

Vote 13

Social Development

R thousand	2023/24			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	3 258 218	3 293 978		35 760
MEC remuneration	2 037	2 098		61
Total amount to be appropriated	3 260 255	3 296 076		35 821
<i>of which:</i>				
Current payments	2 409 397	2 406 255	(3 142)	
Transfers and subsidies	739 952	772 328		32 376
Payments for capital assets	110 906	117 493		6 587
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

The mission of the department is: *Provision of integrated, comprehensive and sustainable social development services.*

2. Strategic outcomes

The outcomes of the department as per the APP are as follows:

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

3. Summary of the adjustments estimate for 2023/24

The main appropriation of the department was R3.260 billion in 2023/24. During the year, the department's budget was increased by a net amount of R35.821 million to R3.296 billion, which is the amount that is to be appropriated in the 2023/24 Adjustments Estimate.

It should be noted that the department was not allocated funding in respect of the 2023 wage agreement which was implemented on 1 April 2023 as the national fiscus is unable to assist with any additional funding. The department was allocated additional funding from the provincial fiscus towards the department's budget pressures, of which R34.988 million was allocated against *Compensation of employee* to cater for the unfunded 2023 wage agreement, while the department only reprioritised a net amount of R2.100 million to this category in this regard. The department will have to take the necessary steps to remain within budget.

The main adjustments that led to the net increase in the budget are summarised below, and further details are given in Section 4.

- *Virement between programmes:* The following virements were undertaken across programmes and economic classification categories:
 - o Savings of R10.517 million were realised as follows:
 - R950 000 was realised from *Transfers and subsidies to: Non-profit institutions* in the Services to Older Persons sub-programme under Programme 2: Social Welfare Services due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, such as Social Worker and Administration Clerk posts, lower than budgeted admissions of older persons in some facilities, the fact that some facilities are not operating at full capacity, as well as poor attendance and admissions at service centres and protective workshops, among others. In addition, savings were realised during the process of realigning the budget with the master list, which is a database of NPOs to whom services are provided under various service categories within the department. In this regard, there was a lower than anticipated number of older persons who accessed these support services as they are demand driven.
 - R9.567 million was realised from *Compensation of employees* in the Management and Support sub-programme under Programme 4: Restorative Services as a result of the non-filling of posts due to the aggregate budget pressures against the Vote and the effect of the carry-through of the 2021/22 MTEF budget cuts, which resulted in the department not affording the carry-through costs of filling vacant posts.
 - o The total savings of R10.517 million were moved to various programmes and economic classification categories, as follows:
 - R950 000 was moved to *Machinery and equipment* in the District Management sub-programme under Programme 1: Administration to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, which was deferred to 2023/24 because of budget pressures that were faced by the department toward the end of 2022/23, as well as to provide for the purchase of security cameras in one of the district offices in compliance with the security audit outcome and these were inadequately budgeted for.
 - R2.567 million was moved to *Compensation of employees* in the Management and Support sub-programme under Programme 3: Children and Families to cater for the unfunded 2023 wage agreement.
 - R7 million was moved to the Management and Support and the Youth Development sub-programmes in Programme 5: Development and Research against *Compensation of employees* (R900 000) to cater for the unfunded 2023 wage agreement, and *Goods and services* (R4.656 million) to cater for various training programmes in the youth academies, such as drivers' licence training, as well as skills development training programmes which are conducted by the uMfolozi TVET College, such as computer skills and plumbing, as these programmes were inadequately budgeted for. The balance of these funds was moved to *Transfers and subsidies to: Households* (R1.100 million) to cater for unbudgeted claims against the state in respect of a backdated salary payout relating to a settlement of an arbitration outcome claim, as well as *Machinery and equipment* (R344 000) to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, that was not budgeted for.

In addition to the above virements, the department undertook virements across sub-programmes and economic classification categories within programmes. These are detailed in Section 4 below.

All virements undertaken are permissible in terms of the PFMA and Treasury Regulations. The decrease in *Transfers and subsidies to: Departmental agencies and accounts* in relation to the Health and Welfare Sector Education Authority (HwSETA) skills development levy, as well as the reduction in *Transfers and subsidies to: Provinces and municipalities* in relation to motor vehicle licences do not need Legislature approval as these were not gazetted transfers.

The reductions in *Transfers and subsidies to: Non-profit institutions* against Services to Older Persons (R5.050 million), Services to Persons with Disabilities (R3.200 million), HIV and AIDS (R650 000), Child Care and Protection (R8.433 million), Child and Youth Care Centres (R5.100 million), Crime Prevention and Support (R2 million), as well as Substance Abuse, Prevention and Rehabilitation (R4 million) sub-programmes, require Legislature approval in terms of Sections 43(4)(a) and (b) of the PFMA, as these are decreases in respect of specifically and exclusively appropriated funds and decreases in transfers. Details are given in Table 13.17.

- *Shifts*: The department undertook the following shifts across programmes and within economic classification categories, where the purpose of the funds remains unchanged:
 - o R15.840 million was shifted from Programme 5 within *Buildings and other fixed structures* to correctly classify the budget for various ongoing *Upgrades and additions: Capital and Refurbishment and rehabilitation: Capital* infrastructure projects. These funds were moved to Programme 2 (R9.095 million) in respect of projects such as the Vryheid and the Ezakheni Service Offices, Programme 3 (R5 million) for projects such as the Pata and the uMlazi Place of Safety facilities, and Programme 4 (R1.745 million) for the Madadeni Rehabilitation Centre project, among others. These funds were inadvertently budgeted for against Programme 5 as the infrastructure plans were only finalised after the main budget was finalised.
 - o R6.900 million was shifted from Programme 3 to Programme 2 within *Goods and services* in respect of property payments to correctly classify the budget for ongoing maintenance projects in various facilities and office buildings, including Service and District Offices, etc. These funds were inadvertently budgeted for against Programme 3 when the main budget was prepared.

The department also undertook shifts within Programme 3 and across economic classification categories, as explained in Section 4.

- *Other adjustments*: The department's budget was increased by a net amount of R35.821 million as explained below:
 - o R2.067 million was cut from the department's Social Sector EPWP Incentive Grant for Provinces against *Compensation of employees* in Programme 2 as a result of fiscal consolidation budget cuts made in-year by National Treasury due to lower than expected revenue collection *via* SARS.
 - o With regard to the provincial Crime Fighting Initiative, the department's baseline was cut by R10 million as a contribution toward the Honourable Premier's commitment that the province would take serious steps towards fighting crime, as announced in her State of the Province Address (SOPA). Hence, the department's baseline was cut to contribute to the provincial Crime Fighting Initiative, with these funds being allocated to Vote 9: Community Safety and Liaison. These funds were cut against *Transfers and subsidies to: Non-profit institutions* in the Child and Youth Care Centres sub-programme in Programme 3.
 - o Additional funding of R47.888 million was allocated towards the department's budget pressures, especially those arising from the unfunded 2023 wage agreement. Due to the competing priorities in respect of budget pressures in the department, these funds were allocated as follows:
 - R34.988 million was allocated against *Compensation of employees* to all programmes, with the exception of Programme 4, and across various sub-programmes to cater for the unfunded 2023 wage agreement. In this regard, Programme 1 received R23.500 million, Programme 2 received R5.067 million, Programme 3 received R3.421 million and Programme 5 received R3 million.
 - R12.900 million was allocated against *Goods and services* to Programme 1 (R10 million), Programme 3 (R1.900 million) and Programme 4 (R1 million), and across various sub-programmes mainly to cater for the continuous budget pressures against property payments relating to security services costs because of the annual tariff increases imposed by the Private Security Industry Regulatory Authority (PSiRA). These funds were also allocated to Programme 1 to cater for various other budget pressures, including those relating to computer services, legal services, fleet services, as well as travel and subsistence costs, as explained in Section 4 below.

Tables 13.1 and 13.2 reflect a summary of the 2023/24 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	552 707	-	-	950	-	33 500	34 450	587 157
2. Social Welfare Services	817 289	-	-	(950)	15 995	3 000	18 045	835 334
3. Children and Families	1 145 076	-	-	2 567	(1 900)	(4 679)	(4 012)	1 141 064
4. Restorative Services	471 015	-	-	(9 567)	1 745	1 000	(6 822)	464 193
5. Development and Research	274 168	-	-	7 000	(15 840)	3 000	(5 840)	268 328
Total	3 260 255	-	-	-	-	35 821	35 821	3 296 076
Amount to be voted								35 821

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		
Current payments	2 409 397	-	-	22 458	(71 421)	45 821	(3 142)	2 406 255
Compensation of employees	1 621 337	-	-	2 100	-	32 921	35 021	1 656 358
Goods and services	788 043	-	-	20 251	(71 421)	12 900	(38 270)	749 773
Interest and rent on land	17	-	-	107	-	-	107	124
Transfers and subsidies to:	739 952	-	-	(29 045)	71 421	(10 000)	32 376	772 328
Provinces and municipalities	1 039	-	-	(300)	-	-	(300)	739
Departmental agencies and accounts	5 774	-	-	(912)	-	-	(912)	4 862
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	722 510	-	-	(28 433)	71 421	(10 000)	32 988	755 498
Households	10 629	-	-	600	-	-	600	11 229
Payments for capital assets	110 906	-	-	6 587	-	-	6 587	117 493
Buildings and other fixed structures	84 993	-	-	-	-	-	-	84 993
Machinery and equipment	25 913	-	-	6 587	-	-	6 587	32 500
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	3 260 255	-	-	-	-	35 821	35 821	3 296 076
Amount to be voted								35 821

4. Changes to programme purposes and service delivery measures

The department did not change the purpose of any of its programmes.

The non financial information currently reflected in the 2023/24 *EPRE* largely does not correspond to the department's final 2023/24 APP, because the department tabled the APP after the *EPRE* was finalised. The department is now aligning, in the Revised target column, its non financial information to the targets as contained in the final APP. The wording of the outputs and performance indicators remains unchanged.

4.1 Programme 1: Administration

The purpose of this programme is to provide overall strategic management and support services to the department, political and legislative interface between government, civil society and all relevant stakeholders, addresses the 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 2023/24 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R34.450 million in the main appropriation of Programme 1, 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	18 246					2 000	2 000	20 246
2. Corporate Management Services	316 797			(100)		16 500	16 400	333 197
3. District Management	217 664			1 050		15 000	16 050	233 714
Total	552 707	-	-	950	-	33 500	34 450	587 157
Amount to be voted								34 450

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		
Current payments	526 873	-	-	(1 694)	-	33 500	31 806	558 679
Compensation of employees	281 207					23 500	23 500	304 707
Goods and services	245 649			(1 801)		10 000	8 199	253 848
Interest and rent on land	17			107			107	124
Transfers and subsidies to:	11 775	-	-	(1 712)	-	-	(1 712)	10 063
Provinces and municipalities	1 039			(300)			(300)	739
Departmental agencies and accounts	5 774			(912)			(912)	4 862
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	4 962			(500)			(500)	4 462
Payments for capital assets	14 059	-	-	4 356	-	-	4 356	18 415
Buildings and other fixed structures							-	-
Machinery and equipment	14 059			4 356			4 356	18 415
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	552 707	-	-	950	-	33 500	34 450	587 157
Amount to be voted								34 450

Virement – Programme 1: Administration: R950 000

The main appropriation of Programme 1 was increased by R950 000, explained as follows:

- Savings of R950 000 were realised from *Transfers and subsidies to: Non-profit institutions* in Programme 2, due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, lower than budgeted admissions of older persons in some facilities, the fact that some facilities are not operating at full capacity, as well as poor attendance and admissions at service centres and protective workshops, among others, as explained in Section 4.2 below. These funds were moved to *Machinery and equipment* in the District Management sub-programme under Programme 1 to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, which was deferred to 2023/24 because of budget pressures that were faced by the department toward the end of 2022/23, as well as to provide for the purchase of security cameras in one of the district offices in compliance with the security audit outcome and these were inadequately budgeted for.

In addition to this virement to this programme, the following virements were undertaken within Programme 1 across the Corporate Management Services and the District Management sub-programmes and various economic classification categories:

- Savings of R3.513 million were realised within Programme 1, within and across the Corporate Management Services and the District Management sub-programmes, as follows:
 - R1.801 million was realised from *Goods and services* in the Corporate Management Services and the District Management sub-programmes in respect of operating leases' costs relating to machinery and equipment leased by the department which were lower than budgeted as a result of the department reducing the number of leased machines, such as photocopiers, among others.
 - R300 000 was realised from *Transfers and subsidies to: Provinces and municipalities* in the Corporate Management Services sub-programme in relation to lower than budgeted motor

vehicle licences paid by the department due to the reduction in the number of departmental motor vehicles. This is linked to the increase in the number of hijackings of the department's vehicles and the department opting to procure fewer motor vehicles in recent years to rein in expenditure.

- o R912 000 was realised from *Transfers and subsidies to: Departmental agencies and accounts* in the Corporate Management Services sub-programme in relation to the HWSETA skills development levy which was lower than budgeted for.
- o R500 000 was realised from *Transfers and subsidies to: Households* within the Corporate Management sub-programme due to lower than budgeted staff exit costs.
- The total savings of R3.513 million were moved within Programme 1, as follows:
 - o R107 000 was moved to *Interest and rent on land* in the District Management sub-programme to cater for interest on overdue accounts such as municipal services that were under-budgeted for, as well as to cater for interest on delayed payments caused by the cash flow challenges that are faced by the department. Note that this category is difficult to accurately budget for.
 - o R3.406 million was moved to *Machinery and equipment* in the Corporate Management Services and the District Management sub-programmes to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, which was deferred to 2023/24 because of budget pressures that were faced by the department toward the end of 2022/23, as well as to provide for the purchase of security cameras in one of the district offices in compliance with the security audit outcome.

These virements are permissible in terms of the PFMA and Treasury Regulations. Note that the decrease in *Transfers and subsidies to: Departmental agencies and accounts* in relation to the transfer to HWSETA, as well as the reduction in *Transfers and subsidies to: Provinces and municipalities* in relation to motor vehicle licences do not need Legislature approval as these were not gazetted transfers.

Other adjustments – Programme 1: Administration: R33.500 million

The department received additional funding of R47.888 million towards its budget pressures, especially those arising from the unfunded 2023 wage agreement. Of this amount, R33.500 million was allocated across all sub-programmes in Programme 1, as follows:

- R23.500 million was allocated to *Compensation of employees* in the Corporate Management Services and the District Management sub-programmes to cater for the unfunded 2023 wage agreement.
- R10 million was allocated to *Goods and services* across all sub-programmes to fund the following:
 - o Continuous budget pressures against property payments relating to security services costs because of the annual tariff increases imposed by PSiRA.
 - o Various other budget pressures, including those relating to SITA data lines, increased SITA rates and SITA computer specialised services, as well as legal services costs in respect of services offered by the SIU that was investigating irregular expenditure issues, among others.
 - o Higher than budgeted maintenance costs of departmental motor vehicles because some of the departmental motor vehicles have reached the set maximum kilometres and are now attracting high servicing costs, the fact that the nature of services provided by the department often requires officials to travel on gravel roads which necessitates the frequent replacement of tyres, as well as increased travel claims as more officials opted to use their private vehicles for business in light of the increase in the number of hijackings of the department's vehicles, among others.

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 13.5 and 13.6 reflect a summary of the 2023/24 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R18.045 million, are provided in the paragraphs after the tables.

Table 13.5 : 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	206 841			15 325	15 995	3 000	34 320
2. Services to Older Persons	191 766			(3 170)			(3 170)
3. Services to Persons with Disabilities	173 768			293			293
4. HIV and AIDS	220 295			(17 098)			(17 098)
5. Social Relief	24 619			3 700			3 700
Total	817 289	-	-	(950)	15 995	3 000	18 045
Amount to be voted							18 045

Table 13.6 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments	
Current payments	467 325	-	-	7 500	6 900	3 000	17 400
Compensation of employees	308 603			1 200		3 000	4 200
Goods and services	158 722			6 300	6 900		13 200
Interest and rent on land							-
Transfers and subsidies to:	295 608	-	-	(8 900)	-	-	(8 900)
Provinces and municipalities							-
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions	291 865			(8 900)			(8 900)
Households	3 743						-
Payments for capital assets	54 356	-	-	450	9 095	-	9 545
Buildings and other fixed structures	51 416				9 095		9 095
Machinery and equipment	2 940			450			450
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
Payments for financial assets							-
Total	817 289	-	-	(950)	15 995	3 000	18 045
Amount to be voted							18 045

Virement – Programme 2: Social Welfare Services: (R950 000)

The main appropriation of Programme 2 was reduced by R950 000, explained as follows:

- Savings of R950 000 were realised from *Transfers and subsidies to: Non-profit institutions* in the Services to Older Persons sub-programme under this programme due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, such as Social Worker and Administration Clerk posts, lower than budgeted admissions of older persons in some facilities, the fact that some facilities are not operating at full capacity, as well as poor attendance and admissions at service centres and protective workshops, among others. In addition, savings were realised during the process of realigning the budget with the master list, which is a database of NPOs to whom services are provided under various service categories within the department. In this regard, there was a lower than anticipated number of older persons who accessed these support services as they are demand driven.
- The total savings of R950 000 were moved to *Machinery and equipment* in Programme 1 to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, which was deferred to 2023/24 because of budget pressures that were faced by the department toward the end of 2022/23, as well as to provide for the purchase of security cameras in one of the district offices in compliance with the security audit outcome.

In addition to these virements from the programme, the following virements were undertaken across sub-programmes and economic classification categories within the programme:

- Savings of R7.950 million were realised from *Transfers and subsidies to: Non-profit institutions* in the Services to Older Persons, the Services to Persons with Disabilities, as well as the HIV and AIDS sub-programmes due to various reasons, as explained above, including to realign the budget with the master list as these support services are demand driven. These funds were moved within and across various sub-programmes, mainly to the Management and Support and the Social Relief sub-programmes, as follows:

- o R1.200 million was moved to *Compensation of employees* to cater for the unfunded 2023 wage agreement.
- o R6.300 million was moved to *Goods and services* to cater for various budget pressures, including increased travel claims as more officials opted to use their private vehicles for business in light of the increase in the number of hijackings of the department's vehicles, the payment of prior year accruals in respect of the Social Relief of Distress (SRD) that was issued to the April 2022 flood victims and related travelling costs, as well as continuous SRD budget pressures as this item is inadequately budgeted for, among others.
- o R450 000 was moved to *Machinery and equipment* to cater for the procurement of tools of trade, such as computer laptops and desktops.

These virements are permissible in terms of the PFMA and Treasury Regulations, and the increase in *Compensation of employees* for the Vote as a whole was approved by Provincial Treasury where applicable in terms of the Treasury Regulations.

The reductions in *Transfers and subsidies to: Non-profit institutions* in respect of the Services to Older Persons (R5.050 million), Services to Persons with Disabilities (R3.200 million) and HIV and AIDS (R650 000) sub-programmes require Legislature approval, in terms of Section 43(4)(a) and (b) of the PFMA, as they are decreases in respect of specifically and exclusively appropriated funds and decreases in transfers. Details of these reductions are given in Table 13.17.

Shifts – Programme 2: Social Welfare Services: R15.995 million

The department undertook the following shifts to the Management and Support sub-programme in this programme, resulting in an increase of R15.995 million. The purpose of the funds remains unchanged:

- R6.900 million was shifted within *Goods and services* and within *Maintenance and repair: Current* in respect of property payments from Programme 3 to Programme 2 to correctly classify the budget for various ongoing maintenance projects in various facilities and office buildings, including Service and District Offices, among others. These funds were inadvertently budgeted for against Programme 3 when the main budget was prepared. Note that this shift was undertaken within *Maintenance and repairs: Current* in Table 13.18.
- R9.095 million was shifted within *Buildings and other fixed structures* from Programme 5 to Programme 2 to correctly classify the budget for various ongoing *Upgrades and additions: Capital* and *Refurbishment and rehabilitation: Capital* infrastructure projects, such as the Vryheid and the Ezakheni Service Offices, among others. These funds were inadvertently budgeted for against Programme 5 when the main budget was prepared.

All shifts undertaken are permissible in terms of the Treasury Regulations.

Other adjustments – Programme 2: Social Welfare Services: R3 million

The following adjustments were made to Programme 2, resulting in a net increase of R3 million:

- An amount of R2.067 million was cut from the department's Social Sector EPWP Incentive Grant for Provinces against *Compensation of employees* in Programme 2 as a result of fiscal consolidation budget cuts made in-year by National Treasury due to lower than expected revenue collection via SARS. This cut is only visible in Tables 13.19 and 13.20 because it was offset by the additional funding allocated toward the department's budget pressures relating to the unfunded 2023 wage agreement, as explained below.
- The department received additional funding towards its budget pressures, especially those arising from the unfunded 2023 wage agreement. Of this funding, R5.067 million was allocated to the Management and Support (R3 million) and the HIV and AIDS (R2.067 million) sub-programmes in Programme 2 against *Compensation of employees* to cater for the unfunded 2023 wage agreement.

Service delivery measures – Programme 2: Social Welfare Services

Table 13.7 shows the service delivery information for Programme 2 as per the 2023/24 APP of the department, as well as the actual achievements for the first six months of the year. Note that seven performance targets in the *EPRE* were not aligned to the 2023/24 APP, and the amendments are reflected in the 'Revised target' column to correctly align the information. The wording of the outputs and performance indicators is unchanged.

Table 13.7 : Service delivery measures – Programme 2: Social Welfare Services

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1. Services to Older Persons				
1.1 Residential care services are available to older persons who need 24-hour care and support	• No. of older persons accessing residential facilities	2 589	2 803	2 631
1.2 Community-based care services are available to older persons who need such services	• No. of older persons accessing community-based care and support services	14 535	16 440	14 942
1.3 Protection services are available to older persons who need such service	• No. of elder abuse cases reported	537	305	553
2. Services to Persons with Disabilities				
2.1 Residential facilities and services are available to PWDs who need 24-hour care	• No. of residential facilities for persons with disabilities	19	Annual	
	• No. of persons with disabilities accessing residential facilities	969	995	
2.2 Community-based care and support services are available to PWDs who need such services	• No. of protective workshops	58	58	
	• No. of persons with disabilities accessing services in funded protective workshops	2 269	2 486	
	• No. of organisations implementing community-based rehabilitation programmes	16	16	
3. HIV and AIDS				
3.1 Social and behaviour change programmes for children and youth	• No. of implementers trained on social and behaviour change programmes	2 380	1 587	2 420
	• No. of beneficiaries reached through social and behaviour change programmes	125 971	71 320	126 891
3.2 Psychosocial support services for people affected by HIV and AIDS	• No. of beneficiaries receiving psychosocial support services	109 553	112 964	110 143
4. Social Relief of Distress				
4.1 Material and psychosocial support services are available to individuals and families affected by disasters	• No. of beneficiaries who benefitted from DSD social relief programmes	61 535	36 372	53 103

4.3 Programme 3: Children and Families

The purpose of this programme is to provide comprehensive child and family care and support services to communities in partnerships with stakeholders and civil society organisations.

Tables 13.8 and 13.9 reflect a summary of the 2023/24 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall reduction of R4.012 million, are given in the paragraphs after the tables.

Table 13.8 : Programme 3: Children and Families

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
1. Management and Support	190 842			4 900	3 421	8 321	199 163
2. Care and Services to Families	23 688					-	23 688
3. Child Care and Protection	392 772			(3 433)	1 900	(1 533)	391 239
4. ECD and Partial Care	91 495					-	91 495
5. Child and Youth Care Centres	328 612			1 100	(1 900)	(10 800)	317 812
6. Community-Based Care Services for Children	117 667					-	117 667
Total	1 145 076	-	-	2 567	(1 900)	(4 012)	1 141 064
Amount to be voted							(4 012)

Table 13.9 : Summary by economic classification

Table 13.9 : Summary by economic classification								
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts			Other adjustments
Current payments	844 589	-	-	15 288	(80 321)	5 321	(59 712)	784 877
Compensation of employees	616 971			10 000		3 421	13 421	630 392
Goods and services	227 618			5 288	(80 321)	1 900	(73 133)	154 485
Interest and rent on land							-	-
Transfers and subsidies to:	283 045	-	-	(13 533)	73 421	(10 000)	49 888	332 933
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	282 188			(13 533)	73 421	(10 000)	49 888	332 076
Households	857						-	857
Payments for capital assets	17 442	-	-	812	5 000	-	5 812	23 254
Buildings and other fixed structures	13 415				5 000		5 000	18 415
Machinery and equipment	4 027			812			812	4 839
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	1 145 076	-	-	2 567	(1 900)	(4 679)	(4 012)	1 141 064
Amount to be voted								(4 012)

Virement – Programme 3: Children and Families: R2.567 million

The main appropriation of Programme 3 was increased by R2.567 million, explained as follows:

- Savings of R2.567 million were realised from *Compensation of employees* in Programme 4 as a result of the non-filling of posts due to the aggregate budget pressures against the Vote and the effect of the carry-through of the 2021/22 MTEF budget cuts, which resulted in the department not affording the carry-through costs of filling vacant posts. These funds were moved to *Compensation of employees* in the Management and Support sub-programme under Programme 3 to cater for the unfunded 2023 wage agreement.

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

- Savings of R13.533 million were realised from *Transfers and subsidies to: Non-profit institutions* in the Child Care and Protection and the Child and Youth Care Centres sub-programmes due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, such as Child and Youth Care Worker and Social Worker posts, lower than anticipated demand for child and youth care services, as well as a lower than budgeted number of admissions in various facilities. These funds were moved to the Management and Support and the Child and Youth Care Centres sub-programmes, as follows:
 - R7.433 million was moved to *Compensation of employees* to cater for the unfunded 2023 wage agreement.
 - R5.288 million was moved to *Goods and services* to cater for various budget pressures, including agency and support/outsourced services relating to catering services provided in various departmental facilities, higher than budgeted maintenance costs of departmental motor vehicles due to the fact that some of the departmental motor vehicles have reached the set maximum kilometres and are now attracting high servicing costs, the fact that the nature of services provided by the department often requires officials to travel on gravel roads which necessitates the frequent replacement of tyres, as well as increased travel claims as more officials opted to use their private vehicles for business in light of the increase in the number of hijackings of the department's vehicles, among others.
 - R812 000 was moved to *Machinery and equipment* to cater for higher than anticipated procurement of tools of trade, such as laptops and desktops, among others.

All of these virements are permissible in terms of the PFMA and Treasury Regulations, and the increase in *Compensation of employees* for the Vote as a whole was approved by Provincial Treasury where applicable in terms of the Treasury Regulations.

The decreases of R13.533 million against *Transfers and subsidies to: Non-profit institutions* in respect of the Child Care and Protection (R8.433 million) and the Child and Youth Care Centres (R5.100 million) sub-programmes require Legislature approval, in terms of Section 43(4)(a) and (b) of the PFMA, as they are decreases in respect of specifically and exclusively appropriated funds and decreases in transfers. Details of the decreases are given in Table 13.17.

Shifts – Programme 3: Children and Families: (R1.900 million)

The department undertook the following shifts from, to and within this programme, where the purpose of the funds remains unchanged:

- R6.900 million was shifted within *Goods and services* and within *Maintenance and repair: Current* in respect of property payments from the Child and Youth Care Centres sub-programme in this programme to Programme 2 to correctly classify the budget for various ongoing maintenance projects in various facilities and office buildings, including Service and District Offices, among others. These funds were inadvertently budgeted for against Programme 3 when the main budget was prepared.
- R5 million was shifted within *Buildings and other fixed structures* from Programme 5 to the Child and Youth Care Centres sub-programme in this programme to correctly classify the budget for various ongoing *Upgrades and additions: Capital and Refurbishment and rehabilitation: Capital* infrastructure projects, such as the Pata and the uMlazi Place of Safety facilities, among others. These funds were inadvertently budgeted for against Programme 5 when the main budget was prepared.
- In addition to the above shifts to and from this programme, the department undertook a shift of R73.421 million from *Goods and services* to *Transfers and subsidies to: Non-profit institutions* within the Community-based Care Services for Children sub-programme in this programme to correctly classify the budget for salaries of Social Workers and Child and Youth Care Workers who are paid within the Home-based Community Centres (HBCC) programme. In this regard, the contracts for the appointment of these workers are concluded between the workers and the NPOs, with the department merely playing a facilitation role during the interview process. Although the department funds the salaries of these workers through claims received from the NPOs, these workers are not the department's casual labourers as they have contracts with the NPOs, are supervised by the NPOs and earn monthly stipends from the NPOs. The department is not responsible for any of these workers and does not receive anything directly in return for the transfers made to the NPOs. Therefore, NPOs are ultimately responsible for these workers in terms of Circular 21 (Classification of *Transfers and Subsidies* versus *Goods and Services* or *Capital Assets*), hence the shift of funds from *Goods and services* to *Transfers and subsidies to: Non-profit institutions*. The purpose of these funds remains unchanged.

All shifts undertaken are permissible in terms of the Treasury Regulations.

Other adjustments – Programme 3: Children and Families: (R4.679 million)

The following adjustments were made to Programme 3, resulting in a net reduction of R4.679 million:

- With regard to the provincial Crime Fighting Initiative, the department's baseline was cut by R10 million as a contribution toward the Honourable Premier's commitment that the province would take serious steps towards fighting crime, as announced in the SOPA, 2023. Hence, the department's baseline was cut to contribute to the provincial Crime Fighting Initiative, with these funds being allocated to Vote 9: Community Safety and Liaison. These funds were cut against *Transfers and subsidies to: Non-profit institutions* in the Child and Youth Care Centres sub-programme in Programme 3, utilising savings realised in this category, as explained above.

- The department received additional funding towards its budget pressures, especially those arising from the unfunded 2023 wage agreement. Of this funding, R5.321 million was allocated to the Management and Support and the Child Care and Protection sub-programmes in this programme against *Compensation of employees* (R3.421 million) to cater for the unfunded 2023 wage agreement, as well as *Goods and services* (R1.900 million) to cater for the continuous budget pressures against property payments relating to security services costs because of the annual tariff increases imposed by PSiRA.

Service delivery measures – Programme 3: Children and Families

Table 13.10 shows the service delivery information for Programme 3 as per the 2023/24 APP, as well as the actual achievements for the first half of the year. Note that 12 performance targets in the *EPRE* were not aligned to the 2023/24 APP, and the amendments are reflected in the ‘Revised target’ column to correctly align the information. The wording of the outputs and performance indicators is unchanged.

Table 13.10 : Service delivery measures – Programme 3: Children and Families

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1. Care and Services to Families				
1.1. Family preservation services available to family members who need them	• No. of family members participating in family preservation services	96 679	53 847	98 094
1.2. Family re-unification services available to family members who need them	• No. of family members re-united with their families	1 780	1 136	1 818
1.3. Parenting programmes available to families who need them	• No. of family members participating in parenting programmes	69 724	37 832	69 723
2 Child Care and Protection Services				
2.1. Child abuse cases are reported	• No. of reported cases of child abuse	2 276	1 903	2 505
2.2. Foster care placement services are available to children who need care and protection	• No. of children with valid foster care orders	46 104	49 005	46 313
	• No. of children placed in foster care	3 120	2 337	3 366
2.3. Re-unification services are available for children in foster care who need to be re-united with their family members	• No. of children in foster care reunited with their families	46	36	51
2.4. Provision for leave of absence is granted to children in alternative care placement	• No. of children granted leave of absence in alternative care placements	1 599	1 045	1 625
3. ECD and Partial Care				
3.1. Partial care facilities are registered	• No. of registered partial care facilities	46	49	48
	• No. of children accessing registered partial care facilities	681	990	701
4. Child and Youth Care Centres				
4.1. Residential care services are available to children in need of alternative care	• No. of children placed in CYCCs	3 205	3 487	3 213
4.2. Re-unification services are available for children placed in CYCCs	• No. of children in CYCCs reunited with their families	145	75	156
5. Community-based Care Services to Children				
5.1. Community-based care prevention and early intervention services are available to children in communities	• No. of children reached through community-based prevention and early intervention programme	125 183	81 713	

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.

Tables 13.11 and 13.12 reflect a summary of the 2023/24 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall reduction of R6.822 million, are provided in the paragraphs after the tables.

Table 13.11 : 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	83 627			(10 000)			(10 000)	73 627
2. Crime Prevention and Support	159 771			(2 000)			(2 000)	157 771
3. Victim Empowerment	118 787						-	118 787
4. Substance Abuse, Prevention and Rehabilitation	108 830			2 433	1 745	1 000	5 178	114 008
Total	471 015	-	-	(9 567)	1 745	1 000	(6 822)	464 193
Amount to be voted								(6 822)

Table 13.12 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	348 078	-	-	(4 192)	-	1 000	(3 192)	344 886
Compensation of employees	277 100			(10 000)			(10 000)	267 100
Goods and services	70 978			5 808		1 000	6 808	77 786
Interest and rent on land							-	-
Transfers and subsidies to:	121 231	-	-	(6 000)	-	-	(6 000)	115 231
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	121 021			(6 000)			(6 000)	115 021
Households	210						-	210
Payments for capital assets	1 706	-	-	625	1 745	-	2 370	4 076
Buildings and other fixed structures					1 745		1 745	1 745
Machinery and equipment	1 706			625			625	2 331
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	471 015	-	-	(9 567)	1 745	1 000	(6 822)	464 193
Amount to be voted								(6 822)

Virement – Programme 4: Restorative Services: (R9.567 million)

The main appropriation of Programme 4 was reduced by R9.567 million, explained as follows:

- Savings of R9.567 million were realised from *Compensation of employees* in the Management and Support sub-programme under this programme as a result of the non-filling of posts due to the aggregate budget pressures against the Vote and the effect of the carry-through of the 2021/22 MTEF budget cuts, which resulted in the department not affording the carry-through costs of filling vacant posts. The total savings of R9.567 million were moved to various programmes, as follows:
 - R2.567 million was moved to *Compensation of employees* in Programme 3 to cater for the unfunded 2023 wage agreement.
 - R7 million was moved to Programme 5 against *Compensation of employees* (R900 000) to cater for the unfunded 2023 wage agreement, and *Goods and services* (R4.656 million) to cater for various training programmes in the youth academies, such as drivers' licence training, as well as skills development training programmes which are conducted by the uMfolozi TVET College, such as computer skills and plumbing, as these training programmes were inadequately budgeted for. The balance of these funds was moved to *Transfers and subsidies to: Households* (R1.100 million) to cater for unbudgeted claims against the state in respect of a backdated salary payout relating to a settlement of an arbitration outcome claim, as well as *Machinery and equipment* (R344 000) to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, that was not budgeted for.

In addition, the following virements were undertaken within the programme, across sub-programmes and economic classification categories:

- Savings of R6.433 million were realised as follows:

- o R433 000 was realised from *Compensation of employees* in the Management and Support sub-programme as a result of the non-filling of posts, as explained.
- o R6 million was realised from *Transfers and subsidies to: Non-profit institutions* in the Crime Prevention and Support (R2 million) and the Victim Empowerment (R4 million) sub-programmes, as a result of lower than budgeted claims for services, such as the social crime prevention programmes, vacancies in some NPOs, the fact that some funded organisations were not operating at full capacity because these services are demand driven, while other NPOs had governance issues, a lower than projected number of patients in some facilities, as well as a reduced number of admissions into White Door facilities, among others.
- The total savings of R6.433 million were moved within the Victim Empowerment sub-programme and to the Substance Abuse, Prevention and Rehabilitation sub-programme in Programme 4, as follows:
 - o R5.808 million was moved to *Goods and services* to cater for the payment of prior year accruals in respect of property payments, as well as higher than anticipated travel and subsistence costs relating to increased claims as more officials opted to use their private vehicles for business, as mentioned.
 - o R625 000 was moved to *Machinery and equipment* to cater for higher than anticipated procurement of tools of trade.

All virements are permissible in terms of the PFMA and Treasury Regulations and, where applicable, the increase in transfers was approved by Provincial Treasury in terms of the Treasury Regulations.

The decreases of R6 million against *Transfers and subsidies to: Non-profit institutions* in respect of the Crime Prevention and Support (R2 million) and the Victim Empowerment (R4 million) sub-programmes require Legislature approval, in terms of Section 43(4)(a) and (b) of the PFMA. These decreases are evident in Table 13.17.

Shifts – Programme 4: Restorative Services: R1.745 million

The department undertook a shift of R1.745 million from Programme 5 to the Substance Abuse, Prevention and Rehabilitation sub-programme in Programme 4 within *Buildings and other fixed structures* to correctly classify the budget for the *Upgrades and additions: Capital* of the Madadeni Rehabilitation Centre project. These funds were inadvertently budgeted for against Programme 5 when the main budget was prepared. The purpose of the funds remains unchanged. All shifts undertaken are permissible in terms of the Treasury Regulations.

Other adjustments – Programme 4: Restorative Services: R1 million

The department received additional funding towards its budget pressures, especially those arising from the unfunded 2023 wage agreement. Of this funding, R1 million was allocated to the Substance Abuse, Prevention and Rehabilitation sub-programme in Programme 4 against *Goods and services* to cater the continuous budget pressures against property payments relating to security services costs because of the annual tariff increases imposed by PSiRA which are inadequately budgeted for.

Service delivery measures – Programme 4: Restorative Services

Table 13.13 shows the service delivery information for Programme 4 as per the 2023/24 APP of the department, as well as the actual achievement for the first six months of the year.

Note that nine performance targets in the *EPRE* were not aligned to the 2023/24 APP, and the amendments are reflected in the 'Revised target' column to correctly align the information. The wording of the outputs and performance indicators is unchanged.

Table 13.13 : Service delivery measures – Programme 4: Restorative Services

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1. Crime Prevention and Support				
1.1. Prevention programmes implemented to minimise the likelihood of social crime	• No. of persons reached through social crime prevention programmes	306 835	183 825	305 433
1.2. Diversion programmes available for children and adults in conflict with the law	• No. of persons in conflict with the law who completed diversion programmes	1 290	1 339	1 578
1.3. Probation services available and undertaken by Probation Officers	• No of pre-sentence reports compiled by Probation Officers presented at court	519	452	526
2 Victim Empowerment				
2.1. Psychosocial support services available for victims of crime and violence	• No. of victims of crime and violence accessing support services	38 898	24 518	40 179
2.2. Social services available for victims of human trafficking	• No. of human trafficking victims who accessed social services	6	2	8
2.3. Psychosocial support services available for victims of GBVF in shelters	• No. of victims of GBVF and crime who accessed sheltering services (Khuseleka/Shelters and white doors)	2 043	1 510	2 255
2.4. Shelters available for victims of GBV in all districts	• No. of districts that have shelters for GBV	12	Annual	
3. Substance Abuse, Prevention and Rehabilitation				
3.1. Prevention programmes are implemented to minimise the likelihood of substance abuse	• No. of people reached through substance abuse prevention programmes	192 005	115 263	194 825
	• No. of service users who accessed Substance Use Disorder (SUD) treatment services	3 225	2 051	3 233
3.2. Re-integration and aftercare services are available for people who received substance abuse treatment	• No. of service users of substance abuse accessing re-integration and after care services	1 282	1 031	1 275

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.

Tables 13.14 and 13.15 reflect a summary of the 2023/24 adjusted appropriation of Programme 5, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall reduction of R5.840 million, are provided in the paragraphs after the tables.

Table 13.14 : 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	152 256			2 000		3 000	5 000	157 256
2. Community Mobilisation	2 772						-	2 772
3. Institutional Capacity Building and Support for NPOs	17 842						-	17 842
4. Poverty Alleviation and Sustainable Livelihoods	20 778						-	20 778
5. Community-Based Research and Planning	1 134						-	1 134
6. Youth Development	59 886			5 000	(14 840)		(9 840)	50 046
7. Women Development	14 042				(1 000)		(1 000)	13 042
8. Population Policy Promotion	5 458						-	5 458
Total	274 168	-	-	7 000	(15 840)	3 000	(5 840)	268 328
Amount to be voted								(5 840)

Table 13.15 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments	
Current payments	222 532	-	-	5 556	2 000	3 000	10 556
Compensation of employees	137 456			900		3 000	141 356
Goods and services	85 076			4 656	2 000		91 732
Interest and rent on land							-
Transfers and subsidies to:	28 293	-	-	1 100	(2 000)	-	(900)
Provinces and municipalities							-
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions	27 436				(2 000)	(2 000)	25 436
Households	857			1 100		1 100	1 957
Payments for capital assets	23 343	-	-	344	(15 840)	-	(15 496)
Buildings and other fixed structures	20 162				(15 840)		(15 840)
Machinery and equipment	3 181			344		344	3 525
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
Payments for financial assets							-
Total	274 168	-	-	7 000	(15 840)	3 000	(5 840)
Amount to be voted							(5 840)

Virement – Programme 5: Development and Research: R7 million

The main appropriation of Programme 5 was increased by R7 million, explained as follows:

- Savings of R7 million were realised from *Compensation of employees* in Programme 4 as a result of the non-filling of posts due to the aggregate budget pressures against the Vote and the effect of the carry-through of the 2021/22 MTEF budget cuts, which resulted in the department not affording the carry-through costs of filling vacant posts. These funds were moved to the Management and Support and the Youth Development sub-programmes in Programme 5, as follows:
 - R900 000 was moved to *Compensation of employees* to cater for the unfunded 2023 wage agreement.
 - R4.656 million was moved to *Goods and services* to cater for various training programmes in the youth academies, such as drivers' licence training, as well as skills development training programmes which are conducted by the uMfolozi TVET College, such as computer skills and plumbing, as these training programmes were inadequately budgeted for. These funds were also allocated to this category to cater for the continuous budget pressures against property payments relating to security services costs because of the annual tariff increases imposed by PSiRA which are inadequately budgeted for.
 - R1.100 million was moved to *Transfers and subsidies to: Households* to cater for unbudgeted claims against the state in respect of a backdated salary payout relating to a settlement of an arbitration outcome claim.
 - R344 000 was moved to *Machinery and equipment* to cater for the payment of prior year invoices relating to the procurement of tools of trade, such as desktops and laptops, that was not budgeted for.

All virements are permissible in terms of the PFMA and Treasury Regulations, and the increase in *Compensation of employees* was approved by Provincial Treasury where applicable in terms of the Treasury Regulations.

Shifts – Programme 5: Development and Research: (R15.840 million)

The department undertook the following shifts in this programme:

- R15.840 million was shifted from the Youth Development (R14.840 million) and the Women Development (R1 million) sub-programmes in this programme within *Buildings and other fixed structures* to correctly classify the budget for various ongoing *Upgrades and additions: Capital* and

Refurbishment and rehabilitation: Capital infrastructure projects. These funds were moved to Programme 2 (R9.095 million) in respect of projects such as the Vryheid and the Ezakheni Service Offices, Programme 3 (R5 million) for projects such as the Pata and the uMlazi Place of Safety facilities, as well as Programme 4 (R1.745 million) for the Madadeni Rehabilitation Centre project, among others. These funds were inadvertently budgeted for against Programme 5 when the main budget was prepared. The purpose of the funds remains unchanged.

- In addition to the above shifts to other programmes, R2 million was shifted from *Transfers and subsidies to: Non-profit institutions* to *Goods and services* within the Women Development sub-programme in this programme to correctly classify the budget for women development programmes, such as training and capacity building, skills development, as well as support to women-led cooperatives to improve their access to funding and market opportunities. These programmes are implemented by the department in partnership with the Small Enterprise Development Agency (SEDA). This allocation was erroneously allocated under *Transfers and subsidies to: Non-profit institutions* during the 2023/24 MTEF process and the purpose of these funds remains unchanged.

All shifts undertaken are permissible in terms of the Treasury Regulations.

Other adjustments – Programme 5: Development and Research: R3 million

The department received additional funding towards its budget pressures, especially those arising from the unfunded 2023 wage agreement. Of this additional funding, R3 million was allocated to the Management and Support sub-programme in Programme 5 against *Compensation of employees* to cater for the unfunded 2023 wage agreement.

Service delivery measures – Programme 5: Development and Research

Table 13.16 shows the service delivery information for Programme 5 as per the 2023/24 APP of the department, as well as the actual achievements for the first six months of the year. Note that 11 performance targets in the *EPRE* were not aligned to the 2023/24 APP, and the amendments are reflected in the 'Revised target' column to correctly align the information. The wording of the outputs and performance indicators is unchanged.

Table 13.16 : Service delivery measures – Programme 5: Development and Research

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1. Community Mobilisation				
1.1. Community mobilisation programmes are implemented to build strong community networks	• No. of people reached through community mobilisation programmes	124 054	73 819	124 853
2 Institutional Capacity Building and Support for NPOs				
2.1 Capacity development and support programmes are implemented for NPOs	• No. of NPOs capacitated	6 677	3 578	6 270
3 Poverty Alleviation and Sustainable Livelihoods				
3.1 Poverty reduction initiatives are implemented	• No. of people benefitting from poverty reduction initiatives	10 161	6 775	9 648
3.2 Vulnerable individuals and households are provided with food	• No. of households accessing food through DSD food security programmes	12 176	8 852	12 651
	• No. of people accessing food through DSD feeding programmes (centre-based)	28 324	23 013	27 815
3.3 Co-operatives are capacitated and linked to economic opportunities	• No. of co-operatives trained	88	40	
	• No. of co-operatives linked to economic opportunities	54	20	59
3.4 Youth, Women and PWDs are provided with work opportunities and training through the EPWP	• No. of EPWP work opportunities created	4 494	Annual	
	• No. of EPWP FTEs accumulated	4 247	Annual	
	• No. of EPWP beneficiaries / participants received training	1 000	Annual	
3.5 A pilot project for linking caregivers of CSG beneficiaries to sustainable initiatives is developed and implemented	• No. of districts implementing a pilot project for linking caregivers of CSG beneficiaries to sustainable initiatives	12	Annual	

Table 13.16 : Service delivery measures – Programme 5: Development and Research

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
4. Community-Based Research and Planning				
4.1 Households and community are profiled to ascertain their needs	<ul style="list-style-type: none"> No. of households profiled No. of community-based plans developed 	5 642 58	3 288 33	5 471
4.2 Profiled households are provided with relevant services	<ul style="list-style-type: none"> No. of profiled households who received interventions 	6 793	3 629	
5. Youth Development				
5.1 Support is provided to youth development structures	<ul style="list-style-type: none"> No. of youth development structures supported 	650	662	634
5.2 Skills development programmes are implemented to build the capacity of youth	<ul style="list-style-type: none"> No. of youth participating in skills development programmes 	12 470	7 875	12 482
5.3 Mobilisation programmes are implemented to organise youth to take charge of their own development	<ul style="list-style-type: none"> No. of youth participating in youth mobilisation programmes 	58 102	35 523	57 741
6. Women Development				
6.1 Empowerment programmes are designed and implemented to empower women to take charge of their own development	<ul style="list-style-type: none"> No. of women participating in empowerment programmes 	44 511	26 401	43 437
7. Population Policy Promotion				
7.1 Advocacy and capacity development initiative are conducted on Population Policy	<ul style="list-style-type: none"> No. of population capacity development sessions conducted No. of population advocacy, information, education and communication (IEC) activities implemented 	20 50	11 31	
7.2 Report on the implementation of Population Policy	<ul style="list-style-type: none"> No. of population policy monitoring and evaluation reports produced 	1	Annual	
7.3 Population-related research projects are undertaken	<ul style="list-style-type: none"> No. of research projects completed No. of demographic profiles completed 	4 2	Annual Annual	

5. Specifically and exclusively appropriated allocations

Table 13.17 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act. Note that the conditional grant (which is also specifically and exclusively appropriated funding) is not included here, as it is discussed in Section 8 below. Details of the main adjustments, which resulted in an overall decrease of R40.433 million in the specifically and exclusively appropriated funding, are given in the paragraphs after the table.

Table 13.17 : Summary of specifically and exclusively appropriated funding

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/ Roll-overs	Unavoidable	Virement	Shifts	Other adjustments		
1. Prog 1: Administration: District Champion of OSS/DDM responsibilities	2 000						-	2 000
2. Prog 2: Services to Older Persons	124 125			(5 050)			(5 050)	119 075
3. Prog 2: Services to Persons with Disabilities	86 808			(3 200)			(3 200)	83 608
4. Prog 2: HIV and AIDS	80 932			(650)			(650)	80 282
Of which:							-	
Prog 2: HIV Prevention Programme	11 278						-	11 278
5. Prog 3: Care and Services to Families	10 049						-	10 049
6. Prog 3: Child Care and Protection	91 803			(8 433)			(8 433)	83 370
7. Prog 3: Child and Youth Care Centres	257 270			(5 100)		(10 000)	(15 100)	242 170
Of which:							-	
Prog 3: Social Worker grant converted to equitable share	76 934						-	76 934
Prog 3: NAWANGO court case	55 044						-	55 044
8. Prog 3: Community-Based care Centres: Isibindi Model	73 421						-	73 421
9. Prog 4: Crime Prevention and Support	16 615			(2 000)			(2 000)	14 615
10. Prog 4: Victim Empowerment	108 079			(4 000)			(4 000)	104 079
Of which:							-	
Prog 4: Social Worker Addition	22 881						-	22 881
11. Prog 4: Substance Abuse, Prevention and Rehabilitation	19 208						-	19 208
12. Prog 5: Youth Development	15 394						-	15 394
13. Prog 5: Women Development	12 042				(2 000)		(2 000)	10 042
14. Prog 5: Pov. All. and Sus. Livelihoods: Food relief function shift	7 731						-	7 731
Total	905 477	-	-	(28 433)	(2 000)	(10 000)	(40 433)	865 044
Amount to be voted								(40 433)

- **Virement:** The department undertook the following virements, which resulted in a net decrease of R28.433 million in respect of the specifically and exclusively appropriated funds:

- o In Programme 2, Services to Older Persons, Services to Persons with Disabilities and HIV and AIDS were reduced by R5.050 million, R3.200 million and R650 000, respectively, due to various reasons, as explained in Section 4, including the need to realign the budget with the master list as these support services are demand driven. These savings were moved to other categories, including *Compensation of employees* for the unfunded 2023 wage agreement, *Goods and services* for various budget pressures, such as higher than budgeted travel and subsistence costs, and SRD that was issued to the April 2022 flood victims, as well as *Machinery and equipment* the procurement of tools of trade, such as computer laptops and desktops, as mentioned.
- o In Programme 3, Child Care and Protection, as well as Child and Youth Care Centres were reduced by R8.433 million and R5.100 million, respectively, due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, lower than anticipated demand for child and youth care services, as well as a lower than budgeted number of admissions in various facilities, among others, as explained. These savings were moved to other categories, including *Compensation of employees* to cater for the unfunded 2023 wage agreement, *Goods and services* to cater for various budget pressures, such as agency and support/outsourced services relating to cleaning and catering services, fleet services, and travel and subsistence costs, as well as *Machinery and equipment* to cater for the procurement of tools of trade, such as computer laptops and desktops, as mentioned.
- o In Programme 4, Crime Prevention and Support and Victim Empowerment were reduced by R2 million and R4 million, respectively as a result of lower than budgeted claims for services, such as the social crime prevention programmes, vacancies in some NPOs, the fact that some funded organisations were not operating at full capacity because these services are demand driven, while other NPOs had governance issues, and there was a lower than projected number of patients in some facilities, as well as a reduced number of admissions into White Door facilities, among others, as mentioned. These savings were moved to other categories, including *Goods and services* to cater for various budget pressures, such as the payment of prior year accruals in respect of property payments, and higher than anticipated travel and subsistence costs, as well as *Machinery and equipment* to cater for the procurement of tools of trade, as mentioned.

The decreases against Services to Older Persons (R5.050 million), Services to Persons with Disabilities (R3.200 million), HIV and AIDS (R650 000), Child Care and Protection (R8.433 million), Child and Youth Care Centres (R5.100 million), Crime Prevention and Support (R2 million), as well as Substance Abuse, Prevention and Rehabilitation (R4 million), require Legislature approval in terms of Sections 43(4)(a) and (b) of the PFMA, as they are decreases in respect of specifically and exclusively appropriated funds and decreases in transfers. These are highlighted in grey in the table.

- *Shifts*: R2 million was shifted from *Transfers and subsidies to: Non-profit institutions* to *Goods and services* within the Women Development sub-programme to correctly classify the budget for women development programmes which was erroneously allocated to *Transfers and subsidies to: Non-profit institutions* in the 2023/24 MTEF process, as mentioned. The purpose of these funds is unchanged.
- *Other adjustments*: The department's baseline was cut by R10 million as a contribution toward the provincial Crime Fighting Initiative, with these funds being allocated to Vote 9: Community Safety and Liaison. These funds were cut against *Transfers and subsidies to: Non-profit institutions* in the Child and Youth Care Centres sub-programme in Programme 3, utilising savings realised against this category, as explained in Section 4.3 above.

6. Gifts, donations and sponsorships

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

7. Infrastructure

Table 13.18 shows the summary of infrastructure payments per main category. Details of the main adjustments are given in the paragraph below.

Table 13.18 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	94 936	-	-	11 667	-	-	11 667	106 603
Maintenance and repair: Current	37 610						-	37 610
Upgrades and additions: Capital	53 356						-	53 356
Refurbishment and rehabilitation: Capital	3 970			11 667			11 667	15 637
New infrastructure assets: Capital	27 667			(11 667)			(11 667)	16 000
Infrastructure transfers	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital							-	-
Infrastructure transfers: Current							-	-
Infrastructure: Payments for financial assets	-						-	-
Infrastructure: Leases	40 368						-	40 368
Non infrastructure	-						-	-
Capital infrastructure	84 993	-	-	-	-	-	-	84 993
Current infrastructure	77 978	-	-	-	-	-	-	77 978
Total	162 971	-	-	-	-	-	-	162 971
Amount to be voted								-

- **Virements:** The department undertook a virement of R11.667 million from *New infrastructure assets: Capital* to reduce over-spending against *Refurbishment and rehabilitation: Capital* within the infrastructure budget. This virement is only visible in Table 13.18 as the virement was undertaken within the infrastructure budget, and within *Buildings and other fixed structures*. Savings were realised from *New infrastructure assets: Capital* due to slow progress in the implementation of projects, such as the Illovo Development Centre and delays in the Hlanganani Service Office project. The department is in the process of sourcing a replacement contractor to complete the Hlanganani Service Office project due to non-performance by the previously appointed service provider. The department further indicated that expenditure was not incurred in respect of projects that were still in the planning phase, such as the uMvoti Youth Academy, among others. These funds were thus moved to *Refurbishment and rehabilitation: Capital* to cater for the payment of deferred invoices from 2022/23 to 2023/24 and invoices for 2023/24 for work completed on site relating to various ongoing infrastructure projects, such as the Pata Place of Safety, the Phoenix Service Office, etc.
- **Shifts:** The following shifts were undertaken within infrastructure categories, where the purpose of the funds remains unchanged:
 - R6.900 million was shifted within *Goods and services* and within *Maintenance and repair: Current* in respect of property payments from Programme 3 to Programme 2 to correctly classify the budget for various ongoing maintenance projects in various facilities and office buildings, including Service and District Offices, among others. These funds were inadvertently budgeted for against Programme 3 when the main budget was prepared.
 - R15.840 million was shifted from Programme 5 within *Buildings and other fixed structures* to correctly classify the budget for ongoing *Upgrades and additions: Capital* and *Refurbishment and rehabilitation: Capital* infrastructure projects. These funds were moved to Programme 2 (R9.095 million) in respect of projects such as the Vryheid and Ezakheni Service Offices, Programme 3 (R5 million) for projects such as the Pata and uMlazi Place of Safety facilities, as well as Programme 4 (R1.745 million) for the Madadeni Rehabilitation Centre, among others, as explained in Section 4. These funds were inadvertently budgeted for against Programme 5.

8. Conditional grants

Tables 13.19 and 13.20 provide a summary of the conditional grant budget per main category. Details of the main adjustments are given in the paragraph below.

Table 13.19 : Summary of changes to conditional grants

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
2. Social Welfare Services	28 846	-	-	-	-	(2 067)	(2 067)	26 779
Social Sector EPWP Incentive Grant for Provinces	28 846					(2 067)	(2 067)	26 779
Total	28 846	-	-	-	-	(2 067)	(2 067)	26 779
Amount to be voted								(2 067)

Table 13.20 : Summary of conditional grants by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	28 846	-	-	-	-	(2 067)	(2 067)	26 779
Compensation of employees	28 846					(2 067)	(2 067)	26 779
Goods and services							-	-
Interest and rent on land							-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households							-	-
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures							-	-
Machinery and equipment							-	-
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	28 846	-	-	-	-	(2 067)	(2 067)	26 779
Amount to be voted								(2 067)

- *Other adjustments:* R2.067 million was cut from the Social Sector EPWP Incentive Grant for Provinces against *Compensation of employees* in Programme 2, under the HIV and AIDS sub-programme, due to in-year fiscal consolidation budget cuts by National Treasury, as mentioned.

9. Transfers and subsidies

Table 13.21 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall increase of R32.376 million, are given before and after the table.

- *Virement:* The following virements were undertaken resulting in a net decrease of R29.045 million:
 - In Programme 1, the following virements were undertaken within this programme:
 - Savings of R300 000 were realised against *Provinces and municipalities* in relation to lower than budgeted motor vehicle licences paid by the department due to the reduction in the number of departmental motor vehicles. This is linked to the increase in the number of hijackings of the department's vehicles and the department opting to procure fewer departmental motor vehicles in recent years to rein in expenditure. These funds were moved to *Machinery and equipment* within Programme 1 to cater for the payment of prior year invoices relating to the procurement of tools of trade, as well as to provide for the purchase of security cameras in one of the district offices in compliance with the security audit outcome.
 - Savings of R978 000 were realised against *Departmental agencies and accounts* as the HWSETA skills development levy was lower than budgeted for. Of these funds, R66 000 was moved within this category to cater for SABC TV licences which were not budgeted for, and this virement is only visible in Table 13.21 as it was within *Departmental agencies and accounts*. The balance was moved to *Machinery and equipment* within Programme 1 to cater for the payment of prior year invoices relating to the procurement of tools of trade, as well as to provide for the purchase of security cameras, as mentioned.
 - Savings of R500 000 were realised from *Households* due to lower than budgeted staff exit costs, and were moved to *Machinery and equipment* within Programme 1 to cater for the payment of prior year invoices relating to the procurement of tools of trade, as well as to provide for the purchase of security cameras, as mentioned.

Table 13.21 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	11 775	-	-	(1 712)	-	-	(1 712)	10 063
Provinces and municipalities	1 039	-	-	(300)	-	-	(300)	739
Motor vehicle licences	1 039			(300)			(300)	739
Departmental agencies and accounts	5 774	-	-	(912)	-	-	(912)	4 862
HWSETA	5 774			(978)			(978)	4 796
SABC TV licences				66			66	66
Households	4 962	-	-	(500)	-	-	(500)	4 462
Staff exit costs	4 962			(500)			(500)	4 462
2. Social Welfare Services	295 608	-	-	(8 900)	-	-	(8 900)	286 708
Non-profit institutions	291 865	-	-	(8 900)	-	-	(8 900)	282 965
Care and Services to Older Persons	124 125			(5 050)			(5 050)	119 075
Services to Persons with Disabilities	86 808			(3 200)			(3 200)	83 608
HIV and AIDS	80 932			(650)			(650)	80 282
Households	3 743	-	-	-	-	-	-	3 743
Staff exit costs	3 743			(311)			(311)	3 432
Claims against the state				311			311	311
3. Children and Families	283 045	-	-	(13 533)	73 421	(10 000)	49 888	332 933
Non-profit institutions	282 188	-	-	(13 533)	73 421	(10 000)	49 888	332 076
Care and Services to Families	10 049			(8 433)			-	10 049
Child Care and Protection	91 803			(5 100)			(8 433)	83 370
Child and Youth Care Centres	180 336					(10 000)	(15 100)	165 236
Community-based Care Services for Children					73 421		73 421	73 421
Households	857	-	-	-	-	-	-	857
Staff exit costs	857			-	-	-	-	857
4. Restorative Services	121 231	-	-	(6 000)	-	-	(6 000)	115 231
Non-profit institutions	121 021	-	-	(6 000)	-	-	(6 000)	115 021
Crime Prevention and Support	16 615			(2 000)			(2 000)	14 615
Victim Empowerment	85 198			(4 000)			(4 000)	81 198
Substance Abuse, Prevention and Rehabilitation	19 208						-	19 208
Households	210	-	-	-	-	-	-	210
Staff exit costs	210			-	-	-	-	210
5. Development and Research	28 293	-	-	1 100	(2 000)	-	(900)	27 393
Non-profit institutions	27 436	-	-	-	(2 000)	-	(2 000)	25 436
Youth Development	15 394						-	15 394
Women Development	12 042				(2 000)		(2 000)	10 042
Households	857	-	-	1 100	-	-	1 100	1 957
Staff exit costs	857						-	857
Other transfers to households				1 100			1 100	1 100
Total	739 952	-	-	(29 045)	71 421	(10 000)	32 376	772 328
Amount to be voted								32 376

o In Programme 2, the following virements were undertaken:

- Savings of R8.900 million were realised from *Non-profit institutions* in the Services to Older Persons (R5.050 million), Services to Persons with Disabilities (R3.200 million), as well as HIV and AIDS (R650 000) sub-programmes due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, lower than budgeted admissions of older persons in some facilities, the fact that some facilities are not operating at full capacity, poor attendance and admissions at service centres and protective workshops, as well as the need to realign the budget with the master list as these support services are demand driven. These funds were moved as follows:
 - R1.200 million was moved to *Compensation of employees* within Programme 2 to cater for the unfunded 2023 wage agreement.
 - R6.300 million was moved to *Goods and services* within Programme 2 to cater for various pressures, including increased travel claims, the payment of prior year accruals for SRD that was issued to the April 2022 flood victims and related travelling costs, as well as continuous SRD budget pressures as this item is inadequately budgeted for, among others.
 - R1.400 million was moved to *Machinery and equipment* in Programme 1 (R950 000) and Programme 2 (R450 000) to cater for the procurement of tools of trade, the payment of prior year invoices relating to the procurement of tools of trade, as well as to provide for the purchase of security cameras in Programme 1, as mentioned.
- The department also moved an amount of R311 000 within *Households* to cater for claims against the state that were not budgeted for. In this regard, there was an injury on duty claim from one of the officials, and a department's vehicles collided with a third party's vehicle which resulted in the third party claiming for damage suffered. Note that this virement is only visible in this table as it was undertaken within *Households*.

- o In Programme 3, the following virements were undertaken:
 - Savings of R13.533 million were realised from *Non-profit institutions* in the Child Care and Protection (R8.433 million) and the Child and Youth Care Centres (R5.100 million) sub-programmes due to various reasons, including lower than anticipated claims received from non-profit institutions as some NPOs have vacancies, such as Child and Youth Care Worker and Social Worker posts, lower than anticipated demand for child and youth care services, as well as a lower than budgeted number of admissions in various facilities. These funds were moved within Programme 3 as follows:
 - R7.433 million was moved to *Compensation of employees* to cater for the unfunded 2023 wage agreement.
 - R5.288 million was moved to *Goods and services* to cater for various budget pressures, including budget pressures in respect of agency and support/outsourced services relating to cleaning and catering services provided in various departmental facilities, higher than budgeted maintenance costs of departmental motor vehicles, the fact that the nature of services provided by the department often requires officials to travel on gravel roads which necessitates the frequent replacement of tyres, as well as increased travel claims, among others, as explained in Section 4.3 above.
 - R812 000 was moved to *Machinery and equipment* to cater for higher than anticipated procurement of tools of trade, such as laptops and desktops, among others.
- o In Programme 4, the following virements were undertaken:
 - Savings of R6 million were realised from *Non-profit institutions* in the Crime Prevention and Support (R2 million) and the Victim Empowerment (R4 million) sub-programmes, as a result of lower than budgeted claims for services, such as the social crime prevention programmes, vacancies in some NPOs, the fact that some funded organisations were not operating at full capacity because these services are demand driven, while other NPOs had governance issues, a lower than projected number of patients in some facilities, as well as a reduced number of admissions into White Door facilities, among others. These funds were moved within Programme 4, as follows:
 - R5.808 million was moved to *Goods and services* to cater for the payment of prior year accruals in respect of property payments, as well as higher than anticipated travel and subsistence costs, as mentioned.
 - R192 000 was moved to *Machinery and equipment* to cater for higher than anticipated procurement of tools of trade.
- o In Programme 5, savings of R1.100 million were realised from *Compensation of employees* in Programme 4 as a result of the non-filling of posts and were moved to *Households* in Programme 5 to cater for unbudgeted claims against the state in respect of a backdated salary payout relating to a settlement of an arbitration outcome claim, as explained.

All of these virements are permissible in terms of the PFMA and Treasury Regulations. Where applicable, the increase in transfers was approved by Provincial Treasury in terms of the Treasury Regulations.

The decreases against the sub-programmes: Services to Older Persons (R5.050 million), Services to Persons with Disabilities (R3.200 million), HIV and AIDS (R650 000), Child Care and Protection (R8.433 million), Child and Youth Care Centres (R5.100 million), Crime Prevention and Support (R2 million), as well as Substance Abuse, Prevention and Rehabilitation (R4 million) require Legislature approval in terms of Sections 43(4)(a) and (b) of the PFMA, as they are decreases in respect of specifically and exclusively appropriated funds and decreases in transfers. These are highlighted in grey in the table.

- **Shifts:** The department undertook the following shifts which resulted in a net increase of R71.421 million against *Transfers and subsidies* and the purpose of the funds does not change and Legislature approval is therefore not needed:
 - R73.421 million was shifted from *Goods and services* to *Non-profit institutions* within the Community-based Care Services for Children sub-programme in Programme 3 to correctly classify the budget for salaries of Social Workers and Child and Youth Care Workers who are paid within the HBCC programme. In this regard, the contracts for the appointment of these workers are concluded between the workers and the NPOs, with the department merely playing a facilitation role during the interview process. Although the department funds the salaries of these workers through claims received from the NPOs, these workers are not the department's casual labourers as they have contracts with the NPOs, are supervised by the NPOs and earn monthly stipends from the NPOs. The department is not responsible for any of these workers and does not receive anything directly in return for the transfers made to the NPOs. Therefore, NPOs are ultimately responsible for these workers in terms of Circular 21, hence the shift of funds from *Goods and services* to *Non-profit institutions*. The purpose of these funds remains unchanged.
 - R2 million was shifted from *Non-profit institutions* to *Goods and services* within the Women Development sub-programme in Programme 5 to correctly classify the budget for women development programmes, such as training and capacity building, skills development, as well as support to women-led cooperatives to improve their access to funding and market opportunities. These programmes are implemented by the department in partnership with SEDA. This allocation was erroneously allocated under *Non-profit institutions* during the 2023/24 MTEF process and the purpose of these funds remains unchanged.
- **Other adjustments:** The department's baseline was cut by R10 million as a contribution toward the provincial Crime Fighting Initiative, with these funds being allocated to Vote 9: Community Safety and Liaison. These funds were cut against *Non-profit institutions* in the Child and Youth Care Centres sub-programme in Programme 3.

10. Transfers to local government

The amounts against *Provinces and municipalities* in Table 13.21 cater for motor vehicle licences. These funds will not be transferred to any municipality, and therefore the table for transfers to local government has not been included.

11. Actual payments and revised spending projections for the rest of 2023/24

Tables 13.22 and 13.23 reflect actual payments as at the end of September 2023, 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 2022/23 Audited outcome.

Table 13.22 : Actual payments and revised spending projections by programme

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2023 - September 2023		October 2023 - March 2024		
			% of budget		% of budget		
1. Administration	597 223	587 157	347 022	59.1	240 135	40.9	587 157
2. Social Welfare Services	865 847	835 334	411 794	49.3	423 540	50.7	835 334
3. Children and Families	1 203 482	1 141 064	600 913	52.7	540 151	47.3	1 141 064
4. Restorative Services	435 729	464 193	220 252	47.4	243 941	52.6	464 193
5. Development and Research	266 956	268 328	135 591	50.5	132 737	49.5	268 328
Total	3 369 237	3 296 076	1 715 572	52.0	1 580 504	48.0	3 296 076

Table 13.23 : Actual payments and revised spending projections by economic classification

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2023 - September 2023	% of budget	October 2023 - March 2024	% of budget	
Current payments	2 514 807	2 406 255	1 287 074	53.5	1 119 181	46.5	2 406 255
Compensation of employees	1 755 879	1 656 358	894 779	54.0	761 579	46.0	1 656 358
Goods and services	758 904	749 773	392 244	52.3	357 529	47.7	749 773
Interest and rent on land	24	124	51	41.1	73	58.9	124
Transfers and subsidies to:	744 473	772 328	364 254	47.2	408 074	52.8	772 328
Provinces and municipalities	770	739	301	40.7	438	59.3	739
Departmental agencies and accounts	4 240	4 862	4 796	98.6	66	1.4	4 862
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	732 151	755 498	353 879	46.8	401 619	53.2	755 498
Households	7 312	11 229	5 278	47.0	5 951	53.0	11 229
Payments for capital assets	106 071	117 493	64 244	54.7	53 249	45.3	117 493
Buildings and other fixed structures	97 113	84 993	46 693	54.9	38 300	45.1	84 993
Machinery and equipment	8 958	32 500	17 551	54.0	14 949	46.0	32 500
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
Payments for financial assets	3 886	-	-	-	-	-	-
Total	3 369 237	3 296 076	1 715 572	52.0	1 580 504	48.0	3 296 076

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		
Current payments	2 409 397	-	-	22 458	(71 421)	45 821	(3 142)	2 406 255
Compensation of employees	1 621 337	-	-	2 100	-	32 921	35 021	1 656 358
Salaries and wages	1 338 448	-	-	2 886	-	30 921	33 807	1 372 255
Social contributions	282 889	-	-	(786)	-	2 000	1 214	284 103
Goods and services	788 043	-	-	20 251	(71 421)	12 900	(38 270)	749 773
Administrative fees	3 572	-	-	1 505	-	-	1 505	5 077
Advertising	3 129	-	-	(869)	-	-	(869)	2 260
Minor assets	11 680	-	-	1 145	-	-	1 145	12 825
Audit cost: External	7 147	-	-	591	-	-	591	7 738
Bursaries: Employees	3 870	-	-	(491)	-	-	(491)	3 379
Catering: Departmental activities	13 152	-	-	1 713	-	-	1 713	14 865
Communication (G&S)	38 019	-	-	(1 258)	-	-	(1 258)	36 761
Computer services	36 635	-	-	203	-	1 000	1 203	37 838
Cons. & prof serv: Business and advisory services	8 021	-	-	(4 666)	2 000	-	(2 666)	5 355
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	2 275	-	-	5 587	-	1 000	6 587	8 862
Contractors	89 437	-	-	(2 005)	(73 421)	250	(75 176)	14 261
Agency and support / outsourced services	28 791	-	-	6 679	-	250	6 929	35 720
Entertainment	-	-	-	50	-	-	50	50
Fleet services (incl govt motor transport)	35 253	-	-	5 914	-	1 000	6 914	42 167
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	184	-	-	80	-	-	80	264
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	250	-	-	103	-	-	103	353
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	165	-	-	188	-	-	188	353
Inventory: Medical supplies	239	-	-	(129)	-	-	(129)	110
Inventory: Medicine	21	-	-	289	-	-	289	310
Medsas inventory interface	550	-	-	(550)	-	-	(550)	-
Inventory: Other supplies	4 356	-	-	1 944	-	-	1 944	6 300
Consumable supplies	66 348	-	-	5 573	-	-	5 573	71 921
Consumable: Stationery, printing and office supplies	16 782	-	-	(1 191)	-	-	(1 191)	15 591
Operating leases	81 031	-	-	(21 182)	-	-	(21 182)	59 849
Property payments	246 644	-	-	7 116	-	7 900	15 016	261 660
Transport provided: Departmental activity	2 399	-	-	3 026	-	-	3 026	5 425
Travel and subsistence	64 484	-	-	8 043	-	1 500	9 543	74 027
Training and development	13 631	-	-	3 751	-	-	3 751	17 382
Operating payments	4 695	-	-	(1 070)	-	-	(1 070)	3 625
Venues and facilities	3 083	-	-	98	-	-	98	3 181
Rental and hiring	2 200	-	-	64	-	-	64	2 264
Interest and rent on land	17	-	-	107	-	-	107	124
Interest	-	-	-	-	-	-	-	-
Rent on land	17	-	-	107	-	-	107	124
Transfers and subsidies to	739 952	-	-	(29 045)	71 421	(10 000)	32 376	772 328
Provinces and municipalities	1 039	-	-	(300)	-	-	(300)	739
Provinces	1 039	-	-	(300)	-	-	(300)	739
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 039	-	-	(300)	-	-	(300)	739
Municipalities	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 774	-	-	(912)	-	-	(912)	4 862
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	5 774	-	-	(912)	-	-	(912)	4 862
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	722 510	-	-	(28 433)	71 421	(10 000)	32 988	755 498
Households	10 629	-	-	600	-	-	600	11 229
Social benefits	10 629	-	-	(811)	-	-	(811)	9 818
Other transfers to households	-	-	-	1 411	-	-	1 411	1 411
Payments for capital assets	110 906	-	-	6 587	-	-	6 587	117 493
Buildings and other fixed structures	84 993	-	-	-	-	-	-	84 993
Buildings	84 993	-	-	-	-	-	-	84 993
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	25 913	-	-	6 587	-	-	6 587	32 500
Transport equipment	9 247	-	-	(1 267)	-	-	(1 267)	7 980
Other machinery and equipment	16 666	-	-	7 854	-	-	7 854	24 520
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	3 260 255	-	-	-	-	35 821	35 821	3 296 076
Amount to be voted								35 821