

# Vote 13

## Social Development

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	3 039 462	2 984 462	(55 000)	
MEC remuneration <sup>1</sup>	1 902	1 902		
<b>Total amount to be appropriated</b>	<b>3 041 364</b>	<b>2 986 364</b>	<b>(55 000)</b>	
<i>of which:</i>				
Current payments	1 942 820	1 862 698	(80 122)	
Transfers and subsidies	940 909	959 661		18 752
Payments for capital assets	157 635	164 005		6 370
Payments for financial assets	-	-		
Responsible MEC	MEC for Social Development			
Administering department	Social Development			
Accounting Officer	Head: Social Development			

### 1. Vision and mission

#### Vision

The vision of the Department of Social Development (DSD) is: *A caring and self-reliant society.*

#### Mission statement

The mission of the department is: *To transform our society by building conscious and capable citizens through the provision of integrated social development services.*

### 2. Strategic objectives

**Strategic policy direction:** By focussing on its role in the enhancement of the quality of life of the people of KwaZulu-Natal, the department seeks to align its operations and strategic position with the overall aim of government to ensure a long and healthy life for all, as well as to create sustainable rural communities. The strategic objectives of the department include the following:

#### *Social welfare services*

- To provide care and support social welfare services to older persons.
- To provide care and support social welfare services to persons with disabilities.
- To provide integrated community based care services to persons affected and infected by HIV and AIDS.
- To provide emergency relief to distressed individuals and households.

#### *Children and families*

- To provide equitable services which promote functional families.
- To provide effective child care and protection services.
- To provide equitable access to Early Childhood Development (ECD) and partial care.
- To provide access to alternative care for vulnerable children.
- To provide community-based care services for children.

<sup>1</sup> At the time of going to print, the proclamation determining the 2017 salary adjustment relating to public office bearers had not been signed, hence this amount remains unchanged from the 2017/18 EPRE.

**Restorative services**

- To provide effective crime prevention and support services.
- To provide effective services to persons affected by substance abuse.
- To provide effective service to victims of crime and violence.
- To provide developmental social welfare services to persons, families and communities dependent and affected by substance abuse.

**Development and research**

- To promote effective and sustainable community networks.
- To provide effective support to Non-Profit Organisations (NPOs).
- To alleviate poverty through sustainable and effective community development initiatives.
- To provide reliable information on households and communities for effective social interventions.
- To provide integrated and sustainable youth development services through skills development and social behavioural change programmes.
- To provide capacity building and socio-economic empowerment opportunities for women.
- To provide effective youth development services.
- To provide effective support structures for women development.
- To promote population policy implementation for evidence based planning.

### **3. Summary of adjusted estimates for the 2017/18 financial year**

The main appropriation of the department was R3.041 billion in 2017/18. The department's budget was decreased to R2.986 billion due to a request made by the department to suspend R55 million to 2018/19, as explained below. The main adjustments undertaken by the department are summarised below, and details given in Section 4.

- *Virement between programmes:* The department undertook the following virements across programmes:
  - o Savings of R2.106 million were identified in Programme 2: Social Welfare Services due to a decrease in the number of people requiring the services provided by old age homes that are funded by the department. There were also savings of R1.549 million in Programme 4: Restorative Services, as a result of Khulisa, an NPO rendering substance abuse services on behalf of the department, ceasing its partnership with the department due to a funding dispute related to the SLA conditions. These savings of R3.655 million were moved within *Transfers and subsidies to: Non-profit institutions* to Programme 3: Children and Families to offset spending pressures in respect of ECD services as a result of the higher than anticipated increase in the number of children requiring this service in the ECD centres.
  - o In addition to the above virements, the department undertook extensive virements across sub-programmes and economic categories within programmes, as detailed in Section 4.

All virements undertaken are permissible in terms of the PFMA and Treasury Regulations, and where necessary, Treasury approval was obtained to increase *Transfers and subsidies*.

Note that the above-mentioned decrease in *Transfers and subsidies to: Non-profit institutions* in Programmes 2 and 4 requires Legislature approval.

- *Other adjustments:* The department's budget allocation was decreased across all programmes except Programme 5: Development and Research, by R55 million as a result of savings under *Compensation of employees* due to lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. In addition, many vacant posts were filled from within the department, creating further vacancies. The funding will be reallocated back to the department in 2018/19 to procure tools of trade for newly appointed 166 social workers under the Social Worker Employment conditional grant (R16 million), as the grant only caters for their salaries. It will also assist the

department in upgrading its information and communications technology (ICT) infrastructure (R18 million), as well as addressing maintenance and refurbishing backlogs in the department's buildings (R21 million).

Tables 13.1 and 13.2 reflect a summary of the 2017/18 adjusted appropriation of the department, summarised according to programme and economic classification. Note that further details of adjustments at economic classification level are provided in *Annexure – Vote 13: Social Development*.

Table 13.1 : Summary by programmes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	454 640	-	-	-	-	(5 000)	(5 000)	449 640
2. Social Welfare Services	750 256	-	-	(2 106)	-	(10 000)	(12 106)	738 150
3. Children and Families	1 300 996	-	-	3 655	-	(25 000)	(21 345)	1 279 651
4. Restorative Services	331 953	-	-	(1 549)	-	(15 000)	(16 549)	315 404
5. Development and Research	203 519	-	-	-	-	-	-	203 519
<b>Total</b>	<b>3 041 364</b>	-	-	-	-	<b>(55 000)</b>	<b>(55 000)</b>	<b>2 986 364</b>
Amount to be voted								<b>(55 000)</b>

Table 13.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>1 942 820</b>	-	-	<b>(25 122)</b>	-	<b>(55 000)</b>	<b>(80 122)</b>	<b>1 862 698</b>
Compensation of employees	1 531 019	-	-	(40 846)	-	(55 000)	(95 846)	1 435 173
Goods and services	411 801	-	-	15 599	-	-	15 599	427 400
Interest and rent on land	-	-	-	125	-	-	125	125
<b>Transfers and subsidies to:</b>	<b>940 909</b>	-	-	<b>18 752</b>	-	-	<b>18 752</b>	<b>959 661</b>
Provinces and municipalities	832	-	-	-	-	-	-	832
Departmental agencies and accounts	3 635	-	-	292	-	-	292	3 927
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	912 831	-	-	18 460	-	-	18 460	931 291
Households	23 611	-	-	-	-	-	-	23 611
<b>Payments for capital assets</b>	<b>157 635</b>	-	-	<b>6 370</b>	-	-	<b>6 370</b>	<b>164 005</b>
Buildings and other fixed structures	116 893	-	-	(5 659)	-	-	(5 659)	111 234
Machinery and equipment	40 742	-	-	12 029	-	-	12 029	52 771
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3 041 364</b>	-	-	-	-	<b>(55 000)</b>	<b>(55 000)</b>	<b>2 986 364</b>
Amount to be voted								<b>(55 000)</b>

#### 4. Changes to programme purposes and service delivery measures

The department did not change the purpose of any of its programmes. However, there were extensive changes to service delivery measures to align the targets originally published in the 2017/18 *EPRE* with the department's APP, which was published after the *EPRE*.

##### 4.1 Programme 1: Administration

Programme 1: Administration mainly provides overall strategic management and support services to the department, political and legislative interface between government, civil society and all relevant stakeholders, addresses policy interpretation and the strategic direction of the department and provides support with regard to corporate management, human resource management, logistics, communication, finance, and legal services, etc.

Tables 13.3 and 13.4 reflect a summary of the 2017/18 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall decrease of R5 million, are provided in the paragraphs following the tables.

Table 13.3 : Programme 1: Administration

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the MEC	13 146						-	13 146
2. Corporate Management Services	279 494					(5 000)	(5 000)	274 494
3. District Management	162 000						-	162 000
<b>Total</b>	<b>454 640</b>	-	-	-	-	(5 000)	(5 000)	<b>449 640</b>
Amount to be voted								(5 000)

Table 13.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>419 942</b>	-	-	(292)	-	(5 000)	(5 292)	<b>414 650</b>
Compensation of employees	246 966					(5 000)	(5 000)	241 966
Goods and services	172 976			(417)			(417)	172 559
Interest and rent on land				125			125	125
<b>Transfers and subsidies to:</b>	<b>8 831</b>	-	-	<b>292</b>	-	-	<b>292</b>	<b>9 123</b>
Provinces and municipalities	832						-	832
Departmental agencies and accounts	3 635			292			292	3 927
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	4 364						-	4 364
<b>Payments for capital assets</b>	<b>25 867</b>	-	-	-	-	-	-	<b>25 867</b>
Buildings and other fixed structures							-	-
Machinery and equipment	25 867						-	25 867
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>454 640</b>	-	-	-	-	(5 000)	(5 000)	<b>449 640</b>
Amount to be voted								(5 000)

### Virement – Programme 1: Administration

There were no changes to the main appropriation of Programme 1 and between sub-programmes. The following virements were undertaken within the programme between economic categories:

- Savings of R417 000 were identified under *Goods and services*, largely due to lower than budgeted costs of operating leases resulting from the implementation of a National Treasury transversal contract on leasing photocopying machines and also from reducing the number of leased machines to align with cost-cutting. The saving was moved within the programme to provide for unanticipated Health and Welfare Sector Education Training Authority (HWSETA) costs incurred against *Transfers and subsidies to: Departmental agencies and accounts* (R292 000), as well as to *Interest and rent on land* (R125 000) in respect of the rental for land accommodating the Camperdown park home, which acts as a service office, and interest related to overdue accounts.

These virements are permissible in terms of the PFMA and Treasury Regulations.

### Other adjustments – Programme 1: Administration: (R5 million)

The programme was decreased by R5 million as a result of savings under *Compensation of employees* due to lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. As mentioned, these funds were suspended to 2018/19 to fund tools of trade, ICT infrastructure and maintenance and refurbishment backlogs of buildings.

### Service delivery measures – Programme 1: Administration

Table 13.5 shows the revised service delivery information for Programme 1. There were no changes to the details published in the *EPRE*. Note that all targets in this programme are reported on annually.

**Table 13.5 : Service delivery measures – Programme 1: Administration**

Outputs	Performance indicators	Performance targets		
		2017/8 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Corporate Management Services</b>				
	• No. of social worker bursary holders that graduated	3 063	Annual	
	• No. of social worker bursary holder graduates employed by DSD	1 303	Annual	
	• No. of EPWP work opportunities created	13 266	Annual	
	• No. of EPWP workers on learnership programmes	1 000	Annual	

## 4.2 Programme 2: Social Welfare Services

Programme 2 caters for the provision of developmental social welfare services. These services are either provided directly by the department or by subsidised welfare organisations.

Tables 13.6 and 13.7 reflect a summary of the 2017/18 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R12.106 million, are provided in the paragraphs after the tables.

**Table 13.6 : Programme 2: Social Welfare Services**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Management and Support	187 700					(2 000)	(2 000)	185 700
2. Services to Older Persons	173 656			(2 106)			(2 106)	171 550
3. Services to Persons with Disabilities	139 499						-	139 499
4. HIV and AIDS	234 305					(8 000)	(8 000)	226 305
5. Social Relief	15 096						-	15 096
<b>Total</b>	<b>750 256</b>	<b>-</b>	<b>-</b>	<b>(2 106)</b>	<b>-</b>	<b>(10 000)</b>	<b>(12 106)</b>	<b>738 150</b>
<b>Amount to be voted</b>								<b>(12 106)</b>

**Table 13.7 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>402 676</b>	<b>-</b>	<b>-</b>	<b>(6 292)</b>	<b>-</b>	<b>(10 000)</b>	<b>(16 292)</b>	<b>386 384</b>
Compensation of employees	326 316			(11 951)		(10 000)	(21 951)	304 365
Goods and services	76 360			5 659			5 659	82 019
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>277 517</b>	<b>-</b>	<b>-</b>	<b>(2 106)</b>	<b>-</b>	<b>-</b>	<b>(2 106)</b>	<b>275 411</b>
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	259 680			(2 106)			(2 106)	257 574
Households	17 837						-	17 837
<b>Payments for capital assets</b>	<b>70 063</b>	<b>-</b>	<b>-</b>	<b>6 292</b>	<b>-</b>	<b>-</b>	<b>6 292</b>	<b>76 355</b>
Buildings and other fixed structures	66 959			(5 659)			(5 659)	61 300
Machinery and equipment	3 104			11 951			11 951	15 055
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>750 256</b>	<b>-</b>	<b>-</b>	<b>(2 106)</b>	<b>-</b>	<b>(10 000)</b>	<b>(12 106)</b>	<b>738 150</b>
<b>Amount to be voted</b>								<b>(12 106)</b>

### Virement – Programme 2: Social Welfare Services: (R2.106 million)

As a result of virements undertaken, Programme 2's main appropriation was decreased by R2.106 million as follows:

- Savings of R2.106 million were identified against *Transfers and subsidies to: Non-profit institutions* under the Services to Older Persons sub-programme as a result of a decrease in the occupancy rate in the old age homes subsidised by the department. The funds were moved within the category to the ECD sub-programme in Programme 3 to address higher than expected costs for ECD services, as the number of children in ECD centres increased at a faster rate than anticipated.

The following virements were undertaken within the various sub-programmes in Programme 2, but across economic classification:

- Savings of R11.951 million identified against *Compensation of employees* due to the slow process of filling vacant posts were moved to *Machinery and equipment* to assist in the upgrade of IT infrastructure equipment at district offices and head office.
- Savings of R5.659 million were identified against *Buildings and other fixed structures* as a result of slow spending due to slow procurement processes with the implementing agents Coega and the Department of Public Works (DOPW). These funds were moved to *Goods and services* to fund the residential accommodation audit, which is an initiative by the department to inspect the state of the facilities used to provide its services. Note that the decrease in *Buildings and other fixed structures* does not require Legislature approval, as the capital budget for the Vote as a whole increases.

All these virements are permissible in terms of the PFMA and Treasury Regulations.

Note that the decrease in *Transfers and subsidies to: Non-profit institutions* in this programme requires Legislature approval.

### Other adjustments – Programme 2: Social Welfare Services: (R10 million)

The programme was decreased by R10 million from the Management and Support (R2 million) and the HIV and AIDS (R8 million) sub-programmes, as a result of savings under *Compensation of employees* due to lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. These funds are suspended to 2018/19 to fund tools of trade, ICT infrastructure and maintenance and refurbishment backlogs of buildings, as mentioned previously.

### Service delivery measures – Programme 2: Social Welfare Services

Table 13.8 shows the revised service delivery information for Programme 2. Note that three measures in this programme are annual in nature and are only reported on after the closure of the financial year and are indicated as “Annual” against the Mid-year actual in Table 13.8. The department revised all measures to align them with the targets published in the 2017/18 APP, due to the *EPRE* being published before the APP was finalised.

**Table 13.8 : Service delivery measures – Programme 2: Social Welfare Services**

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Services to older persons</b>				
	• No. of residential facilities for older persons	48	Annual	42
	• No. of older persons accessing residential facilities	2 609	2 842	2 625
	• No. of older persons accessing community-based care and support services	21 953	22 510	22 223
<b>2. Services to persons with disabilities</b>				
	• No. of funded residential facilities for persons with disabilities	22	Annual	21
	• No. of persons with disabilities accessing funded residential facilities	1 106	1 160	1 070
	• No. of persons with disabilities accessing services in funded protective workshops	2 384	2 529	2 224
<b>3. HIV and AIDS</b>				
	• No. of organisations trained on social and behaviour change programmes	230	Annual	230
	• No. of beneficiaries reached through social and behaviour change programmes	111 655	69 253	175 741
	• No. of beneficiaries receiving psychosocial support services	126 111	65 313	128 371

### 4.3 Programme 3: Children and Families

Programme 3 provides for comprehensive child and family care and support services to communities in partnerships with stakeholders and civil society organisations. The objectives of the sub-programmes remain unchanged from the *EPRE*. Tables 13.9 and 13.10 reflect a summary of the 2017/18 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R21.345 million, are provided in the paragraphs following the tables.

**Table 13.9 : Programme 3: Children and Families**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
1. Management and Support	109 645			(700)		(700)	108 945
2. Care and Services to Families	15 331			700		700	16 031
3. Child Care and Protection	383 556					(5 000)	378 556
4. ECD and Partial Care	497 786			3 655		3 655	501 441
5. Child and Youth Care Centres	176 981					(5 000)	171 981
6. Community-Based Care Services for Children	117 697					(15 000)	102 697
<b>Total</b>	<b>1 300 996</b>	<b>-</b>	<b>-</b>	<b>3 655</b>	<b>-</b>	<b>(25 000)</b>	<b>1 279 651</b>
<b>Amount to be voted</b>							<b>(21 345)</b>

**Table 13.10 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>Current payments</b>	<b>708 845</b>	<b>-</b>	<b>-</b>	<b>(18 538)</b>	<b>-</b>	<b>(25 000)</b>	<b>665 307</b>
Compensation of employees	621 272			(23 895)		(25 000)	572 377
Goods and services	87 573			5 357		5 357	92 930
Interest and rent on land						-	-
<b>Transfers and subsidies to:</b>	<b>545 335</b>	<b>-</b>	<b>-</b>	<b>22 115</b>	<b>-</b>	<b>-</b>	<b>567 450</b>
Provinces and municipalities						-	-
Departmental agencies and accounts						-	-
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions	544 707			22 115		22 115	566 822
Households	628					-	628
<b>Payments for capital assets</b>	<b>46 816</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>46 894</b>
Buildings and other fixed structures	40 628					-	40 628
Machinery and equipment	6 188			78		78	6 266
Heritage assets						-	-
Specialised military assets						-	-
Biological assets						-	-
Land and subsoil assets						-	-
Software and other intangible assets						-	-
<b>Payments for financial assets</b>							
<b>Total</b>	<b>1 300 996</b>	<b>-</b>	<b>-</b>	<b>3 655</b>	<b>-</b>	<b>(25 000)</b>	<b>1 279 651</b>
<b>Amount to be voted</b>							<b>(21 345)</b>

#### Virement – Programme 3: Children and Families: R3.655 million

The programme was increased by R3.655 million, with savings from *Transfers and subsidies to: Non-profit institutions* in both Programmes 2 (R2.106 million) and 4 (R1.549 million) moved within the category to Programme 3. The savings were moved to address spending pressures in the ECD and Partial Care sub-programme due to an unanticipated increase in the number of children in ECD centres. The savings in Programme 2 were as a result of a decrease in the occupancy rate in the old age homes subsidised by the department. The savings in Programme 4 were mainly due to the fact that Khulisa, an organisation rendering substance abuse services on behalf of the department, stopped the partnership with the department due to a funding dispute related to the SLA conditions.

In addition to the above, the following virements were undertaken within the programme, across sub-programmes and economic classifications:

- Savings of R23.895 million were identified against *Compensation of employees* in most sub-programmes due to vacant funded OSD posts not filled because of slow internal processes in filling vacant posts. These savings were moved as follows:

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- o R5.357 million was moved to *Goods and services* for the previously mentioned refurbishment of ICT infrastructure.
- o R18.460 million was moved to *Transfers and subsidies to: Non-profit institutions* to address the previously mentioned spending pressures caused by the unanticipated increase in the number of children in ECD centres. This funding was moved as follows:
  - R2.433 million was allocated to the Care and Services to Families sub-programme to address pressures due to new family-based programmes in need of funding.
  - R16.027 million was moved to the ECD and Partial Care (R13.449 million), the Child and Youth Care (R1.385 million) and the Community-Based Care Services for Children (R1.193 million) sub-programmes as a result of the higher than anticipated increase in the number of children making use of these services.
- o R78 000 was moved to *Machinery and equipment* for the purchase of IT equipment at the district offices.

Note that the department also undertook further virements across sub-programmes that contributed to the movements in Table 13.9. All these virements are permissible in terms of the PFMA and Treasury Regulations, and Treasury approval was given for the increase in *Transfers and subsidies to: Non-profit institutions*.

**Other adjustments – Programme 3: Children and Families: (R25 million)**

The programme was decreased by R25 million as a result of savings under *Compensation of employees* in various sub-programmes due to lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. As mentioned, these funds are suspended to 2018/19 to fund tools of trade, ICT infrastructure and maintenance and refurbishment backlogs of buildings.

**Service delivery measures – Programme 3: Children and Families**

Table 13.11 shows the revised service delivery information for Programme 3. The department revised most of the measures to align them with the targets published in the 2017/18 APP, due to the *EPRE* being published before the APP was finalised. Note that two measures in this programme are annual in nature and are only reported on after the closure of the financial year and are indicated as “Annual” against the Mid-year actual in Table 13.11.

**Table 13.11 : Service delivery measures – Programme 3: Children and Families**

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Care and services to families</b>				
	• No. of families participating in family preservation services	63 302	15 842	9 810
	• No. of family members re-united with their families	2 590	1 560	2 174
	• No. of families participating in parenting skills programmes	52 876	33 585	43 925
<b>2. Child care and protection</b>				
	• No. of orphans and vulnerable children receiving psycho-social support services	86 163	54 074	95 714
	• No. of children awaiting foster care placement	3 740	4 835	3 741
	• No. of children placed in foster care	7 319	3 309	7 329
<b>3. ECD and partial care</b>				
	• No. of ECD practitioners in registered ECD programmes	3 722	Annual	
	• No. of fully registered ECD centres	1 090	1 082	
	• No. of fully registered ECD programmes	1 046	1 036	1 052
	• No. of conditionally registered ECD centres	1 624	1 620	1 618
	• No. of conditionally registered ECD programmes	1 359	1 286	1 353
	• No. of children accessing registered ECD programmes	110 876	115 491	112 309
	• No. of subsidised children accessing registered ECD programmes	81 842	91 770	83 012



**Table 13.11 : Service delivery measures – Programme 3: Children and Families**

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>4. Child and youth care centres</b>				
	• No. of child and youth care centres	70	Annual	73
	• No. of children in need of care and protection in funded CYCCs	3 617	4 112	3 688
<b>5. Community-based care services for children</b>				
	• No. of children accessing services through the Isibindi model	54 741	55 884	54 439

#### 4.4 Programme 4: Restorative Services

The purpose of this programme is to provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations. The objectives of the sub-programmes remain unchanged from the *EPRE*.

Tables 13.12 and 13.13 reflect a summary of the 2017/18 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R16.549 million, are provided in the paragraphs after the tables.

**Table 13.12 : Programme 4: Restorative Services**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Management and Support	74 531					(9 000)	(9 000)	65 531
2. Crime Prevention and Support	127 107			(987)		(2 000)	(2 987)	124 120
3. Victim Empowerment	35 881			103			103	35 984
4. Substance Abuse, Prevention and Rehabilitation	94 434			(665)		(4 000)	(4 665)	89 769
<b>Total</b>	<b>331 953</b>	<b>-</b>	<b>-</b>	<b>(1 549)</b>	<b>-</b>	<b>(15 000)</b>	<b>(16 549)</b>	<b>315 404</b>
<b>Amount to be voted</b>								<b>(16 549)</b>

**Table 13.13 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>								
	273 114	-	-	-	-	(15 000)	(15 000)	258 114
Compensation of employees	228 574			(5 000)		(15 000)	(20 000)	208 574
Goods and services	44 540			5 000			5 000	49 540
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>								
	55 856	-	-	(1 549)	-	-	(1 549)	54 307
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	55 702			(1 549)			(1 549)	54 153
Households	154						-	154
<b>Payments for capital assets</b>								
	2 983	-	-	-	-	-	-	2 983
Buildings and other fixed structures	958						-	958
Machinery and equipment	2 025						-	2 025
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>								
							-	-
<b>Total</b>	<b>331 953</b>	<b>-</b>	<b>-</b>	<b>(1 549)</b>	<b>-</b>	<b>(15 000)</b>	<b>(16 549)</b>	<b>315 404</b>
<b>Amount to be voted</b>								<b>(16 549)</b>

#### Virement – Programme 4: Restorative Services: R1.549 million

The programme was decreased by R1.549 million, mainly under the Crime Prevention and Support, as well as the Substance Abuse, Prevention and Rehabilitation sub-programmes, where savings were identified against *Transfers and subsidies to: Non-profit institutions*. These savings were mainly due to

the fact that Khulisa, an organisation rendering substance abuse services on behalf of the department, stopped the partnership with the department due to a funding dispute related to the SLA conditions. These savings were moved within the category to Programme 3 to address the previously mentioned spending pressures caused by the unanticipated increase in the number of children in ECD centres.

Savings of R5 million were identified against *Compensation of employees* as a result of lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. These were moved to *Goods and services* for ICT upgrades at the district offices.

Note that the department also undertook further virements across sub-programmes within economic classifications that contributed to the movements in Table 13.12. These virements are permissible in terms of the PFMA and Treasury Regulations.

Note that the decrease in *Transfers and subsidies to: Non-profit institutions* in this programme requires Legislature approval.

#### Other adjustments – Programme 4: Restorative Services: (R15 million)

The programme was decreased by R15 million as a result of savings under various sub-programmes against *Compensation of employees* due to lengthy internal recruitment processes for the filling of vacant funded OSD and critical non-OSD posts. As mentioned, these funds are suspended to 2018/19 to fund tools of trade, ICT infrastructure and maintenance and refurbishment backlogs of buildings.

#### Service delivery measures – Programme 4: Restorative Services

Table 13.14 shows the revised service delivery information for Programme 4.

Note that one measure in this programme is annual in nature and is only reported on after the closure of the financial year and is indicated as “Annual” against the Mid-year actual in Table 13.14. The department revised seven measures to align them with the targets published in the 2017/18 APP, due to the *EPRE* being published before the APP was finalised.

**Table 13.14 : Service delivery measures – Programme 4: Restorative Services**

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Crime prevention and support</b>				
	• No. of children in conflict with the law assessed	2 690	1 450	2 602
	• No. of children in conflict with the law awaiting trial in secure care centres	168	269	
	• No. of sentenced children in secure care centres	0	0	
	• No. of children in conflict with the law referred to diversion programmes	909	434	932
	• No. of children in conflict with the law who completed diversion programmes	717	240	
<b>2. Victim empowerment</b>				
	• No. of funded VE programme service centres	45	Annual	
	• No. of victims of crime and violence accessing services from funded VE service centres	3 910	3 558	
	• No. of victims of human trafficking identified	54	23	57
	• No. of human trafficking victims who accessed social services	53	23	62
<b>3. Substance abuse, prevention and rehabilitation</b>				
	• No. of children younger than 18 years reached through substance abuse prevention programmes	184 495	122 711	200 143
	• No. of people (18 and above) reached through substance abuse prevention programmes	125 973	76 472	127 823
	• No. of service users who accessed in-patient treatment services at funded treatment centres	1 226	751	1 266
	• No. of service users who accessed out-patient based treatment services	2 379	1 443	

#### 4.5 Programme 5: Development and Research

The purpose of this programme is to provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information. The objectives of the sub-programmes remain unchanged from the *EPRE*. Tables 13.15 and 13.16 reflect a summary of the 2017/18 adjusted appropriation of Programme 5, summarised according to sub-programme and economic classification. No changes were made to the main appropriation.

**Table 13.15 : Programme 5: Development and Research**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Management and Support	102 729						-	102 729
2. Community Mobilisation	1 838						-	1 838
3. Institutional Capacity Building and Support for NPO's	30 608						-	30 608
4. Poverty Alleviation and Sustainable Livelihoods	14 597						-	14 597
5. Community-Based Research and Planning	1 244						-	1 244
6. Youth Development	42 090						-	42 090
7. Women Development	7 259						-	7 259
8. Population Policy Promotion	3 154						-	3 154
<b>Total</b>	<b>203 519</b>	-	-	-	-	-	-	<b>203 519</b>
<b>Amount to be voted</b>								-

**Table 13.16 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>138 243</b>	-	-	-	-	-	-	<b>138 243</b>
Compensation of employees	107 891						-	107 891
Goods and services	30 352						-	30 352
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>53 370</b>	-	-	-	-	-	-	<b>53 370</b>
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	52 742						-	52 742
Households	628						-	628
<b>Payments for capital assets</b>	<b>11 906</b>	-	-	-	-	-	-	<b>11 906</b>
Buildings and other fixed structures	8 348						-	8 348
Machinery and equipment	3 558						-	3 558
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>203 519</b>	-	-	-	-	-	-	<b>203 519</b>
<b>Amount to be voted</b>								-

#### Service delivery measures – Programme 5: Development and Research

Table 13.17 shows the revised service delivery information for Programme 5. Note that four measures in this programme are annual in nature and are only reported on after the closure of the financial year and are indicated as “Annual” against the Mid-year actual in Table 13.17. The department revised 12 measures to align them with the targets published in the 2017/18 APP, due to the *EPRE* being published before the APP was finalised. The department amended the description of one measure, and this is indicated in bold italics.

**Table 13.17 : Service delivery measures – Programme 5: Development and Research**

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Community mobilisation</b>				
	• No. of people reached through community mobilisation programmes	176 579	107 933	190 633

Table 13.17 : Service delivery measures – Programme 5: Development and Research

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>2. Institutional capacity building and support for NPOs</b>				
	• No. of funded NPOs	2 976	Annual	2 980
	• No. of NPOs capacitated according to the capacity building guideline	5 869	3 611	5 863
<b>3. Poverty alleviation and sustainable livelihoods</b>				
	• No. of poverty reduction initiatives supported	392	471	391
	• No. of people benefitting from poverty reduction initiatives	14 687	10 260	14 667
	• No. of households accessing food through DSD food security programmes	3 689	2 847	3 624
	• No. of people accessing food through DSD feeding programmes (centre based)	11 889	9 023	11 849
<b>4. Community-based research and planning</b>				
	• No. of households profiled	10 245	5 432	10 275
	• No. of communities profiled in a ward	862	458	
	• No. of community-based plans developed	820	423	821
<b>5. Youth development</b>				
	• No. of youth development structures supported	554	606	
	• No. of youth participating in skills development programmes	8 857	5 593	8 836
	• No. of youth participating in youth mobilisation programmes	60 580	47 548	74 914
<b>6. Women development</b>				
	• No. of women participating in <i>socio-economic</i> empowerment programmes	42 871	26 485	42 991
<b>7. Population policy promotion</b>				
	• No. of population capacity development sessions conducted	15	7	
	• No. of individuals who participated in population capacity development sessions	360	227	
	• No. of population advocacy, information, education and communication (IEC) activities implemented	55	29	
	• No. of population policy monitoring and evaluation reports produced	1	Annual	
	• No. of research projects completed	3	Annual	
	• No. of demographic profile projects completed	3	Annual	

## 5. Specifically and exclusively appropriated allocations

Table 13.18 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act. Details of the main adjustments, which resulted in an overall increase of R18.460 million in respect of the department's specifically and exclusively appropriated funding, are provided in the paragraphs following the table.

Table 13.18 : Summary of specifically and exclusively appropriated funding

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/			Other			
		Roll-overs	unavoidable	Virement	Shifts	adjustments		
1. Prog. 2 Care and Services to Older Persons	122 205			(2 106)			(2 106)	120 099
2. Prog. 2 Services to Persons with Disabilities	74 236						-	74 236
3. Prog. 2 HIV and AIDS	63 239						-	63 239
4. Prog. 2 Inkululeko Elderly Day Care Centre	1 000						-	1 000
5. Prog. 3 Care and Services to Families	8 147			2 433			2 433	10 580
6. Prog. 3 Child Care and Protection	79 769						-	79 769
7. Prog. 3 ECD and Partial Care	278 556			17 104			17 104	295 660
8. Prog. 3 Child and Youth Care	87 583			1 385			1 385	88 968
9. Prog. 3 Community-Based Care Services for Children	31 728			1 193			1 193	32 921
10. Prog. 4 Crime Prevention and Support	18 048			(987)			(987)	17 061
11. Prog. 4 Victim Empowerment	19 515			103			103	19 618
12. Prog. 4 Substance Abuse, Prevention and Rehabilitation	18 139			(665)			(665)	17 474
13. Prog. 5 Poverty Alleviation and Sustainable Livelihoods	14 597						-	14 597
14. Prog. 5 Youth Development	30 886						-	30 886
15. Prog. 5 Women Development	7 529						-	7 529
Of which								
Prog. 2: Six per cent increase in transfer to NGOs	16 690						-	16 690
Prog. 3: Six per cent increase in transfer to NGOs	29 422						-	29 422
Prog. 4: Six per cent increase in transfer to NGOs	2 990						-	2 990
<b>Total</b>	<b>855 177</b>	<b>-</b>	<b>-</b>	<b>18 460</b>	<b>-</b>	<b>-</b>	<b>18 460</b>	<b>873 637</b>
<b>Amount to be voted</b>								<b>18 460</b>

- **Virement:** The department undertook the following virements affecting the specifically and exclusively appropriated allocation:
  - o Savings of R2.106 million realised under the Care and Services to Older Persons sub-programme in Programme 2 were due to a decrease in the occupancy rate in the old age homes subsidised by the department. In addition, there were also savings in Programme 4 against the Crime Prevention and Support sub-programme (R987 000), as well as the Substance Abuse, Prevention and Rehabilitation sub-programme (R665 000), mainly because Khulisa, an organisation rendering substance abuse services on behalf of the department, stopped the partnership with the department due to a funding dispute related to the SLA conditions. The bulk of these savings (R3.655 million) were moved within *Transfers and subsidies to: Non-profit institutions* to the ECD and Partial Care sub-programme in Programme 3 to address spending pressures due to an unanticipated increase in the number of children in ECD centres. The balance of R103 000 was moved within the same category and within Programme 4 to the Victim Empowerment sub-programme to ensure alignment with the master list of NGOs providing services.
  - o Savings of R18.460 million were identified against *Compensation of employees* in Programme 3 due to vacant funded OSD posts not filled because of slow internal processes in filling vacant posts. This funding was moved to *Transfers and subsidies to: Non-profit institutions* within Programme 3 as follows:
    - R2.433 million was allocated to Care and Services to Families to address pressures due to new family-based programmes in need of funding.
    - R16.027 million was moved to ECD and Partial Care (R13.449 million), Child and Youth Care (R1.385 million) and Community-Based Care Services for Children (R1.193 million) as a result of the higher than anticipated increase in the number of the children making use of these services.

All these virements are permissible in terms of the PFMA and Treasury Regulations.

Note that the decrease in the specifically and exclusively allocated funding to Care and Services to Older Persons, Crime Prevention and Support, as well as Substance Abuse, Prevention and Rehabilitation in this programme requires Legislature approval.

## 6. Gifts, donations and sponsorships

The department is not envisaging any gifts, donations and sponsorships in excess of R100 000.

## 7. Infrastructure

Table 13.19 shows the summary of infrastructure payments per main category. Details of the main adjustment, which resulted in an overall decrease of R5.659 million, is given in the paragraph below.

**Table 13.19 : Summary of infrastructure payments by category**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Other adjustments		
<b>Existing infrastructure assets</b>	90 427	-	-	-	-	-	90 427
Maintenance and repair: Current	39 815						39 815
Upgrades and additions: Capital	25 946						25 946
Refurbishment and rehabilitation: Capital	24 666						24 666
<b>New infrastructure assets: Capital</b>	66 281			(5 659)		(5 659)	60 622
<b>Infrastructure transfers</b>	-	-	-	-	-	-	-
Infrastructure transfers: Capital							
Infrastructure transfers: Current							
<b>Infrastructure: Payments for financial assets</b>							
<b>Infrastructure: Leases</b>							
<b>Non infrastructure</b>							
Capital infrastructure	116 893	-	-	(5 659)	-	(5 659)	111 234
Current infrastructure	39 815	-	-	-	-	-	39 815
<b>Total</b>	156 708	-	-	(5 659)	-	(5 659)	151 049
<b>Amount to be voted</b>							(5 659)

- *Virement*: The department identified savings against *New infrastructure assets: Capital* as a result of slow spending due to slow procurement processes with the implementing agents Coega and DOPW. These funds were moved within Programme 2 to *Goods and services* to fund the residential accommodation audit, which is an initiative by the department to inspect the state of the facilities used to provide its services. Note that the decrease in *New infrastructure assets: Capital* does not require Legislature approval, as the capital budget for the Vote as a whole increases.

## 8. Conditional grants

Tables 13.20 and 13.21 provide a summary of changes to conditional grants. Details of the main adjustments, which resulted in no changes in the conditional grant allocation, are given in the paragraphs following the tables.

**Table 13.20 : Summary of changes to conditional grants**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
<b>2. Social Welfare Services</b>	<b>19 498</b>	-	-	-	-	-	<b>19 498</b>
Social Sector EPWP Incentive Grant for Provinces	19 498						19 498
<b>3. Children and Families</b>	<b>125 338</b>	-	-	-	-	-	<b>125 338</b>
Early Childhood Development grant	71 879						71 879
Social Worker Employment grant	53 459						53 459
<b>Total</b>	<b>144 836</b>	-	-	-	-	-	<b>144 836</b>
<b>Amount to be voted</b>							<b>-</b>

**Table 13.21 : Summary of conditional grants by economic classification**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
<b>Current payments</b>	<b>85 912</b>	-	-	(78)	-	(78)	<b>85 834</b>
Compensation of employees	72 957			(435)		(435)	72 522
Goods and services	12 955			357		357	13 312
Interest and rent on land							-
<b>Transfers and subsidies to:</b>	<b>58 924</b>	-	-	-	-	-	<b>58 924</b>
Provinces and municipalities							-
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions	58 924						58 924
Households							-
<b>Payments for capital assets</b>	<b>-</b>	-	-	78	-	78	<b>78</b>
Buildings and other fixed structures							-
Machinery and equipment				78		78	78
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
<b>Payments for financial assets</b>	<b>-</b>	-	-	-	-	-	<b>-</b>
<b>Total</b>	<b>144 836</b>	-	-	-	-	-	<b>144 836</b>
<b>Amount to be voted</b>							<b>-</b>

- *Virement*: The department moved funds within the ECD grant, with savings of R435 000 identified against *Compensation of employees*, moved to *Goods and services* (R357 000) to pay the contractors that are responsible for the maintenance at the ECD centres and to *Machinery and equipment* (R78 000) for the purchase of IT equipment at the district offices.

## 9. Transfers and subsidies

Table 13.22 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall increase of R18.752 million in the transfers and subsidies allocation, are provided in the paragraphs following the tables.

Table 13.22 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/		Virement	Shifts	Other adjustments		
		Roll-overs	unavoidable					
<b>1. Administration</b>	<b>8 831</b>	-	-	292	-	-	<b>292</b>	<b>9 123</b>
Provinces and municipalities	832	-	-	-	-	-	-	832
Motor vehicle licences	832	-	-	-	-	-	-	832
Departmental agencies and accounts	3 635	-	-	292	-	-	292	3 927
HWSETA	3 635	-	-	292	-	-	292	3 927
Households	4 364	-	-	-	-	-	-	4 364
Social benefits - staff exit costs	4 364	-	-	-	-	-	-	4 364
<b>2. Social Welfare Services</b>	<b>277 517</b>	-	-	(2 106)	-	-	<b>(2 106)</b>	<b>275 411</b>
Non-profit institutions	259 680	-	-	(2 106)	-	-	(2 106)	257 574
Care and services to older persons	122 205	-	-	(2 106)	-	-	(2 106)	120 099
Services to persons with disabilities	74 236	-	-	-	-	-	-	74 236
HIV and AIDS	63 239	-	-	-	-	-	-	63 239
Households	17 837	-	-	-	-	-	-	17 837
Social benefits - staff exit costs	2 741	-	-	-	-	-	-	2 741
Social Relief	15 096	-	-	-	-	-	-	15 096
<b>3. Children and Families</b>	<b>545 335</b>	-	-	22 115	-	-	<b>22 115</b>	<b>567 450</b>
Non-profit institutions	544 707	-	-	22 115	-	-	22 115	566 822
Care and services to families	8 147	-	-	2 433	-	-	2 433	10 580
Child care and protection	79 769	-	-	-	-	-	-	79 769
ECD and partial care	337 480	-	-	17 104	-	-	17 104	354 584
Child and youth care	87 583	-	-	1 385	-	-	1 385	88 968
Community-based care services for children	31 728	-	-	1 193	-	-	1 193	32 921
Households	628	-	-	-	-	-	-	628
Social benefits - staff exit costs	628	-	-	-	-	-	-	628
<b>4. Restorative Services</b>	<b>55 856</b>	-	-	(1 549)	-	-	<b>(1 549)</b>	<b>54 307</b>
Non-profit institutions	55 702	-	-	(1 549)	-	-	(1 549)	54 153
Crime prevention and support	18 048	-	-	(987)	-	-	(987)	17 061
Victim empowerment	19 515	-	-	103	-	-	103	19 618
Substance abuse, prevention and rehabilitation	18 139	-	-	(665)	-	-	(665)	17 474
Households	154	-	-	-	-	-	-	154
Social benefits - staff exit costs	154	-	-	-	-	-	-	154
<b>5. Development and Research</b>	<b>53 370</b>	-	-	-	-	-	-	<b>53 370</b>
Non-profit institutions	52 742	-	-	-	-	-	-	52 742
Poverty alleviation and sustainable livelihoods	14 597	-	-	-	-	-	-	14 597
Youth development	30 886	-	-	-	-	-	-	30 886
Women development	7 259	-	-	-	-	-	-	7 259
Households	628	-	-	-	-	-	-	628
Social benefits - staff exit costs	628	-	-	-	-	-	-	628
<b>Total</b>	<b>940 909</b>	-	-	<b>18 752</b>	-	-	<b>18 752</b>	<b>959 661</b>
<b>Amount to be voted</b>								<b>18 752</b>

- **Virement:** The department undertook the following virements affecting transfers and subsidies:
  - In Programme 1, R292 000 was moved from *Goods and services* to *Departmental agencies and accounts* to correct under-budgeting of the HWSETA allocation.
  - In Programme 2, an amount of R2.106 million was moved from Care and Services to Older Persons within *Non-profit institutions* to Programme 3 aimed at addressing higher than expected costs for ECD services as the number of children in ECD centres increased at a faster rate than anticipated.
  - In Programme 3, R22.115 million was moved to *Non-profit institutions* in this programme from Programmes 2 and 4, as well as within the programme. Savings were moved within *Non-profit institutions* from Programme 2 (R2.106 million) and Programme 4 (R1.549 million), with further funding moved from *Compensation of employees* (R18.460 million) within Programme 3. The funding was allocated as follows:
    - R2.433 million was allocated to Care and Services to Families to address pressures due to new family-based programmes in need of funding.
    - R17.104 million was moved to ECD and Partial Care, with R1.385 million moved to Child and Youth Care and R1.193 million to Community-Based Care Services for Children to address pressures as a result of the higher than anticipated increase in the number of the children making use of these services.
  - In Programme 4, R1.549 million saving from the previously mentioned ceasing of the Khulisa contract was moved to Programme 3 within *Non-profit institutions*, aimed at addressing higher

than expected costs for ECD services as the number of children in ECD centres increased at a faster rate than anticipated. The balance of R103 000 was moved within the same category and within Programme 4 to the Victim Empowerment sub-programme to ensure alignment with the master list of NGOs providing services.

Treasury approval was provided for the increase against *Transfers and subsidies* in terms of the PFMA and Treasury Regulations.

The decreases in *Transfers and subsidies to: Non-profit institutions* in Programmes 2 and 4, as highlighted in the table, require Legislature approval.

## 10. Actual payments and revised spending projections for the rest of 2017/18

Tables 13.23 and 13.24 reflect actual payments as at the end of September 2017, projected payments for the rest of the financial year and the total revised spending in Rand value and as a percentage of the Adjusted Appropriation per programme and economic classification. The tables also show the 2016/17 Audited outcome.

The department spent 44.8 per cent of its adjusted budget in the first six months of the year. This level of spending is fairly low compared to the straight-line benchmark of 50 per cent.

**Table 13.23 : Actual payments and revised spending projections by programme**

R thousand	2016/17 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2017 - September 2017	% of budget	October 2017 - March 2018	% of budget	
1. Administration	460 948	449 640	193 462	43.0	256 178	57.0	449 640
2. Social Welfare Services	673 358	738 150	321 476	43.6	416 674	56.4	738 150
3. Children and Families	1 141 249	1 279 651	601 435	47.0	678 216	53.0	1 279 651
4. Restorative Services	273 348	315 404	130 604	41.4	184 800	58.6	315 404
5. Development and Research	205 174	203 519	90 878	44.7	112 641	55.3	203 519
<b>Total</b>	<b>2 754 077</b>	<b>2 986 364</b>	<b>1 337 855</b>	<b>44.8</b>	<b>1 648 509</b>	<b>55.2</b>	<b>2 986 364</b>

**Table 13.24 : Actual payments and revised spending projections by economic classification**

R thousand	2016/17 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2017 - September 2017	% of budget	October 2017 - March 2018	% of budget	
<b>Current payments</b>	<b>1 671 707</b>	<b>1 862 698</b>	<b>852 276</b>	<b>45.8</b>	<b>1 010 422</b>	<b>54.2</b>	<b>1 862 698</b>
Compensation of employees	1 286 973	1 435 173	672 196	46.8	762 977	53.2	1 435 173
Goods and services	384 415	427 400	180 047	42.1	247 353	57.9	427 400
Interest and rent on land	319	125	33	26.4	92	73.6	125
<b>Transfers and subsidies to:</b>	<b>914 732</b>	<b>959 661</b>	<b>454 500</b>	<b>47.4</b>	<b>505 161</b>	<b>52.6</b>	<b>959 661</b>
Provinces and municipalities	664	832	174	20.9	658	79.1	832
Departmental agencies and accounts	18 759	3 927	3 927	100.0	-	-	3 927
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	869 631	931 291	443 191	47.6	488 100	52.4	931 291
Households	25 678	23 611	7 208	30.5	16 403	69.5	23 611
<b>Payments for capital assets</b>	<b>150 248</b>	<b>164 005</b>	<b>31 079</b>	<b>19.0</b>	<b>132 926</b>	<b>81.0</b>	<b>164 005</b>
Buildings and other fixed structures	116 546	111 234	26 498	23.8	84 736	76.2	111 234
Machinery and equipment	33 702	52 771	4 581	8.7	48 190	91.3	52 771
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>17 390</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 754 077</b>	<b>2 986 364</b>	<b>1 337 855</b>	<b>44.8</b>	<b>1 648 509</b>	<b>55.2</b>	<b>2 986 364</b>

Programme 1 reflects spending at 43 per cent of the adjusted appropriation, which is slightly low. This is ascribed to a number of critical vacant posts yet to be filled, such as the Chief Financial Officer, Chief Director: Strategic Planning and Director: Accounting Services, among others. In addition, *Machinery and equipment* was lower than expected due to delays in placing orders for vehicles pending the receipt of the National Treasury price list. In addition, orders for furniture, as well as other machinery and equipment were placed and delivery is expected in the third quarter.



Programme 2 spent at 43.6 per cent of the adjusted budget by mid-year, which is lower than the straight-line benchmark of 50 per cent. This was due to staff exits, as well as the slow internal processes in filling vacant OSD posts (mainly social workers) and the fact that many posts are filled from within the department creating further vacancies. In addition, there were delays in the implementation of the re-engineering process. This is a provincial initiative to enhance the management of the drop-in centres, and is a new process whereby social workers employed by the NGOs and to be supported by the department through transfer payments, will be allocated to the drop-in centres that are run by the NGOs.

Spending against Programme 3 was slightly low in comparison to the straight-line benchmark of 50 per cent, at 47 per cent at mid-year, largely due to vacant funded OSD social worker posts and tools of trade not procured for posts that remain vacant.

Spending against Programme 4 was, at 41.4 per cent, fairly low when compared to the 50 per cent benchmark, largely due to tools of trade not procured for posts that remain vacant. Also contributing was cost-cutting against travel and subsistence.

Programme 5 spending was low at 44.7 per cent of the adjusted appropriation at mid-year, attributed to minor assets and business advisory services related to slow procurement processes for service providers in the areas of institutional capacity building and research, which meant that training such as the capacitation of NGOs could not take place as planned in the first half of the year. In addition, infrastructure spending was below projections due to delays in finalising land ownership transfer issues (municipality to province) with DOPW for new construction projects, including the Port Shepstone and Wentworth Youth Development Centres.

Spending on *Compensation of employees* was slow, at 46.8 per cent as a result of vacant posts. Exacerbating this was the fact that some of the vacancies filled were internal promotions, resulting in further vacancies.

Spending against *Goods and services* was low at 42.1 per cent, attributed to lower operating leases, tools of trade not procured for posts that remain vacant, as well as cost-cutting.

Spending on *Interest and rent on land* was at 26.4 per cent, which relates to the hiring of a park home to serve as a temporary office in the Camperdown area.

Spending against *Transfers and subsidies to: Provinces and municipalities* was low, at 20.9 per cent, due to the slow receipt of invoices from the Department of Transport for licence renewals.

*Transfers and subsidies to: Departmental agencies and accounts* was 100 per cent spent because the HWSETA skills development levy was paid in the first half of the year.

The low spending against *Transfers and subsidies to: Non-profit institutions* in the first half of the year, at 47.6 per cent, was due to the delay in the implementation of the re-engineering process whereby social workers will be employed by NGOs and will be allocated to drop-in centres.

Spending against *Transfers and subsidies to: Households* was low at 30.5 per cent. This was as a result of lower than anticipated staff exit costs, as well as low spending against social relief as the stock on hand of relief goods was sufficient.

*Buildings and other fixed structures* was low at 23.8 per cent, due to slow progress on a number of infrastructure projects, as well as delays in finalising land transfer issues with DOPW.

Spending against *Machinery and equipment* was extremely low at 8.7 per cent, attributable to delays in placing current year orders for vehicles pending the receipt of the National Treasury price list. In addition, orders for furniture, as well as other machinery and equipment were placed and delivery is to be made in the third quarter. Also, tools of trade were not procured as posts remain vacant.

Taking into account the above-mentioned adjustments and virements, the department is projecting a balanced budget at the end of the year.



Table 13.A : Summary by economic classification : Social Development

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts			Other adjustments
<b>Current payments</b>	<b>1 942 820</b>	-	-	<b>(25 122)</b>	-	<b>(55 000)</b>	<b>(80 122)</b>	<b>1 862 698</b>
Compensation of employees	1 531 019	-	-	(40 846)	-	(55 000)	(95 846)	1 435 173
Salaries and wages	1 056 929	-	-	-	-	-	-	1 056 929
Social contributions	474 090	-	-	(40 846)	-	(55 000)	(95 846)	378 244
Goods and services	411 801	-	-	15 599	-	-	15 599	427 400
Administrative fees	2 161	-	-	(429)	-	-	(429)	1 732
Advertising	6 652	-	-	(1 576)	-	-	(1 576)	5 076
Minor assets	13 922	-	-	1 677	-	-	1 677	15 599
Audit cost: External	5 153	-	-	-	-	-	-	5 153
Bursaries: Employees	3 192	-	-	(1)	-	-	(1)	3 191
Catering: Departmental activities	6 203	-	-	(1 153)	-	-	(1 153)	5 050
Communication (G&S)	23 408	-	-	(58)	-	-	(58)	23 350
Computer services	23 685	-	-	11 087	-	-	11 087	34 772
Cons & prof serv: Business and advisory services	8 964	-	-	2 845	-	-	2 845	11 809
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal services	1 310	-	-	(82)	-	-	(82)	1 228
Contractors	35 124	-	-	(4 284)	-	-	(4 284)	30 840
Agency and support / outsourced services	16 966	-	-	1 365	-	-	1 365	18 331
Entertainment	160	-	-	(128)	-	-	(128)	32
Fleet services (incl. govt motor transport)	42 861	-	-	1 101	-	-	1 101	43 962
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	853	-	-	(382)	-	-	(382)	471
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	557	-	-	(212)	-	-	(212)	345
Inventory: Fuel, oil and gas	754	-	-	(681)	-	-	(681)	73
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 993	-	-	(1 033)	-	-	(1 033)	960
Inventory: Medical supplies	921	-	-	(843)	-	-	(843)	78
Inventory: Medicine	80	-	-	(46)	-	-	(46)	34
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	2 398	-	-	2 398	2 398
Consumable supplies	12 151	-	-	3 252	-	-	3 252	15 403
Consumable: Stationery, printing and office supplies	19 261	-	-	(2 037)	-	-	(2 037)	17 224
Operating leases	46 767	-	-	(4 039)	-	-	(4 039)	42 728
Property payments	74 507	-	-	7 933	-	-	7 933	82 440
Transport provided: Departmental activity	3 690	-	-	(1 341)	-	-	(1 341)	2 349
Travel and subsistence	44 878	-	-	1 908	-	-	1 908	46 786
Training and development	3 597	-	-	2 416	-	-	2 416	6 013
Operating payments	6 591	-	-	(1 015)	-	-	(1 015)	5 576
Venues and facilities	3 801	-	-	(1 368)	-	-	(1 368)	2 433
Rental and hiring	1 639	-	-	325	-	-	325	1 964
Interest and rent on land	-	-	-	125	-	-	125	125
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	125	-	-	125	125
<b>Transfers and subsidies to</b>	<b>940 909</b>	-	-	<b>18 752</b>	-	-	<b>18 752</b>	<b>959 661</b>
Provinces and municipalities	832	-	-	-	-	-	-	832
Provinces	832	-	-	-	-	-	-	832
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	832	-	-	-	-	-	-	832
Municipalities	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3 635	-	-	292	-	-	292	3 927
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	3 635	-	-	292	-	-	292	3 927
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Non-profit institutions	912 831	-	-	18 460	-	-	18 460	931 291
Households	23 611	-	-	-	-	-	-	23 611
Social benefits	8 515	-	-	-	-	-	-	8 515
Other transfers to households	15 096	-	-	-	-	-	-	15 096
<b>Payments for capital assets</b>	<b>157 635</b>	-	-	<b>6 370</b>	-	-	<b>6 370</b>	<b>164 005</b>
Buildings and other fixed structures	116 893	-	-	(5 659)	-	-	(5 659)	111 234
Buildings	116 893	-	-	(5 659)	-	-	(5 659)	111 234
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	40 742	-	-	12 029	-	-	12 029	52 771
Transport equipment	20 189	-	-	-	-	-	-	20 189
Other machinery and equipment	20 553	-	-	12 029	-	-	12 029	32 582
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3 041 364</b>	-	-	-	-	<b>(55 000)</b>	<b>(55 000)</b>	<b>2 986 364</b>
<b>Amount to be voted</b>								<b>(55 000)</b>