facilitate acquisition of the outstanding Compliance (CoCs) for the 3 completed NW CCCs Handover the 3 completed CCCs to the NW province Facilitate to signing of the Asset Transfer Certificates for the 3 NW CCCs Request additional funding to augment the project funds to complete the 3 Limpopo CCCs and Purchase furniture for the completed Lethabong CCC in the Northwest province, whilst waiting for the VAT refunds from SARS. Appoint a contractor to complete the 3 Limpopo CCCs Appointment of the service provider to facilitate Vat Claims refunds from SARS Appointment of the service provider to audit the donor funds (disposition fund).
Actual outputs achieved	<ul style="list-style-type: none"> Provided project management services which enabled the achievement of the following: Acquired all outstanding Certificates of Compliance (CoC) for the 3 NW CCCs (Letlhakeng, Lethabong and Groot Marico CCCs) (gas, glass and plumbing CoCs). <ul style="list-style-type: none"> * All 3 NW CCCs have been handed over to the province. * 2 CCCs (Letlhakeng and Lethabong CCCs) were handed over to the province on 21 June 2022 by the ADG and DDG. Groot Marico CCC was handed to the province on 14 October 2022 by the Chief Directorate: HIV and AIDS. Asset Transfer Certificates for the 3 CCCs signed by the ADG and the NW HOD. Rezoning of Groot Marico CCC approved by the Ramotshere Moiloa Municipality on 12 December 2022. The finalisation of the audit of the donor funds (disposition fund) in December 2022, reports for 2 financial years are available.
Amount received (R'000)	839
Amount spent by the department (R'000)	839
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Quarterly reports; Annual audited financial statements and Audit report. Random donor site visits.

12: Donor Funds

Table 3: Southern Hemisphere

Name of donor	Southern Hemisphere
Full amount of the funding	R 31 740
Period of the commitment	09 June 2022 (Once off)
Purpose of the funding	To conduct and facilitate the stakeholder workshop on the evaluation report of the National Adolescent Sexual and Reproductive Health and Rights (ASRHR) Framework Strategy.
Expected outputs	<ul style="list-style-type: none"> • The evaluation sought to provide DSD and other stakeholders with an independent and rigorous assessment of: • The extent of the effectiveness of the implementation model of the National ASRHR Framework Strategy in delivering on the objectives of the strategy; the overall performance of the implementation of the National ASRHR Framework Strategy; and lessons learned and good practices from the implementation of the strategy. • The evaluation also proposed key actions and recommendations that could contribute to the strengthening of ASRHR in the country.
Actual outputs achieved	<p>There are pockets of evidence from evaluation and researchers undertaken during the implementation period that showed a collaborative and integrated approach by key government departments in teenage pregnancy hotspot areas and where NGOs are involved in intensive peer education programmes, these can have positive results for the adolescent's' SRHR.</p> <p>a) Effectiveness:</p> <ul style="list-style-type: none"> • The Strategy was a good tool to convene stakeholders around ASRHR. • It enabled improved horizontal coordination, information sharing and collaboration • Limited vertical coordination resulted in poor awareness of the Strategy and departments were unclear of their roles and expectations. • The Strategy did not have a clear Theory of Change. • There was an M&E plan for the Strategy but indicators were not being reported on. <p>b) Outcome and Impact:</p> <ul style="list-style-type: none"> • The number of adolescents visiting health care facilities and delivering in facilities has increased (2017-2020). • There has been a decline in new HIV infection rate amongst adolescents. • There has been an increase in the number of teenage pregnancies in some parts of the country and in particular during the COVID-19 Pandemic. • Teenage pregnancies have dropped where concerted efforts have been made by all stakeholders in teenage hotspot areas. <p>c) Efficacy and Sustainability:</p> <ul style="list-style-type: none"> • Interventions were implemented within existing budgets of departments. • Limited budget allocation from Treasury led to poor scale up of promising interventions. • Sustainability can be improved by having a dedicated budget, clarification of roles and responsibilities of key players, and ensuring buy-in at provincial, district and municipality levels. <p>d) Lessons Learnt:</p> <ul style="list-style-type: none"> • Collaboration and coordination across departments and sectors, formalised with MOUs between departments, coupled with political leadership and support at national and provincial level is the foundation for strategy success. • Setting up priority area working group is a good approach to implement the strategy. The NPU with its transversal function in government is well placed to play the role of secretariat of the strategy, however, its location in DSD causes issues around its authority to enforce accountability for M&E and reporting. • Although NYDA is the custodian of youth related issues in the country, this does not make it the best placed to coordinate the strategy. • Annual workshops are insufficient to promote coordination. • Annual and provincial workshops should include information sharing, review and planning processes at the strategic level and it is important to include a tangible plan of action as a product of these workshops.

12: Donor Funds

Actual outputs achieved	<p>e) Good Practice Model:</p> <ul style="list-style-type: none"> There has been a gradual increase in the number of adolescents visiting health care facilities in the period from 2017-2020, which are positive results, but teenage pregnancy has not dropped during the same period. However, where concerted effort has been made by all stakeholders in teenage pregnancy hot spot areas, there is evidence where teenage pregnancies dropping (e.g. Nzululwazi model), and this should be replicated across the country. Nzululwazi is the name of a school in Alfred Nzo District in the Eastern Cape Province that had high learner pregnancy, and through an integrated approach amongst key stakeholders, with the support of the United Nations Population Fund (UNFPA) as part of the Safeguard Young People (SYP) Programme, learner pregnancy dropped.
Amount received (R'000)	32
Amount spent by the department (R'000)	32
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Attendance of workshop

Table 4: Japan International Corporation Agency

Name of donor	Japan International Cooperation Agency (JICA)
Full amount of the funding	The amount is not specified
Period of the commitment	25 August 2021 to 24 August 2023
Purpose of the funding	Capacities of DSD for the development of Respite care services for children with disabilities and their families.
Expected outputs	<ul style="list-style-type: none"> Output1: A practical methodology to empower children with disabilities and their families is identified. Output 2: A practical methodology to improve accessibility to services in communities for children with disabilities and their families is identified. Output 3: Areas of capacity development of DSD officials for implementing the identified practical methodologies in Output 1 and 2 are identified. Output 4: Based on the Output 1 to Output 3, a direction for concrete cooperation between South Africa and Japan is developed.
Actual outputs achieved.	<ul style="list-style-type: none"> The Department of Social Development has engaged in international cooperation with Japan, via their offices based in South Africa, Japan International Cooperation Agency (JICA), towards developing best practice models for persons with disabilities. A partnership was fostered since 2007, and the focus was on Disability Empowerment and Mainstreaming (DEM) within the South African context. Training and capacity building were conducted with various stakeholders nationally in all 9 provinces. Pilot projects were also facilitated in four provinces towards the development of best practice models. Following collaboration with JICA and the four provinces, interest was expressed in developing respite care for children with disabilities. Discussions between the Department and JICA led to Mpumalanga and Northern Cape being selected as study sites for the project on the development of respite care services for families of children with disabilities. The project site for Northern Cape is Upington, Dawid Kruiper Local Municipality within ZF Mgcawu district; and for Mpumalanga it's Khumbula, Mbombela Local Municipality within Ehlanzeni district. Subsequent to that, Guidelines on Respite Care Services to Families of and Persons with Disabilities was developed and approved in 2020/21 financial year. The Directorate Services to Persons with Disabilities and JICA are then facilitating the development of methodologies and approaches on respite care services, are being implementing in the two selected study sites. The following is actual outputs from 1st April to 31st December 2022, towards the development and implementation of the respite care programme.

12: Donor Funds

Actual outputs achieved	<ul style="list-style-type: none"> From April to July 2022, Baseline surveys including questionnaire survey, interview survey, group discussions were conducted to identify resources available, challenges/ faced by primary caregivers and families and the most important areas where respite care services are needed. Results of the surveys were analyzed to guide the size and range of respite care services that will be provided. The stakeholder meetings took place in May (in Mpumalanga) and June (in Kimberley) 2022 in order to obtain buy-in from provincial DSD and create a participation platform at district level. Also, the workshops were conducted in June (in Upington) and July (Khumbula) to achieve two objectives. The first objective is to conduct a workshop for parents of children with disabilities to empower them through understanding of social model of disability and well-being of parents. The second objective is to establish a working group consisting of parents of children with disabilities, persons with disabilities, governments and other key stakeholders at local municipality level; this enables them to work together to develop an activity plan and implement the planned activities in order to address barriers faced by families of/and children with disabilities. In July (in Upington) and October (Mbombela), the capacity building workshop was conducted for the working group to capacitate and empower the working group to enable the development of respite care services in their community. The programme items were understanding of the respite care guidelines and DEM guidelines, understanding of social model of disability and development of an activity plan based on results of the baseline survey. From August to October, the capacity building programme and materials for parents were developed. The workshop programmes were conducted in November (in Upington) and in December (in Mbombela) for 34 parents of children with different disabilities. The trainers/ facilitators of the workshop consisted in experts of various sectors such as DSD, DOH, DBE and NGO, who are the members of Respite Care Project working group. Through the workshop's implementation, network among the working group and parents has been strengthened as well as the parent's capacities are developed. From August 2022 to January 2023, the preparation for the study tour to Japan on Welfare and Respite Care services has been done, and the study tour was implemented from 7 February to 16 February 2023 successfully. The study tour aimed at learning and benchmarking for the development of Respite Care Services to families of/and children with disabilities. Six delegates (Three sets of DSD officials from national DSD, DSD Mpumalanga and Northern Cape provinces) participated in the study tour. At the end of the study tour, the delegates have achieved the following outputs. <ul style="list-style-type: none"> Understand comprehensive welfare services to children with disabilities and their families in Japan including Respite Care Services, Have a common understanding on 2023/2024 activity plan in the project sites and the project plans on the upcoming DSD/JICA technical cooperation project (2024/2025). In relation to the above, the Department in collaboration with JICA conducted the knowledge sharing seminar on the study tour on 14 and 15 March 2023. The purpose of the seminar was to share the outputs of the study tour with stakeholders and utilize those outputs in the Respite Care Services project sites. About 40 persons participated in the seminar including the ADDG (SOT), HOD of DSD Mpumalanga, AHOD of DSD Northern Cape and parents of children with disabilities.
Amount received (R'000)	1 102
Amount spent by the department (R'000)	1 102
Reasons for the funds unspent	The budget was spent as planned.
Monitoring mechanism by the donor	The JICA Advisor has been dispatched to the National DSD and assists DSD officials in implementing and monitoring of the project.

Table 5: UNFPA

Name of donor	UNFPA
Full amount of the funding	R 3 804.76
Period of the commitment	09-11 November 2022
Purpose of the funding	To participate at the UNFPA/ UNICEF Steering Committee Meeting and Joint Programme Field Visit - UThukela District
Expected outputs	<ul style="list-style-type: none"> To engage with the leadership of KZN and assess the progress of the JP Program implementation. To engage with selected beneficiaries of the programme and solicit feedback and experiences. To reflect on key achievements with the aim of scaling up what works. To agree on key priorities for the remaining period focusing on acceleration and catch up plan where it is required. To identify key opportunities for strengthening collaboration at all levels to ensure well coordination. To engage with the KZN Provincial Population Unit and provide an update to each other on capacity building and programme implementation.
Actual outputs achieved from 01 April 2022 to 31 March 2023	<p>Project progress and planning:</p> <ul style="list-style-type: none"> Presented the 2022 progress implementation against the expected outputs. Reviewed the proposed 2023 AWP to consider the underserved populations, and the plans for implementation were formally endorsed with that addition. Provided strategic guidance for the timely and quality implementation of the Programme in 2023, as it is the final year of the Joint Programme implementation. Monitoring and Evaluation of Indicators: Plans to review the District Dashboard on SRH/ HIV/ SGBV indicators to consider standardisation and also highlight community human stories. The team to further liaise with the provincial and national Department of Social Development M&E units, for alignment, although other indicators are across sectors, including NPOs indicators. <p>Project governance:</p> <ul style="list-style-type: none"> Agreed on identification of key opportunities for strengthening collaboration at all levels, and acknowledging the support from KwaZulu Natal Cabinet through the Operation Sukuma Sakhe (OSS) led by the Office of the Premier, and the visit to UThukela District that was done prior to the UNFPA/ UNICEF Steering Committee Meeting and Joint Programme Field Visit - UThukela District. <p>Knowledge sharing:</p> <ul style="list-style-type: none"> Discussed the impact of floods in KwaZulu Natal and the reprogramming of the Joint Programme. COVID-19 on adolescent sexual and reproductive health and rights in the region and brainstormed on the 'new normal' and the future of policies and programmes in response to the COVID-19 recovery phase. Acknowledgement of the UNFPA support over the years to Traditional Leadership and Religious Sector in addressing harmful cultural practices. Leveraging on lessons learnt in UThukela District and implementing them in EThekweni Metro and UGu districts, as well as to benefit other districts in the province. Engage KZN PPU and provide an update on capacity building and programme implementation: Migration and Urbanization Training taking place at the University of KwaZulu Natal on the 14-18 November 2022, targeting Municipal planners. This training session created huge demand, as is a physical session using a mixed-approach. There is another Migration and Urbanization Training planned for the week of 05-09 December 2022 to also use a mixed-approach, but still to be confirmed. It was highlighted that it is important to consider the partnership the KwaZulu Natal PPU has with COGTA, as part of the Provincial Coordination Forum.

12: Donor Funds

Actual outputs achieved from 01 April 2022 to 31 March 2023	<ul style="list-style-type: none"> There will be a bilateral meeting after the two sessions to reflect on KwaZulu Natal Municipal planners reached through the migration and Urbanisation Training thus far, to pave the way forward for trainings to be done before the end of the financial year, and the new financial year. The KwaZulu Natal PPU will be attending the Demographic Dividend session planned for the week of 21 November 2022 in Pretoria. The commemoration of the national World Population Day “a world of 8 billion”, is in partnership between the National and North West Department of Social Development and UNFPA, to be held on the 26 November in Mahikeng. As part of the celebration, the Minister and MEC of Social Development and other Principals will be invited to visit the North West University Unit of Demography and Population Studies, to learn more about the programmes’ achievement.
Amount received (R’000)	4
Amount spent by the department (R’000)	4
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	<ul style="list-style-type: none"> Annual Report produced, informed by reports by stakeholders (DSD; DOH; DBE; through presentations and participation during the Provincial Coordination Forums; National Coordination Forum; and UNFPA/ UNICEF Steering Committee Meeting and Joint Programme Field Visit. UNFPA Mission Report produced.

Table 6: Sasol Foundation

Name of donor	Sasol Foundation
Full amount of the funding	R299 000.00
Period of the commitment	07 February 2023 (Once off)
Purpose of the funding	Assistance to Social Protection Beneficiaries who are starting a new journey at tertiary institutions.
Expected outputs	Donate laptops and book vouchers to 30 learners at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.
Actual outputs achieved	30 learners were each allocated a laptop and 29 book voucher at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.
Amount received (R’000)	299
Amount spent by the department (R’000)	299
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Presence of DSD officials in project implementation and monitoring.

12: Donor Funds

Table 7: PACT / USAID

Name of donor	PACT / USAID
Full amount of the funding	The amount is not specified in the agreement.
Period of the commitment	September 2013 – 06 September 2023
Purpose of the funding	To strengthen the capacity of the Department of Social Development to improve service outcomes and reduce incidence of HIV and AIDS for Orphans and Vulnerable Children, Adolescents, and Youth (OVCAV).
Expected outputs	<p>GCBS is focused predominantly on:</p> <ul style="list-style-type: none"> Implementing and documenting the prevention and early intervention (PEI) core package of services (CPS) for OVCAV through the Department and its funded partner organizations. With the CPS, capacity building and support for direct service delivery (DSD) in support of the roll out of the Guidelines for Social Service Practitioners: Enabling Access to HIV Services to ensure that all children access HIV testing services (HTS), those found positive access treatment, and those on treatment become virally suppressed through adherence to anti-retroviral therapy (ART). Strengthening the capacities of Social Service Practitioners (SSP), including Social Workers (SWs), Social Auxiliary Workers (SAWs), Child and Youth Care Workers (CYCWs), Community Development Practitioners (CDPs), and Community Caregivers (CCGs) to implement the CPS. Improving coordination and collaboration for comprehensive CPS implementation using data, evidence, and best.
Actual outputs achieved	<p>GCBS is a USAID funded program and reports and collects program data from 1 October to end September annually. PACT has submitted a detailed progress report on work done for two reporting cycles, namely 01 April 2022 to September 2022 and 01 October 2022 to 31 March 2023. Below is an overview of activities and results achieved:</p> <p>April 2022 to September 2022</p> <ul style="list-style-type: none"> Provided direct support to Dept. Service Points and NPOs across 7 districts: <ul style="list-style-type: none"> * Gauteng: Ekurhuleni, City of Johannesburg * KwaZulu-Natal: Zululand, uThukela * Free State: Thabo Mofutsanyane * North West: Bojanala * Limpopo: Capricorn Reached 93 819 OVCAV and their caregivers. The program met 102% of target set for the period. <p>October 2022 to March 2023</p> <ul style="list-style-type: none"> Provided direct support to Dept. Service Points, NPOs, community health services across 7 districts <ul style="list-style-type: none"> * KwaZulu-Natal: Zululand, uThukela * Free State: Thabo Mofutsanyane * North West: Bojanala, Dr Kenneth Kaunda, Ngaka Modiri Molema * Limpopo: Capricorn Reached 43 262 OVCAV and their caregivers. This reflects reach after 6 months of implementation in line with U.S. President's Emergency Plan for AIDS Relief (PEPFAR) report, accounting for 92% of the annual comprehensive case management target reach over 6 months
Amount received (R'000)	23 207
Amount spent by the department (R'000)	23 207
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Program Steering Committee overseeing work-plan implementation includes DG, DDGs, USAID and PACT Senior Management.

13: Capital Investments

The Department's movable capital assets consists mainly of office furniture and equipment, vehicles, ICT infrastructure and equipment as well as kitchen appliances.

The Department of Social Development received financial assistance from the German Development Bank (KfW) to complete three Community Care Centres (CCCs) in Limpopo provinces to implement quality Comprehensive Package of social services and skills development programmes for community caregivers as well as for the beneficiaries. In the previous financial year, a total of 11 CCCs were completed in the three provinces six in Kwa-Zulu Natal, two in Limpopo and three in the North West provinces).

A service provider was appointed in the 2022/23 financial year to complete the three remaining CCC's in the Limpopo Province since the contract with the previous service provider was terminated due to poor performance. During the 2022/23 financial year, an amount of R 3 192 298, 22 was spent in the completion of the three Limpopo CCCs.

Asset Management

The Department adheres to the Asset Management Framework issued by the National Treasury. The Department's asset register complies with the minimum information required in terms of the Asset Management Framework. During the period under review, all new assets received were barcoded and issued to the rightful owner. Yearly verification has been conducted and the asset register had been updated.

The Disposal Committee had been appointed by the Acting Director-General and has disposed 876 assets to the value of R4.6m.

Maintenance

The information technology assets that are procured usually carry a vendor warranty ranging from 1 to 3 years. Once the warranties expire, the Department may enter into a maintenance agreement with the relevant vendors depending on the kind of asset and its use.

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.

- The Disposal Committee has been appointed by the Acting Director General and had a meeting to dispose assets on 06 July 2022, 15 July 2022, 24 August 2022 and 30 September 2022.
- Total number of 876 assets has been disposed to the value of R4 653 895, 73.

Measures taken to ensure that the Department's asset register remained up to date during the period under review.

- All new assets received are barcoded and issued to the right owner. Yearly verification has been conducted and the register been updated.

The current state of the Department's capital assets, for example what percentage is in good, fair or bad condition.

- All current assets are in a fair condition and poor condition assets have been disposed.
- Major maintenance projects that have been undertaken during the period under review.
- The Department has no maintenance plan, and all new laptops comes with 3-year warranty from the manufacturer.

PART C: GOVERNANCE

1: Introduction

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

2: Risk Management

The Department has adopted the ISO 31000 risk management methodology including aligning with the 2017 COSO Enterprise Risk Management integrating with Strategy and Performance.

As required by section 38(1)(a)(i) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (the PFMA), DSD has established a Risk and Ethics Committee that advises the Accounting Officer on matters pertaining to risk and ethics management.

The Risk Management Committee is chaired by independent member who reports to the Department's Audit Committee. In addition, there are three other external members who support the committee. The Risk and Ethics Committee has adopted formal, approved terms of reference as contained in the Risk and Ethics Charter and responsibilities are discharged in compliance with the Charter. The internal members of the committee comprise of members of top management, who are Deputy Director Generals and selected senior managers who represent specific functional areas that within the Department. The Committee held six meetings during the 2022/23 financial year with two being ordinary meetings and two being in-committee meetings.

The DSD risk policy and strategy was reviewed and approved to guide the risk management function on how to respond to the risks identified. As a practise, risk assessments continue to be conducted annually with all business units to:

- identify risks that could impede the attainment of the agreed objectives as well as an identification of the opportunities brought upon by the risks identified.
- to develop mitigation strategies to address such risks; and
- allocate these key responsibilities to applicable senior managers.

In addition, the Department developed an ethics policy and strategy to ensure that there is a dedicated focus on ethics management in the organisation.

A risk assessment report for 2022/23 was developed and approved by both the Chairperson of the Risk and Ethics Committee and the Accounting Officer.

Risk Management continues to be a standing item on the agenda of EXCO, MANCO and the Audit Committee and reports are presented to these committee on all matters pertaining to risk management. This provides the Audit Committee with the opportunity to monitor the effectiveness of the system of risk management and provide further advice and guidance. Internal Audit conducts regular audits on the risk management function to provide an assessment of the effectiveness of risk management in the Department and to propose areas for improvement.

Based on the implementation of the risk methodologies and the guidance provided by the risk unit to the accounting officer and management, there is an overall improvement in the performance of the organisation but there are continued efforts to ensure that our performance translates to real impact on the ground for the people we serve.

3: Fraud and Corruption

The Department's fraud prevention plan and how it has been implemented.

During the reporting period, the Department's Anti-Corruption and Fraud Prevention Policy was adopted by Management Committee (MANCO) and approved by Acting Director-General in September 2021 for implementation. This policy is intended to curb all forms of corruption and fraud within the Department and demonstrate the attitude of the Department towards all forms of corruption and fraud through re-enforcement of existing regulations aimed at prevention, detection, investigation and resolution to corruption and fraud.

The objectives of the Anti-Corruption and Fraud Prevention Policy are as follows:

- To install a culture of zero tolerance to corruption and fraud within the Department
- To re-enforce existing regulations aimed at prevention and detection of corruption and fraud;
- Create awareness to all employees, outside service providers and suppliers to the Department in order to get a buy-in in the fight against corruption and fraud;
- To take appropriate corrective action against perpetrators; and
- To improve or implement the necessary controls on fraud risk areas

Annexure A of the Policy explains the Department's Anti-Corruption and Fraud Prevention (ACFP) Plan. The Anti-Corruption and Fraud Prevention (ACFP) is a dynamic strategy that will continuously advance as the Department's circumstances change. Annexure B explains the Department's Anti-Corruption and Fraud Response Plan. The plan provides details of how the Department and its employees should respond to all incidents or suspected incidents of corruption and fraud.

Mechanisms in place to report fraud and corruption and how these operate

Annexure C of the policy explains or provide a means by which staff is able to raise concerns with the appropriate line management, or specific appointed persons in the Department, where they have reasonable grounds for believing that there is fraud and corruption within the Department. The Protected Disclosures Act, Act 26 of 2000, which became effective in February 2001, provides protection to employees for disclosures made without malice and in good faith, in defined circumstances. In terms of the Protected Disclosures Act, employees can blow the whistle on fraud and corruption in the working environment without the fear of suffering an occupational detriment as defined by the Act. The Department's management encourages staff to raise matters of concern responsibly through the procedures laid down in Annexure C of the policy.

How the cases are reported and what action is taken

It is the responsibility of all employees of the Department to report all incidents of corruption and fraud or similar conducts relating to actual or potential financial losses. The reporting procedures are dealt with in detail in the Response Plan

The first step is for the employee to approach his/her immediate supervisor/ manager, unless he/she or the senior management is the subject of the complaint, in which case the Internal Audit Unit should be informed. Should the complaint be found by the Senior Manager to be substantiated, he or she will consult with the Internal Audit Unit on whether the matter should be investigated internally or referred to the appropriate external body such as the South African Police Services (SAPS).

The process requires concerns to be raised in writing, providing the background and history of the concern, giving names, dates and places where possible. The complainant should also set out the reasons why they are particularly concerned about the situation. Those who are uncomfortable to put their concern in writing can call the Public Service Commission Hotline number on 0800 701 701. The earlier the concern is reported, the easier it is to act and initiate recovery procedures where necessary.

Internal disciplinary action

The PSCBC Resolution No. 2 of 1999 prescribes the disciplinary measures applicable to the Public Service. Government employees who are found to have committed or were involved in an act of corruption or fraud will be subjected to punitive measures as prescribed in the above-mentioned resolution.

4: Minimising Conflict of Interest

Members of the Bid Committees (Specification, Evaluation and Adjudication) are required to declare their interests at the commencement of every meeting. Members who declare their conflict of interest are required to recuse themselves from participating in the meeting. All suppliers and service providers are required to submit a signed Declaration of Interest Form (Standard Bidding Document 4) indicating whether they have any interest when doing business with the State

5: Code of Conduct

The Code of Conduct seeks to promote and maintain high standard of professional ethics throughout the Department and the public service. The Constitution of the Republic of South Africa mandates the Public Service Commission to regulate the processes and procedures for good ethical conduct. The Code of Conduct for the Public Service was promulgated in 1997 and subsequently promoted in national and provincial departments through workshops.

The Code of Conduct is an important pillar in the establishment of good governance and ethical conduct of public servants. It also raises such issues as respect for human rights, the rule of law, accountability, transparency in government, personal conduct and private interest.

Notwithstanding the fact that the purpose of the Code is to promote exemplary conduct, an employee shall be guilty of misconduct in term of the Disciplinary Code and Procedure for the Public Service (PSCBC Resolution 1 of 2003) and Chapter 7 of the SMS Handbook if he or she contravene any provision of the Code of Conduct. The prescribed disciplinary processes and procedures are applicable which might result in disciplinary outcomes and sanction of a warning, suspension without pay, demotion or dismissal if an implicated employee is found guilty of misconduct for contravening the Code of Conduct.



6: Health, Safety and Environmental Issues

Introduction

The Occupational Health and Safety Act, 1993 (Act No.85 of 1993), requires the employer to bring about and maintain, as far as reasonably practicable, a work environment that is safe and without risk to the health of the workers. The Act requires both the employers and the workers to take responsibility for health and safety. This is addressed through the principle that dangers in the workplace must be addressed by communication and cooperation between the workers and the employer. Both parties must pro-actively identify dangers and develop control measures to make the workplace safe. In this way, the employer and the workers are involved in a system where health and safety representatives may inspect the workplace regularly and then report to a health and safety committee, who in turn may submit recommendations to the employer.

Health and Safety Committee

The Acting Director General (ADG) has reconstituted a new Health and Safety Committee comprised of senior managers, middle managers and junior staff. This was to ensure the appointment of members who will serve the interest of all employees as far as health and safety matters are concerned. Various branches were invited to nominate Health and Safety Representatives for the Health and Safety Committee. The Health and Safety Representatives were formally appointed in January 2021 and additional new members were appointed in 2022 and serve on the committee for two years. The Committee meets quarterly to initiate, promote, maintain and review measures of ensuring the Occupational Health and Safety in the Department.

General Hygiene: The cleaning services continue to ensure that the workplace is kept clean at all times. All officials in the Department must always promote and maintain good hygiene practices.

The decontamination and sanitisation services for the HSRC, Harlequins and GBVC buildings are undertaken on a monthly basis as a Covid-19 prevention measure. The offices will continue to be sanitised monthly or as and when required.

The allocation of the First Aid Kits to the Administrative Assistant of Deputy Directors-General or Chief Directors per wing per floor to be administered by the nurses as and when the need arises.

The approval for the appointment of a professional Occupational Health and Safety Practitioner in the financial year 2022/23, with effect from date of assumption of duty for a fixed term period of one (1) year. It is important to appoint an OHS Practitioner to assist and ensure that all safety plans and programmes developed by the Department are effectively and efficiently implemented in line with the set regulations.

7: Portfolio Committee

For the year under review, the Department appeared before the Portfolio Committee of Social Development as follows:

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
01 Apr 2022	Children's Amendment Bill: clause-by-clause deliberations	<ul style="list-style-type: none"> The Committee deliberated on clauses 1 to 14 and agreed to make various minor changes and additions to the definitions in clause 1, 4, 10, 12, and 13 as all suggested by the public and endorsed by the Department. Clause 5 would be amended to specify that marriage of children under the age of 18 was prohibited. The Committee considered clauses 1(a), 1(f), 1(g), 1(i), 1(l), 1(n), 1(p), 1(q), 1(r), 1(s), 1(u), 1(v), 1(x), and 1(z) without discussion and without any Members expressing objections.
20 Apr 2022	DSD, NDA & SASSA 2022/23 Annual Performance Plans, incl AGSA input; with Minister and Deputy Minister	<ul style="list-style-type: none"> The Department, SASSA and the NDA, briefed the Committee on their Annual Performance Plans (APPs) It was highlighted that R248 billion, R212 billion and R224 billion would be allocated for social grants for eligible individuals in 2022/23, 2023/24 and 2024/25 financial years respectively The committee raised concerns about the implementation of the basic income grant, the annual reports of non-profit organisations, the employment of social workers, the amendment of legislation to enable the continuation of the R350 grant, youth development programmes, the R1.5 billion top-up for the Child Support Grant, the DSD's mechanisms to assess its performance and work, and migration issues at the local government level. Members expressed concern over DSD lack of action in implementing the recommendations contained in the AG's report DSD to fill vacancies in crucial positions. DSD planned to make the employment a joint bid, including sectors and other governmental departments to come up with agreement DSD provincial Departments to look at the possibility of extending existing contracts of employment of Social Workers until the matter is finalised. The Department had drafted regulations to ensure the continuity of the R350 SRD grant DSD committed to ensuring that all disaster-related resources would be spent for their designated purposes. The Department was committed to stimulating resource modelling and the implementation of the basic income grant. The Department assured the Committee of its commitment towards helping the youth to integrate into the labour market.
04 May 2022	Children's Amendment Bill way forward; with Minister	<ul style="list-style-type: none"> The Children's Amendment Bill has reached an advanced stage of the legislative process. Cabinet had approved the National Childcare and Protection Policy, the Social Assistance Amendment Act, and its accompanying regulations. The Minister suggested to the Committee that the process is better off being considered a Section 76 Bill, taking into consideration the need for it to be processed by the Select Committee and the National Council of Provinces. The Minister assured the committee that with ongoing research there will be developments and great interventions will be implemented according to feasible policy options. There should be a thorough discussion between the legal advisors and the Department and thereafter come back to the committee with a recommendation. The Committee to embark on a process to consider issues raised during the public hearings The Committee to consider the information in the letter from the court. This would help the Committee determine if it is only clause 86 to amend or the twelve clauses as per the Department's legal advisors, or four clauses from the previous meeting. The legal advisor will draft a Committee Bill and thereafter this will carry all the outstanding clauses not considered in the foster care Bill Committee to look at the clauses highlighted in the meeting

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
11 May 2022	Children's Amendment Bill: briefing on foster care related clauses; DSD Budget: Committee Report	<ul style="list-style-type: none"> The meeting was postponed due to connection problems, the committee adjourned the meeting to deal with the foster care issues at another time.
18 May 2022	Children's Amendment Bill: deliberations	<ul style="list-style-type: none"> The Department briefed the committee on the latest matrix of the Department's responses to various proposals made by the public. A decision was taken that all of those clauses which did not relate to foster care would be kept in abeyance for a second amendment process. The clauses were in line with the Foster Care North Gauteng High Court Order. It was agreed that the 12 clauses presented in the meeting would respond adequately to the judgement. The Department agreed that the definition of caregiver needed to be amended to include a person that was assigned the care of a child in a registered cluster foster care scheme. The Department agreed to the amendment of section 105, it was suggested that this section 105 should read that the designated child protection services, social workers was to be responsible for care of the child. The Committee took a decision that all of those clauses which did not relate to foster care would be kept in abeyance for a second amendment process or would use other legislation to deal with the other aspects. All the public input on those clauses would be kept in abeyance until the process could be followed. The Committee had decided to come up with 12 clauses on the Bill, which had now changed to 13 clauses. Only 13 clauses would survive from this Bill. The various approaches had been outlined. It had been decided that the Committee would go chapter by chapter.
25 May 2022	Children's Amendment Bill: deliberations	<ul style="list-style-type: none"> The committee decided that the Bill needed to be technically amended in such a manner that what was left was the '12 surviving clauses' the Committee considered the Bill clause by clause and agreed with most of the clauses except for clause 10 amending section 21. Section 21 should be rejected as part of the other clauses that were rejected, which could be considered at a later stage in the form of a Committee Bill. The Committee decided to exclude provisions relating to early childhood development, and all provisions that were not directly related to foster care parenting or gave effect, at least directly, to the North Gauteng High Court decision around the issue of comprehensive foster care parenting. Committee had decided to adopt the Bill and it would be formalised into an A-List which would be presented to the Committee in the next meeting

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
01 Jun 2022	Department of Social Development Q1-3 2021/22 Performance Reports	<ul style="list-style-type: none"> The Portfolio Committee received a report on the Department's performance for the first three quarters of the 2021/22 financial year. The Department was able to achieve 81% of its set targets, with 76% achieved at the end of the third quarter. A total of R170 million was spent by the end of quarter 3, 83% of the spending was on programme 1. About R8.2 billion was spend funding NPOs. A total of 21 065 applications for NPO registration had been received, of which 20 709 were processed within two months. 31 010 reports were received, of which 25 287 were processed within two months. DSD to provide the Committee with a list of service providers that provide food for Community Nutrition Development Centres (CNDs), and the number of women involved Committee raised question about the Department progress on the VSS Bill? The Department reacted by stating that it had received feedback on the VSS Bill from the Office of the Chief State Law Advisor on the VSS Bill. These comments had been consolidated and sent back to the Office of the Chief State Law Advisor, who was currently considering it for pre-certification and Cabinet approval. Concerns were mentioned about the Department understanding legislative matters. The Department reacted by stating that the context around this was not that the Department did not know the processes, but rather that in some cases they might have underestimated the timeframes related to the processes.
03 Jun 2022	New regulations on the payment of SRD Grant: DSD & SASSA briefing, with Ministry	<ul style="list-style-type: none"> Department of Social Development (DSD) and the South African Social Security Agency (SASSA) briefed the committee regarding the new regulations on the payment of the Social Relief Distress (SRD) grant and other social grants. The Committee raised concerns on the following: <ul style="list-style-type: none"> How other poor and unemployed individuals not covered in the allocation would be assisted by the DSD How people living in rural areas would be able to apply for the grant, as many do not have access to smartphones. How SASSA will verify if an applicant receives financial assistance from their family and if additional staff will be appointed to monitor this. How many criminal cases the department has reported regarding fraudulent SRD grant applications? Department and SASSA provided the following responses: <ul style="list-style-type: none"> On ensuing access, he indicated that the department has been working with non-government organisations on the ground, across the country, to assist applicants without cellphones with their online applications. This, the department believes, will prevent third parties from exploiting applicants. SASSA confirmed that some beneficiaries have not been paid since the approval of their grants in April due to the department's work to finalise a functional verification process and to ensure all systems are in place (which would also assist the Auditor-General with the monitoring of the application process). The department has partnered with a number of registered financial institutions that will use their technologies to validate the beneficiaries of the grant. The department had to strengthen its fraud prevention systems to deter those who do not qualify for the grant from applying and to ensure that all intended beneficiaries receive the grant. The Minister indicated that the Social Relief Distress (SRD) grant has assisted many people in the country The department has worked on improving its communication with beneficiaries, particularly those living in the rural areas, it has engaged SAPO to improve its communication strategy, so that clients are kept informed on the payment of grants.. The department is working to improve its systems, so that all outstanding payments for the previous iteration of the grant are concluded. The committee suggested that in the next scheduled meeting the department should allow the Committee to interface with its online application platform, to assess its user-friendliness

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
08 Jun 2022	Fundraising Amendment Bill: DSD response to public submissions; with Minister	<ul style="list-style-type: none"> The Department briefed the Committee on its response to the public comments on the Fundraising Amendment Bill [B29 – 2020] The Bill amends the Fundraising Act, (No. 107 of 1978), which provided for control over collections of contributions from the public and to set up five funds: Disaster Relief Fund, the State President's Fund, the Refugee Relief Fund, the Social Relief Fund and the South African National Defence Force Fund. There were over R92 million in the dormant fund which consist of The Refugee Relief Fund, the State President Fund, and the Social Relief Fund. The Auditor-General (AG) had raised audit queries over the years recommended that those funds be closed down. The two active funds, namely the Disaster Relief Fund, were administered by the Department of Social Development, while the South African National Defence Force Fund was administered by the Department of Defence and Military Veterans (DDMV). The Department needed to look at the qualifications of the board members, and make sure that there was no conflict of interest before they took up their seats. The Committee was welcome to make inputs into the regulations to make sure that the Department was creating correct parameters around where the intervention started. The committee raised question on how far the Department was with the regulations, and what were the timelines for that and for the Bill. When could Members expect the updated version of the Bill? The Department would be in a position within two weeks to a month to finalise the incorporation of comments into the Bill. It would be going for an A-list Bill thereafter.
22 Jun 2022	Children's Amendment Bill: Com'mittee amendments consideration	<ul style="list-style-type: none"> Parliamentary Legal Advisor presented the A-list of the Committee's proposed amendments The Committee decided to remove the early childhood development clauses in the bill and focus on those clauses that would provide for comprehensive foster care parenting. South Africa had to look at increasing social workers. The Committee agreed that instead of looking at everything in the Bill, it would consider only certain clauses in this amendment period and section 21 be put in abeyance. Sections 21 and 24 were contested. Committee needed to ensure that the Bill did not contradict itself on the Children's Court being able to hear guardianship applications – this was in section 24, section 45(1), and sections 45(3)(a) and 45(3)(b). It was suggested to delete “to the High Court” and insert “to the Children's Court or High Court, as contemplated in section 45(3)(a)”. Committee also made proposals on how wording in clause 24 could be changed, especially as it related to section 45. It was suggested that the legal advisors remove the words “of an orphaned or abandoned child”. It would then read: “guardianship as contemplated in section 24” so that the Children's Court's jurisdiction to hear guardianship applications was not limited to orphaned or abandoned children only, and it could hear all guardianship applications. Committee Members asked for clarity on the new clauses as follows: clause 86(2A): Would the South African Social Security Agency (SASSA) still have the legal authority to pay the foster care grant after November 2022, when the High Court order ended and the foster care grant expired? clause 160: This was not tabled in the Bill originally, so consultation was not done. Why was that inserted? The State Law Advisor clarified that section 21 had been through extensive public comments, and it was an area of contention. That was why section 21 needed precise and extensive redrafting. When such redrafting was extensive, it needed to go back for public consultation. It thus would need to be included in the Committee Bill.
24 Jun 2022	Children's Amendment Bill: Committee amendments (postponed)	<ul style="list-style-type: none"> The committee raised concerns that the document they received does not reflect any of the proposals that its Members put forward at the 22 June 2022 meeting. The Committee suggested to postpone meeting to allow the drafters to incorporate all its proposals into the Bill. The Committee agreed to cover this agenda item in the next meeting

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
29 Jun 2022	Children's Amendment Bill: consideration and adoption of A-list	<ul style="list-style-type: none"> After many vigorous arguments about the importance of listening to experts on children's rights and organisations that dealt with foster care challenges daily on the ground, it was agreed to listen to Members' proposals but not about Sections 21 and 24 Section 150(1)(a) was seen as the gateway to foster care for orphaned children in the care of relatives. It should be amended to reflect the DSD National Child Care and Protection Policy that orphans in the care of family members are not in need of statutory care and protection and do not need to go through the foster care system but may apply for a grant. The wording in the Bill should mirror the policy which was not the case. Section 159 was also raised and a proposal for a transitional clause allowing for a three-year period within which to extend foster care grants until the foster care grant crisis had been resolved The Committee formally adopted the A-list as presented with no changes
06 Jul 2022	Children's Amendment Bill: adoption, with Deputy Minister	<ul style="list-style-type: none"> The Committee approved the 16 clauses it retained in the Children's Amendment Bill [B18B-2020] with Committee amendments. The Committee Report on the Bill was adopted The Committee agreed with the legal opinion from the DSD, Office of the Chief State Law Advisor and Parliamentary Legal Advisor to remove clauses dealing with ECD and continue with processing of the Bill so that it could meet the Court order deadline. Team consisting of representatives from SALGA, DSD and the Department of Basic Education to prepare a presentation to the Committee with a list of ECD clauses to be rejected and to indicate whether such clauses would have an impact on the provision dealing with comprehensive legal solution on foster care backlog. The committee recommended that the House adopts Committee Report on Children's Amendment Bill and approves the second reading of the Children's Amendment Bill [B18B - 2020]. The Court ruled that the Minister of Social Department should introduce in Parliament a comprehensive legal solution to the challenges in the foster care system. The Committee considered the Bill clause by clause and agreed with most of the clauses except for clause 10 amending section 21.
24 August 2022	Differences between the Child Support Grant Top-Up and Foster Care Grant, DSD briefing with Minister	<ul style="list-style-type: none"> The Department briefed the Committee on Social Development on the differences between the Child Support Grant Top-Up and the Foster Care Grant the Department had continued to do its best and the people of South African had continued to do their best to make sure that the state of children in South Africa was taken very seriously. The presentation noted that over 5000 applications had been processed by the Department for the Child Support Grant Top-Up. Currently, the Child Support Grant was valued at R480. The Care Dependency Grant was valued at R1980, and the Foster Child Grant was valued at R1070.

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
31 Aug 2023	DSD action plan in response to AGSA audit findings & recommendations; with Minister	<ul style="list-style-type: none"> The Department of Social Development and its entities briefed the Portfolio Committee in a virtual meeting on their action plans in response to the audit findings and recommendations of the Auditor-General of South Africa. The Minister of Social Development provided a political overview of the Ministry's view on the findings of the Auditor-General, and gave an assurance that the Department appreciated and understood the role of the AG, and would adhere to their findings and recommendations. In the past three years, the National Development Agency (NDA) has made improvements, as the number of audit findings dropped from 38 in 2019/20, to ten in the 2021/21 financial year. The number of findings had been reduced mainly because it had strengthened its supply chain management processes. The South African Social Security Agency (SASSA) received an unqualified outcome with findings for the 2021 financial year. The AG had found that there had been a slow response to improve the controls at the Agency owing to vacancies in key positions over a long period, and instability was experienced whenever employees left the organisation. However, 93% of the audit recommendations had been implemented. The outstanding findings involved the slow implementation of consequence management and unresolved improvement of information communication technology (ICT) security firewalls. Members expressed concern over the non-compliance on supply chain management (SCM) issues and irregular expenditure, saying there should not be constant reports of irregular expenditure and non-compliance. What consequence management action had been taken? Other issues raised by the Committee included the high cost of the Department's leased accommodation, the failure to pay service providers within 30 days, and the vacancies in critical positions that had not been filled. They also criticised the inaccurate and outdated database used by the Department, which had resulted in many deserving beneficiaries not receiving their social grants.
02 Sept 2022	Fundraising Amendment Bill: motion of desirability & deliberations	<ul style="list-style-type: none"> The aim of the Bill is, amongst other things, to amend the Fundraising Act of 1978 to effect certain textual amendments to provide greater clarity; to amend certain definitions; to provide for the discontinuation of certain funds and dissolution of any boards responsible for those funds; and to transfer any amounts remaining in the discontinued funds to the Disaster Relief and National Social Development Fund. The issue has been addressed with Treasury and was not necessarily related to foster care. There had been meetings with the DHA to address the challenges with the Department, and a monthly breakdown would be provided as well. the timeframe within which consultation has to take place would not be in the Regulations and asked if the Member is suggesting there should be a timeframe within which consultation must take place, and if advice must come from the Members. The Regulations would contain ethical principles. It was also agreed there would be a time when decisions have to be taken instantly.

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
07 Sept 2022	Department of Social Development 2021/22 Quarter 4 performance; Fundraising Amendment Bill; with Minister	<ul style="list-style-type: none"> The Department had achieved 70% (45 out of 64) of its planned targets, which showed a decline of 6% in comparison to the third quarter. However, six of these targets had been exceeded in earlier quarters, so the related annual targets had been achieved. Department had created a risk and mitigation strategy to look at non-achievement. Part of what the Department looked at was its dependencies outside of the Department itself, particularly those related to legislation. Department had spent 99.21% of its annual budget for the 2021/2022 financial year. Regarding quarterly spending, it significantly increased its spending in Quarters 3 and 4. It was concerned about its “slow spending” in Quarters 1 and 2, but in Quarters 3 and 4, it picked up its projects and programmes and ensured that it spent its allocation It was indicated that consultation on the children’s grant and maternal support policies took so long because it involved four other departments, from which the Department needed to obtain buy-in before it approached Parliament. The Department’s statistics indicated that in 90% of all appeals, SASSA’s original decision was upheld. However, a person had a right to lodge an appeal. 95% of all the appeals that the Department received currently were medical-related appeals, related to disability grants, care dependency grants and grants in aid. The Department continued to implement its intervention in a Portfolio Approach to consolidate and strengthen its efforts to improve the quality of life of South Africa’s people. Some of its targets had dependencies, even in the provinces. Because of concurrent functions in some areas, the Department had dependencies in the provinces. The Disability Policy had taken some time to develop and was now on its way to the social cluster. the Department was sent back to wait for the White Paper on the Rights of Persons with Disabilities to first be approved in the Cabinet, after which it could start the process.

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
14 Sept 2022	Tembisa residents petition; National Development Agency turnaround strategy; Fundraising Amendment Bill; with Minister	<ul style="list-style-type: none"> The Committee heard the petition of Tembisa residents on the state of the South African Social Security Agency's offices there, and was briefed by SASSA on its efforts in improving the Tembisa office challenges in managing its office space in general. It also received an update on the National Development Agency's turnaround strategy. The Tembisa community expressed their concerns on the state of the SASSA offices in a petition signed by over 2 000 people submitted to the petitions office. There was overcrowding in a cramped space and the buildings were due for an upgrade six years ago but to date, no upgrade had happened. The residents needed functional SASSA offices. SASSA said procurement of SASSA offices could only be state-owned property and, if privately owned, then through the Department of Public Works and Infrastructure, but the Department's procurement processes were lengthy. SASSA had asked the Minister for the mandate to procure its own leases and property even as the DPWI was trying to procure property for them. On the Tembisa office, SASSA had started searching for alternative space when complaints had initially surfaced, but none was available then Members said it appeared the stumbling block was the DPWI itself, and that the Minister and the Minister of DPWI should meet and a timeframe should be set on finding suitable office space. Members suggested the use of a mobile truck to assist in the meantime. Members said that the problem was not only in Gauteng and oversight had to be done on the state of SASSA offices across the country. Minister Zulu noted that the CEO had been striving to sort out the office space issue which had to be conducive to both the people and office workers in the buildings and that SASSA had made attempts to meet with the DPWI Minister. Minister Zulu said the NDA was established to promote a partnership between government and civil society sector to eradicate poverty. She said that in the past 23 years, the social, economic and technological shifts globally demanded that the NDA reposition itself as the prime development finance institution. In the short term, the most immediate way to alleviate poverty was to create jobs in labour-intensive sectors and coordinate development intervention in the three spheres of government and other partners. Hence, the NDA needs to sharpen and re-orientate its development strategy and play a bigger role than ever before. She said the government could not wait for the private sector to create jobs and that it was an anomaly that so many people in jobs created by government. The NDA said it was near the end of finalising its turnaround strategy and its business case. The NDA needed to be re-engineered towards creating activities and programs that would impact people through poverty eradication. The NDA then spoke to the progress made on testing service delivery model sites at nine district pilot sites; the review of the current IT systems and processes; the review of the organisational structure and skills audit; the testing of current funding markets for CSOs for community development projects targeting poor communities; and testing coordination mechanisms with COGTA around the implementation of the District Development Model. The Committee's report on the Fundraising Amendment Bill [B-29B-2020] was adopted.

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
21 Sept 2022	Fourth National Plan of Action for Children; DSD Quarter 1 2022/23 Performance; with Minister	<ul style="list-style-type: none"> The Department provided the Committee with a brief overview of the contextual background of the National Plan of action for Children. The National Plan of Action emphasised the issues that the children of South Africa were facing. Children in rural areas were facing high rates of multidimensional poverty. They were being exposed to violence, physical and sexual abuse, substance and alcohol abuse, and HIV/AIDS, just to name a few. The Department had also adopted international instruments and policies and adapted them to align with the policies of South Africa. The presentation provides the Committee with the progress on the DSD's first quarter performance against the objectives committed to in the 2022/23 APP. The Department's overall performance was in line with the endeavours and commitments they made to the Committee to achieve at least 80% of their targets. The Department addressed the issue of the SEIAS certificate. She said that the Department of Planning, Monitoring and Evaluation (DPME) was responsible for issuing the certificate. There had been a lot of back-and-forth communication between the Department and the DPME, which had said the certificate would be released only once the DPME was satisfied. However, they had received the final certificate and it would be taken to Cabinet to commence with the policy process. The Department further addressed the issue of the NPOs and said the platform for registration and compliance allowed the Department to track the intake, the processing and the registration of the NPO system. In terms of tracking the funding, she said that the Department was in an advanced stage of developing a national NPO payment system that would be standardised. The Department had built 13 public treatment centres countrywide, and there were over 100 public treatment centres that were being subsidised by the provinces. They had more than enough public treatment centres, and the challenges were greater in the legislation and the upskilling of the prevention programmes. They were working on this with the provinces to upskill the prevention programmes and to reduce the availability of alcohol in the communities. The Department addressed the question of baby savers and said that the Department did not have baby savers. There were no baby savers that had been registered, but they did have 74 temporary safe care places across the country. The Department started the whole process with advertisements that everybody would respond to. They then signed a service level agreement before the first funds were transferred. They found that the NPOs did not comply completely due to a lack of due diligence. It is addressing the issue and the Department is developing a system to improve the funding process.

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
12 Oct 2022	Social Development Portfolio Audit Outcomes; DSD, SASSA & NDA Annual Report 2021/22; with Ministry	<ul style="list-style-type: none"> The Auditor-General's Office (AGSA) presented the 2021/22 audit outcomes for entities under the Committee's oversight ambit. It informed the Committee that it had developed a new strategy called Culture Shift 2030. It wanted to shift the culture of its auditees towards one predominated by behaviour that reflected transparency, accountability and integrity. AGSA was unable to obtain sufficient appropriate audit evidence to audit the reliability of the achievement of 57.7% re-reported by the DSD on children who had access to quality early childhood development (ECD) services during the 2021/22 financial year. The Department's expenditure at the end of the 2021/22 financial year amounted to 92.2% of the final budget allocation of R235 billion. The Department presented the APP for 2021/22, supported by other officials from the Department. The social assistance programme has reached over 18.6 million vulnerable South Africans. In addition, there were 10.9 million beneficiaries who had benefited from the special COVID-19 SRD grant. Social grants continued to be government's most effective measure for combating poverty and inequality. Through the DSD improved gender-based violence command centre (GBVCC), it continued to provide immediate psychosocial care and support services to the victims of GBVF. Over 74 000 interactions were recorded with the GBVCC, using various channels of communication such as phone calls, short message services (SMSs), the please call me service, as well as the Skype line for the deaf community. Overall, the DSD received an unqualified audit outcome with findings on performance information. The financial statement did not have any material findings that were raised. Attainment of the financial statements free from material misstatement was a commendable achievement, given the management of DSD budget allocation of almost R235 billion. About 13 annual targets were not achieved during 2021/2022, only ten of these had been carried over to the 2022/23 APP to ensure continuity of critical policies and legislation to enable enhanced service delivery. Although the other three targets were not directly carried over to the 2022/23 APP, significant progress had been recorded to ensure that the work was complete. the Alternative Care Management System (ACMS) was supposed to be rolled out in five months, but through the engagement with the service provider, it became apparent that this was not realisable. The service provider then had to finalise the ACMS within a period of 24 months. The system itself had been developed and would be completed by the end of March 2023. The Older Persons Bill was currently before Parliament. The Department was waiting for the parliamentary processes to conclude, so it could not comment on those processes. The Department had already contacted the State Security Agency, and they were busy investigating the overcharging by suppliers. The outcome of the investigation would therefore determine the consequence management that would follow, and this process should take about five months to complete. The Department had received the funding of R26 million only in November, but had to wait for the additional funding to be tabled to Cabinet. Therefore that funding was made available only in February. By the end of March, the Department had recovered R1 million of the R2 million in wasteful and fruitless expenditure recorded in April 2021. The Department prioritised the filling of critical posts, and currently, the DG post had been advertised and was in the process of being filled. The other senior management posts were now at the interview stage and would therefore be filled soon as well. The Department had received a very serious budget reduction over the MTEF period, the DSD was the second highest cut department

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DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
14 Oct 2022	SASSA & NDA Annual Report 2021/22; with Minister	<ul style="list-style-type: none"> Follow-up meeting of the Portfolio Committee was held to finalise consideration of the annual reports of the Department of Social Development (DSD) and its entities, the South African Social Security Agency (SASSA) and the National Development Agency (NDA) The NDA said that the process of appointing its new board was about to be concluded, and it might operating start very soon. The post of chief executive officer would be advertised now, because the board would soon be in place and had the responsibility for recruiting a permanent CEO. SASSA said it considered laying criminal charges against former employees only if there were elements of criminality present. Legal proceedings were also considered where losses had occurred. In cases where there was no element of criminality and no losses had been incurred, it would just be a financial non-compliance that could be addressed only through disciplinary processes. The NDA highlighted that the fraud unit was looking into matters involving public servants who received grants. The first aspect was the question of disciplinary action and loss recovery. SASSA was also concentrating on referring these cases for criminal prosecution. To date, it has communicated with all the departments in which those public servants were working, informing them that there were implicated public servants in their departments. It had requested them to assist in disciplinary actions and loss recovery. During the meeting SASSA commented that crime was a societal problem, and as long as it was an organisation that managed money, there would always be people who would try to defraud it. It had to build a strong and capable fraud unit and put various anti-fraud systems in place to try and mitigate fraud as much as possible. The biggest challenge was finding the right balance between the acceptable level of fraud that could be tolerated and the strong arm that said that if discovered, SASSA would go after them aggressively, without necessarily having too many obstacles that prevented the flow of legitimate people. The last thing one would want to do was to subject the legitimate people to a whole range of subjective checks just because one wanted to root out the very small percentage of people trying to defraud the Agency.
19 Oct 2022	Social Development BRRR; Committee Report on DSD Quarterly Performance	<ul style="list-style-type: none"> The Committee convened in a virtual meeting to review and adopt its 2021/22 Budget Review and Recommendations Report (BRRR) for the Department of Social Development and entities. Members pointed out some omissions from the report. These included issues involving the appointment of the board and chief executive officer of the National Development Agency (NDA); the reinstatement of suspended employees without disciplinary action; public drug rehabilitation centres, employment plans for social workers; fraud and irregular expenditure at the South African Social Security Agency (SASSA); and services for children with disabilities. The Committee reviewed its programme for the next quarter, and decided to postpone its planned workshop with the Department from November to January, to allow a minimum of two days for discussion of detailed action plans for projects involving the DSD and its entities. It also reviewed and adopted the minutes of five previous meetings.
26 Oct 2022	Older Persons Amendment Bill: DSD briefing	<ul style="list-style-type: none"> No minutes available on the website

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
14 Oct 2022	SASSA & NDA Annual Report 2021/22; with Minister	<ul style="list-style-type: none"> Follow-up meeting of the Portfolio Committee was held to finalise consideration of the annual reports of the Department of Social Development (DSD) and its entities, the South African Social Security Agency (SASSA) and the National Development Agency (NDA) The NDA said that the process of appointing its new board was about to be concluded, and it might operating start very soon. The post of chief executive officer would be advertised now, because the board would soon be in place and had the responsibility for recruiting a permanent CEO. SASSA said it considered laying criminal charges against former employees only if there were elements of criminality present. Legal proceedings were also considered where losses had occurred. In cases where there was no element of criminality and no losses had been incurred, it would just be a financial non-compliance that could be addressed only through disciplinary processes. The NDA highlighted that the fraud unit was looking into matters involving public servants who received grants. The first aspect was the question of disciplinary action and loss recovery. SASSA was also concentrating on referring these cases for criminal prosecution. To date, it has communicated with all the departments in which those public servants were working, informing them that there were implicated public servants in their departments. It had requested them to assist in disciplinary actions and loss recovery. During the meeting SASSA commented that crime was a societal problem, and as long as it was an organisation that managed money, there would always be people who would try to defraud it. It had to build a strong and capable fraud unit and put various anti-fraud systems in place to try and mitigate fraud as much as possible. The biggest challenge was finding the right balance between the acceptable level of fraud that could be tolerated and the strong arm that said that if discovered, SASSA would go after them aggressively, without necessarily having too many obstacles that prevented the flow of legitimate people. The last thing one would want to do was to subject the legitimate people to a whole range of subjective checks just because one wanted to root out the very small percentage of people trying to defraud the Agency.
	SASSA & NDA Annual Report 2021/22; with Minister	<ul style="list-style-type: none"> The Central Drug Authority board was appointed on 1 April 2021 and this was its first annual report. The presentation covered the following topics: progress report on the Portfolio Committee previous recommendations; summary of its Annual Report; country situational analysis and current crisis of substance abuse; National Drug Master Plan (NDMP) implementation analysis; recommendations and the way forward. Over the past 12 months various incidents of substance use and abuse were recorded throughout the country. CDA said it had responded swiftly in all hard-hit provinces calling for an integrated response as per NDMP 2019-2024. The CDA requested the Portfolio Committee to facilitate the implementation of the cabinet decision on the reconfiguration and repositioning of the CDA; the urgent establishment of the Inter-Ministerial Committee (IMC) to Combat Substance Abuse that was dormant and the participation of the four departments that are neither participating nor accountable.
16 Nov 2022	Foster care court order progress; with Minister	<ul style="list-style-type: none"> The Department of Social Development (DSD) briefed the Committee on progress made to meet the North Gauteng High Court deadline of 27 November 2022 to resolve the challenges of the South African foster care system. The Minister said that in her last report on the foster care situation in February, there had been a projected backlog of 78 000 foster care orders and deviations. However, between March and November, this number had been drastically reduced to 11 000 orders. The extension of a further 12 months would avert the risk of the 11 000 foster care orders lapsing, and would also afford the Department the time to complete the legislative process to provide a comprehensive legal solution to eliminate the challenges of the system. The DSD reported that the latest extension, which was granted on 8 November, would lapse on 11 November 2023, due to the legislative process not being finalised. It outlined the shortage of office space and social workers, untraceable foster families, abridged birth certificates and other challenges. It had made interventions, such as an escalation of engagements and follow-ups to the judiciary and the Department of Home Affairs. The provinces also reported on progress with their initiatives to deal with the foster challenges in their areas. The Committee commented that most of the issues raised had been heard before, such as the recurring requests for an extension, the return of unspent funds to the Treasury, the anticipation of the comprehensive legal solution, the number of unemployed social workers, and the funding for private childcare homes.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
23 Nov 2022	Concerns about matters relating to child welfare and functioning of DSD: Solidarity briefing; Implementation of National Plan of Action for Children; with Minister	<ul style="list-style-type: none"> The Portfolio Committee was briefed by Solidarity on its research into concerns relating to child welfare and the functioning of the Department of Social Development (DSD). The research identified a number of challenges facing South Africa's social workers, and suggested measures that the DSD could implement to resolve problem areas. Solidarity said that in April, it had sent an electronic questionnaire to as many respondents as possible through the communications channels of its social workers' network, and 147 social workers had completed it. The DSD's support for social workers had been described as inadequate and incompetent. Social workers were not empowered and not supported with funding, subsidies, good salaries, or general resources. There was inadequate support in knowledge, advice, protection and addressing the problems in the profession There was general agreement that a larger sample of respondents was needed to present more balanced research findings, but the Department was urged not to totally ignore the findings of Solidarity. A Member commented that the issues raised were not a surprise, as the Committee was aware of them, especially with the vulnerability of children and the inadequate capacity of the Department to respond to these cases. The South African Council for Social Service Professions (SACSSP) said that from its perspective, the necessary support to work in partnership with Solidarity and other stakeholders was key to ensuring overall goals were achieved. A follow-up meeting to examine the institutionalisation and other programmes to support expectations to provide certain services would be done. The Department said they continued to monitor the implementation of the Social Services Professions Act, which established the SACSSP to regulate the social service professions. It also requested more details so that departmental officials could approach the provinces to identify unacceptable behaviours and promote compliance with the code of ethics. The DSD also briefed the Committee on implementing the National Plan of Action for Children and described several key achievements. It said the current challenges impacting the Office on the Rights of the Child's (ORC's) effective fulfilment of its reporting mandate were its human resources/capacity and its inadequate budget.
30 Nov 2022	Recommended candidates to serve on the Independent Tribunal for Social Assistance Appeals	<ul style="list-style-type: none"> The Portfolio Committee on Social Development and Select Committee on Health and Social Services held a joint meeting to consider and adopt the preferred names submitted by the Department of Social Development (DSD) for appointment to the Independent Tribunal for Social Assistance Appeals panel. During its briefing, the Department indicated that the advertisements to invite suitable candidates to serve as members of the Tribunal were placed on all social media platforms and two National newspapers (Sunday Times and Sowetan) in January 2022 with the closing date being 15 February 2022. Nineteen applications for medical practitioners (with fourteen being recommended for appointment) and sixty-one for legal practitioners (with twenty being recommended for appointment) were received by the Department. The Department expected that when established, the Independent Tribunal will have to process many appeal cases as a total number of 92 098 grant applications were rejected for the period 1 April to 30 September 2022. It assured Members that the process was done according to law. Members raised their concern about the lack of applications from the Northern Cape, North West, and Mpumalanga.
30 Nov 2022	Children's Amendment Bill: NCOP amendments adopted, Thembisa Petition	<ul style="list-style-type: none"> The Committee considered the amendments made by the Select Committee on Health and Social Services with respect to the Children's Amendment Bill. The amendments were technical and did not amend the bill in a substantial manner. Despite the objection of the DA, EFF, and FF+, the amendments and the bill were adopted. The Committee also adopted the accompanying report. The Committee also considered and adopted the Thembisa Petition report as well as several outstanding minutes.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
15 Feb 2023	Status report on payment of social grants: DSD & SASSA briefing	<ul style="list-style-type: none"> The Department of Social Development (DSD), the South African Social Security Agency (SASSA) and Postbank gave a briefing to the Committee on the status of social grant payments. All three entities discussed the importance of the SASSA R350 grant. The DSD said the grant was vital because it provided millions of people with a basic source of income, but acknowledged that the value of the grant was very little and that the government should contemplate increasing the amount. The Department spoke about its plans to move to a stage where clients could use their SASSA cards to swipe at stores, rather than withdrawing and keeping their funds on hand, which was dangerous. Members were concerned about the delays of up to two months in grant payments, as well as the lack of communication by the entities and misinformation by their competitors SASSA assured the Committee that moving forward, they were strengthening their systems to prevent delays and would put a strategy in place to ensure that communication improved. Members of Parliament were also anxious about the transition from SAPO to the Postbank. They then requested that both Postbank and SASSA provide them with some sort of reassurance that Postbank could deliver services efficiently to SASSA beneficiaries.
22 Feb 2023	Violence and murder of children: DSD (with Minister) & DoJ&CD briefing	<ul style="list-style-type: none"> The Portfolio Committee received briefings from the Department of Social Development (DSD) and the Department of Justice and Constitutional Development on violence and the murder of children.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
01 Mar 2023	Services and programmes for people living with disabilities, including children: DSD, DBE & DWYPD briefing; with Minister of Social Development	<ul style="list-style-type: none"> The Committee was briefed by the Departments of Social Development, Basic Education and Women, Youths and Persons with Disabilities, on their roles in developing and implementing programmes to enhance the lives of people living with disabilities. It emerged that majority of people with disabilities and their families were systematically being excluded from meaningfully benefiting from their social, civic and economic rights, as well as from improving their well-being. Whilst the exclusion suffered by disabled people may have resulted from colonial apartheid, present-day institutions were the biggest culprits. The services and programmes of the social development portfolio should be targeted at ending the indignity, hunger, destitution, unemployment and poverty that disabled people experience. Expressions of pity would not end it. The services and programmes of the social development portfolio should be targeted at ending the indignity, hunger, destitution, unemployment and poverty that disabled people experience. Expressions of pity would not end it. It emerged from the meeting that the African Children's Charter stressed the importance of education in enhancing a child's full potential while asserting that the lack of education was a life sentence of poverty and exclusion. This rendered the right to education one of the most important rights in the lives of all children, including children with disabilities. To ensure adequately trained education officials, the Department of Basic Education has since 2015 trained 178 757 teachers and 786 officials, and 8 727 early childhood development (ECD) practitioners on the screening, identification, assessment and support of the learners' policy, which was aimed at improving access to quality education for vulnerable learners who experienced barriers to learning, including learners in ordinary and special schools. All three departments echoed concerns that their work was proving to be limited in scope and reach due to the lack of disability legislation that assisted them in enforcing requirements in instances of non-compliance. In line with the United Nations Convention on the Rights of Persons with Disabilities, the DSD had embarked on a process towards developing a Disability Rights Bill, in collaboration with the South African Law Reform Commission. The intention of the departments present was to ensure a Disability Rights Bill was tabled before Parliament before the end of this sixth administration. The Department of Women, Children and People Living with Disabilities said it had conducted a rapid evaluation of the implementation of government's policy on preferential public procurement towards women, youth, and persons with disability-owned businesses. The findings indicated that the highest procurement spent for persons with disabilities-owned businesses was recorded by the Department of Employment and Labour and the Department of Public Works and Infrastructure, but data on persons in this category remained insufficient. The Department of Social Development recommended that the Portfolio Committee take note and consider the programmes and services provided to persons living with disabilities, including children. Whilst challenges persisted, the departments were resolute about ensuring effective and sustainable programmes for persons living with disabilities and their families.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
08 Mar 2023	Departmental services and programmes for people with disabilities, including children	<ul style="list-style-type: none"> The Portfolio Committee met with the Department of Social Development (DSD), the Department of Women, Youth and Persons with Disabilities (DWYPD), the Department of Basic Education (DBE) and the South African Social Security Agency (SASSA), to receive responses to its questions regarding departmental services and programmes for people with disabilities, including children. The DSD indicated that the departmental disability service model was premised on the White Paper on social development services, depicting the need to focus the responsibility of the Department towards persons with disability. Legislation on social development services to persons with disabilities would assist in the standardisation, monitoring and enforcement of the provision of services, thus improving the overall quality of these services to persons with disabilities, including children. SASSA informed the Committee that disability grants were given to persons who met the statutory requirements. A medical assessment confirmed that the applicant could not work because of their disability. SASSA decided to award the grant, not the medical practitioner. A disability grant, unlike other grants, pays from the date of assessment, so SASSA had implemented gatekeeping measures to ensure it did not incur irregular expenditure for amounts paid incorrectly. Part of the gatekeeping measures was to prevent other processes entering the system until the defined period was concluded The DBE highlighted that it collaborated with provincial education departments to ensure out-of-school learners were placed in schools. These initiatives were essential, because they pointed the system to real learners, not just estimates. South African Sign Language was offered as one of the official languages in the basic education sector, and as a language of learning and teaching across all grades. Teachers develop and implement individual educational support plans to respond to the needs of learners. The Department emphasised that the sector must account for learners with disabilities attending educational institutions. The DWYPD said the Department advocated for all institutions to provide sign language services on all public platforms. It referred to the White Paper on the Rights of Persons with Disabilities, and said the Cabinet had approved its implementation matrix in 2015. It stated that the employment equity and work opportunity targets for persons with disabilities should increase to at least 7%, in line with the proportional representativity of the South African population. However, this had not yet been achieved, and the government continued to use the outdated 2% employment target for persons with disabilities. The Committee noted concerns about the delay in ensuring that more learners had access to scholar transport due to a lack of funding at the provincial level. Members expressed concern over the few special schools available to disabled learners in the country, and asked the DBE to prioritise building special schools in rural areas. They challenged the DSD to improve its employment equity and work opportunity targets for persons with disabilities. The Committee noted concerns about the delay in ensuring that more learners had access to scholar transport due to a lack of funding at the provincial level. Members expressed concern over the few special schools available to disabled learners in the country and asked the DBE to prioritise building special schools in rural areas. They challenged the DSD to improve its employment equity and work opportunity targets for persons with disabilities. Members highlighted on the importance of quality education for learners with special needs, and called for a strengthened commitment from South Africa to fulfil its obligations under the UN Convention on the Rights of Persons with Disabilities. They said prioritising educational services, programmes, and schools for learners with disabilities was essential.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
15 Mar 2023	Department of Social Development Q3 2022/23	<ul style="list-style-type: none"> The DSD presented the 2022/23 Quarter 3 performance report to the Committee. The Department achieved 84% of its set targets while 16% of the targets were not achieved. Furthermore, DSD acknowledged that NPOs were an extension of itself and told the Committee that significant efforts had been made to keep things cordial with regard to the late payment. The late payment of subsidies was one of the factors contributing to the NPOs' difficulties. Some NPOs fail to submit their reports on time, or worse yet, some may not even understand what is expected of them. NPOs have also been impacted by the change in bylaws, which has an impact on their operation and accreditation. To prevent service delivery being affected, DSD has asked Treasury to refrain from cutting funding for NPOs. It encourages communities to register NPOs in areas where they are not visible and ensure that NPOs are present in areas where social evils are on the rise. The Department indicated that, it has made an effort to stop talking about accomplishments and instead focus on the impact they have had on communities. The Department will also pay attention to the tool like the Social Welfare Index. It would take some time because other departments would need to be involved in the data correlation, but they would use all available resources to complete this. On the concerns about payments made to Telkom, the CFO explained that the R74 million in slide 54 includes the R60 million already paid to Telkom. The R84 million was the cost to Telkom over a two-year period because they already had an obligation with Telkom. SANAC will receive R50 million by 31 March 2023 as it did not use the entire grant given to it. The Department came to the realization that they needed to prioritize and elevate initiatives and programmes to address drug misuse and other social evils. It acknowledged that as not all communities have these services, it is challenging to win the war. Other measures are also used to influence societal behaviour, with the assistance of some political leaders who are in charge of various programmes. The Department procured in November 2022 a 24-hour response service to the GBV Command Centre and integrated it with the police. It is still a work in progress and will provide services for 36 months with the expectation that it will meet the milestones established within those 36 months. The indicated that it has hired 1.7% of persons with disabilities, there is nevertheless a difference of perspective in terms of required figure with DPSA setting it at 2% and DPME at 6%. A new procurement strategy has been developed to improve the website and make it usable for the general pub. The Department indicated that that all grants have particular eligibility requirements and the means test was primarily used to ensure that the minimum requirements were met to receive the SRD R350 grant. The means test was modified when the food poverty line rose from R350 to R624, and an uptake was seen. The fact that there are now 7 million beneficiaries is good news for DSD. The Department explained that a complementary skills development intervention for the individuals in the database is required in order to establish an exit strategy for SRD beneficiaries with matric and tertiary qualifications. Also it is necessary to connect the recipients with employment prospects, but this can only be done when all departments work together. It drew attention to the fact that the SRD is used, according to studies, to meet the basic needs of beneficiaries, and this is its intended purpose. The Department has been working on the Basic Income Support. The main component is to enable beneficiaries to engage with the labour market. DSD plans to continue taking the policy to other departments that will help DSD link Social Relief of Distress (SRD) beneficiaries to employment. As the majority of the beneficiaries are young, DSD believes it is crucial to connect them to job opportunities.
		<ul style="list-style-type: none"> The process for appointing the Director General and Deputy Director General is at an advanced stage. DSD explained that they heard new names not because there were new DSD employees but because people were given an opportunity to explain their work to the Committee. The Department has acknowledged their difficulty in monitoring every district or province and their reliance on reports from these provinces when it comes to community access to SASSA offices, but it has pledged to take urgent action with all provinces to address this and ask them to ensure that communities have access to SASSA.

7: Portfolio Committee

DATE OF THE MEETING	PURPOSE OF THE MEETING	RESOLUTIONS AND RECOMMENDATIONS
22 Mar 2023	Policy on Linking Social Grant Beneficiaries to Government Services: DSD Briefing; with Minister	<ul style="list-style-type: none"> The Department of Social Development briefed the Committee about the Draft Policy of Integrating Children's Grants into Government Services. The Minister indicated that the draft policy of integrating Children's Grants into Government Services was introducing practical solutions to the challenges people faced. She said the Department intended to initiate the necessary Cabinet processes for its institutionalisation, in the next financial year. The Department called for a need to link all the services offered to children throughout their lives to ensure they get all the services they require throughout their life cycle. They also called for an end to the silo approach of issuing government services and encouraged the departments to work together. The Members asked how the Department dealt with the issues of the misuse of children's grants and how they were planning to ensure the grants reached those who deserved them. They also asked the Department to deal with the issue of street children and have a plan to ensure the children stayed in school. They asked that more social workers be employed to enable this policy to be successful. The Department notified the Committee that it was in talks with Treasury to get more funding to enable them to employ more social workers. They also said that they were training beneficiaries on managing the funds they received. They would also incorporate the issues of child labour and trafficking into their policy.

8: SCOPA Resolutions

The Department did not appear before SCOPA during the reporting period.

9: Prior Modification to Audit Reports

The Department obtained an unqualified audit outcome with no findings.

10: Internal Control Unit

The Directorate Internal Control operates as an integral part of the financial management activities in the Department. As part of this role, it normally reports to the Department's Chief Financial Officer. The responsibility of Internal Control is to identify, mitigate and manage control risks, which may hamper the achievement of the Department's objective to effectively, efficiently and economically manage its financial and related resources.

The main functions performed by Internal Control cover the following areas:-

- Manage effective, efficient and transparent financial (internal) control/inspectorate measures
- Manage loss control
- Manage financial and financial-related systems
- Support with the management of fraud prevention
- Maintain financial information and knowledge management
- Maintain governance frameworks
- Facilitate and participate in committees, forums and oversight bodies

During the period under review, the Directorate Internal Control effectively coordinated the external audits. An Audit Implementation Action Plan (AIAP) was developed based on the Management Report from the AGSA and progress to resolve the findings were updated on a continuous basis, based on the commitments given by the affected line managers. Compliance with financial prescripts for payment batches was monitored and the financial documents were safely kept in lockable areas / storerooms. Findings of non-compliance were reported to the relevant managers for corrective action.

All reported cases of unauthorized, irregular, fruitless and wasteful expenditure were investigated and dealt with in terms of the Department's Loss Control Committee. The Directorate Labour Relations assisted with the disciplinary processes in instances where officials were found to be negligent and responsible for the irregular, fruitless and wasteful expenditure.

11: Internal Audit and Audit Committee Report

The Department did not appear before SCOPA during the reporting period.

Key activities and objectives of the internal audit

The department has an Internal Audit Unit, which is an independent assurance function within the department that follows a risk-based approach in providing members of management and the Audit Committee with assurance on the adequacy and effectiveness of governance, performance, risk management and internal control processes. The 2023-2025 rolling three-year strategic internal audit plan and 2022/23 operational plan were primarily based on the departmental strategic risk assessment and several secondary sources to ensure that that the internal audit plan covers key essential information that may poses risk for the department to realise its strategic and operational objectives.

Summary of audit work done

The Committee approved the rolling three-year strategic plan including the operational plan for the year-ending 31 March 2023 comprising of fourteen (14) assurance and five (5) continuous audit projects which amount to a total of 19 approved projects. Due to a severe lack of adequate capacity within the IAU, of the 19 approved projects, seven (7) projects were scheduled to be conducted by the appointed service providers through a panel of auditors' contract. Of the nineteen (19) approved projects, twelve (12) assurance audit projects were concluded during the 2022/23 financial year and all seven (7) projects aimed for outsourcing were deferred to the 2023/2024 financial year due to late finalisation of the appointment of a panel of auditors.

The completed audits covered financial, governance, performance and Information Technology audits and were performed in accordance with the International Standards for the Professional Practice of Internal Auditing (ISPPIA).

Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2023 which is in accordance with the paragraphs 3.1.9 to 3.1.13 of the Treasury Regulations of 1999, amended in 2005 and sections 3.1.9 to 3.1.13 of the Public Finance Management Act, 1999, amended in 30 April 2015.

Audit Committee Responsibility, Membership and Attendance

The department's Audit Committee is appointed in terms of section 38 (1) (a) (ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulations 3.1.1 to 3.1.8 as revised. The Audit Committee operated in accordance with the aforementioned regulations as well as the provisions prescribed in terms of sections 76 (4) (d) and 77 of the Public Finance Management Act and its approved Audit Committee Charter. The primary purpose of the Audit Committee is to assist the Accounting Officer of the Department in fulfilling his responsibilities to ensure that the Department has and maintains effective, efficient and transparent systems of financial, risk management, governance, and internal control by providing oversight.

The department's Committee entirely consists of independent non-executive members, bringing the following set of skills to the Committee, namely financial, monitoring and evaluation, information technology, risk management, corporate governance and legal. The Audit Committee was scheduled to meet six (6) times in the financial year under review to discuss matters pertaining to the Department as stipulated in the Audit Committee Charter and the Treasury Regulations. The Committee met nine (9) times in 2022/23 financial year as a result of pertinent matters that needed to be dealt with around the issues of internal control, risks management, governance and fraud related matters.

The Audit Committee was fully functional and comprised of five (5) members who are non-departmental officials as at 31 March 2023. The table below indicates a list of members, qualifications and a record of attendance of meetings during the 2022/23 financial year:

11: Internal Audit and Audit Committee Report

Name	Qualifications	Appointed Date	Date Resigned	Number of Meetings Attended
Adv. MB Madumise	<ul style="list-style-type: none"> • B Proc • LLB • MBA • Graduate Diploma in International Trade Law 	Initially appointed on the 1st September 2013 as Chairperson. Re-appointed on 19 Feb 2020 as an ordinary member for a three year term. From April 2020, she was an interim Chairperson until November 2020.	N/A	9
Mr N Mabaso	<ul style="list-style-type: none"> • MSc in Public Management • Advance Diploma in Management • Bachelor of Administration (honours) • Secondary Diploma 	Initially appointed on the 12 December 2017. Re-appointed on 04 May 2020 for a three year term.	N/A	8
Ms R Kalidass	<ul style="list-style-type: none"> • Chartered Accountant (CA) • Certificate of Theory in Accounting (CTA) • Bachelor of Commerce (Honours) • Bachelor of Accounting Science (BCompt) 	Appointed on the 01 October 2020, for a 3 year term.	N/A	8
Mr. PN Phukubje	<ul style="list-style-type: none"> • Bcom Accounting Honours • Registered Government Auditor (SAIGA) • Member of the South African Institute of Directors 	Appointed on the 01 October 2020, for a 3 year term.	N/A	8
Mr. LH Moroeng	<ul style="list-style-type: none"> • Bachelor of Science • Higher Diploma in Computer Auditing • Master of Management, Information and Communications Technology: Policy and Regulation (MM ICT PR) • Certified Information Security Manager • Certified Information Systems Auditor • MDP – Management Development Program 	Appointed on the 01 October 2020, for a 3 year term.	N/A	6

11: Internal Audit and Audit Committee Report

Whilst the Committee is satisfied that it has met its responsibilities as stipulated in the charter, it is however extremely concerned that it did not effectively oversee management, administration and payment of social assistance/grants administered by SASSA which constitute over ninety nine percent (99%) of the Department's budget allocation. The DSD audit committee recommended to management and executive authority that in order to effectively and efficiently oversee the entire budget of the department which also include the allocated budget for social grants, the DSD and SASSA audit committee be combined which commonly referred to as shared audit committee. Centrally to the reasons for combining these two committees is due to the fact that the total amount incurred is accounted for in the DSD financial statements. The committee is currently in conversation with management and the executive committee in finalising the recommendation in question.

The Committee has received and reviewed the internal audit and external audit reports, met with department's management collectively or individually to review their progress on key issues relating to internal controls, risk management and governance processes and other relevant matters concerning the department.

Activities of the Audit Committee

During the period under review, the following activities were undertaken which demonstrate the commitment of the Audit Committee in achieving its mandate:

- a) Reviewed quarterly management reports;
- b) Considered the effectiveness of the risk management process;
- c) Considered the Internal Audit plans and reports and made recommendations as appropriate;
- d) Monitored progress with the Internal Audit coverage plans as well as management's follow-up on matters requiring attention;
- e) Monitored compliance with the department's policies and applicable legislation;
- f) Prioritising oversight on forensic investigations reports issued into allegations of misappropriations of funds especially on Social Relief of Distress (SRD) Grants on South African Social Security Agency (SASSA).
- g) Conducted separate informal meetings with management, internal and external audit;
- h) Reviewed External Audit plans, reports and management's follow-up of matters requiring attention
- i) Provided guidance to the department on Information Communication Technology (ICT) governance issues and alignment to applicable legislations and ICT governance Frameworks.

Effectiveness of Internal Controls

The Accounting Officer and Management are responsible for designing and implementing an effective system of internal controls to mitigate risks and control deficiencies.

A risk management process is in place in the department. A Risk Management and Ethics Committee (RMEC) is established within the department which comprises of the Head of Branches and four (4) independent external members. This committee is chaired by an independent Chairperson and is responsible for monitoring the departmental risks on a regular basis and ethics related matters.

There were notable improvements in the Information Technology (IT) governance and controls as the Department had established the ICT Steering Committee chaired by an independent person (external member), however there are still some weaknesses in the ICT systems control which requires management to address and implement additional control to address these deficiencies. Some of the ICT matters of concerns are capacity challenges within the IMST and delays in implementing critical projects,

Internal Control is a cost-effective process effected by the executive management of the department, designed to provide reasonable assurance regarding the achievement of its objectives, effectiveness and efficiency of operations, financial reporting, compliance to applicable laws and regulations as well as policies and procedures.

We noted improvements of the audit outcome of clean audit opinion as compared to the previous financial year where the department received unqualified audit opinion with findings. Whilst members commend management on these improvements, there were some critical areas of concerns noted by the Committee as reported by AGSA and Internal Audit around the following areas:

- Slow progress in the implementation of the 2021/22 AGSA audit findings and in resolving internal audit findings;
- Undue delays in investigating material irregularities identified /fraud related cases and slow pace in the implementing fraud investigations recommendation; and
- Inadequate consequences management for holding transgressors accountable.
- Lack of improvement on the issues of Supply Management and the SCM environment resulting in repeat findings raised by the AGSA.
- Inadequate capacity facing the department as a result of budget cuts on the current MTSF period.

Although the process of appointing senior management at critical post has commenced, The Committee would also like to highlight to the Executive Authority to the need to prioritise filling of leadership positions in order to stabilise the leadership and governance. The posts of Accounting Officer, three Deputy Director-Generals including the CFO's post have been vacant throughout the period under reviewed with acting incumbents. Filing these critical posts will go a long way in strengthening and stabilising the leadership and thus enhance the department opportunity on delivering on its mandate, goals and objectives.

11: Internal Audit and Audit Committee Report

Internal Audit

The Audit Committee reviewed and approved the Internal Audit Unit's risk-based three-year rolling and operational plans for 2022/23. Internal Audit was guided by the consolidated risk profile of the department, critical audit areas and management's inputs in the formulation of its three-year strategic and annual plans. The Audit Committee also monitored performance of the Internal Audit Unit against its approved operational plan on a quarterly basis.

Though the Committee members are satisfied that the Internal Audit Unit is operating effectively and that it has reviewed key controls associated with the risks pertinent to the strategic and operational objectives of the department and has provided appropriate recommendations to improve the internal control system, members are concerned with the staff capacity within the internal audit which is severely compromised. The consequences of staff challenges within internal audit had become evident as seven (7) audit that were supposed to be done in the financial year under review was deferred and it is also affecting their readiness for the extremal quality assurance review.

The consequences of having inadequate staff capacity within internal audit unit adversely affected oversight roles played by the committee as members largely rely on internal audit to do its work. The committee had bilateral meetings with the Accounting Officer regarding the staff capacity challenges faced by internal audit unit and the later has made commitment to assist in this regard.

The Quality of In-Year monitoring and Quarterly Reports

The Department has reported monthly and quarterly to the National Treasury as required by the PFMA. The Audit Committee reviewed the quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review, and is satisfied with the content and quality thereof. There are opportunities for improvement in some areas on the quality of both performance information and financial reporting.

Evaluation of Financial Statements and Performance Information

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the AGSA and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's response thereto;
- reviewed accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;

- reviewed the information on predetermined objectives as reported in the Annual Report;
- reviewed adjustments resulting from the audit of the Department;
- reviewed and where appropriate, recommended changes to the Annual Financial Statements as presented by the Department for the year ending 31 March 2023.
- Reviewed and confirmed the independency of the external auditors

The Audit Committee has met and discussed the audit outcomes with the AGSA and Management to ensure that there are no unresolved findings.

Auditor-General of South Africa

We have, on a quarterly basis, reviewed the Department's implementation plan for audit issues raised in the prior year. We have reviewed the AGSA's Management Report and Audit Report for the department. We have thus requested the Management to conduct a root cause analysis for the findings of AGSA and to present a remedial action plans to the Audit Committee.

The Audit Committee concurs and accepts the conclusion of the AGSA on the annual financial statements and performance information and is of the opinion that the audited annual financial statements be accepted and read in conjunction with the report of the AGSA.

We would like to extend our gratitude to the Portfolio Committee for Social Development for the oversight role they played, Minister and Deputy Minister for their leadership and guidance, the DSD management and staff for their contribution and efforts during the financial year as well as AGSA and Internal Audit for their co-operation and the information that they have provided to enable us to discharge our responsibilities.



Mr NG Mabasa

Chairperson of the Audit Committee

National Department of Social Development

Date: 31 August 2023

12: B-BBEE Compliance Performance Information

The following table contains information on the Department`s compliance to the B-BBEE requirements as required by the B-BBEE Act and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	N/A
Developing and implementing a preferential procurement policy?	Yes	The Department implemented the 2017 Preferential Procurement Policy Framework Act issued by the National Treasury. On the 16 January 2023, the 2022 Preferential Procurement Policy Framework Act became effective. The Department implemented its own in line with 2022 PPPFA.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	The Department did not enter into any partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A





Part D: Human Resource Management

1. Legislation that governs HR management

The Constitution (Chapter 10 (195) (1) (h)) compels the Public Service to be governed by democratic values and principles including good human resource management practices to maximise human potential. Human Capital Management in the Public Service is therefore governed by a myriad of Legislation, Regulations, Bargaining Council Resolutions, Collective Agreements and Directives. Key amongst them are, but not limited to the following:

- Public Service Act.
- Public Service Regulations.
- Labour Relations Act.
- Skills Development Act.
- Skills Development and levies Act.
- Basic Conditions of Employment Act.
- Promotion of Administrative Justice Act.
- Promotion of Access to Information Act.
- DPSA Directives
- PSCBC Resolutions; and
- PHSDSBC Resolutions

Given the fact that Human Resource Management is governed by a large Regulatory Framework, it is therefore to a large extent compliance driven. However, the field of Human Resources has shifted from a mere compliance and administrative driven to more a strategic business partner, in terms of understanding the Department's core business and advising on HR matters in order to ensure that the Department's mandate is met.

2. Overview of Human Capital matters in the department

2.1. The value of human capital in the department:

HR as a function is well established in the Department through the Chief Directorate: Human Capital Management within the Branch: Corporate Support Services and comprise of the following 4 Directorates, focussing on:

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

The Chief Directorate has a compliment of 39 officials responsible for all aspects of Human Capital Management (HCM). All HCM Policies are being developed though some are being revised in line with the recently approved Public Service Regulations, 2016. Delegations in terms of the Public Service Act, 1994 (as amended) and Public Service Regulations, 2016, have been reviewed and approved by the Minister of Social Development. HR processes and systems are well established. Human Capital Management is the heartbeat of any organisation and therefore Human Resource practices must ensure that the human capital is optimally utilised, developed and the morale of the officials is uplifted through a conducive environment.

To give effect to the above the Department ensures that all its HCM policies are regularly reviewed to remove any barriers and keep up with the needs of the employees.

As a continuation of the journey highlighted in the last reporting period, the financial year the Department continued a process to “re-invent / re-imagine” as the strategic trust of the Department. The analysis of the organisational structure of the Department has been completed, the drive to create an ethical Department through ethical leadership continues through training of senior managers and information sessions, creating a conducive environment by implementing the organisational culture survey recommendations.

2.2. HCM priorities for the year under review and the impact of these priorities:

a) Sector Strategy for employment of Social Service Professionals (SSP's)

In the Department's attempt to build resilient individuals, families and communities to adequately respond to the pervasive social ills and create a conducive environment for all, appreciates that the employment of more Social Service Professionals (social workers, community development practitioners and Child and Youth Care Workers) is critical.

2. Overview of Human Capital matters in the department

To this end the critical priority during the period under review is the development of the Sector Strategy for the Employment of Social Service Professionals which also seeks to give effect to the National Development Plan, 2030, and MTSF-Priority 4.

The strategy will be able to address the challenge of unemployment which is adversely affecting the country. Furthermore, the employment of social service professionals will be addressing the social ills ranging from i.e. gender base violence, poverty, child headed households, rape, bullying of pupil in schools, etc.

The Department of Social Development followed a comprehensive approach by identifying the key and critical government department with common interest towards addressing the social ills affecting the country. It was followed by developing the conceptual documents to guide the process and these are: concept paper, process framework, stakeholder mapping, terms of reference. These processes led to the establishment of the Inter-sectoral Forum, which comprise of the below government departments:

- Department of Social Development (leading department).
- Department of Correctional Services.
- Department of Basic Education.
- Department of Defence.
- South African Police Services.
- Department of Justice and Constitutional Development.
- Department of Higher Education and Training.
- National Development Agency.
- South African State Security Agency.
- South African Council for Social Service Professionals.
- Department of Health.
- Department of Home Affairs.
- Department of Corporative Governance and Traditional Affairs.

Out of the dialogues with all stakeholders including the above departments, a draft Sector Strategy for Employment of Social Service Professionals has been developed.

Linked to the strategy development was the costing of the strategy and in this regard a bid requesting funding for employment of social service professionals to National Treasury is finalised.

b) Reducing the vacancy rate of the Department to six percent (6%)

To have a fully effective Department and to drive key mandates it is critical to fill posts as soon as possible and that the Department itself is adequately staffed. The target of 6% was not met as the filling of vacant posts required a prioritisation process of

identifying critical posts to be filled due to the reduction of the Department's compensation budget. The Department based on the available funding prioritised the filling of key leadership positions resulting in the Department having a seventeen percent (17%) vacancy rate on 31 March 2023.

c (i) Financial disclosure for Members of the Senior Management Service (1 April 2022 to 31 March 2023)

As alluded to earlier, in ensuring the commitment to creating an ethical culture in the Department, the monitoring and disclosing of financial interests by officials is a key activity that Department takes seriously and focuses on. Regulation 18(1) and (2) of the Public Service Regulations, 2016 stipulates that member of the Senior Management Service must disclose the particulars of their registrable interests in respect of the period 1 April of the previous year to 31 March of the current year. Registrable interests that have been disclosed must be submitted by 31 May to the Public Service Commission in terms of regulation 18(5), (6) and (7) of the Public Service Regulations, 2016.

There were eighty-seven (87) SMS members of which eighty-six (86) disclosed the particulars of their registrable interests. Registrable interests that have been disclosed were verified and submitted to the Public Service Commission by the due date of 31 May 2022. Disciplinary action are taken against the SMS member in terms of section 16A of the Public Service Act, 1994 (as amended), who have not complied.

c (ii) Financial disclosures of employees appointed at salary level 9 and 10 including employees earning an equivalent through the OSD (1 April 2022 to 31 March 2023)

There were one-hundred and fifteen (115) other designated employees of which one-hundred and twelve (112) disclosed the particulars of their registrable interests. Registrable interests that have been disclosed were verified by the Ethics Officer and submitted to the Head of Department for verification by the due date of 30 November 2022. Disciplinary action will be taken against the three (3) other designated employees in terms of section 16A of the Public Service Act, 1994 (as amended), who have not complied.

d) Human Resource Development and Bursaries Programme.

Organizations are realizing more and more the value of investing in the education, training, and development of their employees. It is crucial that the skills base and capabilities of officials are continuously updated in light of budgetary constraints when organizations must do more with less to ensure optimal service delivery, especially when new or extra responsibilities need to be undertaken.

2. Overview of Human Capital matters in the department

The South African training and development environment continues to evolve with an increased emphasis on workplace learning requiring innovative and creative training and development methods.

Moving away from the traditional face to face style of training a number of virtual training sessions were conducted in the department making use of Microsoft teams e.g. MISS, Labour Relations Training conducted by the Office of the Public Service Commission.

As part of the Employee Health and Wellness programme virtual training sessions were also conducted in the following area e.g. Tuberculosis, Financial Wellness, Managerial training on sexual harassment in the workplace, The relationship between COVID 19 and chronic illness, Men's Mental Health, Work Life integration and work life balance, Woman's Health and breast cancer awareness, Heart health /Stroke, Diabetes awareness HIV/AIDS Awareness.

Officials also enrolled for the online ethics training offered by the National School of Government.

In a dynamic environment where the needs of communities grow and the demands on professionals become increasingly complex, professionals need to be constantly aware of the challenges they face relating to knowledge, skills and competencies to address these demands. Continuous Professional Development (CPD) is one way of addressing these challenges.

The following CPD programmes were submitted by the National Department and accredited by the SACSSP: Supervision Framework for the Social Work Profession, Induction Manual for Child Protection Social Worker, Safety and Risk Assessment Tool Training, Overview of the Children's Act 38 of 2005, Capacity building on Children's Amendment Act 17 of 2016 and Act 18 of 2016, Capacity Building on the National Child Care and Protection Policy, Implementation of the Social Service Professions Act, Guidelines on Code of Conduct, Code of Ethics and Rules for Social Work Practice Seminars, Therapeutic training for Children's families affected by sexual abuse.

The SACSSP focuses on the quality of the services provided to individuals, families, groups, communities, and organisations. The Council has recognised the need of professionals to be in the position not only to provide high quality services, but also to feel confident in their abilities to attend to the needs of communities. Through CPD, quality services will be promoted and the capacity of professionals enhanced. As per the CPD policy of the SACSSP officials in the Occupational Category Social Work require 20 CPD point per annum and Occupational category Child and Youth Care 15 point per annum.

The Department provides a number of services and is continuously providing web-based training to users in order to remain relevant in a technologically advanced world.

These web based trainings include Victim Empowerment (VEP), Child Protection Register (CPR), Probation Case Management (PCM), Older Persons Register, Child and Youth Care Application (CYCA) Accreditation of Diversion Services (ADS), NPO Payments, National Integrated Social Information System (NISIS), Foster Care and Monitoring Tool.

Workplace Skills Plan

The PSETA/HWSETA requirements were met, e.g. Workplace Skills Plan implemented, Annual Training Report submitted and the skills levy paid. Through the implementation of the Workplace Skills Plan and the coordination of various training programmes the skills of departmental employees were upgraded which had a positive impact on service delivery.

During the period under review 359 (head count only), 121 males and 238 females attended training in the department. Training were provided in the following core areas e.g. Monitoring and Evaluation, Risk management, Coaching for Leadership Development, Ethics in the Public Service, Financial and Supply Chain Management, Compulsory Induction programme, Breaking barriers: Entry into the Public Sector, and Computer and Systems training to name just a few.

Bursary Scheme

The Department has successfully designed and executed a bursary program. We promptly paid all accounts and registration costs. Twenty-three (23) officials successfully completed their formal education and graduated from various colleges and universities. Four (4) officials received master's degrees, while two (2) officials finished their doctoral programs. Today, the initiative is providing bursaries to seventy-four (74) officials.

e) Providing labour relations support

The Directorate: Labour Relations, had in October 2022 participated in a departmental induction session and shared information with newly appointed staff members on critical employment relations matters including the Code of Conduct for the public service. As part of capacity building the Public Service Commission (PSC) was invited and made a presentation in November 2022 to staff on grievance management, and in December 2022 the Commission presented for Extended Management Committee (Extended MANCO).

The Labour Relations Unit coordinated and facilitated the consultation process for the transfer of Early Childhood Development (ECD) function to the Department of Basic Education (DBE) in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC). To this effect Labour Relations drafted and issued the guidelines for consultation on early childhood development (ECD) function shift. Consultation on the transfer process was done under the auspices of the Public Service Coordinating Bargaining Council (PSCBC) and the close up report was duly compiled.

2. Overview of Human Capital matters in the department

The targeted intervention measures for labour relations related challenges includes the roll-out and implementation of the Departmental Consequence Management Policy Framework, Institutionalization of the Policy on Workplace Bullying upon adoption by MANCO and EXCO, participation in the implementation of the change management plan, training and capacity building through workshops and staff engagement sessions and automation of labour relations processes.

The labour relations cases dealt with during the 2022/23 financial year constitute a total of 28 grievances of which 19 were resolved and 9 are outstanding. The nature of disciplinary cases includes non-financial disclosure and officials doing business with the state. A total of 6 cases of officials doing business with the state were received. A total of 3 cases were finalised, 1 guilty and 2 not guilty, 2 cases are under investigation and 1 (one) case is of a deceased official. A total of thirty-seven (37) cases of non-financial disclosure were received, where the outcomes consist of twenty-three (23) reprimands, four (4) written warnings, one (1) final written warning. In this regard 9 cases were found to be without negative disclosure. A total of 5 disputes were lodged, of those, two 2 are pending.

2.3. Employee performance management framework

Performance Management involves planning, review, evaluating, recognising and rewarding of performance. Performance management within the Department of Social Development is a structured process and is conducted within an approved framework which includes adherence to legislative requirements such as the Public Service Act 1994 (as amended) as well as Part VIII of the Public Service Regulations 2001 (as amended). The requirement of Chapter 4 of the SMS handbook as well as the approved Departmental PMDS Policy is also taken into consideration.

Performance Appraisals is conducted on an annual basis and can be regarded as a larger process of linking individual performance management and development to organisational performance. A performance assessment tool is used which clearly links to the Key Performance Areas (KPA's) and indicators as set out in performance agreements (SMS) and work plans of officials. Mid-term reviews are conducted and annual performance moderation committees convene annually to moderate the performance of all qualifying officials and make recommendation for performance incentives.

In order to ensure that all officials' performance is monitored on an ongoing basis the department has a formal PMDS system in place. All staff complied with the submission of Performance Agreements (PA) as well as Annual Performance Assessment (APA) reports. Pre-moderation and moderation processes were concluded for the Branches and incentives implemented.

2.4. Employee Wellness Programmes

As part of the role of being a strategic partner and ensuring a conducive environment for employees, the Department is implementing the four (4) pillars of the DPSA EHW Strategic Framework which includes HIV/Aids and TB Management, Wellness Management, Health and productivity and Safety, Health, Environment, Risk and Quality (SHERQ) Management. This is managed by a sub-directorate dedicated for Health and Wellness. With Regards to HIV/Aids, STI and TB Management, there is regular condom distribution, HIV/Aids, STI and TB awareness as well as commemoration International calendar days, STI and Condom week, Candle Light Memorial and World Aids Day.

In implementing the Health and Productivity Management Pillar, awareness is created amongst employees by arranging Health Risk screenings two (2) times per annum to assist with the early identification of chronic illnesses amongst employees. Financial management information session was conducted to provide employees with consumer information and awareness that will assist in managing their finances. Safety Health Environment Risk and Quality (SHERQ) Management is taken care off through the nomination of safety reps and the safety committee which meets on a regular basis.

In terms of the last pillar of the strategy, which is Wellness Management, the two EHW practitioners who are qualified social workers provide counselling and debriefing sessions to employees in need. The Department further appointed EHW Counselling service which operated for 24/7 to assist employees and their immediate families with personal problems. Information sessions were conducted on monthly basis to create awareness about the various proactive interventions, which included amongst others Mental Health awareness, women's health, Sexual Harassment in the workplace. Sports Day event which takes place annually to encourage physical wellness as well as healthy living amongst employees. Employees are encouraged to participate in other planned events such as Recreation day as well as Big walk aimed at encouraging healthy living.

2.5. Policy development highlights

Policy development and review is an integral part of the Chief Directorate's operational plan. During the period under review the following policies were developed / reviewed:

- Guidelines and procedure on acting appointments has been developed
- Working Hours Policy has been reviewed
- The recruitment policy was reviewed to be in line with current legislation

2. Overview of Human Capital matters in the department

2.6. Challenges faced by the department

The challenge of inadequate resources because of limited compensation budget remains a challenge for the Department. To meet service delivery imperative more needs to be done with limited staff. This has had a negative impact of staff.

The climate survey sought to alleviate some of the challenges experienced by the Department and create a conducive environment for all its employees.

2.7. Future HR Plans / Goals

The Department will implement a new organisational structure that is fit for purpose with the concomitant leadership style and ethical behaviour to ensure effective service delivery.

The implementation of the Ethics Framework and Culture survey findings will support in improving the morale of staff and serve as a retention measure.



3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
P 1: Administration	537 498	230 582	0	0	43%	704
P 3: Social Security Policy & Admin	7 482 126	48 465	0	0	1%	560
P 4: Welfare Service Policy Development & Implementation Support	321 926	153 320	0	0	48%	655
P 5: Social Policy & Integrated Service Delivery	360 500	88 344	0	0	24%	636
Total	8 702 050	512 875	0	0	6%	662

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (level 3-5)	28 750	5	93	309 140
Highly skilled production (levels 6-8)	113 191	21	248	456 415
Highly skilled supervision (levels 9-12)	220 461	41	247	892 555
Senior and Top management (levels 13-16)	111 178	20	81	1 372 568
10 Contract (Levels 1-2)	182	0	1	182 000
11 Contract (Levels 3-5)	3 233	1	13	248 692
12 Contract (Levels 6-8)	10 728	2	26	412 615
13 Contract (Levels 9-12)	18 165	3	21	865 000
14 Contract (Levels >= 13)	15 816	3	10	1 581 600
19 Periodical Remuneration	5 929	1	47	126 149
Total	527 635	100	787	670 438

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
DSD:ADMINISTRATION	194 978	84	3 620	2%	4 359	2%	7 931	3%
DSD:SOCIAL SECURITY POLICY&ADM	41 709	80	0	0	897	2%	1 638	3%
DSD:WEL SER POL DEV&IMPL SUPPORT	23 112	90	1	0	242	1%	414	2%
DSD: GRANT SYSTEMS AND SERVICE DELIVERY ASSURANCE	103 469	81	3 408	3%	2 636	2%	4 597	4%
DSD: SOCIAL ASSISTANCE_TRANSFER AND ADMINISTRATION	49 862	79	1 816	3%	1 189	2%	2 578	4%
DSD: WELFARE	26 474	85	58	0	380	1%	1 032	3%
Total	439 605	83	8 903	2%	9 703	2%	18 190	3%

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	0	0	0	0	0	0	0	0
Skilled (level 3-5)	20 625	71	1 207	4%	1 728	6	2 407	8%
Highly skilled production (levels 6-8)	85 341	75	4 876	4%	4 174	4	8 456	7%
Highly skilled supervision (levels 9-12)	188 516	85	2 493	1%	2 603	1	6 085	3%
Senior management (level 13-16)	98 798	87	0	0	1 094	1	1 027	1%
10 Contract (Levels 1-2)	182	96	0	0	0	0	0	0
11 Contract (Levels 3-5)	3 113	95	9	0	19	1	16	1%
12 Contract (Levels 6-8)	10 139	93	220	2%	64	1	117	1%
13 Contract (Levels 9-12)	17 541	94	100	1%	22	0	82	0
14 Contract (Levels >= 13)	15 349	94	0	0	0	0	0	0
19 Periodical Remuneration	0	0	0	0	0	0	0	0
TOTAL	439 605	82	8 904	2%	9 703	2	18 190	3%

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee.

Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
DSD:ADMINISTRATION,	376	319	15%	49
DSD:SOCIAL SECURITY POLICY&ADM	86	66	23%	0
DSD:WEL SER POL DEV&IMPL SUPPORT	38	34	10%	13
DSD :GRANT SYSTEMS AND SERVICE DELIVERY ASSURANCE	219	189	13%	2
DSD: SOCIAL ASSISTANCE_TRANSFER AND ADMINISTRATION	119	97	18%	7
WELFARE	49	35	29%	0
TOTAL	887	740	17%	71

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0	0
Skilled(3-5)	114	93	18%	0
Highly skilled production (6-8)	287	248	14%	1
Highly skilled supervision (9-12)	287	247	14%	3
Senior management (13-16)	128	81	37%	0
10 Contract (Levels 1-2)	1	1	0	1
11 Contract (Levels 3-5)	13	13	0	13
12 Contract (Levels 6-8)	26	26	0	26
13 Contract (Levels 9-12)	21	21	0	21
14 Contract (Levels >= 13)	10	10	0	6
TOTAL	887	740	17%	71

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	92	81	12%	11
AUXILIARY AND RELATED WORKERS, Permanent	2	2	0%	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	6	5	16%	4
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS), Permanent	12	12	0%	0
COMMUNICATION AND INFORMATION RELATED, Permanent	6	6	0%	1
COMMUNITY DEVELOPMENT WORKERS, Permanent	17	15	11%	0
COMPUTER SYSTEM DESIGNERS AND ANALYSTS., Permanent	9	9	0%	2
FINANCIAL AND RELATED PROFESSIONALS, Permanent	29	26	10%	3
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	23	15	34%	1
FOOD SERVICES AIDS AND WAITERS, Permanent	4	4	0%	3
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	6	4	33%	3
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	1	0	100%	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	21	19	10%	0
HUMAN RESOURCES CLERKS, Permanent	4	3	25%	0
HUMAN RESOURCES RELATED, Permanent	6	6	0	0
INFORMATION TECHNOLOGY RELATED, Permanent	6	6	0	1
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	3	2	33%	1
LIBRARY MAIL AND RELATED CLERKS, Permanent	29	26	10%	4
LIGHT VEHICLE DRIVERS, Permanent	1	1	0	0
LOGISTICAL SUPPORT PERSONNEL, Permanent	23	19	17%	0
MATERIAL-RECORDING AND TRANSPORT CLERKS, Permanent	7	6	14%	0
MESSENGERS PORTERS AND DELIVERERS, Permanent	8	7	13%	2
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	227.00	200	12%	23
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	1	1	0	0
OTHER INFORMATION TECHNOLOGY PERSONNEL., Permanent	8	7	13%	0
OTHER OCCUPATIONS, Permanent	2	2	0	0
PROFESSIONAL NURSE, Permanent	2	2	0	2
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS, Permanent	1	1	0	0
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	13	9	31%	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	3	3	0	0
SECURITY OFFICERS, Permanent	3	3	0	0
SENIOR MANAGERS, Permanent	132	87	34%	8
SOCIAL SCIENCES RELATED, Permanent	49	39	20%	0
SOCIAL WORK AND RELATED PROFESSIONALS, Permanent	130	111	15%	1
STAFF NURSES AND PUPIL NURSES, Permanent	1	1	0	1
Total	887	740	17%	71

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a. in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b. for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - c. where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - d. in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0%	1	100%
Salary Level 16	-	-	-	-	-
Salary Level 15	6	3	50%	3	50%
Salary Level 14	30	24	80%	6	20%
Salary Level 13	66	55	83%	11	17%
Total	103	82	80%	21	20%

Table 3.3.2 SMS post information as on 30 September 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0%	1	100%
Salary Level 16	-	-	-	-	-
Salary Level 15	6	3	50%	3	50%
Salary Level 14	30	24	80%	6	20%
Salary Level 13	66	57	86%	9	14%
Total	103	84	82%	19	18%

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Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	-	-	-
Salary Level 15	0	0	0
Salary Level 14	4	0	0
Salary Level 13	2	0	0
Total	6	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
As a result of the reduction of the compensation of employees' budget that has a negative impact on the medium term expenditure framework, the Department is in the process of prioritising critical posts to be considered for funding to avoid overspending.
The Department is in the process of re-thinking and re-imagining the strategic direction in line with the MTSF.
Reasons for vacancies not filled within twelve months
As a result of the reduction of the compensation of employees' budget that has a negative impact on the medium term expenditure framework, the Department is in the process of prioritising critical posts to be considered for funding to avoid overspending.
The Department is in the process of re-thinking and re-imagining the strategic direction in line with the MTSF.

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
Factors (budget cuts, reprioritisation, etc) that are delaying the filling of vacancies are largely outside the powers vested in relevant delegated authorities.
Reasons for vacancies not filled within six months
Factors (budget cuts, reprioritisation, etc) that is delaying the filling of vacancies are largely outside the powers vested in relevant delegated authorities.

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the

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event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	127	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	252	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	281	0	0	0	0	0	0
Senior Management Service Band A	70	0	0	0	0	0	0
Senior Management Service Band B	29	0	0	0	0	0	0
Senior Management Service Band C	8	0	0	0	0	0	0
Senior Management Service Band D	4	0	0	0	0	0	0
Total	772	0	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

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Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

Notes

If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

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Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels3-5)	94	3	2	2%
Highly skilled production (Levels 6-8)	247	9	9	4%
Highly skilled supervision (Levels 9-12)	253	1	5	2%
Senior Management Service Bands A	48	1	1	2%
Senior Management Service Bands B	27	0	2	7%
Senior Management Service Bands C	3	0	0	0
Senior Management Service Bands D	2	0	0	0
09 Other Permanent	0	0	1	0
10 Contract (Levels 1-2)	1	0	0	0
11 Contract (Levels 3-5)	13	0	0	0
12 Contract (Levels 6-8)	27	16	9	33%
13 Contract (Levels 9-12)	24	1	4	17%
14 Contract Band A	7	1	2	29%
15 Contract Band B	4	1	1	25%
16 Contract Band C	1	0	0	0
17 Contract Band D	1	0	0	0
TOTAL	752	33	36	5%

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Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	84	1	2	2%
AUXILIARY AND RELATED WORKERS Permanent	2	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	5	0	0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS) Permanent	12	0	0	0
COMMUNICATION AND INFORMATION RELATED Permanent	6	0	0	0
COMMUNITY DEVELOPMENT WORKERS Permanent	15	0	0	0
COMPUTER SYSTEM DESIGNERS AND ANALYSTS. Permanent	10	0	1	10
FINANCIAL AND RELATED PROFESSIONALS Permanent	24	3	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	19	0	2	11%
FOOD SERVICES AIDS AND WAITERS Permanent	4	0	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	6	5	5	83%
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	19	3	2	11%
HUMAN RESOURCES CLERKS Permanent	3	0	0	0
HUMAN RESOURCES RELATED Permanent	6	0	0	0
INFORMATION TECHNOLOGY RELATED Permanent	7	0	1	14%
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	1	1	0	0
LIBRARY MAIL AND RELATED CLERKS Permanent	26	2	1	4%
LIGHT VEHICLE DRIVERS Permanent	1	0	0	0
LOGISTICAL SUPPORT PERSONNEL Permanent	19	0	1	5%
MATERIAL-RECORDING AND TRANSPORT CLERKS Permanent	6	0	0	0
MESSENGERS PORTERS AND DELIVERERS Permanent	8	0	1	13%
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	200	12	7	4%

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Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	1	0	0	0
OTHER INFORMATION TECHNOLOGY PERSONNEL. Permanent	7	1	1	14%
OTHER OCCUPATIONS Permanent	2	0	0	0
PROFESSIONAL NURSE Permanent	2	0	0	0
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS Permanent	1	0	0	0
RISK MANAGEMENT AND SECURITY SERVICES Permanent	10	0	1	10%
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	3	0	0	0
SECURITY OFFICERS Permanent	3	0	0	0
SENIOR MANAGERS Permanent	88	3	6	7%
SOCIAL SCIENCES RELATED Permanent	41	0	1	2%
SOCIAL WORK AND RELATED PROFESSIONALS Permanent	110	2	4	4%
STAFF NURSES AND PUPIL NURSES Permanent	1	0	0	0
TOTAL	752	33	36	5%

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a. in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b. for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - c. where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - d. in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	1	3%
Resignation	15	42%
Expiry of contract	11	31%
Dismissal – operational changes	0	0
Dismissal – misconduct	1	3%
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	3%
Retirement	6	17%
Transfer to other Public Service Departments	1	3%
Other	0	0
Total	36	
Total number of employees who left as a % of total employment	28%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	84	1	1%	57	68%
AUXILIARY AND RELATED WORKERS	2	0	0	2	100%
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	5	0	0	4	80%
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	12	0	0	12	100%
COMMUNICATION AND INFORMATION RELATED	6	1	17%	2	33%
COMMUNITY DEVELOPMENT WORKERS	15	0	0	10	67%
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	10	0	0	5	50%
FINANCIAL AND RELATED PROFESSIONALS	24	2	8%	16	67%

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Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
FINANCIAL CLERKS AND CREDIT CONTROLLERS	19	0	0	6	32%
FOOD SERVICES AIDERS AND WAITERS	4	0	0	3	75%
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	6	0	0	1	17%
HUMAN RESOURCES & ORGANISATION DEVELOPMENT & RELATE PROF	19	1	5	9	48%
HUMAN RESOURCES CLERKS	3	1	33%	2	67%
HUMAN RESOURCES RELATED	6	0	0	5	84%
INFORMATION TECHNOLOGY RELATED	7	0	0	5	71%
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1	0	0	1	100%
LIBRARY MAIL AND RELATED CLERKS	26	0	0	18	69%
LIGHT VEHICLE DRIVERS	1	0	0	1	100%
LOGISTICAL SUPPORT PERSONNEL	19	0	0	15	79%
MATERIAL-RECORDING AND TRANSPORT CLERKS	6	0	0	5	83%
MESSENGERS PORTERS AND DELIVERERS	8	0	0	8	100%
OTHER ADMINISTRATIVE & RELATED CLERKS AND ORGANISERS	200	3	2%	126	63%
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	0	0	0	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	7	0	0	3	43%
OTHER OCCUPATIONS	2	0	0	0	0
PROFESSIONAL NURSE	2	0	0	0	0
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS	1	0	0	1	100%
RISK MANAGEMENT AND SECURITY SERVICES	10	0	0	9	90%
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	3	0	0	2	67%
SECURITY OFFICERS	3	0	0	3	100%

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Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
SENIOR MANAGERS	88	2	2%	53	60%
SOCIAL SCIENCES RELATED	41	2	5%	30	73%
SOCIAL WORK AND RELATED PROFESSIONALS	110	1	1%	56	51%
STAFF NURSES AND PUPIL NURSES	1	0	0	0	0
ADMINISTRATIVE RELATED	84	1	1%	57	68%
AUXILIARY AND RELATED WORKERS	2	0	0	2	100%
TOTAL	752	14	2%	470	63%

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0
Senior Management (Level 13-16)	0	0	0	0	0
10 Contract (Levels 1-2)	0	0	0	0	0
11 Contract (Levels 3-5)	0	0	0	0	0
12 Contract (Levels 6-8)	0	0	0	0	0
13 Contract (Levels 9-12)	0	0	0	0	0
14 Contract (Levels >= 13)	0	0	1.90	0	0
Total	0	0	0	0	0

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3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	38	0	3	4	36	2	3	5	91
Professionals	72	1	0	1	152	7	2	9	244
Technicians and associate professionals	36	0	1	4	59	3	1	2	106
Clerks	82	0	2	2	173	4	2	8	273
Service and sales workers	7	0	0	0	8	0	0	0	15
Skilled agriculture and fishery workers	1	0	0	0	0	0	0	0	1
Craft and related trades workers	7	0	0	0	9	0	0	0	16
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	243	1	6	11	437	16	8	24	746
Employees with disabilities	4	0	0	1	7	0	0	0	12

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	1	0	0	0	3
Senior Management	35	0	3	4	32	2	3	4	83
Professionally qualified and experienced specialists and mid-management	83	1	1	5	159	7	1	5	262
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	82	0	0	0	181	5	1	0	269
Semi-skilled and discretionary decision making	39	0	1	0	66	0	0	0	106
Unskilled and defined decision making	0	0	0	0	1	0	0	0	1
08 Contract (Top Management)	1	0	0	0	1	0	0	0	2
09 Contract (Senior Management)	3	0	0	0	5	1	0	0	0

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Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
10 Contract (Professionally Qualified)	5	0	0	0	3	0	0	0	8
11 Contract (Skilled Technical)	3	0	0	0	0	0	0	0	3
12 Contract (Semi-Skilled)	0	0	0	0	0	0	0	0	0
13 Contract (Unskilled)	0	0	0	0	0	0	0	0	0
Total	253	1	5	9	449	15	5	9	746

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	5	0	0	0	7
Semi-skilled and discretionary decision making	1	0	0	0	2	0	0	0	3
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	1	2
10 Contract (Professionally qualified), Permanent	1	0	0	0	0	0	0	0	1
11 Contract (Skilled technical), Permanent	9	0	0	0	7	0	0	0	0
Total	15	0	0	0	17	0	0	1	33
Employees with disabilities	0	0	0	0	1	0	0	0	1

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Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
09 Contract (Senior Management)	0	0	0	0	0	0	0	0	0
10 Contract (Professionally qualified)	0	0	0	0	0	0	0	0	0
11 Contract (Skilled technical)	0	0	0	0	0	0	0	0	0
12 Contract (Semi-skilled)	0	0	0	0	0	0	0	0	0
13 Contract (Unskilled)	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

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Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	1	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	3	0	0	0	2	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	2	4	0	0	0	9
Semi-skilled and discretionary decision making	2	0	0	0	0	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
09 Contract (Senior Management), Permanent	1	0	0	0	1	0	0	0	2
10 Contract (Professionally qualified), Permanent	2	0	0	1	1	0	0	0	4
11 Contract (Skilled technical), Permanent	3	0	0	0	6	0	0	0	9
Total	15	0	1	3	15	0	0	0	34
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
N/A									

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Table 3.6.7 Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	22	0	0	4	27	1	2	4	60
Professionals	37	1	0	1	72	3	0	6	120
Technicians and associate professionals	12	0	1	1	21	1	0	0	36
Clerks	35	0	0	0	72	1	2	0	110
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	106	1	1	6	192	6	4	10	326
Employees with disabilities	2	0	0	0	2	0	0	0	4

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	01	0	0	0
Salary Level 16	01	1	1	100%
Salary Level 15	06	4	4	100%
Salary Level 14	33	28	28	100%
Salary Level 13	75	56	56	96%
Total	115	89	89	98%

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2022.

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Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2022

Reasons
Two SMS members were appointed after the 31 May 2022 respectively.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2022

Reasons
No disciplinary steps taken due to the fact that the SMS members were appointed after 31 May 2022.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

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Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0.00	238	0	0	0
Female	0.00	432	0	0	0
Asian					
Male	0	5	0	0	0
Female	0	8	0	0	0
Coloured					
Male	0	1	0	0	0
Female	0	14	0	0	0
White					
Male	1	9	0	237.07	237 072
Female	0	20	0	0	0
Total	1	727	0	237.07	237 072

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Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower Skilled (Levels 1-2)	0	0	0	0	0
Skilled (level 3-5)	0	93	0	0	0
Highly skilled production (level 6-8)	0	248	0	0	0
Highly skilled supervision (level 9-12)	0	247	0	0	0
10 Contract (Levels 1-2)	0	1	0	0	0
11 Contract (Levels 3-5)	0	13	0	0	0
12 Contract (Levels 6-8)	0	26	0	0	0
13 Contract (Levels 9-12)	0	21	0	0	0
Total	0	649	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	0	15	0%	0	0
Human Resources Clerks	0	3	0%	0	0
Security Officers	0	3	0%	0	0
Human Resources & Organisat Developm & Relate Prof	0	19	0%	0	0
Messengers Porters And Deliverers	0	7	0%	0	0
Risk Management And Security Services	0	9	0%	0	0
Social Sciences Related	0	3	0%	0	0
Logistical Support Personnel	0	19	0%	0	0
Other Administrat & Related Clerks And Organisers	0	200	0%	0	0
Auxiliary And Related Workers	0	2	0%	0	0
Other Occupations	0	2	0%	0	0
Financial And Related Professionals	0	26	0%	0	0
Administrative Related	0	81	0%	0	0
Communication And Information Related	0	6	0%	0	0
Secretaries & Other Keyboard Operating Clerks	0	3	0%	0	0
Library Mail And Related Clerks	0	26	0%	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	5	0%	0	0
Human Resources Related	0	6	0%	0	0
Language Practitioners Interpreters & Other Commun	0	2	0%	0	0
Social Work And Related Professionals	0	111	0%	0	0
General Legal Administration & Rel. Professionals	0	4	0%	0	0
Material-Recording And Transport Clerks	0	6	0%	0	0
Psychologists And Vocational Counsellors	0	1	0%	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other Administrative Policy And Related Officers	0	1	0%	0	0
Professional Nurse	0	2	0%	0	0
Senior Managers	1	87	1%	237.07	237 072
Client Inform Clerks(Switchb Recept Inform Clerks)	0	12	0%	0	0
Computer System Designers And Analysts.	0	9	0%	0	0
Other Information Technology Personnel	0	7	0%	0	0
Light Vehicle Drivers	0	1	0%	0	0
Food Services Aids And Waiters	0	4	0%	0	0
Community Development Workers	0	15	0%	0	0
Information Technology Related	0	6	0%	0	0
Staff Nurses And Pupil Nurses	0	1	0%	0	0
Total	1	740	0%	237.07	237 072

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a. in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b. for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - c. where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - d. in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	56	0	0	0	0
Band B	1	28	4	237	237 072	5%
Band C	0	4	0	0	0	0
Band D	0	3	0	0	0	0
Total	1	91	1	237	237 072	20%

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	1	50%	2	33%	1	25%
Contract (level 9-12)	1	50%	2	33%	1	25%
Contract (level 13-16)	0	0	2	33%	2	50%
Total	2	100%	6	100%	6	100%

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	2	100%	6	100%	4	100%
TOTAL	2	100%	6	100%	4	100%

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	5	100	2	0%	3	23
Contract (Levels 3-5)	18	94	2	0%	9	17
Contract (Levels 6-8)	59	78	18	3%	3	78
Contract (Levels 9-12)	42	64	12	2%	4	122
Lower Skills (Level 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	775	78	134	18%	6	7'656
Highly skilled production (levels 6-8)	2394	99	363	30%	7	3'750
Highly skilled supervision (levels 9 -12)	2417	95	355	37%	7	8'000
Top and Senior management (levels 13-16)	551	97	79	10%	7	2'700
Total	6137	92	931	100%	8	22'126

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	27	100	1	25%	27	27
Highly skilled production (Levels 6-8)	89	100	4	32%	22	143
Highly skilled supervision (Levels 9-12)	116	100	3	43%	39	410
Total	202	100	8	100%	29	580

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

Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	3	3	1
Contract (Levels 13-16)	139	10	14
Contract (Levels 3-5)	117	7	16
Contract (Levels 6-8)	313	9	33
Contract (Levels 9-12)	337	13	25
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	2 188	22	99
Highly skilled production (Levels 6-8)	6 270	24	261
Highly skilled supervision(Levels 9-12)	6 807	26	260
Senior management (Levels 13-16)	2 024	25	82
Total	18 198	23	791

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023	Total Number of Capped Leave Available at End of Period
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled Levels 3-5)	0	0	0	21	41
Highly skilled production (Levels 6-8)	0	0	0	24	487
Highly skilled supervision(Levels 9-12)	5	1	4	25	1 174
Senior management (Levels 13-16)	2	2	1	45	1 219
Total	7	3	5	115	2 921

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

Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	221834	4	55458
Capped leave payouts on termination of service for 2022/23	334573.66	4	83643
Current leave payout on termination of service for 2022/23	1593460	34	46866
Total	2149867	42	185967

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Mr Deven Chinappan: Chief Director Human Capital Management.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		1 X Deputy Director: EHW 3 X (contract Health Care Practitioners 6 months)
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	√		24/7/ EHW Counselling and Debriefing Services contract provided services until August 2022 2 X Health Risk screening/ Wellness Days Monthly Health Promotion Workshops conducted (TB awareness, Sexual Harassment, Work life integration, Women's Health, Heart health and HPV and Gonorrhoea.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		√	EHW committee has not been established however, EHW participate in other Existing forums in the Department : Occupational Health and Safety, Disability forum, Women's forum
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		Hiv/Aids and TB Management policy, Wellness management and Health and Productivity management are implemented.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		24/7 outsourced EHW Counselling services was made available to staff in need of the service until 30 November 2022.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	√		Hiv counselling and Testing was conducted Total:77 Male:26 Female:51
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	√		The EHW Quarterly reports and EHW Annual reports was compiled.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	23	70%
Verbal warning	01	3%
Written warning	04	12%
Final written warning	03	9%
Suspended without pay	01	3%
Fine	0	0%
Demotion	0	0%
Dismissal	01	3%
Not guilty	0	0%
Case withdrawn	0	0%
Total	33	100

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	03
---	----

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Assault	01	33%
Conducting business with organs of the state	01	33%
Conflict of interest	01	33%
Total	03	100

Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	09	50%
Number of grievances not resolved	09	50%
Total number of grievances lodged	18	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	0	
Number of disputes dismissed	01	50%
Total number of disputes lodged	02	50%

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	01
Total costs working days lost	02
Amount recovered as a result of no work no pay (R'000)	R1,737.68

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

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

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	48	0	84	2	86
	Male	46	0	59	1	60
Professionals	Female	109	0	95	10	105
	Male	46	0	47	4	51
Technicians and associate professionals	Female	75	0	36	8	44
	Male	45	0	13	7	20
Clerks	Female	252	0	59	9	68
	Male	122	0	42	4	46
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male		0	0	0	0
Sub Total	Female	484	0	274	29	303
	Male	259	0	161	16	177
Total		743	0	435	45	480

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	48	0	10	42	52
	Male	46	0	9	33	42
Professionals	Female	109	0	35	71	106
	Male	46	0	13	39	52
Technicians and associate professionals	Female	75	0	10	17	27
	Male	45	0	5	9	14
Clerks	Female	252	0	51	49	100
	Male	122	0	26	23	49
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male		0	0	0	0
Sub Total	Female	484	0	0	0	285
	Male	259	0	0	0	157
Total		743				442

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0

PART E: FINANCIAL INFORMATION

DEPARTMENT OF SOCIAL DEVELOPMENT VOTE NO. 19

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Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Social Development set out on pages 184 to 243, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Social Development as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

7. The supplementary information set out on pages 244 to 258 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion on them.

National Treasury Instruction No. 4 of 2022-23: PFMA compliance and reporting framework

8. On 23 December 2022, the National Treasury issued Instruction No. 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and

reporting framework and addresses, among others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in either the annual report or the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 24 to the financial statements of the department. Movements in respect of irregular expenditure and fruitless and wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the Department of Social Development. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
14. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Social security policy and administration	49 - 54	Provide for social security policy development, administrative justice, the administration of social grants, and the reduction of incorrect benefit payments
Welfare services policy development and implementation support	55 - 72	Create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards and best practices, and support implementing agencies

15. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides the users with useful and reliable information and insights on the department's planning and delivery on its mandate and objectives.
16. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance, as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as were committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
17. I performed the procedures for the purpose of reporting material findings only, and not to express an assurance conclusion.
 18. I did not raise any material findings on the reported performance information for the selected programmes.

Other matters

19. I draw attention to the matter below.

Achievement of planned targets

20. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

25. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. The other information obtained prior to the date of this auditor's report is the draft annual report, and the final annual report is expected to be made available to me after 31 July 2023.
29. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
30. When I do receive and read the final annual report and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
32. I did not identify any significant deficiencies in internal control.

Material irregularities

33. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

34. The material irregularities identified are as follows:

Assets acquired at prices higher than market value

35. The department procured capital assets in the 2021-22 financial year which exceeded the market prices for those assets, in contravention of section 45(b) of the PFMA. During the audit of the 2021-22 financial year, I identified six (6) transactions for which the purchase price accepted and paid by the department significantly exceeded their respective market prices.

36. The department does not have adequate controls to ensure the cost-effective use of its financial resources, which has led to goods and services being procured at prices that are unreasonably high, thereby resulting in a likely financial loss. Had the department performed an effective market analysis to determine the market prices, the goods and services would have been procured at a reasonably lower price.
37. I notified the accounting officer of the material irregularity on 20 February 2023 and invited a written submission on their actions to address the matter. The accounting officer's response to the notification, on 31 March 2023, provided a comprehensive account of the circumstances that led to the material irregularity, steps taken to address the material irregularity, and recourse to recover the financial loss incurred.
38. A private firm was appointed to investigate the possible fraud and corruption and will be providing a full assessment of internal control deficiencies within the supply chain management environment and proposals on controls to be implemented to circumvent similar findings.
39. The accounting officer plans to take appropriate steps based on the outcome of this investigation. I will follow up on the investigation and implementation of the planned actions during my next audit.

Auditor-General

Pretoria
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial

statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b); PFMA 38(1)(c); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2); 45(b); Section 50(3); 50(3)(a)

Legislation	Sections or regulations
Treasury Regulations for departments, trading entities, constitutional institutions and public entities	<p>Treasury regulations 4.1.1; 4.1.3</p> <p>Treasury regulations 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1</p> <p>Treasury regulations 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b)</p> <p>Treasury regulations 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1</p> <p>Treasury regulations 9.1.1; 9.1.4</p> <p>Treasury regulations 10.1.1(a); 10.1.2</p> <p>Treasury regulations 11.4.1; 11.4.2; 11.5.1</p> <p>Treasury regulations 12.5.1</p> <p>Treasury regulations 15.10.1.2(c')</p> <p>Treasury regulations 16A 6.1; 16A6.2(a), (b) & (e); 16A 6.3(a);16A 6.3(b); 16A 6.3(c);16A6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f).</p> <p>Treasury regulations 17.1.1</p> <p>Treasury regulation 18.2</p> <p>Treasury regulation 19.8.4</p>
Division of Revenue Act No. 5 of 2022	Section 16(1)
Public service regulation	Public service regulations 18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulations 17 & 25(7A)
PPPFA	Section 2.1(a); 2.1(b); 2.1(f)
PPR 2017	<p>Paragraphs 4.1; 4.2</p> <p>Paragraphs 5.1; 5.3; 5.6; 5.7</p> <p>Paragraphs 6.1; 6.2; 6.3; 6.5; 6.6</p> <p>Paragraphs 7.1; 7.2; 7.3; 7.5; 7.6</p> <p>Paragraphs 8.2; 8.5</p> <p>Paragraphs 9.1; 9.2</p> <p>Paragraph 11.2</p> <p>Paragraphs 12.1 and 12.2</p>
PPR 2022	<p>Paragraphs 4.1; 4.2; 4.3; 4.4</p> <p>Paragraphs 5.1; 5.2; 5.3; 5.4</p>
Sita ACT	Section 7(3)
National Treasury Instruction Note1 of 2015-16	Paragraphs 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021-22	Paragraphs 4.3; 4.4; 4.4(a); 4.4(c)-(d)
NT SCM Instruction Note 11 2020-21	Paragraphs 3.1; 3.4 (b); 3.9
NT SCM Instruction Note 2 of 2021-22	Paragraphs 3.2.1; 3.2.2; 3.2.4(a); 3.3.1
NT Instruction Note 4 of 2015-16	Paragraph 3.4
Second amendment of NTI 05 of 2020-21	Paragraphs 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 202-21	Paragraph 1
Erratum NTI 5 of 202-21	Paragraph 2
Practice Note 7 of 2009-10	Paragraph 4.1.2
NT Instruction Note 1 of 2021-22	Paragraph 4.1

Appropriation Statement for the year ended 31 March 2023

Appropriation per programme

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Programme									
1	Administration	513 669	-	26 816	540 485	539 076	1 409	99.7%	474 797	472 269
2	Social Assistance	239 132 592	-	-	239 132 592	233 037 419	6 095 173	97.5%	224 542 226	222 717 897
3	Social Security Policy and Administration	7 532 805	-	(26 816)	7 505 989	7 489 527	16 462	99.8%	8 072 401	8 052 807
4	Welfare Services Policy Development and Implementation Support	313 492	-	-	313 492	295 255	18 237	94.2%	1 516 316	1 505 208
5	Social Policy and Integrated Service Delivery	362 334	-	-	362 334	360 587	1 747	99.5%	366 378	360 751
	TOTAL	247 854 892	-	-	247 854 892	241 721 864	6 133 028	97.5%	234 972 118	233 108 932

Reconciliation with Statement of Financial Performance

Add:										
	Departmental receipts				332 075				22 268	
	NRF Receipts				-				-	
	Aid assistance				21 668				20 016	
Actual amounts per Statement of Financial Performance (Total Revenue)					248 208 635				235 014 402	
Add:	Aid assistance					27 345				26 929
	Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure						241 749 135				233 135 861

Appropriation Statement for the year ended 31 March 2023

Appropriation per economic classification										
		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
	Current payments	1 022 030	(8 247)	(647)	1 013 136	983 457	29 679	97.1%	909 253	877 775
	Compensation of employees	522 826	-	-	522 826	512 875	9 951	98.1%	522 050	494 641
	Salaries and wages	470 909	(7 997)	(1 650)	461 262	452 269	8 993	98.1%	461 259	437 049
	Social contributions	51 917	7 997	1 650	61 564	60 606	958	98.4%	60 791	57 592
	Goods and services	499 204	(8 247)	(647)	490 310	470 582	19 728	96.0%	387 203	383 134
	Administrative fees	5 344	632	(10)	5 966	5 428	538	91.0%	5 325	5 717
	Advertising	22 599	1 479	-	24 078	23 286	792	96.7%	11 309	14 324
	Minor assets	3 258	(6)3	(480)	2 715	573	2 142	21.1%	2 676	1 069
	Audit costs: External	22 300	-	-	22 300	22 031	269	98.8%	23 522	19 581
	Bursaries: Employees	1 356	-	-	1 356	1 065	291	78.5%	1 278	919
	Catering: Departmental	12 305	-	-	12 305	7 350	4 955	59.7%	7 218	3 650
	Communication (G&S)	90 411	63	1 044	91 518	90 381	1 137	98.8%	71 566	85 035
	Computer services	49 508	200	(2 700)	47 008	40 440	6 568	86.0%	37 568	36 587
	Consultants: Business	64 869	(8 527)	(5 434)	50 908	44 959	5 949	88.3%	47 428	44 987
	Legal services	4 398	(200)	379	4 577	6 256	(1 679)	136.7%	3 215	7 408
	Contractors	6 674	-	5 014	11 688	12 334	(646)	105.5%	8 642	8 206
	Agency and support	420	20	-	440	374	66	85.0%	96	-
	Entertainment	312	-	-	312	126	186	40.4%	514	87
	Fleet services	9 386	-	671	10 057	9 140	917	90.9%	4 992	11 113
	Consumable supplies	3 522	(691)	-	2 831	2 093	738	73.9%	2 403	1 990
	Consumable: Stationery	14 860	1 109	-	15 969	10 398	5 571	65.1%	11 908	10 013
	Operating leases	41 237	(8 432)	-	32 805	35 575	(2 770)	108.4%	37 706	36 724
	Property payments	10 313	1 605	3 382	15 300	19 819	(4 519)	129.5%	9 502	13 046

Appropriation Statement for the year ended 31 March 2023

Appropriation per economic classification										
		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
	Transport provided	1 129	-	-	1 129	-	1 129	-	929	-
	Travel and subsistence	83 479	(830)	(2 400)	80 249	76 401	3 848	95.2%	62 636	40 236
	Training and development	7 550	-	(100)	7 450	3 519	3 931	47.2%	5 494	3 305
	Operating payments	9 638	510	(13)	10 135	12 372	(2 237)	122.1%	5 918	11 175
	Venues and facilities	31 615	4 381	-	35 996	41 250	(5 254)	114.6%	22 803	24 107
	Rental and hiring	2 721	497	-	3 218	5 412	(2 194)	168.2%	2 555	3 855
	Interest and rent on land	-	-	-	-	-	-	-	-	-
	Transfers and subsidies	246 281 681	-	647	246 282 328	240 392 672	5 889 656	97.6%	234 043 704	232 212 259
	Provinces and municipalities	-	-	-	-	-	-	-	1 234 661	1 234 661
	Departmental agencies	7 636 675	-	-	7 636 675	7 636 375	300	100.0%	8 211 646	8 211 403
	Foreign governments	4 697	-	-	4 697	3 542	1 155	75.4%	4 577	3 239
	Non-profit institutions	43 965	-	-	43 965	41 657	2 308	94.8%	47 454	42 357
	Households	238 596 344	-	647	238 596 991	232 711 098	5 885 893	97.5%	224 545 366	222 720 599
	Payments for capital assets	13 181	-	-	13 181	9 210	3 971	69.9%	19 161	18 898
	Machinery and equipment	12 502	500	-	13 002	9 210	3 792	70.8%	18 506	18 243
	Software and other	679	(500)	-	179	-	179	-	655	655
	Payment for financial assets	538 000	8 247	-	546 247	336 525	209 722	61.6%	-	-
TOTAL		247 854 892	-	-	247 854 892	241 721 864	6 133 028	97.5%	234 972 118	233 108 932

Appropriation Statement for the year ended 31 March 2023

Programme 1: ADMINISTRATION

		2022/23						2021/22		
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Sub programme										
1	Ministry	44 420	6 987	5 113	56 520	56 424	96	99.8%	42 789	42 534
2	Department Management	74 788	-	3 772	78 560	78 008	552	99.3%	72 023	71 338
3	Corporate Management	170 934	2 471	16 997	190 402	189 917	485	99.7%	210 657	210 344
4	Finance	160 370	683	934	161 987	161 957	30	100.0%	91 070	89 797
5	Internal Audit	17 008	(2 599)	-	14 409	14 163	246	98.3%	18 201	18 199
6	Office Accommodation	46 149	(7 542)	-	38 607	38 607	-	100.0%	40 057	40 057
TOTAL		513 669	-	26 816	540 485	539 076	1 409	99.7%	474 797	472 269
Economic classification										
	Current payments	507 927	(956)	23 254	530 225	529 383	842	99.8%	456 583	453 958
	Compensation of employees	217 229	-	13 411	230 640	230 640	-	100.0%	215 597	213 992
	Salaries and wages	195 078	(1 126)	10 821	204 773	204 773	-	100.0%	191 049	189 661
	Social contributions	22 151	1 126	2 590	25 867	25 867	-	100.0%	24 548	24 331
	Goods and services	290 698	(956)	9 843	299 585	298 743	842	99.7%	240 986	239 966
	Administrative fees	1 822	180	-	2 002	1 530	472	76.4%	1 904	1 028
	Advertising	3 607	-	-	3 607	1 473	2 134	40.8%	2 826	3 536
	Minor assets	779	51	-	830	236	594	28.4%	568	539
	Audit costs: External	22 300	-	-	22 300	22 031	269	98.8%	23 522	19 581
	Bursaries: Employees	1 243	-	-	1 243	1 077	166	86.6%	1 200	959
	Catering: Depart activities	1 703	-	-	1 703	735	968	43.2%	1 694	254
	Communication (G&S)	86 920	58	1 044	88 022	88 248	(226)	100.3%	57 392	57 004
	Computer services	46 301	-	-	46 301	39 456	6 845	85.2%	36 478	36 429
	Consultants: Business Adv	16 233	(930)	(634)	14 669	12 879	1 790	87.8%	18 301	21 284
	Legal services	-	-	379	379	396	(17)	104.5%	-	390
	Contractors	4 732	-	5 014	9 746	10 662	(916)	109.4%	7 437	7 298

Appropriation Statement for the year ended 31 March 2023

Programme 1: ADMINISTRATION

		2022/23						2021/22		
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Agency support / outsourced	-	20	-	20	27	(7)	135.0%	6	-
	Entertainment	108	-	-	108	91	17	84.3%	128	72
	Fleet services G FLEET)	8 394	-	671	9 065	7 872	1 193	86.8%	3 611	9 451
	Consumable supplies	1 310	395	-	1 705	1 346	359	78.9%	1 752	1 273
	Consumable: Stationery	6 299	1 109	-	7 408	6 264	1 144	84.6%	5 007	5 895
	Operating leases	40 450	(8 432)	-	32 018	35 462	(3 444)	110.8%	37 030	36 651
	Property payments	9 888	1 605	3 382	14 875	18 397	(3 522)	123.7%	9 452	10 973
	Travel and subsistence	28 875	4 988	-	33 863	36 994	(3 131)	109.2%	24 195	16 682
	Training and development	2 582	-	-	2 582	1 484	1 098	57.5%	2 444	947
	Operating payments	2 728	-	(13)	2 715	7 232	(4 517)	266.4%	2 960	4 750
	Venues and facilities	4 389	-	-	4 389	4 821	(432)	109.8%	3 044	4 186
	Rental and hiring	35	-	-	35	30	5	85.7%	35	784
	Interest and rent on land	-	-	-	-	-	-	-	-	-
	Transfers and subsidies	2 372	-	647	3 019	2 719	300	90.1%	3 111	2 823
	Provinces and municipalities	-	-	-	-	-	-	-	-	-
	Depart agencies and accounts	1 822	-	-	1 822	1 522	300	83.5%	1 775	1 532
	Households	550	-	647	1 197	1 197	-	100.0%	1 336	1 291
	Payments for capital assets	3 370	-	2 915	6 285	6 018	267	95.8%	15 103	15 488
	Buildings fixed structures	-	-	-	-	-	-	-	-	-
	Machinery and equipment	2 691	500	2 915	6 106	6 018	88	98.6%	14 448	14 833
	Software & intangible assets	679	(500)	-	179	-	179	-	655	655
	Payment for financial assets	-	956	-	956	956	-	100.0%	-	-
TOTAL		513 669	-	26 816	540 485	539 076	1 409	99.7%	474 797	472 269

Appropriation Statement for the year ended 31 March 2023

Programme 2: SOCIAL ASSISTANCE

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	Old Age	92 178 417	(791 000)	-	91 387 417	90 675 006	712 411	99.2%	84 987 482	84 102 284
2	War Veterans	965	-	-	965	520	445	53.9%	1 212	704
3	Disability	24 735 412	685 000	-	25 420 412	25 404 908	15 504	99.9%	24 081 935	24 081 504
4	Foster Care	4 068 937	106 000	-	4 174 937	4 169 214	5 723	99.9%	4 488 120	4 373 497
5	Care Dependency	3 877 526	-	-	3 877 526	3 772 238	105 288	97.3%	3 658 015	3 492 803
6	Child Support	77 683 321	-	-	77 683 321	76 857 750	825 571	98.9%	73 236 920	72 666 743
7	Grant-in-Aid	1 900 870	-	-	1 900 870	1 778 716	122 154	93.6%	1 618 052	1 529 872
8	Social Relief of Distress	34 687 144	-	-	34 687 144	30 379 067	4 308 077	87.6%	32 470 490	32 470 490
TOTAL		239 132 592		-	239 132 592	233 037 419	6 095 173	97.5%	224 542 226	222 717 897
Economic classification										
	Transfers and subsidies	238 594 592	-	-	238 594 592	232 709 141	5 885 451	97.5%	224 542 226	222 717 897
	Households	238 594 592	-	-	238 594 592	232 709 141	5 885 451	97.5%	224 542 226	222 717 897
	Payment for financial assets	538 000	-	-	538 000	328 278	209 722	61.0%	-	-
TOTAL		239 132 592	239 132 592	-	239 132 592	233 037 419	6 095 173	97.5%	224 542 226	222 717 897

Appropriation Statement for the year ended 31 March 2023

Programme 3: SOCIAL SECURITY POLICY AND ADMINISTRATION

		2022/23						2021/22		
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	Social Security Policy Development	70 159	-	(15 382)	54 777	45 183	9 594	82.5%	76 260	60 355
2	Appeals Adjudication	41 393	-	(9 906)	31 487	25 798	5 689	81.9%	28 080	25 881
3	Social Grants Administration	7 343 571	-	-	7 343 571	7 343 571	-	100.0%	7 893 008	7 893 008
4	Social Grants Fraud Investigations	72 008	-	-	72 008	72 008	-	100.0%	70 893	70 893
5	Programme Management P3	5 674	-	(1 528)	4 146	2 967	1 179	71.6%	4 160	2 670
TOTAL		7 532 805	-	(26 816)	7 505 989	7 489 453	16 536	99.8%	8 072 401	8 052 807
Economic classification										
	Current payments	111 872	(7 291)	(23 901)	80 680	65 133	15 547	80.7%	105 206	86 350
	Compensation of employees	67 447	-	(13 411)	54 036	48 553	5 483	89.9%	66 393	49 188
	Salaries and wages	60 186	-	(12 471)	47 715	42 618	5 097	89.3%	58 238	43 260
	Social contributions	7 261	-	(940)	6 321	5 935	386	93.9%	8 155	5 928
	Goods and services	44 425	(7 291)	(10 490)	26 644	16 580	10 064	62.2%	38 813	37 162
	Administrative fees	481	(77)	(10)	394	263	131	66.8%	555	92
	Advertising	1 344	-	-	1 344	487	857	36.2%	360	408
	Minor assets	1 265	(114)	(480)	671	28	643	4.2%	1 535	-
	Bursaries: Employees	113	-	-	113	(12)	125	(10.6%)	78	-
	Catering: Depart activities	769	-	-	769	211	558	27.4%	377	194
	Communication (G&S)	829	-	-	829	615	214	74.2%	11 538	25 999
	Computer services	3 207	200	(2 700)	707	-	707	-	1 000	-
	Consultants: Business	14 345	(4 200)	(4 800)	5 345	4 771	574	89.3%	8 048	1 698
	Legal services	1 400	(200)	-	1 200	1 140	60	95.0%	1 650	3 278

Appropriation Statement for the year ended 31 March 2023

Programme 3: SOCIAL SECURITY POLICY AND ADMINISTRATION

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Contractors	259	-	-	259	4	255	1.5%	39	-
	Agency and support	100	-	-	100	-	100	-	-	-
	Entertainment	62	-	-	62	18	44	29.0%	58	10
	Fleet services	546	-	-	546	703	(157)	128.8%	921	1 055
	Consumable supplies	182	-	-	182	15	167	8.2%	262	13
	Consumable: Stationery	2 596	-	-	2 596	864	1 732	33.3%	1 666	518
	Operating leases	100	-	-	100	-	100	-	38	6
	Property payments	20	-	-	20	-	20	-	-	-
	Transport provided:	50	-	-	50	-	50	-	-	-
	Travel and subsistence	10 836	(2 900)	(2 400)	5 536	4 657	879	84.1%	7 005	1 646
	Training and development	1 160	-	(100)	1 060	232	828	21.9%	1 058	155
	Operating payments	1 543	-	-	1 543	266	1 277	17.2%	943	441
	Venues and facilities	3 218	-	-	3 218	2 318	900	72.0%	1 682	1 649
	Interest and rent on land	-	-	-	-	-	-	-	-	-
	Transfers and subsidies	7 417 946	-	-	7 417 946	7 417 031	915	100.0%	7 966 201	7 965 463
	Departmental agencies	7 415 579	-	-	7 415 579	7 415 579	-	100.0%	7 963 901	7 963 901
	Foreign governments	2 048	-	-	2 048	1 452	596	70.9%	1 998	1 394
	Households	319	-	-	319	-	319	-	302	168
	Payments for capital assets	2 987	0	(2 915)	72	72	-	100.0%	994	994
	Machinery and equipment	2 987	0	(2 915)	72	72	-	100.0%	994	994
	Payment for financial assets	-	7 291	0	7 291	7 291	-	100.0%	-	-
TOTAL		7 532 805	-	(26 816)	7 505 989	7 489 453	16 536	99.8%	8 072 401	8 052 807

Appropriation Statement for the year ended 31 March 2023

Programme 4: WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT

		2022/23						2021/22		
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Sub programme										
1	Service Standards	31 522	(5 227)	-	26 295	22 051	4 244	83.9%	22 440	19 023
2	Substance Abuse	20 899	3 185	-	24 084	24 018	66	99.7%	18 235	18 087
3	Older Persons	19 284	(4 238)	-	15 046	14 121	925	93.9%	12 515	11 963
4	People with Disabilities	13 747	1 120	-	14 867	12 413	2 454	83.5%	13 208	12 259
5	Children	80 126	3 698	-	83 824	82 871	953	98.9%	1 319 543	1 318 092
6	Families	10 731	(2 246)	-	8 485	7 041	1 444	83.0%	8 019	7 354
7	Social Crime Prevention and Victim Empowerment	76 589	3 256	-	79 845	76 263	3 582	95.5%	68 889	67 664
8	Youth	12 725	337	-	13 062	10 725	2 337	82.1%	8 856	8 686
9	HIV and Aids	43 074	915	-	43 989	43 260	729	98.3%	41 688	40 018
10	Social Worker Scholarships	-	-	-	-	-	-	-	-	-
11	Programme Management P4	4 795	(800)	-	3 995	2 492	1 503	62.4%	2 923	2 062
TOTAL		313 492	-	-	313 492	295 255	18 237	94.2%	1 516 316	1 505 208
Economic classification										
	Current payments	262 108	362	-	262 470	250 692	11 778	95.5%	229 385	224 793
	Compensation of employees	147 207	1 379	-	148 586	145 338	3 248	97.8%	150 684	146 920
	Salaries and wages	134 411	(4 128)	-	130 283	127 601	2 682	97.9%	133 252	129 869
	Social contributions	12 796	5 507	-	18 303	17 737	566	96.9%	17 432	17 051
	Goods and services	114 901	(1 017)	-	113 884	105 354	8 530	92.5%	78 701	77 873

Appropriation Statement for the year ended 31 March 2023

Programme 4: WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Administrative fees	2 065	411	-	2 476	2 399	77	96.9%	2 045	4 085
	Advertising	13 562	1 541	-	15 103	17 909	(2 806)	118.6%	5 932	8 171
	Minor assets	580	-	-	580	63	517	10.9%	513	242
	Bursaries: Employees	-	-	-	-	-	-	-	-	- 6
	Catering: Departmental	8 201	-	-	8 201	5 251	2 950	64.0%	4 012	3 037
	Communication (G&S)	1 596	-	-	1 596	767	829	48.1%	1 648	1 403
	Computer services	-	-	-	-	-	-	-	90	158
	Consultants: Business	20 670	(1 000)	-	19 670	16 932	2 738	86.1%	12 462	15 017
	Legal services	2 848	-	-	2 848	4 514	(1 666)	158.5%	1 565	3 520
	Contractors	1 475	-	-	1 475	1 334	141	90.4%	1 071	23
	Agency and support	320	-	-	320	250	70	78.1%	70	-
	Entertainment	100	-	-	100	9	91	9.0%	225	4
	Fleet services	355	-	-	355	488	(133)	137.5%	331	501
	Consumable supplies	1 713	(1 109)	-	604	539	65	89.2%	318	420
	Consumable: Stationery	4 144	-	-	4 144	2 166	1 978	52.3%	4 020	3 003
	Operating leases	390	-	-	390	75	315	19.2%	400	26
	Property payments	105	-	-	105	1 014	(909)	965.7%	50	996
	Transport provided:	979	-	-	979	-	979	-	729	-
	Travel and subsistence	28 733	(2 918)	-	25 815	20 062	5 753	77.7%	23 502	14 965
	Training and development	2 376	-	-	2 376	593	1 783	25.0%	1 525	624
	Operating payments	4 930	310	-	5 240	3 593	1 647	68.6%	1 430	4 866
	Venues and facilities	17 223	1 251	-	18 474	22 726	(4 252)	123.0%	14 243	14 212

Appropriation Statement for the year ended 31 March 2023

Programme 4: WELFARE SERVICES POLICY DEVELOPMENT AND IMPLEMENTATION SUPPORT

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rental and hiring	2 536	497	-	3 033	4 670	(1 637)	154.0%	2 520	2 606
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	45 568	-	-	45 568	42 771	2 797	93.9%	1 284 255	<u>1 278 360</u>
Provinces and municipalities	-	-	-	-	-	-	-	1 234 661	1 234 661
Foreign governments and	915	-	-	915	428	487	46.8%	890	351
Non-profit institutions	43 965	-	-	43 965	41 657	2 308	94.8%	47 454	42 357
Households	688	-	-	688	686	2	99.7%	1 250	991
Payments for capital assets	5 816	(362)	-	5 454	1 792	3 662	32.9%	2 676	2 055
Machinery and equipment	5 816	(362)	-	5 454	1 792	3 662	32.9%	2 676	2 055
Payment for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	313 492	-	-	313 492	295 255	18 237	94.2%	1 516 316	1 505 208

Appropriation Statement for the year ended 31 March 2023

Programme 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	Social Policy Research and Development	6 736	(2 193)	-	4 543	4 364	179	96.1%	5 756	4 763
2	Special Projects and Innovation	12 541	(4 256)	-	8 285	8 236	49	99.4%	9 723	6 533
3	Population Policy Promotion	39 541	(8 693)	-	30 848	29 476	1 372	95.6%	26 720	25 469
4	Registration and Monitoring of Non-Profit Organisations	42 771	6 445	-	49 216	49 151	65	99.9%	38 701	38 701
5	Substance Abuse Advisory Services and Oversight	7 138	693	-	7 831	7 783	48	99.4%	5 046	4 994
6	Community Development	30 374	6 310	-	36 684	36 651	33	99.9%	30 675	30 590
7	National Development Agency	219 274	-	-	219 274	219 274	-	100.0%	245 970	245 970
8	Programme Management P5	3 959	1 694	-	5 653	5 652	1	100.0%	3 787	3 731
TOTAL		362 334	-	-	362 334	360 587	1 747	99.5%	366 378	360 751
Economic classification										
	Current payments	140 123	(362)	-	139 761	138 249	1 512	98.9%	118 079	112 674
	Compensation of employees	90 943	(1 379)	-	89 564	88 344	1 220	98.6%	89 376	84 541
	Salaries and wages	81 234	(2 743)	-	78 491	77 277	1 214	98.5%	78 720	74 259
	Social contributions	9 709	1 364	-	11 073	11 067	6	99.9%	10 656	10 282
	Goods and services	49 180	1 017	-	50 197	49 905	292	99.4%	28 703	28 133
	Administrative fees	976	118	-	1 094	1 236	(142)	113.0%	821	512
	Advertising	4 086	(62)	-	4 024	3 417	607	84.9%	2 191	2 209
	Minor assets	634	-	-	634	246	388	38.8%	60	288

Appropriation Statement for the year ended 31 March 2023

Programme 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Bursaries: Employees	-	-	-	-	-	-	-	-	- 34
	Catering: Departmental	1 632	-	-	1 632	1 153	479	70.6%	1 135	165
	Communication (G&S)	1 066	5	-	1 071	751	320	70.1%	988	629
	Computer services	-	-	-	-	984	(984)	-	-	-
	Consultants: Business	13 621	(2 397)	-	11 224	10 377	847	92.5%	8 617	6 988
	Legal services	150	-	-	150	206	(56)	137.3%	-	220
	Contractors	208	-	-	208	334	(126)	160.6%	95	885
	Agency and support	-	-	-	-	97	(97)	-	20	-
	Entertainment	42	-	-	42	8	34	19.0%	103	1
	Fleet services	91	-	-	91	77	14	84.6%	129	106
	Consumable supplies	317	23	-	340	193	147	56.8%	71	284
	Consumable: Stationery	1 821	-	-	1 821	1 104	717	60.6%	1 215	597
	Operating leases	297	-	-	297	38	259	12.8%	238	41
	Property payments	300	-	-	300	408	(108)	136.0%	-	1 077
	Transport provided:	100	-	-	100	-	100	-	200	-
	Travel and subsistence	15 035	-	-	15 035	14 688	347	97.7%	7 934	6 943
	Training and development	1 432	-	-	1 432	1 210	222	84.5%	467	1 579
	Operating payments	437	200	-	637	1 281	(644)	201.1%	585	1 118
	Venues and facilities	6 785	3 130	-	9 915	11 385	(1 470)	114.8%	3 834	4 060
	Rental and hiring	150	-	-	150	712	(562)	474.7%	-	465

Appropriation Statement for the year ended 31 March 2023

Programme 5: SOCIAL POLICY AND INTEGRATED SERVICE DELIVERY

		2022/23							2021/22	
		Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Interest and rent on land	-	-	-	-	-	-	-	-	-
	Transfers and subsidies	221 203	-	-	221 203	221 010	193	99.9%	247 911	247 716
	Provinces and municipalities	-	-	-	-	-	-	-	-	-
	Departmental agencies	219 274	-	-	219 274	219 274	-	100.0%	245 970	245 970
	Foreign governments and	1 734	-	-	1 734	1 662	72	95.8%	1 689	1 494
	Households	195	-	-	195	74	121	37.9%	252	252
	Payments for capital assets	1 008	362	-	1 370	1 328	42	96.9%	388	361
	Machinery and equipment	1 008	362	-	1 370	1 328	42	96.9%	388	361
	Payment for financial assets	-	-	-	-	-	-	-	-	-
TOTAL		362 334	-	-	362 334	360 587	1 747	99.5%	366 378	360 751

NOTES TO APPROPRIATION STATEMENT for the year ended 31 March 2023

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Administration	539 529	538 120	1 409	0.26%
Current payment	530 225	529 383	842	0.16%
Transfers and Subsidies	3 019	2 719	300	9.94%
Payment of Capital Assets	6 285	6 018	267	4.25%
Payment of Financial Assets	956	956	-	0.00%

The underspending mainly relates to operational savings and capital assets for the financial year.

Social Assistance	238 594 592	232 709 141	5 885 451	2.47%
Current payment	-	-	-	
Transfers and Subsidies	238 594 592	232 709 141	5 885 451	2.46%
Payment of Capital Assets	-	-	-	-
Payment of Financial Assets	538 000	328 278	209 722	38.98%

The underspending mainly relates to the SRD R350 social grant as a result of the changes in the means test to the qualifying criteria to the beneficiary applications

Social Security Policy and Administration	7 498 698	7 482 236	16 462	0.22%
Current payment	80 680	65 133	15 547	19.27%
Transfers and Subsidies	7 417 946	7 417 031	915	0.01%
Payment of Capital Assets	72	72	-	0.00%
Payment of Financial Assets	7 291	7 291	-	0.00%

The underspending mainly relates to the delays experienced in the establishment of the Inspectorate.

Welfare Services Policy Development and Implementation Support	313 492	295 255	18 237	5.82%
Current payment	262 470	250 692	11 778	4.49%
Transfers and Subsidies	45 568	42 771	2 797	6.14%
Payment of Capital Assets	5 454	1 792	3 662	67.14%

The underspending mainly relates to operational savings in the outreach programmes during the financial year.

NOTES TO APPROPRIATION STATEMENT for the year ended 31 March 2023

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Social Policy and Integrated Service Delivery	362 334	360 587	1 747	0.48%
Current payment	139 761	138 249	1 512	1.08%
Transfers and Subsidies	221 203	221 010	193	0.09%
Payment of Capital Assets	1 370	1 328	42	3.07%

The underspending mainly relates to operational savings during the financial year.

4.2 Per economic classification

Per economic classification:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure	1 013 213	983 457	29 756	2.94%
Compensation of employees	522 826	512 876	9 950	1.90%
Goods and services	490 387	470 581	19 806	4.04%
Interest and rent on land				
Transfers and subsidies	246 282 328	240 419 672	5 862 656	2.38%
Provinces and municipalities	-	-	-	-
Departmental agencies and accounts	7 636 675	7 636 375	300	0.00%
Foreign governments and	4 697	3 542	1 155	24.59%
Non-profit institutions	43 965	41 657	2 308	5.25%
Households	238 596 991	232 738 098	5 858 893	2.46%
Payments for capital assets	13 181	9 210	3 971	30.13%
Machinery and equipment	13 002	9 210	3 792	29.16%
Software and other intangible assets	179	-	179	100.00%
Payments for financial assets	546 247	336 525	209 722	38.39%

The underspending mainly relates to the SRD R350 social grant.

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
REVENUE			
Annual appropriation	1	247 854 892	234 972 118
Departmental revenue	2	332 075	22 268
Aid assistance		21 668	20 016
TOTAL REVENUE		248 208 635	235 014 402
EXPENDITURE			
Current expenditure		994 722	895 684
Compensation of employees	4	512 875	494 641
Goods and services	5	470 582	383 134
Aid assistance	3	11 265	17 909
Transfers and subsidies		240 405 341	232 218 180
Transfers and subsidies	7	240 392 672	232 212 259
Aid assistance	3	12 669	5 921
Expenditure for capital assets		12 620	21 997
Tangible assets	8	12 620	21 342
Intangible assets	8	-	655
Payments for financial assets	6	336 524	-
TOTAL EXPENDITURE		241 749 207	233 135 861
SURPLUS/(DEFICIT) FOR THE YEAR		6 459 428	1 878 541

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		6 133 028	1 863 186
Annual appropriation		6 133 028	1 863 186
Departmental revenue and NRF receipts	13	332 075	22 268
Aid assistance	3	(5 675)	(6 913)
SURPLUS/(DEFICIT) FOR THE YEAR		6 459 428	1 878 541

STATEMENT OF FINANCIAL POSITION as at 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000

ASSET

Current assets		6 393 235	2 869 263
Cash and cash equivalents	9	6 356 250	3 489
Prepayments and advances	10	1 372	10 416
Receivables	11	26 683	26 859
Aid assistance receivable	3	8 930	2 696
Voted funds to be received from the Revenue Fund	12	-	2 825 803
Non-current assets		803 721	1 266 237
Prepayments and advances	10	2 276	2 038
Receivables	11	801 445	1 264 199

TOTAL ASSETS		7 196 956	4 135 500
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LIABILITIES

Current liabilities		21 562 316	18 091 850
Voted funds to be surrendered to the Revenue Fund	12	6 133 028	1 863 186
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	309 060	3 031
Bank overdraft	14	15 116 356	16 147 134
Payables	15	3 313	77 716
Aid assistance unutilised	3	559	783

Non-current liabilities			
Payables	16	768 176	1 177 186

TOTAL LIABILITIES		22 330 492	19 269 036
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NET ASSETS		(15 133 536)	(15 133 536)
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		2022/23	2021/22
	Note	R'000	R'000
Represented by:			
Retained funds		252	252
Unauthorised expenditure		(15 133 788)	(15 133 788)
		(15 133 536)	(15 133 788)

STATEMENT OF CHANGES IN NET ASSETS as at 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
Capitalisation reserves			
Retained funds			
Opening balance		252	5 252
Utilised during the year		-	(5 000)
Closing balance		252	252
Unauthorised expenditure			
Opening balance		(15 133 788)	(15 133 788)
Unauthorised expenditure - current year			
Closing Balance		(15 133 788)	(15 133 788)
TOTAL		(15 133 536)	(15 133 536)

CASH FLOW STATEMENT for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		248 208 147	232 188 599
Annual appropriation funds received	1	247 854 892	232 146 315
Departmental revenue received	2.2	329 336	21 231
Interest received		2 251	1 037
Aid assistance received	3	21 668	20 016
Net (increase)/decrease in net working capital		(65 421)	72 047
Surrendered to Revenue Fund		936 571	(1 908 303)
Surrendered to RDP Fund/Donor		(783)	(5 579)
Current payments		(994 722)	(895 684)
Payments for financial assets		(336 524)	-
Transfers and subsidies paid		(240 405 341)	(232 218 180)
Net cash flow available from operating activities	17	7 341 927	(2 767 100)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			
Payments for capital assets	6	(12 620)	(21 997)
Proceeds from sale of capital assets	2.3	488	-
(Increase)/decrease in non-current receivables	11	462 754	(54 884)
Net cash flow available from investing activities		450 622	(76 881)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		-	-
Increase/(decrease) in non-current payables		(409 010)	54 859
Net cash flows from financing activities		(409 010)	54 859
Net increase/(decrease) in cash and cash equivalents		7 383 539	(2 789 122)
Cash and cash equivalents at beginning of period		(16 143 645)	(13 354 523)
Unrealised gains and losses within cash and cash equivalents			
Cash and cash equivalents at end of period	18	(8 760 106)	(16 143 645)

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p> <p>Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
19	Aid assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>CARA Funds are recognised when receivable and measured at the amount's receivable.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>

10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Pre-payments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments for goods and services are expensed as the supplier implements agreed activities and provides a satisfactory progress report on performance and utilisation of disbursed funds in line with the signed service level agreement.</p> <p>The Department is transferring funds (advances) to the Government Communication Information System (GCIS) and the Department of International Relations and Cooperation in respect of accommodation for trips abroad.</p> <p>These advances are expensed once the respective departments paid the accounts on behalf of the department and provide the necessary source documents to the department.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p> <p>With regard to Social Assistance debtors, write-offs are made according to the Policy on Management of Social Assistance debtors as administered by the South African Social Security Agency.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	<p>Financial assets</p>
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	<p>Capital assets</p>
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

16.3	<p>Intangible capital assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p> <p>Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of unauthorised expenditure that was under assessment in the previous financial year; unauthorised expenditure relating to previous financial year and identified in the current year; and Unauthorised incurred in the current year.</p>

19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <ul style="list-style-type: none"> • Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of. • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
20	<p>Irregular expenditure</p> <p>Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:</p> <ul style="list-style-type: none"> • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein.</p>
24	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
25	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are transferred to the National Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
26	<p>Related party transactions</p> <p>Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and full compensation of key management personnel is recorded in the notes to the financial statements.</p>

27	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis. In cases where Inventories were transferred to the department by means of a non-exchange transaction, the cost of the inventory is its fair value as at the date it is acquired.</p>
28	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
29	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.</p> <p>Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.</p> <p>The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
30	<p>Transfer of functions</p> <p>Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

1. ANNUAL APPROPRIATION

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

	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Programmes						
Administration	513 669	513 669	-	417 912	417 912	-
Social assistance	239 132 592	239 132 592	-	224 542 226	221 716 423	2 825 803
Social security policy and administration	7 532 805	7 532 805	-	8 077 460	8 077 460	-
Welfare services policy development and implementation support	313 492	313 492	-	1 548 634	1 548 634	-
Social policy and integrated service delivery	362 334	362 334	-	385 886	385 886	-
Total	247 854 892	247 854 892	-	234 972 118	232 146 315	2 825 803

All funds have been drawn for the 2022/23 financial year

2. DEPARTMENTAL REVENUE

		2022/23	2021/22
	Note	R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	-	30
Interest, dividends and rent on land	2.3	2 251	1 037
Sales of capital assets	2.4	488	-
Transactions in financial assets and liabilities	2.5	329 336	21 201
Total revenue collected		332 075	22 268

The increase relates to an amount of R301, 186 million which is made up R7, 387 million which relates to recoveries from Social Assistance debts and an amount of R293, 797 million which relates to the write-off of debts that were recognised after the financial year in which the overpayment took place. On write-off of debts managed on the BAS system, there will be an automatic system entry to debit debt receivable income and the related debt receivable interest and credit revenue.

2.1 Sales of goods and services other than capital assets

		2022/23	2021/22
	Note	R'000	R'000
Sales of goods and services produced by the department		-	30
Other sales		-	30
Total	2	-	30

There was no sale of tender documents and other sales current financial year.

2.2. Interest, dividends and rent on land

		2022/23	2021/22
	Note	R'000	R'000
Interest		2 251	1 037
Total	2	2 251	1 037

Interest is mainly received by the South African Social Security Agency as grants are transferred to commercial banks for paying grants and interest received on social assistance debts.

2.3. Sales of capital assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets			
Machinery and equipment		488	-
Total	2	488	-

The amount relates to Sale of Capital Assets: Vehicle

2.4. Transactions in financial assets and liabilities

		2022/23	2021/22
	Note	R'000	R'000
Receivables		328 922	20 789
Other receipts including Recoverable Revenue		414	412
Total	2	329 336	21 201

The increase relates to an amount of R301, 186 million which is made up R7, 387 million which relates to recoveries from Social Assistance debts and an amount of R293, 797 million which relates to the write-off of debts that were recognised after the financial year in which the overpayment took place. On write-off of debts managed on the BAS system, there will be an automatic system entry to debit debt receivable income and the related debt receivable interest and credit revenue.

2.4.1. Donations received in-kind (not included in the main note or sub note)

		2022/23	2021/22
	Note	R'000	R'000
List in-kind donations received			
USAID/ PACTSA		23 207	27 944
DG Murry Trust		-	368
Nelson Mandela Foundation		-	836
The DG Murray Trust (DGMT)		1 523	1 053
Solidarity Fund		-	100 000
CJC Church		-	800
Old Mutual		-	800
Procter and Gamble		-	185
UNFPA		4	8
Van Schaik Bookstore		-	20
Southern Hemisphere		32	-
Japan International Cooperation Agency (JICA)		1 102	-
SASOL		299	-
Total		26 167	132 014

The above represents a list of donations in kind that are not linked to the RDP account.

2.5. Cash received not recognised (not included in the main note) 2022/23

	2022/23		
	Amount received	Amount paid to the revenue fund	Balance
Name of entity	R'000	R'000	R'000
Early Childhood Development Conditional Grant	-	67 264	(67 264)
Early Childhood Development Conditional Grant (EC)	36 216	36 216	-
Early Childhood Development Conditional Grant (WC)	10 291	10 291	-
National Development Agency	18 102	18 102	-
Total	64 609	131 873	(67 264)

	2021/22		
	Amount received	Amount paid to the revenue fund	Balance
Name of entity	R'000	R'000	R'000
Early Childhood Development Conditional Grant	133 896	66 632	67 264
Early Childhood Development Conditional Grant		1 140	(1 140)
Total	133 896	67 772	66 124

The amount of R36,216 million and R10,291 million relate to 2021/22 unspent conditional grant funds for Eastern Cape and Western Cape respectively. The amount of R18,102 million relates to unspent funds from National Development Agency for financial year: 2021/22. These amounts are not classified as revenue for the department as it relates to unspent funds of the previous years and needs to be surrendered to the Exchequer grant account at National Treasury.

The R67,264 million was received previous year and paid current year to the Exchequer grant account

3. AID ASSISTANCE

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		(1 913)	5 579
As restated		(1 913)	5 579
Transferred from statement of financial performance		(5 675)	(6 913)
Transfers to or from retained funds		-	5 000
Paid during the year		(783)	(5 579)
Closing balance		(8 371)	(1 913)

The balance relates to a receivable amount of R8, 930 million on the USAID funded project that is available at the National Treasury RDP account and will be reimbursed to the Department in the first quarter of 2023/24 financial. The balance of R8, 371 million includes the amount of R8, 930 million and an amount of R559 000 that was unspent from the KFW donation and will be surrendered to the National Treasury.

3.1. Analysis of balance by source

		2022/23	2021/22
	Note	R'000	R'000
Aid assistance from RDP		(8 371)	(1 913)
Aid assistance from other sources		-	-
CARA Funds		-	-
Closing balance	3	(8 371)	(1 913)

The balance of R8, 371 million includes the amount of R8, 930 million and an amount of R559 000 that was unspent from the KFW donation and will be surrendered to the National Treasury.

3.2. Analysis of balance

		2022/23	2021/22
	Note	R'000	R'000
Aid assistance receivable		(8 930)	(2 696)
Aid assistance unutilised		559	783
Closing balance	3	(8 371)	(1 913)
Aid assistance not requested/not received		8 931	19 076

The balance relates to a receivable amount of R8, 930 million on the USAID funded project that is available at the National Treasury RDP account and will be reimbursed to the Department in the first quarter of 2023/24 financial. The balance of R8, 371 million includes the amount of R8, 930 million and an amount of R559 000 that was unspent from the KFW donation and will be surrendered to the National Treasury.

3.2.1 Aid assistance prepayments (expensed)

	2022/23				
	Amount as at 1 April 2022	Less: Received in the current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2023
Name of entity	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

No prepayments incurred current financial year.

	2021/22				
	Amount as at 1 April 2021	Less: Received in the current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2022
Name of entity	R'000	R'000	R'000	R'000	R'000
Goods and services	3 958	(3 958)	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	3 958	(3 958)	-	-	-

An amount of R3,958 million was expensed prior financial year

3.3. Aid assistance expenditure per economic classification

		2022/23	2021/22
	Note	R'000	R'000
Current		11 265	17 909
Capital	8	3 409	3 099
Transfers and subsidies		12 669	5 921
Total aid assistance expenditure		27 343	26 929

3.4. Donations received in kind (not included in the main note)

		2022/23	2021/22
	Note	R'000	R'000
KFW		839	-
Total		839	-

No donation in kind was received from the KFW in the 2021/22 financial year. Payments for consultancy services were only made on 20 May 2022 for the 2022/23 financial year

4. COMPENSATION OF EMPLOYEES

4.1. Analysis of balance

		2022/23	2021/22
	Note	R'000	R'000
Basic salary		342 730	327 873
Performance award		193	2 620
Service based		24 654	400
Compensative/circumstantial		15 594	38 540
Other non-pensionable allowances		69 098	67 617
Total		452 269	437 050

Increase mainly relate to “cost of living” increases to all salary levels. The decrease in performance awards is as a result of the department that did not pay performance bonuses to its staff members for the 2021/22 performance cycle. As per the DSPA Incentive Policy Framework of 2019 as amended as well as National Treasury Circular. An expenditure amount of R193 thousand relates to payment of performance awards for 2020/21 performance cycle.

4.2. Social contributions

		2022/23	2021/22
Employer contributions	Note	R'000	R'000
Pension		42 276	40 537
Medical		18 272	16 997
UIF		-	-
Bargaining council		58	57
Total		60 606	57 591
Total compensation of employees		512 875	494 641
Average number of employees		750	736

Increase mainly relate to “cost of living” increases to all salary levels. The actual number of employees is 742 as at 31 March 2023.

5. GOODS AND SERVICES

		2022/23	2021/22
	Note	R'000	R'000
Administrative fees		5 429	5 714
Advertising		23 287	14 322
Minor assets	5.1	575	1 068
Bursaries (employees)		1 065	918
Catering		7 347	3 648
Communication		90 379	85 034
Computer services	5.2	40 439	36 587
Consultants: Business and advisory services	5.9	44 961	44 989
Legal services		6 254	7 409
Contractors		12 332	8 206
Agency and support / outsourced services		373	-
Entertainment		126	89
Audit cost - external	5.3	22 031	19 581
Fleet services		9 139	11 112
Consumables	5.5	12 494	12 011
Operating leases		35 577	36 724
Property payments	5.6	19 819	13 047
Rental and hiring		5 413	3 853
Travel and subsistence	5.7	76 400	40 235
Venues and facilities		41 250	24 108
Training and development		3 520	3 305
Other operating expenditure	5.8	12 372	11 174
Total		470 582	383 134

The increase in communication relate to payment of the increased Telkom Toll Free line being used by SASSA to enable social grant beneficiaries for any social grant enquiries as a Zero-rated line. Increase in travel and subsistence and venue and facilities is due to the lifting of Covid-19 restrictions.

5.1. Minor assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		575	1 068
Machinery and equipment		575	1 068
Total	5	575	1 068

Decrease relates to less Procurement of office equipment

5.2. Computer services

		2022/23	2021/22
	Note	R'000	R'000
SITA computer services		5 527	33 444
External computer service providers		34 912	3 143
Total	5	40 439	36 587

The increase relates to the upgrading of internal Information Technology infrastructure and an increased payment of Microsoft License. Previous financial year payments of Microsoft were allocated under SITA computer services and current financial year a correction has been done to allocate under external computer service providers.

5.3. Audit cost - external

		2022/23	2021/22
	Note	R'000	R'000
Regularity audits		20 851	17 226
Computer audits		1 180	2 355
Total	5	22 031	19 581

The increase relates to increase in audit fees.

5.4. Consumables

		2022/23	2021/22
	Note	R'000	R'000
Consumable supplies		2 095	1 992
Uniform and clothing		973	642
Household supplies		124	652
Communication accessories		7	-
IT consumables		758	164
Other consumables		233	534
Stationery, printing and office supplies		10 399	10 019
Total	5	12 494	12 011

5.5. Property payments

		2022/23	2021/22
	Note	R'000	R'000
Municipal services		7 039	3 869
Property maintenance and repairs		12 780	9 178
Total	5	19 819	13 047

Increase relates to maintenance and repairs of head office building to accommodate additional staff members.

5.6. Travel and subsistence

		2022/23	2021/22
	Note	R'000	R'000
Local		63 289	39 506
Foreign		13 111	729
Total	5	76 400	40 235

Increase in the travel cost due to the lifting of Covid-19 restrictions.

5.7. Other operating expenditure

		2022/23	2021/22
	Note	R'000	R'000
Professional bodies, membership and subscription fees		571	401
Resettlement costs		-	10
Other		11 801	10 763
Total	5	12 372	11 174

5.8. Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)

	Note	2022/23	2021/22
Name of Commission / Committee of Inquiry	5	R'000	R'000
AUDIT COMMITTEE		308	316
APPEALS COMMITTEE		-	411
RISK AND ETHICS MANAGEMENT COMMITTEE		268	521
CENTRAL DRUG AUTHORITY BOARD		1 886	886
INDEPENDENT TRIBUNAL FOR SOCIAL ASSISTANCE APPEALS MED		1 014	356
INDEPENDENT TRIBUNAL FOR SOCIAL ASSISTANCE APPEALS LEGAL		1 575	758
LABOUR APPEALS COMMITTEE		-	387
PRE-ADJUDICATION & OPERATION COMMITTEE		407	-
SOCIAL SERVICE PROFF SUPPORT		270	-
SERVICE STANDARD & QUALITY		194	-
Total		5 922	3 635

This amount relates to remuneration of DSD Board Members. The main reason for the significant increase in the payment of Board members is the increase in number of appeals received and adjudicated by the Medical & Legal Tribunal Members, following the implementation & operationalisation of the Social Assistance Amendment Act, which removed the reconsideration mechanism within SASSA and allows direct access to lodge appeals with the Independent Tribunal.

The Amendment Act came into operation on 30 May 2022 and we have seen a significant increase in the number of appeals received in 2022/23 vs 2021/22 Financial Year. These appeals are, once all the relevant information has been collated relating to the grant application and rejection by SASSA, submitted to the Tribunal for adjudication. In this regard it is important to note that in 2021/22 the Tribunal adjudicated 1621 appeals VS in 2022/23, where the Tribunal adjudicated 4819 appeals and accordingly the Tribunal Members adjudicated 197% more appeals in the 2022/23 Financial Year as compared to the 2021/22 Financial Year.

6. PAYMENTS FOR FINANCIAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Debts written off	6.3	336 524	-
Total		336 524	-

6.1. Debts written off

		2022/23	2021/22
Nature of debts written off	Note	R'000	R'000
Other debt written off			
SASSA Debtors		328 277	
DSD Debtors		8 247	
Total debt written off	6	336 524	

The amount of R328, 277 million relates to write-off of irrecoverable Social Assistance Grant Debtors as managed on the BAS system. An additional amount of R204, 934 million has been written-off for debtors administered by the SIU on behalf of the Department. These debtors are administered outside of BAS, as a result the debts were written-off by reducing the SIU debtors listing. The amount of R7,961 million relates to Social Assistance Irrecoverable debts from provincial DSD and over surrender of unspent funds to National Treasury for period between 2006 to 2008 and the amount of R286 thousand relates to irrecoverable ex-employees debts due to death of employees and untraceable employees as back as over 10 years ago.

The increase is due to the fact that there were no write-off approvals in the 2021/22 financial year.

7. TRANSFERS AND SUBSIDIES

		2022/23	2021/22
	Note	R'000	R'000
Provinces and municipalities	34	-	1 234 661
Departmental agencies and accounts	Annex 1A	7 636 375	8 211 403
Foreign governments and international organisations	Annex 1B	3 542	3 239
Non-profit institutions	Annex 1C	41 656	42 358
Households	Annex 1D	232 711 099	222 720 598

Total		240 392 672	232 212 259
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The decrease in transfers to provinces and municipalities is due to the ECD conditional grant which was shifted to the Department of Basic Education as part of the ECD function shift.

7.1. Donations made in kind (not included in the main note)

		2022/23	2021/22
	Note	R'000	R'000
Sanitary and hygiene items amounting to R185 000 have been distributed to various organisations and beneficiaries, including distribution to victims of floods in KZN. These were donated to the Department by Procter and Gamble.	Annex 1G	185	-
Thirty (30) Laptops and twenty-nine (29) Book vouchers were distributed to learners at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.		299	-
Total		484	-

8. EXPENDITURE FOR CAPITAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		12 620	21 342
Buildings and other fixed structures	30	3 409	2 696
Machinery and equipment	28	9 211	18 646
Intangible capital assets		-	655
Software	29	-	655
Total		12 620	21 997

Decrease as a result of the IT refresh in prior year where 276 laptops were procured.

8.1. Analysis of funds utilised to acquire capital assets - Current year

	2022/23		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	9 211	3 409	12 620
Buildings and other fixed structures	-	3 409	3 409
Machinery and equipment	9 211	-	9 211
Total	9 211	3 409	12 620

An amount of R3,409 million on Aid Assistance relates to an expenditure for construction of Community Care Centres in provinces donated by KFW.

8.2. Analysis of funds utilised to acquire capital assets - Prior year

Name of entity	2021/22		
	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	18 243	3 099	21 342
Buildings and other fixed structures	-	2 696	2 696
Machinery and equipment	18 243	403	18 646
Intangible capital assets	655	-	655
Software	655	-	655
Total	18 898	3 099	21 997

9. CASH AND CASH EQUIVALENTS

	Note	2022/23	2021/22
		R'000	R'000
Consolidated Paymaster General Account		6 356 213	3 469
Cash receipts		17	-
Cash on hand		20	20
Total		6 356 250	3 489

The increase relates to a consolidated Social Assistance bank account (favourable bank balance) from nine provinces. Previous year consolidated Social Assistance bank account was on overdraft (unfavourable bank balance).

10. PREPAYMENTS AND ADVANCES

	Note	2022/23	2021/22
		R'000	R'000
Travel and subsistence		166	53
Advances paid (Not expensed)	10.1	3 482	12 401
Total		3 648	12 454

Analysis of Total Prepayments and advances			
Current Prepayments and advances		1 372	10 416
Non-current Prepayments and advances		2 276	2 038
Total		3 648	12 454

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

Prepayments and advances include an amount of R1,536 million paid to Government Communication Information Systems (GCIS) and R1,206 million to Department of International Relation and Cooperation (DIRCO) for foreign travel arrangements.

10.1. Advances paid (Not expensed)

2022/23						
		Amount as at 1 April 2022	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
	Note	R'000	R'000	R'000	R'000	R'000
National departments		11 046	(16 344)	-	8 040	2 742
Public entities		1 355	(615)	-	-	740
Total	10	12 401	(16 959)	-	8 040	3 482

2021/22						
		Amount as at 1 April 2021	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2022
	Note	R'000	R'000	R'000	R'000	R'000
National departments		7 211	(4 094)	-	7 929	11 046
Public entities		3 990	(2 635)	-	-	1 355
Other entities		4 276	(4 276)	-	-	-
Total	10	15 477	(11 005)	-	7 929	12 401

10.2. Advances paid (Expensed)

2022/23					
	Amount as at 1 April 2022	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
National departments	5 000	-	(5 000)	-	-
Total	5 000	-	(5 000)	-	-

This amount relates to a CARA advance amount of R5 million paid over to GCIS for the Integrated Media Campaign on addressing Gender Based Violence and Substance Abuse. This amount has since been expensed.

2021/22					
	Amount as at 1 April 2021	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
National departments				5 000	5 000
Total				5 000	5 000

11. RECEIVABLES

		2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	3 670	-	3 670	2 016	15 908	17 924
Staff debt	11.2	19	130	149	46	135	181
Other receivables	11.3	22 994	801 315	824 309	24 797	1 248 156	1 272 953
Total		26 683	801 445	828 128	26 859	1 264 199	1 291 058

11.1. Claims recoverable

		2022/23	2021/22
	Note	R'000	R'000
National departments		81	2 681
Provincial departments		-	15 238
Public entities		3 589	5
Total	11	3 670	17 924

The decrease is due to the write – off of irrecoverable inter-departmental claims relating to Social Assistance debtors amounting to R7,961 million. The Provinces affected are: Gauteng Department of Social Development, Free State, and, Mpumalanga, National Treasury and a payment amounting to R7,940 million made by Limpopo Department of Social Development.

11.2. Staff debt

		2022/23	2021/22
	Note	R'000	R'000
Current Staff Debt		149	181
Total	11	149	181

The decrease is due to follow-up, recovery and payment of current staff debts.

11.3. Other receivables

		2022/23	2021/22
	Note	R'000	R'000
Group major categories, but list material items			
General Suspense		-	2 504
SASSA Unauthorised Expenditure: 2006/07		26 168	26 168
Salary: GEHS REFUND		39	134
Salary Reversal		-	133
Debtor: Devine Investments		249	-
Ex - Departmental Official Debt		547	849
Pension Recoverable		6	14
Salary Pension Fund		5	5
SASSA Debtors		786 118	1 231 971
SASSA SOCIAL RELIEF		11 175	11 175
Reconstruction and Development Fund		2	-
Total	11	824 309	1 272 953

The decrease in SASSA grant debts is due to the write-off of irrecoverable debts in the 2022/23 financial year. Approval for the write-off was not granted in the 2021/22 financial year. It should be noted that in total an amount of R533, 211 million was written off as irrecoverable. This includes an amount of R328, 277 million which related to Social Assistance debts managed by SASSA on the BAS system and an amount of R204, 934 million in respect of Social Assistance debts administered by SIU on behalf of the Department. The debtors administered by SIU are managed outside of the BAS system.

The amount of R26,168 million relates to unauthorized expenditure from the 2007/2008 financial year. This amount was approved by cabinet and cleared at department level. This amount is now reflected in the Social Assistance financial records. As at 31 March 2023, the investigation into this transaction was not yet finalised to confirm that the money was paid over by Social Assistance to the Department and ultimately surrendered to the Revenue Fund.

11.4. Impairment of receivables

		2022/23	2021/22
	Note	R'000	R'000
Estimate of impairment of receivables		627 208	1 056 744
Total		627 208	1 056 744

The decrease relates to a decrease in Social Assistance debtors due to write-off of irrecoverable debts amounting to R533, 211 million in the 2022/23 financial year.

12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		(962 617)	1 884 596
As restated		(962 617)	1 884 596
Transferred from statement of financial performance (as restated)		6 133 028	1 863 186
Voted funds not requested/not received	1	-	(2 825 803)
Paid during the year		962 617	(1 884 596)
Closing balance		6 133 028	(962 617)

The increase relates to a savings on Social Assistance Grants. The increase relates to a savings on Social Assistance Grants. The credit balance of R962,617 million is due to previous year's additional (Section 16) funding not drawn and not reflecting in department's bank account. This amount was drawn current financial year.

13. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		3 031	4 470
As restated		3 031	4 470
Transferred from statement of financial performance (as restated)		332 075	22 268
Paid during the year		(26 046)	(23 707)
Closing balance		309 060	3 031

The increase relates to an amount of R301, 186 million which is made up R7, 387 million which relates to recoveries from Social Assistance debts and an amount of R293, 797 million which relates to the write-off of debts that were recognised after the financial year in which the overpayment took place. On write-off of debts managed on the BAS system, there will be an automatic system entry to debit debt receivable income and the related debt receivable interest and credit revenue.

14. BANK OVERDRAFT

		2022/23	2021/22
	Note	R'000	R'000
Consolidated Paymaster General account		15 116 356	16 147 134
Total		15 116 356	16 147 134

Relates to the previous year's unauthorised expenditure awaiting regularising by SCOPA

15. PAYABLES - CURRENT

		2022/23	2021/22
	Note	R'000	R'000
Other payables	15.1	3 313	77 716
Total		3 313	77 716

Decrease relates to DSD unallocated funds received prior year from (DSD: Limpopo, North West and Gauteng Provinces) in respect of unspent conditional grants (R67 million) this amount was surrounded to National Treasury current financial year

15.1 Other payables

		2022/23	2021/22
Description	Note	R'000	R'000
Identify major categories, but list material items			
Salary Income Tax		-	722
Disallowance (DSD Unallocated Receipts)		-	68 026
SASSA Unallocated Receipts		-	8 292
DSO Debt Receivable Income & Interest		7	168
Salary: TAX BEBT:CA		235	4
SASSA funds in FNB bank (debtors and revenue)		40	10
Salary Disallowance		272	494
SIU Recoveries (SASSA Debtors)		2 758	-
SASSA Claim Payable		1	-
Total	15	3 313	77 716

The decrease relates to DSD unallocated funds received prior year from (DSD: Limpopo, North West and Gauteng Provinces) in respect of unspent conditional grants (R67 million) this amount was surrendered to National Treasury current financial year.

16. PAYABLES - NON-CURRENT

		2022/23				2021/22
		One to two years	Two to three years	Older than three years	Total	Total
	Note	R'000	R'000	R'000	R'000	R'000
Advances received	16.1	-	-	212	212	212
Other payables	16.2	25 176	53 466	689 322	767 964	1 176 974
Total		25 176	53 466	689 534	768 176	1 177 186

16.1 Advances received

		2022/23	2021/22
	Note	R'000	R'000
Provincial departments	Annex 2	212	212
Total	16	212	212

This amount relates to advance received from various provinces for NISIS project.

16.2. Other payables

		2022/23	2021/22
Description	Note	R'000	R'000
Differ Revenue: SASSA and SOC DEV		846	501
Debt Receivable Income		652 696	1 021 670
Debt Receivable Interest		72 583	126 837
SASSA Claim Payable		434	427
HWSETA		3 871	3 871
Disallowance (DSD Unallocated Receipts)		762	290
SASSA unallocated receipts		34 817	23 366
SASSA funds in FNB bank (debtors and revenue)		17	12
SIU Recoveries (SASSA Debtors)		1 938	-
Total	16	767 964	1 176 974

Debt receivable income (R652, 696 million) and Debt receivable interest (R72, 583 million) are contra accounts to the Social Assistance Debt account for debts that were taken on after the year in which the expenditure took place. Debt receivable income and Debt receivable Interest decreased due to the write-off of irrecoverable social assistance debtors that were taken on after the year in which the expenditure took place. The write-off was only approved in the 2022/23 financial year while approval for write-off was not granted in the 2021/22 financial year.

17. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

		2022/23	2021/22
	Note	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		6 459 428	1 878 541
Add back non-cash/cash movements not deemed operating activities		882 499	(4 645 641)
(Increase)/decrease in receivables		176	18 957
(Increase)/decrease in prepayments and advances		8 806	3 027
Increase/(decrease) in payables - current		(74 403)	50 063
Proceeds from sale of capital assets		(488)	-
Expenditure on capital assets		12 620	21 997
Surrenders to Revenue Fund		936 571	(1 908 303)
Surrenders to RDP Fund/Donors		(783)	(5 579)
Voted funds not requested/not received		-	(2 825 803)
Net cash flow generating		7 341 927	(2 767 100)

The increase is due to a savings on Social Assistance Grant.

18. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

		2022/23	2021/22
	Note	R'000	R'000
Consolidated Paymaster General account		(8 760 143)	(16 143 665)
Cash receipts		17	-
Cash on hand		20	20
Total		(8 760 106)	(16 143 645)

19. CONTINGENT LIABILITIES AND ASSETS

19.1 Contingent liabilities

			2022/23	2021/22
Liable to	Nature	Note	R'000	R'000
Claims against the department		Annex 2	489 063	442 412
Intergovernmental payables		Annex 4	-	3 030
Total			489 063	445 442

Contingent Liabilities relates to: Unfair Labour Practice (R140 thousand): the matter is dormant: still await confirmation of the current status from the office of the State Attorney.

Contract Tender not Awarded (R149,256 million): still await confirmation of the current status from the office of the State Attorney. Breach of Contract: The office of the State Attorney advised the Department that this matter has been dormant since November 2020.

Unlawful Occupation of Land (R288,919 million): The department filed a notice of intention to oppose with the office of the State Attorney.

Adoptions (R2,800 million): The Office of the State Attorney initiated a process to have the matter enrolled for an exception hearing. Department still awaits a hearing date.

Rejection for social grant (R1,200 million): The department filed a notice of intention to defend the matter.

Claim for remuneration (R88 thousand): The Department filed a notice of exception to remove cause of complaint in terms of rule 19(1) of the Magistrate's court rules.

Motor vehicle collision: The Plaintiff is claiming an amount of R388 355.93 for an alleged motor vehicle collision with the second defendant who is allegedly in the employ of the Minister of Social Development. The department has filed a notice of intention to defend the matter still awaits a hearing date.

Civil claim. Child passed on at the Creche (R45 million): Summons have been issued. DSD has given instruction to the Office of the State Attorney for further guidance since it is not clear if the Plaintiff is suing the National DSD or Provincial DSD of Gauteng.

19.2. Contingent assets

There were various exception reports issued by AGSA on the R350 grants after analysis of various independent databases which were considered by SASSA to pay the grants. These exceptions did indicate a risk of inclusion errors i.e, some applicants may be receiving other income/benefits that could possibly have disqualified them if the information was available at the time of approval of the grant. SASSA is currently investigating the exceptions to validate the veracity, quantum and value involved.

The recoverability of these payments made to possible ineligible applicants will be determined in line with the Department's Debtors Management Policy once the validity of the data has been verified with the respective data owners. Based on the above, it is not practicable to disclose the value or recoverability of these possible overpayments.

20. CAPITAL COMMITMENTS

		2022/23	2021/22
	Note	R'000	R'000
Buildings and other fixed structures		13 518	17 000
Machinery and equipment		1 652	2 022
Total		15 170	19 022

The amount for buildings relates to funding committed to complete the three Community Care Centres in Limpopo.

21. ACCRUALS AND PAYABLES NOT RECOGNISED

21.1. Accruals

			2022/23		2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		5 126	1 328	6 454	26 362
Transfers and subsidies		-	3 452 572	3 452 572	622 444
Total		5 126	3 453 900	3 459 026	648 806

		2022/23	2021/22
Listed by programme level	Note	R'000	R'000
Administration		5 588	22 357
Social Security Policy and Administration		1	221
Welfare Services Policy Development and Implementation		618	3 183
Social Policy and Integrated Service Delivery		210	601
Social Assistance		3 452 609	622 444
Total		3 459 026	648 806

A decrease on Goods and Services is due to better management of payment process. The amount of R3, 453 billion includes an amount of R3, 262 billion in respect of the SRD R350 grant and an amount of R190, 375 million amount relates to other social assistance grants. The increase in the 2022/23 financial year from R622, 444 million was due to:

1. Payables from SRD 350: 90% of the payables can be linked to the payments awaiting cash send channel as well as those with Accounts not FICA'd for SAPO that must do EKYC as well as the SAPO non-collected that are freezed after three (3) months of non-collection and the remainder is linked to accounts pending account verification, failed account verification and payments rejected by banks due to challenges with a bank account. cash send channel - these are the clients who chose to be paid through the cash send/cellphone payments post July 2022. The contract with the risk mitigator companies to verify cellphone expired in July 2022 and hence these clients could not be paid if they don't change to personal bank accounts or completed e-kyc process.

2. Social grants: The payables are linked to the payments that could not been made due to bank accounts pending account verification at the time extraction of the payment file for March 2023, accounts pending account verification, failed account verification and payments rejected by banks due to challenges with a bank account.

21.2 Payables not recognised

			2022/23		2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		4 298	255	4 553	12 382
Capital assets		-	-	-	1 518
Total		4 298	255	4 553	13 900

		2022/23	2021/22
Listed by programme level	Note	R'000	R'000
Administration		2 080	6 874
Social Security Policy and Administration		242	482
Welfare Services Policy Development and Implementation		972	6 036
Social Policy and Integrated Service Delivery		1 259	508
Total		4 553	13 900

		2022/23	2021/22
Included in the above totals are the following:	Note	R'000	R'000
Confirmed balances with other departments	Annex 4	2 240	343
Total		2 240	343

A decrease is due to better management of payment process.

22. EMPLOYEE BENEFITS

		2022/23	2021/22
	Note	R'000	R'000
Leave entitlement		20 576	29 254
Service bonus		12 043	11 675
Performance awards		-	2 460
Capped leave		7 629	8 648
Other		472	356
Total		40 720	52 393

Leave entitlement: Due COVID -19 Regulation being lifted, more officials took annual leave current financial year than previous year.

Performance Awards: As per the DSPA Incentive Policy Framework of 2019 as amended as well as National Treasury Circular, Departments are not expected to have budgeted for performance bonuses as the incentive framework makes a 0% provision for 2021/22 cycle. For the 2021/22 performance cycle only pay progression was paid to all qualifying staff members.

Capped Leave relates to retirement of 6 officials, one ill - health retirement and one death of an official.

Other: relates to long service awards pay out to 32 total employees, 40 years: 2 employees, 30 years: 8 employees, 20 year: 22 employees

23. LEASE COMMITMENTS

23.1 Operating leases

2022/23	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	30 936	1 140	32 076
Later than 1 year and not later than 5 years	68 600	826	69 426
Total lease commitments	99 536	1 966	101 502

2021/22	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	28 485	980	29 465
Later than 1 year and not later than 5 years	58 779	1 544	60 323
Total lease commitments	87 264	2 524	89 788

Machinery and equipment relate to 57 photocopy machines that were leased.
There are no sub lease agreements

The significant amount relates to the new Leasing that is in process of renewal and parking in Pretoria Head Office for a period of three years.
The current lease expired on 31 March 2023.

23.2 Finance leases

2022/23	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Total lease commitments	-	-

Contracts for GG cars, cell phones and 3G Cards have expired by the end of current financial year.
There are no sub lease agreements

2021/22	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	4 289	4 289
Later than 1 year and not later than 5 years	7	7
Total lease commitments	4 296	4 296

24. UNAUTHORISED, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

		2022/23	2021/22
	Note	R'000	R'000
Unauthorised expenditure		-	-
Irregular expenditure - current year		18 239	14 667
Fruitless and wasteful expenditure - current year		303	430
Total		18 542	15 097

There is no element of criminality with regards to the irregular, fruitless and wasteful expenditure. All the cases have been investigated and presented to the Loss Control Committee.

25. RELATED PARTY TRANSACTIONS

		2022/23	2021/22
Payments made	Note	R'000	R'000
Goods and services		75 690	73 152
Total		75 690	73 152

List related party relationships and the nature thereof

List related party relationships

The following Entities established in terms of the Fund-Raising Act No 107 of 1978 report to the Minister of Social Development:

- Disaster Relief Fund
- Social Relief Fund
- State President Fund
- Refugee Relief Fund.

The following Public Entities report to the Minister of Social Development

- South African Social Security Agency,
- National Development Agency

Related Party Transactions

The amount of R75,690 million relates to the payment of the Telkom Toll Free Line used for queries relating to Social Grants. The Department was the Account holder in the 2022/23 financial year. Processes are underway for SASSA to take over the toll-free line as part of its administration of grants funds.

26. KEY MANAGEMENT PERSONNEL

	2022/23	2021/22
	R'000	R'000
Political office bearers (provide detail below)		
Officials:	4 599	4 423
Level 15 and 16	10 226	10 449
Level 14	41 950	41 079
Family members of key management personnel	1 098	1 258
Total	57 873	57 209

Included in this amount is an expenditure for Acting allowances for officials on SL: 16 = 1 official amounting to R766 thousand, SL: 15 = 3 officials amounting to R496 thousand, SL 14: 4 officials amounting to R3,013 million. Grand Total for acting is R4,275 million.

27. PROVISIONS

		2022/23	2021/22
	Note	R'000	R'000
Social Assistance Debtors over recovery		14 242	14 888
Good sold and delivered		41	41
Child protection		103	103
Access to information		77	77
Motor Vehicle Collision		131	-
Declarator: Adoption Orders of Three Minor Children			
Total		14 594	15 109

27.1 Reconciliation of movement in provisions - Current year

	2022/23				
	Social Assistance Debtors over recovery	Good sold and delivered	Child protection and Declarator: Adoption Orders of three minor children	Access to information and Motor Vehicle Collision	Total provisions
	R'000	R'000	R'000	R'000	R'000
Opening balance	14 888	41	103	77	15 109
Increase in provision	-	-	131	17	148
Settlement of provision	(646)	-	-	(17)	(663)
Closing balance	14 242	41	234	77	14 594

Provisions relates to credit balances on Social Assistance debtors' listings. The balance has decreased from the 2021/22 financial year mainly due to refunds made to the debtors. Included in the balance is credit balances relating to overpayment of debt balances managed by SASSA on the BAS System and overpayments of debt balances administered by the SIU on behalf of the department.

The timing of the refunds is uncertain as the details of the debtor including debtors banking details should be determined. The amount refundable has been reliably determined by considering the interest rates that have been published by the Minister of Finance.

Unfair Labour Practice (R140 thousand): the matter is dormant: still await confirmation of the current status from the office of the State Attorney.

Contract Tender not Awarded (R149,256 million): still await confirmation of the current status from the office of the State Attorney. Breach of Contract: The office of the State Attorney advised the Department that this matter has been dormant since November 2020.

Unlawful Occupation of Land (R288,919 million): The department filed a notice of intention to oppose with the office of the State Attorney.

Adoptions (R2,800 million): The Office of the State Attorney initiated a process to have the matter enrolled for an exception hearing. Department still awaits a hearing date.

Rejection for social grant (R1,200 million): The department filed a notice of intention to defend the matter.

Claim for remuneration (R88 thousand): The Department filed a notice of exception to remove cause of complaint in terms of rule 19(1) of the Magistrate's court rules.

Motor vehicle collision: The Plaintiff is claiming an amount of R388 355.93 for an alleged motor vehicle collision with the second defendant who is allegedly in the employ of the Minister of Social Development. The department has filed a notice of intention to defend the matter still awaits a hearing date.

Civil claim. Child passed on at the Creche (R45 million): Summons have been issued. DSD has given instruction to the Office of the State Attorney for further guidance since it is not clear if the Plaintiff is suing the National DSD or Provincial DSD of Gauteng.

27.1 Reconciliation of movement in provisions - Prior year

	2021/22				
	Social Assistance Debtors over recovery	P Civil Claim (Disaster Relief Drought) and Good sold and delivered	Vicarious Liability	Child protection and Access to information	Total provisions
	R'000	R'000	R'000	R'000	R'000
Opening balance	16 080	1 976	150	-	18 206
Increase in provision	-	559	6	180	745
Settlement of provision	(1 192)	(2 494)	(156)	-	(3 842)
Closing balance	14 888	41	-	180	15 109

28. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	97 407	9 211	(4 634)	101 984
Transport assets	2 746	-	-	2 746
Computer equipment	59 988	2 444	(3 628)	58 804
Furniture and office equipment	25 460	4 686	(936)	29 210
Other machinery and equipment	9 213	2 081	(70)	11 224
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	97 407	9 211	(4 634)	101 984

The disposal committee sat on the 06 July 2022, 15 July 2022, 24 August 2022 and on the 30 September 2022 where recommendations were made to the Accounting Officer to disclose assets. A total of 320 major assets to the value of R4,6 Million were disposed during the 2022/23 financial year.

Movable Tangible Capital Assets under investigation

		Number	Value
	Note		R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		674	12 192
Total		674	12 192

Asset Management was able to locate 524 assets to the value of R3.6 Million that were under investigation in the previous financial year. Due to the poor condition of the assets, they were included in the list of assets to be disposed. Management will write to the Accounting Officer to write off the remaining assets under investigation taking into consideration the age of these assets and less likelihood of identifying them.

28.1 Movement for 2021/22

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	98 842	(1 091)	18 646	(18 990)	97 407
Transport assets	17 495	(1 091)	-	(13 658)	2 746
Computer equipment	47 308	-	15 178	(2 498)	59 988
Furniture and office equipment	25 492	-	2 487	(2 519)	25 460
Other machinery and equipment	8 547	-	981	(315)	9 213
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	98 842	(1 091)	18 646	(18 990)	97 407

28.1.1. Prior period error

		2021/22
Nature of prior period error	Note	R'000
		(1 091)
Relating to 2020/21 (affecting the opening balance)		(599)
Relating to 2019/20 (affecting the opening balance)		(492)
Total prior period errors		(1 091)

The two vehicles, the Toyota Hino (barcode: 31454) and Mercedes Benz (Barcode 26054) were disposed during the previous financial years but were erroneously included in the Fixed Asset Register of the Department. The error is corrected to reflect that these assets were disposed off and should not be part of the Fixed Asset Register.

28.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	7	13 999	14 006
Additions	-	575	575
Disposals	-	(542)	(542)
Total Minor assets	7	14 032	14 039

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	5 037	5 037
Number of minor assets at cost	-	7 305	7 305
Total number of minor assets		12 342	12 342

Minor capital assets under investigation

		Number	Value
	Note		R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Machinery and equipment		1 232	1 289

Asset Management was able to locate 524 assets to the value of R3.6 Million that were under investigation in the previous financial year. Due to the poor condition of the assets, they were included in the list of assets to be disposed. Management will write to the Accounting Officer to write off the remaining assets under investigation taking into consideration the age of these assets and less likelihood of identifying them

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	7	13 424	13 431
Additions	-	1 068	1 068
Disposals	-	(493)	(493)
Total Minor assets	7	13 999	14 006

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	5 310	5 310
Number of minor assets at cost	-	7 420	7 420
Total number of minor assets		12 730	12 730

29. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	4 025	-	-	4 025
TOTAL INTANGIBLE CAPITAL ASSETS	4 025			4 025

29.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	12 178	655	(8 808)	4 025
TOTAL INTANGIBLE CAPITAL ASSETS	12 178	655	(8 808)	4 025

30. IMMOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	33 223	216	(33 211)	228
Dwellings / Non -residential building	32 898	216	(33 114)	-
Other fixed structures	325	-	(97)	228
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	33 223	216	(33 211)	228

The Department received financial assistance from the German Development Bank (KfW) to complete three Community Care Centres (CCC's) in Limpopo, Kwa-Zulu Natal, North West provinces to implement quality Comprehensive Package of social services and skills development programmes for community caregivers as well as for the beneficiaries. One windy house to the value of R390 000 in the Eastern Cape was written off after considering the report from the EC Department of Public works. Approval was received from the National Treasury to transfer white door centres to respective Community Organisations.

Current financial year three Community Care Centres (CCC's) from North West province were completed and transferred. The remaining three Community Care Centres (CCC's) in Limpopo province are incomplete.

A service provider was appointed in the 2022/23 financial year to complete the three remaining CCC's in the Limpopo Province since the contract with the previous service provider was terminated due to poor performance. During the 2022/23 financial year, an amount of R 3 192 298, 22 was spent in the construction of the three Limpopo CCCs.

30.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 243	31 980	-	33 223
Dwellings / non-residential building	918	31 980	-	32 898
Other fixed structures	325	-	-	325
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1 243	31 890		33 223

30.2 Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

		2022/23			
		Opening balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
	Note Annex 6	R'000	R'000	R'000	R'000
Buildings and other fixed structures		15 459	3 409	(216)	18 652
Total		15 459	3 409	(216)	18 652

An amount of 216 thousand relates to an eCertificate for the completion of North West CCC's. The balance of R18 652 million relates to an expenditure for incomplete CCC's of Limpopo.

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

		Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
	Note	R'000	R'000	R'000	R'000
Buildings and other fixed structures		44 743	2 696	(31 980)	15 459
Total		44 743	2 696	(31 980)	15 459

31. PRINCIPAL-AGENT ARRANGEMENTS

31.1 Department acting as the principal

		2022/23	2021/22
	Note	R'000	R'000
National Student Financial Aid Scheme		-	122
Total		-	122

Significant Terms and conditions of the arrangement

The National Student Financial Aid Scheme administers the Social Work Scholarship programme on behalf of the Department. Based on the agreement, NSFAS is expected to pay scholarship fees to a list of students provided by the Department. Payments by NSFAS are based on Scholarship Guidelines provided by the Department.

Risks and rewards of the scholarship fund

The main risk of the scholarship arrangement is that the funds earmarked for the Social Work Scholarship may be utilised to pay for studies other than Social Work studies. This is monitored through quarterly reports. The main reward of this arrangement is that the Department has successfully implemented the Scholarship programme since the 2007/08 financial year through its partnership with NSFAS.

Administration fees paid to NSFAS

No administration fees were paid to NSFAS for the 2022/23 financial year.

Transactions

In the 2022/23 financial year, there were no administration fees due to NSFAS or paid to NSFAS. At the end of March 2023, scholarship funds amounting to R55, 068 million were in the bank account of NSFAS and have been recognised by NSFAS.

These funds can be reconciled based on the following:

- R52,220 million was carried over from the 2021/22 financial year.
- Add: R2,885 million as Interest earned by NSFAS on the scholarship funds.
- Add: R684 750 as refunds from universities.
- Less: R721 909 as scholarship payments in respect of prior year outstanding fees.

Implications of terminating the arrangement

Although the contract between the Department and NSFAS has come to an end on 31 March 2023. The Department is awaiting a close-out report from NSFAS which will provide a reconciliation of unspent funds after which, the unspent and uncommitted funds will be surrendered to the Department by 31 August 2023 for surrender to the National Treasury. The scholarship programme has been discontinued by the Department.

31.2. Correction of prior period errors

		2021/22		
		Amount before error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Assets: (Movable tangible capital assets)				
Transport Assets	28.1	17 495	(1 091)	16 404
Net effect		17 495	(1 091)	16 404

The two vehicles, the Toyota Hino (barcode: 31454) and Mercedes Benz (Barcode 26054) were disposed during the previous financial years but were erroneously included in the Fixed Asset Register of the Department. The error is corrected to reflect that these assets were disposed off and should not be part of the Fixed Asset Register

32. INVENTORIES

32.1. Inventories for the year ended 31 March 2023

	2022/23				
	Food Items	Sanitary and Hygiene products	Laptops	Book vouchers	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance		185		-	185
Add: Additions/Purchases - Non-cash		-	270	29	299
(Less): Issues		(185)	(270)	(29)	(484)
Closing balance					

The Procter and Gamble sanitary and hygiene items amounting to R185 000 have been distributed to various organisations and beneficiaries, including distribution to victims of floods in KZN

Inventories for the year ended 31 March 2022

	Food Items	Sanitary and Hygiene products	Total
	R'000	R'000	R'000
Opening balance			
Add/(Less): Adjustments to prior year balances	123		123
Add: Additions/Purchases - Cash			
Add: Additions/Purchases - Non-cash		185	185
(Less): Disposals			
(Less): Issues	(123)		(123)
Closing balance	-	185	185

The Procter and Gamble sanitary and hygiene items amounting to R185 000 have been distributed to various organisations and beneficiaries, including distribution to victims of floods in KZN.

Thirty (30) Laptops and twenty-nine (29) Book vouchers were distributed to learners at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.

33. TRANSFER OF FUNCTIONS

33.1 Transfer of functions

The Department has shifted the "ECD Conditional Grant" function to the Department of Basic Education from 1 April 2022.

33.2 Notes

		Balance before transfer date	Function transferred (ECD)	Balance after transfer date
			Dept of Basic Education	
	Note	R'000	R'000	R'000
Movable tangible capital assets		94 661	(220)	99 441

The early Childhood development which was a component based in the Department of Social Development was moved from the Department of Social Development to the Department of Basic Education.

The announcement was initially made by his Excellency, the President of the Republic of South Africa during the State of the Nation Address in 2019.

The proclamation from the Presidency was signed by the Ministers of Social Development, Basic Education as well as the Minister of Public Administration. The date of the transfer of function is the 01 April 2022

The responsibilities that were carried out by the early childhood development unit will now be accountable to the Basic Education Ministry

The carrying amount of the assets that were transferred from the Department of Social Development to the Department of Basic Education is R275 817,54

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

34. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

	2022/23											2021/22	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Province / Grant	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act / Provincial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Summary by province	-	-	-	-	-	-	-	-	-	-	-		
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	184 581	184 581
Free State	-	-	-	-	-	-	-	-	-	-	-	74 235	74 235
Gauteng	-	-	-	-	-	-	-	-	-	-	-	177 730	177 730
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	265 276	265 276
Limpopo	-	-	-	-	-	-	-	-	-	-	-	167 607	167 607
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	112 465	112 465
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	29 564	29 564
North West	-	-	-	-	-	-	-	-	-	-	-	103 702	103 702
Western Cape	-	-	-	-	-	-	-	-	-	-	-	119 501	119 501
TOTAL	-	-	-	-	-	-	-	-	-	-	-	1 234 661	1 234 661
Summary by grant	-	-	-	-	-	-	-	-	-	-	-		
EARLY CHILDHOOD DEVELOPMENT CONDITIONAL GRANT	-	-	-	-	-	-	-	-	-	-	-	1 234 661	1 234 661
TOTAL												1 234 661	1 234 661
Early Childhood Development	-	-	-	-	-	-	-	-	-	-	-		
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	184 581	184 581
Free State	-	-	-	-	-	-	-	-	-	-	-	74 235	74 235
Gauteng	-	-	-	-	-	-	-	-	-	-	-	177 730	177 730

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	2022/23											2021/22	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Province / Grant	Division of Revenue Act	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National depart-ment	Amount received by depart-ment	Amount spent by depart-ment	Unspent funds	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	265 276	265 276
Limpopo	-	-	-	-	-	-	-	-	-	-	-	167 607	167 607
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	112 465	112 465
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	29 564	29 564
North West	-	-	-	-	-	-	-	-	-	-	-	103 702	103 702
Western Cape	-	-	-	-	-	-	-	-	-	-	-	119 501	119 501
TOTAL	-	-	-	-	-	-	-	-	-	-	-	1 234 661	1 234 661

The Department did not have any conditional grants in the 2022/23 financial year.

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

36. COVID 19 RESPONSE EXPENDITURE

		2022/23	2021/22
	Note	R'000	R'000
Goods and services		75 696	75 468
Transfers and subsidies		30 194 747	32 341 357
Expenditure for capital assets		-	248
Total	Annex 9	30 270 443	32 417 073

A total amount of R30, 195 billion was spent on the COVID-19 R350 SRD grant up to 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2022/23						2021/22	
	TRANSFER ALLOCATION				TRANSFER			
Departmental Agency or Account	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Development Agency	219 274	-	-	219 274	219 274	100%	245 970	245 970
South African Social Security Agency	7 499 287	-	(83 708)	7 415 579	7 415 579	100%	7 963 901	7 963 901
Health and Welfare Sector Education and Training Authority	1 822	-	-	1 822	1 522	84%	1 775	1 532
TOTAL	7 720 383	--	(83 708)	7 636 675	7 636 375		8 211 646	8 211 403

ANNEXURE 1B

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Foreign government / International organisation	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
International Social Security Association	1 939	-	-	1 939	1 359	70%	1 890	1 300
International Federation for the Aged	26	-	-	26	17	65%	25	15
International Social Services	421	-	-	421	386	92%	410	311
Walvisbay	442	-	-	442	-	0%	430	-
Partners in Population and Development	1 083	-	-	1 083	1 011	93%	1 055	860
International Organisations of Pension Supervisors	109	-	-	109	93	85%	108	94
UNFPA	651	-	-	651	651	100%	634	634
United Nations International Drug Control Programme	26	-	-	26	25	96%	25	25
Leadership for Environment and Development - LEAD SA								
International Labour Organisation								
TOTAL	4 697			4 697	3 542		4 577	3 239

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
South African National Aids Council	15 635	-	-	15 635	15 635	100%	15 000	15 000
South African Council for Social Service Professions	2 298	-	-	2 298	2 298	100%	2 239	-
Total	17 933	-	-	17 933	17 933	100%	17 239	15 000
		-	-					
Subsidies		-	-					
Suid Afrikanse Vroue Federasie (Families)	711	-	-	711	711	100%	674	674
SA Council on Alcoholism and Drug Dependence (SANCA)	1 920	-	-	1 920	1 920	100%	1 870	1 870
Family and Marriage Society South Africa (FAMSA)	1 158	-	-	1 158	1 158	100%	1 146	1 146
Disabled Children Action Group (DICAG)		-	-	-	-	-	784	-
Deaf Blind SA	1 385	-	-	1 385	1 385	100%	1 539	1 539
South African Older Persons Forum	1 545	-	-	1 545	1 545	100%	1 482	1 482
NICDAM - VEP	1 337	-	-	1 337	1 337	100%	1 337	1 337
ChildLine South Africa	1 479	-	-	1 479	1 479	100%	1 443	722
SA Depression and Anxiety Group (SADAG)	1 889	-	-	1 889	1 889	100%	1 841	1 841
Lifeline South Africa	2 214	-	-	2 214	2 214	100%	2 122	2 122
SA Congress for Early Childhood Development (SACECD)		-	-	-	-		805	805
Autism South Africa	1 501	-	-	1 501	1 501	100%	1 430	1 430
Khulisa Social Solution	1 644	-	-	1 644	-	0%	1 602	801
NICDAM - Older Persons	1 757	-	-	1 757	1 757	100%	1 735	1 735

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
NICRO	1 678	-	-	1 678	1 678	100%	1 636	1 636
National Shelter Movement	723	-	-	723	723	100%	705	705
Ntataise		-	-	-	-		1 265	1 265
UHAMBO (ECD)		-	-	-			1 865	1 315
Suid Afrikanse Vroue Federasie (Children)	887	-	-	887	887	100%	838	838
Child Welfare South Africa	664	-	-	664	-	0%	678	678
RATA	723	-	-	723	723	100%	723	723
Cape Development and Dialogue Centre Trust (CDDC)	1 417	-	-	1 417	1 417	100%	1 380	1 380
UHAMBO (DISABILITIES)	1 400	-	-	1 400	1 400	100%	1 315	1314
		-	-			-		
Total	26 032	-	-	26 032	23 723	-	30 215	27 358
		-	-			-		
TOTAL	43 965	-	-	43 965	41 656	-	47 454	42 358

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Social Grants	248 294 592	-	(9 162 000)	239 132 592	232 709 141	97%	224 542 226	222 717 898
Social Benefit ex-officials	-	-	-	-	1 958	-	-	2 700
Total	248 294 592	-	(9 162 000)	239 132 592	232 711 099	-	224 542 226	222 720 598
		-						
TOTAL	248 294 592	-	(9 162 000)	239 132 592	232 711 099	-	224 542 226	222 720 598

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2022/23	2021/22
		R'000	R'000
Received in kind			
KFW	Consultancy fees for project management services on the OVCY Care and Support project.	839	-
Southern Hemisphere	To conduct a workshop on the evaluation report of the National Adolescent Sexual and Reproductive Health and Rights Framework Strategy.	32	-
Japan International Cooperation Agency (JICA)	Capacity building on Respite care services for children with disabilities and their families	1 102	-
USAID/PACT	Technical Assistance in the implementation of the Government Capacity Building Systems (GCBS)	23 207	27 944
DG Murray Trust	Technical assistance in improving the effectiveness of the implementation of the ECD Conditional grant	-	368
Nelson Mandela Foundation	Technical assistance relating to the campaign to find every ECD service in the country as well as technical assistance on legal work related to ECD	-	836
The DG Murray Trust (DGMT)	Technical assistance to implement a financing approach towards sustainability of social welfare services for the most vulnerable.	1 523	1 053
Solidarity Fund	Food relief for KwaZulu Natal and Gauteng areas affected by public riots	-	100 000
CJC Church	Food relief for KwaZulu Natal and Gauteng Provinces which were affected by the July 2021 Unrest	-	800
Old Mutual	10 000 Food Parcels to families affected by the protests and related looting, vandalism and acts of criminality in KZN (6 000) and Gauteng (4 000).		800
Procter and Gamble	Assist with sanitary and hygiene items		185
UNFPA	Sponsorship for the Department to attend the Safeguard Young People Steering Committee meeting	4	8
Van Schaik Bookstore	Donation of books to augment the Department's library		20
SASOL	Assistance to Social Protection Beneficiaries who were starting a new journey at tertiary institutions (30 Laptops and 29 book vouchers).	299	-
		27 006	132 014
TOTAL		27 006	132 014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1F

STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on / by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
KFW	OVCY Care and Support	(2 696)	6 664	(3 409)	-	559
USAID (G2G)	To strengthen the Department's capacity to scale-up implementation of primary prevention of sexual violence and HIV activities among South African youth and reduce incidence of HIV and AIDS through Social Behaviour Change programmes	782	15 004	(23 934)	781	(8 929)
Subtotal		(1 914)	21 668	(27 342)	781	(8 370)
Received in kind						
KFW	Consultancy fees for project management services on the OVCY Care and Support project.	-	839	(839)	-	-
Subtotal		-	839	(839)	-	-
TOTAL		(1 914)	22 507	(28 181)	781	(8 370)

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship (Group major categories but list material items including name of organisation)	2022/23	2021/22
	R'000	R'000
Made in kind		
Food Items donated to the following centres:		
Thuto Ke Lesedi Foundation, Reabetswe Youth Training Centre and Rapela Mocha Youth Organization in the Free State Province. Tshwane Community Development Organization, Patch-up SA, Ntokoza Day Care Centre, Sandangothando Centre, Leamogetswe Safety Home, Tholulwazi Day Care Centre, Eldorado Park Shelter for abused women, Tshelang ka Lethabo ECD, Mandeni Shelter for abused women, Luvuyo Orphanage Home and Mmalerato Orphanage Home and Precious Pearls Orphanage Home.	-	123
Sanitary and hygiene items amounting to R185 000 have been distributed to various organisations and beneficiaries, including distribution to victims of floods in KZN. These were donated to the Department by Procter and Gamble.	185	-
Thirty (30) Laptops and twenty-nine (29) Book vouchers were distributed to learners at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.	299	-
TOTAL	484	123

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1H

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age	7 427 100	7 449 431	7 483 678	7 495 343	7 502 725	7 541 969	7 577 413	7 612 995	7 635 744	7 645 191	7 628 238	7 655 419	90 655 247
War veterans	51	51	49	47	47	44	42	40	40	38	32	34	518
Disability	2 066 910	2 056 197	2 109 307	2 094 604	2 097 225	2 139 760	2 130 836	2 148 887	2 167 521	2 168 406	2 109 496	2 096 690	25 385 839
Grant in Aid	137 939	139 090	142 104	143 025	145 060	148 211	149 147	151 707	154 444	156 541	155 015	156 432	1 778 716
Foster care	352 248	355 362	373 961	362 869	363 737	377 411	368 001	371 699	376 100	274 934	281 286	304 530	4 162 140
Care dependency	309 346	308 996	312 005	311 436	308 706	314 577	315 660	318 201	319 595	320 035	316 029	316 036	3 770 622
CSG Top-Up Grant	-	-	-	-	3 968	9 501	13 131	16 962	19 644	22 544	23 808	26 351	135 907
Child support grant	6 366 158	6 368 909	6 391 743	6 385 172	6 325 471	6 390 203	6 380 879	6 392 333	6 391 862	6 371 673	6 345 919	6 331 065	76 441 385
Social Relief of Distres (SRD)	7 305	11 934	17 945	6 368	11 346	10 230	14 032	14 417	21 609	8 659	19 521	40 653	184 020
COVID-19	461 615	(1)	1 668 082	3 046 249	1 017 438	3 847 499	5 644 542	2 851 103	2 652 268	3 451 744	2 661 323	2 892 885	30 194 747
TOTAL	17 128 672	16 689 970	18 498 875	19 845 113	17 775 723	20 779 405	22 593 684	19 878 343	19 738 826	20 419 766	19 540 667	19 820 094	232 709 141

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 2

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department				-	
Labour Matter: Unfair Labour Practice	140	-		-	140
Goods sold and delivered Contract Tender not Awarded	149 256	-		-	149 256
Breach of Contract	1 272	-		-	1 272
Unlawful Occupation of Land	288 919	-		-	288 919
Motor vehicle collision	25	-	(25)	-	-
Adoption	2 800	-		-	2 800
Rejection for Social Grant	-	1 200		-	1 200
Claim for Remuneration	-	88		-	88
Motor vehicle collision	-	388		-	388
Civil Claim: Child passed at Creche	-	45 000		-	45 000
TOTAL	442 412	46 676	(25)	-	489 063

Unfair Labour Practice (R140 thousand): the matter is dormant: still await confirmation of the current status from the office of the State Attorney.

Contract Tender not Awarded (R149,256 million): still await confirmation of the current status from the office of the State Attorney. Breach of Contract: The office of the State Attorney advised the Department that this matter has been dormant since November 2020.

Unlawful Occupation of Land (R288,919 million): The department filed a notice of intention to oppose with the office of the State Attorney.

Adoptions (R2,800 million): The Office of the State Attorney initiated a process to have the matter enrolled for an exception hearing. Department still awaits a hearing date.

Rejection for social grant (R1,200 million): The department filed a notice of intention to defend the matter.

Claim for remuneration (R88 thousand): The Department filed a notice of exception to remove cause of complaint in terms of rule 19(1) of the Magistrate's court rules.

Motor vehicle collision: The Plaintiff is claiming an amount of R388 355.93 for an alleged motor vehicle collision with the second defendant who is allegedly in the employ of the Minister of Social Development. The department has filed a notice of intention to defend the matter still awaits a hearing date.

Civil claim. Child passed on at the Creche (R45 million): Summons have been issued. DSD has given instruction to the Office of the State Attorney for further guidance since it is not clear if the Plaintiff is suing the National DSD or Provincial DSD of Gauteng.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 3

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
Department	-	-				
Department of Health and Welfare – Limpopo	-	-		7 940		7 940
Department of Social Development – Gauteng	-	-		2 870		2 870
Department of Justice (IJS)	-	-	81	2 011	81	2 011
National Treasury – Adjust Free State	-	-		423		423
National Treasury – Mpumalanga	-	-		670		670
National Treasury (Limpopo)	-	-		694		694
National Treasury (Free State)	-	-		2 423		2 423
National Treasury – Over surrender	-	-		211		211
National Treasury – Over surrender	-	-		670		670
SASSA TRIAL BALANCE	-	-	3 589	5	3 589	5
Gauteng Department of Health	-	-		7		7
Subtotal	-	-	3 670	17 924	3 670	17 924
TOTAL	-	-	3 670	17 924	3 670	17 924

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Justice and Constitutional Development	2 240	343	-	2 643	2 320	2 986
Department of Women	-		387	387	387	387
Government Printing Works			630		630	
TOTAL INTERGOVERNMENT PAYABLES	2 240	343	1 017	3 030	3 337	3 373

ANNEXURE 5

INVENTORIES

	Food Items	Sanitary and Hygiene products	Laptops	Book vouchers	Total
Inventories for the year ended 31 March 2023	R'000	R'000	R'000	R'000	R'000
Opening balance		185			185
Add/(Less): Adjustments to prior year balances					
Add: Additions/Purchases - Cash					
Add: Additions - Non-cash			270	30	300
(Less): Disposals					
(Less): Issues		(185)	(270)	(29)	(484)
Add/(Less): Received current, not paid; (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance	-	-	-	1	1

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

The Procter and Gamble sanitary and hygiene items amounting to R185 000 have been distributed to various organisations and beneficiaries, including distribution to victims of floods in KZN. Thirty (30) Laptops and twenty-nine (29) Book vouchers were distributed to learners at an event held on 07 February 2023 to honour the learners from the Western Cape, who have passed their 2022 Grade 12 examinations.

	Sanitary and Hygiene products	Food Items	Insert major category of inventory	Insert major category of inventory	Total
Inventories for the year ended 31 March 2022	R'000	R'000	R'000	R'000	R'000
Opening balance	123				123
Add/(Less: Adjustments to prior year balances					
Add: Additions/Purchases - Cash		185			185
Add: Additions - Non-cash					
(Less): Disposals					
(Less): Issues	(123)				(123)
Add/(Less): Received current, not paid; (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance		185			185

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	15 459	3 409	(216)	18 652
Non-residential buildings	15 459	3 409	(216)	18 652
TOTAL	15 459	3 409	(216)	18 652

Movement in capital work in progress for the year ended 31 March 2022

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	44 743	2 696	(31 980)	15 459
Non-residential buildings	44 743	2 696	(31 980)	15 459
TOTAL	44 743	2 696	(31 980)	15 459

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 7

INTER-ENTITY ADVANCES PAID (Note 10)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2023	31/03/2022	31/3/2023	31/03/2022	31/3/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Dept of International Relations and CO	586	-	620	494	1 206	494
Government Communication and Information System	1 536	14 665	-	-	1 536	14 665
TOTAL	2 122	14 665	620	494	2 742	15 159

ANNEXURE 8

INTER-ENTITY ADVANCES RECEIVED (Note 16)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2023	31/03/2022	31/3/2023	31/03/2022	31/3/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
PROVINCIAL DEPARTMENTS						
Non-current	-	-	212	212	212	212
NISIS PROJECT						
TOTAL	-	-	212	212	212	212
Non-current	-	-	212	212	212	212

ANNEXURE 9

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services	9 067	21 548	26 004	19 077	75 696	75 468
List all applicable SCOA level 4 items						
Advertising	-	-	-	-	-	1 388
Communication	9 061	21 548	26 004	19 077	75 690	73 152
Business Service	-	-	-	-	-	279
Decontam supplies	6	-	-	-	6	621
Minor Assets	-	-	-	-	-	28
Transfers and subsidies	2 129 696	7 911 186	11 147 913	9 032 952	30 221 747	32 341 357
List all applicable SCOA level 4 items						
Social Relief for COVID pandemic	2 129 696	7 911 186	11 147 913	9 005 952	30 194 747	32 330 703
Early Childhood Development Grant	-	-	-	-	-	10 654
Expenditure for capital assets	-	-	-	-	-	248
List all applicable SCOA level 4 items						
Office Equipment	-	-	-	-	-	248
TOTAL COVID 19 RESPONSE EXPENDITURE	2 138 763	7 932 734	11 173 917	9 025 029	30 270 443	32 417 073

A total amount of R30, 195 billion was spent on the COVID-19 R350 SRD grant up to 31 March 2023

DISASTER RELIEF FUND

Report on the financial statements

1. I have reviewed the financial statements of the Disaster Relief Fund set out on pages 263 to 269, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

Conclusion

2. Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of the Disaster Relief Fund as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the general notice issued in terms of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA).

Material uncertainty relating to going concern

3. I draw attention to the matter below. My conclusion is not modified in respect of this matter.
4. I draw attention to note 16 to the financial statements, which indicates that the enabling act of the fund, the Fund Raising Act of South Africa, 1978 (Act 107 of 1978), will be amended resulting in the dissolution of the fund. As stated in note 16, these events or conditions, along with the other matters as set forth in note 17, indicate that a material uncertainty exists that may cast significant doubt on the fund's ability to continue as a going concern.

Responsibilities of the accounting authority for the financial statements

5. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PAA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the accounting authority is responsible for assessing the fund's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

7. My responsibility is to express a conclusion on the accompanying financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements. The standard requires me to conclude on whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires me to comply with relevant ethical requirements.
8. A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I am required to perform procedures, primarily consisting of making inquiries of management and others within the auditee, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.
9. The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

Report on the annual performance report

10. The fund is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the PFMA and such reporting is not required in terms of the entity's specific legislation.

Report on compliance with legislation

11. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the fund's compliance with legislation.
12. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
13. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the fund, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

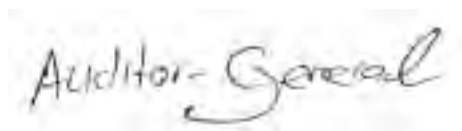
14. I did not identify any material non-compliance with the selected legislative requirements.

Internal control deficiencies

15. I considered internal control relevant to my engagement on the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
16. I did not identify any significant deficiencies in internal control.

Professional ethics and quality control

17. I am independent of the fund in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my engagements in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
18. In accordance with the International Standard on Quality Management 1, the AGSA maintains a comprehensive system of quality management that includes documented policies and procedures on compliance with ethical requirements and professional standards.



Pretoria
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 55(1)(a); 55(1)(b); 55(1)(c)(i)

Annual Financial Statements Of Disaster Relief Fund

Statement of Financial Performance for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
REVENUE			
Other income	2	1,961	1,169
TOTAL REVENUE		1,961	1,169
EXPENDITURE			
Administrative expenses	3	(1,694)	(116)
Audit fees	4	(41)	(53)
TOTAL EXPENDITURE		(1,735)	(169)
SURPLUS / (DEFICIT) FROM OPERATIONS		226	1,000
Surplus / (DEFICIT) for the year		226	1,000

Statement of Financial Position as at 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
ASSETS			
Non-current assets			
Current assets			
Cash and cash equivalents	10	34,308	32,483
Account receivables from Provinces		118	118
Advances to implementing agents		5	5
TOTAL ASSETS		34,431	32,606
EQUITY AND LIABILITIES			
Unallocated Receipts		396	396
Provision		1,091	10
Legal cost		2,494	1,976
NET LIABILITIES		3,981	2,382
NET ASSETS AND LIABILITIES		30,450	30,224
CAPITAL AND RESERVES			
Accumulated surplus		30,450	30,224
TOTAL NET ASSETS		30,450	30,224
TOTAL NET ASSETS AND LIABILITIES		30,450	30,224

Statement of Changes in Net assets as at 31 March 2023

		Accumulated funds R'000
Balance as at 31 March 2021		29,224
Surplus for the year		1,000
Balance as at 31 March 2022		20,224
Surplus for the year		226
Balance as at 31 March 2023		30,450

	Notes	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and other		(136)	(159)
Cash generated from operations	12	(136)	(159)
Interest income	2	1,961	1,169
Net cash inflow from operating activities		1,825	1,010
CASH FLOWS FROM INVESTING ACTIVITIES			
		-	-
Net cash inflows from investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Net cash inflows from financing activities		-	-
Net increase in cash and cash equivalents		1,825	1,010
Cash and cash equivalent at beginning of the year		32,483	31,473
Cash and cash equivalent at end of the year		34,308	32,483

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 18: Segment Reporting
- GRAP 20: Related Party Disclosures
- GRAP 32: Service Concession Arrangements: Grantor
- GRAP 105: Transfer of Function Between Entities Under Common Control

- GRAP 106: Transfer of Function Between Entities Not Under Common Control
- GRAP 107: Mergers
- GRAP 108: Statutory Receivables

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether and Arrangement Contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation – Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP15: Revenue – Barter Transactions involving Advertising Services
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an asset.

1.2 CURRENCY

These financial statements are presented in South African Rands. All figures are rounded to the nearest one thousand.

1.3 REVENUE RECOGNITION

Revenue is recognised when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

Income from donations and grants are included in the grant income when these are received.

1.4 INVESTMENTS

Investments are shown at cost including interest capitalised.

1.5 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.6 FINANCIAL INSTRUMENTS

Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

The Fund's principal financial assets are cash and cash equivalents.

Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations.

1.7 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

1.8 PROVISIONS

Provisions are recognized when the entity has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

1.9 REVENUE

1.9.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

1.9.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

	2022/23	2021/22
	R'000	R'000
2. Revenue		
Interest received	1,961	1,169
Total	1,961	1,169

	2022/23	2021/22
	R'000	R'000

3. Administrative Expenditure

Travel and Accommodation	-	7
Fees for Services – Board Members	70	102
Bank Charges	1	2
IT Costs	12	
Refreshments	2	5
Legal Fees	518	
Assistance to victims	1,091	
Total	1,694	116

4. Audit Fees

41

53

	2022/23	2021/22
	R'000	R'000
5. Unallocated Receipts		
Funds were received from KZN	396	396
Waiting for source documents		
6. Advances to Implementing Agents	5	5
7. Legal Cost	2,494	1,976
8. Provisions	1,091	10

9. Risk Management

9.1 Financial Risk Factors

9.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Disaster Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The Disaster Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

9.1.2 Credit Risk

Credit risk is the risk of financial loss to the Disaster Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Disaster Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

9.1.3 Financial Assets

	2022/23	2021/22
	R'000	R'000
Cost	32,347	31,314
Interest Accrued	1,961	1,169
Closing Balance	34,308	32,483

9.1.4 Liquidity risk

Liquidity risk is the risk that the Disaster Relief Fund will not be able to meet its financial obligations as they fall due. The Disaster Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The Disaster Relief Fund monitors its cash flow requirements and optimizes its cash return on investments.

Cash and Cash Equivalents	2022/23	2021/22
	R'000	R'000
Cash and Balances with Banks	735	872
Investments	33,573	31,611
Total	34,308	32,483

9.1.5 Interest Rate Risk

The Disaster Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalised and will therefore not affect the operations of the Disaster Relief

Annexure to the auditor's report

9.1.6 Interest risk sensitivity analysis

Cash and Cash Equivalents	2022/23 R'000	2021/22 R'000
Investments	33,573	31,611
2.15% interest fluctuation impact	721.82	60.06

9.1.7 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

9.1.8 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

10. Cash and Cash Equivalents	2022/23	2021/22
Cash - Bank Deposits	735	872
Cash - Corporation for Public Deposits	33,573	31,611
Total	34,308	32,483

Credit quality of cash at bank and short-term deposits, excluding cash on hand.

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

11. Retained Income	2022/23	2021/22
Accumulated surplus / (Accumulated deficit)	30,224	29,224
Net Profit for this year	226	1,000
Total	30,450	30,224

12. Cash generated from/ (utilized in) Operations	2022/23	2021/22
Surplus/ (deficit) before tax	226	998
(Interest received)	(1,961)	(1,169)
Increase/(decrease) in payables	1,599	10
(Increase)/decrease in receivables	-	-
Net cash flow from operating activities	(136)	(161)

13. Events after Balance Sheet Date

None identified to date.

14. Board Members Emoluments

14.1 Activities 2022/23

Names	Designation	Total (R)	Meeting fees and travel fees
Ms. C Mahlakahlaka	Chairperson	R 31,929.56	R 31,929.56
Ms. A Campher	Member	R 23,732.00	R 23,732.00
Mr. M E Tau	Member	R 23,571.00	R 23,571.00

Included in the total fees is an amount of R35 595.00 paid to members in respect of the 2021/22 financial year. Payments were made as follows:

Annexure to the auditor's report

• Ms A Campher	R10 476.00
• Ms. C Mahlakahlaka	R17 268.00
• Mr M E Tau	R7 851.00

14.2 Meeting attendance for the period 01 April 2021 to 31 March 2023

Names	Meeting Dates	Total Number of meetings	Extra meetings
Ms. C Mahlakahlaka	14/4/22; 19/4/22; 25/4/22; 12/5/22; 24/5/22; 30/5/22; 14/12/22; 27/1/23	8	
Ms. A Campher	14/4/22; 19/4/22; 25/4/22; 12/5/22; 24/5/22; 30/5/22; 14/12/22; 27/1/23	8	
Mr. M E Tau	19/4/22; 25/4/22; 12/5/22; 24/5/22; 30/5/22; 14/12/22; 27/1/23	7	
Ms. L Thema	14/4/22; 25/4/22; 12/5/22; 24/5/22; 30/5/22; 14/12/22; 27/1/23	7	

15. Related party transactions

15.1 The Department of Social Development

The executive authority of the Disaster Relief Fund is the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

15.2 Relief fund Boards

A related party relationship exists between the Disaster Relief Fund and the Social Relief Fund, the Refugee Relief fund and the State President's Fund. There were no transactions between the above-mentioned related parties

15.3 National Development Agency (NDA)

A related party relationship exists between the Disaster Relief Fund and the NDA. There were no transactions between the parties.

15.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Disaster Relief Fund and SASSA. There were no transactions between the parties.

16. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act, the process which commenced in the 2012/13 financial year is still under-way.

17. Prior period errors

In the 2021/22 financial year, accruals were overstated by R2, 619.00. The prior year figures were restated to correct the error. The change has been rounded down to R2, 000 to avoid rounding differences

	2021/22 (after change)	2021/22 (before change)
	R'000	R'000
Statement of Financial Performance		
Administrative expenditure	116	118
Statement of Financial Position		
Accruals	10	12

REFUGEE RELIEF FUND

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Refugee Relief Fund set out on pages 274 to 280, which comprise the statement of financial position as at 31 March 2023, the statement of financial performance, the statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Refugee Relief Fund as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the fund in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code), as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty related to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. The enabling act of the fund, the Fund Raising Act 107 of 1978 (FRA), will be amended that will result in the dissolution of the fund. As stated in note 11, these events or conditions, along with the other matters as set forth in note 11, indicate that a material uncertainty exists that may cast significant doubt on the fund's ability to continue as a going concern.

Responsibilities of the board for the financial statements

8. The board is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP standards, and the requirements of the FRA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting authority is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general's for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Reporting on performance information

12. The fund is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the PFMA and such reporting is not required in terms of the entity's specific legislation.

Report on compliance with legislation

13. As the fund was dormant for the year under review, no work was performed to test compliance with key legislation.

Other information in the annual report

14. The Refugee Relief Fund's accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements and the auditor's report.
15. My opinion on the financial statements does not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
16. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

17. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

18. I have nothing to report in this regard.

Internal control deficiencies

19. I considered internal control relevant to my audit of the financial statements; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.



Pretoria

31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 55(1)(a); 55(1)(b); 55(1)(c)(i)

Annual Financial Statements Of Refugee Relief Fund

Statement of Financial Performance for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
REVENUE			
Other income	2	38	24
TOTAL REVENUE		38	24
EXPENDITURE			
Administrative expenses	3	(2)	(2)
Audit fees	4	(32)	(29)
SPR)			
TOTAL EXPENDITURE		(34)	(31)
SURPLUS / (DEFICIT) FROM OPERATIONS		4	(7)
Surplus / (Deficit) for the year		4	(7)

Statement of Financial Position as at 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
ASSETS			
Non-current assets			
Current assets			
Cash and cash equivalents	6	648	644
TOTAL ASSETS		648	644
LIABILITIES			
Non-current liabilities		-	-
Current liabilities		-	-
TOTAL LIABILITIES		-	-
NET ASSETS			
Accumulated surplus		648	644
TOTAL NET ASSETS		648	644

Statement of Changes in Net assets as at 31 March 2023

	Accumulated funds 0'000
Balance as at 31 March 2021	29,224
Surplus for the year	1,000
Balance as at 31 March 2022	30,224
Surplus for the year	226
Balance as at 31 March 2023	30,450

Cash Flow Statement for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash paid to suppliers and employees	7	(34)	(31)
Cash utilized in operations		(34)	(31)
Interest received	2	38	24
Net cash inflow from operating activities	8	4	(7)
CASH FLOW FROM INVESTING ACTIVITIES			
Trading investments		-	-
Net cash flows from investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash flow from financial activities		-	-
Net increase in cash and cash equivalents		4	(7)
Cash and cash equivalent at beginning of the year		644	651
Cash and cash equivalent at end of the year		648	644

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

- 1.1.1 **The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:**

- GRAP 20: Related Party Disclosures

- 1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether and Arrangement Contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation – Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15: Revenue – Barter Transactions involving Advertising Services
- IGRAP 16: Intangible Assets – Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an asset.

1.2 CURRENCY

These financial statements are presented in South African Rands. All figures are rounded to the nearest one rand.

1.3. REVENUE RECOGNITION

Revenue is recognized when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably.

Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

1.3.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

1.3.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

1.4 INVESTMENTS

Investments are shown at fair value including interest capitalized.

1.5 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.6 FINANCIAL INSTRUMENTS

Recognition

Financial assets and liabilities are recognized in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Measurement

Financial instruments are initially measured at cost, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below

Financial assets

The Fund's principal financial assets are investments.

All financial assets are measured at amortized cost, comprising original debt less principal payments and amortizations.

Investments

The investments are measured at subsequent reporting dates at amortized cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortized cost, comprising original debt less principal payments and amortizations.

1.7 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

1.8 PROVISIONS

Provisions are recognized when the entity has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate

	2022/23	2021/22
	R'000	R'000
2. Revenue		
Interest received	38	24
	38	24

3. Administrative Expenditure

Bank Charges	2	2
Total	2	2

4. Audit Fees

32

29

5. Risk Management

5.1 Financial Risk Factors

5.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Refugee Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The Refugee Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

5.1.2 Credit Risk

Credit risk is the risk of financial loss to the Refugee Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Refugee Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

Financial Assets

	2022/23	2021/22
	R'000	R'000
Cost	644	651
Additions during the year	4	(7)
Closing Balance	648	644

Annual Financial Statements Of Refugee Relief Fund

5.1.3 Liquidity risk

Liquidity risk is the risk that the Refugee Relief Fund will not be able to meet its financial obligations as they fall due. The Refugee Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The Refugee Relief Fund monitors its cash flow requirements and optimizes its cash return on investments.

	2022/23 R'000	2021/22 R'000
Cash and Cash Equivalents		
Cash and Balances with Banks	8	9
Investment	640	635
Total	648	644

5.1.4 Interest Rate Risk

The Refugee Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the Refugee Relief Fund.

		2022/23	2021/22
	Change	Effective Rate	Effective Rate
Investment	2.17	5.94%	3.77%

Interest risk sensitivity analysis

	2022/23	2021/22
Investment	640	635
2.17% interest fluctuation impact	13,89	0.83

5.1.5 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

5.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks

	2022/23 R'000	2021/22 R'000
6. Cash and Cash Equivalents		
Cash - Bank Deposits	8	9
Cash - Corporation for Public Deposits	640	635
Total	648	644

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates

	2022/23 R'000	2021/22 R'000
7. Cash generated from/(utilized in) Operations		
Surplus / (Deficit) before tax	4	(7)
(Interest received)	(38)	(24)
Net cash flow from operating activities	(34)	(31)

8. Net cash inflows/outflows from Operating Activities		
Cash payments to suppliers and employees	(34)	(31)
Cash generated from/(utilized in) operations	(34)	(31)
Interest received	38	24
Net cash inflows/outflows from operating activities	4	(7)

9. Events after Balance Sheet Date

None identified to date.

10. Related party transactions

10.1 The Department of Social Development

The executive authority of the Refugee Relief Fund is the Minister of Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

10.2 Relief Fund Boards

A related party relationship exists between the Refugee Relief Fund, the Disaster Relief Fund, the Social Relief Fund and the State President's Fund. There were no transactions between the above-mentioned related parties.

10.3 National Development Agency (NDA)

A related party relationship exists between the Refugee Relief Fund and the NDA. There were no transactions between the parties.

10.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Refugee Relief Fund and SASSA. There were no transactions between the parties.

11. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund Raising Act, the processes of which commenced in the 2012/13 financial year.

Social Relief Fund

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Social Relief Fund set out on pages 285 to 291, which comprise the statement of financial position as at 31 March 2023, the statement of financial performance the statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Social relief fund as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the General Recognised Accounting Practice (GRAP).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the fund in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code), as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty related to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. The enabling act of the fund, the Fund Raising Act of South Africa, 1978 (Act No. 107 of 1978), will be amended that will result in the dissolution of the fund. As stated in note 12, these events or conditions, along with the other matters as set forth in note 12, indicate that a material uncertainty exists that may cast significant doubt on the fund's ability to continue as a going concern.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP standards, and the requirements of the FRA and for such internal control as the accounting authority determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting authority is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general's for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Reporting on performance information

12. The fund is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the PFMA and such reporting is not required in terms of the entity's specific legislation.

Report on compliance with legislation

13. As the fund was dormant for the year under review, no work was performed to test compliance with key legislation.

Other information in the annual report

14. The Social Relief Fund's accounting authority is responsible for the other information. Included in the annual report. The other information referred to does not include the financial statements and the auditor's report.
15. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

16. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
17. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
18. I have nothing to report in this regard.

Internal control deficiencies

19. I considered internal control relevant to my audit of the financial statements; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the fund to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a fund to cease operating as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards.

Annual Financial Statements Of Social Relief Fund

Statement of Financial Performance for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
REVENUE			
Other income	2	2,788	1,664
TOTAL REVENUE		2,788	1,664
EXPENDITURE			
Administrative expenses	3	(1)	(1)
Audit fees	4	(32)	(30)
TOTAL EXPENDITURE		(33)	(31)
SURPLUS FROM OPERATIONS		2,755	1,633
Surplus for the year		2,755	1,633

Statement of Financial Position as at 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
ASSETS			
Non-current assets		-	-
Current assets			
Cash and cash equivalents	7	47,745	44,990
TOTAL ASSETS		47,745	44,990
LIABILITIES			
Non-current liabilities			
Current Liabilities			
Other Payables	5	(8)	(8)
CAPITAL AND RESERVES		47,737	44,982
Accumulated surplus		47,737	44,982
TOTAL NET ASSETS		47,737	44,982

Statement of Changes in Net assets as at 31 March 2023

Annexure to the auditor's report:

	Accumulated funds R'000
Balance as at 31 March 2021	43,349
(Deficit) Surplus for the year	1,633
Balance as at 31 March 2022	44,982
(Deficit) Surplus for the year	2,755
Balance as at 31 March 2023	47,737

Cash Flow Statement for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash paid to suppliers and employees	8	(33)	(31)
Cash generated from/ (utilized in)			
Operations		(33)	(31)
Interest received	2	2,788	1,664
Net cash inflow / (outflow) from operating activities	9	2,755	1,633
CASH FLOW FROM INVESTING ACTIVITIES			-
Net cash flow from investing activities			-
CASH FLOW FROM FINANCING ACTIVITIES			
Provision for Future expense		-	-
Net cash flow from financing activities		-	-
Net inflow/outflow in cash and cash equivalents		2,755	1,633
Cash and cash equivalent at beginning of the year		44,990	43,357
Cash and cash equivalent at end of the Year		47,745	44,990

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1.1 The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:

- GRAP 20: Related Party Disclosures

1.1.2 The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.

- IGRAP 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether an Arrangement Contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation – Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities – Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases – Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15 : Revenue – Barter Transactions involving Advertising Services
- IGRAP 16: Intangible Assets – Website Costs

1.2 CURRENCY

These financial statements are presented in South African Rands. All figures are rounded to the nearest one thousand.

1.3 REVENUE RECOGNITION

Revenue is recognized when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably.

Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

1.3.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

1.3.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedure

1.4 INVESTMENTS

Investments are shown at cost including interest capitalized.

1.5 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.6 FINANCIAL INSTRUMENTS

1.6.1 Recognition

Financial assets and liabilities are recognized in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

1.6.2 Measurement

Financial instruments are initially measured at fair value which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

1.6.3 Financial assets

The Fund's principal financial assets are investments.

All financial assets are measured at amortized cost, comprising original debt less principal payments and amortizations.

1.6.4 Investments

The investments are measured at subsequent reporting dates at amortized cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

1.6.5 Trade and other receivables

Trade and other receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

1.6.6 Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

1.6.7 Financial Liabilities

The Fund's principle financial liabilities are accounts payable.

All financial liabilities are measured at amortized cost, comprising original debt less principal payments and amortizations.

Notes to the Annual Financial Statement

1.7 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

	2022/23	2021/22
	R'000	R'000
2. Revenue		
Interest received	2,788	1,664
Total	2,788	1,664

3. Administrative Expenditure

Bank Charges	1	1
Total	1	1

4. Audit Fees

32 **30**

5. Trade and other payables

8 **8**

6. Risk Management

6.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the Social Relief Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The Social Relief Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

6.1.2 Credit Risk

Credit risk is the risk of financial loss to the Social Relief Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The Social Relief Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

	2022/23	2021/22
	R'000	R'000
Cost	44,982	43,349
Additions during the year	2,755	1,633
Closing Balance	47,737	44,982

6.1.3 Liquidity risk

Liquidity risk is the risk that Social Relief Fund will not be able to meet its financial obligations as they fall due. The Social Relief Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due.

	2022/23	2021/22
	R'000	R'000
Cash and Balances with Banks	20	21
Investments	47,725	44,969
Total	47,745	44,990

6.1.4 Interest Rate Risk

The Social Relief Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the Social Relief Fund.

		2022/23	2021/22	Change
	Change	Effective Rate	Effective Rate	
Investment	2,14%	5,84%	3.70%	0.06%

	2022/23	2021/22
Interest risk sensitivity analysis		
Investments	47,725	44,969
2,14% interest fluctuation impact	1,021.32	17.99

6.1.5 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

6.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

	2022/23	2021/22
	R'000	R'000
7. Cash and Cash Equivalents		
Cash – Bank Deposits	20	21
Cash – Investment Account	47,725	44,969
Total	47,745	44,990

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

8. Cash generated from/ (utilized in) Operations

Surplus/ (deficit) before tax	2,755	1,633
(Interest received)	(2,788)	(1,664)
Net cash generated from Operations	(33)	(31)

9. Net cash inflows/outflows from Operating Activities

Cash payments to suppliers and employees	(33)	(31)
Cash generated from/ (utilized in) operations	(33)	(31)
Interest received	2,788	1,664
Net cash inflows/outflows from operating activities	2,755	1,633

10. Events after Balance Sheet Date

None identified to date.

11. Related Party Transactions

11.1 The Department of Social Development

The executive authority of the Social Relief Fund is the Minister of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

11.2 Relief Fund Boards

A related party relationship exists between the Social Relief Fund, the Disaster Relief Fund, the Refugee Relief Fund and the State President's Fund. There were no transactions between the above-mentioned related parties.

11.3 National Development Agency (NDA)

A related party relationship exists between the Social Relief Fund and the NDA. There were no transactions between the parties.

11.4 South African Social Security Agency (SASSA)

A related party relationship exists between the Social Relief Fund and SASSA. There were no transactions between the parties.

12. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund Raising Act, the processes of which commenced in the 2012/13 financial year.

13. Prior period errors

In the 2021/22 financial year, cash flow from financing activities in the cash flow statement was incorrectly reflected as R8000 provision for future expenses was reflected as a R6 000. There was no movement in provision for future expense thus these cash flow movements should reflect a zero balance. The error has been corrected in the 2022/23 cash flow statement by restating the provision for future expenditure and cash flow from financing activities to zero in the 2021/22 financial year.

	2022/23 (after change)	2021/22 (before change)
	R'000	R'000
Statement of Cash Flow		
Provision for future expense	-	6
Net cash flow from financing activities	-	6

State President Fund

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the State President Fund set out on pages 296 to 302, which comprise the statement of financial position as at 31 March 2023, the statement of financial performance, the statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the State President Fund as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the General Recognised Accounting Practice (GRAP).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the Fund in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code), as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty related to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. The enabling act of the fund, the Fund Raising Act of South Africa, 1978 (Act No. 107 of 1978), will be amended that will result in the dissolution of the fund. As stated in note 11, these events or conditions, along with the other matters as set forth in note 11, indicate that a material uncertainty exists that may cast significant doubt on the fund's ability to continue as a going concern.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of GRAP and the requirements of the FRA and for such internal control as the accounting authority determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting authority is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general's for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Reporting on performance information

12. The fund is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the PFMA and such reporting is not required in terms of the entity's specific legislation.

Report on compliance with legislation

13. As the fund was dormant for the year under review, no work was performed to test compliance with key legislation.

Other information in the annual report

14. The State President Fund is responsible for the other information included in the annual report. The other information referred to does not include the financial statements and the auditor's report.
15. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
16. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

17. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
18. I have nothing to report in this regard

Internal control deficiencies

19. I considered internal control relevant to my audit of the financial statements; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.



Pretoria

31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the fund to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a fund to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards.

Annual Financial Statements Of State President Fund

Statement of Financial Performance for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
REVENUE			
Other income	2	2,914	1,739
TOTAL REVENUE		2,914	1,739
EXPENDITURE			
Administrative expenses	3	(2)	(2)
Audit fees	4	(32)	(32)
TOTAL EXPENDITURE		(34)	(34)
SURPLUS FROM OPERATIONS		2,880	1,705
Surplus for the year		2,880	1,705

Statement of Financial Position as at 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
ASSETS			
Current assets			
Cash and cash equivalents (SPO)	6	49,871	46,991
TOTAL ASSETS		49,871	46,991
LIABILITIES			
Non-current liabilities		-	-
Current liabilities		-	-
TOTAL LIABILITIES		-	-
NET ASSETS			
Accumulated surplus		49,871	46,991
TOTAL NET ASSETS		49,871	46,991

Annual Financial Statements Of State President Fund

Statement of Changes in Net assets as at 31 March 2023

	Accumulated funds R'000
Balance as at 31 March 2021	45,286
(Deficit) Surplus for the year	1,705
Balance as at 31 March 2022	46,991
(Deficit) Surplus for the year	2,880
Balance as at 31 March 2023	49,871

Cash Flow Statement for the year ended 31 March 2023

		2022/23	2021/22
	Notes	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash paid to suppliers and employees	7	(34)	(34)
Cash utilized in operations		(34)	(34)
Interest received	2	2,914	1,739
Net cash inflow from operating activities		2,880	1,705
CASH FLOW FROM INVESTING ACTIVITIES			
Net cash flows from investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash from financial activities		-	-
Net increase in cash and cash equivalents		2,880	1,705
Cash and cash equivalent at beginning of the year		46,991	45,286
Cash and cash equivalent at end of the year	6	49,871	46,991

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The following are the principal accounting policies of the Fund which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

- 1.1.1 **The following approved Standards of GRAP have been approved and issued by the Accounting Standards Board, but only become effective in the future or have not been given an effective date by the Minister of Finance. The fund has not early-adopted any new Standards but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework:**

- GRAP 20: Related Party Disclosures

- 1.1.2 **The following interpretations have also been issued and are expected to have an insignificant impact on the financial statements, since they generally reflect the interpretations and principles already established under IFRS.**

- IGRAP 1: Applying the Probability Test on initial Recognition of Revenue
- IGRAP 2: Changes in Existing Decommissioning Restoration and Similar Liabilities
- IGRAP 3: Determining Whether and Arrangement Contains a Lease
- IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6: Loyalty Programmes
- IGRAP 7: The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
- IGRAP 9: Distributions of Non-cash Assets to Owners FOR THE YEAR ENDED 31 March 2023.
- IGRAP 10: Assets Received from Customers
- IGRAP 11: Consolidation - Special Purpose Entities
- IGRAP 12: Jointly Controlled Entities - Non-Monetary Contributions by Ventures
- IGRAP 13: Operating Leases - Incentives
- IGRAP 14: Evaluating the Substance of Transactions involving the Legal Form of a Lease
- IGRAP 15 - Revenue - Barter Transactions involving Advertising Services
- IGRAP 16: Intangible Assets - Website Costs
- IGRAP 17: Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an asset.

1.2 CURRENCY

These financial statements are presented in South African Rands. All figures are rounded to the nearest one thousand.

1.3. REVENUE RECOGNITION

Revenue is recognized when it is probable that future economic benefits will flow to the fund and these benefits can be measured reliably. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

1.3.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

1.3.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures.

1.4 INVESTMENTS

Investments are shown at cost including interest capitalized.

1.5 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.6 FINANCIAL INSTRUMENTS

Recognition

Financial assets and liabilities are recognised in the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Measurement

Financial instruments are initially measured at fair value, which includes transaction cost. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

The Fund's principal financial assets are cash and cash equivalents.

All financial assets are measured at amortised cost, comprising original debt less principal payments and amortisations

Investments

The investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and investments. Cash and cash equivalents are measured at fair value.

Financial Liabilities

The Fund's principal financial liabilities are accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations

1.7 EXPENDITURE

Expenditure is accounted for on the accrual basis of accounting.

1.8 Provisions

Provisions are recognized when the entity has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate

	2022/23	2021/22
	R'000	R'000
2. Revenue		
Interest received	2,914	1,739
Total	2,914	1,739

3. Administrative Expenditure		
Bank Charges	2	2
Total	2	2

4. Audit Fees	32	32
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5 Risk Management

5.1 Financial Risk Factors

5.1.1 Market Risk

Market risk is the risk that changes in market prices. Interest rates will affect the State President Fund. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing return. The State President Fund does not manage this risk aggressively as the investments of funds are determined by the Minister of Social Development and the Minister of Finance. Within these parameters, funds are invested with reputable financial institutions.

5.1.2 Credit Risk

Credit risk is the risk of financial loss to the State President Fund if a financial institution to a financial instrument fails to meet its contractual obligations.

The State President Fund exposure to credit risk is influenced only by the individual characteristics of the financial institutions where funds are deposited or invested. Reputable financial institutions are used for investing and cash handling purposes.

	2022/23	2021/22
	R'000	R'000
Financial Assets		
Cost	46,991	45,286
Additions during the year	2,880	1,705
Closing Balance	49,871	46,991

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5.1.3 Liquidity risk

Liquidity risk is the risk that the State President Fund will not be able to meet its financial obligations as they fall due. The State President Fund's approach to managing liquidity is to ensure that investment terms chosen will ensure that it will always have sufficient liquidity to meet its liabilities when due. The State President Fund monitors its cash flow requirements and optimizes its cash return on investments.

	2022/2	2021/22
	R'000	R'000
Cash and Cash Equivalents		
Investment	49,862	46,981
Cash and Balances with Banks	9	10
Total	49,871	46,991

5.1.4 Interest Rate Risk

The State President Fund manages its interest risk by effectively investing surplus funds with different accredited financial institutions. Any movement in interest rate will affect interest income. Interest income is capitalized and will therefore not affect the operations of the State President Fund.

		2022/23	2021/22
	Change	Effective Rate	Effective Rate
Investment	2,14%	5,84%	3.70%

	2022/23	2021/22
	R'000	R'000
Interest risk sensitivity analysis		
Investment	49,862	46,981
2,14% interest fluctuation impact	1,067.05	23.49

5.1.5 Foreign exchange risk

The fund does not hedge foreign exchange fluctuations. The fund does not have any foreign account receivables, foreign accounts payables or derivative market instruments.

5.1.6 Price risk

Due to the nature and extent of the fund, there is no exposure to price risks.

6. Cash and Cash Equivalents

	2022/23	2021/22
	R'000	R'000
Cash – Bank Deposits	9	10
Cash – Investment Account	49,862	46,981
Total	49,871	46,991

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

7. Cash utilized in Operations

	2022/22	2021/22
	R'000	R'000
Surplus before tax	2,880	1,705
(Interest received)	(2,914)	(1,739)
Cash generated from Operations	(34)	(34)

8. Net cash inflows/outflows from Operating Activities

Cash payments to suppliers and employees	(34)	(34)
Cash generated from/ (utilized in) operations	(34)	(34)
Interest received	2,914	1,739
Net cash inflows/outflows from operating activities	2,880	1,705

9. Events after Balance Sheet Date

None identified to date.

10. Related party transactions

10.1 The Department of Social Development

The executive authority of the State President Fund is the Minister of the Department of Social Development (DSD). Although a related party relationship exists between the DSD and the fund, there were no transactions with DSD.

10.2 Relief Fund Boards

A related party relationship exists between the State President Fund, the Disaster Relief Fund, the Refugee Relief Fund and the Social Relief Fund. There were no transactions between the above-mentioned related parties.

10.3 National Development Agency (NDA)

A related party relationship exists between the State President Fund and the NDA. There were no transactions between the parties.

10.4 South African Social Security Agency (SASSA)

A related party relationship exists between the State President Fund and SASSA. There were no transactions between the parties.

11 Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The fund is in the process of being closed. This will be done upon the amendment of the Social Assistance Act and the Fund raising Act, the processes of which commenced in the 2012/13 financial year.

PART F: ACRONYMS AND ABBREVIATIONS

ACRONYMS AND ABBREVIATIONS

ABCD	Asset Based Community Development
ACFP	Anti-Corruption and Fraud Prevention
ADS	Accreditation of Diversion Services
AFS	Annual Financial Statements
AGM	Annual General Meeting
AGSA	Auditor- General of South Africa
AIAP	Audit Implementation Action Plan
AIDS	Acquired Immunodeficiency Syndrome
APP	Annual Performance Plan
AU	African Union
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BRICS	Brazil-Russia-India-China-South Africa
BSC	Bid Specification Committee
CBIMS	Community-Based Information Management System
CBO	Community-Based Organisations
CCCs	Community Care Centres
CDA	Central Drug Authority
CDP	Community Development Practitioners
CDPF	Community Development Practice Forum
CEO	Chief Executive Officer
CHH	Child Headed Households
CNDCs	Community Nutrition and Distribution Centres
COGTA	Department of Cooperative Governance and Traditional Affairs
Covid-19	Coronavirus Disease
CPS	Core Package of Services
CSC	Community Service Centre
CSD	Central Suppliers Databases
CSG	Child Support Grant
CYC	Child and Youth Care
CYCC	Child and Youth Care Centers
CYCW	Child and Youth Care Workers
DBE	Department of Basic Education
DDG	Deputy Director General
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DSD	Department of Social Development
DTPS	Department of Telecommunications and Postal Services
EC	Eastern Cape
ECD	Early Childhood Development

EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
FBO	Faith-Based Organisations
FOSAD	Forum of South African Directors-General
FS	Free State
GBV	Gender-Based Violence
GBVF	Gender Based Violence Framework
GBVCC	Gender-Based Violence Command Centre
GIA	Grant in Aid
GP	Gauteng Province
GTAC	Government Technical Advisory Centre
HCM	Human Capital Management
HDI	Historically Disadvantaged Individuals
HF&NSP	Household Food and Nutrition Security Programme
HIV	Human Immunodeficiency Virus
HR	Human Resource
HSDS	Heads of Social Development Sector
HWSETA	Health and Welfare Sector Education and Training Authority
ICPD	International Conference on Policy and Development
ICT	Information and Communication Technology
ISMD	Integrated Service Delivery Model
IT	Information Technology
ITSAA	Independent Tribunal for Social Assistance Appeals
JCPS	Justice, Crime Prevention and Security
JICA	Japan International Cooperation Agency
KfW	German Development Bank
KPA	Key Performance Area
KYNS	Know your NPO Status
KZN	KwaZulu-Natal
LAN	Local Area Network
LP	Limpopo Province
M&E	Monitoring and Evaluation
MANCO	Management Committee
MINMEC	Minister and Members of the Executive Committee's Council
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MP	Mpumalanga
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework

ACRONYMS AND ABBREVIATIONS

N/A	Not Applicable
NC	Northern Cape
NCCPF	National Child Care Protection Forum
NDA	National Development Agency
NDMP	National Drug Master Plan
NDP	National Development Plan
NDRM	National Disability Rights Machinery
NEDLAC	National Economic Development and Labour Council
NEPF	National Evaluation Policy Framework
NGO	Non-Government Organisation
NISIS	National Integrated Social Information System
NF&NSP	National Food and Nutrition Security Plan
NISPIS	National Integrated Social Protection Information System
NL	National Lottery
NLC	National Lottery Commission
NMOG	National Macro-Organisation of Government
NPAC	National Plan of Action for Children
NPC	Non-Profit Companies
NPO	Non-Profit Organisation
NSFAS	National Student Financial Aid Scheme
NSG	National School of Government
NSP	National Strategic Plan
NW	North West
NYDA	National Youth Development Agency
OVC	Orphaned and Vulnerable Children
OCSLA	Office of the Chief State Law Advisor
PFDC	Provincial Food Distribution Centre
PFMA	Public Finance Management Act
PMDS	Departmental Performance Management and Development System
POA	Programme of Action
PPE	Personal Protective Equipment
PSCBC	Public Service Coordinating Bargaining Council
PSS	Psychosocial Support Services
RACAP	Register of Adoptable Children and Prospective Adoptive Parents
RMC	Risk Management Committee
SA	South Africa
SAAYC	South African Association of Youth Clubs
SACSSP	South African Council for Social Service Professions
SADC	Southern Africa Development Community
SANAC	South African National Aids Council

SAOPF	South African Older Persons Forum
SAPO	South African Post Office
SAPS	South African Police Service
SARS	South African Revenue Services
SASSA	South African Social Security Agency
SAYC	South African Youth Council
SBC	Social Behaviour Change
SBD	Standard Bidding Document
SCM	Supply Chain Management
SDICMS	Social Development Integrated Case Management Systems
SEIAS	Socio-Economic Impact Assessment System
SFP	Sector Funding Policy
SHERQ	Safety, Health, Environment, Risk and Quality
SITA	State Information Technology Agency
SLA	State Law Advisors
SLA	Service Level Agreement
SMMES	Small, Medium and Micro-sized Enterprises
SMS	Senior Management Service
SMS	Short Message System
SONA	State of the Nation Address
SPCHD	Social Protection, Community and Human Development
SRD	Social Relief of Distress
SSP	Social Service Practitioners
STI	Sexual Transmitted Infection
TB	Tuberculosis
ToR	Terms of Reference
UN	United Nations
UNCPD	United Nations Commission on Population and Development
UNCRPD	United Nations Convention on the Rights of Persons with Disabilities
UNFPA	United Nations Population Fund
USA	United State of America
USSDs	Unstructured Supplementary Services Data
UTC	Universal Treatment Curriculum
VEP	Victim Empowerment Programme
VSS	Victim Satisfaction Survey
VSS	Victim Support Service
WC	Western Cape
WPRPD	White Paper on the Rights of Persons with Disabilities
YOLO	You Only Live Once



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