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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1795**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 06 MAY 2022**

**INTERNAL QUESTION PAPER NUMBER: 16 - 2022**

**1795. Ms L L van der Merwe (IFP) to ask the Minister of Social Development:**

Which programmes had their budgets cut by (a) her department at national level and (b) each of her department’s provincial departments in the 2021-22 financial year NW2124E

**REPLY:**

1. National Department of Social Development

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Compensation of Employees (All)  Goods and Services (All) | (63 000)  (27 000) |
| Transfers and Subsidies |  |
| Social Assistance Grants (P2) | (8 000 000) |
| SASSA Administration (P3) | (641 000) |
| National Development Agency (P5) | (20 900) |
| **Grand Total** | **(8 751 900)** |

* + 1. Social Assistance Grants – R 8 billion

An amount of R8 billion was reduced in the 2021/22 financial year from the Social Assistance programme.

* + 1. SASSA – R 641 million

An amount of R641 million was reduced from the SASSA Admin baseline as a result of the wage bill containment strategy as announced in the 2020 Budget.

* An amount of R20.9 million was reduced from the baseline of the NDA as a result of the wage bill containment strategy as announced in the 2020 Budget.
* An amount of R63 million was reduced from the NDSD personnel budget baseline as a result of the wage bill containment strategy as announced in the 2020 Budget.
* An amount of R27 million was reduced from the Goods and Services as a direct implication on the budget reduction of the personnel budget

1. Provincial Departments of Social Development

**Eastern Cape**

An amount of R77,951 million has been reduced from various programmes. An amount of R18.8 million has been reduced from programmes related to Compensation of Employees. R59,151 million has been reduced from Transfer and subsidies and is listed below:

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Compensation of Employees (All) | (18 800) |
| Transfers and Subsidies |  |
| Administration | (841) |
| Social Welfare Services | (14 239) |
| Children and Families | (36 719) |
| Restorative Services | (5 023) |
| Development and Research | (2 329) |
| **Sub Total – Transfer and Subsidies** | **(59 151)** |
| **Grand Total** | 1. **951)** |

**Free State**

From the 2021/22 financial year, the departmental budget decreased with R77.196 million. The cuts were mainly on Compensation of Employees as a result of freezing of annual salary adjustments over the MTEF, as listed below:

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Administration | (36 387) |
| Social Welfare Services | (15 422) |
| Children and Families | (22 004) |
| Restorative Services | 18 980 |
| Development and Research | (23 083) |
| **Total** | **(77 916)** |

**Gauteng**

The Gauteng Department of Social Development baseline allocation was reduced by R420.3 million in the 2021/22 financial year and the below table reflects the budget cuts per programme:

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000 (Million)** |
| Administration | (35 330) |
| Social Welfare Services | (24 441) |
| Children and Families | (181 766) |
| Restorative Services | (115 676) |
| Development and Research | (63 130) |
| **Total** | 1. **343)** |

**KwaZulu-Natal**

The table below reflect the budget cuts to the 2021/22 financial year per programme:

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Administration | (45 779) |
| Social Welfare Services | (59 332) |
| Children and Families | (172 798) |
| Restorative Services | (20 000) |
| Development and Research | (25 000) |
| **Total** | 1. **909)** |

**Limpopo**

An amount of R 482. 6 million was cut across all programs during 2021/22 financial year as indicated below:

| **Programme** | **Budget Reduction**  **R’000** |
| --- | --- |
| Administration | (80 788) |
| Social Welfare Services | (74 649) |
| Children and Families | (225 563) |
| Restorative Services | (56 469) |
| Development and Research | (45 217) |
| **Total** | **(482 686)** |

**Mpumalanga**

There were no budgets decreases to any of the programmes imposed for the 2021/22 financial year.

However, an amount of R80.0 million was decreased during the 2021/22 budget adjustment process during September 2021 related to the new social infrastructure projects.

**Northern Cape**

The Department’s EPWP allocation was reduced from R9,3 million to R5,2 million allocation for the 2020/21 and 2021/22 financial year respectively.

**North West**

The budget reduction implemented in 2021/22 financial was R 228.4 million, and in 2022/23 R 311.5 million and a further transfer of ECD function to the Department of Education amounting to R 192 million.

Analysis of the budget reduction during the 2021 MTEF is discussed in the analysis table below: -

**Below is the breakdown of budget reduction per programme**

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Administration | (11,195) |
| Social Welfare Services | (77,882) |
| Children and Families | (75,710) |
| Restorative Services | (35,360) |
| Development and Research | (28,274) |
| **Total** | (228,421) |

**Budget reduction per economic classification**

|  |  |
| --- | --- |
| **Economic classification** | **Budget Reduction**  **R’ 000** |
| Compensation of employees | (150,007) |
| Goods and Services | (24,869) |
| Non-profit institutions | (41,028) |
| Machinery and equipment | (12,517) |
| **Total** | (228,421) |

**Compensation of employees**

The reduction on compensation of employees implies that the Department will not be able to appoint critical posts, and the phasing out of performance awards and other improvement on conditions of services.

**Goods and services**

The reduction on this economic classification was mainly on services not to be rendered during COVID-19 i.e. venues and facilities, catering due to restrictions implemented at that stage.

**Transfers and subsidies**

This reduction had an implication on the targets to our funded NGO’s, and expansion of services.

**Machinery and equipment**

The reduction on this economic classification was mainly aligned to the reduction on compensation of employees.

**Western Cape**

The Western Cape DSD have the following budget cuts over the 2020 MTEF.

|  |  |
| --- | --- |
| **Programme** | **Budget Reduction**  **R’000** |
| Administration | (41,503) |
| Social Welfare Services | (82,048) |
| Children and Families | (42,366) |
| Restorative Services | (63,200) |
| Development and Research | 7, 266 |
| **Total** | **(221,851)** |

* The reduction on Compensation of employees impacted services offered by the Department. Norms and standards ratio for child vs care worker were not met and increased absenteeism.
* The ability to respond to disasters and humanitarian relief was severely impacted. There was limited ability to address food insecurity where SASSA didn't have additional funding.
* The EPWP (Extended Public Works Programme) was reduced by R9.944 million.
* The department received an additional R25 million to strengthen food relief measures in support of the Western Cape Recovery Plan.