



Corporate Plan 2008/9

Presented to:

**Joint Monitoring Committee on the
Improvement of Quality of Life & Status of
Children, Youth & Disabled Persons**

23rd May 2008

Presentation Outline

- 2008 Strategic Priorities
- Operational Review
- Challenges
- NYC – UYF Merger
- Cashflow Forecast

2008 Strategic Priorities

- ❑ With restricted funding for 2008 achievement of scale will be severely restricted.
- ❑ Continue strengthening existing partnerships with 19 with government departments as well as the private sector.
- ❑ Raise funds from Public and Corporate Sponsors (CSI) and Partners
- ❑ Invite a Person with Disability To Work Campaign.
- ❑ Positioning UYF to participate in supporting the Volunteer Programme for the 2010 FIFA World Cup. Discussions with the Local Organising Committee at an advanced stage.
- ❑ Open funding and services to people with disabilities.

Performance at a Glance: 2007 – 2009

Programme	2006/7 Actual Performance	Targets: 2007/8 (Per R400m allocation)	2007/8 Performance	Target: 2008/9 (Per MTEF application of R424m)
National Youth Service	15 139	50 000	57 298	74 500
Graduate Development & Job Preparedness	1250	3000	3300	4500
Entrepreneurship Education	29 106	20 000	44 272	25 000
Enterprise Finance	21 383	21 260	19 505	22 222
Business Dev Services Vouchers	9 470	12 000	10 534	15 000
Volunteers in Action Mentorship Service	594 mentees	1000 mentees	612 mentees	2 500 mentees
Business Opportunities	R183,7 m	R230m	R270m	R750m
Job Opportunities	2 467	3000	1 108	2000
Walk ins & Outreach	566 457	800 000	485 691	850 000
Full Service Youth Advisory Centres	1	13	13	6

Skills Development & Transfer

Programme

- **National Youth Service**

Aimed at providing young people with skills whilst they provide community services.

- **Entrepreneurship Education**

Aimed at skills geared towards a change in Entrepreneurial attitudes and behaviour.

Achievements(YTD)

- 57, 298 young people participated in NYS projects
- 44, 272 young people access entrepreneurship education
- 1,020 teachers capacitated to offer entrepreneurship education



Skills Development & Transfer

Programme

□ Graduate Development Programme

Aimed at providing unemployed graduates with skills required for employment (job preparedness training)

Achievements

- 2, 220 youth undergo job preparedness training.
- 3, 300 unemployed graduates undergo bridging programs.
- 1,108 already successfully placed in jobs
- Less than 5% attrition



Business Development Services

Programme

□ **BDS Voucher**

Aimed at providing Business development support to start up and existing enterprises to enable them to be more profitable and sustainable.

□ **Volunteers in Action (VIA) Mentorship Service**



Achievements

- 10,534 vouchers issued to young entrepreneurs
- 11,958 jobs created/ sustained
- R135.4m loans facilitated
- R20,1m tenders awarded

- 612 mentees receiving mentorship support from 270 experienced mentors.
- South African business icon, Herman Mashaba is patron of VIA

Business Development Services

Programme

- Business Opportunities Support Services

Aimed at linking young entrepreneurs with business opportunities

Achievements

- R270m worth of opportunities sourced to benefit 803 young entrepreneurs.
- Opportunity providers include Nestle', MTN, Cell C and Hot Dog Café'.



Enterprise Finance

Programme

- Micro Finance
Aimed at providing young people and women with finance ranging from R1000 to R100 000.
- SME Funding
Aimed at providing young entrepreneurs with loans ranging from R100 000 to R5 m

Achievements

- 19,351 enterprises funded which created 24,364 jobs
- 154 SME loans issued which created 3,049 jobs.
- Women >90% (mainly micro)
- Repayment rates for micro 85%
- Repayment rates for SME 90%
- R100m leveraged from Old Mutual for the UYF/Old Mutual Women's Fund



Invite a Person with Disability To Work Campaign

Programme

- UYF successfully organised the inaugural a Invite a Person with Disability To Work Campaign 23 - 24 April 2008

Achievements

- Campaign piloted in four provinces
- More than 1200 people with disabilities placed with 65 companies and government departments
- Ongoing placement with public and private sectors



Challenges

- ❑ Funding – only R5m per annum allocated under MTEF
- ❑ Treasury argues that UYF should utilise cash on hand – however most is committed to projects.
- ❑ Mismatch between the National Budget and State of Nation Address:
 - Support to Unemployed Youth who are out of school. R125 billion on education focuses on Schools, Further & Higher Education. Bulk of beneficiaries under National Skills Development Learnerships affects Section 18(1) – employed youth
 - More allocation to youth in prison than to the Unemployed Youth Cohort.
- ❑ Talks held recently with National Treasury to review UYF funding for 2008/9
- ❑ It is envisaged that with resources available the UYF will only reach 40%-50% of planned activities.
- ❑ Management of youth expectations

Generic Youth Cohorts



Expenditure on Correctional Services

Year	Budget- Rmillion	% Growth
1996/1997	R 3,178,984	
1997/1998	R 3,580,054	13
1998/1999	R 4,515,581	26
1999/2000	R 4,679,993	4
2000/2001	R 5,392,819	15
2001/2002	R 6,658,102	23
2002/2003	R 7,156,897	7
2003/2004	R 7,601,778	6
2004/2005	R 8,559,706	13
2005/2006	R 9,234,085	8
2006/2007	R 10,742,331	15
2007/2008	R 11,365,798	11
2008/2009	R 12,267,765	6

TABLE 1

- (2007) Total number of prisoners in custody is 161 674 of which 158 115 are male & 3 559 female. Prisoners serving a term of direct imprisonment or as an alternative to an unpaid fine total 113 213. The other 48 461 are unsentenced prisoners.
- 237 prisons
- Staffing levels from 33 666 in the 2003/04 financial year to an estimated 42 222 (1 person for every 3 prisoners)

Correctional Services Appropriation

Expenditure estimates

Table 18.1 Correctional Services

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	
R thousand								
1. Administration	2 837 099	2 545 673	2 562 802	2 874 543	2 874 543	3 111 582	3 373 333	3 605 016
2. Security	2 706 205	3 051 627	2 931 981	3 444 847	3 444 847	3 873 242	4 116 254	4 433 021
3. Corrections	481 083	613 560	722 000	1 091 580	1 041 580	1 064 678	1 125 249	1 211 717
4. Care	725 899	1 028 059	1 090 692	1 291 561	1 241 561	1 394 735	1 457 670	1 601 463
5. Development	266 008	478 337	347 054	394 348	394 348	396 615	476 337	509 011
6. Social Reintegration	288 079	301 335	319 166	371 356	371 356	386 538	411 320	442 021
7. Facilities	1 524 419	1 612 625	1 277 491	1 916 174	1 386 174	1 444 444	1 692 301	3 448 151
Total	8 828 792	9 631 216	9 251 186	11 384 409	10 754 409	11 671 834	12 652 464	15 250 400
Change to 2007 Budget estimate				642 078	12 078	306 036	384 699	2 204 896

Health, Sports, Social Development

Table 14.4 Strategic Health Programmes (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
loveLife	23 000	36 999	35 000	53 000	63 000	73 000	77 380

Table 17.1 Sport and Recreation South Africa

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
2. Sport Support Services	91 823	82 898	81 333	97 830	97 830	106 631	105 810	108 672
3. Mass Participation	26 309	47 587	150 546	248 970	248 970	341 566	451 250	472 549

Table 16.6 Community Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Youth	1 273	1 513	2 976	6 039	5 801	6 158	6 630

Labour

Table 4.1 A: Total number of trained unemployed people benefiting from social development projects

Five-year target	Year	Target	Achievement	Percentage	2yrs total against the 2010 target
450 000 trained 70% placed	2005/06	90 000 trained	103 168	114%	Total trained: 221 321 (49%) Total placed: 146 067 (46%)
		70% placed	55 376	54%	
		10% accredited	0		
	2006/07	90 000 trained	118 153	131%	
		70% placed	90 691	77%	
		25% accredited	36%		

2006/07 Breakdown

	Total	SDFW	EPWP	ISRDP	URP
Number trained	118 153	74 649	31 174	6 551	3 779
Number placed	90 691	56 776	25 214	6 365	2 336
% placed	(77%)	76%	81%	97%	62%

Equity

	Black	Women	People with disabilities	Youth
Entered	78%	42%	2.3%	36%
Completed	56%	38%	2.3%	28%

Labour

Table 5.2: Unemployed learners entering various qualification paths

Year	Learnerships	Bursaries	Apprenticeships		Internships	Skills programmes	Total
			section 13	section 28			
2005/06	21 818		5 920			18 938	46 676
2006/07	31 194	2 835	435	452	1 097	6 742	42 755

- 20% of learners completed
- 69% are youth

Table 15.1 Labour

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
Direct charge against the National Revenue Fund	4 725 396	4 883 330	5 328 427	6 800 000	6 800 000	7 529 600	8 244 912	9 044 668
Sector education and training authorities	3 780 317	3 906 664	4 262 741	5 440 000	5 440 000	6 023 680	6 595 930	7 235 734
National Skills Fund	945 079	976 666	1 065 686	1 360 000	1 360 000	1 505 920	1 648 982	1 808 934

NYC – UYF Merger

- National Youth Development Agency Task Team consisting of Presidency, Umsobomvu Youth Fund, National Youth Commission, Department of Labour and National Treasury established.
- To date three meetings have been held with ensuing discussions on mandate, products & services, governance, institutional form, communication with stakeholders inclusive of public hearings and interim arrangements.
- Submission of recommendations to Cabinet by October 2008.

High Level Cashflow Forecast to March 2009

<i>CASHFLOW PROJECTIONS</i>				Mar-08	Mar-09
				Forecast	Forecast
				R'm	R'm
Opening cash on hand				356,874	401,308
Plus: Grant Income				400,000	5,080
Other Income				57,557	171,919
Total cash on hand				814,431	578,307
<i>Less: Expenses</i>				(447,677)	(526,394)
Operating Expenses				(54,763)	(54,342)
Project Disbursements				(369,184)	(399,879)
Outstanding Creditors and Purchase Order				-	(41,488)
Capital Expenditure				(23,730)	(30,685)
Cash on hand before bank interest				366,755	51,913
Plus: Interest on cash in bank				34,553	19,903
Closing cash on hand				401,308	71,816
Commitments to be disbursed in 2008/9				(399,879)	
Unencumbered cash				1,429	

High Level Reserves Forecast to March 2009

<i>RESERVES PROJECTION</i>				Mar-08 Forecast	Mar-09 Forecast
				R'm	R'm
Opening Reserves				371,534	(6,093)
Less Prior Year Commitments				(291,848)	
				79,686	(6,093)
Plus: Grant Income				400,000	5,080
				92,110	191,822
Reserves available before operating expenses				571,796	190,809
Less: Operating Expenses				(60,248)	(63,693)
Reserves available for project funding				511,548	127,116
Less: Fixed Project Commitments				(517,641)	(121,176)
<i>Closing Reserves available after project funding</i>				<i>(6,093)</i>	<i>5,940</i>

CURRENT WORK BEING UNDERTAKEN BY THE FUND

	R'm
Opening reserves as per reserves projection	5,940
PROJECTS APPROVED AND NOT YET CONTRACTED AND PIPELINES	(217,612)
Loans approved and letters sent to Clients	(14,648)
Projects approved and communication sent to Service Providers	(14,182)
Projects approved and communication not sent to SP	(88,382)
Loans Approved and Letter not sent to client	(4,390)
Projects in the process and should be approved	(96,010)
RESERVES AFTER PROJECTS APPROVED, NOT CONTRACTED AND PIPELINE (1)	(211,672)
BUDGET REQUIRED FOR 2008/9 ACTIVITIES (ABSOLUTELY REQUIRED) (2)	(207,930)
- Micro Loans { For 22 000 loans resulting in 15 000 jobs being created/sustained }	(35,150)
- National Youth Service Programme { For 74 500 unskilled and semi skilled youth trained and placed in NYS initiatives }	(68,780)
- Voucher Programme { For 15 000 vouchers resulting in 22 500 jobs being created/sustained and 4 800 businesses established }	(104,000)
NET RESERVES	(419,602)
FUNDS REQUIRED TO COMPLETE WORK DONE (1) AND MEET TARGETS (2)	419,602



Thank you