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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1538**

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**1538. Ms L L van der Merwe (IFP) to ask the Minister of Social Development:**

(a) What total amount did each provincial department of social development return unspent to the National Treasury at the end of the 2020-21 financial year and (b) how has their underspending affected the budgets available to welfare programmes? NW1741E

**REPLY:**

| **Nr** | **Province** | **(a)Unspent Amount** | **(b)** H**ow has their underspending affected the budgets available to welfare programmes?**   |
| --- | --- | --- | --- |
|  | Eastern Cape | R262 293 000 | The amount of effect in the Welfare programmes is that, a big quantum of the beneficiaries could not get the food relief meant to be funded by the funding referred to.The employees in the ECD centres could not access the stimulus package meant by the conditional grant (Presidential stimulus package). |
|  | Free State | R 50 870 000 | The Programme for Children and Families is the worst affected in that R48.432 million was not spent.The under expenditure is mainly as a result of additional funding amounting to R38,880 million for Early Childhood Development (ECD) received late in the year (third quarter) during the adjustment budget process. The application and verification process for the stimulus package by National DSD was slow and it took longer than anticipated; as a result, the bulk of the funds were not spent. Furthermore, some ECD`s were partially paid and some not paid due to COVID-19 restrictions. A roll-over has been requested.  |
|  | Gauteng | R438 000 000 | **Programme 2: Social Welfare Services**Food parcels at Anti-Retroviral Treatment (ART) clinics were not distributed as planned and the HIV Social and Behaviour change programme was not fully implemented by the end of the financial year. **Programme 3: Children & Families**Beneficiaries of Presidential ECD Employment Stimulus Relief Fund (ECD-ESRF) were not paid as the verification process took longer than anticipated. The underspending also affected the distribution of school uniform to identified learners because the production of school uniform was not finalized on time by the appointed cooperatives. In addition, the funding of ECD centres was affected by the changes of some of the municipalities by-laws. **Programme 4: Restorative Services**The underspending affected the implementation of substance abuse mobile services. Delays were caused by lockdown restriction and the Department contracted with NPOs from the third quarter after the easing of lockdown regulations.**Programme 5: Development & Research**The underspending in this programme was mainly recorded on dignity packs. Thus, the Department did not distribute the number of dignity packs planned by the end of the financial year.Roll-over of unspent fundsThe Department requested the roll-over of unspent funds from the 2020/21 to 2021/22 financial year on both equitable shares and conditional grant. A total of R 158 586 013 was requested to be rolled over to fund the commitments as per the signed Service Level Agreement and Purchase Order created. |
|  | Kwazulu Natal | R97 627 000 | If the rollover of R91,242 million is not approved, the Department will have no funds to pay for ECD practitioners, whose applications have been approved. The underspending did not affect the budgets available to welfare programmes to be offered in 2021/2022 but the budget cuts of R223 million will result in limited services made available to the needy communities.  |
|  | Limpopo | R 45 444 000 | The ECD Employment Stimulus Relief Fund has its own allocation and has not affected budget for other Welfare programmes. |
|  | Mpumalanga | R 44 836 000 | The underspending affected Early Childhood Development (ECD) programme in that not all batches of claims received from Non-Profit Organisations (NPOs) eligible and approved to benefit from the funding were not processed for payment. Roll over application request amounting to R30.495 million of the unspent funds of Presidential Employment Initiative has been made to the Provincial Treasury. |
|  | North West | R144 100 000 | The budget available to welfare programme will be for sustenance of existing programs and projects. Expansion of services will be visible on COVID-19 relief initiatives e.g. Provision of food parcels to vulnerable households and care and services to the homeless. The rollover of R28million for stimulus package has been requested to fund ECD practitioners who applied before the end of the financial year in question |
|  | Northern Cape | R 53 059 000 | **Programme 1: R3.786 million**Programme 1 incurred a saving of R3.786 million. The Department will request a roll-over of R3.479 million for Buildings and Administration for the construction of office buildings in Daniëlskuil.**Programme 2: R3.786 million**The underspending did not have a negative effect on welfare programmes because the reason for the underspending was due to the following:* Resignation and death of community caregivers.
* Two (2) NPOs rendering Social Behaviour Change programmes did not utilize all their allocated funds due to the Covid 19 pandemic, therefor the allocation of the second tranche was decreased**.**

**Programme 3: R40 464** **of which R39 300 million** **was for the Presidential Stimulus ECD Fund.**The unspent budgets did not negatively affect welfare programmes due to the following:* The Province was overfunded for the Presidential Stimulus Package. Any funds required in the 2021/22 financial year for the stimulus purpose will be requested as a roll over.
* Lesser ECD centres were funded due to expired registration certificates.
* Certain ECD centres did not submit applications for funding because they received funding from other sources
* ECD Centres did not open and therefore submitted
* Due to restrictions on movement during the Covid Pandemic, the process of returning children, who have been visiting friends and family, to CYCC’s, were delayed. This resulted in some of the centres not operating at full capacity for the entire financial year.

Since claims submitted are based on occupancy of the centres, the underspending of reflects this exceptional situation.**Programme 5: R5.331 million**Saving incurred due to the closure of Soup Kitchens based on Covid-19. |
|  | Western Cape | R5 067 000 | The department was able to deliver on its services but was not able to expand their services to the extent which it planned to, due to fewer facilities than anticipated applying for funding, and because of non-compliant facilities. |