



Social Development

Department
Social Development
MPUMALANGA PROVINCE

Annual Report 2009/10

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FOR THE YEAR ENDED 31 MARCH 2010

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List of Acronyms

AIDS	ACQUIRED IMMUNE DEFICIENCY SYNDROME
BAS	BASIC ACCOUNTING SYSTEM
CBO	COMMUNITY BASED ORGANIZATION
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
DTU'S	DEPARTMENTAL TRANSFORMATION UNITS
EAP	EMPLOYEE ASSISTANCE PROGRAMME
ECD	EARLY CHILDHOOD DEVELOPMENT
EE	EMPLOYMENT EQUITY
EPWP	EXPANDED PUBLIC WORKS PROGRAMME
EXCO	EXECUTIVE COUNCIL
HIV	HUMAN IMMUNODEFICIENCY VIRUS
HOD	HEAD OF DEPARTMENT
HCBC	HOME COMMUNITY BASED CARE
HWSETA	HEALTH AND WELFARE SECTOR EDUCATION AND TRAINING AGENCY
IDP'S	INTEGRATED DEVELOPMENT PLANS
ISRDP	INTEGRATED SUSTAINABLE RURAL AND DEVELOPMENT PROGRAMME
IT	INFORMATION TECHNOLOGY
MEC	MEMBER OF EXECUTIVE COUNCIL
MINMEC	MEETING OF MINISTER AND MEC'S
MUNIMEC	MEETING OF MUNICIPALITY AND MEC
NCOP	NATIONAL COUNCIL OF PROVINCES
NDA	NATIONAL DEVELOPMENT AGENCY
NPO'S	NON-PROFIT ORGANIZATIONS
PAIA	PROMOTION OF ACCESS TO INFORMATION ACT
PERSAL	PERSONNEL AND SALARIES SYSTEM
PFMA	PUBLIC FINANCE MANAGEMENT ACT
SDIMS	SOCIAL DEVELOPMENT INFORMATION MANAGEMENT SYSTEM



Social Development

**Department
Social Development
MPUMALANGA PROVINCE**



Part A: General Information



1.1 Submission of Annual Report to the Executive Authority

The Honourable Member of the Executive Council

Departement of Social Development

Private Bag X11285

Nelspruit

1200

Dear Member of Executive Council

It is my honour to present to you the Annual Report of the Department of Social Development (Vote 13) for the year 1 April 2009 to 31 March 2010.

This report has been prepared as required by Section 40 (1) (d) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Part III J3 of the Public Service Regulations, 2001



MS. N.L. MLANGENI

Acting Head of Department



1.2 Foreword by Executive Authority (MEC) for Health and Social Development (DEPARTMENT OF SOCIAL DEVELOPMENT)



Ms DG MAHLANGU
MEC: HEALTH AND
SOCIAL DEVELOPMENT

This annual report gives account of our activities in the last financial year. I am satisfied with the progress the department has made especially with regard to issues previously raised by the Auditor General. We have over a period of time battled to have a sound asset management system, as this report would show, we have made commendable progress in that regard.

One sore point has been the infrastructure backlog and our collective inability to spend all funds allocated for this purpose. We have however taken an Executive decision aimed at resolving all bottle necks which delay resumption of projects, thus under spending.

The department focuses on vulnerable sections of society. It is important therefore at all times to work in a manner that promote and protect the rights of these designated groups. We enhanced our systems to respond in time to our stakeholders needs like the Not for Profit Organisations, so that while appreciating their important work in the areas that we can not ourselves cover; they are also not frustrated by our own inadequate systems.

We have also taken a decision to re-look into our funding model and requirements for Not for Profit Organisations, so that we are more responsive to identified needs relevant in communities.

We have made progress in the War on Poverty initiatives and have learned that taking forward this noble work will require integration by all departments and civil society in particular.

I want to thank the stewardship of the Acting Head of the Department Ms NL Mlangeni and her entire management team. Your steadfastness gives hope that we will continue to deliver services to the people of Mpumalanga. I derive solace out of your unity of Purpose demonstrated thus far.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Ms DG MAHLANGU (MPL)
MEC: HEALTH AND SOCIAL DEVELOPMENT



1.3 Introduction and Highlights by the Accounting Officer



Ms NL Mlangeni
Acting Head of Department

It is a pleasure to present the Annual Report of the Department of Social Development of the Province of Mpumalanga for the 2009/10 financial year.

The Department made considerable progress on both service delivery and corporate governance. In three consecutive financial years (2006/7, 2007/8 and 2008/9) the Department received a qualification. However, in 2009/10 the Department has moved to an unqualified audit outcome. This represents the culmination of the implementation of a turnaround strategy with a clear programme of action over three years. The Department of Social Development also focused on increasing capacity and skills in critical areas, to improve service delivery.

The Department acknowledges the challenges of programme performance information to reflect a true picture of the work done against the set targets. To address these challenges a strategy is in place to improve on information management for better reporting.

Strides were made during the reporting period to improve on management and monitoring of NPOs subsidised by government. The awareness programmes and placement of vulnerable children in foster care were also accelerated to protect and promote the well being and the rights of children.

In the fight against poverty, the department managed to get baseline information that will inform planning and appropriate interventions by profiling 43 communities and 7038 households.

In order to promote greater accountability and transparency the Department has included an annexure, with detailed of all the projects and organisations funded in the year under review.

The Department remains committed to the improvement of service delivery transparency and accountability for all the resources at its disposal.

In conclusion the department acknowledges the role of different stakeholders directly and indirectly who supported the department to deliver on its mandate.

1.4 Vision, Mission and Core Values for the Department

Vision

A caring, humane and developed society

Mission

To provide equitable, integrated and quality sustainable social development services in partnership with all stakeholders to eradicate poverty and protect vulnerable groups in all communities of Mpumalanga.

Core Values

With the spirit of Ubuntu, we as the department ascribe to the following values:

- Integrity
- Respect
- Honesty
- Fairness
- Accountability
- Transparency
- Accessibility
- Value for money
- Equity
- Efficiency
- Good Governance

The core functions of the Department

The Department provides the following services:

- Integrated poverty alleviation programmes through sustainable development programmes in partnership with implementing agencies (such as Non Profit Organisation (NPOs) Community Based Organisations (CBOs) and Faith Based Organisations (FBOs).
- Integrated services to people infected and affected by HIV and AIDS.
- Integrated services to children, youth, women, people with disabilities, older persons and other vulnerable persons/groups.
- Social welfare safety net.



1.5 Legislative Mandates

Core Legislative Mandates

The Constitution of the Republic of South Africa (section 27(1) (c)), provides for the right of access to appropriate social assistance to those unable to support themselves and their dependants. Section 28(1) of the Constitution enshrines the rights of children with regard to appropriate care, basic nutrition, shelter, health care services and social services.

The National Department of Social Development finds its mandate through several pieces of legislation and policies, including the Social Assistance Act (1994), White Paper for Social Welfare (1997) and the Population Policy (1998). The Department subsequently changed the name to Social Development in 2000. Hence the Constitutional mandate of the Department is to provide sector –wide national leadership in social development. Some mandates are listed and broadly outlined hereunder:

Aged Persons Amendment Act, 1998 (Act No. 100 of 1998)

The Act provides for the protection and welfare of certain aged and debilitated persons.

Older Persons Act, 2006 (Act No. 13 of 2006)

The Act represents a new development approach to ageing and maintains and promotes the status of older persons, the rights of older persons as recipients of services and the well-being, safety and security of older persons.

National Welfare Act, 1978 (Act No. 100 of 1978)

The Act provides for the registration of welfare organisations on a regional basis.

Social Service Professions Act, 1978 (Act No. 110 of 1978)

The Act provides for the establishment of the South Africa Council for Social Work.

Child Care Act, 1983 (Act No. 74 of 1983)

The Act provides for the establishment of children's courts and appointment of commissioners of child welfare.

Children's Act, 2005 (Act No. 38 of 2005)

The Act provides for services to children in need of care and protection.

Children's Amendment, 2007 (Act No. 41 of 2007)

The Act provides Provincial competencies for services to children in need of care and protection.

Probation Services Act, 1991 (Act No.116 of 1991)

The Act provides for the establishment and implementation of programmes aimed at combating crime, treatment to persons involved in crime and assistance to victims of crime.

Probation Services Amendment, 2002 (Act No.35 of 2002)

The Act provides for mandatory assessment of arrested children and for the duties of Assistant Probation Officers.



Child Justice Act, 2008 (Act No.75 of 2008)

The Act provides for implementation of diversion programmes in relation to arrest, assessment, detention, trial and sentencing of children.

Prevention and Treatment of Drug Dependency Act, 1992 (Act No. 20 of 1992)

The Act provides for the establishment of Central Drug Authority, the establishment of programmes for the prevention and treatment of drug dependency.

Social Assistance Act, 1992 (Act No. 59 of 1992) and Welfare Laws Amendment Act, 1997 (Act No.106 of 1997)

The Act provides for social assistance to persons in distress. The Act was amended in order to introduce the Child Support Grant and to abolish the maintenance grant.

Non-Profit Organisations Act, 1997 (Act No. 71 of 1997)

The Act provides an administrative and regulatory framework within which non-profit organisations could conduct their affairs.

National Development Agency Act, 1998 (Act No. 108 of 1998)

The Act provides national funding, capacity building and promote development dialogue to Civil Society whilst meeting the developmental needs of poor communities.

Advisory Boards on Social Development Act, 2001 (Act No. 3 of 2001)

The Act provides for a national advisory structure, on Social Development, in the social development sector aimed at building and consolidating partnership between government and civil society.

Domestic Violence Act, 1998 (Act No. 166 of 1998)

The Act provides for the protection of victims of domestic violence, monitor and care for the victims and survivors of crime.

White Paper for Social Welfare, 1997

The White Paper sets out the principles, guidelines, proposed policies and programmes for developmental social welfare services in South Africa.

Population Policy for South Africa, 1998

The policy aims to promote the integration of population issues in development planning with the view of achieving sustainable human development.

Social Assistance, 2004 (Act No. 13 of 2004)

The Act made the provision of social security the competency of the South African Social Security Agency (SASSA) since 1 April 2006. The Department, however, still has a critical role to play in motivating processes leading to provision of foster care grant.

Cooperatives Act, 2005 (Act No. 14 of 2005)

The Act facilitates the development of the cooperative movement in the country to reduce the scourge of unemployment.



Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

The Act gives effect to the right to a fair administrative action that is lawful, reasonable and procedural (Reasons for an administrative action).

Protected Disclosures Act, 2000 (Act No. 26 of 2000)

The Act provides for disclosure of information regarding unlawful or irregular conduct and protects the employee who disclosed.

Skills Development Act, 1998 (Act No. 97 of 1998)

The Act provides for developing skills of the South African workforce.

Labour Relations Act, 1995 (Act No. 75 of 1995)

The Act promotes labour peace and the democratisation of the workplace.

Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)

The Act regulates the right to fair labour practices by enforcing basic conditions of employment.

Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)

The Act provides for a safe and a health working environment.

Employment Equity Act, 1998 (Act No. 55 of 1998)

The Act promotes equal opportunity and fair treatment by eliminating discrimination and implements affirmative action to redress imbalances of the past.

Public Finance Management Act, 1999 (Act No. 1 of 1999)

The Act regulates financial management and provide for responsibilities entrusted with financial management in the public service.

Preferential Procurement Policy Framework Act, 2000

The Act provides a framework for implementation of the procurement policy contemplated in section 217 (2) of the Constitution of South Africa.

Skills Development Levies Act, 1999

The Act provides the imposition of the skills development levy.

Division of Revenue Act, 2008

The Act provides for the equitable division of revenue and the responsibilities of all three spheres of Government.



Part B:

Programme Performance



PART B: PROGRAMME PERFORMANCE

2.1 Voted Funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
Programme 1 Administration	196 512	216 074	200 058	16 016
Programme 2 Social Welfare Services	450 405	445 604	444 738	866
Programme 3 Development and Research	145 426	106 665	103 767	2 898
TOTAL	792 343	768 343	748 563	19 780

Responsible MEC	MEC for Health and Social Development
Administering Dept	Department of Social Development
Accounting Officer	DDG

2.2 Aim of Vote

A transformed social services system which facilitates the protection, development and empowerment of human capacity and self reliance contributing to a caring and enabling socio-economic environment.

2.3 Strategic Goals

- Improve the quality and equity of service delivery, the capacity and governance of the Department of Social Development
- Mitigate the negative impact of HIV and AIDS and expand the Home Community Based Care programme
- Reduce poverty through integrated sustainable development by specifically prioritising the most vulnerable groups
- Develop an infrastructure plan for the Department
- Rebuild families and communities through policies and programmes empowering the young, older persons and people with disabilities as well as women.

Summary of Programmes

PROGRAMME	SUB-PROGRAMME
1. Administration	1.1 Office of the MEC 1.2 Corporate Management Services 1.3 District Management
2. Social Welfare Services	2.1 Professional and Administrative Support 2.2 Substance Abuse, Prevention and Rehabilitation 2.3 Care and Services to Older Persons 2.4 Crime Prevention and Support 2.5 Services to Persons with Disabilities 2.6 Child Care and Protection Services 2.7 Victim Empowerment 2.8 HIV and AIDS 2.9 Care and Support Services to Families 2.10 Social Relief



PROGRAMME	SUB-PROGRAMME
3. Development and Research	3.1 Professional and Administrative Support 3.2 Youth Development 3.3 Sustainable Livelihood 3.4 Institutional Capacity Building and Support 3.5 Research and Demography 3.6 Population Capacity Building and Development

2.4 Overview of the Service Delivery Environments for 2009/10

The establishment of the Department of Social Development as an independent service delivery mechanism represented a bold act of recognition of the integrity, as well as the central role of the welfare and development sector, within the context of the historically-disadvantaged Mpumalanga. As a spatial and socio-economic entity, the Province suffered severely from past neglect. Macro-apartheid policies sought to underdevelop large parts of what was the then Eastern Transvaal, to create a source of cheap labour and a market for manufactured goods. Indigenous social and economic processes aimed at achieving self sustaining livelihoods were choked off.

The context within which the Department delivers its services is characterised by high levels of underdevelopment and unemployment, poverty, low average household income, poor social infrastructure, high rates of substance abuse, service delivery backlogs and increasing incidence of communicable diseases such as HIV and AIDS and TB. Therefore, the Department was given a mandate to coordinate poverty eradication programmes (War-on-Poverty Campaign) and services within the Province.

To meaningfully define the role of the Department in meeting these basic needs of communities and reducing dependency and poverty, the shift from welfare towards social development, as encapsulated in the Department's new Service Delivery Model, aims to address these social ills.

2.5 Overview of the Organisational Environment for 2009/10

The revised organizational structure with 2772 posts was approved and implemented during the period under review. This structure reflects the decentralisation of services to districts up to local level in line with a commitment to District Development. A concerted effort was made to fill key vacancies during this period to improve service delivery and operational efficiencies, as is reported in this report. In the year under review, the Department filled 399 vacancies.

During the period under review the Department also concentrated on implementing an Audit Turnaround strategy that would improve corporate governance, improve systems and general control environment and generally improve compliance and management.



2.6 Departmental Revenue, Expenditure, and Other Specific Topics

Collection of Departmental Revenue

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Actual	% deviation from target
Tax revenue						
(Specify)						
Non-tax revenue						
Commission	86	233	305	334	372	11
Sales of capital assets		589	105		150	0
Rental Housing	59					
Financial transactions (Recovery of loans and advances)	30	102	321		156	
Other	1 768	2 059	2 472	1 322	1 138	14
TOTAL DEPARTMENTAL RECEIPTS	1 943	2 983	3 203	1 656	1816	10

Departmental Expenditure

Programmes	Voted for 2009/10	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Programme 1 (Administration)	196 512	0	19 562	216 074	200 057	16 017
Programme 2 (Social Welfare)	450 405	0	(4 801)	445 604	444 739	865
Programme 3 (Community development and Research)	145 426	0	(38 761)	106 665	103 766	2 899
Total	792 343	0	(24 000)	768 343	748 562	19 781

Transfer Payments

Programme	Amount Transferred	Estimate Expenditure
Programme 1	3,752	3,752
Programme 2	244,038	244,038
Programme 3	17,191	17,191

Conditional Grants

The Department did not have conditional grants for the year under review. A grant for the Home Community Based Care, under the HIV and AIDS sub-programme has been allocated in the 2010/11 financial year for an amount of 2,8 million.

2.7 Capital Investment, Maintenance and Asset Management Plan

Capital Investment

Building projects that are currently in progress (list projects) and when are they expected to be completed.

Project Name	Description	Start Date	End Date	Comments
Current projects in progress				
Hluvukani Branch Office	New block x 6 offices	07/08/2008	07/02/2009	On final account.
KaMajika Branch Office	New block x 20 offices	14/08/2008	28/05/2009	On final account.
Mkobola Branch Office	New block x 10 offices	18/11/2008	18/09/2009	On final account.
Moloto Branch Office	New block x 10 offices	03/12/2008	03/10/2009	On three months retention.
Msogwaba Branch Office	New block x 12 offices	14/08/2008	14/03/2009	On final account.
Zoeknog Branch Office	New block x 6 offices	14/08/2008	14/02/2009	On final account.
Projects that will be carried forward – in progress				
Balfour Sub-district Office	New block x 16 offices	13/0/2010	13/11/2010	Work completed = 18%.
Bethal Branch Office	New block x 16 offices	06/08/2009	28/06/2010	Work completed = 28%.
Volksrust Sub-district Office	New block x 16 offices	25/06/2009	11/05/2010	Work completed = 50%.
Projects that will be carried forward – to be implemented				
Carolina Branch Office	New block x 16 offices	TBA	TBA	On procurement stage.
Gert Sibande District Office	New block x 40 offices	TBA	TBA	On design stage.
KaMaqhekeza Branch Office	New block x 12 offices	TBA	TBA	On procurement stage.
Marapyane Branch Office	New block x 10 offices	TBA	TBA	On procurement stage.
Keys = TBA (To Be Advised)				

Plans to close down or down-grade any current facilities.

There were no plans to close down or down-grade any of the immovable assets during the reporting period. The current maintenance backlog and how the department plans to deal with such over the Medium Term Expenditure Framework (MTEF) period.

Maintenance

No major maintenance was planned for the period in review. The main reason being; that the department is mainly utilising leased accommodation whereby the lessor is expected to maintain the structure. However, the department would set aside funds for maintenance in the subsequent years for its newly built facilities.

Asset Management

During the year under review, the Department procured major capital assets to the value of R55,722 million which is R35,000 million for buildings and fixed structures and R20,722 million for machinery and equipment. This reflects an increase of 59% compared to the value of R34,814 million ie. R18,458 million on buildings and fixed structures and R16, 365 million in the previous financial year. This increase of is mainly due to increase in capacity and the need to furnish new facilities. Minor assets on the other hand increased from R11,387 million to R14,752 million.

The Department has conducted verification of major and minor assets and identified buildings and fixed structures that are to be transferred to the custodian Department as required by the Government



Immovable Asset Management Act (GIAMA). The amount identified to be transferred is R14 million and includes capital works on the various projects for facilities, upgrading of facilities as a result of electrification, partitioning, landscaping, paving, fencing, installation of geysers and air-conditioning.

Verifications were also conducted on moveable assets after which a list of assets to be disposed has been compiled for processes to continue in the 2010/2011 financial year in accordance with the requirements of the PFMA and Treasury Regulations.

In line with the asset management policy, the Department has conducted regular verification of assets on a quarterly basis. Monthly reconciliations between BAS and LOGIS were conducted. Asset management teams are in place and training and development workshops conducted. Information on compliance issues were also communicated in the form of finance circulars as a way of fostering awareness of critical issues of the asset management policy. The improved utilization of the asset management reports from the Logistical Information Management System (LOGIS) has also ensured that discrepancies identified are managed efficiently.

Facilities

The Department occupies 68 facilities. Of these 31% are in excellent condition, 16% good, 50% fair and 3% in bad condition.

There are no new projects to commence in the coming financial year. Projects that will continue in the forthcoming year are carried from previous financial years including five new projects that were to commence in the year under review, namely, Carolina Branch Office, Kwa-Maqhekeza, Marapyane, Hendrina and Gert Sibande District Office.

The Department of Social Development has a Service Delivery Agreement with the Department of Public Works, Roads and Transport as an Implementing Agent. Three projects are in process for tender namely,

Machinery and equipment

On machinery and equipment 98% of the Department's assets are in good condition.

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2.8 PROGRAMME 1: ADMINISTRATION

PROGRAMME PURPOSE

The Administration Programme provides policy and strategic direction by the Member of the Executive Council as well as support services.

Administration consists of the following sub-programmes:

- Office of the MEC
- Corporate Management
- District Management

Administration ensures good governance and institutional development through:

- Rendering administrative and strategic ministerial support services to the Executive Authority;
- Building financial management skills for all line managers, and enforce accountability for budget compliance;
- Providing effective and efficient human capital management;
- Strategic Planning and improved business processes.
- Improving Information Technology, Information Systems and Information Management infrastructure to facilitate efficiency and timeous reporting;
- Building social infrastructure that support integrated service delivery based on demand; and
- Provision of an effective district management system.

SUB-PROGRAMME	DESCRIPTION
2.8.1 Office of the MEC	The Office of the MEC provides political and legislative interface between government, civil society and all other relevant stakeholders.
2.8.2 Corporate Management Services	This Sub-programme provides for the strategic direction and the overall management and administration of the Department and is comprised of the following key management areas.
2.8.3 Office of the Head of Department	This section is responsible for provision of strategic management and compliance with legislative framework in the public service.
2.8.4 Financial Management and Risk Management	This section is responsible for financial planning and control, expenditure control and asset management. The risk management is responsible for ensuring that the internal controls are adhered to, and the risk is managed effectively.



SUB-PROGRAMME	DESCRIPTION
2.8.5 Human Resource Management and Human Resource Development	Renders effective and efficient human resource management, human resource development, and promotion of sound labour relations, employee assistance programme and the maintenance of office and registry services.
2.8.6 Gender and Transformation	The section is responsible for the integration and mainstreaming of gender, race, disability and youth issues into Departmental policies and programmes.
2.8.7 Information Management and Technology Services	Responsible for rendering of information technology service and also responsible for the coordination of Departmental information system.
2.8.8 Supply Chain and Asset Management	Responsible for maintaining effective, efficient and transparent procurement and asset management system.
2.8.9 Communication	This section is responsible for informing, educating role-players and marketing social development services, policies and programmes.
2.8.10 Strategic Planning, Monitoring and Evaluation	Strategic Planning is responsible for coordination of Departmental operational plans, the Annual Performance Plan and five year strategic planning. Monitoring and evaluation is responsible for the monitoring and evaluation of Departmental performance against plans.
2.8.11 Facilities Management	This section is responsible for development of new capital projects, upgrading and maintenance of existing facilities and to monitor the utilization of such properties.
2.8.12 District Management	This sub-programme provides for the decentralisation, management and administration of services at a District level within the Department.

Service Delivery Achievements

- The honourable MEC conducted NPOs stakeholders' meetings in the three districts.
- The Risk Management Unit was established and the Risk Management Committee was operational
- Appointment of Director: HRD to strengthen management capacity
- The Strategic Planning Unit, in its endeavour to improve reporting of programme performance, conducted quarterly, midterm and 12 month reviews.
- Two Districts are now able to capture information on SDIMS
- 5 x office blocks are 100% complete.
- Bursaries were awarded to 89 staff within the Department and 85 (full-time applicants) people in the Province.
- Occupation Specific Dispensation for Social Services Professionals was implemented



2.9 PROGRAMME 2: SOCIAL WELFARE SERVICES

PROGRAMME PURPOSE

The purpose of Social Welfare Services is to provide integrated developmental Social Welfare Services to the poor and vulnerable in partnership with stakeholders and civil society organizations.

The budget programme structure consists of the following sub-programmes:

- Professional and Administrative Support
- Substance Abuse, Prevention and Rehabilitation
- Care and Services to Older Persons
- Crime Prevention and Support
- Services to persons with Disabilities
- Child Care and Protection Services
- Victim Empowerment Programme
- HIV and AIDS
- Social Relief
- Care and Support to Families

Service Delivery Achievements

- 86 Social Workers and 243 Social Auxiliary Workers were appointed to improve service delivery.
- In the endeavour to strengthen accountability of funded NPOs, monitoring tools were developed for all sub-programmes.
- A NPO summit was held to engage NPOs to enhance service delivery.
- An awareness campaign aimed at addressing issues of HIV and AIDS, human trafficking, Child and women abuse was held in Mbuzini during the Social Development month.
- The UNODC office assisted the Department with strengthening the coordination of VEP services in the Province and also donated funds to 4 NPOs rendering services to victims of crime to the tune of R1, 6 million. The funds were donated directly to NPOs.
- The Honourable MEC delivered a key note address at the International Day of Families which was celebrated in Gert Sibande District.
- During the Public participation week a function aimed at creating a dialogue with Older Persons' in order to address issues that affect them on a daily basis was held at Siyabuswa.
- The International Social Workers' Day was celebrated on the 16th of March 2010.



2.9.1 PROFESSIONAL AND ADMINISTRATIVE SUPPORT

Strategic Objective

To provide strategic leadership for effective delivery of integrated developmental social services

Measurable Objectives

- To improve the quality of services rendered by social service professionals through monitoring and evaluation of performance
- To improve supervision across the sub-programmes of Social Welfare
- To improve service delivery through sharing of information and knowledge across the Department

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Professional and Administrative Support	Improved accountability by managers.	Number of expenditure and performance reports submitted	17 Expenditure and performance reports submitted	17 Expenditure and performance reports submitted
		Number of PMDS Quarterly reviews conducted and reports submitted	4 Quarterly PMDS reviews conducted	4 Quarterly PMDS reviews conducted
	Improved supervision to enhance service delivery	Supervision guide available with all supervisors re-oriented on supervision by march 2011	Procurement processes underway to secure reputable service provider	None
	Improved information Management in the Department	All social workers participate and utilize Social Development Management Information System (SDMIS)	Capturing on community based module implemented	Capturing on community based module implemented in Nkangala and Ehlanzeni Districts
	Increased accountability in NPOs	Number of NPO summits and consultative sessions conducted	1 NPO summit and 2 consultative sessions conducted	1 summit and 2 consultative sessions held
		To improve administration of subsidies to NGOs/NPOs by March 2011	All subsidised NPOs assessed for funding	All subsidised NPOs assessed for funding
Reasons for major variances:				
In this sub-programme, there are no major variances. The indicator on supervision guide could not be achieved as this was largely dependent on National Department of Social Development.				

2.9.2 SUBSTANCE ABUSE, PREVENTION AND REHABILITATION

Strategic Objective

Programmes, services and facilities to reduce the incidence of substance abuse

Measurable Objective

Design and implement integrated substance abuse prevention, treatment, rehabilitation and after care services

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Substance Abuse, Prevention and Rehabilitation	Streamlined procedures and guidelines in the Department	Number of provincial substance abuse policies developed and reviewed	1 Policy developed	1 policy (drug master plan)reviewed and monitoring tools developed
	Increased access to services in the Province	Number of clients utilising in-patient treatment centres for substance abuse run by Government	300 Clients utilising in-patient treatment centres for substance abuse run by Government	179 Clients utilising in-patient treatment centres for substance abuse run by Government
	Continuum of care provided	Number of persons provided with aftercare services	75 persons provided with after care services	41 persons provided with after care services
		Number of persons provided with Non-Statutory services (Number of outreach programmes conducted)	1500 persons provided with counselling	23 persons provided with counselling
	Prevention programmes provided	Number of awareness programmes for treatment and prevention of substance	60 Awareness programmes for treatment and prevention of substance abuse implemented	32 Awareness programmes for treatment and prevention of substance abuse implemented
		Number of capacity building sessions held	28 Capacity building sessions conducted and 856 persons trained	19 Capacity building sessions conducted and 487 persons trained
			33 Ke Moja capacity building sessions undertaken	29 Ke Moja capacity building sessions undertaken
			619 peer counsellors trained	306 peer counsellors trained



Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Substance Abuse, Prevention and Rehabilitation	Increased access to services in the Province	Number of Youth Treatment centre/programme established	1 youth treatment centre supported	1 youth treatment centre supported.
		Number of NPO's for Substance abuse, Prevention and Rehabilitation funded	6 NPO's for Substance abuse, Prevention and Rehabilitation funded	6 NPO's for Substance abuse, Prevention and Rehabilitation funded
	Community participation encouraged	Number of Local Drug Action Committees established	20 Local Drug Action Committees operational)	40 Local Drug Action Committees operational)
		Number of outreach centres established	3 outreach centres established	3 outreach centres established
	Ensured compliance to norms and standards.	Number of monitoring and evaluation conducted	12 monitoring and evaluation sessions conducted	8 monitoring and evaluation sessions conducted
Reasons for major variances: <ul style="list-style-type: none"> • Target reached dependent on referrals and clients in need of the service. • Awareness campaigns were not all conducted due to clustering of areas to save on costs. • Capacity building sessions were not all conducted due to clustering of areas to save on costs. • More Local Drug Action Committees were operational, due to increased demand for the service. • Target for monitoring and evaluation sessions not achieved, due to the focus being on capacity building of NPOs in the first quarter to prepare for the sessions planned. 				



2.9.3 CARE AND SUPPORT SERVICES TO OLDER PERSONS

Strategic Objective

Programmes, services and facilities to provide for social protection programmes, policies and legislation to promote the well-being of older persons

Measurable Objective

Design and implement integrated services for the care, support and protection of older persons

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Care and Support Services to Older Persons	Streamlined procedures and guidelines in the Department.	Number of Provincial Older Persons policies developed or reviewed	1 policy developed	1 policy and monitoring tools developed
	Increased access to services in the Province.	Number of registered residential facilities for older persons managed by NPOs	17 registered residential facilities for older persons managed by government	17 registered residential facilities for older persons managed by government
	Increased access to services in the Province.	Number of older persons in registered residential facilities managed by NPOs	1135 older persons in registered residential facilities managed by NPOs	902 older persons in registered residential facilities managed by NPOs
	Increased access to services in the Province.	Number of home Based Care programmes managed by NPOs	24 home Based Care programmes managed by NPOs	38 home Based Care programmes managed by NPOs
	Increased access to services in the Province.	Number of older persons receiving/reached through home based care programs managed by NPOs.	1385 older persons receiving/reached through home based care programs managed by NPOs.	394 older persons receiving/reached through home based care programs managed by NPOs.
	Increased access to services in the Province.	Number of older persons accessing services provided by community social workers	2856 older persons accessing services provided by community social workers	709 older persons accessing services provided by community social workers
	Older Persons' rights protected.	Number of older persons registered in Elder Abuse Register.	180 older persons registered in the elder abuse Register	75 older persons registered in the elder abuse Register



Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Care and Support Services to Older Persons	Increased access to services	Number of registered assisted living facilities for older persons managed by government	4 Assisted living assisted living facilities for older persons managed by government	4 Assisted living assisted living facilities for older persons managed by government
		Number of older persons in registered assisted living facilities managed by NPOs	92 older persons registered assisted living facilities managed by NPOs	136 older persons in registered assisted living facilities managed by NPOs
		Number of registered service centres for older persons managed by NPOs.	90 registered service centres for older persons managed by NPOs.	95 registered service centres for older persons managed by NPOs.
		Number of older persons accessing services in registered service centres managed by NPO.	3864 of older persons accessing services in registered service centres	1206 of older persons accessing services in registered service centres
	Older persons empowered economically	Number of poverty relief and economic empowerment programmes for older persons	3 Economic Empowerment and poverty relief projects established	None
		Number of older persons benefiting from Economic Empowerment and poverty relief projects	150 older persons benefiting	None
	Prevention programmes rendered	Number of awareness campaigns conducted	35 awareness campaigns conducted	34 awareness campaigns conducted
		Number of capacity building sessions conducted	35 capacity building sessions conducted	20 capacity building sessions conducted
			1050 persons capacitated	629 persons capacitated
	Increased community participation	Number of fora supported	4 fora supported	11 fora supported

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Care and Support Services to Older Persons	Increased access to services in the Province	Number of government funded NPO's delivering services to older persons.	153 NPO's funded	137 NPO's funded
	Compliance to norms and standards ensured	Number of monitoring sessions undertaken to NPOs	2100 monitoring sessions undertaken to NPOs	591 monitoring sessions undertaken to NPOs
Reasons for major variances: <ul style="list-style-type: none"> • Targets reached dependent on referrals and clients in need of the service. • Capacity building sessions were not all conducted due to clustering of areas to save on costs. • Registration of centres was not finalised due to challenges with the capacity of NPOs. • Target for monitoring sessions were not reached due to the focus being on capacity development of NPOs especially at the beginning of the financial year. 				



2.9.4 CRIME PREVENTION AND SUPPORT

Strategic Objective:

To provide and ensure that a range of prevention, early intervention and statutory services are available to children, youth and families who are vulnerable and /or are in conflict with the law.

Measurable Objective

Develop and implement social crime prevention programmes and probation services

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Crime Prevention and Support	Streamlined procedures and guidelines in the Department	Number of Provincial Social Crime Prevention policies developed or reviewed	1 policies developed	Monitoring tools developed
	Children in conflict with the law are assessed	Number of Children in conflict with the law provided with statutory services	11200 Children in conflict with the law assessed	1341 Children in conflict with the law assessed
			1260 Children in conflict with the referred to the criminal court	191 Children in conflict with the referred to the criminal court
	Children in conflict with the law are diverted from the criminal justice system		2646 Children in conflict with the law referred to diversion programmes	812 Children in conflict with the law referred to diversion programmes
			2268 Children in conflict with the law who participated in diversion programmes	889 Children in conflict with the law who participated in diversion programmes
		Number of presentence reports completed	955 Pre-sentence reports completed for children in conflict with the law	193 Pre-sentence reports completed for children in conflict with the law
	Adults in conflict with law assessed		495 Pre-sentence reports completed for adults in conflict with the law	274 Pre-sentence reports completed for adults in conflict with the law

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Crime Prevention and Support	Access to services ensured	Number of children in conflict with the law in home based supervision	1800 Children in conflict with the law in home based supervision	203 Children in conflict with the law in home based supervision
	Prevention services rendered	Number of crime prevention programmes implemented by NPO's	60 Crime prevention programmes implemented	60 Crime prevention programmes implemented
	Continuum of care provided	Number of persons provided with After care services	263 persons provided with After care services	None
	Prevention services rendered	Number of capacity building sessions conducted	32 capacity building sessions and 985 persons trained	14 capacity building sessions and 144 persons trained
	Access to services ensured	Number of Secure Care centres established	1 Secure Care centre's supported	1 Secure Care centre's supported
	Prevention services rendered	Number of Crime prevention NPOs supported and funded	10 Crime prevention NPOs supported and funded reaching 3'029 beneficiaries	7 Crime prevention NPOs supported and funded reaching 3'029 beneficiaries
Reasons for major variances: <ul style="list-style-type: none"> • Targets reached are dependent on referrals from court. • Not all children referred to diversion programmes required home based supervision hence the underperformance. • Capacity building sessions were not all conducted due to clustering of areas to save on costs. • Policy not finalised due to priority being given to the development of monitoring tools. 				



2.9.5 SERVICES TO PERSONS WITH DISABILITIES

Strategic Objective

Programmes, services and facilities to facilitate the economic empowerment and uphold the rights of persons with disabilities.

Measurable Objective

Design and implement integrated services and programmes that will facilitate the promotion of the well-being and the socio economic empowerment of persons with disabilities.

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Services to Persons with Disabilities	Streamlined procedures and guidelines in the Province	Number of Provincial policies developed or reviewed for persons with disabilities	1 policy developed	1 draft policy developed and monitoring tools developed
	Increased access to services in the Province	Number of registered residential facilities for Persons with disabilities managed by NPOs	7 registered facilities for Persons with disabilities managed by NPOs	6 registered facilities for Persons with disabilities managed by NPOs
		Number of persons with disabilities in registered residential facilities managed by NPOs	542 persons with disabilities in registered residential facilities managed by NPOs Clients served in homes for people with disabilities	389 persons with disabilities in registered residential facilities managed by NPOs Clients served in homes for people with disabilities
		Number of persons with disabilities accessing services provided by community social workers	3800 people with disabilities accessing services provided by community social workers	2156 people with disabilities accessing services provided by community social workers
		Number of registered assisted living facilities for Persons with disabilities managed by NPOs	3 registered assisted living facilities	1 registered assisted living facilities
		Number of Persons with disabilities in registered assisted living facilities.	35 persons with disabilities provided with services in Assisted Living Centres	15 persons with disabilities provided with services in Assisted Living Centres

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Services to Persons with Disabilities	Increase access to services in the Province	Number of home based care programmes managed by NPOs	14 home based care programmes managed by NPOs	16 home based care programmes managed by NPOs
		Number of persons with disabilities provided with home based care and services	170 persons with disabilities provided with home based care and services	211 persons with disabilities provided with home based care and services
	People with disabilities participate in skills development	Number of registered protective workshops managed by NPOs	50 registered protective workshops managed by NPOs	37 registered protective workshops managed by NPOs
		Number of Persons with disabilities accessing services in registered protective workshops managed by NPOs	1260 persons with disabilities provided with services at protective workshop	726 persons with disabilities provided with services at protective workshop
	Ensured that children with disabilities are provided with stimulation programmes	Number of registered day care centres /Stimulation centres	52 registered day care centres/stimulation centres	43 registered day care centres/stimulation centres
		Number of children with disabilities provided with services at Day care/Stimulation centres	1056 children with disabilities provided with services at Day care/Stimulation centres	762 children with disabilities provided with services at Day care/Stimulation centres
	Awareness on disability issues and empowered people with disabilities about their rights	Number of capacity building sessions conducted	25 capacity building sessions conducted	29 capacity building sessions conducted
	Awareness on disability issues created	Number of awareness campaigns conducted	28 awareness campaigns conducted	19 awareness campaigns conducted



Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Services to Persons with Disabilities	Awareness on disability issues created	Number of persons trained	750 persons capacitated	2714 persons capacitated
	Community participation on disability issues facilitated	Number of Fora of persons with disabilities supported	4 fora supported	10 fora supported
	Increased access to services in the Province	Number of Government funded NPOs delivering services to Persons with disabilities	136 Government funded NPOs delivering services to persons with disabilities	109 Government funded NPOs delivering services to persons with disabilities
	Compliance with norms and standards ensured	Number of monitoring sessions undertaken to NPOs	1652 monitoring sessions undertaken to NPOs	582 monitoring sessions undertaken to NPOs

Reasons for major variances:

- Policy could not be finalised due to **priority** being given to the development of monitoring tools.
- Targets reached dependent on **referrals** and clients in need of the service.
- Awareness campaigns were not **all conducted** due to clustering of areas to save on costs.
- Registration of assisted living centres facilities was not finalised due to challenges with capacity of NPOs.
- Target for training **exceeded due** to the increased demand to reach more people
- Increase demand to reach more people.
- Target for monitoring sessions was **not** reached due to the focus being on capacity development of NPOs especially at the beginning of the financial year.



2.9.6 CHILD CARE AND PROTECTION SERVICES

Strategic Objectives

To protect and promote the well-being and the rights of children

Measurable Objective

Design and implement integrated programmes and services that provide for the development, care and protection of children.

Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Child Care and Protection Services	Streamlined procedures and guidelines in the Province	Number of Provincial Child Protection policies developed or reviewed	2 policies developed:	1 draft policy and monitoring tools developed
	Increased access to services	Number of Government funded NPOs delivering child care and protection services	57 Government funded NPOs delivering child care and protection	60 Government funded NPOs delivering child care and protection
		Number of children in CYCC(Children's homes) run by Government	18 children in CYCC(Children's homes) run by Government	None
		Number of Children receiving government services within community referred to specialized services	2587 Children receiving government services within community referred to specialized services	347 Children receiving government services within community referred to specialized services
		Number of Child care and protection Programmes implemented for children in Need of care	77 Child care and protection programmes implemented by Government	35 Child care and protection programmes implemented by Government
	Protection and well-being of vulnerable children ensured	Number of reported cases of child abuse	255 reported cases of child abuse	94 reported cases of child abuse
		Number of reported cases of child neglect	16220 reported cases of child neglect	1317 reported cases of child neglect



Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Child Care and Protection Services	Protection and well-being of vulnerable children ensured	Number of reported cases of child exploitation	50 reported cases of child exploitation	4 reported cases of child exploitation
		Number of reported cases of orphaned children	13270 reported cases of orphaned children	1641 reported cases of orphaned children
		Number of reported cases of abandoned children	100 cases of abandoned children reported	26 cases of abandoned children reported
		Number of reported cases of children with disabilities who suffer from any form of abuse	50 reported cases of children with disabilities who suffer from any form of abuse reported	48 reported cases of children with disabilities who suffer from any form of abuse reported
	Adoption as an alternative mode of care marketed	Number of children adopted	35 children adopted	3 children adopted
	Children are provided with adequate services	Number of children provided with statutory services (other than foster care)	2015 children provided with statutory service (other than foster care)	2561 children provided with statutory service (other than foster care)
		Number of children placed in foster care	9000 children placed in foster care	7478 children placed in foster care
		Number of ECD centre's funded	30 registered partial care centres	None
	Prevention services rendered	Number of awareness campaigns conducted	88 awareness campaigns conducted	53 awareness campaigns conducted



Sub-programme	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Child Care and Protection Services	Prevention services rendered	Number of capacity building sessions conducted	49 capacity building sessions conducted	27 capacity building sessions conducted
	Increased access to services	Number of ECD centres registered (new)	200 ECD centres registered new	74 ECD centres registered new
		Number of children reached in new sites	10000 children reached in new sites	3492 children reached in new sites
		Number of ECD centres funded with children in existing sites	566 ECD centres funded with 30808 children in existing sites	555 ECDs with 30,202 children in existing sites
		Number of 24 hour service established	One 24 hour service established	None
Reasons for major variances: <ul style="list-style-type: none">• Target for policy development was not reached due to the priority being given to development of monitoring tools.• Registration of ECDs and partial care centres was not finalised due to challenges with capacity of NPOs• Target not achieved due to low turn-up in care and protection programmes conducted• Target reached dependent on referrals and clients in need of the service• Limited capacity contributed to the under achievement of the target of children placed in foster care.• Capacity building sessions were not all conducted due to clustering of areas to save on costs.• Awareness campaigns were not all conducted due to clustering of areas to save on costs.• Target reached in ECD centres dependent on the number of sites registered.• 24-hour service postponed to the new financial year due to absorption of new social workers and social auxiliary workers and the projected over expenditure on compensation budget.				



2.9.7 VICTIM EMPOWERMENT PROGRAMME

Strategic Objective

Programmes, services and facilities to prevent the effects of violence and crime on victims.

Measurable Objective

To protect and promote the well-being and rights of women and men

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Victim Empowerment Programme	Streamlined procedures and guidelines in the Province	Number of Provincial victim empowerment Policies developed or reviewed	1 policy developed	1 policy and monitoring tools developed
	Protection and well being of victims of crime ensured	Number of persons provided with Non Statutory services.	2155 persons provided with Non Statutory services	None
	To increase access to services	Number of shelters for victims of domestic violence run by Government.	3 shelters for victims of domestic violence run by Government	2 shelters for victims of domestic violence run by Government
		Number of shelters for domestic violence managed by NPOs	4 shelters for victims of domestic violence run by NPOs	5 shelters for victims of domestic violence run by NPOs
		Number of persons in registered shelters for victims of domestic violence run by government.	106 persons in registered shelters for victims of domestic violence run by government	86 persons in registered shelters for victims of domestic violence run by government
		Number of VEP support centres established	2 VEP support centres established	4 VEP support centres established
	Prevention services rendered	Number awareness campaigns conducted	52 awareness campaigns conducted	37 awareness campaigns conducted
		Number of capacity building sessions conducted	26 capacity building sessions conducted	25 capacity building sessions conducted
		Number of persons trained	690 Persons trained	623 Persons trained

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Victim Empowerment Programme	Community in participation VEP issues encouraged	Number of VEP Fora supported	4 VEP fora supported	7 VEP fora supported
	Increased access the VEP services	Number of Victim support shelters established	6 Shelters established	None
		Number of government funded NPOs delivering services on victim empowerment	14 government funded NPOs delivering services on victim empowerment	10 government funded NPOs delivering services on victim empowerment
Reasons for major variances: <ul style="list-style-type: none">• Target achieved dependent on referrals and clients in need of the service.• Capacity building sessions were not all conducted due to clustering of areas to save on costs.• Awareness campaigns sessions were not all conducted due to clustering of areas to save on costs.• Identification and registration of shelters was not finalised due to challenges with the capacity of NPOs				



2.9.8 HIV and AIDS

Strategic Objective

Programmes, services and facilities to mitigating the social and economic impact of HIV and AIDS.

Measurable Objective

Design and implement integrated community based care services aimed at mitigating the social and economic impact of HIV and AIDS.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
HIV and AIDS	Streamlined procedure and guidelines in the Province	Number of Provincial HIV and AIDS Policies and guidelines developed or reviewed	1 Policy on Care of the Caregiver developed	1 Draft Policy on Care of the Caregiver developed
			1 Guideline on norms and standards of HCBC reviewed	1 Draft HIV and AIDS integrated plan and monitoring tools developed
	Quality HCBC services rendered	Home Community Based projects funded in line with EPWP	135 Home Community Based projects funded in line with EPWP	144 Home Community Based projects funded in line with EPWP
		Number of community care givers who completed accredited training.	Training provided to 1350 community care givers	Training provided to 90 community care givers
	Increased access to services	Number of OVC's receiving services from HCBC organizations	972 000 orphans, vulnerable children and child headed households provided with appropriate protection services by HCBC and identified by HCBC	29 723 orphans, vulnerable children and child headed households provided with appropriate protection services by HCBC and identified by HCBC
		Number of child headed household receiving services from HCBC organizations		2719 child headed households provided with services

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
HIV and AIDS	Increased access to services	Number of older persons receiving services from HCBC organizations.	29'925 older persons provided with services at HCBC	271 older persons provided with services at HCBC
		Number of children referred to at least one specialized service by HCBC organization.	53'448 children referred to at least one specialised service by HCBC organisation.	None
	Community participation on the plight of children and adults made vulnerable by HIV and AIDS encouraged	Number of child care forums for HIV and AIDS operational.	40 child care forums for HIV and AIDS operational.	9 child care forums for HIV and AIDS operational.
		Number of coordinating structures for HIV and AIDS operational.	84 coordinating structures supported	31 coordinating structures supported
	Increased access to services	Number of persons receiving food parcels and supplements	28'026 persons receiving food parcels	2989 persons receiving food parcels
		Number of beneficiaries receiving school uniform from HCBC organizations.	100 beneficiaries receiving school uniform	398 beneficiaries receiving school uniform
	Care and support services to people living with HIV & AIDS provided	Number of active support groups for HIV and AIDS operational.	34 active support groups for HIV and AIDS operational.	16 active support groups for HIV and AIDS operational.
			58 support groups supported	4 support groups supported
	Prevention and support services provided	Number of active support groups for HIV and AIDS operational	58 awareness campaigns on HIV and AIDS conducted	11 awareness campaigns on HIV and AIDS conducted
			3969 persons trained	126 persons trained



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
HIV and AIDS	People living with HIV & AIDS economically empowered		150 HCBC with an income generating component	10 HCBC with an income generating component
	Increased access to services		135 NPO's funded	144 NPO's funded
	Quality HCBC services rendered		105 Existing EPWP sites strengthened	105 Existing EPWP sites strengthened
			30 New EPWP sites strengthened	30 New EPWP sites strengthened
Reasons for major variances: <ul style="list-style-type: none">• Policy on the Care of the Caregiver not finalised due to priority being given to the development of monitoring tools• Increased demand for the service• Target dependent on the need of the service• Some areas were clustered for awareness campaigns in order to cut costs resulting in underachievement of targets• Number of trainings provided reduced to save costs, resulting in underachievement of targets• Under achievement on economic empowerment due to the focus being on other HIV and AIDS programmes				



2.9.9 SOCIAL RELIEF

Strategic Objective

To help economically vulnerable individuals and families to discover their strengths and potential.

Measurable Objective

To respond to emergency needs identified in communities affected by disasters not declared.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Social Relief	Streamlined procedures and guidelines in the Department	Number of Social Relief policies developed or reviewed	0 Social Relief policies developed	None
			1 policy reviewed	1 policy reviewed
	Increased access to services by communities affected by disasters	Number of clients benefiting from social Relief	17380 clients benefiting from social Relief	2297 clients benefiting from social Relief
		Number of clients benefiting from food supplements	19166 clients benefiting from food supplements	None
Reasons for major variances: <ul style="list-style-type: none">Target dependent on referrals and clients in need of the service.				



2.9.10 CARE AND SUPPORT SERVICES TO FAMILIES

Strategic Objective

To protect and promote the well-being and the rights of children and families.

Measurable Objective

Design and provide integrated services to families.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Care and Support Services to families	Streamlined procedures and guidelines in the Department	Number of Provincial policies developed or reviewed	1 Policy on Provincial family developed	1 Draft Policy on Provincial family and monitoring tools developed
			1 Policy reviewed	None
	Prevention services provided	Number of capacity building programme conducted	25 capacity building programme conducted	12 capacity building programme conducted
			750 persons capacitated	425 persons capacitated
	Care and support services to families provided	Number of services family units provided with Non-Statutory programmes	15085 family units provided with Non-Statutory	151 family units provided with Non-Statutory
		Number awareness campaigns conducted	41 awareness campaigns conducted	21 awareness campaigns conducted
		Number of persons trained	1350 persons trained	646 persons trained
	community participation on family issues facilitated	Number of family support fora in place	4 Fora established supported	7 Fora established supported

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Care and Support Services to families	Increased access to services	Number of government funded NPO's providing care and support to families.	9 government funded NPO's providing care and support to families 390 beneficiaries	8 government funded NPO's providing care and support to families 390 beneficiaries
Reasons for major variances: <ul style="list-style-type: none"> • Policy not finalised due to priority being given to the development of monitoring tools • Capacity building sessions were not all conducted due to clustering of areas to save on costs • Awareness campaigns were not all conducted due to clustering of areas to save on costs 				



Specific challenges, issues for ongoing attention and responses

Sub-programme	Challenges	Action taken or being taken	Issues for ongoing attention	Actions being taken
Services to children	Reluctance by communities to adopt children	Intensify campaigns on adoption	Intensification of campaigns on adoption	Campaigns being conducted
	Registration of unregistered crèches and infrastructure	Conduct audit for ECD Increase media coverage for ECD registration process Develop national plan for social development infrastructure	Capacitate communities on the importance of registering crèches	Conduct awareness campaigns on the registration of crèches
	Increased number of unaccompanied/displaced children from neighbouring countries	Strengthening care within existing shelters and regional integration with neighbouring countries	Provision of care, support and collaboration	Strengthening care within existing shelters and regional integration with neighbouring countries
Integrated services to people with disabilities	Abuse (neglect) of people with disabilities by communities	Intensify awareness campaigns on the rights of people with disabilities	Capacitate communities on the rights of people with disabilities	Conduct awareness campaigns on the rights of people with disabilities
Care and services to older persons	Underreporting of elder abuse cases	Intensify awareness campaigns on the rights of older persons	Capacitate service providers on the Older Persons Act and the rights of older persons	Conduct awareness and capacity building on the Older Persons Act and the rights of older persons
Substance abuse, prevention and rehabilitation	Increase in substance abuse	Intensify awareness campaigns on substance abuse	Capacity building of service providers	Conduct awareness campaigns and capacity building for service providers
HIV and AIDS	Increase in number of orphans and vulnerable children	Establishment of drop-in centres Foster care placement	Care and support to orphans and vulnerable children	<ul style="list-style-type: none"> Increase in number of home based care centres Mobilise community support
NPO partnership Expanded Public Works Programme	Inadequate capacity for NPOs	Capacity building programme	Provide support and monitoring	Capacity building of NPOs
	Shortage of accredited service providers	Identify accredited service providers outside the Province	Identify accredited service providers	Facilitate accreditation of service providers
	Inaccurate targeting resulting to over or under expenditure	Improve reporting and verify information given. Manage performance information at provincial programme level	Baseline information and performance information	Data base and signing off interagency certificate performance agreements with performance information as one of the KPAs

2.10 PROGRAMME 3: DEVELOPMENT AND RESEARCH

Programme Purpose:

The Development and Research service delivery framework remains a pillar of the department's integrated developmental services.

- To improve income, assets and capabilities of poor families to enhance their livelihood;
- To implement youth programmes that assist youth to access decent work and participate in the main stream economy;
- To increase the effectiveness and response capacity of NPO-delivering Youth Development Services;
- To align with a comprehensive rural development strategy ensuring universal access to basic services;
- To create a sustainable environment for Not for Profit organisations (NPO'S) through capacity development, partnerships, collaborations, agency agreements and cluster protocols.
- To improve sector performance through rigorous research, planning, and business process improvement consistent with the demand for Social Development products

The programme takes note of the fact that the central theme for the government's programmes still remains poverty alleviation and through its activities aligns itself to strategically address poverty. Development and Research has the following sub programmes:

- Professional and Administrative Support,
- Youth development
- Sustainable Livelihood,
- Institutional Capacity Building,
- Research and Demography and
- Population Capacity Development and Advocacy.

Service Delivery Achievements

- Regrading of salaries was done, to address the issues of disparity of the salaries of Community Development Practitioners
- 202 youth participating in NYS completed the course on Child and Youth Care Work.
- 1 Cuban expert was appointed on a 1-year contract to strengthen the implementation of the Masupatsela Youth Pioneer Programme.
- In order to address the challenges of communities experiencing poverty, 43 communities and 7038 households were profiled.



2.10.1 PROFESSIONAL AND ADMINISTRATIVE SUPPORT

Strategic Objective

To provide effective and efficient leadership, management and administration support to all Development and Research Programmes.

Measurable Objective

To improve organisational capacity of the programme to deliver services through human resource provisioning to ensure improved project management capacity in the department

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Professional and Administrative Support	Accountability by managers monitored	Number of expenditure and performance reports submitted	17 Expenditure and performance reports submitted	17 monthly, quarterly and midterm reports submitted
	Compliance with norms and standards assessed	Number of monitoring and evaluation sessions conducted	4 Monitoring and evaluation sessions conducted	4 monitoring sessions facilitated
	Accountability by managers monitored	Number of PMDS Quarterly reviews conducted and reports submitted	4 Quarterly PMDS reviews conducted	4 PMDS reviews conducted
Reasons for major variances: The outstanding reports result in the reviews not done within the relevant period of reporting.				

2.10.2 YOUTH DEVELOPMENT

Strategic Objective

Develop, monitor and facilitate the implementation of policies, legislations and programmes to protect, empower and support the youth

Measurable Objective

Design and implement programmes that facilitate the integrated social empowerment and development of the youth

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Youth Development	Increased access to youth services	Number of Government funded NPOs providing youth development services	36 organisations funded	21 organisations funded
			5400 youth provided with mentorship services	6898 youth provided with mentorship services
	Prevention and advocacy services provided	Number of programmes implemented for youth development by government	5 Programme (72 Life skills workshops and 18 life skills camps)	8 Life skills workshops and 5 life skills camps
	Patriotism among youth in the country promoted	Number of Youth in National Youth Service Programme	222 Youth in National Youth Service Programme	222 were recruited but 202 youth managed to complete the National Youth Service Programme
		Number of Youth for Masupa-Tsela	370 youth for Masupa-Tsela	370 were recruited but 319 youth for Masupa-Tsela are currently placed
	Participation in income generating projects empowered	Number of Youth projects funded and 5 projects funded in nodal areas	30 Youth projects funded and 5 projects funded in nodal areas	13 Youth projects funded
		Number of Learnership programme developed	Learnership programme developed	None
	Access accountability by NPO's	Number of monitoring and evaluation sessions conducted	54 monitoring and evaluation sessions conducted	Monitoring and evaluation sessions conducted



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Youth Development	Advocacy on youth services promoted	Number of awareness campaigns conducted	1 Awareness campaign conducted	None
	Streamlined procedure and guidelines in the Department	Number of provincial policy guidelines developed or reviewed	1 Provincial Youth development strategy	None
	Community participation on youth issues facilitated	Number of youth forums established and supported	19 youth forums established and supported	4 youth forums established and supported
Reasons for major variances: <ul style="list-style-type: none"> • The number of projects funded was reduced due to budget cuts. • In most activities where budget was adjusted, the targets could not be revised as plans were already approved. • Some of the youth in both Masupa-tsela and NYSP could not complete the programme due to some exiting to further their studies and others due to permanent employment opportunities 				

2.10.3 SUSTAINABLE LIVELIHOOD

Strategic Objective

Develop, monitor and facilitate the implementation of policies, strategies and programmes that will impact on poverty and underdevelopment in order to reduce the dependency of the poor and vulnerable communities

Measurable Objective

Design and implement integrated development programmes that facilitate empowerment of communities towards sustainable livelihoods.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Sustainable Livelihoods	To provide capacity building to CSG recipients	Number of capacity building projects conducted	90 Projects (54 CSG workshops and 6 seminars)	9 CSG workshops conducted
	To encourage communities to participate in entrepreneurial activities	Number of poverty alleviation projects in operation	45 poverty alleviation projects funded (5 in the nodal areas)	19 poverty alleviation projects
	To encourage communities to participate in entrepreneurial activities	Number of individuals participating in poverty alleviation projects	225 persons participating in funded poverty alleviation projects	110 persons participating in funded poverty alleviation projects
	To encourage communities to participate in entrepreneurial activities	Number of projects converted into sustainable livelihoods projects	30 projects converted into sustainable livelihoods projects	None
	To encourage communities to participate in entrepreneurial activities	Number of individuals participating in sustainable livelihoods projects	300 persons participating in funded sustainable livelihoods projects	None
	To ensure that people with disabilities participation in economically viable projects		11 persons with disabilities participating in poverty alleviation project	11 persons with disabilities participating in poverty alleviation project
	To provide awareness and advocacy on poverty issues	Number of awareness creation campaigns	19 awareness campaigns conducted	None



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Sustainable Livelihoods		Number of NPOs funded for poverty alleviation	-	-
	Proper services are provided to poor households and communities	Number of household profiles compiled	37 000 household profiles compiled	7038 household profiles compiled
		Number of community profiles compiled	54 Community profiles	43 Community profiles compiled
	Funded projects comply with norms and standards	Number of monitoring and evaluation sessions conducted	54 monitoring and evaluation sessions conducted	Monitoring and evaluation sessions conducted
	Streamlined procedures and guidelines in the Department	Number of provincial policy guidelines developed or reviewed	1 policy guidelines developed	None
Reasons for major variances: <ul style="list-style-type: none"> • The number of projects funded was reduced due to budget cuts. • The profiling process took longer than anticipated due to the revised trainings of field workers. The target was subsequently revised nationally to be carried over in 2010/11. • In some activities where budget was adjusted, the targets could not be revised as plans were already approved. • The rollout of national SL guidelines was delayed as it depended on the availability of the service provider and CDPs. 				

2.10.4 INSTITUTIONAL CAPACITY BUILDING AND SUPPORT

Strategic objective

Develop policies and programmes to create an enabling environment within which non profit organisations can be empowered to contribute and participate fully the development of communities

Measurable objective

To facilitate the development and empowerment of Community Development Practitioners and NPOs

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Institutional Capacity Building and Support	CDP's comply with procedures and guidelines in the department	Number of capacity building programmes conducted to Community Development Practitioners	6 Capacity Building programmes conducted	3 Capacity Building programmes conducted
	Funded projects comply with norms and standards	Number of emerging NPOs trained	200 NPOs trained on organisational development	97 NPOs trained on organisational development
		Number of projects trained	-	-
			144 Projects trained on organisational development and Micro-MBA	58 Projects trained on organisational development and Micro-MBA
		Number of network workshop sessions facilitated	1032 persons capacitated in projects	333 persons capacitated in projects
	Community participation in civil organisation issues facilitated	Number of services delivery workshops conducted	54 Network sessions facilitated	3 Network sessions facilitated
		Community Builder Of The Year programme implemented	1 provincial function held	None
	Voluntarism among communities facilitated	Number of volunteer workshop conducted	36 Workshops	12 Workshops



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Institutional Capacity Building and Support	Streamlined procedures and guidelines in the Department	Number of provincial policy guidelines developed or reviewed	1 Capacity building mentorship guideline developed	None
	Good practices from other places learned	Number of educational visits undertaken	9 Educational visits undertaken	1 Educational visit undertaken

Reasons for major variances:

- In most activities where the budget was adjusted, the targets could not be revised as plans were already approved.
- The capacity building framework has been revised nationally and the NPOs will still be prioritised in 2010/11 for training.
- The Community Builder of the year programme was discontinued nationally and provinces could not implement the programme.
- The capacity building mentorship guideline was developed nationally and provinces will adopt the same.

2.10.5 RESEARCH AND DEMOGRAPHY

Strategic objective

To strengthen provincial and departmental programmes by providing reliable and relevant population and development information

Measurable objective

To manage the implementation of population and social research to support the integration of population issues into policy making and planning.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Research and Demography	Information for evidence based planning	Number of research projects undertaken	2 projects first phase 1 project second phase	3 projects first phase 0 project second phase
	Demographic information to inform planning	Number of requests for demographic profiles received and attended to.	55 Requests received and attended to	45 Requests received and attended to
		Number of final demographic profiles completed	16 final demographic profiles completed	2 draft demographic profiles completed
Reasons for major variances: <ul style="list-style-type: none"> The performance on requests received is based on client demand and since the latest data is for 2007 the demand is lower than when new information becomes available. There has been change of strategy in the development of the demographic profiles. They have been outsourced to the University of KwaZulu Natal and incorporated in 2010/2011 financial year's operational plan. 				



2.10.6 POPULATION CAPACITY BUILDING AND ADVOCACY

Strategic objective

To advocate and build capacity for the implementation of the Population Policy

Measurable objective

To implement capacity building to promote the integration of population issues into planning.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Population Capacity Building and Advocacy	-	Number of government institutions assisted to integrate population factors into development planning	-	-
	Technical support to government institutions to integrate population factors into planning	Number of session conducted to support local municipalities	5 Sessions	5 Sessions
	Capacity building to implement the Population Policy	Number of capacity building sessions conducted	5 sessions	6 Sessions
		Number of stakeholders who participated in capacity building session	118 stakeholders who participated in capacity building session	123 stakeholders who participated in capacity building session
	Research findings disseminated to promote evidence based planning	Number of dissemination workshops.	3 workshops	3 workshops
		Number of stakeholders who participated in workshops or seminars	120 stakeholders who participated in workshops or seminars	113 stakeholders who participated in workshops or seminars
	Advocacy activities and promotional items to promote the implementation of the Population Policy	Number of advocacy, Information, education and communication activities conducted.	4 advocacy, Information, education and communication activities conducted	3 advocacy, Information, education and communication activities conducted

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Population Capacity Building and Advocacy		Number of promotional items procured and disseminated	2 promotional items procured and disseminated	4 promotional items procured and disseminated
Reasons for major variances: <ul style="list-style-type: none"> • None 				



Specific challenges, issues for ongoing attention and responses

Sub-programme	Challenges	Action taken or being taken	Issues for ongoing attention	Actions being taken
Sustainable Livelihood	Marketing opportunities for products	Enhance linkages with other stakeholders	Focus on sustainable livelihood of individuals household and communities	Develop projects on sustainable livelihood
	Lack of baseline information on vulnerable and poor households in municipalities	Conduct household profile in poverty pockets areas		
	Lack of information management to track impact	Develop an effective information management system	Information management	Develop an effective information management system
Institutional capacity building and support	Low literacy levels and lack of skills in NPOs	Development of the national capacity building framework for NPOs	Implementation of the capacity building framework	Implementation of capacity building frame work
		Linkages with accredited service providers through EPWP	Collaboration with other stakeholders like Department of Agriculture and Labour for women development	
Youth development	Lack of human capacity – management	Finalise appointments of Provincial Managers in the Youth Development unit	Monitor and support implementation of the youth development programmes	Implementation of Youth development and Masupa-tsela programmes
	Delay in the implementation of the Masupa-tsela pilot programme	Develop tools to support implementation of the programme in the districts		
Research and Demography	Commitment by clients/programmes with regard to participation throughout research processes/stages.	Developed a tool where clients formally request support from the sub-directorate regarding their research needs and commit their involvement throughout all research processes.	Continuous engagement with programme managers.	
Population Capacity Building and Advocacy	Limited coordination with capacity building partners/stakeholders	Strengthened the relationships with capacity building units from other departments and municipalities	Collaboration with other stakeholders.	

Part C:

Annual Financial Statements

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**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

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**REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2010**

Report of the Audit Committee

The Audit Committee is pleased to present its report for the financial year ended 31 March 2010.

Audit Committee Members and Attendance:

The Audit Committee is/was constituted of the following members and is obliged to meet at least four times per annum as per the approved terms of reference. During the year five normal meetings were held. The Committee experienced two vacancies during the course of the year.

Name of Member	Number of Meetings Attended
1. Mr. K Buthelezi (Chairperson)	5
2. Mr. E Cousins	5
3. Mr. V Nondabula	5
4. Mr. S Dlomo (Resigned May 2010)	0
5. Ms. K Cloete (Resigned May 2010)	0

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the Public Finance Management Act (PFMA) and Treasury Regulation (TR) 3.1. The Committee has adopted a formal terms of reference by way of the Audit Committee Charter, and has discharged all of its responsibilities as contained therein.

Effectiveness of Internal Control

The system of internal control applied by the Department over financial risk and its execution of risk management is principally effective, adequate and transparent.

In line with the PFMA and King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with the assurance that internal controls are adequate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the control processes. However, from the various reports of the Internal Auditors, the Auditor-General's audit report on the Annual Financial Statements, and the management report of the Auditor-General, a number of control deficiencies were highlighted. These related to asset management, performance management as well as the non inspection of the non-profit organizations. The Committee has noted management's commitment to address these control deficiencies, and it will be closely monitoring progress in these areas.

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**REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2010**

The Quality of In-Year Management and Quarterly Reports submitted in terms of the PFMA and the Division of Revenue Act.

The Audit Committee is still not entirely satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review. In our view, there is still room for improvement in respect of the quarterly reports, especially the timing and the alignment to the annual performance plan and its implementation.

Evaluation of Financial Statements

The Audit Committee conformed to the following requirements:

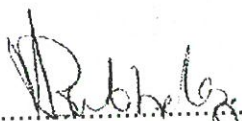
- Reviewed and discussed the audited annual financial statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management report and management's responses to the issues raised;
- Reviewed the Department's compliance with legal and regulatory provisions;
- Reviewed the significant adjustments resulting from the audit;
- Reviewed the changes to the accounting policies and practices.

Internal audit

The Committee is satisfied that internal audit is operating effectively, and that it has addressed the risks applicable to the Department in its audits.

Auditor-General South Africa

We have met with the Auditor-General South Africa to ensure that there are no unresolved issues.


.....
Chairperson of the Audit Committee

Date: 30/07/2010

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**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2010**

Report by the Accounting Officer to the Executive Authority and Parliament/Provincial Legislature of the Republic of South Africa.

1. General review of the state of financial affairs

1.1 Important policy decisions and strategic issues facing the department

The Department is committed to policies for the development and implementation of strategies towards making services accessible to rural and per-urban areas and the vulnerable which are at the helm of transformation of services. Some of these strategies include crime prevention and support, campaigns against alcohol and drug abuse, services to families, services for persons with disabilities and through partnerships with various stakeholders. These services must also be sustained in the next MTEF.

As part of the processes to improve monitoring and evaluation (M&E) of service delivery, the management of performance information, the Department has advertised posts for the M&E unit which will see the section up and running in the 2010/11 financial year. The activities of the war room on poverty as part of the anti-poverty strategy are expected to provide critical information for appropriate service delivery interventions. Though activities for the priority on anti-poverty commenced late in the financial year, much work was done. More than 7 000 households have been profiled in 11 identified wards. Data capturing is progressing in these local municipalities and it is anticipated that the reports for the household needs would be referred to stakeholders for services to be rendered throughout the next financial year.

The plight of children living alone and child headed households due to increased poverty and the scourge of HIV and AIDS call on the Department to strengthen HIV and AIDS, youth and early childhood development programmes (ECDs). The Department thus spent an amount of R87, 706,608 for ECDs, and R58,821,000 for HCBC on a range of services including home community based care, and in line with the EPWP programme to provide care and support for HIV and AIDS programmes. The Department also supported 564 children in children in childrens' homes at a cost of R2 081 per month per child wherein an amount of R27,782 million. Children in conflict with law also require strategic intervention particularly with the promulgation of the Child Justice Act to which funding allocated is utilised for subsidising two (2) NPOs that provide mainly diversion programmes to children in conflict with the law in the Province.

The youth were supported through the National Youth Programme (NYS) and the Masupatsela Youth Pioneer Programme wherein an amount of R3, 996 million and R7 538 million was spent on these youth development programmes.

The Department was also affected by the global economic down turn and had to adopt a set of cost curtailment measures in response. Notwithstanding these measures, the department also had to surrender an amount of R24 million in response to a call to assist other financially worse off departments within the province.

The training and development of support and professional staff remain strategic issues in ensuring that the Department delivers on its mandate. The Department thus identified 78 social workers to be trained through

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a scholarship programme by National Social Development Department. Furthermore the department awarded bursaries to 84 staff at a cost of R0, 844 million in the 2009/2010 financial year.

The Department implemented the occupation specific dispensation (OSD) for Social Workers in November/December 2009 for which a budget of R14 million had been earmarked during the budget adjustment and the regrading of Community Development Practitioners (CDPs) in February 2010 in excess of R10 million.

Essential to the service delivery mandates is the availability of suitable office space and service centres. The Department awaits in anticipation a national process which seeks for a standardised model for social development facilities. The standardized models will also enhance the implementation of Child Justice Act, Older Persons' Act and the Childrens' Act.

1.2 Significant events that have taken place during the year

The following events were conducted by the department during the reporting period:

Name of event	Target group	Date	Venue
International Family Day	Communities	15 May 2009	Lochiel, Gert Sibande District
Love life HIV Campaign	Communities	1 June 2009	Mbuzini, Ehlanzeni District
World Population Day	Communities	11 July 2009	Nkangala District
Budget and Policy Speech	Communities		Legislature, Ehlanzeni District
Opening of Mkobola Offices	Communities	22 October 2009	Mkobola, Nkangala District
Public Participation Week: Older Persons Symposium	Older persons	9 November 2009	King Cluster Hall, Nkangala District
Public Participation Week: Children's Day	Children	10 November 2009	Masoyi Children's Home,
Public Participation Week: Women's Round-Table	Women	12 November 2009	Tonga, Ehlanzeni District
16 Days of Activism	Communities	10 December 2009	Carolina, Gert Sibande District
World Social Work Day	Social Workers	18 March 2010	KwaMhlanga Community Hall, Nkangala District

The aim of these events is to communicate services offered by the Department and to create awareness of the importance of the well being of vulnerable groups within communities. These processes entail the use of print and electronic media before and during the events.

1.3 Major projects undertaken or completed during the year

During the year under review the Department commenced with a project for the implementation of a procurement system as part of the processes to improve the procurement of goods and services. The processes for project implementation commenced in February 2010 and it is expected that the procurement

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system can be accessible for use by the first quarter of the 2010/2011 financial year. The cost of the project is estimated at R0, 980, million for implementation and training.

The Department continued with the roll out of the Social Development Information Management System (SDIMS) to Ehlanzeni. Challenges with the roll out are due to the unavailability of network lines in some rural areas. The implementation of SDIMS was first piloted at Nkangala District and will proceed to the Gert Sibande District. The purpose of this information is to ensure that data social development cases are maintained for future ease of reference.

The table below is an indication of the major projects undertaken and completed for the provision of infrastructural facilities:

No	Project name	Project description	Location	Contract amount	Status
Projects completed or near completion				R'000	
1	Tonga Sub-district Office	New block of 12 offices.	Ehlanzeni/ Nkomazi	1, 510	The project is on final account.
2	Shongwe Branch Offices	New block of 12 offices.	Ehlanzeni/ Nkomazi	1, 406	The project has been closed.
3	Mkhondo (Piet Retief) Sub-district Offices	Upgrading	Gert Sibande/ Mkhondo	1, 619	The project is at 100% complete and five VO's submitted by the IA have been rejected by DSD.
4	Hluvukani Branch Office	New block of 06 offices.	Ehlanzeni/ Bushbuckridge	2, 032	The project is on final account.
5	Msogwaba (Kanyamazane) Branch Office	New block of 12 offices.	Ehlanzeni/ Mbombela	2, 352	The project is on final account.
6	Ka-Majika (Masoyi) Branch Office	New block of 20 offices.	Ehlanzeni/ Mbombela	3, 675	The project is on final account.
7	Zoeknog Branch Office	New block of 06 offices.	Ehlanzeni/ Bushbuckridge	1, 796	The project is on final account.
8	Mkobola Branch Office	New block of 10 offices.	Nkangala/ Thembisile Hani	6, 023	The project is on final account.
9	Moloto Branch Office	New block of 10 offices.	Nkangala/ Thembisile Hani	7 401	The project is on three months retention.
10	Balfour Sub-district Office	New block of 16 offices.	Gert Sibande/ Dipaleseng	10, 492	The project is on progress and work completed is estimated at 18%.
11	Bethal Branch Office	New block of 16 offices.	Gert Sibande/ Govan Mbeki	10, 620	The project is on progress and work completed is estimated at 28%.
12	Volksrust Branch Office	New block of 16 offices.	Gert Sibande/ Pixley Ka Seme	11, 682	The project is on progress and work completed is estimated at 50%.
13	Msukaligwa Sub-district Office	Upgrading.	Gert Sibande/ Msukaligwa	0,418	The project has been closed.
Projects planned					
1	Ka-Maqhekeza Branch Office	New block of 12 offices.	Ehlanzeni/ Nkomazi	To be advised	On planning.
2	Carolina Branch Office	New block of 16 offices.	Gert Sibande/ Albert Luthuli	To be advised	On planning.

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No	Project name	Project description	Location	Contract amount	Status
				R'000	
3	Gert Sibande District Office	New block of 80 offices.	Gert Sibande/ Msukaligwa	To be advised	On planning.
4	Hendrina Branch Office	New block of 10 offices.	Nkangala/ Steve Tshwete	To be advised	On planning.
5	Marapyane Branch Office	New block of 10 offices.	Nkangala/ Dr. JS Moroka	To be advised	On planning.

The incomplete projects are to be carried to the 2010/11 financial year in line with the request for roll over of unspent funds.

1.4 Spending trends

The Department spent an amount of R748 563 million ie. 97.4% of a total adjusted budget of R768 343 million. This reflects a total percent decrease 2% from the previous financial year. An amount of R19 780 million which attributed mainly to buildings and fixed structures for infrastructure delivery

Programme	Final appropriation	Amount spent	Variance	%Spent	%Spent	%Spent
	2009/2010	2009/2010	2009/2010	2009/2010	2008/09	2007/08
	R'000	R'000	R'000	%	%	%
Programme 1	216 074	200 058	16 016	92.2	99.6	102.2
Programme 2	445 604	444 738	866	99.8	99.6	88.2
Programme 3	106 665	103 766	2 898	97.2	99.2	97.7
Total	768 343	748 563	19 780	97.4	99.7	92.3

Economic classification	Final appropriation	Amount spent	Variance	%Spent	%Spent	%Spent
	2009/2010	2009/2010	2009/2010	2009/2010	2008/09	2007/08
	R'000	R'000	R'000	%	%	%
Compensation of employees	277 853	276 842	1 011	99.6	103.0	91.0
Goods and services	148 317	151 017	(2,700)	101.8	107.4	110.7
Transfers and subsidies	264 791	264 982	(191)	100.0	96.3	89.3
Capital assets	76,382	55 722	21,660	72.9	79.9	67.6
Total	768 343	748 564	19 780	97.4	99.7	92.3

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1.4.1 Reasons for under/over spending.

The under expenditure on capital assets is on the budget allocation for infrastructure delivery due to slow progress on projects. Major projects that were to drive the expenditure did not perform because of various reasons, like:

- Balfour site acquired very late after changing many identified sites.
- Bethal site rezoning process took longer than anticipated, interference by ward committee regarding labor rates and rainfall.
- Volksrust site adjustment of design and poor performance of the contractor.

Five major projects formerly submitted to Independent Development Trust (IDT) for implementation, were withdrawn and forwarded to the Department of Public Works, Roads and Transport after a Cabinet Resolution. These projects are namely; Carolina, Gert Sibande District Office, Hendrina, Ka-Maqhekeza and Marapyane.

Poor project management by the Implementing Agent – projects that were to be closed are not closed and thus remain on retention or await final account for a period longer than three months. These projects are namely, Mkhondo, Hluvukani, Msogwaba, Zoeknag, Moloto, Ka- Majika and Mkobola.

Over expenditure on goods and services is attributed mainly to the procurement of office space for provincial office. Though the Department was able to source funding for the rental agreement by reprioritising during the budget adjustment processes, the department incurred budget pressures for related costs for the partitioning, furnishing and cabling of the new building. There are provincial discussions aimed at procuring the building, which will alleviate the budgetary burden on the Department.

1.4.2 Impact of under spending on programmes and service delivery

Lack of delivery has a bearing on allocation of budget in preceding financial years. Backlog of office accommodation increases and impact negatively on service delivery.

The availability of workable environment improves the moral of personnel and lack thereof has negative impact. Members of the community who need services continue to walk long distances to get help which impacts negatively on their livelihood. Incomplete projects are to be carried over to 2010/2011 financial year. The Department has thus applied for a roll-over of the funds to the 2010/2011 financial year. The approval of the roll over will ensure continuation of the projects, namely at, Balfour, Bethal, Volksrust, Carolina, Gert Sibande, Marapyane and Kwa-Maqhekeza.

1.4.3 Actions taken or planned to avoid recurrence.

As part of the processes to improve on infrastructure delivery, the Department has prepared the Infrastructure programme management plan and submitted these to the Implementing Agent (IA) as part of the processes to improve infrastructure planning. A User Asset Management Plan has been drafted to be submitted to Treasury and the custodian of immovable assets subsequent to the reporting period.

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A Service Delivery Agreement has been signed with the implementing agent and the Department continuous to engage the implementing agent on matters pertaining to planning, implementation, monitoring and evaluation of delivery on infrastructure.

1.5 Virement

An amount of R1, 900 million and R5, 000 million from goods and services of programmes two and three respectively is shifted to programme one to defray the excess expenditure. An amount of R1,200 million is shifted from transfers and subsidies and R1,600 million from payment of capital assets (machinery and equipment) in programme three to programme one transfers and subsidies and machinery and equipment respectively.

The amounts shifted represent 0.04% and 5,9% of the adjusted budget of programmes two and three respectively.

The virement is approved by the Acting Head of Department and the Provincial Treasury and the Executive Authority is duly informed.

1.6 Other material matters

The Department did not incur irregular expenditure; fruitless and wasteful; and unauthorised expenditure in the year under review. The Department however carries balances for unauthorised expenditure of R1, 855 million from the 2007/08 financial year. This amount awaits condonation by the legislature. An amount for R0, 561 million previously reported as fruitless and wasteful expenditure incurred in the 2008/09 financial year has been transferred to the debts account following investigations. Criminal and internal disciplinary processes are under way in this regard.

The Department continued to strive for the implementation of internal controls to the above mentioned undesired expenditure and various policies and procedures are in place on the management of revenue, expenditure, assets and liabilities. These are complimented by the finance delegations and various corporate services policies.

As part of the processes to ensure sustainability of the services rendered by the Department, the Department monitors all pertinent transactions with financial implications. The Department has reduced the amount of accruals reported in the previous financial year from R16, 075 million to R9, 153 million. Much vigour and effort is required to bring this figure to less than 2% of the revised budget allocation and the Department will continue to apply the cost curtailment measures and monitor progress on budget and expenditure outcomes using the in year monitoring (IYM) tool. Funds allocated for commitments running to the 2010/2011 financial year have been ring fenced to ensure continuity of service delivery.

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The Department did not purchase tickets for the 2010 FIFA World Cup events. The Department had a plan for services to be rendered at the stadiums and fan festivals. The budget for this plan amounted to R0, 605 million for the 2010/2011 financial year. Of this planned amount, R0, 150 million is for the purchase of uniform and the rest is for costs related to marketing and branding, communication, overtime and subsidies for centres. This information is also disclosed under No. 08, Events after the reporting period of this report.

2. Service rendered by the department

2.1 List of services rendered by the Department

Services are rendered in line with strategic plan which is informed by national and provincial priorities and operationalised annually on the annual performance plans of the Department. These services and the funds spent are reported as part of the Sub Programme spending in the Appropriation Statement in Programme 2 and 3 and include the following:

Programme 2

- Services against substance abuse, prevention and rehabilitation
- Care and services to older persons
- Services towards crime prevention and support
- Services to persons with disabilities
- Services for child care and protection
- Services for victim empowerment
- Services and care against HIV and AIDS
- Services to families in support of social relief and distress
-

Programme 3

- Youth development
- Services in promotion of sustainable livelihood
- Population capacity building, support and advocacy
- Research and demographics
- Services for institutional capacity building and training

2.2 Tariff policy

The Department is charging R20.00 per patient per day or R1, 660 for a period of three months for voluntary services rendered at Swartfontein Rehabilitation Centre in accordance with the Prevention and Treatment of Dependency Act No. 20 of 1992. Patients referred to the centre by hospitals and magistrates courts are exempted from payments.

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2.3 Free Services

The services listed in 2.1 above are rendered for free to community members and the costs for rendering these are reported in the spending of sub programmes in the Appropriation Statement under Programme 2 and 3 of the Financial Statements.

2.4 Inventories

The value of inventories on hand for all stores is R1, 994 million and is calculated on the weighted average cost. The total inventories on hand at year-end will also be included in the Annexure 5 on Inventory

Item	Value R'000
Domestic consumables	295
Groceries	157
Stationery and printing	1,527
Hardware	15
Total	1,994

3. Capacity constraints

The Department faces the following challenges which negatively impact on its ability to deliver services:

- Inadequate human capital at all levels.
- Inadequate infrastructural facilities for office accommodation.

These impacts negatively on programme performance of programmes as some activities cannot be executed properly. Members of communities continue to walk long distances to seek social development services and in some instances services are rendered at inappropriate facilities.

The Department has endeavoured to reduce the impact of inadequate human capital by identifying a number of critical positions on the revised approved organization structure to be funded and filled including (HOD, CFO, internal audit, supply chain management, M&E, risk management, war on poverty, service delivery for management positions for HIV and AIDS, youth development) The Department continuous to use the services of the youth pioneers under the NYS and Masupatsela programmes at a stipend rate of R1 000.00 a month for 222 youths.

Bursaries were awarded to 84 part time students and 26 community development practitioners while 78 were identified for a national scholarship by the National Department of Social Development. 43 Social Workers and 244 Social Auxiliary workers were appointed following their graduation with various institutions of higher learning.

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As part of the processes to improve on infrastructure delivery, the Department has prepared the Infrastructure Programme Management Plan for the 2010/2011 financial year and submitted these to the Implementing Agent (IA) as part of the processes to improve planning. A User Asset Management Plan (U-AMP) has been drafted to be submitted to Treasury and the custodian of immovable assets subsequent to the reporting period.

A Service Delivery Agreement has been signed with the implementing agent and the Department continuous to engage the implementing agent on matters pertaining to planning, implementation, monitoring and evaluation of delivery on infrastructure.

4. Organisations to whom transfer payments have been made

An amount of R264,982 million was transferred of a total revised budget of R264,791 million. Transfers made by the Department are mainly to non profit organisation for social welfare, poverty alleviation and youth development as well as bursaries for non-employees. The table below summarises the type of recipient, purpose or reason, amount and accounting arrangements per category.

Refer to annexure 1A and 1B for details:

Category	Purpose	Amount R'000	Accounting arrangements
Home based care organisations	To render home based care services for persons infected and affected with HIV and AIDS within communities	58,821	Contractual arrangements through the signing of service level agreements with transferees, and quarterly reports.
Social Welfare organisations	To provide effective and quality welfare services to the poor and vulnerable through sustainable development and provide funding, guidance and support to Non-Profit Organisations (NPOS)	185,218	Contractual arrangements through the signing of service level agreements with transferees, and quarterly reports.
Youth development	To develop and implement integrated social programmes that facilitates empowerment and development of the youth.	13,890	Contractual arrangements through the signing of service level agreements with transferees, and quarterly reports.
Organisations for sustainable livelihoods	To support poverty alleviation projects for sustainable livelihoods and to shift from dependency on grants	3,301	Contractual arrangements through the signing of service level agreements with transferees, and quarterly reports.
Bursary holders -non employees	Bursaries as part of the human resource development programme	3,509	Contractual arrangements through the signing of bursary contracts.
Employees	Injury on duty	156	Payment is in accordance with cases incurred and assessed by the compensation commissioner.
Employees	To compensate employees for leave gratuity	87	Payments are determined on the basis of the leave credits accruing to employees upon termination of service.
Total		R264,982	

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5. Corporate governance arrangements

Risk based internal audit assignments were conducted as per the approved operational plan. Fraud prevention strategies were implemented including workshops conducted on the Prevention and Combating of Corrupt Activities Act.

The audit committee was in place during the year under review and five meetings were held. The following documents were submitted to the audit committee for review:

- Internal Audit Reports
- Annual Financial Statements
- Reports on Performance information
- Internal Audit Charter
- Audit Committee Charter
- One-year Internal Audit Operational Plan and the three-year strategic plan.

A Risk Management Strategy which is inclusive of a Fraud Prevention Plan was in place. Risk assessments were conducted and a risk register was compiled. A risk management committee was in place and risk strategy and fraud prevention plan were approved. The Fraud prevention plan was rolled out, risk champions have been appointed and training workshops were conducted on fraud prevention. Risk Management Committee members were trained on their responsibilities and the risk management function within the Department.

Supply chain management officials were trained on the code of conduct for the Public Service. The supply chain committee members are required to declare interest by signing declaration of interest forms in the bids where they participated. All officials were requested to declare their financial interests by signing the financial disclosure forms.

The following annual and in year financial management reports were prepared:

- Annual financial statements as part of the annual report for the 2008/2009 financial year were prepared and audited.
- Cash flow projections at the beginning of the year and revised projections in accordance with the adjusted budgets.
- In year budget and expenditure monitoring reports (IYM) indicating actual amount spent, available budget and projections for the remaining months of the financial year
- Monthly reports on debtors including age analysis
- Monthly reports on the paymaster general account (PMG) reconciliations.
- Monthly reconciliations reports on the suspense accounts
- Monthly reports on commitments and accruals
- Monthly asset reconciliations between BAS and LOGIS.
- Monthly revenue trend reports indicating actual revenue collected and projections for the remaining months.

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As part of the improved financial management processes, finance policies and procedure manuals were in place and utilized for the management of the various finance disciplines of revenue, expenditure, assets and liabilities.

Other corporate governance issues were guided by the various human resource management policies and procedures that were in place during the year under review.

However it is worth noting the lengthy period that the functions of the head of department, chief financial officer and internal audit have been performed on an acting capacity. This state of affairs has the potential to compromise the operations of the department and thus require immediate correction.

On occupational health and safety issues, which had been a neglected area, the Department reports as follows:

A situational and needs analysis has been conducted to mitigate non compliance with Occupational and Health Act. A plan of action has been developed to ensure compliance and eliminate identified hazards. An official has been seconded to roll out the programme of action for 2010 /2011 (First Aid, Fire extinguishers, establishment of Occupational Safety Committees, emergency procedures) by: informing management about risks and hazards and take appropriate action. The programme of action will be monitored, assessed and reviewed annually. Cooperation and collaboration with Office Support, Employee Health and Wellness, Labour Relations and Security Management is emphasised and we have updated the risk register accordingly.

6. New/proposed activities

The Children's Act No 38 of 2005 as amended has been promulgated and is in operation with effect from April 2010. The act stipulates that the schools of industries and reform schools currently managed by Department of Education should be transferred to the Department of Social Development for transformation as child and youth care centres. These facilities include the following:

- George Hofmeyer in Standerton
- Vaal Rivier in Standerton
- Ethokomala Reform School in Kinross
- Vikelwa School of Industries in Ogies.

Both the national department of Education and Social Development have initiated the process to develop profiles of these facilities including the list of assets to be transferred. An audit of facilities was also undertaken by both departments at national level. The process will be cascaded to provinces which will then action the process of transfer.

The financial implication will be determined as soon as the report is made available and will involve the running costs, maintenance repairs; human resource and developmental programmes. The cost will affect the departmental plans and budget for the next financial year – 2011/12.

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7. Asset management

The minimum requirements for asset management have been complied with as follows:

- The assets have been captured on an asset register which includes the following fields:
 - Asset description
 - Location and user
 - Depreciation
 - Cost price
 - Lifespan
 - Bar codes and serial numbers
 - Conditions
- Physical asset verifications have been conducted on quarterly basis
- Asset reconciliation reports are prepared on a monthly basis between the Logistical Information System (LOGIS) and Basic Accounting System (BAS).
- The asset registers are then updated regularly following the physical verifications and reconciliations.
- Conditions of assets are also updated accordingly after physical verification.
- Inventory schedules are updated and users are made to sign these to improve accountability for the loss and movement of assets.
- Disposable assets have been identified and the process will be finalised in the first quarter of the 2010/2011 financial year.

The Asset Management Reforms have been complied with as follows:

- The revised organizational structure is being activated and contract positions have been translated to permanent employment for 11 asset clerks (one clerk for each of the 3 districts and 2 for Provincial Office).
- Asset management team (made up of officials from the districts and institutions as well as provincial office staff) meets on a monthly basis.
- An implementation plan was in place during the year under review and this plan guided the activities of the Asset management units
- An asset management policy was in place and will be reviewed during the 2010/11 financial year.
- A framework for the Asset Management Strategy was provided by the Provincial Treasury and has been used to prepare the draft strategy to be approved subsequent to the year under review.

To facilitate the management of immovable assets, the Department has prepared a draft User Asset Management Plan (U-AMP) to be approved subsequent to the year under review in line with the Government Immovable Asset Management Act of 2007 (GIAMA) while Department has also transferred immovable assets to the custodian department ie. Department of Public Works, Roads and Transport in line with the GIAMA requirements.

Problems experienced with the implementation of the reforms relate to capacity constraints and the transversal systems (BAS and LOGIS). There is a need for human capacity at a strategic level at provincial and district level thus provision is made for the positions of Senior Manager Supply Chain and Deputy

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Managers Financial Management at district level to be filled within the 2010/2011 financial year. This will ensure the proper management of supply chain functions from demand, acquisition, logistics, performance, disposal and risk management of all minor and major assets. The department prepares regular reconciliations between BAS and LOGIS to ensure that discrepancies are managed between the two transversal systems. It would however be advantageous if one system were utilized.

8. Events after the reporting date

As part of the processes towards ensuring that operational measures are in place for integrated social welfare services during the 2010 FIFA World Cup, the Department has established a task team. The task team is working in close collaboration with other departments to ensure that issues of care and protection for children and other vulnerable groups are not compromised. A departmental plan on activities to be undertaken in preparation and during the World Cup was developed and implemented from February 2010. The team will be operational two weeks before the first official match and two weeks after the final match.

The estimated planned budget for the FIFA World Cup interventions by the Department is R0, 601 million for costs related to the procurement of uniform; marketing and branding, communication, overtime and subsidies for centres. The Department has already procured uniform for an amount of R0, 143 million after the reporting period and the other expenditures are also expected to incurred paid subsequent to year end.

The vote number of the Department was changed from vote 13 to 12, following the restructuring of the Departments in the Province. This change will not affect the budget allocations voted for the Department and it is not foreseen that there will be any material costs incurred as a result.

9. Performance information

The Department conducts regular planning sessions and quarterly reviews to assess the progress on achievement of pre-determined objectives. The Department is engaged in processes to establish a monitoring and evaluation unit for which positions have been advertised to be filled in the 2010/2011 financial year. The quarterly performance reviews are conducted in line with the National Quarterly Performance Review Framework (QPR) in accordance on the non financial data elements and operational plans. These reports are submitted to the Macro Policy Unit within the Office of the Premier, National Social Development and Provincial Treasury.

The National Department of Social Development is in the process of finalizing the monitoring and evaluation system which will be implemented by Provinces before the end of the 2010/2011 financial year.

The collection and validation of performance data is a challenge. This thus compromises the quality and measurability of performance information. The reason for this are attributed to lack of policy and procedures to guide the collection and validation of performance information.

The Department has thus developed a Policy and a proposed plan of action on Managing Programme Performance Information which will be implemented from 2010/11 financial year.

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10. SCOPA resolutions

This information is with reference to the SCOPA resolutions on the audit reports for the 2006/07 and the 2007/08 financial years and the report by the auditor general on officials' business entities doing business with government.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
3.2.1 The committee recommended that the department must improve its planning and monitoring processes to ensure that critical projects such as the finalization of the organization structure are completed without disruptions and spending trends are properly monitored	Spending trends	The organizational structure was consulted with the DPSA in November 2008 and finalized and approved in April 2009. The approved organizational structure has been captured on PERSAL and vacant funded posts on this structure have been advertised and the recruitment processes are continuing
3.3.1 The committee recommends that: (a) The Accounting Officer must ensure that the department has and maintains the necessary capacity that will ensure that it delivers expected services (b) All funded vacancies should be filled within 6 months of the beginning of each financial year unless the Executive Authority indicates otherwise	Capacity constraints	The Department accepts the recommendation and will strive for compliance. The vacant funded posts are advertised with the aim of filling the posts as soon as possible. The challenge is complying with Part VII D.8.(a) of the Public Service Regulations, 2001, as amended, regarding the verification of educational qualifications; SAQA is delaying in providing results of verifications requested.
3.4.1 The Committee recommended that the Accounting Officer must ensure that all transfers of funds are done on time to enable third parties to deliver services that rely on the transferred funds	Transfer payments	The NPO unit has developed a process flow to improve on the management for payment of transfers in this financial year. The NPOs are been capacitated on the procedure and formats to claim transfers. The Social Auxiliary Workers are allocated specific NPOs within the districts to strengthen and ensure monitoring of payments.
3.5.1 The Committee recommended that the Accounting Officer must ensure that there is a monthly reconciliation between BAS and LOGIS	Asset Management	Reconciliations between BAS and LOGIS are performed
3.7.1 The Committee recommended that the Accounting Officer must ensure that all information required by the Auditor General (auditors) is accordingly made available and checked for quality purposes.	Accuracy of leave entitlements (limitation of scope)	The information requested by the Auditor General (auditors) is made available within the requested time frame, the challenge is that sometimes the information requested has to be requested from the districts and this causes delays.
3.8.1 The Committee recommended that the Accounting Officer must ensure that the department has and maintains a proper audit function under the guidance of the audit committee as required by section 38 (a) of the PFMA.	Matters of governance (audit function)	The Department has an effective internal Audit unit but currently under the leadership of an Acting Director. The Department is using a shared Internal Audit Committee with Health.
4.1.1 The Committee recommended that the Accounting Officer must ensure that the department	Effectiveness of internal control	The Department has an effective internal Audit unit but currently under the leadership of an Acting

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Recommendations on Auditor General's report on officials' entities doing business with government

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
(a) The Director-General (Office of the Premier) must ensure that there is a co-ordinated approach to attend to the approval of officials to conduct remunerative work outside their employment in the public service	Official entities doing business with government	Noted, for the Office of Premier to respond.
(b) (i) All departments of the Mpumalanga Provincial Administration must immediately withdraw all employment in the public service		A circular in this regard was circulated to all employees.
(b) (ii) All new or future applications should be handled in line with the Public Service Act and the Educator's Act and only the Executive Authority or delegated official should make such approval; provided there are convincing reasons to that effect.		All new applications are referred to the MEC
(c) All departments must investigate and discipline all other employees doing remunerative work outside their employment in the public service without approval, including those who might not have been picked-up by the audit. All departments must furnish a progress report to the Committee on their findings by the end of November 2009		A preliminary report of all officials who have business interests has been prepared and further investigations will proceed to indicate work performed by employee companies with government. A preliminary report is attached hereto and indicates that 412 officials have 634 companies
(d) Officials that have left their respective departments to join other provinces or the private sector must be traced and disciplined as per the Public Service Act. The Public Service Act is applicable to employees who have resigned from government or who were employed by the state as per section 2 (1) of the Public Service Act, 1994.		A list of officials' business interests is available; this provides a basis for further investigations in this regard.
(e) All departments must investigate and handover to SARS relevant information on entities identified to have done business in excess of R300,000.00 and claimed VAT despite the fact that they are not registered		Two companies identified and a response has been received from SARS. These companies were found to be duly registered for VAT. SARS response is attached
(f) The office of the Premier must develop a programme to sensitize the entire administration of the need for all officials to dedicate the whole of their time at the disposal of the state as required by Chapter vii, section 30 and 31 of the Public Service Act, 1994 and Chapter 7, section 33 of the Employment of Educators Act, 1998.		Noted, for the Office of Premier to respond.
(g) All departments must discourage all officials from performing or engaging themselves in remunerative work outside their employment in the public service		This is covered in the Departmental Guidelines on Remunerative Work Outside the Employment in the Public Sector.
(h) All departments must investigate and discipline all other employees doing remunerative work outside their employment in the public service without approval, who might not have been picked-up by the audit		This is part of the investigation as mentioned in (c) above.

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
(i) Wherein investigation concludes that 'there were corrupt practices', section 17 of the Prevention and Combating of Corrupt Activities Act, 2004 be invoked.		Will be implemented as soon as investigations are concluded.
(j) All departments must recover all monies which were remunerated to their employees without the necessary approval		Will be implemented as soon as investigations are concluded.
(k) All Accounting Officers must enforce the requirements of Section 30 and 31 of the Public Service Act 1994 (Act No. 103 of 1994), and those found not compliant must be held liable.		The Department has withdrawn approval previously granted to officials to perform remunerative outside government. Currently an investigation is underway to identify officials' business entities doing business with government departments.
(l) All departments must assess the impact of the memberships in close corporations of their employees considering their ability to perform their respective duties in the department		Will be implemented as soon as investigations are concluded.
(m) The Provincial Treasury must blacklist all the entities which were involved in this regard and the names of their directors and members		A list of officials business doing business with government departments within the Province has been compiled.
(n) All departments must discourage all officials for their spouses to do business where they are employed		Circular to all staff members has been distributed
(o) Disciplinary action must be taken against all officials who failed to declare when their spouses did business in their departments.		Will be implemented as soon as sufficient information is available as per (n) above.

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11. Prior modifications to audit reports

The Department has reflected on the matters raised in the audit report of the 2008/2009 Annual Financial Statements and interventions have been made to address issues. Implementation of interventions is at various stages of progress and these are summarised on the table below:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Qualification matters		
Assets – incomplete asset register	2007/2008	Verifications are conducted and the asset register is updated on a regular basis.
Assets – Annual Financial Statements misstated (opening balance)	2007/2008	The opening balance has been verified through quarterly verifications and the asset register is updated on a regular basis
Assets – Annual Financial Statements misstated (additions)	2006/2007	Asset register is updated on additions upon acquisition and monthly reconciliations are conducted between BAS and LOGIS.
Assets – incomplete asset register	2008/2009	Verifications are conducted and the asset register is updated on a regular basis.
Assets – Annual Financial Statements misstated (opening balance)	2008/2009	The opening balance has been verified through quarterly verifications and the asset register is updated on a regular basis
Assets – Annual Financial Statements misstated (additions)	2008/2009	Asset register is updated on additions upon acquisition and monthly reconciliations are conducted between BAS and LOGIS.
Emphasis of matters		
Assets – immovable assets	2008/2009	Immovable assets to be transferred to the custodian Department have been identified and transferred to the said Department.
Irregular expenditure incurred R5,797 million	2008/2009	This overspending was for personnel expenditure and has been condoned by the provincial treasury.
Fruitless and wasteful expenditure incurred (R561 thousand)	2008/2009	Criminal charges and disciplinary processes are underway
Other matters		
Expenditure – payments not made within 30 days	2007/2008	Received invoices are recorded and processed within 30 days of receipt. Monthly commitment reports are prepared
Risk management strategy and policy including fraud prevention plan not in place	2007/2008	Risk management strategy and policy including fraud prevention plan not in place
Internal control deficiency		
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control	2008/2009	The accounting officer has approved finance policies and procedures which include responsibility over financial reporting and internal control over the various finance activities including revenue, expenditure, assets and liabilities.
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting	2008/2009	The risk assessments were conducted on all financial management disciplines including reporting. Reporting responsibilities are also captured in the various finance policies.

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Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The entity does not identify risks to the achievement of financial objectives	2008/2009	The risk assessments were conducted on all financial management disciplines including reporting. Reporting responsibilities are also captured in the various finance policies.
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised and are completely accurately processed	2008/2009	The Department uses the transversal electronic systems BAS, LOGIS and PERSAL and manual systems are utilised to augment these transversal systems.
Other legal and regulatory matters		
Performance information – lack of effective efficient and transparent system and internal controls regarding performance management	2007/2008	<p>The Department quarterly reviews to assess the progress on achievement of pre-determined objectives. The Department is engaged in processes to establish a monitoring and evaluation unit for which positions have been advertised to be filled in the 2010/2011 financial year.</p> <p>The National Department of Social Development is in the process of finalising the monitoring and evaluation system which will be implemented by Provinces before the end of the 2010/2011 financial year.</p> <p>The Department has developed a Policy and a proposed plan of action on Managing Programme Performance Information which will be implemented from 2010/11 financial year.</p>
Performance information – performance information not reliable, lack of documentation	2008/2009	The Department has developed a Policy and a proposed plan of action on managing programme performance information which will be implemented from 2010/11 financial year.

12. Approval

The Annual Financial Statements set out on pages 85 to 138 have been approved by the Accounting Officer.



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Ms. N.L. Mlangeni
Acting Head of Department

31/05/2010

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE No. 13: THE DEPARTMENT OF SOCIAL DEVELOPMENT FOR THE YEAR ENDED 31 MARCH 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the Department of Social Development, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 85 to 138.

Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act, 2009 (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette No. 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Social Development as at 31 March 2010, and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the PFMA and DoRA.

Emphasis of matter

I draw attention to the matter below. My opinion is not modified in respect of this matter:

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and *General Notice 1570 of 2009*, issued in *Government Gazette No. 32758 of 27 November 2009* I include below my findings on the report on predetermined objectives, compliance with the PFMA and DoRA and financial management (internal control).

Findings

Predetermined objectives

Non-compliance with regulatory requirements

Lack of effective, efficient and transparent systems and internal controls regarding performance management (applicable at an overall performance management level)

The accounting officer did not ensure that the department has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institution's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

Inadequate quarterly reporting on performance information

The quarterly reports of the department did not track progress against outputs, indicators and targets as per the approved annual performance plan and therefore did not facilitate effective performance monitoring and evaluation, as required by Treasury Regulation 5.3.1.

Inspection of the department's quarterly reports revealed the following shortcomings:

- Quarterly reports were not reviewed, monitored and evaluated by senior management and the internal audit function to ensure the validity, accuracy and completeness of progress against predetermined objectives;
- The programme managers were not able to provide information and documentation substantiating the reported performance.

Presentation of reported performance information

Corroborating evidence does not agree with the reported explanations for major variances between planned and actual reported targets

Corroborating evidence provided as a basis for the explanations for major variances between the planned and actual reported targets did not agree in all instances with the reasons for variances reported.

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Validity:** Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?
- **Accuracy:** Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.
- **Completeness:** All actual results and events that should have been recorded have been included in the reported performance information.

The following audit finding relates to the above criteria:

Reported indicators not reliable as inadequate supporting source information was provided

For the selected programmes 1 and 2 the validity, accuracy and completeness, 100% of the reported indicators could not be established as sufficient appropriate audit evidence could not be provided for audit purposes.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and DoRA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

Insufficient controls to ensure monitoring of predetermined objectives.

Financial and performance management

Systems are not appropriate to facilitate the preparation of reliable reports on predetermined objectives.

Auditor-General

Mbombela

31 July 2010



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

Appropriation per programme									
Detail per sub-programme: Programme 1	2009/10							2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	140,438		6,300	146,738	150,284	(3,546)	102.4	141,141	113,426
Transfers and subsidies	2,352		1,200	3,552	3,752	(200)	105.6	22,758	27,863
Payment for capital assets	63,942		1,600	65,542	45,780	19,762	69.8	9,394	3,999
2. Social welfare services									
Current payment	195,267		(1,200)	194,067	193,947	120	99.9	153,196	159,191
Transfers and subsidies	243,150		0	243,150	244,038	(888)	100.4	203,170	200,911
Payment for capital assets	11,387		(3,000)	8,387	6,753	1,634	80.5	32,671	28,879
3. Development and research									
Current payment	87,223		(2,100)	85,123	83,389	1,734	98.0	80,838	85,066
Transfers and subsidies	19,289		(1,200)	18,089	17,191	898	95.0	37,151	32,093
Payment for capital assets	5,053		(1,600)	3,453	3,187	266	92.3	4,561	4,355
Subtotal	768,101		0	768,101	748,321	19,780	97.4	657,880	655,783
Statutory Appropriation									
Current payment	242			242	242			852	1,242
TOTAL	768,343			768,343	748,563	19,780	97.4	658,732	657,025

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

2009/10			2008/09	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	1,815		3,204	
Aid assistance	0		87	
Actual amounts per statement of financial performance (total revenue)	770,158		662,023	
ADD				
Aid assistance				87
Actual amounts per statement of financial performance (total expenditure)		748,563		657,112

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

Appropriation per economic classification									
2009/10								2008/09	
Detail per sub-programme: Programme 1	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	277,611			277,611	276,600	1,011	99.6	192,233	197,640
Goods and services	145,317		3,000	148,317	151,018	(2,701)	101.8	155,942	167,485
Financial transaction in assets and liability								0	69
Transfers and subsidies									
Non-profit institutions	262,439		(1,200)	261,239	261,230	9	100.0	240,321	232,978
Households	2,352		1,200	3,552	3,752	(200)	105.6	22,758	20,378
Payments for capital assets									
Buildings and other fixed structures	54,856		0	54,856	35,000	19,856	63.8	19,035	18,458
Machinery and equipment	25,526		(3,000)	22,526	20,722	1,804	90.4	27,591	16,355
Software and other intangible assets								0	2,420
Total	768,101		0	768,101	748,322	19,779	97.4	657,880	655,783

Statutory Appropriation									
2009/10								2008/09	
Direct changes against the National/Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Member of executive committee / parliamentary officers									
Current payment	242			242	242	0	100	852	1,242
Total	242			242	242	0	100	852	1,242

Statutory Appropriation per economic classification									
2009/10								2008/09	
Program 1 per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of Employees	242			242	242	0	100	852	1,242
Total	242			242	242	0	100	852	1,242

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**DETAIL PER PROGRAMME
for the year ended 31 March 2010**

2009/10								2008/09	
Detail per sub-programme: Programme 1	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Corporate management services									
Current payment	87,681		3,450	91,131	93,424	(2,293)	102.5	71,120	71,831
Transfers and subsidies	2,352		1,200	3,552	3,752	(200)	105.6	22,758	27,816
Payment for capital assets	61,115		1,600	62,715	44,209	18,506	70.5	6,833	1,845
1.2 District management									
Current payment	52,757		2,850	55,607	56,860	(1,253)	102.3	43,021	41,595
Transfers and subsidies	0		0	0	0	0	0	0	47
Payment for capital assets	2,827		0	2,827	1,571	1,256	55.6	2,561	2,154
Total	206,732		9,100	215,832	199,816	16,016	92.6	146,293	145,288

2009/10								2008/09	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	77,948		(3,600)	74,348	74,257	91	99.9	58,498	57,003
Goods and services	62,490		9,900	72,390	76,026	(3,646)	105.0	55,643	63,865
Financial transactions in assets and liabilities								0	69
Transfers and subsidies to:									
Provinces and municipalities									
Non-profit institutions									
Households	2,352		1,200	3,552	3,752	(200)	105.6	22,758	20,352
Payment for capital assets									
Building and other fixed structures	54,856		0	54,856	34,955	19,901	63.7	0	708
Machinery and equipment	9,086		1,600	10,686	10,826	(131)	101.2	9,394	871
Software and other intangible assets								0	2,420
Total	206,732		9,100	215,832	199,816	16,016	92.6	146,293	145,288

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**DETAIL PER PROGRAMME
for the year ended 31 March 2010**

Detail per sub-programme: Programme 2	2009/10							2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Professional and administration support									
Current payment	143,559		240	143,799	148,370	(4,571)	103.2	94,321	105,521
Transfers and subsidies	0		0	0	0	0	0	0	17
Payment for capital assets	10,601		(3,000)	7,601	6,037	1,564	79.4	30,391	26,946
2.2 Substance, Prevention, and Rehabilitation									
Current payment	10,472		120	10,592	8,794	1,798	83.0	9,399	10,926
Transfers and subsidies	5,755		0	5,755	7,134	(1,379)	124.0	4,848	5,467
Payment for capital assets	100		0	100	523	(423)	523.0	1,000	872
2.3 Care and Service Support									
Current payment	3,235		(1,000)	2,235	2,234	1	100.0	3,631	4,008
Transfers and subsidies	25,128		(1,950)	23,178	23,181	(3)	100.0	21,604	19,269
Payment for capital assets	33		0	33	0	33	100.0	30	23
2.4 Crime prevention and support									
Current payment	10,109		0	10,109	9,458	651	93.6	10,815	8,838
Transfers and subsidies	2,320		1,300	3,620	4,628	(1,008)	127.8	3,848	2,204
Payment for capital assets	466		0	466	106	360	22.7	960	904
2.5 Service to person with disabilities									
Current payment	1,512		0	1,512	1,757	(245)	116.2	2,334	1,983
Transfers and subsidies	23,496		(2,900)	20,596	20,108	488	97.6	19,022	17,437
Payment for capital assets	0		0	0	0	0	0	20	14
2.6 Child care and Protection services									
Current payment	12,301		0	12,301	10,292	2,009	83.7	13,887	13,493
Transfers and subsidies	119,942		3,450	123,392	125,383	(1,991)	101.7	107,932	109,963
Payment for capital assets	0		0	0	25	(25)	(100)	100	10
2.7 Victim Empowerment									
Current payment	4,576		(900)	3,676	3,316	360	90.2	4,167	3,494
Transfers and subsidies	4,912		(1,560)	3,352	3,410	(58)	101.7	2,898	2,923
Payment for capital assets	165		0	165	62	103	37.6	150	86

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**DETAIL PER PROGRAMME
for the year ended 31 March 2010**

Detail per sub-programme: Programme 2	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.8 HIV and AIDS									
Current payment	3,625		0	3,625	3,641	(16)	100.4	8,711	5,715
Transfers and subsidies	59,375		690	60,065	58,821	1,244	97.9	41,866	42,300
Payment for capital assets	22		0	22	0	22	100.0	20	24
2.9 Social Relief									
Current payment	3,480		340	3,820	3,989	(169)	104.4	2,800	2,614
Transfers and subsidies	0		0	0	0	0	0	0	0
Payment for capital assets	0		0	0	0	0	0	0	0
2.10 Care and Service to Families									
Current payment	2,398		0	2,398	2,096	302	87.4	3,131	2,599
Transfers and subsidies	2,222		970	3,192	1,373	1,819	43.0	1,152	1,331
Payment for capital assets	0	0	0	0	0	0	0	0	0
Total	449,804		(4,200)	445,604	444,738	866	99.8	389,037	388,981

2009/10								2008/09	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	148,986		700	149,686	149,624	62	100.0	101,294	103,298
Goods and services	46,281		(1,900)	44,381	44,321	60	99.9	51,902	55,893
Transfers and subsidies to:									
Non-profit institutions	243,150		0	243,150	244,038	(888)	100.4	203,170	200,895
Households	0							0	16
Payment for capital assets									
Buildings and other fixed structures	0							19,035	17,750
Machinery and equipment	11,387		(3,000)	8,387	6,755	1,632	80.5	13,636	11,129
Software and other intangible assets	0							0	0
Total	449,804		(4,200)	445,604	444,738	866	99.8	389,037	388,981

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**DETAIL PER PROGRAMME
for the year ended 31 March 2010**

Detail per sub-programme: Programme 3	2009/10							2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Professional and administration support									
Current payment	42,115		2,900	45,015	48,435	(3,420)	107.6	30,952	39,166
Transfers and subsidies	0		0	0	0	0	0	0	10
Payment for capital assets	4,285		(1,600)	2,685	2,918	(233)	108.7	5,511	4,197
3.2 Youth development									
Current payment	26,982		(3,000)	23,982	23,940	42	99.8	31,335	29,116
Transfers and subsidies	14,289		0	14,289	13,890	399	97.2	22,151	18,465
Payment for capital assets	200		0	200	239	(39)	119.5	(1,000)	87
3.3 Sustainable Livelihood									
Current payment	8,708		(900)	7,808	2,966	4,842	38.0	4,535	5,266
Transfers and subsidies	5,000		(1,200)	3,800	3,301	499	86.0	15,000	13,618
Payment for capital assets	500		0	500	0	500	100.0	0	10
3.4 Institutional Capacity Building and support									
Current payment	4,166		(1,100)	3,066	3,084	(18)	100.6	7,548	6,840
Transfers and subsidies	0		0	0	0	0	0	0	0
Payment for capital assets	34		0	34	30	4	88.2	0	0
3.5 Research and Demography									
Current payment	2,277		0	2,277	2,218	59	97.4	3,774	2,592
Transfers and subsidies	0		0	0	0	0	0	0	0
Payment for capital assets	34		0	34	0	34	100.0	50	61
3.6 Population Capacity Development									
Current payment	2,975		0	2,975	2,746	299	92.3	2,694	2,086
Transfers and subsidies								0	0
Payment for capital assets								0	0
Total	111,565		(4,900)	106,665	103,767	2,898	97.3	122,550	121,514

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**DETAIL PER PROGRAMME
for the year ended 31 March 2010**

2009/10								2008/09	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	50,677		2,900	53,577	52,719	858	98.4	32,441	37,339
Goods and services	36,546		(5,000)	31,546	30,670	876	97.2	48,397	47,727
Transfers and subsidies to:									
Provinces and municipalities									
Non-profit institutions	19,289		(1,200)	18,089	17,192	897	95.0	37,151	32,083
Households								0	10
Payment for capital assets									
Buildings and other fixed structures	0			0	45	(45)	(100.0)	0	0
Machinery and equipment	5,053		(1,600)	3,453	3,141	312	91.0	4,561	4,355
Software and other intangible assets	0							0	0
Total	111,565		(4,900)	106,665	103,767	2,898	97.3	122,550	121,514

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2010**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-B) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in the note on Financial transactions in assets and liabilities to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	216,074	200,058	16,016	7.4
Social welfare services	445,604	444,738	866	0.2
Development and research	106,665	103,767	2,898	2.7
Total	768,343	748,563	19,780	2.6

Explanation of material variances

Administration

The under expenditure is incurred on the budget for buildings and fixed structures due to slow progress on capital projects. The reasons for the delays are related to challenges with the availability of sites, change of implementing agent and slow progress by contractors

Social welfare services

The expenditure on this programme is on target

Development and research

The under expenditure is related to slow progress on the activities for the "War Room " anti-poverty strategy, and the Masupatsela Youth Pioneer Programme due to the late appoint of staff for both these projects and approval of the curriculum for the training and development programme for the youth pioneers

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2010**

4.2 Per Economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payments:				
Compensation of employees	277,853	276,842	1,011	0.4
Goods and services	148,317	151,017	(2,700)	(1.8)
Transfers and subsidies:				
Non-profit institutions	261,239	261,230	9	0.0
Households	3,552	3,752	(200)	(5.6)
Payments for capital assets:				
Buildings and other fixed structures	54,856	35,000	19,856	36.2
Machinery and equipment	22,526	20,722	1,804	8.8
Total	768,343	748,564	19,780	2.6

Explanation of variances

Current payments

The under expenditure on compensation of employees is due to the non filling of vacant funded posts. On goods and services, the under expenditure relates to the procurement of the new office facilities for costs related to partitioning and cabling to make the building habitable

Transfers and subsidies

The expenditure is on this item is on target

Payment for capital assets

Under expenditure on the budget for buildings and fixed structures due to slow progress on capital projects. The reasons for the delays are related to challenges with the availability of sites, change of implementing agent and slow progress by contractors. The under spending on machinery is affected by the non filling of posts which delays the procurement of working tools under this item.

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2010**

	Note	2009/10 R'000	2008/09 R'000
Recoverable revenue			
Opening balance		325	32
Transfers:		84	293
Debts recovered (included in departmental receipts)		(325)	(32)
Debts raised		409	325
Closing balance		409	325

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**CASH FLOW STATEMENT
for the year ended 31 March 2010**

	Note	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		770,008	661,918
Annual appropriated funds received	1.1	768,101	657,880
Statutory appropriated funds received	2	242	852
Departmental revenue received	3	1,665	3,099
Aid assistance received	4	0	87
Net (increase)/decrease in working capital		128	2,503
Surrendered to Revenue Fund		(2,784)	(43,809)
Current payments		(427,859)	(366,522)
Transfers and subsidies paid		(264,982)	(253,356)
Net cash flow available from operating activities	18	74,511	734
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(55,722)	(37,234)
Proceeds from sale of capital assets	3.3	150	105
Net cash flows from investing activities		(55,572)	(37,129)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		84	293
Net cash flows from financing activities		84	293
Net increase/(decrease) in cash and cash equivalents		19,023	(36,102)
Cash and cash equivalents at beginning of period		(2,337)	33,765
Cash and cash equivalents at end of period	12	16,686	(2,337)

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2009.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

The total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Any amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

**DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 13**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year)

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post retirement benefits

Employer contribution (i.e. social contributions) is expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.4 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.5 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.