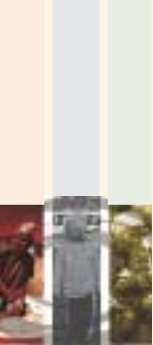




## DEPARTMENT OF SOCIAL DEVELOPMENT



ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2006



### **DISCLAIMER**

The English version of this Annual Report is regarded as the official text. The department cannot be held liable for any misinterpretations that may have occurred during the translation process.

### **VRYWARING**

Die Engelse gedeelte van hierdie Jaarverslag word geag die amptelike teks te wees. Die departement aanvaar geen verantwoordelikheid vir moontlike wanvertolkings gedurende die vertalingsproses nie.

### **INKCAZO**

Inguqulelo yesiNgesi yale Ngxelo yoNyaka ithathwa njengeyona isebenza ngokusesikweni. Isebi alinakuba namfanelo, ngokomthetho, ngazo naziphi na iziphoso ezengathi zibe khona ngxesha lenguqulelo yezinye iilwimi.

This Annual Report was compiled by the Sub-directorate Strategic Planning and Reporting, Department of Social Development.

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# ORGANOGRAM



**MEC**  
**Ms. K. Mqulwana**

Head of Department  
**Vacant**

Director: Office of Head  
of Department  
**Vacant**



**Chief Directorate:**  
**Safety Net Development &**  
**Acting HOD**  
**Ms. K. Lubelwana**



**Chief Directorate:**  
**Implementation**  
**Planning & Support**  
**Dr. W. Terblanche**



**Chief Directorate:**  
**Financial Management**  
**(Chief Financial Officer)**  
**Mr. J. Smith**



**Chief Directorate:**  
**Social Transformation**  
**Management**  
**Dr. N. Makosana**



**Directorate Social**  
**Research and Provincial**  
**Population Matters**  
**Mr. G. Miller**



**Directorate District**  
**office & Facility**  
**Management Support**  
**Mr. Q. Arendse**



**Directorate**  
**Accounting &**  
**Auxiliary Support**  
**Mr. G. VD**  
**Westhuizen**



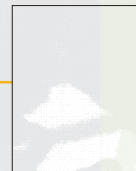
**Directorate Human**  
**Resource**  
**Management**  
**Mr. N. Lukhai**



**Directorate**  
**Knowledge**  
**Management**  
**Marion Fogell**



**Directorate**  
**Specialised Support**  
**Services**  
**Ms. D. Van Stade**



**Sub Directorate**  
**Enterprise Risk**  
**Management**  
**Ms. A. Lubengu**



**Directorate**  
**Monitoring &**  
**Evaluation**  
**Vacant**



**Directorate**  
**Social Policy**  
**Formulation**  
**Ms. S. Follentine**



**Directorate**  
**Partnership**  
**Support & Funding**  
**Ms. C. Quickfall**



**Directorate**  
**Supply Chain**  
**Management**  
**Vacant**



**Directorate**  
**Social Capital**  
**Formulation**  
**Mr. M. Gaba**

## SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY



**MS K MQULWANA**  
MINISTER OF SOCIAL DEVELOPMENT

In accordance with section 40 (1) d of the Public Finance Management Act, 1999; the Public Service Act, 1994 (as amended) and the National Treasury Regulations, I hereby submit the Department of Social Development Annual Report on financial statements, performance indicators and departmental activities for the 2005/06 financial year.

A handwritten signature in black ink, appearing to read 'K. Lubelwana'.

**MS K LUBELWANA**  
ACTING HEAD OF DEPARTMENT



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## PART ONE

### GENERAL INFORMATION



#### 1. INTRODUCTION BY THE HEAD OF THE DEPARTMENT

During the period under review, great strides were made in creating an environment for social capital to flourish. As the lead department for building social capital with an emphasis on youth, one of the iKapa eLihlumayo pillars, several initiatives were undertaken to foster integration and forge linkages. Social capital is regarded as this department's most important driver in poverty reduction. Through forming linkages and networks, the department was able to facilitate opportunities for 2 342 youth by providing internships, learnerships and opportunities to be involved in capacity building initiatives.

Three projects were developed under the Social Capital Formation Strategy during the reporting period with the focus being largely on youth. These projects are: Brawam-Siswam, Ethical Leadership and Certificate for Youth Trainers' Project.

The department engaged in a number of consultation processes to ensure that interventions planned was based on appropriately felt needs. Interventions were targeted at vulnerable groups that include youth, people with special needs, early childhood development, families and substance abusers. The demand for services is created both by the robust, dynamic policy environment and by a deepening poverty and resultant pathology. Systematic intervention processes were developed that was aided by scientific-based tools to facilitate informed decision making. Departmental research was undertaken to ascertain the extent to which social service

infrastructure and resources made an impact on targeted communities. Research outcomes indicated that several factors contributed to the social service sector not achieving the impact that was sought. The skewed distribution of service interventions and the geographic spread of services are of the factors that needed to be addressed. The development of an equity tool to determine the equitable redistribution of resources assisted with the process. The finalization and application of the tool will greatly enhance the department's ability to benchmark, project and track resource allocation consistent with its redress and equity priorities contained within the department's Transformation Plan.

The department's commitment to working in an integrated manner is evidenced in key strategies developed and signed Memorandums of Understanding during the period under review. The Provincial Poverty Reduction Strategy, the Social Capital Formation Strategy, the Provincial Early Childhood Development Strategy, the Integrated Substance Abuse Strategy and Memorandams of Understanding with Municipalities are cited as examples. The department also actively participated in Local Government hearings and MTEC interfaces between Local and Provincial Governments.

The Cost Centre Model could not be implemented during this period as planned due to it being dependant on the adoption of the new organizational structure that was endorsed by Cabinet in December 2005. The establishment of cost centres is expected to contribute to efficiency, enhanced service delivery, accessibility and increased accountability. The department plans to implement the Cost Centre Model in 2006-2007 in a phased - in approach as part of a multi-year plan.

The social security function will be centralized in the South African Social Security Agency as a separate agency as from 1 April 2006 thus enabling the department to focus its resources and energy on its core function of social development. As it was foreseen that SASSA will not be operational by 1 April 2006 a service level agreement was signed on 27 March 2006 between the National Department of Social Development, Provincial Department of Social Development and SASSA to enable the Provincial Department of Social Development to render

## PART ONE GENERAL INFORMATION



corporate support services to SASSA until 31 March 2007 or until SASSA will be able to function independently.

### 1.1. INFORMATION ON THE MINISTRY

In line with the vision of creating a 'Home for All' in this province, the MEC appointed an internal task team to craft a transformation plan to support and influence the strategic direction of the department, that is, to ensure equitable distribution of resources, redress in terms of past imbalances and to foster social cohesion. This led to the approval of the new organisational structure by the Provincial Cabinet in December 2005. Inherent in the departmental restructuring is the establishment of a new chief directorate to manage social transformation in all the components of the department.

Cabinet supported a name change for the department to that of Department of Social Development in order to create a synergistic alignment with the national department, mirroring the department's core business. From mid- February 2006 the Department of Social Services and Poverty Alleviation will be known as the Department of Social Development.

The MEC prioritised support of new, emerging and previously disadvantaged organisations which were historically not accessing government support. Support of emerging organizations was prioritized in order to redress imbalances in historic patterns of service availability and inequitable distribution of

resources. A target of 25% funding to new social service organizations has been established.

As a response to the mandate of the Constitution, Chapter 3, and as a way of effecting inter-governmental relations framework to achieve the vision of a seamless government, the MEC has signed six Memoranda of Understanding with local district municipalities and the Metro.

A Memorandum of Understanding was signed between the MEC and the National Minister of Social Development on 3 April 2005 making the MEC responsible to manage the establishment of SASSA in the Western Cape. As part of this agreement a comprehensive business plan for the establishment of SASSA was developed and forwarded to the National Minister for approval.

The MEC championed inter-departmental cooperation among the member departments of the social cluster to develop an Integrated Early Childhood Development Strategy. A summit on ECD was convened and it developed a Provincial Integrated ECD Strategy that was subsequently endorsed by the Provincial Cabinet as an appropriate strategy for the province. The MEC of Social Development entered into a Memorandum of Understanding with the Principality of Monaco to assist with the resourcing of this priority in respect of the physical upgrading of ECD centres and capacity building of ECD practitioners at identified centres.

Executive meetings with senior management were conducted on a fortnightly basis in order to provide political leadership and guidance to the department.



# PART ONE

## GENERAL INFORMATION

### Visits Abroad

The following Ministerial visits were undertaken:

Date	Country	Purpose
19 -24 September 2005	Malta	As the lead department for social capital, the MEC was invited to attend an International Social Capital Conference in Malta. The objective of the conference was to deepen our knowledge base on social capital, by shedding light on some current developments and drafting innovative, practical responses. The outcome of this conference is that the Western Cape will be hosting the conference in 2006/2007.
25 September – 4 October 2005	Atlanta - Georgia	The MEC visited Atlanta in the USA on the invitation of the Golden Olympic Federation in Atlanta. The purpose of the visit was to observe the Golden Olympics that provided the department with a model for the implementation of the Golden Games for older persons that has since been undertaken by the department. These activities that commenced in March 2005 will enhance the racial integration of our senior citizens.

### 1.2. Mission statement

The vision and mission of the department informed the strategic direction.

### 1.3. Our vision

A self-reliant society

### 1.4. Our mission

To ensure the provision of a comprehensive network of social development services through social capital formation that enable and empower the poor, the vulnerable and those with special needs.

The three core functions of the department are:

- **Social Security Safety Net**  
To provide for the disbursement and administration of social assistance grants in terms of the Social Assistance Act, 1992 and the determination of grant trends.
- **Developmental Social Service Delivery**  
This function has to do with the department's responsibility to render developmental welfare services to those people who, because of circumstances, find it difficult to fulfil their welfare needs on their own. The department does not do this all by itself. It performs this function in

partnership with other government departments, local authorities, private welfare agencies and a range of non-governmental organisations.

An important aspect of the way in which social services are delivered, is that it should be done in a developmental manner. This requires an enabling environment for community mobilisation.

- **Poverty Alleviation/Reduction**

This core functions is the pinnacle around which the department's work is conducted. It creates the opportunity for community regeneration and a developmental orientation to be strengthened. It is transversal in nature in that it needs to coordinate the poverty response of all provincial departments and thus ensures an integrated provincial poverty response.

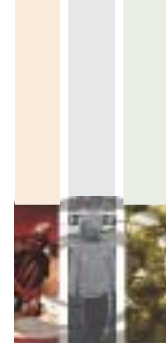
The core function is summarised as to ensure the provision of a comprehensive network of social development services that enable and empower the poor, the vulnerable and those with special needs.

### 1.5. LEGISLATIVE MANDATE

The work of the department is prescribed by a number legislative mandates that governs its existence and operations. The following is a list of core mandates in this regard.



## PART ONE GENERAL INFORMATION



**TABLE 1: LIST OF LEGISLATIVE MANDATES**

Act	Description
Aged Person's Act, Act 81 of 1967	The Act provides for the protection and welfare of older persons, for the establishment and registration of facilities providing accommodation and care to older persons.
National Welfare Act, Act 100 of 1978	The Act provides for the registration of welfare organizations on regional basis; the establishment, functions and operations of regional welfare boards; and the establishment of a national Welfare Board.
Child Care Act, Act 74 of 1983	As amended the Act, 1983, provides for the establishment of children's courts and the appointment of Commissioners of Child Welfare, for the protection and welfare of children, for the adoption of children and for the establishment of facilities for the care and the treatment of children.
Adoption Matters Amendment Act 1996, Act 55 of 1988	The Act amended the Child Care Act, 1983 to simplify the granting of legal representation for children in Children's Court proceedings; to provide for the rights of natural fathers where adoption of their children born out of wedlock has been proposed and for certain notice to be given to amend the Natural Fathers of Children born Out of Wedlock Act, 1997, to consolidate the law on adoption under the Child Care Act, 1983; and to amend the Births and Deaths Registration Act, 1992, to afford a father of a child born out of wedlock the opportunity to record his acknowledgement of paternity and his particulars in the birth registration of the child.
Probation Services Act 1999, Act 116 of 1991	The Act provides for the establishment and implementation of programmes aimed at the combating of crime and for the rendering of assistance to and treatment of persons involved in crime.
Social Assistance Act, Act 59 of 1992	The Act provides for the rendering of social assistance to beneficiaries, national councils and welfare organizations. The Act was amended in 1994 to further regulate allocation of grants and financial awards to persons and bodies.
Welfare Laws Amendment Act 1997, Act 106 of 1997	The Act amended the Social Assistance Act, 1992 in order to provide for uniformity of, equality of access to, and effective regulation of social assistance throughout the Republic, to introduce the child support grant, do away with capitation grants, to abolish maintenance grants subject to the phasing out of existing maintenance grants, to provide for the delegation of certain powers, and extend the application of the provisions of the Act to all areas in the republic.
Public Service Act 1994, Act No. 1 of 1999	The Act provides for the organizing and administration of the public service of the country, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.
Public Finance Management Act 1999, Act No 1 of 1999	The Act provides for the organizing and administration of the public service of the country, the regulations of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.
Prevention and Treatment of Drug Dependency Act 1992, Act 20 of 1992	As amended the Act provides for the establishment of a Central Drug Authority, the establishment of programmes for the prevention and treatment of drug dependency, the establishment of treatment centres and hostels, the registration of institutions as treatment centres and hostels and the committal of persons to and their detention, treatment and training in treatment centres.

## PART TWO

### PROGRAMME PERFORMANCE

#### PROGRAMME INTRODUCTION

During the period under review, the department was reflected as Vote 7 on the provincial budget.

#### 2.1. VOTED FUNDS

TABLE A: VOTED FUNDS

Appropriation R'000	Main Appropriation R'000	Adjusted Appropriation R'000	Actual R'000	Amount Spent Under Expenditure R'000
4 917 483	4 917 483	4 933 431	4 834 093	99 338
<b>Responsible Minister</b>	Minister of Social Services and Poverty Alleviation: Ms Koleka Mqulwana			
<b>Administering Department</b>	Department Of Social Development, previously known as the Social Services and Poverty Alleviation			
<b>Accounting Officer</b>	Head of Department of Social Development: Ms V Petersen			

#### 2.2. AIM OF THE VOTE

The aim of the vote is to ensure the provision of a comprehensive network of social development services which enable and empower the poor, the vulnerable and those with special needs.

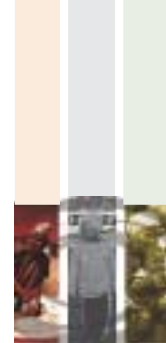
#### 2.3. SUMMARY OF PROGRAMMES

TABLE B: SUMMARY OF PROGRAMMES

Programme	Sub-Programme
1. ADMINISTRATION	1.1. Office Of The Provincial Minister of Social Development 1.2. Corporate Management 1.3. District Management
2. SOCIAL ASSISTANCE GRANTS	2.1. Administration 2.2. Care Dependency 2.3. Child Support Grant 2.4. Disability 2.5. Foster-Care 2.6. Grants-In Aid 2.7. Old Age 2.8. Relief Of Distress 2.9. War Veterans
3. SOCIAL WELFARE SERVICES	3.1. Administration 3.2. Treatment and prevention of substance abuse 3.3. Services to older persons 3.4. Crime prevention and support 3.5. Service to persons with disabilities 3.6. Services to children, women and families
4. DEVELOPMENT AND SUPPORT SERVICES	4.1. Administration 4.2. Youth development 4.3. HIV/Aids 4.4. Poverty Alleviation 4.5. NPO and Welfare Organization Development
5. POPULATION DEVELOPMENT AND DEMOGRAPHIC TRENDS	5.1. Administration 5.2. Research and Demography 5.3. Capacity Development and Advocacy

## PART TWO

### PROGRAMME PERFORMANCE



#### 2.4. OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2005/06

The challenges listed below represent a summary of external environmental scanning. There is consensus within the department that the developmental challenges include the following:

- **Focus on Youth**

In building social capital, the department is continuously challenged to provide services to youth that prepares them for adulthood, citizenship and the world of work. Currently the department's intervention in respect of youth development cut across various funding programs, addressing critical issues such as youth protection, youth treatment and youth development. In the absence of a departmental strategy on youth development, guidelines based on the National Policy for Youth Development for the establishment of youth focal points that focuses on a holistic approach to youth development was developed. A draft strategy has been developed. The focus on the special programmes for youth development is on building the capacity of young people through skills development and training and to prepare them for the world of work. An initiative that flowed from these special programmes is the implementation of youth internships within the NGO sector.

- **Substance abuse treatment and prevention**

The integrated substance abuse strategy was launched in June 2005 and proposes a multi-pronged approach aimed at supply reduction, demand reduction, rehabilitation and treatment, and diversion from drugs through youth activities. The department, in collaboration with the Department of Community Safety established local drug advisory committees in ten areas covered by the social cluster door-to-door campaign. This process was started in November 2005 and continued until mid February 2006. Ongoing community interventions as well as sophisticated treatment interventions are required to address these social phenomena successfully. The current focus of the department is to move away from predominately in-patient treatment to sustainable community based treatment programs.

- **Early Childhood Development (ECD)**

Early childhood development is regarded as a prerequisite to ensure that young children have access to ECD services. The Provincial Cabinet endorsed the Provincial Early Childhood Development Strategy and its implementation plan in November 2005 to ensure that all young children have access to effective, efficient, holistic and integrated ECD services that address their cognitive, emotional, social, physical and nutritional needs, and to maximize the conditions and opportunities for each child to develop.

- **Family strengthening**

A family policy is currently being developed. It seeks to promote a network of integrated services to protect, support and strengthen families to assist them to remain the cornerstone of the community and broader society. Family strengthening includes preparation for parenthood and the role of men in society.

- **Prevention of child abuse and neglect**

The department is in the process of developing a Provincial Child Protection Plan at the behest of the MEC that will be broadly consulted during the 2006/2007 financial period. During November 2005 as part of our department's Child Protection Plan a programme of action was implemented targeting children, parents and the aged that served to inform the contents of a comprehensive Child Protection Plan. Through this process several networks and partners from state, the private sector and the NGO community were used by all sixteen district offices. The Child Protection Register has been rolled out to all the district offices and the Provincial Child Protection Committee was re-established during August 2005.

- **Poverty reduction projects**

It is anticipated that the slow economic growth in the province and the scarcity of formal job opportunities will create a greater demand for the social sector to develop innovative strategies to minimize the impact of limited job opportunities. The implementation of the Provincial Poverty Reduction Strategy will receive impetus during the next financial year.

## PART TWO

### PROGRAMME PERFORMANCE



- **Older persons**

In focussing on services to older persons, the department is moving away from predominately residential programmes to sustainable community based programmes with an added focus on linking older persons and youth. Consistent with this, the department has implemented a pilot aimed at the social integration of older persons in day care programmes at residential facilities, whereby senior citizens were integrated into the relatively privileged day care centres in the Bellville area. During this financial period the department initiated planning towards the Golden Games for Older Persons with the objective of enhancing the racial integration of older persons, strengthening the concept of intergeneration, and recognising aging as a normal phase of life. The department appointed 300 youth interns who will assist in mobilizing older persons clubs. These interns were appointed over a ten to twelve month period by district offices. A total of 5000 older persons will participate in the Golden Games that will be held in 2006-2007.

- **Services to the disabled**

Research was conducted to ascertain the need for a cooperative disability protective workshop model. The outcomes of the research resulted in a draft Disability Co-operative Business Model being developed. It is envisaged to develop an implementation plan that addresses issues of sustainability, economic viability and co-operative co-ordination and integration

amongst service providers within the protective workshop sector.

- **Youth in conflict with the law**

The department steers the Provincial Child Justice Forum. This forum consists of government departments, stakeholders and Non Government Organisations working in the field of restorative justice and children who are in conflict with the law. The forum has as its role to monitor the number of children entering the system, operational and financial support to organizations rendering services.

#### 2.5. OVERVIEW OF THE ORGANIZATIONAL ENVIRONMENT FOR 2005/06

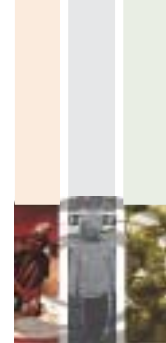
The South African Social Security Agency (SASSA) Act, 2004 was promulgated in November 2005 which paved the way for the establishment of SASSA with effect from 1 April 2006. The SASSA Western Cape regional office was fully established and 16 staff members from the Social Security Branch of the department moved into the new premises situated on the 7<sup>th</sup>, 9<sup>th</sup> and 20<sup>th</sup> floor of the Golden Acre Building. District office social security staff remained at the various district offices of the department and will remain there until alternative accommodation could be found for them.

The National Department of Social Development facilitated a series of workshops to deliberate the budget structure of provincial departments. The former structure consisted of five programmes and has been reduced to three with inception of the 2006/07 financial year. The disaster relief function will remain with the Department of Social Development after social security's departure.

The emphasis on decentralised service delivery would come into effect with the implementation of the new district office Cost-Centre Model. This would require strengthening synergistic partnerships with the Integrated Development Plan (IDP) processes of Local Government to give effect to the iKapa Elihlumayo Strategy. In addition, the alignment is envisaged to create opportunities for strategic location of service delivery. The alignment of district office boundaries with that of Local Authorities will be pursued as well. The department has drafted the human resources plan

## PART TWO

### PROGRAMME PERFORMANCE



and consultation with Labour with regards to the Cost-Centre Model. A process of facilitating the matching and placing of current staff has been implemented.

Departmental facilities constitute the department's second largest cost driver. It is currently subject to a strategic review of its current service delivery and it is anticipated that this sector will undergo a transformation process and hence further enhance social capital through alignment with this strategy. A Service Delivery Model to transform facilities has been compiled during this financial year and is being consulted.

#### 2.6. STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS FOR THE 2005/06 FINANCIAL YEAR

##### • **The Children's Bill**

Section 75 of the Children's Bill has been approved by Parliament and the department has received money to train staff to implement the Bill. Full implementation of the Bill will have significant human and financial resource implications.

##### • **The Child Justice Bill**

Although the status of the Child Justice Bill remains unchanged we continue to operate in the spirit of the Bill to protect and promote the rights of children in conflict with the law. The Bill proposes significant changes in the way children are being managed in the Criminal Justice System.

##### • **Integrated Provincial Early Childhood Development Strategy**

An Integrated Provincial Early Childhood Development Strategy was developed in partnership with the departments of Health and Education. It was also comprehensively consulted with a wide range of role-players and was endorsed as provincial policy by Cabinet in November 2005.

##### • **The Integrated Service Delivery Model**

The Integrated Service Delivery Model for developmental social services was approved by MINMEC and launched in the Western Cape. Its purpose is to provide a national framework that clearly

determines the nature, scope, extent and level of work for developmental social services, and a basis for determining norms and standards for service delivery as well as funding thereof.

##### • **Policy on Financial Awards**

A systematic strategy for the implementation of the Policy on Financial Awards, focused on democratising service delivery was developed. This strategy promotes equity and redress with regard to resource provisioning, whilst providing greater access and opportunities to new and emerging organisations, previously operating on the fringes of the funded mainstream service delivery system.

##### • **Social Capital Formation Strategy**

The launch of the Social Capital Formation Strategy took place on 17 October 2005 at the University of the Western Cape. This strategy has a strong focus on the youth and preparing the youth for the world of work and adulthood. Social Capital is one of the pillars of the iKapa eLuhlumayo Strategy, and the department is the lead department in building social capital.

##### • **SASSA**

The South African Social Security Agency Act (SASSA) 2004 was promulgated in November 2005 which paved the way for the establishment of SASSA with effect from 1 April 2006. Due to the fact that SASSA could not appoint its own support staff before 1 April 2006, an agreement was reached that the Department of Social Development will continue to render support services to SASSA during 2006/07 or earlier depending on SASSA readiness.

##### • **Flood policy**

The department as a stakeholder provided input towards the design of the flood policy 2005 for the City of Cape Town.

##### **Managing policy implications**

The following national legislative frameworks are highlighted as its implementation will have financial implications for this province. Non-implementation once the bills have been passed by Parliament will open the department to litigation risks. The costing of

## PART TWO

### PROGRAMME PERFORMANCE

the policies is in the process of being finalised on a national level. The legal and policy environment over the past year or two has been extremely robust as several pieces were developed. Key amongst these is:

a) The Older Persons Act

- b) The Children's Bill  
 c) The Child Justice Bill (Section 75 passed and Section 76)  
 d) Implementation of the Drug Master Plan  
 e) Policy on Financial Awards

#### 2.7. DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

##### COLLECTION OF DEPARTMENTAL REVENUE

TABLE C: DEPARTMENTAL REVENUE

Departmental Revenue	Actual Collection 2004/05 R'000	Budgeted Collection 2005/06 R'000	% Deviation From Target R'000
Current Revenue			
<b>Tax Revenue</b>			
<b>Non-Tax Revenue</b>	24 007	22 525	
Capital Revenue			
Departmental Revenue	24 007	22 525	

##### DEPARTMENTAL EXPENDITURE

TABLE D: DEPARTMENTAL EXPENDITURE

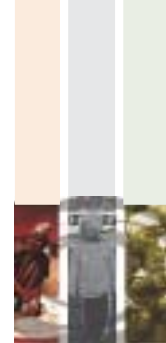
Programmes	Voted for 2005/06 R'000	Roll-overs and adjustments R'000	Virements R'000	Total voted R'000	Actual expenditure R'000	Variance R'000
Administration	188 655	(11 975)	(6 681)	169 999	133 811	36 188
Social Assistance Grants	4 238 905	-	-	4 238 905	4 180 581	58 324
Social Welfare Services	421 962	3 968	(49)	425 881	421 785	4096
Developmental and Support Services	64 722	22 528	6751	94 001	93 851	150
Population Development and Demographic trends	3 239	1 427	(21)	4 645	4065	580

##### CONDITIONAL GRANTS

TABLE E: CONDITIONAL GRANTS

Conditional Grant R'000	Total Allocation R'000	Total transfers R'000
Food Relief Grant	16 222	16 222
HIV/AIDS	6 089	6 089
Integrated Social Development Grant	20 034	20 034
Social Assistance Administration Grant	247 179	238 182
Social Assistance Transfer Grant	3 991 726	3 942 399

## PART TWO PROGRAMME PERFORMANCE



### TRANSFER PAYMENTS

TABLE F: TRANSFER PAYMENTS

Name Of Institution and Services Rendered		Amount Transferred R'000
Transfer to municipalities	Multipurpose centers	12 000
	Regional Services Council levies	609
Transfers to departments	-	-
Transfers to non-profit Institutions	Treatment and prevention of substance abuse	11 700
	Care for the aged	96 387
	Crime prevention, rehabilitation and victim empowerment	9 950
	Services to the disabled	31 300
	Child and youth care and protection	168 960

**Monthly Monitoring System:** The Budget Committee that is chaired by the Chief Financial Officer, and is comprised of all programme managers and directors, meets on a monthly basis. Their role is to monitor and evaluate budgets and expenditure in terms of prescripts. The In-Year Monitoring (IYM) tool serves as an early warning system to enable the department to implement remedial or corrective measures, if necessary.

### CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

#### Capital Investment

- Planning for a district office in Vredenburg has been completed. The building project will commence during July 2006 and the completion date is planned for September 2006.
- The physical infrastructure at the Athlone district office has been upgraded.
- Physical upgrading of district offices and head office is in the planning phase and implementation will be completed in a phased approach over the current MTEF period.

#### Maintenance

There is currently no maintenance backlog. Maintenance is done on a day-to day basis as the need arises and is managed by the Department of Public Works.

#### Asset management

In view of the department lacking an appropriate electronic procurement system for the procurement of goods and services, the department decided, during the previous financial year to implement the Logistical Information System (LOGIS) at head office with effect from 1 April 2006. It is estimated that the system would only be fully implemented at district offices and institutions on 1 April 2007.

In order to prepare thoroughly for the implementation, a task team consisting of officials from Provincial Treasury and head office (Department of Social Development) visited the head office, 16 district offices and 8 institutions to capture their assets. The task team commenced on the 2<sup>nd</sup> of February 2005 with the capturing of assets and completed the task by the end of March 2006.

Upon finalization of the capturing of the assets, a provisional Asset Register was handed over to the district offices / facilities for sign-off.

When the head office went live on LOGIS, its Asset Register was loaded on the system. It can be confirmed that the head office's asset register does comply with the Provincial and National Treasury guidelines. Furthermore, it also complies with the minimum requirements as set by the Office of the Auditor-General to complete the Annual Financial Statements.

The head office electronic Asset Register therefore does enable the following transactions,

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### PROGRAMME PERFORMANCE

which are the minimum requirements that an asset register should comply with:

- Acquisition of Assets;
- Establish minor assets;
- Establish non-assets
- Transfers into the store;
- Transfers out of the store;
- Depreciation;
- Stock-taking of Asset Register information and disposal of assets

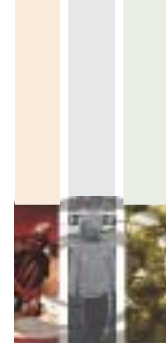
**TABLE G: MAJOR CONTRACT UPDATE**

Contract No.	Name Of Supplier	Description Of Contract	Commencement Date	Total Value Of Contract
<b>Major Contracts</b>				
SS39/2004-2005	Capitol Caterers	Catering at Bonnytoun House	1 November 2005	R3 856 939.20
SS40/2004-2005	Ikapa Caterers	Catering at Vredelus House	01 November 2005	R2 023 822.08
SS41/2004-2005	Route 66	Catering at Outenikwa House	01 November 2005	R2 289 236.96
SS42/2004-2005	Freedom Catering Services	Catering at Lindelani Place of Safety	01 November 2005	R1 728 250.56
SS43/2004-2005	Kingdom Caterers	Catering at Tenderden Place	01 November 2005	R1 240 481.16
SS04/2005-2006	Koerikai Document Solutions	Printing Annual Performance Plan	01 August 2005	R927 534.07
SS05/2005-2006	BOSASA Operations	Management of Horizon Place of Safety	1 October 2005	R45 083 066. 25
SS06/2005-2006	Citizen Surveys	Data Capturing – Population register update	1 December 2005	R579 667. 20
SS08A/B/C	Out-the-Box House of Motale Nazbin Graphics	Social Capital Formation Strategy	October 2005	R721 000.00
SS11/2005-2006	AFREC	Presentation of the Public Finance Management Programme	1 March 2006	R1 128 600. 00
<b>Other Contracts</b>				
SS02/2005-2006	Pronto Kleen	Rendering of Cleaning Services	1 March 2006	R266 400. 00
SS03/2005-2006	Economic Justice Agency	Appointment of Transformation Specialist	1 June 2005	R139 536. 00
SS07/2005-2006	Maverick Trading 358 Cc	Data analyses – Population register Update	1 August 2005	R226 300. 00
SS09/2005-2006	HSRC	Research on the situation of children in the Western Cape	1 November 2005	R288 420. 00



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#### 2.8. PROGRAMME PERFORMANCE

##### PROGRAMME 1- ADMINISTRATION

PROGRAMME OBJECTIVES: To conduct the overall management of the management of the department (Public Service Act Of 1994, Public Management Act, 1999). This programme captures the strategic management and support services at all levels of the department.

##### SERVICE DELIVERY ACHIEVEMENTS

- For the financial period a total of 24 bids to the value of R64, 345, 340.11 was awarded. 18 Bids (75%) to the value of R44, 040,935.26 (68, 45%) were awarded to HDI's. The set target of 50% was thus exceeded.

- Transformation of homes for older persons was fast-tracked through the monitoring and evaluation process at the behest of the MEC.
- Five risk areas were addressed through the process of process mapping and audits.
- Initiatives towards the implementation of the cost-centre included the following activities:
  - The Human Resource Plan was approved with Labour in February 2006.
  - The job evaluation process began in January 2006
  - Filling of all, but one senior management positions were finalized, while the filling of middle management positions is underway.

**TABLE 6: SUB-PROGRAMME 1.2 CORPORATE MANAGEMENT**  
Specification of measurable objectives and performance indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
1. Risk areas addressed as per the internal audit plan.	All high risk areas identified addressed.	Quarterly monitoring of the action plan	Five high risk areas	Five high risk areas identified per audit plan and implementation plans developed to address risk areas through process and control mapping and audits.
2. Management information systems established and monitored.	Management information systems established and monitored.	Quarterly monitoring of the implementation plan	To implement the Eastern Cape management Information System	System evaluation still underway
3. To have a skills development plan in place to equip human capital with the necessary skills required to effectively execute their functions.	An annual workplace skills plan developed and implemented.	Quarterly review of the Workplace skills plan implementation	An annual workplace skills plan developed and implemented.	100% implementation
4. To meet HDI targets	Minimum 50% compliance.	Quarterly assessment of compliance	50%	For the financial period a total of 24 bids to the value of R64, 345, 340.11 was awarded. 18 Bids (75%) to the value of R44, 040,935.26 (68, 45%) were awarded to HDI's.

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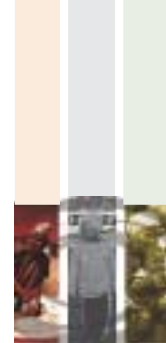
### PROGRAMME PERFORMANCE

TABLE 6 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
5. District offices function as cost centres by 2007	Action plan drafted	Quarterly review of the decentralization process	Action plan drafted	The following was initiated towards the implementation of the cost-centre: -Human Resource Plan approved with Labour in November 2005 -Job evaluation process began in January 2006 -Filling of all SMS posts finalised. Filling of middle management posts underway. -Decentralisation to be initiated by the end of 2006 in a phased approach.
6. To assess a minimum of 120 and monitor a minimum of 80 funded organisations and assess a minimum of 8 and monitor a minimum of 4 departmental entities per year.	Number of funded organisations assessed  Number of departmental entities assessed  Number of funded organisations monitored  Number of departmental entities monitored.	Assess 120 funded organisations  Conduct assessments at 8 departmental entities  Monitor 80 assessed funded organisations  Monitor 4 Departmental entities	120 funded organisations assessed  8 departmental entities assessed  80 funded organisations monitored  4 departmental entities monitored	-156 funded organisations were assessed that exceeded the target set. 29 of these organisations were homes for older persons, whose assessments were fast-tracked as per Ministerial mandate.  -Nine departmental entities were assessed. (Six head office directorates and three district offices) Target exceeded.  -96 assessed funded organisations were monitored, thus exceeding the target by 16.  -Corrective implementation plans were developed for all four district offices. Implementation of the cost-centre and the appointment of the Manager for District Offices and Facilities Support will fast-track the process of conclusion of the implementation.

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**TABLE 8: SUB-PROGRAMME 1.3: DISTRICT MANAGEMENT**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
7. District offices ensure that services and resources are accessible in 40% of areas identified as areas of highest priority by 2008. , i.e. Presidential nodal areas, Project Consolidate, the crime hotspot areas as well as the 170 informal settlements in the Metropole.	Number of district offices established  Number of local offices	-Identify sites with Department of Public Works iro. Knysna, Khayelitsha, Mitchell's Plain and the West Coast and enter into agreement and conduct office layout and design.  -Plan move its resources and assets into new buildings. Distribution of additional resources for Vredenburg.  -Occupation of three new buildings and Vredenburg District office to be fully resourced.	3 district offices  10 local offices	The establishment of local offices in Khayelitsha, Mitchell's Plain and Knysna could not materialize due to the unavailability of premises in these three areas owing to historical poor Apartheid urban planning.  Process undertaken to acquire three local offices in Khayelitsha. The sites are: Section E, Makhaza and Harare.  Difficulties experienced in securing office premises in Knysna. A decision made to establish a local office in Plettenberg Bay.  Planning in respect of the establishment of Vredenburg district office took place during this period.



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### PROGRAMME PERFORMANCE

**TABLE H: SPECIFIC CHALLENGES AND RESPONSES AND ISSUES REQUIRING ONGOING ATTENTION**

Specific Challenges And Responses	Action taken to redress the challenges and/or issues requiring ongoing attention
The establishment of local offices in Khayelitsha, Mitchell's Plain and Knysna could not materialize due to the unavailability of premises in these three areas owing to historical poor Apartheid urban planning.	In order to address the accommodation issues in the areas mentioned, processes are being undertaken to acquire either: <ul style="list-style-type: none"> <li>· Availability of sites for infrastructural development</li> <li>· Sharing of infrastructure or</li> <li>· Vacant land that will suit the needs of the Department of Social Development. (with the exit of SASSA)</li> </ul> <p>Process undertaken to acquire three local offices in Khayelitsha. The sites are: Section E, Makhaza and Harare.</p> <p>Difficulties experienced in securing office premises in Knysna. A decision made to establish a local office in Plettenberg Bay.</p>
Separation of the social security function from the department in order to establish SASSA	By reprioritizing work functions and through the experience of skilled staff, the successful division of the two departments was attained. A MOU and SLA is in place between the national department, SASSA and the provincial department.
Movement from a manual system to prepare for an electronic system.(LOGIS)	A task team was established with representation from Treasury as well as the department. Head office has been completed and currently in the process of implementation at the district offices and facilities
Finalization of the Cost Centre Model with the exit of the social security function.	The Cost Centre Model was reviewed, finalised and approved by Cabinet through the facilitation of the process by a dedicated team from the Organisational Development Directorate.

#### PROGRAMME 2- BRANCH SOCIAL SECURITY

**PROGRAMME OBJECTIVES:** To provide for the disbursement and administration of Social Assistance Grants in terms of the Social Assistance Act, 1992, as amended, and the determination of grant trends.

#### SERVICE DELIVERY ACHIEVEMENTS

- The qualifying age for the Child Support Grant was extended to all children under the age of 14 years with effect from 1 April 2005. For the 2005/06 financial year a target of 163,622 children between the ages of 7 and 14 years was set by the National Department of Social Development and the province succeeded in exceeding the target to reach 177 748 children. No further extension was envisaged for the 2006/07 financial year. The department conducted extensive marketing of this grant type to inform the public thereof.
- The National Department of Social Development has approved a tender to implement a new business process called the "reducing of the turn-around time" for the processing of social assistance applications. Western Cape was one of

the three provinces where the business process was piloted. The pilot was held at Bellville district office. With the new process and resources in place it is possible to register an applicant on the system and provide the applicant with an award/ rejection letter in one day.

- As part of the first 100 days deliverables of Government, 12 additional medical officers were appointed to assist with the backlogs in medical assessments of applicants pertaining to the grant for the disabled. 4,064 Backlog cases were dealt with.
- A project to review the circumstances of beneficiaries receiving their payments through the bank or through procurators and administrators. 123,518 Notifications were sent out to beneficiaries. Thus far 21, 468 cases were updated on the system and 1,788 cases were either deceased or lapsed. 100,262 Beneficiaries still need to visit the district offices or submit a life certificate. This is an ongoing project that will be finalized with the cancellation of grants of those who will not respond.

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TABLE 10:	SUB-PROGRAMME 2.1: SUB-PROGRAMME 2.2: SUB-PROGRAMME 2.3: SUB-PROGRAMME 2.4: SUB-PROGRAMME 2.5: SUB-PROGRAMME 2.6: SUB-PROGRAMME 2.7: SUB-PROGRAMME 2.8:	ADMINISTRATION CARE DEPENDANCY GRANT CHILD SUPPORT GRANT DISABILITY FOSTER CARE GRANT GRANT-IN-AID AGE GRANT SOCIAL RELIEF OF DISTRESS
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#### SPECIFICATION OF MEASURABLE OBJECTIVES AND PERFORMANCE INDICATORS

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
1. Implementation of the Norms and Standards document in order to reduce the processing time for social grant applications to 21 days except for disability grants.	Lead time for processing of new applications from date of application to date of award	<p>21 working days for all grants except disability grants</p> <p>5 working days for application of disability grants by terminally ill persons</p>	<p>21 working days for all grants except disability grants</p> <p>5 working days for application of disability grants by terminally ill persons</p>	<p>Backlogs for March 2006:</p> <p>&lt;25 days: 2453 applications</p> <p>&lt;25-35 days: 2039 applications</p> <p>&lt;35 days: 2859 applications</p> <p>Total: 7 351</p>
2. Alignment of disaster policy responses with the National Department of Provincial and Local Government through entering into service level agreements with 10 local municipalities.	Service level agreements with 10 local municipalities per annum	Compiling and implementing uniform procedures in terms of the Policy document	Compiling and implementing uniform procedures in terms of the Policy document	Funding of shared costing has not been resolved within Municipalities. During the reporting period the department continued with the funding of humanitarian aid to people affected during disaster incidents
3. Giving effect to the arrangements aimed at a seamless transition to a National Social Security Agency and to be fully incorporated into the Agency by March 2006	The department realize the National Objectives in adherence with legislated timeframes and National and Provincial SASSA strategic objectives	<p>Implement strategies to reach state of readiness for transfer to SASSA</p> <p>Budget social security ring-fenced, shifting of personnel from Programme 1 to Programme 2</p> <p>Incremental transition to the Agency</p>	<p>Implement strategies to reach state of readiness for transfer to SASSA</p> <p>Budget social security ring-fenced, shifting of personnel from Programme 1 to Programme 2</p> <p>Incremental transition to the agency</p>	<p>Regional Office of SASSA fully established on floors 7, 9 and 20 in Golden Acre Building: Includes</p> <ul style="list-style-type: none"> <li>· Refurbishing done</li> <li>· Fully furnished</li> <li>· ICT infrastructure completed</li> </ul> <p>Social Security staff from head office moved into new building during January 2006</p>

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### PROGRAMME PERFORMANCE

TABLE 10 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<p>Social security staff in department transferred to SASSA with effect from 1 April 2006</p> <p>8 SASSA critical posts on regional level interviewed – to be filled with effect from 1 May 2006</p> <p>Support services agreement signed by department, SASSA and the national department on 27 March 2006. With this agreement the department will perform support services on behalf of SASSA while SASSA is in the process to appoint staff.</p>
4. Review of 171 054 beneficiaries with income, beneficiaries with banking accounts (life certificate) procurators and administrators	Ensuring that the correct information in respect of beneficiaries with income (107 712 beneficiaries), beneficiaries with banking accounts (life certificate – 63 342 beneficiaries) procurators and administrators are on the pension system and that only those beneficiaries that qualify receives a grant	<p>Reviewing beneficiaries who report to district offices</p> <p>Receiving life certificates of beneficiaries</p> <p>Updating beneficiary records</p>	<p>Reviewing beneficiaries who report to district offices</p> <p>Receiving life certificates of beneficiaries</p> <p>Updating beneficiary records</p>	<p>123518 beneficiaries informed that they need to submit a life certificate or report to the district office for an income review.</p> <p>21468 cases captured on system</p> <p>100262 outstanding cases to be processed</p> <p>1788 cases lapsed or deceased</p> <p>Ongoing process that will be concluded during the 2006/07 financial year.</p>

## PART TWO PROGRAMME PERFORMANCE



TABLE 10 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
5. Embarking on an awareness and education programme to empower one-third of registered clients to become self-reliant in financial management thereby reducing dependency on moneylenders	One third of beneficiaries per annum is trained in terms of better financial management to increase the impact of pensions	<p>One third</p> <p>Previous two thirds reviewed</p> <p>Partnership with the Gambling Board for beneficiary education at pay points</p> <p>Awareness campaigns on dangers around money lending</p>	<p>One third</p> <p>Previous two thirds reviewed</p> <p>Partnership with the Gambling Board for beneficiary education at pay points</p> <p>Awareness campaigns on dangers around money lending</p>	<p>During November 2005 discussions were held between the MEC, the department and the Black Sash regarding an educational programme for beneficiaries at pay points envisaged by the Black Sash. In December the business plan of the Black Sash was refined and discussed at a meeting in Knysna. The Black Sash now awaits the monetary allocation from the department to commence with the educational programme.</p> <p>Funding for the educational programme not paid over to Black Sash yet.</p>
6. Phasing in the establishment of a new model for the assessment of disability grant and care dependency grant applications in the 4 health regions	The department has implemented a new model for the consideration of disability and care dependency grant applications by 2006/2007	Roll out of the new approved model in all Health regions in the province	Roll out of the new approved model in all Health regions in the province	Service provider appointed by the National Department for pilot of the new harmonised assessment tool which will be piloted at a later stage in the province.
7. Improve management of applications for 25 713 foster child grants	Applications for foster child grants are dealt with in 21 working day period	Implement recommendations of task team	Implement recommendations of task team	25 700 foster grants in payment.
8. Extension of the child support grant to 163 622 children between the ages of 7 to under 14 years	Register 163 622 children between the ages of 7 to under 14 years	Register 163 622 children between the ages of 7 to under 14 years	Register 163 622 children between the ages of 7 to under 14 years	<p>177748 children between 7 and under 14 years in receipt of CSG:</p> <p>7-8 yrs 69730 9-11 yrs 59355 12-14 yrs 48663</p>

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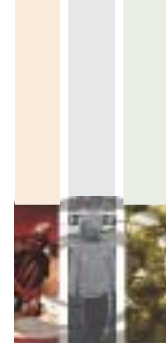
TABLE 10 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
9. Registering an additional 92 010 beneficiaries for social assistance grants to reach a target of 744 018 beneficiaries per month.	Total number of beneficiaries	8 485 547 beneficiaries per annum (including children and excluding social relief)	8 485 547 beneficiaries per annum (including children and excluding social relief)	An average of 707 128 beneficiaries (including children and excluding social relief) received social grants on a monthly basis
10. Improve integrated working relationships and agreements with stakeholders to improve service delivery	4 consultation sessions with all identified stakeholders.	Monitor and review agreements with stakeholders	Monitor and review agreements with stakeholders	<p>Consultation took place with:</p> <ul style="list-style-type: none"> <li>-Home Affairs Department on door-to-door campaigns, duplicate ID's and refugees.</li> <li>-Health Department on new model for disability grants and medical assessment tools.</li> <li>-Local Authorities on disasters</li> </ul> <p>Consultation also took place with Home Affairs Department with regard to the consent order in respect of refugees.</p>
11. Monitor and review Memorandum of Understanding and Service Level Agreements with Home Affairs and Health with regard to strategic partnerships	An approved strategy document	Implement strategy and monitor and review to ensure compliance to needs on a regular basis	Implement strategy and monitor and review to ensure compliance to needs on a regular basis	Strategic partnerships established and reviewed with the Departments of Health and Home Affairs to ensure efficient and effective service delivery.
12. Monitor and review Memorandum of Understanding with 2 district municipalities	Approved service level agreements	Approval of final service level agreement and reviewing thereof on an annual basis	Approval of final service level agreement and reviewing thereof on an annual basis	Implementation of the Memoranda of understanding with the two district municipalities was reviewed with the monitoring and evaluation component of the department to ensure key service delivery improvements



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### PROGRAMME PERFORMANCE



#### SPECIFIC CHALLENGES AND RESPONSES

- As it was foreseen that SASSA will not be operational by 1 April 2006 a service level agreement was signed on 27 March 2006 between the National Department of Social Development, Provincial Department of Social Development and SASSA to enable the Provincial Department of Social Development to render corporate support services to SASSA until 31 March 2007 or until SASSA will be able to function independently.
- The New Social Assistance Act (Act 13 of 2004) was implemented with effect from 1 April 2006. Due to the lack of Regulations delegations and training of staff, the new Act will only be operationalized later during the 2006/07 financial year.
- The grant system does not provide social assistance to refugees. A court order was granted for the payment of social relief of distress for the 29 identified disabled refugees in the Western Cape. The National Department is now forced to submit a plan to address the issue.
- In terms of the drought disaster declaration the department assisted the Department of Agriculture to complete applications. The department played an important role in the structures for the verification of the applications received and the submission therefore to Provincial Cabinet for endorsement of the application. This was submitted to the Disaster Relief Board for payment purpose. Payments will take place during the 2006/07 financial year.
- The pilot of the new harmonized medical assessment tool will coincide with the pilot for the new disability model. A service provider has been appointed by the National Department for the pilot of the new harmonized assessment tool that will be during the 2006/07 financial year in the Province.

#### PROGRAMME 3-SOCIAL WELFARE SERVICES

PROGRAMME OBJECTIVES: To provide effective and quality welfare services to poor and vulnerable individuals and communities by facilitating policies, funding, guidance and support to non-profit organisations (NPO's) and other social welfare providers.

#### SERVICE DELIVERY ACHIEVEMENTS

- The phased implementation of a scientifically – based planning approach that enabled systematic interventions aimed at addressing inadequate, fragmented and inequitable historical patterns of service delivery.
- An increase in targeted interventions aimed at promoting greater accountability for public funds allocated to the NPO sector
- Emphasis was placed on the fast-tracking of the roll-out of services to disabled persons in the rural areas. A total of thirteen NGO's were funded to facilitate the various programmes.
- Various processes to ensure quality services and holistic development in the early childhood development sector took place. Initiatives included procuring the services of a service provider for the minor infrastructure upgrading of registered facilities to facilitate compliance with the bi-annual assessment of their registration. The infrastructure upgrading of 138 facilities that were previously funded by the Department of Health commenced to facilitate their registration processes. Training was provided to home visitors to reach 450 children on farms. This is in addition to the 59 900 children that are currently in ECD facilities.
- With regard to Older Persons: A total of twenty intergenerational programmes were funded; the planning for the Golden Games for Older Persons was initiated; and a successful project with the objective of socially integrating older persons in day care programmes at residential facilities was piloted.
- As part of the department's Child Protection Plan a programme of action was implemented targeting children, parents and the aged that served to inform the contents of a comprehensive Child Protection Plan.
- A Service Delivery Model to transform facilities has been compiled and is awaiting presentation and approval.
- 160 children living on the street were reunited with their own families or with families from their local communities, exceeding the target set.

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**TABLE 12: SUB-PROGRAMME 3.1 ADMINISTRATION**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
1. Service delivery priorities have been established and resources allocated to areas of greatest need by March 2009.	Geographic areas of greatest need have been identified per district office area of operation.	<ul style="list-style-type: none"> <li>-Refine poverty map</li> <li>-Confirm refined poverty map, nodal areas and service delivery gaps and priorities with all district offices and with NGO sector</li> <li>-Focused intervention in nodal areas</li> <li>-Refined poverty map and gaps to be used as basis for planning spread of services</li> <li>-Plan for supplementing service delivery</li> <li>-Align resources with service delivery gaps</li> </ul>	Geographic areas of greatest need have been identified per district office area of operation.	<p>Geographic areas of greatest need have been identified throughout the province in terms of ;</p> <ul style="list-style-type: none"> <li>• Poverty pockets</li> <li>• Presidential Nodes</li> <li>• Provincial Priorities</li> <li>• Departmental Priorities</li> <li>• Social service indicators</li> </ul> <ul style="list-style-type: none"> <li>· Development and refinement of a detailed service provision database</li> <li>· The development and refinement of an 'equitable share tool' to allocate resources equitable throughout the province</li> <li>· Development of a Strategic Action Plan (SAP) model for the determination of district-level service delivery priorities (inclusive of assessment of current distribution patterns, gap analysis and re-direction of resources)</li> <li>· Development of a Capacity Building Support Framework focusing on training, mentoring and coaching</li> <li>· The identification and capacity-assessment of new/emerging organisations for take-up into resource allocation and service delivery processes</li> <li>· The establishment of specific financial allocation targets (%) i.r.o increasing the take-up rate of new/emerging organizations.</li> </ul>
	Service delivery priorities are aligned with national/provincial priorities.		Service delivery priorities are aligned with national/provincial priorities.	
	55 Service delivery gap analyses undertaken in prioritised geographical areas.		55 Service delivery gap analyses undertaken in prioritised geographical areas.	
	Resource allocation is targeted at 31 identified local areas that fall within the prioritised geographical areas.		Resource allocation is targeted at 31 identified local areas that fall within the prioritised geographical areas.	
	Application of policy on financial awards annually.		Application of policy on financial awards annually.	
	Capacity building and support programmes initiated in respect of 480 funded organisations.		Capacity building and support programmes initiated in respect of 480 funded organisations.	

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**TABLE 14: SUB-PROGRAMME 3.2: TREATMENT AND PREVENTION OF SUBSTANCE ABUSE**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
2. Treatment and prevention programmes are operational in the presidential nodal areas, project consolidate areas as well as crime hotspot areas by 31 March 2009.	Number of youth in residential treatment programmes.	Programme for 50 youth implemented Service level agreement in respect of 50 youth formalized  Service level agreement on learner support programme	50 youth in residential treatment programmes.	-55 Bed space available for youth facilitated
	Compliance with minimum standards	<i>Planning adjusted as follows:</i> Development strategy and pilot project in ten communities. Monitor and adjust Capacity building Skills training and implementation	Compliance with minimum standards	Capacity building i.t.o. the minimum standards continued with six treatment centres.
	Three community-based pilots on youth and Foetal Alcohol Syndrome.  <i>Performance measures redefined as follows:</i> 40 families and volunteers trained in agricultural areas of Philippi	Monitor and evaluate Operational support	The design and piloting of an intersectoral programme in agricultural areas of Philippi aimed at reducing prevalence of Foetal Alcohol Syndrome amongst the farm worker community	Various community training programme: life skills, parenting skills and Foetal Alcohol Syndrome educational programmes completed successfully. Volunteers recruited and trained to continue the process.
	A learner support programme with the Education Department on prevention and early intervention established		Training programmes	Six Western Cape provincial master trainers (three from the Department of Social Development and three from the Department of Education) were trained as Ke Moja master trainers in June 2005. Implementation of programme conducted by all 16 district offices of the department. A total of 134 trainers recruited from George, Oudtshoorn, Beaufort West, Mitchell's Plain and Cape Town, Caledon,

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TABLE 14 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				Vredendal, Atlantis, Athlone, Bellville, Worcester, Paarl, Gugulethu, Eerste River, Khayelitsha and Wynberg have been trained in the methodology. The trainees are now rolling out the program within their respective districts/ facility by educating young people, about substance abuse and its effects. A total of 700 youth were involved.
3. The department gives effect to the requirements of the National Drug Master Plan through the establishment of an intersectoral Provincial Drug Abuse Forum.	Forum established	Forum formally established Maintain, provide logistical support and monitor	Forum established	Forum established and logistic support provided.

TABLE 16: SUB-PROGRAMME 3.3: SERVICES TO OLDER PERSONS  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
4.A 10% increase in day-care programmes for previously historically disadvantaged individuals <i>This measurable objective has been revised to read as follows:</i> Design and implementation of a pilot project aimed at the social integration of older persons in day care programmes at residential facilities.	10% increase in seniors using day care programmes at residential facilities.	-Appointment of service providers -Implementation -Preparation for expansion	192 seniors 20 centres	The social integration of older persons in day care programmes at residential facilities commenced during November 2005. All service level agreements completed and signed with three service providers. Process being monitored and reviewed. Pilot completed by March 2006.
	40 Centres utilised.			

## PART TWO

### PROGRAMME PERFORMANCE

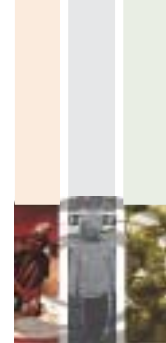


TABLE 16 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
5. The department's inter-generational programme emphasising the involvement of youth is incrementally rolled out by seven programmes per annum at funded organisations.	21 funded institutions providing inter-generational programmes.	-Programme developed -First sites for roll-out identified and trained -Programme implementation and evaluation	7 programmes	The programme is being implemented by 20 organisations from Caledon, George, Mitchells Plain, Oudtshoorn, Athlone, Vredendal, Worcester & Khayelitsha districts.

TABLE 18: SUB-PROGRAMME 3.4: CRIME PREVENTION AND SUPPORT  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
6. To reduce the number of children awaiting trial under the age of 18 to 150 per month.	Number of awaiting trial children.  To monitor the movement of children in the criminal justice system	150	150 children awaiting trial per month	1 <sup>st</sup> quarter: 190 2 <sup>nd</sup> quarter: under 150 3 <sup>rd</sup> quarter: 162 4 <sup>th</sup> quarter: under 150  Average: 163 System blocked due to long trial dates. The department is steering the Provincial Child Justice Forum consisting of other departments, stakeholders and NGOs working in the field of justice to children in conflict with the law. The forum monitors the number of children entering the system. Provides operational and financial support to organisations rendering crime prevention programmes. Co-ordination of prevention programmes conducted at district office level.

## PART TWO

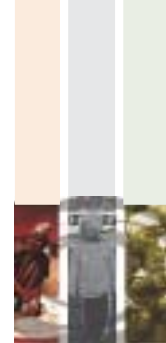
### PROGRAMME PERFORMANCE

TABLE 18 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
	A Level 2 diversion option for 20 awaiting trial children who have committed serious offences, designed and tested	<p>Programme designed and pilot sites identified. Project team in place Planning has been amended as follows:</p> <ul style="list-style-type: none"> <li>-Recruitment and training of prospective guardians</li> <li>-Monitor progress</li> <li>-Placement of first 5 children with Community Guardian parents</li> <li>-Evaluation</li> </ul>		<p>Community Guardianship pilot project (Level 1-2) for awaiting trial children commenced in Mitchells Plain and Khayelitsha as pilot sites.</p> <p>10 Prospective carers trained.</p> <p>Ten children have been placed onto this diversion programme on the different pilot sites. At two of the sites assistant probation officers were appointed to conduct the home-based supervision.</p> <p>Level 3: Progress is monitored and 20 children identified to participate in programme. All training completed of prospective guardians and officials.</p>
7.To transform service provision at the department's four places of safety catering for youth awaiting trial.	Service standards developed.	<p>Care plan operational; decision on departmental model for operation taken</p> <p><i>Adjustment to initial planning</i></p> <ul style="list-style-type: none"> <li>-Presentation of framework to manage the development of the co-ordinated approach to restructuring (community-based as well as facility models)</li> <li>-Approval of community-based model and facility model</li> <li>-Approval of co-ordinated implementation strategy for community-based model and facility models</li> </ul>	Develop a model to transform service delivery in departmental places of safety	Co-ordinated implementation strategy (facility and community model implementation) completed and waiting for presentation and approval

## PART TWO

### PROGRAMME PERFORMANCE



**TABLE 20: SUB-PROGRAMME 3.5: SERVICES TO PERSONS WITH DISABILITIES**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
8. Programmes designed for persons with disabilities in rural areas increased by 10% annually.	% increase in services in rural areas.	10%.	10% increase in services in rural areas.	-Situational analysis of needs compiled -Call for proposal from providers completed. - 13 service level agreements signed - Services in rural areas increased by 10%
	Number of learnerships	100	100 learnerships	10 learnerships completed. The following challenges were experienced: -Services SETA was approached for funding. However did not prioritise registering the learnerships. -PSETA-(Public Service Sector Education and Training Authority) has financial problems and is in the process of restructuring. -HW SETA (Health and Welfare SETA) was not able to register the learnership as secretarial and administration was not considered a scarce skill.
9.A model designed, tested and rolled out to transform protective workshops in respect of the disabled.	Complete Design process. Selection of pilot workshops.	Test pilots at six workshops  Monitor and review	Six pilot workshops	Service level agreement signed with service provider to commence with research and developing the co-op model. The research commenced during December 2005.  A total of 10 workshops identified and participated in the research during February 2006.

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 20 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<p>Design of Co-operative Model commenced during March and to be completed by April 2006.</p> <p>Steering committee monitoring the progress of the research.</p>

TABLE 22: SUB-PROGRAMME 3.6: SERVICES TO CHILDREN, WOMEN AND FAMILIES  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
10. To increase the quantity and quality of early childhood development from 50 000 to 75 000 by 2009.	Number of children in ECD programmes	<p>60 000.</p> <ul style="list-style-type: none"> <li>- Continue and monitor upgrading of infrastructure of 83 facilities not meeting criteria for registration.</li> <li>- Consolidate numbers of registered ECD facilities to be funded</li> <li>- Submission to management re funding of new registered facilities.</li> <li>- Monitor registration of upgraded facilities.</li> <li>- Assess the developmental needs of ECD facilities not included in the upgrading process</li> <li>- Commence with the process of addressing minor infrastructural needs at ECD facilities to ensure adherence to minimum standards.</li> <li>- Develop and source and distribute tool-kits for ECD facilities</li> <li>- Evaluation of upgrading process (ECD facilities previously funded by Health).</li> </ul>	75 000 children in ECD programmes	<p>59 900 children in ECD programmes</p> <p>In order to ensure quality access pertaining to reaching rural areas a programme was developed to train 15 home visitors to reach 450 children on farms. This is in addition to the above number of children currently in ECD facilities. This project plan was completed in January 2006 and was implemented from March 2006.</p> <p>In terms of the upgrading of ECD facilities formally funded by the Department of Health serious challenges were experienced i.t.o rezoning issues, lease agreements, permission of owners of land, etc. Currently 52 sites are progressing well and 17 still face challenges.</p>



## PART TWO PROGRAMME PERFORMANCE

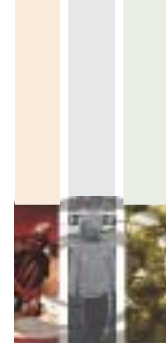


TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<p>Transfer payment agreements were concluded in respect of minor infrastructure of registered ECD facilities to ensure compliance with Minimum Standards as well as the distribution of toolkits to ECD facilities.</p> <p>Additional training was provided to 216 ECD practitioners on HIV/Aids.</p>
<p>11 The department designs and tests a comprehensive approach to ECD provision in two pilot sites.</p>	<p>Number of learnerships per annum</p>	<p>-Monitoring progress with implementation plan of service provider in order to commence with learnerships                      -Monitoring progress with the enrolment of new candidates and actual training programme                      -Commence the process of identification of matriculants for learnerships in the field of ECD                      - Identify service provider/s to manage process of capacity building and training                      -Monitor capacity building project in respect of matriculants</p>	<p>200 learner ships per annum</p>	<p>Level 4 learners:                      -Mitchell's Plein: 22 learners                      -Bellville: 21                      -Khayelitsha: 25                      -George: 20                      -Klein Karoo: 14</p> <p>Level 1 learners                      -14 learners were exposed to a series of workshops on 'How children develop and learn' as well as basic administration skills in order to receive credits to proceed to Level 4.</p> <p>An additional 14 practitioners participated in training provided by the Klein Karoo Resource Centre.</p> <p>Several challenges have been experienced such as practitioners not being able to attend because of no substitute practitioners; the size</p>

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<p>of Group 1 trainers not being cost-effective; practitioners not arriving for interviews and replacements to be arranged; lack of funds for travel as no stipends were paid.</p> <p>The capacity building project i.t.o. matriculants have been incorporated into an EPWP programme that will commence 2006/07.</p>
	A comprehensive ECD sector plan is designed and tested.	<p>-2 Pilot sites selected</p> <p>-First phase of pilot tested</p> <p>-Identification of facilities for upgrading</p> <p>-Identification of skills gaps</p> <p>-Selection of staff for training</p> <p>-Pilot monitored and reviewed with view to roll-out</p> <p>-Training and capacity building</p>	A comprehensive ECD sector plan is designed and tested.	<p>Basket of ECD services tested in Philippi area reaching the following:</p> <p>*11 sites assisted with registration requirements and trained in administrative procedures, first aid, child abuse and management</p> <p>* 6 family community motivators (FCMs) and 11 ECD practitioners instructed in toy making</p> <p>* Audit undertaken of 14 ECD sites to determine needs and capacity to meet standards</p> <p>* 7 Family and community motivators completed training</p> <p>* ECD centres set up for food garden training</p> <p>* 60 families supported through monthly visits by FCM's</p> <p>* 93 caregivers attended cluster workshops</p>

## PART TWO

### PROGRAMME PERFORMANCE



TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<ul style="list-style-type: none"> <li>* 20 ECD practitioners trained on Foetal Alcohol Syndrome(FAS) and 22 community members reached through workshop on FAS</li> <li>* 8 safe houses identified and house mothers trained to enhance safety of children</li> <li>* 23 practitioners trained in child abuse management</li> <li>* ECD practitioners from 14 sites linked to other appropriate SETA accredited training</li> <li>* Partnerships established with other departments and integrated procedural guidelines developed for area</li> <li>* Progress made in first phase of pilot presented to directorates at head office</li> </ul>
12. To re-integrate 120 children living on the streets back into their communities and families per year over the next five years.	Number of children per year	120	120 children per year	<p>Exceeded target- 160 children were reunited with their own families or with families from their local communities. During the second phase of the Smile a Child project which was managed in conjunction with the City of Cape Town emphasis were placed on</p> <ul style="list-style-type: none"> <li>-family reunification</li> <li>-follow-up services</li> <li>-substance abuse interventions</li> </ul>

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
13. To test a service delivery model aimed at transforming service provision on at least 30% of the 40 Children's Homes.	Service delivery model developed. Number of Children's homes selected for piloting new model.	10% children's homes  -Service delivery model approved -Test sites developed and capacitated -Implementation and assess	12 Children's homes selected for piloting new model.	All ten residential facilities in the district of Athlone agreed to pilot the new service. Gap analysis was undertaken and task teams established to investigate how the gaps in service provision can be provided. -District offices and directorates were trained on the new service provision model - A Best practice conference held to launch the new service provision model and Manual of Good Practice - Specialist service provider was contracted to build the capacity of all the role-players in the district on transformation - Specialist service provider engaged to develop operational guidelines to support the implementation of the new Service Provision model for residential care -Audit undertaken to determine the position of all children in the ten residential care organisations
14. To implement a comprehensive plan to transform service provision at the departments three places of safety catering for Child Care Act Children.	Service standards.	Care plan operational; decision on departmental model for operation taken. Adjustment to initial planning  Presentation of framework to manage the development of the co-ordinated approach to restructuring		Co-ordinated implementation strategy (facility and community model implementation) completed and waiting for presentation and approval.

## PART TWO PROGRAMME PERFORMANCE

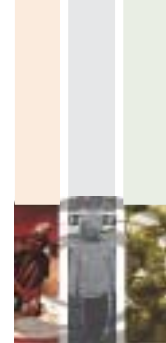


TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
		(community-based as well as facility models) Approval of community-based model and facility model. Approval of co-ordinated implementation strategy for community-based model and facility models.		
15. Programme designed aimed at victims of child trafficking for 60 children.	Number of children reached by 2008.	20 children -Training and capacity building; 20 children admitted -Monitor and review	60 children reached by 2008	Final report presented to all head office directorates by service provider and approval gained for roll out to two areas in 2006/07 ( Beaufort West and Atlantis ) -Feedback to Atlantis community successfully undertaken Exit strategy completed and post pilot plans agreed upon for Atlantis area - Pilot successfully completed with: * 55 children participating in life skills and motivational workshops * 20 sexually exploited children identified for in-depth intervention with 16 actually participating and 12 girls remaining until the end of the case study * 22 lay counselors trained * 30 SAPS personnel trained on sexual exploitation * 100 NGO's and service providers exposed to educational workshops on sexual exploitation

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<ul style="list-style-type: none"> <li>* 228 children receiving direct assistance for a variety of concerns</li> <li>* 500 children participated in children's rights, life skills and empowerment workshops</li> </ul>
16. To pilot a community-based programme for out of school youth (street children) and their families in 3 pilot areas.	Number of Children	100 Children Uitsig. 100 children Happy Valley. 50 children Beaufort West.	250 Children 30 families	<p>Phase 2 of pilot finalised achieving the following:</p> <ul style="list-style-type: none"> <li>*10 community street workers appointed from the three communities.</li> <li>* A pool of volunteers were utilised to assist with holiday and other programmes</li> <li>* Training manual designed on the community street workers with the focus on family preservation</li> <li>* Children hosted a concert for parents and other role-players and portrayed their understanding of their socio-economic conditions</li> <li>*2 Holiday programmes held with 60 children attending in Uitsig and 300 children in Happy Valley.</li> <li>* 8 Children stopped using drugs</li> <li>*42 children returned back to mainstream school during 2005; 5 of whom are currently in Grade 9 in B/West.</li> <li>* Families made continuous/ regular use of street-workers (24 in Beaufort West, 20 in Happy Valley and 25 in Uitsig )</li> <li>* indicators developed</li> </ul>
	Number of families	10 families Uitsig. 10 families Happy Valley. 10 families Beaufort West.		

## PART TWO PROGRAMME PERFORMANCE

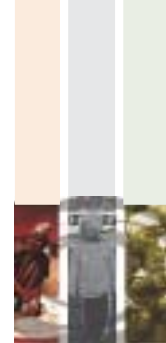


TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
17. Strategy aimed at improving the lives of women and families on farms implemented in three rural areas.	Number of programmes implemented.	Consensus reached on nodal area targeted. Service delivery gaps identified. Improvement plan in place. Implement.	2 programmes	<ul style="list-style-type: none"> <li>- Concerns raised by women on farms brought under the attention of all relevant national, provincial and local government departments; as well as under the attention of all office heads and directorates.</li> <li>-Two inter-departmental meetings held with provincial and national departments wherein all departments agreed to address the concerns as it relates to their department.</li> <li>-Two service delivery intervention gaps identified in two districts and specialist service providers contracted to:               <ul style="list-style-type: none"> <li>* train 30 lay counselors in the Breede Valley district on domestic violence counseling</li> <li>* provide a range of integrated ECD services to farms in the Boland district</li> </ul> </li> <li>- Key concerns that are the responsibility of this department was highlighted and brought under the attention of the appropriate directorates for immediate intervention and as a result hereof:               <ul style="list-style-type: none"> <li>* Social Security held extensive awareness raising on grants and pensions on farms in seven district offices</li> </ul> </li> <li>-One feedback session held with stakeholders in Breede Valley/</li> </ul>
	Number of training/ awareness programmes.			

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				Boland/ Drakenstein municipalities - Progress report submitted to MEC -Agreement reached with Department of Agriculture that they further facilitate inter-departmental engagements since farm worker development is their core business.
18. Training of 400 lay counsellors in rural districts to respond appropriately to victims of domestic violence.	Number of lay counsellors trained. Progress reports.	40	40	32 lay counsellors trained in Overberg district. Training for 30 lay counselors scheduled for April 2006. Objective could not be totally achieved due to the trainer falling ill.
19. To pilot a programme to train and build the capacity of 120 men from 6 areas that can facilitate programmes in their communities to enhance fatherhood and strengthening of family life.	Number of men trained. Programmes in six communities. Service level agreement signed.	Service provider appointed Capacity building and training Monitor and evaluate	60 men	- Four one- day Gender Awareness training workshops held reaching: * 95 people of which 75 were men *Four district offices covering different areas within each district office. * Capacity built within different departments, NGO's and CBO's -A three day Strategic Planning Workshop conducted - Areas of greatest need and highest priority areas were selected including Presidential Nodal Areas and areas of Project Consolidate
20. To pilot a programme to empower 120 boys as a gender-based violence prevention strategy.	Number of boys.	Service provider appointed Capacity building and training Monitor and evaluate	60 boys	-Men's Programme awareness raising brochure designed and widely distributed



## PART TWO PROGRAMME PERFORMANCE

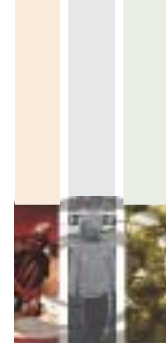


TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<ul style="list-style-type: none"> <li>-Database of organisation offering services to men and boys compiled.</li> <li>-Specialist service provider contracted to achieve objective and following targets reached:               <ul style="list-style-type: none"> <li>* 127 boys trained exceeding the target of 120</li> <li>* Boys participated in a programme to celebrate the International Day of Prevention of Violence against children on 12 December 2005.</li> <li>*Partnership strengthened with WCED who facilitated access to schools and were actively involved in the programme.</li> </ul> </li> <li>-Areas of greatest need and highest priority areas were selected including Presidential Nodal Areas and areas of Project Consolidate</li> </ul>
21. To pilot a parenting skills programme for 90 parents in three pilot areas to strengthen family life and promote family well-being.	Number of parents trained. SLA signed with service provider	Service provider appointed and Phase 1 Phase 2 Phase 3 Monitor and evaluate	90 parents	<ul style="list-style-type: none"> <li>- Specialist service provider contracted to facilitate the training of parents in identified areas and the following were achieved:               <ul style="list-style-type: none"> <li>* Three one day training sessions on Parenting Skills and Leadership were conducted in Laingsburg with parents</li> <li>*9 persons identified to act as resource persons for parents were trained</li> <li>*Selection for parents in Philippi and Vrygrond has been identified</li> </ul> </li> </ul>

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 22 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				* Contact has been established in Atlantis - Training of all 90 parents will be completed by December 2006 -Areas of greatest need and highest priority areas were selected including Presidential Nodal Areas and areas of Project Consolidate namely Beaufort West, Atlantis, Khayelitsha and Philippi - Co-ordination facilitated between the various specialist service providers doing the training of the men, the boys and the families in order to strengthen the interventions

#### Specific Challenges and Issues Requiring Ongoing Attention

- Planning of implementation of legislation
- 25% funding to emerging organization
- Balancing reprioritization and planning e.g. Child Protection Plan, Substance Abuse, Golden Games, Integration of Aged
- Fast-tracking the transfer of funding to service providers.

#### PROGRAMME 4- DEVELOPMENT AND SUPPORT SERVICES

PROGRAMME OBJECTIVES: To contribute towards an enabling environment in which communities and civil society organizations can be mobilized to participate in social development processes.

#### SERVICE DELIVERY ACHIEVEMENTS

- 70 education and awareness programmes that focus on positive living and teenage sexuality have been conducted. Three youth summits in three districts were held to facilitate a bottom-up approach to youth and HIV/Aids programme development. 85 home/community-based

organisations were funded; more than 41% of which were allocated to new, small and emerging organisations. 225 EPWP learnerships in home community based care were facilitated. Guidelines for organisations and social workers working with orphans and vulnerable children were launched.

- A number of local economic development initiatives are in various stages of planning and development in the municipalities where Memoranda of Understanding have been signed. They are: Bitou, Eden District, West Coast, Central Karoo, City of Cape Town municipalities. Examples of these include brick making projects, food gardens and garment making. These sustainable community projects are developed through intergovernmental collaboration.
- Transfer payment agreement was concluded with five service providers to capacitate 86 emerging organisations.
- Nine out of sixteen youth focal points where youth job seekers can attain life skills and are empowered to seek employment have been established. The other seven district offices are in the planning phase of the project.

## PART TWO

### PROGRAMME PERFORMANCE



**TABLE 24: SUB-PROGRAMME 4.1: ADMINISTRATION**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
1. Service delivery priorities have been identified and resources allocated to areas of greatest need by March 2009.	Geographic areas of greatest need have been identified per district office area of operation.	<ul style="list-style-type: none"> <li>-Refine poverty map</li> <li>-Confirm refined poverty map, nodal areas and service delivery gaps and priorities with all district offices and with NGO sector</li> <li>-Focused intervention in nodal areas</li> <li>-Refined poverty map and gaps to be used as basis for planning spread of services</li> <li>-Plan for supplementing service delivery</li> <li>Align resources with service delivery gaps</li> </ul>	<p>Geographic areas of greatest need have been identified per district office area of operation.</p> <p>Resource allocation is targeted at identified number of nodal areas.</p> <p>Resource allocation is targeted at identified number of nodal areas.</p>	<p>Entrenched the implementation of the Policy on Financial Awards and strengthening it. Emphasis on entrenching the transformation imperatives as highlighted in the policy focusing on:</p> <ul style="list-style-type: none"> <li>-Equity and redress</li> <li>-increased accountability</li> <li>-department becoming a 'buyer of services'</li> <li>-scientific based approval to financing</li> <li>-development and refinement of transformation supporting administrative tools.</li> </ul>

**TABLE 26: SUB-PROGRAMME 4.2: YOUTH DEVELOPMENT**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
2. 2300 unemployed youth are empowered with skills through the opportunities created by the EPWP.	<ul style="list-style-type: none"> <li>Number of ECD learnerships</li> <li>Number of internships in funded organisations</li> </ul>	<ul style="list-style-type: none"> <li>-Monitoring progress with implementation plan of service provider in order to commence with learnerships</li> <li>-Monitoring progress with the enrolment of new candidates and commencement of actual training programme</li> <li>-Monitoring progress of actual training/ learnership programmes</li> </ul>	200 youth	<p>1979 Youth capacitated as follows:</p> <ul style="list-style-type: none"> <li>· 24 youth learnerships at Wolwekloof academy</li> <li>· 50 interns appointed to run youth desks at district offices</li> <li>· 35 interns attached to food emergency scheme</li> <li>· 10 internships for disabled learners</li> <li>· 400 Brawam Siswam youth mentorships for school going youth</li> </ul>

## PART TWO

### PROGRAMME PERFORMANCE

TABLE 26 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
		<ul style="list-style-type: none"> <li>-Commence the process of identification of matriculants for learnerships in the field of ECD</li> <li>- Identify service provider/s to manage process of capacity building and training</li> <li>-Monitor capacity building project in respect of matriculants</li> </ul>		<ul style="list-style-type: none"> <li>· 500 youth attached to ECD infrastructure upgrading</li> <li>· 138 youth ECD practitioners trained in ECD on level 1 and 4</li> <li>· 225 youth trained in HBC in the HIV/ AIDS sector</li> <li>· 128 youth involved in the population estimates update in Khayelitsha</li> <li>· 140 youth interns attached to NGO's</li> <li>· 60 youth involved in measuring the stock of social capital</li> <li>· 269 youth attached to district offices to facilitate older persons clubs for the Golden Games</li> </ul>
3. Provision of an enabling environment where youth job seekers can attain life skills and empowered to seek employment.	Number of youth focal points established.	<ul style="list-style-type: none"> <li>-Guidelines available</li> <li>-2 Guidelines provided to District Offices</li> <li>-Training workshop</li> <li>-District office visits</li> <li>-Youth focal points established</li> <li>-Evaluation report</li> </ul>	16 youth focal points	Nine out of 16 youth focal points have been established. Other seven districts are still in planning phase.
4. Implement three special projects for youth development in collaboration with government departments, local authorities and private initiatives.	Number of special programs implemented.	<ul style="list-style-type: none"> <li>-Results of assessment of business plan. SLA signed</li> <li>-Facilitate recruitment with district offices</li> <li>-Youth co-ordinator training</li> <li>-Monitor implementation</li> <li>-Participate in youth feedback.</li> <li>-Capacity building.</li> </ul>	Three special programs, funded by the department, are implemented	Three special programmes, funded by the department, are in various stages of implementation for youth development: -EFSA -Ukuthwalana -Wolwekloof
5. A reduction in the school dropout rate in grades 9-11 by 70%.	A peer-mentoring programme is developed for learners from Mitchells Plain, Khayelitsha, Guguletu, Manenberg (number of learners per school).	<ul style="list-style-type: none"> <li>-Service level agreement with UWC and Department of Education</li> <li>Iro Launch of Brawam - Siswam</li> <li>-Implementation of programme</li> <li>-Evaluation</li> </ul>	200 learners	The peer-mentoring programme was implemented and the pilot was completed in the third quarter. The pilot was evaluated and a strategic plan was

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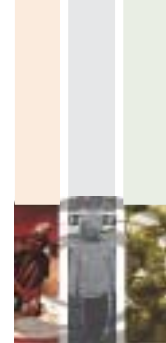


TABLE 26 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				completed for the continuation of the project. It connects 400 risk vulnerable learners from high schools in Khayelitsha, Gugulethu, Mitchell's Plain and Manenberg with 200 students from UWC who perform the role of mentors to the learners. The number of learners increased from 400 to 800 learners.

TABLE 28: SUB-PROGRAMME 4.3: HIV/AIDS  
Specification of measurable objectives and performance indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
6. To develop and implement an awareness raising strategy that will focus on positive living and teenage sexuality.	Number of education and awareness programmes conducted.	3 youth Projects.	84 education and awareness programmes conducted.	70 education and awareness programmes conducted.
		8 places of safety.		
		De Novo Youth Treatment Centre.		
		Per district office.		
				Youth summits held in three districts. These districts are Vredendal, Athlone, and George. A total of approximately 550 youth were reached. These youth were representatives of approximately 89 organisations and clubs working with youth in the province. They will report back to their broader constituencies. The summits were intended to facilitate a bottom up approach to youth and HIV/Aids programme development.

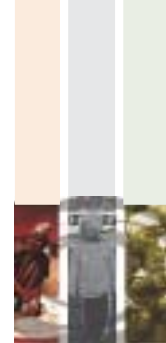
## PART TWO

### PROGRAMME PERFORMANCE

TABLE 28 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
7.To increase the number of home/ community-based care projects from the current 119 care providers by 10% per year over the next five years in the high-prevalence areas.	Number of home/ community- based care initiatives.  Number of EPWP learnerships.	-Appraise service proposals -SLAs with service providers -Implementation -Monitoring and evaluation  200 learnerships.	28 home/ community- based care initiatives.  200 learnerships.	85 Home/community-based (HCBC) organisations funded.  More than 41 % of funding to HCBC organisations went to new small and emerging organisations.  225 learnerships 115 in the Metro 110 in Overberg and Southern Cape
8. Design and implement an HIV/AIDS service delivery model for orphaned and vulnerable children.	Service delivery model developed and implemented	-Consolidate partnerships with existing service providers. -Launching and Implementation of HIV/AIDS Service Delivery Model for orphaned and vulnerable children -Implementation and monitoring of HIV/AIDS Service Delivery Model for orphaned and vulnerable children -Evaluation	Service delivery model developed and implemented	Partnerships with existing service providers consolidated, particularly Western Cape-Child Welfare Famsa, NACOSA-Chain. Guidelines booklet on working with families affected and infected by HIV/AIDS completed by FAMSA. Referral guidelines on working with OVCs launched by Child Welfare Society. Compilation of relevant literature on OVC undertaken. Currently preparing for the engagement with internal and external stakeholders.

## PART TWO PROGRAMME PERFORMANCE



**TABLE 30: SUB-PROGRAMME 4.4: POVERTY ALLEVIATION**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
9. The poverty reduction strategy is implemented.	Poverty reduction programmes implemented.	Facilitate Implementation of integrated poverty reduction programmes in 3 district municipalities and one metro area by supporting targeted district offices in the implementation of their planned programmes	Three district municipalities and one metro	Programmes implemented in and support provided to the following municipalities: West Coast, Cape Winelands and Central Karoo District Municipalities and Cape Town Unicity. The point of entry into these district municipalities and Unicity comprised of ECD core programmes, income generation core programmes and Food Security core programmes.
10. Integrated programme is piloted and implemented in 4-targeted areas.	-A shift from traditional funding of projects to development programmes. Specific project plans developed and aligned with poverty reduction strategy. -service delivery plans must be aligned to the poverty reduction strategy.	-Cluster of projects are funded as programme -Review of funding programmes continues -Monitoring and reporting  Revised as: 1. Facilitate the assessment of previously funded projects to determine their suitability for packaging into new and/or existing poverty reduction programmes. 2. Facilitate the development and implementation of additional poverty programme components for Cape Town metro poverty reduction programme. 3. Facilitate the development of monitoring, evaluation and review and system to be developed for poverty reduction programmes.	A shift shifted from traditional funding of projects to development programmes. Specific project plans developed and aligned with poverty reduction strategy. -service delivery plans must be aligned to the poverty reduction strategy.	Programme clustered for impact in the targeted areas: -Capacity building -Food production -Marketing -Women development -Local economic development, example brick-making -Strengthening of networks  Draft monitoring and reporting tool developed and ready for testing.

## PART TWO

### PROGRAMME PERFORMANCE

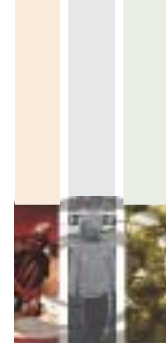
TABLE 30 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
11. Integrated poverty reduction plans and programmes are supported by no less than 3 additional departments.	Integrated plans and programmes are adequately sourced by relevant departments	1. Provide logistical and technical support for the establishment of an interdepartmental forum to enable the transversal integration of poverty reduction efforts across government departments. 2. Provide information and technical support to departmental efforts to obtain provincial social cluster approval for the implementation of integrated poverty reduction programmes.	Integrated plans and programmes are adequately sourced by five departments	<p>Interdepartmental committee established with Department of Labour, Public Works, Education, Water Affairs and Forestry and Agriculture, re agreement on need for co-ordinated planning, development, implementation and resource mobilization with respect to poverty reduction initiatives.</p> <p>-Stakeholders, namely business, civil society and Labour have been successfully consulted.</p> <p>Provincial social cluster, Cabinet and technical committees briefed.</p>
12. At least 24 Memoranda of Understanding are entered into by provincial government departments and local authorities as well as service providers by 1 March 2008.	24 Memorandum of Understanding are signed between the department and local/district municipalities.	1. Assist Ministry with logistical support for MOU signing as required. Time frames for MOU signing determined by Ministry's programme.	Four MOU's	MOUs signed with two local B Municipalities, namely, Bitou and Saldanha Bay and one district municipality – Central Karoo District Municipality. Service level agreements concluded with Bitou Municipality, Eden District Municipality and Central Karoo District Municipality for implementation of poverty reduction programmes.



## PART TWO

### PROGRAMME PERFORMANCE



**TABLE 32: SUB-PROGRAMME 4.5: NPO AND WELFARE ORGANIZATION DEVELOPMENT**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
<p>13. Facilitation and strengthening of existing and emerging networks in the 3 Nodal Areas</p> <p><i>Revised to read as follows:</i> Facilitation and strengthening of existing and emerging networks in areas of greatest need and highest priority</p>	Benchmarks developed and met	<p>-Gap analysis</p> <p>-Capacity building and training</p> <p>-Capacity building and training</p> <p>-3 in nodal areas</p>	Capacity building and training	Transfer payment agreement concluded with five service providers to capacitate 86 emerging organisations. Additional training was provided to: -216 ECD practitioners on HIV/Aids and -350 social workers on child protection.
<p>14. Workshops that target 1300 service providers and stakeholders are conducted in respect of ECD, family policy, draft comprehensive Child Care Bill, Child Justice Bill, Phase Two of Policy on Financial Awards, that is, costing models; Ministerial Advisory Committee, Draft Bill on Older Persons.</p>	<p>Number of service providers involved in workshops</p> <p>Number of workshops</p>	<p>Workshops conducted around seven key listed areas</p> <p>Workshops conducted at head office and with district offices to facilitate implementation of Monitoring and Evaluation Directorate.</p>	1 300 service providers	Targets exceeded by 20%

#### **SPECIFIC CHALLENGES AND ISSUES REQUIRING ONGOING ATTENTION**

Community prevention and awareness programmes and monitoring and evaluation of organizations hampered by the lack of HIV/AIDS dedicated posts in the districts.

#### **PROGRAMME 5- POPULATION DEVELOPMENT AND DEMOGRAPHIC TRENDS**

PROGRAMME OBJECTIVES: To provide the necessary demographic and interpretive capacity to all provincial departments, but specifically to provincial departments

of social development at both the provincial and local levels of government in terms of the population development policies, social development service needs (social security and social welfare demographic and demographic trends) and general government policies.

#### **SERVICE DELIVERY ACHIEVEMENTS**

- In excess of 200 poverty maps have been printed
- Six research reports have been completed and another six are in progress.
- Staff trained in technical skills has been able to successfully apply their skills in various initiatives.

## PART TWO

### PROGRAMME PERFORMANCE

**TABLE 34: SUB-PROGRAMME 5.2: RESEARCH AND DEMOGRAPHY**  
Specification of Measurable Objectives and Performance Indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
1. To have a working measurable definition/ set of definitions to measure poverty	Poverty Definition Document	Working poverty definition	A working set of Poverty Indicators	Project still in progress. Completion only expected in July 2006
2. To have 200 up to date poverty maps in the province based on the measurable definitions	Number of Poverty Maps printed and distributed	1 Province plus 4 local government	200 poverty maps printed.	In excess of 200 maps printed, using existing poverty indicators, thus exceeding the target.
3. To annually measure levels of poverty in the province.	Annual state of the province poverty report	1 report	Poverty measures updated annually using poverty indicators	Poverty Indicator development still in progress. Completion date within this financial year.
4. Seven appropriate and relevant research projects are completed in line with the departmental research strategy	Number of research reports undertaken	Six projects	Six research reports completed.	Completed: 1) Situational Analysis of Children 2) Indicator Development Phase 1 (ECD and Child Protection) 3) Family Research 4) Vredendal ECD project 5) Khayelitsha Population Register Update 6) Population Projection Model In progress: 1) Orphans and Vulnerable Children report 2) Project Hope (Teenage Pregnancy) 3) Social Capital – Measuring stock amongst youth 4) Desktop Migration Report 5) Research on the Elderly 6) Population Monitoring and Evaluation

## PART TWO

### PROGRAMME PERFORMANCE

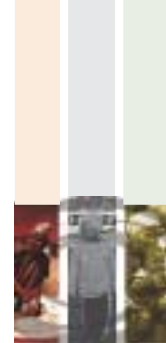


TABLE 34 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
5. To have integrated population variables in to the IDP process of at least 4 local governments	Municipal IDP Reports reflect population variables	Four new municipalities	4 municipalities	The following municipalities have integrated population variables into their IDP's: <ul style="list-style-type: none"> <li>- City of Cape Town</li> <li>- Khayelitsha &amp; Philippi</li> <li>- Saldanha</li> <li>- Matzikama</li> <li>- Beaufort West</li> <li>- Prince Alfred</li> <li>- Laingsburg</li> <li>- Central Karoo</li> <li>- Eden</li> </ul>



## PART TWO

### PROGRAMME PERFORMANCE



**TABLE 36: SUB-PROGRAMME 5.3: CAPACITY DEVELOPMENT AND ADVOCACY**  
Specification of measurable objectives and performance indicators

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
<p>6.To ensure that all staff in the directorate have the necessary technical skills in social research and demography</p> <p><i>This measurable objective has been adjusted to read:</i></p> <p>To ensure that the department have the necessary technical skills in social research and demography</p>	<p>Staff Skills development profiles</p> <p>This performance measure has been revised as follows:</p> <ul style="list-style-type: none"> <li>-Number of demography training sessions attended by staff.</li> <li>-training used to produce outputs</li> </ul>	<p>12 staff trained in:</p> <ul style="list-style-type: none"> <li>a. GIS intermediate</li> <li>b. SPSS intermediate</li> <li>c. Supercross advanced</li> </ul>	<p>12 staff trained in:</p> <ul style="list-style-type: none"> <li>a. GIS intermediate</li> <li>b. SPSS intermediate</li> <li>c. Supercross advanced</li> </ul>	<p>Staff training:</p> <ul style="list-style-type: none"> <li>a) 1 Nexus Lead course</li> <li>b) 1 Malta University Population Projection training</li> <li>c) 9 GIS/GPS training</li> <li>d) 12 SPSS training</li> <li>e) 3 SuperCross Training</li> <li>f) 2 IDP Course</li> <li>g) 305 Survey Field Workers</li> </ul> <p>The following was achieved as the result of the application of the training:</p> <ul style="list-style-type: none"> <li>-enhanced management skills in population matters (Nexus Lead course)</li> <li>-ability to do population projections and promote capacity building around population projects. (Population projection training)</li> </ul>

## PART TWO

### PROGRAMME PERFORMANCE

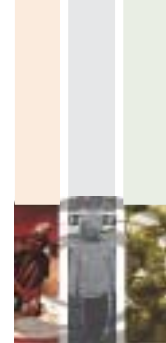


TABLE 34 CONTINUED

Measurable objectives	Performance Measure	Planned Outputs 2005/06	Actual Performance Against Targets	
			Target	Actual
				<ul style="list-style-type: none"> <li>-in excess of 200 maps produced (GIS training)</li> <li>-produced numerous community profiles (Supercross training)</li> <li>-completed data analysis for six research reports (SPSS training)</li> <li>-the Khayelitsha Population Register Update Project and the Social Capital Research Project utilized the skills of the trained survey field workers.</li> </ul>
7.To have a skills development plan in place to equip government planners and policy makers with the necessary demographic skills required to effectively execute their functions	Provincial capacity building programme	At least 25 staff in the province	At least 25 staff in the province	<p>Provincial capacity building programme is in draft form and is in the process of being finalised in this financial year.</p> <p>30 people from all spheres of government have been part of the initial training process; 17 of whom completed training in Spectrum Population Projection Modeling phase 1.</p>

#### SPECIFIC CHALLENGES AND RESPONSES

Managing the logistical arrangements of temporary research workers was a major challenge.

## PART THREE

### REPORT OF THE AUDIT COMMITTEE

#### Provincial Government Western Cape

#### Department of Social Development (Vote 7) Audit Committee Report for the Financial Year Ending 31 March 2006

We are pleased to present The Audit Committee report for the above-mentioned financial year ended 31 March 2006.

#### AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The audit committee consists of the independent members listed hereunder is required to meet at least 4 times per annum as per its approved Terms of

Reference. During the past financial year, 6 meetings were held.

Members for the year	No. of meetings attended
Prof P le Roux (Chairperson)	6
Ms A Jones	5
Ms M Plaatjie	4
Mr. J Smith	2

At the end of the financial year three new members, Ms Downs, Adv Mdludlu and Ms van der Poll were appointed, and Prof le Roux and Ms Jones were reappointed. The new appointments bring legal and auditing expertise to the committee which was much needed during the year under review.

#### AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied to the best of its ability with its responsibilities arising from Section 38 (1) (a) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulation 3.1.13 and 27(1) (10).

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, and has to the best of its ability regulated its affairs in compliance with this charter.

#### EFFECTIVENESS OF INTERNAL CONTROLS

The Audit Committee noted the implementation of LOGIS at Head Office during the last quarter of the financial year. LOGIS aims to regulate and control procurement and manage assets electronically. This system has however, at the time of this report, not been fully implemented throughout the department. The Audit Committee is of the opinion that this system can only meet the minimum requirements of Treasury in the short term. To ensure an effective Asset Management system that meets all the

requirements of Treasury, Asset Management systems which are available locally needs to be investigated. A comprehensive Asset Management system could provide the correct cataloguing of assets, their value and location and details of the official responsible for their safekeeping. Assets also need to be correctly bar coded. Once this is done, annual stocktaking will be efficient, values of assets correctly recorded and depreciation taken into account. In addition, any discrepancies will be identified immediately.

As reported below, the internal auditors highlighted a number of critical and significant weaknesses in internal controls. The department reported to the Audit committee that, where appropriate, it was taking the necessary steps to address the weaknesses.

#### INTERNAL AUDIT

The Audit Committee notes with concern, as it did in its earlier reports, that during the year under review, proper audit coverage of all the high risk areas in the department was not obtained. This is as a result of the limited budget available to the Sihluma Sonke Consortium to roll out the Internal Audit service to the province and the slow progress made by province in building internal capacity.

An operational plan for the financial year ending 31<sup>st</sup> March 2006 was accepted and implemented. Internal audits were conducted in respect of monitoring and evaluation, payment to the service providers, payments to the NGO's, evaluation of NGO

## PART THREE

### REPORT OF THE AUDIT COMMITTEE



applications and records management in the Registry. In respect of each of these areas, critical and significant control weaknesses were identified. We noted the department's response to the issues above.

#### FORENSIC INVESTIGATIONS

The Audit Committee has received reports on forensic investigations conducted. During the year under review, as was the case during the previous year, the biggest single investigation reported by the Forensic Investigative Unit pertained to a large number of civil servants who were also receiving grants. We note with approval that disciplinary hearings, court cases and dismissals were successfully instituted against a significant number of civil servants.

#### INFORMATION TECHNOLOGY AUDITS

The Audit Committee accepted the report on the IT audits. Grant payments will in future no longer fall under this department but is becoming the responsibility of SASSA. However, the Audit Committee noted with approval that the replacement of the antiquated SOCPEN system is being investigated. The issues raised by the IT audits will be monitored by the Audit Committee in the next financial year.

The quality of in-year management and monthly / quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee has not reviewed the quality of in-year management and monthly/ quarterly reports submitted in terms of the Division of Revenue Act, but have relied on the feedback from the Auditor General who has not reported adversely in this regard.

#### EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has evaluated the annual financial statements of the department and has reviewed the Auditor General's report for the 2005/06 financial year.

We have noted the audit opinion that the financial statements do, in all material respects, reflect the financial position of the department, and noted that

there were no qualifications to this opinion. However, the Auditor General drew attention to the need for improving Asset management, Leave management and problems with regard to the collection of receivables, overpayments and transfer payments.

The Audit Committee is of the opinion that the LOGIS system will not be able to meet all the requirements of an Asset Management system and wish to recommend strongly that the department should acquire a more suitable system.

The Audit Committee wishes to emphasize that every effort should be made to avoid overpayments from the outset. However, it must be noted that the more diligent the department is in reviewing grant payments, the more likely it is that overpayments will be discovered.

The Audit Committee noted that the department was taking steps to deal with the issues surrounding grant payments and transfer payments.

The Audit Committee concurs with and accepts the Auditor General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted together with the report of the Auditor General.

#### APPRECIATION

The Audit Committee wishes to express its appreciation to the Provincial Treasury, Officials of the department, the Auditor General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.

**PROF P J DU PRÉ LE ROUX**

CHAIRPERSON OF THE PROVINCIAL GOVERNMENT  
WESTERN CAPE SOCIAL DEVELOPMENT AUDIT  
COMMITTEE

10 August 2006







## 4.1. MANAGEMENT REPORT AND APPROVAL FOR THE YEAR ENDED 31 MARCH 2006

Report by the Accounting officer to the Executive Authority and the Western Cape Provincial Parliament.

### 4.1.1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

- **Policy decisions and strategic issues facing the department:**

Section 75 of the Children's Bill has been approved by Parliament and the department has received money to train staff to implement the Bill. Full implementation of the Bill will have significant human and financial resource implications.

The status of the Child Justice Bill remains unchanged and we operate in the spirit of the Bill to protect and promote the rights of children in conflict with the law.

An Integrated Provincial Early Childhood Development strategy was developed in partnership with the departments of Health and Education. It was also comprehensively consulted with a wide range of role-players and was endorsed as provincial policy by cabinet in November 2005.

The Integrated Service Delivery Model for developmental social services was approved by MINMEC and launched in the Western Cape. Its purpose is to provide a national framework that clearly determines the nature, scope, extent and level of work for developmental social services, and a basis for determining norms and standards for service delivery.

In the absence of a Departmental Strategy on Youth Development, a strategy based on National Policy on Youth Development, for the establishment of Youth Focal Units that focuses on a holistic approach to Youth Development was developed.

A systematic implementation strategy for the implementation of the Policy on Financial Awards, focused on democratising service delivery, promoting equity and redress with regard to resource provisioning, whilst providing greater access and opportunities to new and emerging organisations, previously operating on the fringes of the funded mainstream service delivery system.

The South African Social Security Agency Act (SASSA) 2004 was promulgated in November 2005 which paved the way for the establishment of SASSA with effect from 1 April 2006. Due to the fact that SASSA could not appoint its own support staff before 1 April 2006, an agreement was reached that the Department of Social Development will continue to render support services to SASSA during 2006/07 or earlier depending on SASSA readiness.

The department as a stakeholder provided input towards the design of the flood policy 2005 for the City of Cape Town.

- **Significant Events**

June 16 was marked by a collaborative youth event that was co-ordinated by Department of Sport and Culture. Each Social Development district office hosted its own events.

The district office in Worcester hosted a Ministerial Imbizo focussing on youth development.

The launch of the Wolwekloof Learning Academy, which is collaboration between different departments, Municipalities (Cape Winelands District Municipality and Witzenberg), Youth Commission and other stakeholders, took place on 24 February 2006. The official renovation of the site started in March 2006.

The focus of Social Development month was on children and the events that were organised included a Toy Run to assist Early Childhood Development (ECD) facilities as well as a school uniform drive to assist learners at a primary school in Ladysmith.

The Launch of the Child Protection Update – this newsletter was launched at the end of June 2005. The objectives included amongst other, the need to ensure commonality among service providers, regarding child protection and to ensure that child protection workers are kept abreast of new trends and new policies relating to child protection.

Child Protection Month – this period, 29 May 2005 to 30 June 2005, saw co-ordinated efforts by many organisations and the department working together towards highlighting the importance of protecting children.

A Departmental Transformation Plan was developed which necessitated the alignment of the organisational structure. The Provincial Cabinet has approved a



## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

new organisational structure for the department in December 2005. The structure concentrates on giving effect to the cost centre approach as well as attaining the goals of iKapa eLihlumayo.

The department conducted several Imbizos during the financial year and combined it with extensive door-to-door campaigns to evaluate the services rendered by the department in specific areas.

A Memorandum of Understanding was signed between the Member of the Executive Committee (MEC) and the National Minister of Social Development on 3 April 2005 making the MEC responsible to manage the establishment of South African Social Security Agency (SASSA) in the Western Cape. As part of this agreement a comprehensive business plan for the establishment of SASSA was developed and forwarded to the National Minister for approval.

Staff from the Social Security Unit of the department was transferred to SASSA. The regional office of SASSA was established and head office social security staff moved to the new Regional Office. District office social security staff remained at the various district offices of the department and will remain there until alternative accommodation could be found for them.

As it was foreseen that SASSA will not be operational by 1 April 2006, a Service Level Agreement was signed on 27 March 2006 between the National Department of Social Development, Provincial Department of Social Development and SASSA to enable the Provincial Department of Social Development to render corporate support services to SASSA until 31 March 2007 or until SASSA will be able to function independently.

During the month of February 2006 the department went live on LOGIS.

#### • Major Projects

The focus of the special programmes for youth development is on building the capacity of young people through skills development and training and to prepare them for the world of work.

An initiative that flowed from these special programmes is the implementation of youth internships within the NGO sector. Five funded network organisations agreed to accommodate these trained young people in a remunerated internship for 12 months.

In terms of the drought disaster declaration, the department assisted the Department of Agriculture to complete applications. The department played an important role in the structures for the verification of the applications received and the submission thereof to Provincial Cabinet for endorsement of the applications and for payment purpose. Payments will take place during the 2006/07 financial year.

As part of the first 100 days of Government, 12 additional medical officers were appointed to assist with the backlogs in medical assessments of applicants for the grant for the disabled. The 4 064 backlog cases were dealt with.

A total of 19 Inter-Generational programmes were funded during 2005/06 financial year. The number of beneficiaries that were involved in these programmes includes 2 953 older persons and 5 312 young persons.

Due to the lack of services to disabled persons in rural areas of the province, emphasis was placed on the fast tracking of the rollout of services to rural communities. A total of thirteen Non-Governmental organisations situated in rural communities were funded to facilitate the various programmes, all targeting persons with disabilities.

The Child Protection Register has been rolled out to all sixteen districts. The system will provide us with a true reflection of the prevalence and scope of child abuse in our province. Currently, the upgrading of the Child Protection Register as well as the introduction of an integrated surveillance system that would capture all cases of child abuse within the province is being explored.

The Provincial Child Protection Committee was re-established during August 2005 and remains the most representative of all child protective structures. This committee focuses primarily on issues pertaining to children, joint programme development, and joint strategic plans and advocating on behalf of children within the province.

The department undertook various processes to ensure quality services and the holistic development of pre-school children. Infrastructure upgrading of 138 facilities previously funded by the Department of Health commenced and will enable ECD facilities to register in terms of the Child Care Act 74/83. Practitioners of these facilities are also being trained.

## PART FOUR ANNUAL FINANCIAL STATEMENTS



The department also contracted a service provider for the minor infrastructure upgrading of registered facilities to ensure that they comply with the standards for the two-yearly assessment of their registration. Teaching and learning equipment as well as outdoor equipment is in process of being distributed to 429 facilities and practitioners will be trained to use the equipment as part of the holistic development of children.

As part of the establishment of SASSA in the Western Cape, a regional office was established during January 2006.

A project to review the circumstances of beneficiaries receiving their payments through the bank or through procurators and administrators was undertaken. 123 518 notifications were sent out to beneficiaries. Thus far 21 468 cases were updated on the system and 1 788 cases were either deceased or lapsed. 100 262 Beneficiaries still need to visit the district offices or submit a life certificate. This is an ongoing project that will be finalised with the cancellation of grants of those who will not respond.

The department once again embarked on an extensive marketing campaign to raise awareness of the qualifying age of the child support grant to children up to the age of 14 years as well as all other grant types. 173 572 children were registered from the age of 7 to under 14 years at the end of the financial year.

During November 2005 discussions were held between the Minister, the Department and the Black Sash regarding an educational program for beneficiaries at pay points envisaged by Black Sash in respect of the Money lender problem. The monetary allocation from the department must now be made to commence the educational programme.

The National Department of Social Development has approved a tender to implement a new business process for the processing of social assistance applications. Western Cape was one of the three Provinces where the business process was piloted. The pilot was held at Bellville District Office. With the resources in place it is possible to register an applicant on the system and provide the applicant with an award/rejection letter in one day.

The department in partnership with the National Department of Social Development has developed a

new process to medically assess applicants for disability grants during the 2005/06 financial year. The process will result in a more effective assessment service which will introduce stricter controls to ensure that all beneficiaries on the system qualify for their grants. The process will be piloted in the Western Cape and will then be rolled out to the other Provinces.

“Operation Isidima” (dignity) were continued during the financial year as part of the seamless transition to SASSA in the Province. The project comprised of the following smaller projects that affected the effectiveness of the grant system in the Western Cape:

- Cancellation of temporary disability grants
- Review project to clean up the SOCPEN database
- Reducing backlogs of grant applications
- Improving the facilities at all pay points to adhere to national norms and standards.

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### • Spending trends

For the 2005/06 financial year an amount of R4 917 483 000 was originally allocated to the department. During the Adjustments Estimate 2005, a further amount of R15 948 000 was appropriated which resulted in a final allocation of R4 933 431 000.

The department received funds in respect of three (3) conditional grants to the amount of R4 265 028 000 from the National Department of Social Development, which are included in the final budget allocation.

The following conditional grants received were allocated:

• Social Assistance Grants and administration thereof	:	R 4 238 905 000
• Integrated Social Development	:	R 20 034 000
• HIV/Aids (Community-based care)	:	R 6 089 000

Of importance is to take cognisance of the fact that the conditional grant: Social Assistance Grants and administration thereof was previously part of the equitable share allocated to provinces.

During the Adjustments Estimate for the 2005/06 financial year a budget allocation to the amount of R15 948 000 was appropriated.

From Provincial Revenue Funds:

Revenue retention	:	R 10 369 000
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To other Votes:

Vote 8: Housing and Local Government as a contribution for the N2 Gateway project	:	R 6 300 000
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The following amounts were carried-over from the 2004/05 financial year and was approved during the Adjustments Estimate for the 2005/06 financial year:

Conditional Grants:

One-Stop Child Justice Centre	:	R 794 000
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Food Emergency Relief Grant	:	R 16 222 000
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Other	:	
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Defrayment of computer equipment already ordered in the 2004/05 financial year but delivered only during the 2005/06 financial year	:	R 1 023 000
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Due to the establishment of the South African Social Security Agency (SASSA) the revenue generated through interest on advances was paid to the National Department of Social Development. An under-recovery is projected on the original budget.	:	R 6 160 000
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**The financing sources of the 2005/06 were as follows** :

From the Provincial Revenue Fund	:	R 668 403 000
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From the National Department of Social Development	:	R 4 265 028 000
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## PART FOUR

### ANNUAL FINANCIAL STATEMENTS



The department is not a revenue-generating department and thus only an amount of R1 200 000 was collected in respect of other receipts and was paid into the Provincial Revenue Fund. The amount was mainly received from the following sources:

- Receipts previous years
- Debt recovery
- Sales of goods and services
- Financial transactions in assets and liabilities.

During the Adjustments Estimate for the 2005/06 financial year the department declared unspent funds to the amount of R6 300 000 which were shifted to Vote 8: Housing and Local Government. This was mainly due to the delay in the implementation of the Department's Cost Centre Model.

Under - / Overspending:

The department declared unspent funds for the 2005/06 financial year to the amount of R 99 338 000.

The unspent funds are due to the following:

- The Departmental Cost Centre Model not being implemented.
- The process of building the One-Stop Child Justice Centre was delayed.
- The non-filling of vacancies at Places of Safety due to the restructuring of the facilities.
- The delay in the establishing of local offices for the South African Social Security Agency (SASSA)
- The decrease in the projected number of applicants for social assistance grants.
- The department incurred savings due to the rendering of support service to the South African Social Security Agency (SASSA) for which claims were submitted at the end of the financial year.
- Campaigns that lead to the removal of fraudulent beneficiaries and making potential fraudsters aware of the zero tolerance policy on fraud and corruption.
- Cancellation of temporary disability grants.

In terms of Treasury Regulation 6.4.1 the department applied for the amount of R 8 707 000 of the unspent funds to be carried-through to the 2006/2007 financial year in respect of the Department of Social Services and Poverty Alleviation to address the following areas:

• Building of a One-Stop Child Justice Centre	R 794 000
• The enhancement of the Electronic Data Management System (EDMS)	R 828 000
• The implementation of extended substance Abuse programs to address the problem within the context of the Provincial Substance Abuse Strategy	R 5 000 000
• The refurbishing of offices due to the establishment of the Departmental Cost Centre Model	R 2 085 000

The amount of R 32 307 000 was surrendered to the Provincial Revenue Fund as in terms of Treasury Regulation 6.4 only 5% of unspent funds is allowed for roll-over.

The department submitted an application for the roll-over of the amount of R 58 324 000 in respect of social assistance grants to the National Department of Social Development as the administration of social assistance grants will with effect from 1 April 2006 be administered by the South African Social Security Agency (SASSA). It will no longer form part of the Provincial Department of Social Services and Poverty Alleviation.

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#### 4.1.2. SERVICE RENDERED BY THE DEPARTMENT

- a) Effective and quality social welfare services to poor and vulnerable individuals and communities by facilitating policies, funding, guidance and support to non-profit organisations (NPO's) and other social welfare service providers.

Contributing towards an enabling environment in which communities and civil society organisations can be mobilised to participate in social development processes.

Provision of the necessary demographic and interpretative capacity to the department and province in terms of population development policies, social development services needs and general government policies.

Poverty alleviation initiatives including food relief.

- Overall management.

- b) Tariff policy

None of the services rendered by the department were subject to any tariff.

- c) Free Services

This department rendered no free services, which would have yielded significant revenue, had a tariff been charged.

- d) Inventories

List the inventories on hand, at year-end:

- Domestic consumables
- Agricultural
- Learning and teaching support material
- Food and food supplies
- Fuel, oil and gas
- Other consumables
- Parts and other maintenance material
- Sport and recreation
- Stationery and printing
- Medical supplies

The costing method used by the department is the average price. There is no difference between the average and unit price at the moment as all stock on inventories have been loaded during implementation

of the Logistical Information System (LOGIS), thus no price difference could occur. However, the implementation and roll out of the LOGIS at district offices and facilities would occur during the 2006/07 financial year.

#### 4.1.3. CAPACITY CONSTRAINTS

Human Resource challenges facing the Monitoring and Evaluation Directorate include staff shortage for post auditing and fraud investigations. There is a lack of skills to follow up on allegations of fraud at funded organisations. Even though the function of investigating funded organisations has been outsourced to Directorate: Forensic Audit in the Office of the Premier, it still remains a challenge for the department to upgrade its current fraud unit with the necessary skills to perform the functions internally. 14 Contract workers have been appointed to upgrade/assist in the functions of post auditing and the investigation of beneficiary fraud; however the challenge in decentralising the functions to meet the criteria of the cost centre remains.

#### 4.1.4. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

- a) Transfer payments in respect of the poverty alleviation, amounting to R 47 529 000 was transferred to various Non-Government, Community-Based and Faith-Based Organisations and municipalities to address food security, short and medium term job creation and capacity building and skills development initiatives.
- b) Funds for the building and upgrading of multi-purpose and youth development centres were transferred to the following municipalities:
- City of Cape Town in respect of Khayelitsha and Mitchell's Plain Multi-purpose Centres
  - Cape Winelands in respect of Wolwekloof Youth Development Centre
  - Cape Winelands in respect of Ceres Multi-purpose Centre
  - Eden in respect of Oudtshoorn Multi-purpose Centre
  - Overberg in respect of Caledon Multi-purpose Centre

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- West Coast in respect of Atlantis Multi-purpose Centre

The purpose of multi-purpose centre programmes of the department is to provide a mechanism that will facilitate integrated and sustainable development initiatives and secure accessible, multi-sectoral service delivery. Agreements between the department and municipalities will ensure accountability for all expenses.

- c) The department approved HIV/Aids programme to the amount of R10 844 000 to 85 non-governmental organisations. The focus of this funding was an awareness and advocacy of the impact of the pandemic on youth, children and families; training and capacity building of both caregivers and volunteers from civil society; partnership / intersectoral collaboration with the other stakeholders/ as well as creating accessible services and programmes for children infected and affected by the pandemic.
- d) The amount of R2 712 000 was transferred to service providers for the capacity building of emerging organisations in the Non-Governmental sector.

### 4.1.5. CORPORATE GOVERNANCE ARRANGEMENTS

A high-level risk profile was developed as a platform and foundation to be used by the Department in identifying, managing and controlling the business risks of the department.

The Department's drafted fraud prevention plan was referred to Directorate: Forensic Audit in the Office of the Premier, for alignment with the National fraud prevention strategy, to meet the challenges in social grants, procurement and funded organisation.

Establishment of a Fraud Provincial Steering Committee, chaired by the CFO of the Department, to ensure bilateral functioning of the different role players, e.g. SIU, Forensic Audit, SAPS, the Department, etc.

The department has implemented a system to manage the conflict of interests of employees by ensuring that the following associations are disclosed.

- Shares and other financial interests in private or public companies and other corporate entities recognised by law;
- Directorships and partnerships;
- Remunerated work outside the public services.

The audit committee has been operative since 2004, performing the following functions:

- Approval of the departmental audit plan;
- Reviewing of findings by the internal audit units and the authenticity of management action plans;
- Monitoring of implemented recommendations.

### 4.1.6. DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

With the establishment of the South African Social Assistance Agency (SASSA) the department will with effect from 1 April 2006 no longer be responsible for the administering of social assistance grants, except for the social relief function.

### 4.1.7. NEW/PROPOSED ACTIVITIES

- The implementation of the district office Cost Centre Model at 16 district offices which was approved by the Provincial Cabinet on 7 December 2005.
- The restructuring of facilities pending the adoption of a Service Delivery Model to transform facilities at the end of March 2007.

### 4.1.8. ASSET MANAGEMENT

The task team that was identified specifically for capturing of the departmental assets finished the task in February 2006.

The assets of the head office were captured in accordance with the prescriptive requirements of the asset register, whilst the assets of the district offices and the facilities were captured in a spread-sheet document. Subsequent to that, all the assets of the head office were loaded on to the Logistical Information System, (LOGIS), that has recently been implemented in the department and which also ensures compliance with the minimum requirements.

The department established the asset management team, which is responsible for the asset management of the department.

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The department fully complied with the following Asset Reform Milestone for the 2005/06 financial year as identified by the Provincial Treasury:

- Be in adherence to the minimum requirements of Asset Management Reform.

#### 4.1.9. EVENTS AFTER THE REPORTING DATE

- An agreement was signed between the National Minister for Social Development and the MEC for Social Development (formerly known as Department of Services and Poverty Alleviation) in the province that the province will continue to render support services on behalf of the South African Social Security Agency (SASSA) until the agency has filled its vacant posts. The department will submit claims for services rendered quarterly.

- The implementation of LOGIS at the 16 district offices and 8 Facilities of the Department.

#### 4.1.10. PERFORMANCE INFORMATION

The department conducts quarterly reviews on the Annual Performance Plan with the extended management and information gathered is compiled into a quarterly review report. Copies of this report are forwarded to both Provincial and National Treasury. In addition, copies are also provided to departmental entities. Quarterly reports are on both financial and non-financial data. The information, gathered on a quarterly basis, is used to compile the Annual Report of the department. The department is in the process of acquiring a system to capture non-financial data.

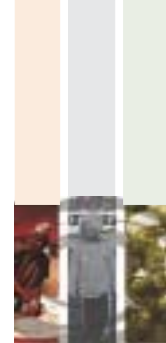
#### SCOPA RESOLUTIONS

Reference to previous audit report and SCOPA resolutions	Subject	Actual Performance Against Targets
Resolution 11 of the second report of the Standing Committee on Public Accounts dated 6 December 2005	Accounts receivable.	<p>During the 2005/06 financial year the amount of R11, 357 million was written-off in respect of debts.</p> <p>The budget for Social Security services amounted to R4 238 905 000 during the 2005/06 financial year. On 31 March 2006 the total outstanding debt amounted to R39, 648 million that includes the amount of R19, 689 million owed to the department by the National Department of Social Development in respect of pensions paid to beneficiaries in Namibia.</p> <p>The remainder of R19, 959 million was in respect of other social security debt. This amounts to 0.47% of the total budget.</p> <p>The Departmental focus is on the prevention of debt occurring and as such a pipeline process has been implemented to ensure that only eligible beneficiaries are registered. This process will in future impact positively on the debt account of SASSA.</p> <p>An important element that contributed to an increase in the debt account is the review programme whereby 123,000 beneficiaries are being reviewed.</p> <p>To ensure adequate debt collection, a task team consisting of 15 contract workers were appointed to follow-up the debt on a monthly basis and where applicable to write it off. With the establishment of the South African Social Security Agency (SASSA) the recording and follow-up of debt in</p>



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		<p>respect of pension and grants will be the responsibility of the agency. However, the responsibility for debt prior to 31 March 2006 is currently being discussed between SASSA and the National Department of Social Development.</p>
<p>Resolution 12 of the second report of the Standing Committee on Public Accounts dated 6 December 2005</p>	<p>Purchases and payables – transfer payments.</p>	<ul style="list-style-type: none"> <li>The department's systems to ensure compliance with section 38(1)(j) before activating any payment has been strengthened to the extent that a more comprehensive compliance management system has been developed, ensuring that the following documents are submitted: financial statements for the previous financial year, copy of the funding letter or Service Level Agreement, a copy identifying details of the service provider, copy of the budget submitted for the programme approved, a copy of the PFMA Certificate (section 38(1)(j)), the service provider's bank details, and proof of registration in terms of legislation (should this be applicable). During implementation, however, some gaps have been identified:</li> <li>As this is an extensive manual system, some errors may occur. The current electronic system (Subsidy Management System) will be upgraded to include enhanced mechanisms that will suspend all payment activities should any of the compliance elements not be met. We have already commenced with this and plan to conclude upgrading by the end of this financial year.</li> <li>In terms of Section 38(1) (j) of the PFMA, grants/ payments transferred in terms of the annual Division of Revenue Act are excluded from providing written assurances. Despite this, the department's decision to request these certificates in respect of all recipients of transfer payments was not sufficiently applied and will now be corrected.</li> </ul> <p>It must also be noted that a variety of policy directives (for example transformation imperatives and the Policy on Financial Awards) compels the department to align its administrative procedures and compliance mechanisms with evolving paradigms. Therefore, the broader funding framework regulating transfer payments, with associated risks, will be reviewed with the intention to phase in implementation during the current financial year.</p>
<p>Resolution 13 of the second report of the Standing Committee on Public Accounts dated 6 December 2005</p>	<p>Food relief conditional grants.</p>	<p>All funding in respect of the food relief grant was spent during the 2005/2006 financial year. The Conditional Grant in respect of food relief was terminated and in the current financial year i.e. 2006/07, an Integrated Social Development Grant has been incorporated into the financial allocation as earmarked funding. Several measures have been taken to ensure compliance with PFMA and Treasury prescripts. These include improved monitoring by the department, pre-appraisals of new applicant organisations and capacity building of organisations where skills levels are wanting and they may pose potential risks.</p>

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#### 4.1.11. OTHER

- The department utilised an amount of R 63 741 million of the Conditional Grant: Arrear payment to Social Grant beneficiaries (Regulation 11) to make good an over-expenditure on disability grants during the 2002/03 financial year. Application to the National Department of Social Development was made for approval of the utilisation of the conditional grant for other purposes. Approval is still awaited.
- An amount of R 85 304 000 was unspent in respect of the Conditional Grant: Arrears Payments to Social grant beneficiaries (Regulation 11). The department applied to utilise the said amount for social services delivery but is still awaiting approval from the National Department Social Development. The funds are currently kept in the Provincial Revenue Fund until approval is obtained.

#### Approval

The Annual Financial Statements set out on pages 69 to 106 have been approved by the Accounting Officer.



Ms K. Lubelwana  
ACTING ACCOUNTING OFFICER  
31 MAY 2006

## 4.2. REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF SOCIAL DEVELOPMENT [FORMERLY THE DEPARTMENT OF SOCIAL SERVICES AND POVERTY ALLEVIATION] (VOTE 7) FOR THE YEAR ENDED 31 MARCH 2006

### 1. AUDIT ASSIGNMENT

The financial statements as set out on pages 69 to 106 for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

### 2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and

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- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

### 3. 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 described in note 1.1 to the financial statements.

### 4. AUDIT OPINION

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Social Development at 31 March 2006 and the results of its operations and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as described in note 1.1 to the financial statements, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

### 5. EMPHASIS OF MATTER

Without qualifying the audit opinion, attention is drawn to the following matters:

#### 5.1 Deficiencies in controls

##### 5.1.1 Compilation of the asset register

In the year under review, the department embarked on an exercise to compile a detailed asset register in compliance with Treasury Regulations. During the audit, it was found that the assets at head office were captured onto the Logistical Information System (LOGIS). All assets at other facilities were listed on spreadsheets.

The following inadequacies were revealed in the asset register:

- Asset details captured on the asset register were incorrect and in addition, assets in certain locations were omitted during the capturing process.
- It could not be determined during the audit process, whether management had performed an exercise to obtain all supporting documentation

relating to prior years purchases in order to quantify these purchases on the asset register.

- Large numbers of assets were not physically identifiable as they were not tagged with specific identification numbers which correspond with codes in the asset register. Adequate asset verification procedures could therefore not be performed.

Based on the above deficiencies uncertainty exists relating to the validity accuracy and completeness of the assets reflected in Annexure 4 of the financial statements.

##### 5.1.2 Leave Forms

The audit of leave taken by personnel for the year under review revealed that controls over leave forms require strengthening.

The following deficiencies were found:

- No leave and attendance registers were maintained.
- Cases of all types of leave were found where leave was captured on the system but no leave form was on file.
- Leave forms were found that were not captured or not captured timeously.

All instances highlighted by audit on a sample basis were corrected but no exercise has been carried out by management to determine further errors.

The above weaknesses identified were immaterial in relation to the audit opinion expressed above.

#### 5.2 Receivables

##### 5.2.1 Collection of Receivables

The debtors age analysis as at 31 March 2006 totals R39 648 000 (2005: R37 024 000) as disclosed in note 11 to the AFS. Included in this amount are social security debts outstanding for longer than three years amounting to R28 887 000 (73% of the total) (2005: R27 892 000 (75% of total)). The department has indicated in note 24 that R18 965 000 of this balance is considered irrecoverable.

In the current year, the R19 million relating to pensioners paid in Namibia remains unpaid by the National Department of Social Development and is unconfirmed on Annexure 6 to the annual financial statements.

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#### 5.2.2 Overpayments

During the audit for the year under review 670 grant files were audited. At one district office 27% of the requested files could not be presented for audit. The inability to produce files on request at a district office indicates poor control over storage and security of files. In addition, the inability to trace these beneficiaries casts doubt over the maintenance of files and regular follow-up of recipients.

In addition from the sample of 670 grant files audited overpayments of R158 647 (10 cases) were identified. This also indicates the need for regular reviews of the grant files to ensure the entitlement of recipients to grants.

The majority of the social security recipients are extremely impoverished and unable to repay their debts. In cases where the department does recover the debt, it is at a slow rate due to small amounts that the debtors are able to repay. It is therefore imperative that grants are not paid to a recipient who does not qualify for the grant and regular reviews are carried out of beneficiaries to ensure that they still qualify for the grant that they receive.

#### 5.3 Transfer payments

In the current year's review of compliance with section 38(1) (j) of the Public Finance Management Act, 1999 (Act 1 of 1999) and chapter eight of the Treasury Regulations the following instances of non compliance were identified:

- Assurance certificates in terms of the above stipulation were not obtained in the case of 4 municipalities and 1 public entity.

- No financial statements were received for 3 institutions relating to the 2004/05 financial year.
- No monthly reports indicating regular monitoring and reporting procedures as stipulated in National Treasury Regulation 8.4.1 were available from one district municipality. In addition no reports of visitations to ensure the social workers visited the institutions could be obtained relating to one institution and one district municipality.

## 6. APPRECIATION

The assistance rendered by the staff of the Department of Social Development during the audit is sincerely appreciated.

I JEEWA for Auditor-General

CAPE TOWN

31 JULY 2006



AUDITOR - GENERAL



### 4.3. ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2006

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 1 of 2005.

#### 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 or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

##### 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.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

#### 2. REVENUE

##### 2.1 Appropriated funds

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

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund, unless approval has been given by the Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the annual financial statements. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position. Unexpended funds in terms of the Conditional grant for Social Assistance have been surrendered to the National Department of Social Development.

##### 2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position. Revenue in terms of the Conditional grant for Social Assistance has been paid over to the National Department of Social Development.

###### 2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

###### 2.2.2 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.



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### ANNUAL FINANCIAL STATEMENTS

#### 2.2.3 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked is recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

### 3. EXPENDITURE

#### 3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages 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). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance.

All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

##### 3.1.1 Short term employee benefits

Short term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages 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).

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

#### 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 services were used on a capital project.

#### 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 under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

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

#### 3.4 Unauthorised expenditure

When discovered 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 recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

#### 3.5 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).

#### 3.6 Expenditure for capital assets

Payments made for capital assets 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).

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#### 4. ASSETS

##### 4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

##### 4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

##### 4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

##### 4.4 Asset Registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets, procured in previous financial periods, may be stated at fair value, where determinable, or RI, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognized in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project. The Department of Social Development (formerly known as the Department of Social Services and Poverty Alleviation) is not in a position to provide supporting documentation for assets purchased prior to 2003 and has opted to disclose the value of these assets at a value of RI.

Annexure 4 and 5 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5 000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset

register and not the carrying value, as depreciation is not recognized in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 4 and 5 will include items procured in prior accounting period and the closing balance will represent the total cost of the register for capital assets on hand.

#### 5. LIABILITIES

##### 5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

##### 5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

##### 5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

##### 5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

A contingent liability is a present obligation that arises from past events but is not recognised because:



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- It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

#### 5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

## 6. NET ASSETS

### 6.1 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

## 7. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.



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**ANNUAL FINANCIAL STATEMENTS**

**APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2006**



**APPROPRIATION PER PROGRAMME**

	2005/06							2004/05	
	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
<b>1. Administration</b>									
Current payment	171,492	-	(6,877)	164,615	128,438	36,177	78 %	216,212	200,408
Transfers and subsidies	419	-	59	478	467	11	97.7 %	732	360
Payment for capital assets	4,769	-	137	4,906	4,906	-	100 %	14,494	14,252
<b>2. Social Assistance Grants</b>									
Current payment	226,783	-	9,338	236,121	227,139	8,982	96.2 %	106,433	102,466
Transfers and subsidies	4,002,887	-	(10,945)	3,991,942	3,942,600	49,342	98.8 %	3,543,671	3,525,773
Payment for capital assets	9,235	-	1,607	10,842	10,842	-	100 %	4,507	3,766
<b>3. Social Welfare Services</b>									
Current payment	105,771	-	-	105,771	103,065	2,706	97.4 %	89,676	83,064
Transfers and subsidies	319,052	-	(3)	319,049	318,454	595	99.8 %	292,070	291,237
Payment for capital assets	1,107	-	(46)	1,061	266	795	25.1 %	290	128
<b>4. Development &amp; Support Services</b>									
Current payment	7,204	-	(476)	6,728	6,579	149	97.8 %	2,038	769
Transfers and subsidies	80,046	-	7,227	87,273	87,272	1	100 %	52,732	36,397
Payment for capital assets	-	-	-	-	-	-	-	33	11
<b>5. Population Development &amp; Demographic Trends</b>									
Current payment	4,603	-	(40)	4,563	3,987	576	87.4 %	3,452	2,970
Transfers and subsidies	8	-	-	8	4	4	50 %	4	4
Payment for capital assets	55	-	19	74	74	-	100 %	160	7
<b>Total</b>	<b>4,933,431</b>	<b>-</b>	<b>-</b>	<b>4,933,431</b>	<b>4,834,093</b>	<b>99,338</b>	<b>98 %</b>	<b>4,326,504</b>	<b>4,261,612</b>
<b>Reconciliation with Statement of Financial Performance Add:</b>									
Departmental receipts				22,525				24,007	
<b>Actual amounts per Statements of Financial Performance (Total revenue)</b>				<b>4,955,956</b>				<b>4,350,511</b>	
<b>Actual amounts per Statements of Financial Performance (Total expenditure)</b>					<b>4,834,093</b>				<b>4,261,612</b>

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### ANNUAL FINANCIAL STATEMENTS

#### APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

##### APPROPRIATION PER ECONOMIC CLASSIFICATION

	2005/06							2004/05	
	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
<b>Current payments</b>									
Compensation of employees	254,065	-	6,708	260,773	228,285	32,488	87.5 %	206,684	193,357
Goods and services	261,788	-	(16,596)	245,192	229,090	16,102	93.4 %	202,568	187,761
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	11,833	11,833	11,833	-	100 %	8,559	8,559
<b>Transfers and subsidies</b>									
Provinces and municipalities	10,747	-	1,909	12,656	12,609	47	99.6 %	12,008	10,804
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	373,088	-	5,272	378,360	377,783	577	99.8 %	290,802	290,799
Households	4,018,577	-	(10,843)	4,007,734	3,958,405	49,329	98.8 %	3,586,399	3,552,168
<b>Payments for capital assets</b>									
Buildings and other fixed structures	794	-	-	794	-	794	-	-	-
Machinery and equipment	13,160	-	1,494	14,654	14,653	1	100 %	19,280	17,960
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	1,212	-	223	1,435	1,435	-	100 %	204	204
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,933,431</b>	<b>-</b>	<b>-</b>	<b>4,933,431</b>	<b>4,834,093</b>	<b>99,338</b>	<b>98 %</b>	<b>4,326,504</b>	<b>4,261,612</b>

**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**DETAIL PER PROGRAMME 1 FOR THE YEAR ENDED 31 MARCH 2006**



Programme per sub-programme	2005/06							2004/05	
	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
<b>1.1 Office of the MEC</b>									
Current payment	3,721		163	3,884	3,851	33	99.2 %	3,611	3,293
Transfers and subsidies	24		-	24	23	1	95.8 %	8	5
Payment for capital assets	100		(79)	21	21	-	100 %	606	439
<b>1.2 Corporate Management</b>									
Current payment	61,400		(273)	61,127	42,600	18,527	69.7 %	74,051	68,753
Transfers and subsidies	168		-	168	167	1	99.4 %	77	75
Payment for capital assets	3,675		488	4,163	4,163	-	100 %	9,150	9,109
<b>1.3 Regional/District Management</b>									
Current payment	106,371		(6,767)	99,604	81,987	17,617	82.3 %	138,550	128,362
Transfers and subsidies	227		59	286	277	9	96.9 %	647	280
Payment for capital asset	994		(272)	722	722	-	100 %	4,738	4,704
<b>Total</b>	<b>176,680</b>	<b>-</b>	<b>(6,681)</b>	<b>169,999</b>	<b>133,811</b>	<b>36,188</b>	<b>78.7 %</b>	<b>231,438</b>	<b>215,020</b>

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### ANNUAL FINANCIAL STATEMENTS

#### DETAIL PER PROGRAMME 1 FOR THE YEAR ENDED 31 MARCH 2006

Economic Classification	Adjusted Appropriation	2005/06						2004/05	
		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
<b>Current payment</b>									
Compensation of employees	123,265		(59)	123,206	92,145	31,061	74.8 %	146,791	135,772
Goods and services	48,227		(7,706)	40,521	35,405	5,116	87.4 %	60,862	56,076
Interest and rent on land				-		-			
Financial transactions in assets and liabilities			888	888	888		100 %	8,559	8,559
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	352		(26)	326	315	11	96.6 %	727	355
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	50		25	75	75		100 %		
Non-profit institutions	17		60	77	77		100 %	5	5
Households									
<b>Payment for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment	3,557		12	3,569	3,569		100 %	14,370	14,129
Biological or cultivated assets									
Software and other intangible assets	1,212		125	1,337	1,337		100 %	124	124
Land and subsoil assets									
<b>Total</b>	<b>176,680</b>	<b>-</b>	<b>(6,681)</b>	<b>169,999</b>	<b>133,811</b>	<b>36,188</b>	<b>78.7%</b>	<b>231,438</b>	<b>215,020</b>

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**ANNUAL FINANCIAL STATEMENTS**

**DETAIL PER PROGRAMME 2 FOR THE YEAR ENDED 31 MARCH 2006**



Programme per sub-programme	2005/06							2004/05	
	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
<b>2.1 Administration</b>									
Current payment	226,783		9,338	236,121	227,139	8,982	96.2 %	88,686	84,719
Transfers and subsidies	216		-	216	201	15	93.1 %	9	3
Payment for capital assets	9,235		1,607	10,842	10,842	-	100 %	4,210	3,469
<b>2.2 Care Dependency</b>									
Current payment	-		-	-	-	-			
Transfers and subsidies	70,955		-	70,955	70,350	605	99.1 %	62,616	62,615
Payment for capital assets	-		-	-	-	-			
<b>2.3 Child Support</b>									
Current payment	-		-	-	-	-		17,747	17,747
Transfers and subsidies	869,612		-	869,612	854,407	15,205	98.3 %	659,669	659,667
Payment for capital assets	-		-	-	-	-		297	297
<b>2.4 Disability</b>									
Current payment	-		-	-	-	-			
Transfers and subsidies	1,333,665		-	1,333,665	1,311,199	22,466	98.3 %	1,229,379	1,220,242
Payment for capital assets	-		-	-	-	-			
<b>2.5 Foster Care</b>									
Current payment	-		-	-	-	-			
Transfers and subsidies	187,538		-	187,538	185,809	1,729	99.1 %	169,188	168,244
Payment for capital assets	-		-	-	-	-			
<b>2.6 Grant-in-aid</b>									
Current payment	-		-	-	-	-		6,591	6,590
Transfers and subsidies	-		-	-	-	-			
Payment for capital assets	-		-	-	-	-			
<b>2.7 Old Age</b>									
Current payment	-		-	-	-	-			
Transfers and subsidies	1,513,278		(10,945)	1,502,333	1,501,001	1,332	99.9 %	1,396,128	1,388,594
Payment for capital assets	-		-	-	-	-			

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### ANNUAL FINANCIAL STATEMENTS

#### DETAIL PER PROGRAMME 2 FOR THE YEAR ENDED 31 MARCH 2006

CONTINUED

Programme per sub-programme	2005/06							2004/05	
	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
<b>2.8Relief of Distress</b>									
Current payment									
Transfers and subsidies	20,663		-	20,663	12,943	7,720	62.6 %	11,977	11,977
Payment for capital assets	-		-	-	-	-			
<b>2.9War Veterans</b>									
Current payment	-		-	-	-	-			
Transfers and subsidies	6,960		-	6,960	6,690	270	96.1 %	8,114	7,841
Payment for capital assets	-		-	-	-	-			
<b>Total</b>	<b>4,238,905</b>	<b>-</b>	<b>-</b>	<b>4,238,905</b>	<b>4,180,581</b>	<b>58,324</b>	<b>98.6 %</b>	<b>3,654,611</b>	<b>3,632,005</b>

#### DETAIL PER PROGRAMME 2 FOR THE YEAR ENDED 31 MARCH 2006

Economic Classification	2005/06							2004/05	
	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
<b>Current payment</b>									
Compensation of employees	70,674		6,526	77,200	77,200	-	100%	6,718	6,505
Goods and services	156,109		(8,133)	147,976	138,994	8,982	93.90%	99,715	95,961
Interest and rent on land	-		-	-	-	-		-	-
Financial transactions in assets and liabilities	-		10,945	10,945	10,945	-	100%	-	-
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	216		(66)	150	135	15	90%	20	14
Departmental agencies and accounts	-		-	-	-	-		-	-
Universities and technikons	-		-	-	-	-		-	-
Foreign governments and international organisations	-		-	-	-	-		-	-

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**ANNUAL FINANCIAL STATEMENTS**  
**DETAIL PER PROGRAMME 2 FOR THE YEAR ENDED 31 MARCH 2006**

CONTINUED



Economic Classification	Adjusted Appropriation	2005/06						2004/05	
		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
Public corporations and private enterprises	-		-	-	-	-		-	-
Non-profit institutions	-		-	-	-	-		-	-
Households	4,002,671	-	(10,879)	3,991,792	3,942,465	49,327	98.80%	3,543,651	3,525,759
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-		-	-	-	-		-	-
Machinery and equipment	9,235		1,583	10,818	10,818	-	100%	4,427	3,686
Biological or cultivated assets	-		-	-	-	-		-	-
Software and other intangible assets	-		24	24	24	-	100%	80	80
Land and subsoil assets	-		-	-	-	-		-	-
<b>Total</b>	<b>4,238,905</b>	<b>-</b>	<b>-</b>	<b>4,238,905</b>	<b>4,180,581</b>	<b>58,324</b>	<b>98.60%</b>	<b>3,654,611</b>	<b>3,632,005</b>

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### ANNUAL FINANCIAL STATEMENTS

#### DETAIL PER PROGRAMME 3 FOR THE YEAR ENDED 31 MARCH 2006

Programme per sub-programme	2005/06							2004/05	
	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
<b>3.1 Administration</b>									
Current payment Transfers and subsidies	7,947		147	8,094	7,730	364	95.50%	7,764	6,865
Payment for capital assets	24		(3)	21	16	5	76.20%	28	13
			-	-	-	-	85	9	
<b>3.2 Treatment and Prevention of Substance Abuse</b>									
Current payment Transfers and subsidies	11,633			11,633	10,790	843	92.80%	8,930	8,800
Payment for capital assets	11,685		47	11,732	11,723	9	99.90%	7,755	7,742
			57	57	57		100%		
<b>3.3 Service to Older Person</b>									
Current payment Transfers and subsidies			-	-	-	-			95,090
Payment for capital assets	99,000		(2,036)	96,964	96,387	577	99.40%	95,091	
			-	-	-	-			
<b>3.4 Crime Prevention &amp; Support</b>									
Current payment Transfers and subsidies	78,191		(147)	78,044	76,768	1,276	98.40%	66,982	62,818
Payment for capital assets	9,591		481	10,072	10,068	4	100%	9,982	9,179
	1,107		(103)	1,004	209	795	20.80%	205	119
<b>3.5 Service to Persons with Disabilities</b>									
Current payment Transfers and subsidies			-	-	-	-			26,701
Payment for capital assets	30,603		697	31,300	31,300		100%	26,702	
			-	-	-	-			
<b>3.6 Services to Children, Women &amp; Families</b>									
Current payment Transfers and subsidies	8,000			8,000	7,777	223	97.20%	6,000	152,512
Payment for capital assets	168,149		811	168,960	168,960		100%	152,512	
			-	-	-	-			
<b>TOTAL</b>	<b>425,930</b>	<b>-</b>	<b>(49)</b>	<b>425,881</b>	<b>421,785</b>	<b>4,096</b>	<b>99%</b>	<b>382,036</b>	<b>374,429</b>



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**ANNUAL FINANCIAL STATEMENTS**

**DETAIL PER PROGRAMME 3 FOR THE YEAR ENDED 31 MARCH 2006**



Economic Classification	Adjusted Appropriation	2005/06						2004/05	
		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
<b>Current payment</b>									
Compensation of employees	56,992			56,992	55,875	1,117	98%	51,068	49,462
Goods and services	48,779			48,779	47,190	1,589	96.70%	38,608	33,603
Interest and rent on land				-		-			
Financial transactions in assets and liabilities				-		-			
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	170	-	(3)	167	151	16	90.40%	1,256	430
Departmental agencies and accounts									
Universities and technikons				-		-			
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	318,874		-	318,874	318,297	577	99.80%	290,802	290,799
Households	8			8	6	2	75%	12	8
<b>Payment for capital assets</b>									
Buildings and other fixed structures	794			794		794			
Machinery and equipment	313	-	(46)	267	266	1	99.60%	290	127
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total</b>	<b>425,930</b>	<b>-</b>	<b>(49)</b>	<b>425,881</b>	<b>421,785</b>	<b>4,096</b>	<b>99%</b>	<b>382,036</b>	<b>374,429</b>

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### ANNUAL FINANCIAL STATEMENTS

#### DETAIL PER PROGRAMME 4 FOR THE YEAR ENDED 31 MARCH 2006

Programme per sub-programme	2005/06							2004/05	
	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
<b>4.1 Administration</b>									
Current payment	6,262	-	(193)	6,069	5,920	149	97.50%	1,350	422
Transfers and subsidies	1		3	4	3	1	75%	1	1
Payment for capital assets				-			0.0%	22	
<b>4.2 Youth Development</b>									
Current payment				-			0.0%		
Transfers and subsidies	7,167		7,016	14,183	14,183		100%	2,600	
Payment for capital assets				-			0.0%		2,146
<b>4.3 HIV/AIDS</b>									
Current payment			233	233	233		100%	28	28
Transfers and subsidies	10,864	-	(20)	10,844	10,844		100%	5,985	5,985
Payment for capital assets				-			0.0%		
<b>4.4 Poverty Alleviation</b>									
Current payment	942	-	(516)	426	426		100%	660	319
Transfers and subsidies	47,014		516	47,530	47,530		100%	33,146	17,265
Payment for capital assets				-			0.0%	11	11
<b>4.5 NPO and Welfare Organisation Development</b>									
Current payment				-			0.0%		
Transfers and subsidies	15,000	-	(288)	14,712	14,712		100%	11,000	11,000
Payment for capital assets				-			0.0%		
<b>Total</b>	<b>87,250</b>	<b>-</b>	<b>6,751</b>	<b>94,001</b>	<b>93,851</b>	<b>150</b>	<b>99.8%</b>	<b>54,803</b>	<b>37,177</b>

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**ANNUAL FINANCIAL STATEMENTS**

**DETAIL PER PROGRAMME 4 FOR THE YEAR ENDED 31 MARCH 2006**



Economic Classification	Adjusted Appropriation	2005/06						2004/05	
		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
<b>Current payment</b>									
Compensation of employees	966		281	1,247	1,246	1	99.90%	451	189
Goods and services	6,238		(757)	5,481	5,333	148	97.30%	1,587	580
Interest and rent on land									
Financial transactions in assets and liabilities									
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	10,001		2,004	12,005	12,004	1	100%	10,001	10,001
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	54,164		5,247	59,411	59,411		100%		
Households	15,881		(24)	15,857	15,857		100%	42,731	26,396
<b>Payment for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment								33	11
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total</b>	<b>87,250</b>	<b>-</b>	<b>6,751</b>	<b>94,001</b>	<b>93,851</b>	<b>150</b>	<b>99.80%</b>	<b>54,803</b>	<b>37,177</b>

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### ANNUAL FINANCIAL STATEMENTS

#### DETAIL PER PROGRAMME 5 FOR THE YEAR ENDED 31 MARCH 2006

Programme per sub-programme	2005/06							2004/05	
	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
<b>5.1 Administration</b>									
Current payment	548		252	800	800		100%	2,146	1,882
Transfers and subsidies	2			2	1	1	50%	4	4
Payment for capital assets	10		(10)				0.00%	55	7
<b>5.2 Population Research and Demographic</b>									
Current payment	3,576		(292)	3,284	2,916	368	88.80%	1,073	881
Transfers and subsidies	6			6	3	3	50%		
Payment for capital assets	45		29	74	74		100%	105	
<b>5.3 Capacity Building</b>									
Current payment	479			479	271	208	56.60%	233	207
Transfers and subsidies				-	-	-	0.00%		
Payment for capital assets				-	-	-	0.00%		
<b>TOTAL</b>	<b>4,666</b>	<b>-</b>	<b>(21)</b>	<b>4,645</b>	<b>4,065</b>	<b>580</b>	<b>87.50%</b>	<b>3,616</b>	<b>2,981</b>

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**ANNUAL FINANCIAL STATEMENTS**

**DETAIL PER PROGRAMME 5 FOR THE YEAR ENDED 31 MARCH 2006**



Economic Classification	Adjusted Appropriation	2005/06						2004/05	
		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
<b>Current payment</b>									
Compensation of employees	2,168	-	(40)	2,128	1,819	309	85.50%	1,656	1,429
Goods and services	2,435			2,435	2,168	267	89%	1,796	1,541
Interest and rent on land									
Financial transactions in assets and liabilities									
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	8			8	4	4	50%	4	4
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
<b>Payment for capital assets</b>									
Buildings and other fixed structures									
Machinery and equipment	55		(55)					160	7
Biological or cultivated assets									
Software and other intangible assets			74	74	74		100%		
Land and subsoil assets					-				
<b>Total</b>	<b>4,666</b>	<b>-</b>	<b>(21)</b>	<b>4,645</b>	<b>4,065</b>	<b>580</b>	<b>87.50%</b>	<b>3,616</b>	<b>2,981</b>

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

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

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexure I (A-K) 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 note 5 (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
<b>Administration</b> The saving in this programme is as a result of the Department rendering a support service to the South African Social Security Agency (SASSA) with limited human resources. Funds of these services were claimed at the end of the financial year.	169,999	133,811	36,188	21.29 %
<b>Social Assistance Grants</b> The unspent funds within this programme are mainly due to the delay in the establishment of the South African Social Security Agency (SASSA) and the decline in the projected number of grant applications.	4,238,905	4,180,581	58,324	1.38 %
<b>Social Welfare Services</b> The unspent funds in this programme are mainly due to vacancies at the Places of Safety and Treatment Centres as a result of the restructuring of these facilities taking place. Other unspent funds include the One Stop Child Justice Centre for which the Department is awaiting further instructions from the Department of Justice.	425,881	421,785	4,096	0.96 %
<b>Development and Support Services</b> The nominal unspent funds in this programme are due to savings generated from the Ministerial programmes presented during the December 2005 school holidays.	94,001	93,851	150	0.16 %
<b>Population Development and Demographic Trends</b> The saving in this programme is a result of the Department rendering a support service to the South African Social Security Agency (SASSA). Funds for these services were claimed at the end of the financial year.	4,645	4,065	580	12.49 %

**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2006**



Per Economic Classification	2005/06	2004/05
	R'000	R'000
<b>Current payment:</b>		
Compensation of employees	32,488	13,327
Goods and services	16,102	14,807
Interest and rent on land		
Financial transactions in assets and liabilities		
<b>Transfers and subsidies:</b>		
Provinces and municipalities	47	1,204
Departmental agencies and accounts		
Universities and Technikons		
Public corporations and private enterprises		
Foreign governments and international organisations		
Non-profit institutions	577	3
Households	49,329	34,231
<b>Payments for capital assets:</b>		
Buildings and other fixed structures	794	
Machinery and equipment	1	1,320
Heritage assets		
Biological or cultivated assets		
Software and other intangible assets		
Land and subsoil assets		

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2005/06	2004/05
		R'000	R'000
<b>REVENUE</b>			
Annual appropriation	1.1	4,933,431	4,326,504
Departmental revenue	2	22,525	24,007
<b>TOTAL REVENUE</b>		<b>4,955,956</b>	<b>4,350,511</b>
<b>EXPENDITURE</b>			
Current expenditure			
Compensation of employees	3	228,285	193,357
Goods and services	4	229,090	187,761
Financial transactions in assets and liabilities	5	11,833	8,559
<b>Total current expenditure</b>		<b>469,208</b>	<b>389,677</b>
<b>Transfers and subsidies</b>	<b>6</b>	<b>4,348,797</b>	<b>3,853,771</b>
<b>Expenditure for capital assets</b>			
Machinery and equipment	7	14,653	17,960
Software and other intangible assets	7	1,435	204
<b>Total expenditure for capital assets</b>		<b>16,088</b>	<b>18,164</b>
<b>TOTAL EXPENDITURE</b>		<b>4,834,093</b>	<b>4,261,612</b>
<b>SURPLUS</b>		<b>121,863</b>	<b>88,899</b>
<b>SURPLUS FOR THE YEAR</b>		<b>121,863</b>	<b>88,899</b>
<b>Reconciliation of Surplus for the year</b>			
Voted Funds	12	99,338	64,892
Departmental Revenue	13	22,525	24,007
<b>SURPLUS FOR THE YEAR</b>		<b>121,863</b>	<b>88,899</b>



## PART FOUR ANNUAL FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2006



Per Economic Classification	Notes	2005/06 R'000	2004/05 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>444,616</b>	<b>160,196</b>
Cash and cash equivalents	9	101,527	17,672
Prepayments and advances	10	303,441	52,141
Receivables	11	39,648	90,383
<b>TOTAL ASSETS</b>		<b>444,616</b>	<b>160,196</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>408,622</b>	<b>126,074</b>
Voted funds to be surrendered to the Revenue Fund	12	93,948	64,892
Departmental revenue to be surrendered to the Revenue Fund	13	11,391	8,908
Payables	14	303,283	52,274
<b>Non-current liabilities</b>			
Payables	15	12	1,487
<b>TOTAL LIABILITIES</b>		<b>408,634</b>	<b>127,561</b>
<b>NET ASSETS</b>		<b>35,982</b>	<b>32,635</b>
<b>Represented by:</b>			
Recoverable revenue		35,982	32,635
<b>TOTAL</b>		<b>35,982</b>	<b>32,635</b>

### STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2005/06 R'000	2004/05 R'000
<b>Recoverable revenue</b>			
Opening balance		32,635	14,383
Transfers		3,347	18,252
Debts written off	5.4	(11,059)	(8,182)
Debts recovered (included in departmental revenue)		(1,347)	(848)
Debts raised		15,753	27,282
Closing balance		35,982	32,635
<b>TOTAL</b>		<b>35,982</b>	<b>32,635</b>

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2005/06	2004/05
		R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		4,951,666	4,357,771
Annual appropriated funds received	1.1	4,928,041	4,326,504
Departmental revenue received		23,625	31,267
Net (increase)/decrease in working capital		50,444	234,059
Surrendered to Revenue Fund		(86,034)	(142,283)
Current payments		(469,208)	(389,677)
Transfers and subsidies paid		(4,348,797)	(3,853,771)
<b>Net cash flow available from operating activities</b>	<b>16</b>	<b>98,071</b>	<b>206,099</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets		(16,088)	(18,164)
<b>Net cash flows from investing activities</b>		<b>(16,088)</b>	<b>(18,164)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		3,347	18,252
Increase/(decrease) in non-current payables		(1,475)	(22,936)
<b>Net cash flows from financing activities</b>		<b>1,872</b>	<b>(4,684)</b>
Net increase/(decrease) in cash and cash equivalents		83,855	183,251
Cash and cash equivalents at the beginning of the period		17,672	(165,579)
<b>Cash and cash equivalents at end of period</b>	<b>17</b>	<b>101,527</b>	<b>17,672</b>

**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006**



	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received
Notes				2004/05
	R'000	R'000	R'000	R'000
<b>I. ANNUAL APPROPRIATION</b>				
<b>I.1 Annual Appropriation</b>				
Included are funds appropriated in terms of the Appropriation Act for Provincial Departments.				
Administration	169,999	169,999	-	231,438
Social Assistance Grant	4,238,905	4,233,515	5,390	3,654,611
Social Welfare Services	425,881	425,881	-	382,036
Development and Support Services	94,001	94,001	-	54,803
Population Development and Demographic Trends	4,645	4,645	-	3,616
<b>Total</b>	<b>4,933,431</b>	<b>4,928,041</b>	<b>5,390</b>	<b>4,326,504</b>

*The National Treasury applied its discretionary powers not to release the excess funds and only funded the needs of the province according to the payment extraction reports obtained from SOCPEN.*

	Notes	2005/06	2004/05
		R'000	R'000
<b>I.2 Conditional grants</b>			
Total grants received	Annex 1A	4,281,250	225,319
<b>2. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND</b>			
Sales of goods and services other than capital assets	2.1	280	255
Interest, dividends and rent on land	2.2	10,592	4,215
Financial transactions in assets and liabilities	2.3	12,753	26,797
Total revenue collected		23,625	31,267
Less: Departmental Revenue Budgeted	13	1,100	7,260
<b>Departmental revenue collected</b>		<b>22,525</b>	<b>24,007</b>
<i>Departmental revenue relating to the Department of Social Services and Poverty Alleviation is surrendered to the Provincial Revenue Fund and the revenue relating to the Conditional Grant (Social Assistance) is surrendered to the National Department of Social Development.</i>			
<b>2.1 Sales of goods and services other than capital assets</b>			
Sales of goods and services produced by the department		280	250
Other sales		280	250
Sales of scrap, waste and other used current goods		-	5
<b>Total</b>		<b>280</b>	<b>255</b>
<b>2.2 Interest, dividends and rent on land</b>			
Interest		10,592	4,215
<b>Total</b>		<b>10,592</b>	<b>4,215</b>
<b>2.3 Financial transactions in assets and liabilities</b>			
<b>Nature of loss recovered</b>			
Other Receipts including Recoverable Revenue		12,753	26,797
<b>Total</b>		<b>12,753</b>	<b>26,797</b>

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

CONTINUED

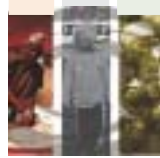
Notes	2005/06	2004/05
	R'000	R'000
<b>3. COMPENSATION OF EMPLOYEES</b>		
<b>3.1 Salaries and Wages</b>		
Basic salary	161,389	139,287
Performance award	4,505	678
Service Based	490	835
Compensative/circumstantial	8,099	5,053
Periodic payments	2,052	381
Other non-pensionable allowances	26,399	20,728
<b>Total</b>	<b>202,934</b>	<b>166,962</b>
<b>3.2 Social contributions</b>		
<b>3.2.1 Employer contributions</b>		
Pension	16,373	17,522
Medical	8,902	8,813
Bargaining council	74	56
Insurance	2	4
<b>Total</b>	<b>25,351</b>	<b>26,395</b>
<b>Total compensation of employees</b>	<b>228,285</b>	<b>193,357</b>
Average number of employees	1335	1335
<b>4. GOODS AND SERVICES</b>		
Advertising	4,429	2,639
Attendance fees (including registration fees)	17	-
Bank charges and card fees	1,329	1,126
Bursaries (employees)	521	81
Communication	11,280	8,925
Computer services	4,176	343
Consultants, contractors and special services	139,629	124,365
Courier and delivery services	138	63
Entertainment	206	147
External audit fees	4.1 1,928	1,917
Equipment less than R5000	3,652	4,127
Freight service	-	1
Government motor transport	1	-
Honoraria (Voluntary workers)	1,198	394
Inventory	4.2 21,057	13,699
Legal fees	1,479	3,555
Maintenance, repairs and running costs	1,514	1,004
Medical Services	518	186
Operating leases	3,625	2,241
Personnel agency fees	-	17
Photographic services	41	30
Plant flowers and other decorations	49	-
Printing and publications	259	94
Professional bodies and membership fees	94	119
Resettlement cost	117	65
Subscriptions	1	7
Storage of furniture	79	-
Owned and leasehold property expenditure	9,015	7,243
Translations and transcriptions	65	4
Transport provided as part of the departmental activities	151	26
Travel and subsistence	4.3 18,999	12,645

**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006**

CONTINUED



Notes	2005/06	2004/05
	R'000	R'000
Venues and facilities	411	308
Protective, special clothing & uniforms	1,378	1,285
Training & staff development	1,734	1,105
<b>Total</b>	<b>229,090</b>	<b>187,761</b>
<b>4.1 External audit fees</b>		
Regulatory audits	1,858	1,895
Performance audits	11	10
Other audits	59	12
<b>Total external audit fees</b>	<b>1,928</b>	<b>1,917</b>
<b>4.2 Inventory</b>		
Domestic consumables	692	615
Agricultural	13	40
Learning and teaching support material	14	53
Food and Food supplies	5,624	4,458
Fuel, oil and gas	3	3
Other consumables	8,392	3,381
Parts and other maintenance material	43	13
Sport and recreation	101	68
Stationery and printing	6,034	4,968
Medical supplies	141	100
<b>Total Inventory</b>	<b>21,057</b>	<b>13,699</b>
<b>4.3 Travel and subsistence</b>		
Local	18,738	12,503
Foreign	261	142
<b>Total travel and subsistence</b>	<b>18,999</b>	<b>12,645</b>
<b>5. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES</b>		
Other material losses written off	5.1 441	172
Debts written off	5.2 11,357	8,382
Theft	5.3 35	5
<b>Total</b>	<b>11,833</b>	<b>8,559</b>
<b>5.1 Other material losses</b>		
Switchboard expenditure	-	172
Unauthorised expenditure	441	-
<b>Total</b>	<b>441</b>	<b>172</b>
<b>5.2 Debts written off</b>		
Social Pension Debt	10,944	8,182
GG-accidents	133	128
Staff debt relating ex-workers	280	72
<b>Total</b>	<b>11,357</b>	<b>8,382</b>
<b>5.3 Detail of Theft</b>		
GG-expenditure: theft of equipment	35	5
<b>Total</b>	<b>35</b>	<b>5</b>
<b>5.4 Recoverable revenue debts written off</b>		
Social Pension Debt	11,059	8,182
<b>Total</b>	<b>11,059</b>	<b>8,182</b>

DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006  
CONTINUED

	Notes	2005/06	2004/05
		R'000	R'000
<b>6. TRANSFERS AND SUBSIDIES</b>			
Provinces and municipalities	Annex 1E & 1F	12,609	10,804
Non-profit institutions	Annex 1K	377,783	290,799
Households	Annex 1L	3,958,405	3,552,168
<b>Total</b>		<b>4,348,797</b>	<b>3,853,771</b>
<b>7. EXPENDITURE FOR CAPITAL ASSETS</b>			
Machinery and equipment	Annex 4	14,653	17,960
Biological or cultivated assets	Annex 4	-	-
Land and subsoil assets	Annex 4	-	-
Software and other intangible assets	Annex 5	1,435	204
<b>Total</b>		<b>16,088</b>	<b>18,164</b>
<b>8. UNAUTHORISED EXPENDITURE</b>			
<b>8.1 Reconciliation of unauthorised expenditure</b>			
Opening balance		-	53,359
Unauthorised expenditure – current year		-	-
Amounts approved by Parliament/Legislature (with funding)		-	(52,918)
Current expenditure			
Transfers and subsidies			(52,918)
Expenditure for capital assets			
Amounts approved by Parliament/Legislature (without funding)			-
Current expenditure			
Transfers and subsidies			
Expenditure for capital assets			
Transfer to receivables for recovery (not approved)			(441)
Unauthorised expenditure awaiting authorisation		-	-
<i>Unauthorised expenditure has been approved during 1997, but the funding was never received by the department – prior year's note has been amended to indicate correctly.</i>			
<b>9. CASH AND CASH EQUIVALENTS</b>			
Consolidated Paymaster General Account		61,889	435
Cash receipts		-	1
Disbursements		(6,434)	(19,689)
Cash on hand		20	16
Cash with commercial banks		46,052	36,909
<b>Total</b>		<b>101,527</b>	<b>17,672</b>
<b>10. PREPAYMENTS AND ADVANCES</b>			
Travel and subsistence		224	132
Prepayments		303,217	52,009
<b>Total</b>		<b>303,441</b>	<b>52,141</b>

DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

CONTINUED

	Less than one year	One to three years	Older than three years	Funds Received	Total	Total
<b>11. RECEIVABLES</b>						
Staff debt	11.1	35	-	-	35	63
Other Debtors	11.2	919	9,700	9,198	19,817	67,134
Claims recoverable	Annex 6	4	103	19,689	19,796	23,186
<b>Total</b>		<b>958</b>	<b>9,803</b>	<b>28,887</b>	<b>39,648</b>	<b>90,383</b>

	Notes	2005/06	2004/05
		R'000	R'000
<b>11.1 Staff Debt</b>			
Salary Tax Debt		5	19
Private Telephone		30	44
<b>Total</b>		<b>35</b>	<b>63</b>
<b>11.2 Other debtors</b>			
Disallowance Miscellaneous		43	218
Disallowance Damages and Losses		471	325
Salary: Pension		-	6
Salary: Medical		-	3
Salary: Housing		-	2
Disallowance: Payment fraud		27	27
Disallowance: Dishonoured cheques		-	2
Debt Account		19,276	13,192
Unauthorised expenditure previous financial year		-	53,359
<b>Total</b>		<b>19,817</b>	<b>67,134</b>

Prior year's note in terms of Unauthorised expenditure (R53 359 000) has been reclassified under receivables. The claim against the National Department of Social Development relating to Walvis Bay (R19 689 000.00) has been reclassified under "Claims recoverable" and not "Debt account".

**12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND**

Opening balance		64,892	117,157
Transfer from Statement of Financial Performance		99,338	64,892
Voted funds not requested/not received	12.1	(5,390)	-
Paid during the year		(64,892)	(117,157)
Closing balance		93,948	64,892
<b>12.1 Voted funds not requested/not received</b>			
Funds not received		5,390	-
<b>Total</b>		<b>5,390</b>	<b>-</b>

The surplus voted funds (R99 338 000.00) are made up as follows: R41 013 000.00 for the Department of Social Development and R58 325 000.00 for the Department of Social Assistance. As the amount of R5 390 000.00 was not received from the National Department of Social Development, only R52 935 000.00 must be surrendered in terms of the Department of Social Assistance. Roll-over for the Department of Social Development: R8 707 000 and or the Conditional Grant (Department of Social Assistance): R58 324 000.00.

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

CONTINUED

	Notes	2005/06	2004/05
		R'000	R'000
<b>13. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND</b>			
Opening balance		8,908	2,767
Transfer from Statement of Financial Performance		22,525	24,007
Departmental revenue budgeted	2	1,100	7,260
Paid during the year		(21,142)	(25,126)
Closing balance		11,391	8,908

The amount of R21 142 000.00 paid over during the year is made up as follows: R8 908 000.00 in respect of the previous financial year, R1 167 000.00 in respect of the Department of Social Development and R11 067 000.00 in respect of the Department of Social Assistance. The amount relating to the Department of Social Assistance was paid over to the National Department of Social Development, as it relates to the Conditional Grant received. The closing balance is R33 000.00 for the Department of Social Development and R11 358 000.00 for the Department of Social Assistance. Last mentioned must also be surrendered to the National Department of Social Development.

	Notes	30 Days	30+ Days	2004/05 Total	2004/05 Total
<b>14. PAYABLES – CURRENT</b>					
Amounts owing to other entities	Annex 7	-	-	2005/06	
Advances received	14.1	303,217	-	303,217	52,000
Clearing accounts	14.2	66	-	66	274
<b>Total</b>		<b>303,283</b>	<b>-</b>	<b>303,283</b>	<b>52,274</b>

	Notes	2005/06	2004/05
		R'000	R'000
<b>14.1 Advances received</b>			
Advance from National Department of Social Development		303,217	52,000
<b>Total</b>		<b>303,217</b>	<b>52,000</b>

The amount relates to the advance provided from the National Department of Social Development from the 2006/07 allocation for the April 2006 social grant pay-over.

<b>14.2 Clearing accounts</b>			
Salary Disallowance		16	149
Salary Income Tax		18	46
ACB Recalls		22	36
Salary Deduction Disallowance		-	8
Salary Insurance		-	2
Salary Garnishee		-	10
Salary Financial Institutions		-	6
Salary Cancelled Cheques		-	16
Salary Regional Services		-	1
Disallowance Miscellaneous		10	
<b>Total</b>		<b>66</b>	<b>274</b>



**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006**



	Notes	One to two years	Two to three years	More than three years	Total	Total
<b>15. PAYABLES – NON-CURRENT</b>						
Other payables	15.1	12	-	-	12	1,487
<b>Total</b>		<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>1,487</b>

	Notes	2005/06	2004/05
		R'000	R'000
<b>15.1 Other payables</b>			
Enrichment Centre Project (ISLP)		-	1,466
Community Builder		12	21
<b>Total</b>		<b>12</b>	<b>1,487</b>

*This amount falls outside the Appropriation Amount*

**16. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES**

Net surplus/(deficit) as per Statement of Financial Performance	121,863	88,899
(Increase)/decrease in receivables – current	50,735	1,590
(Increase)/decrease in prepayments and advances	(251,300)	195,821
Increase/(decrease) in payables – current	251,009	36,648
Surrenders to Revenue Fund	(86,034)	(142,283)
Expenditure on capital assets	16,088	18,164
Voted funds not requested/not received	(5,390)	-
Revenue Budget	1,100	7,260
<b>Net cash flow generated by operating activities</b>	<b>98,071</b>	<b>206,099</b>

*The Revenue Budget only relates to the Department of Social Services and Poverty Alleviation.*

**17. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES**

Consolidated Paymaster General account	61,889	435
Cash receipts	-	1
Disbursements	(6,434)	(19,689)
Cash on hand	20	16
Cash with commercial banks	46,052	36,909
<b>Total</b>	<b>101,527</b>	<b>17,672</b>

*These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.*

**18. CONTINGENT LIABILITIES**

Liable to	Nature			
Housing loan guarantees	Employees	Annex 3A	2,014	3,087
Other departments (interdepartmental unconfirmed balances)		Annex 7	975	1,976
			<b>2,989</b>	<b>5,063</b>

*The service provider 3DID instituted during 1999 a claim for damages of R102 million against government (The Western Province as fourth respondent) claiming that a tender for the payment of social grants should have been awarded to them during 1994 and not to the company NISEC. The Supreme Court (Transvaal Division) in 2005 delivered a judgment in favour of 3DID against the National Government excluding a decision on the quantum. Government lodged an appeal against the judgment which will be heard during August 2006. If successful the claim will fall away. If not, quantum must still be determined and a revised judgment could potentially include the Province in terms of its financial liability.*

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

##### CONTINUED

Notes	2005/06	2004/05
	R'000	R'000
<b>19. COMMITMENTS</b>		
Approved and contracted	828	-
Approved but not yet contracted	2,085	-
<b>Total Commitments</b>	<b>2,913</b>	<b>-</b>

The R828 000 refer to the EDMS project and the R2 085 000 refer to the establishment of the new organizational structure approved, but the service provider not yet contracted.

Notes	30 Days	30+ Days	2005/06 Total	2004/05 Total
<b>20. ACCRUALS</b>				
<b>Listed by economic classification</b>				
Compensation of employees				70
Goods and services	1,016	462	1,478	2,368
Transfers and subsidies	250	63	313	269
	<b>1,266</b>	<b>525</b>	<b>1,791</b>	<b>2,707</b>
<b>Listed by programme level</b>				
Administration			685	2,349
Social Assistance Grant			297	69
Social Welfare Services			809	270
Development and Support Services			-	16
Population Development and Demographic Trends			-	3
			<b>1,791</b>	<b>2,707</b>
<i>Due to the restructuring of the budget (programmes) as a result of the establishment of the South African Social Security Agency (SASSA), the programmes have changed from 5 to 3 programmes for the 2006/07 financial year.</i>				
<b>Confirmed balances with other departments</b>	Annex 7		113	1,780
			<b>113</b>	<b>1,780</b>

<b>21. EMPLOYEE BENEFITS</b>				
Leave entitlement			3,093	4,381
Thirteenth cheque			5,775	5,180
Capped leave commitments			17,646	17,388
			<b>26,514</b>	<b>26,949</b>

Land	Buildings & other fixed structures	Machinery & Equipment	2005/06 Total	2004/05 Total
			R'000	R'000
<b>22. LEASE COMMITMENTS</b>				
<b>22.1 Operating leases</b>				
Not later than 1 year		1,631	1,631	685
Later than 1 year and not later than 5 years		2,171	2,171	498
Later than five years				
<b>Total present value of lease liabilities</b>		<b>3,802</b>	<b>3,802</b>	<b>1,183</b>

**PART FOUR**

**ANNUAL FINANCIAL STATEMENTS**

**DISCLOSURE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006**

CONTINUED



	Notes	2005/06 R'000	2004/05 R'000
<b>23. KEY MANAGEMENT PERSONNEL</b>			
Political office bearers (provide detail below) Officials	1	723	683
Level 15 to 16	1	952	950
Level 14	3	1,742	1,589
		<b>3,417</b>	<b>3,222</b>
<b>24. PROVISIONS</b>			
<b>Potential irrecoverable debts</b>			
Other debtors		18,965	12,796
		<b>18,965</b>	<b>12,796</b>

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

##### ANNEXURE 1A STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2004/05	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Division of Revenue Act</b>										
Food Relief Child Support Extension	-	16,222	-	-	16,222	16,222	16,222	100 %	20,118	3,896
HIV/AIDS Integrated Social Development Grant	6,089	-	-	-	6,089	6,089	6,089	100 %	202,113 3,088	202,113 3,088
Social Assistance Administration Grant	20,034	-	-	-	20,034	20,034	20,034	100 %	-	-
Social Assistance Transfer Grant	236,234	-	-	10,945	247,179	236,234	238,182	96.4 %	-	-
Social Assistance Transfer Grant	4,002,671	-	-	(10,945)	3,991,726	3,997,281	3,942,399	98.8 %	-	-
	<b>4,265,028</b>	<b>16,222</b>	<b>-</b>	<b>-</b>	<b>4,281,250</b>	<b>4,275,860</b>	<b>4,222,926</b>	<b>98.6 %</b>	<b>225,319</b>	<b>209,097</b>

##### ANNEXURE 1E STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
		R'000	R'000	R'000	R'000	%	R'000	%	R'000	R'000
City of Cape Town	3,000	-	-	3,000	3,000	100 %	3,000	-	0 %	2,500
Overstrand	1,500	-	-	1,500	1,500	100 %	1,500	-	0 %	1,400
Swellendam	1,000	-	-	1,000	1,000	100 %	1,000	-	0 %	2,360
Oudtshoorn	1,000	-	-	1,000	1,000	100 %	1,000	-	0 %	500
West Coast Cape	1,500	-	-	1,500	1,500	100 %	1,500	-	0 %	
Winelands	2,000	-	2,000	4,000	4,000	100 %	4,000	-	0 %	2,500
Beaufort West	-	-	-	-	-	-	-	-	500	
Eden	-	-	-	-	-	-	-	-	240	
	<b>10,000</b>	<b>-</b>	<b>2,000</b>	<b>12,000</b>	<b>12,000</b>	<b>100 %</b>	<b>12,000</b>	<b>-</b>	<b>0 %</b>	<b>10,000</b>

## PART FOUR ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

#### ANNEXURE 1 F STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES



NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Amount	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
		R'000	R'000	R'000	R'000	%	R'000	%	R'000	R'000
Central Karoo	17	-	-	17	17	100 %	17	17	100 %	15
West Coast	37	-	-	37	37	100 %	37	37	100 %	32
Cape Metropolitan Council	533	-	(91)	442	395	100 %	395	395	100 %	332
Eden	68	-	-	68	68	100 %	68	68	100 %	57
Cape Winelands	92	-	-	92	92	100 %	92	92	100 %	62
	<b>747</b>	<b>-</b>	<b>(91)</b>	<b>656</b>	<b>609</b>	<b>100 %</b>	<b>613</b>	<b>609</b>	<b>100 %</b>	<b>498</b>

*The amounts refer to Regional Council Service Levies*

#### ANNEXURE 1 K STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				EXPENDITURE		2004/05	2004/05
	Adjusted appropriation	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Appropriation Act	Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Youth Development	7,167	-	7,016	14,183	14,183	100 %	2,600	2,146
HIV/AIDS	10,864	-	(20)	10,844	10,844	100 %	5,985	5,985
Poverty Alleviation NPO and Welfare Organisation	31,133	-	539	31,672	31,672	100 %	13,699	13,699
Development	5,000	-	(2,288)	2,712	2,712	100 %	1,000	1,000
Mali Project	50	-	-	50	50	100 %	-	-
Die Burger	-	-	25	25	25	100 %	-	-
	<b>54,214</b>	<b>-</b>	<b>5,272</b>	<b>59,486</b>	<b>59,486</b>	<b>100 %</b>	<b>23,284</b>	<b>22,830</b>
<b>Subsidies</b>								
Treatment & Prevention of Substance Abuse	11,653	-	47	11,700	11,700	100 %	8,550	7,719
Care of the Aged	99,000	-	(2,036)	96,964	96,387	99.4 %	95,091	95,090
Crime Prevention, Rehabilitation & Victim Empowerment	9,469	-	481	9,950	9,950	100 %	9,621	8,777
Services to the Disabled	30,603	-	697	31,300	31,300	100 %	26,702	26,701
Child & Youth Care & Protection	168,149	-	811	168,960	168,960	100 %	161,549	152,512
	<b>318,874</b>	<b>-</b>	<b>-</b>	<b>318,874</b>	<b>318,297</b>	<b>99.8 %</b>	<b>301,513</b>	<b>290,799</b>
<b>Total</b>	<b>373,088</b>	<b>-</b>	<b>5,272</b>	<b>378,360</b>	<b>377,783</b>	<b>99.8 %</b>	<b>324,797</b>	<b>313,629</b>

*Transfers in respect of Youth Development, HIV/AIDS, Poverty Alleviation, NPO and Welfare Organisation were previously classified under Transfers to Household*

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

##### ANNEXURE 1 L STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05	2004/05
	Adjusted appropriation	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Appropriation Act	Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Pocket money	8	-	-	8	6	75 %	12	8
Food Relief	15,881	-	-	15,881	15,857	99.8 %	19,447	3,566
Social Benefits	-	-	115	115	115	100 %	-	-
Claims against the State	-	-	28	28	28	100 %	5	5
Relief of Distress	20,663	-	-	20,663	12,943	62.6 %	11,977	11,977
Old Age	1,513,278	-	(10,945)	1,502,333	1,501,001	99.9 %	1,396,128	1,388,594
War Veterans	6,960	-	-	6,960	6,690	96.1 %	8,114	7,841
Disability	1,333,665	-	-	1,333,665	1,311,199	98.3 %	1,229,379	1,220,242
Grant-in-aid	-	-	-	-	-	-	6,591	6,590
Foster Care	187,538	-	-	187,538	185,809	99.1 %	169,188	168,244
Care Dependency	70,955	-	-	70,955	70,350	99.1%	62,616	62,615
Child Support	869,612	-	-	869,612	854,407	98.3%	659,658	659,656
<b>Total</b>	<b>4,018,560</b>	<b>-</b>	<b>(10,802)</b>	<b>4,007,758</b>	<b>3,958,405</b>	<b>98.8 %</b>	<b>3,563,115</b>	<b>3,529,338</b>

Transfers in respect of Social benefits were included under Compensation of employees in previous financial year. Youth Development, HIV/AIDS, Poverty Alleviation and NPO & Welfare Organisation have been reclassified under Transfers to Non-profit Organisations.

##### ANNEXURE 10

##### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2006

NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
	R'000	R'000
<b>Paid in cash</b>		
Mali project driven by the Department of the Premier – purchase a table seating for 10 persons for the Mali dinner on 8 April 2005	50,000	-
Christmas Fund of Die Burger – funds for needy children to have a five day stay at Die Burger – strandhuis	25,000	-
<b>Total</b>	<b>75,000</b>	<b>-</b>

## PART FOUR ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

#### ANNEXURE 1 P STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT FOR THE YEAR ENDED 31 MARCH 2006

Grant Type	Apr 2005	May 2005	Jun 2005	Jul 2005	Aug 2005	Sept 2005	Oct 2005	Nov 2005	Dec 2005	Jan 2006	Feb 2006	Mar 2006	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age	125,048	124,461	123,960	124,754	125,305	125,578	124,431	125,385	126,104	125,404	125,305	125,266	1,501,001
War													
Veterans	630	629	603	593	587	582	440	559	553	661	520	333	6,690
Disability	111,650	108,116	109,017	109,237	109,424	109,562	107,634	106,707	109,089	110,519	109,751	110,493	1,311,199
Foster													
Care	15,124	14,961	15,199	15,814	15,946	15,973	16,053	15,867	16,296	14,836	14,829	14,911	185,809
Care													
Depen-	5,728	5,702	5,806	5,958	5,888	5,893	5,830	5,802	5,939	5,866	6,027	5,911	70,350
Child													
Support													
Grant	65,988	63,098	65,555	69,838	71,284	72,684	72,570	72,563	74,685	73,841	76,240	76,061	854,407
Other	165	3,663	2,414	78	2,808	1,459	229	40	395	1,486	206	12,943	
<b>Total</b>	<b>324,168</b>	<b>317,132</b>	<b>323,803</b>	<b>328,608</b>	<b>328,512</b>	<b>333,080</b>	<b>328,417</b>	<b>327,112</b>	<b>332,706</b>	<b>331,522</b>	<b>334,158</b>	<b>333,181</b>	<b>3,942,399</b>

#### ANNEXURE 3 A STATEMENT OF FINANCIAL GUARANTEES AS AT 31 MARCH 2006 LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of housing	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/ paid/ cancelled/ reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	
ABSA Bank			846	62	470		438		
Albaraka Bank			26	-	26		-		
BOE Bank Ltd			30	-	11		19		
First Rand Bank & Saambou			643	-	193		450		
Nedbank Ltd			295	-	124		171		
NHFC (Masikheni)			20	21	20		21		
Old Mutual			612	-	118		494		
Standard Bank			615	-	194		421		
<b>Total</b>			<b>-</b>	<b>3,087</b>	<b>83</b>	<b>1,156</b>	<b>-</b>	<b>2,014</b>	<b>-</b>

*Due to rounding off in the previous financial year, the opening balance was amended from R3 084 000 to R3 087 000*

## PART FOUR

### ANNUAL FINANCIAL STATEMENTS

#### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

##### ANNEXURE 4 CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	16,051	7,987		24,038
Computer equipment	14,025	6,412	-	20,437
Furniture and office equipment	1,843	1,301	-	3,144
Other machinery and equipment	183	274	-	457
<b>TOTAL CAPITAL ASSETS</b>	<b>16,051</b>	<b>7,987</b>	<b>-</b>	<b>24,038</b>

##### ANNEXURE 4.1 ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash	In-kind	Total
	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>7,987</b>		<b>7,987</b>
Computer equipment	6,412		6,412
Furniture and office equipment	1,301		1,301
Other machinery and equipment	274		274
<b>TOTAL CAPITAL ASSETS</b>	<b>7,987</b>	<b>-</b>	<b>7,987</b>

##### ANNEXURE 4.3 CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total movement
	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>13,740</b>		<b>13,740</b>
Computer equipment	11,715		11,715
Furniture and office equipment	1,843		1,843
Other machinery and equipment	182		182
<b>TOTAL CAPITAL ASSETS</b>	<b>13,740</b>	<b>-</b>	<b>13,740</b>

*The additions include capital assets as well as capital projects. Note that capital projects include stand-alone items less than R5 000, and would therefore not reconcile with the asset register. The transport assets (R4 220 000, 00) were transferred to the register of Department of Works and Public Transport.*

##### ANNEXURE 5 SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>Computer software</b>		1,435		
<b>Total</b>		<b>1,435</b>		



## PART FOUR ANNUAL FINANCIAL STATEMENTS



### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 ANNEXURE 5.1 ADDITIONS MOVEMENT MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash	In-kind	Total
	R'000	R'000	R'000
Computer software	1,435		1,435
<b>Total</b>	<b>1,435</b>		<b>1,435</b>

### ANNEXURE 5.3 CAPITAL INTANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total movement
	R'000	R'000	R'000
Computer software	204		204
<b>Total</b>	<b>204</b>		<b>204</b>

### ANNEXURE 6 INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Department of Welfare: Northern Cape	-	-	-	3,069	-	3,069
National Department of Social Development	103	157	19,689	19,689	19,792	19,846
Department of Health: Western Cape	-	4	-	-	-	4
Department of Local Government and Housing: Western Cape	4	14	-	-	4	14
Department of Education: Western Cape	-	29	-	-	-	29
	<b>107</b>	<b>204</b>	<b>19,689</b>	<b>22,758</b>	<b>19,796</b>	<b>22,962</b>
<b>Other Government Entities</b>						
South African Police Services	-	-	-	2	-	2
Correctional Services	-	-	-	17	-	17
NICRO	-	205	-	-	-	205
	-	205	—	19	-	224
<b>TOTAL</b>	<b>107</b>	<b>409</b>	<b>19,689</b>	<b>22,777</b>	<b>19,796</b>	<b>23,186</b>

*The claim against the National Department of Social Development in respect of Walvis Bay (R19 689 000) was previously not included in this annexure, but formed part of the amount included under the Debt balance (note 11.2).*

## PART FOUR

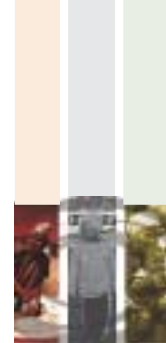
### ANNUAL FINANCIAL STATEMENTS

#### ANNEXURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

##### ANNEXURE 7 INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
Department of Health:						
Western Cape	-	4	-	-	-	4
Department of the Premier:						
Western Cape	-	1	-	-	-	1
Department of Transport and Public Work: Western Cape	73	145	879	168	952	313
Department of Justice:						
National	-	1,630	96	1803	96	3,433
Department of Public Transport, Roads and Works:						
Gauteng	-	-	-	5	-	5
Department of Local Government and Housing:						
Western Cape	40	-	-	-	40	-
<b>Total</b>	<b>113</b>	<b>1,780</b>	<b>975</b>	<b>1,976</b>	<b>1,088</b>	<b>3,756</b>

## PART FIVE HUMAN RESOURCE MANAGEMENT



### 5.1. SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the skills plan as well as progress made in the implementation of the plans.

Table 1.1 - Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standard
Social Security	709 939	744 018	Service level agreements with service providers	Service points remained at 211. Pay points increased from 309 to 315. Various imbizos and door to door campaigns were conducted to access our service delivery. Local Governments and Black Sash assisted with the money lending campaign.
Developmental Social Welfare		4.6 million	Services at district offices	

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Communication and marketing exercises		4.6 million	Public awareness increased regarding money lending
Imbizos, interviews, messages on pay slips	Public at large		Accessibility of services increased
Door to door campaigns	Public at large		Various radio talk shows Public at large
Website to keep officials abreast of SASSA developments	All Social security personnel		Informed officials
Cabinet briefing, meetings with Minister and external service providers re SASSA	Cabinet, external service providers		Informed officials



## PART FIVE

### HUMAN RESOURCE MANAGEMENT



## PART FIVE

### HUMAN RESOURCE MANAGEMENT



**TABLE 1.3- SERVICE DELIVERY ACCESS STRATEGY**

Access strategy	Actual achievements
More computers and laptops to assist officials at service points	Remote areas have payment information via the BENEN
Increase in number of pay points	6 additional pay points was established

**TABLE 1.4 - SERVICE INFORMATION TOOL**

Types of information tool	Actual achievements
Departmental website	Website fully operational and well utilized
Marketed extension on child support grants	National targets were exceeded
Banners displayed at all 315 pay points	Banners provided vital information

**TABLE 1.5 - COMPLAINTS MECHANISM**

Actual achievements	Complaints Mechanism
Website fully operational	
Toll free number still exists	All calls attended to.

## 5.2. EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summaries final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each programmes or salary bands within the department.

**TABLE 2.1 – PERSONNEL COSTS BY PROGRAMME, 2005/ 06**

Programme	Total Expenditure	Personnel Expenditure	Training Expenditure	Pro- fessional & Special Services	Personnel cost as a % of total expen- diture	Average personnel cost per employee	Number of personnel per programme	Number of contract workers per programme
	R'000	R'000	R'000	R'000		%		
Programme 1:	133,811	92,145	1,018	6,077	68,6	98.87	692	240
Programme 2:	4,180,581	77,200	679	105,460	1,85	126.77	235	374
Programme 3:	421,785	55,875	37	27,109	13,25	112.20	403	95
Programme 4:	93,851	1,246	0	181	1,33	89.00	2	12
Programme 5:	4,065	1,819	0	802	44,75	139.92	10	3
<b>TOTAL</b>	<b>4,834,093</b>	<b>228,285</b>	<b>1,734</b>	<b>139,629</b>	<b>4,72</b>	<b>110.50</b>	<b>1342</b>	<b>724</b>

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**TABLE 2.2 – PERSONNEL COSTS BY SALARY BANDS, 2005/ 06**

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Number of permanent personnel	Number of contract workers
Lower skilled (Levels 1-2)	R 5,247.69	2.32%	61.02	78	8
Skilled (Levels 3-5)	R 53,642.56	23.67%	61.17	302	575
Highly skilled production (Levels 6-8)	R 99,499.35	43.90%	123.76	681	123
Highly skilled supervision (Levels 9-12)	R 61,039.82	26.93%	213.43	269	17
Senior management (Levels 13-16)	R 7,220.02	3.19%	555.39	12	1
<b>TOTAL</b>	<b>R 226,649</b>	<b>100.00%</b>	<b>109.70</b>	<b>1342</b>	<b>724</b>

*The difference in personnel expenditure is due to manual payments and journal transactions on BASS (Basic Accounting System) that does not reflect on persal.*

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, homeowners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

**TABLE 2.3 – SALARIES, OVERTIME, HOME OWNERS ALLOWANCE AND MEDICAL ASSISTANCE BY PROGRAMME, 2005/ 06**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical Assistance as a % of personnel cost
	R'000		R'000		R'000		R'000	
Programme 1:	88,990	96.58	2,399	2.60	1,377	1.49	5,183	5.62
Programme 2:	33,741	43.71	1,909	2.47	605	0.78	1,742	2.26
Programme	35,897	64.25	1,603	2.87	1,039	1.86	1,655	2.96
Programme 4:	710	56.98	0	0.00	0	0.00	16	1.28
Programme 5:	1,604	88.18	0	0.00	4	0.22	50	2.75
<b>TOTAL</b>	<b>160,942</b>	<b>71.01</b>	<b>5,911</b>	<b>2,61</b>	<b>3,025</b>	<b>1.33</b>	<b>8,646</b>	<b>3,81</b>

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**TABLE 2.4 – SALARIES, OVERTIME, HOME OWNERS ALLOWANCE AND MEDICAL ASSISTANCE BY SALARY BANDS, 2005/ 06**

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical Assistance as a % of personnel cost
	R'000		R'000		R'000		R'000	
Lower Skilled (Levels 1-2)	3,770	71.84	83	1.58	159	3.03	292	5.56
Skilled (Levels 3-5)	38,487	71.75	1,698	3.17	585	1.09	1,404	2.62
Highly skilled production (Levels 6-8)	70,845	71.20	2,892	2.91	1,703	1.71	4,621	4.64
Highly skilled supervision (Levels 9-12)	43,680	71.56	1,238	3.17	578	0.95	2,329	3.82
Senior management (Levels 13-16)	4,160	57.62	0	0.00	0	0.00	0	0.00
<b>TOTAL</b>	<b>160,942</b>	<b>71.01</b>	<b>5,911</b>	<b>2.61</b>	<b>3,025</b>	<b>1.33</b>	<b>8,646</b>	<b>3.81</b>

### 5.3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables: - programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department. The vacancy rate reflects the percentage of posts that are not filled.

**TABLE 3.1 – EMPLOYMENT AND VACANCIES BY PROGRAMME, 31 MARCH 2006**

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of contract posts on the establishment
1	831	692	16.73	240
2	298	235	21.14	374
3	542	403	25.65	95
4	3	2	33.33	12
5	10	10	0.00	3
<b>TOTAL</b>	<b>1684</b>	<b>1342</b>	<b>20.31</b>	<b>724</b>

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**TABLE 3.2 – EMPLOYMENT AND VACANCIES BY SALARY BANDS, 31 MARCH 2006**

Salary Band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to establishment
Lower skilled (Levels 1-2)	122	78	36.07	8
Skilled (Levels 3-5)	448	302	32.59	575
Highly skilled production (Levels 6-8)	815	681	16.44	123
Highly skilled supervision (Levels 9-12)	287	269	6.27	17
Senior management (Levels 13-16)	12	12	0.00	1
<b>TOTAL</b>	<b>1684</b>	<b>1342</b>	<b>20.31</b>	<b>724</b>

**TABLE 3.3 – EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATION, 31 MARCH 2006**

Critical Occupation	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to establishment
Senior Managers	12	12	0.00	1
Middle Managers	103	94	8.74	11
Social Science Professionals	415	342	17.59	89
Social, Natural Science				
Supp Personnel	318	264	16.98	51
Admin Clerks & Officers	672	527	21.58	546
Service workers	37	12	67.57	0
Elementary workers & drivers	127	91	28.35	26
<b>TOTAL</b>	<b>1684</b>	<b>1342</b>	<b>20.31</b>	<b>724</b>

The information in each case reflects the situation as at 31 March 2006. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report

#### 5.4. JOB EVALUATION

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organization. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.



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**TABLE 4.1 JOB EVALUATION, 1 APRIL 2005 TO 31 MARCH 2006**

Salary Bands	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Post Downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	122	0	0.00	0	0	0	0
Skilled (Levels 3-5)	448	2	0.45	3	0.67	0	0
Highly skilled production (Levels 6-8)	815	0	0.00	3	0.37	0	0
Highly skilled supervision (Levels 9-12)	287	32	11.15	32	11.15	0	0
Senior Management Service Band A	8	0	0.00	0	0	0	0
Senior Management Service Band B	3	0	0.00	0	0	0	0
Senior Management Service Band C	0	0	0.00	0	0	0	0
Senior Management Service Band D	1	0	0.00	0	0	0	0
<b>TOTAL</b>	<b>1684</b>	<b>34</b>	<b>2.02</b>	<b>38</b>	<b>2.26</b>	<b>0</b>	<b>0</b>

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

**TABLE 4.2 – PROFILE OF EMPLOYEES WHOSE SALARY POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED, 1 APRIL 2005 TO 31 MARCH 2006**

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	0	6	3	10
Male	4	0	10	0	14
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>16</b>	<b>3</b>	<b>24</b>
Employees with a disability	0	0	0	0	0

The following table summarizes the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

**TABLE 4.3 – EMPLOYEES WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY JOB EVALUATION, 1 APRIL 2005 TO 31 MARCH 2006 (IN TERMS OF PSR 1.V.C.3)**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2002/ 03				NONE
Percentage of total employment				

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### HUMAN RESOURCE MANAGEMENT

Table 4.4 summarizes the beneficiaries of the above in terms of race, gender, and disability.

**TABLE 4.4 – PROFILE OF EMPLOYEES WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY JOB EVALUATION, 1 APRIL 2002/5 TO 31 MARCH 2006 (IN TERMS OF PSR 1.V.C.3)**

Beneficiaries	African	Asian	Coloured	White	Total
Female					
Male					
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employees with a disability	0	0	0	0	0
Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2005/ 06					None

#### 5.5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These “critical occupation” should be the same as those listed in Table 3.3)

**TABLE 5.1 – ANNUAL TURNOVER RATES BY SALARY BAND FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006**

Salary Band	Number of employees per band as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	85	0	4	4.71
Skilled (Levels 3-5)	311	18	21	6.75
Highly skilled production (Levels 6-8)	668	42	31	4.64
Highly skilled supervision (Levels 9-12)	258	17	13	5.04
Senior Management Service Band A	8	0	0	0.00
Senior Management Service Band B	3	0	0	0.00
Senior Management Service Band C	0	0	0	0.00
Senior Management Service Band D	1	0	0	0.0
<b>TOTAL</b>	<b>1334</b>	<b>77</b>	<b>69</b>	<b>5.17</b>

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**TABLE 5.2 – ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006**

Occupation:	Number of employees per occupation as on 1 April 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Managers	12	0	0	0.00
Middle Managers	75	15	5	6.67
Social Science Professionals	322	31	16	4.97
Social; National Science Support Personnel	280	7	18	6.43
Administrative Clerks & Professionals	531	24	23	4.33
Service Workers	13	0	3	23.08
Elementary Workers & Drivers	101	0	4	3.96
<b>TOTAL</b>	<b>1334</b>	<b>77</b>	<b>69</b>	<b>5.17</b>

Table 5.3 identifies the major reasons why staff left the department.

**TABLE 5.3 – REASONS WHY STAFF ARE LEAVING THE DEPARTMENT**

Termination Type	Number	% of total
Death	5	1.21
Resignation	45	10.92
Desertion	2	0.49
Expiry of contract	343	83.25
Dismissal – operational changes	0	0.00
Dismissal – misconduct	2	0.49
Dismissal – inefficiency	0	0.00
Discharged due to ill-health	4	0.97
Retirement	11	2.67
<b>TOTAL</b>	<b>412</b>	<b>100.00</b>
Total number of employees who left as a % of the total employment		7.50

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**TABLE 5.4 – PROMOTIONS BY CRITICAL OCCUPATION**

Occupation:	Employees as at 1 April 2005	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Senior Managers	12	0	0	7	58.3
Middle Managers	75	19	25.33	37	49.33
Soc Science Professionals	322	4	1.24	280	86.96
Soc Nat Science Support Personnel	280	1	0.36	232	82.86
Admin Clerks & Professionals	531	11	2.07	468	88.14
Service Workers	13	0	0.00	9	69.23
Elementary Workers	101	0	0.00	97	96.04
<b>TOTAL</b>	<b>1334</b>	<b>35</b>	<b>2.62</b>	<b>1130</b>	<b>84.71</b>

**TABLE 5.5 – PROMOTIONS BY SALARY BAND**

Salary Band	Employees 1 April 2005	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	85	0	0.00	87	102.35
Skilled (Levels 3-5)	311	2	0.64	269	86.50
Highly skilled production (Levels 6-8)	668	12	1.80	556	83.23
Highly skilled supervision (Levels 9-12)	258	21	8.14	211	81.78
Senior management (Levels 13-16)	12	0	0	7	58.33
<b>TOTAL</b>	<b>1334</b>	<b>35</b>	<b>2.62</b>	<b>1130</b>	<b>84.71</b>

#### 5.6. EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

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### HUMAN RESOURCE MANAGEMENT



#### 6.1 TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL CATEGORIES AS ON 31 MARCH 2006

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	25	1	12	20	21	1	12	106
Professionals	36	118	0	10	74	194	2	45	479
Technicians and associate professionals	42	120	0	2	32	62	0	6	264
Clerks	19	107	1	6	35	180	1	41	390
Service and sales workers	1	10	0	0	0	1	0	0	12
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant & machine operators & assemblers	3	5	0	0	0	0	0	0	8
Elementary occupations	6	24	0	1	10	41	0	1	83
<b>TOTAL</b>	<b>121</b>	<b>409</b>	<b>2</b>	<b>31</b>	<b>171</b>	<b>499</b>	<b>4</b>	<b>105</b>	<b>1342</b>
Employees with disabilities	3	4	0	1	1	4	0	0	13

#### 6.2 TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS AS ON 31 MARCH 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	1	0	0	1
Senior Management	0	3	1	3	2	2	0	0	11
Professionally qualified & experienced specialists & mid-management	14	22	0	9	18	18	1	12	94
Skilled technical and academically qualified workers, junior management, supervisors, foreman & superintendents	36	118	0	10	74	194	2	45	479
Semi-skilled and discretionary decision making	61	227	1	8	67	242	1	47	654
Unskilled and defined decision making	10	39	0	1	10	42	0	1	103
<b>TOTAL</b>	<b>121</b>	<b>409</b>	<b>2</b>	<b>31</b>	<b>171</b>	<b>499</b>	<b>4</b>	<b>105</b>	<b>1342</b>

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#### 6.3 RECRUITMENT FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	8	0	0	1	6	0	0	0	15
Skilled technical and academically qualified workers, junior management, supervisors, foreman & superintendents	7	11	0	1	10	7	0	2	38
Semi-skilled and discretionary decision making	5	5	0	0	11	2	0	1	24
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>20</b>	<b>16</b>	<b>0</b>	<b>2</b>	<b>27</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>77</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

#### 6.4 PROMOTIONS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	4	2	0	2	7	4	0	0	19
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	2	0	0	3	4	0	1	11
Semi-skilled and discretionary decision making	2	0	0	0	3	0	0	0	5
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>2</b>	<b>13</b>	<b>8</b>	<b>0</b>	<b>1</b>	<b>35</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

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### 6.5 TERMINATIONS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	2	0	0	1	1	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	5	0	0	0	7	0	4	18
Semi-skilled and discretionary decision making	5	11	0	2	2	16	0	3	39
Unskilled and defined decision making	0	4	0	1	0	2	0	0	7
<b>TOTAL</b>	<b>8</b>	<b>22</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>26</b>	<b>0</b>	<b>7</b>	<b>69</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

### 6.6 DISCIPLINARY ACTION FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Dismissed	0	2	0	0	0	0	0	0	2
Final written warning	2	4	0	0	0	1	0	0	7
Written warning	1	2	0	0	0	2	0	0	5
Verbal warning	1	4	0	0	1	0	0	0	6
Counseling	0	0	0	0	0	3	0	1	4
<b>TOTAL</b>	<b>4</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>24</b>



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#### 6.7 SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	7	19	0	9	15	18	0	9	77
Professionals	23	102	0	8	62	150	2	41	388
Technicians and associate professionals	32	118	0	2	29	59	0	5	245
Clerks	17	100	1	5	29	172	0	39	363
Service and sales workers	1	10	0	0	0	1	0	0	12
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	2	3	0	0	0	0	0	0	5
Elementary occupations	4	20	0	1	7	36	0	1	69
<b>TOTAL</b>	<b>86</b>	<b>372</b>	<b>1</b>	<b>25</b>	<b>142</b>	<b>436</b>	<b>2</b>	<b>95</b>	<b>1159</b>
Employees with disabilities	3	4	0	1	1	4	0	0	13

#### 5.7. PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (Table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – PERFORMANCE REWARDS BY RACE, GENDER, AND DISABILITY, 1 APRIL 2005 TO 31 MARCH 2006

	Beneficiary Profile		Cost		
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	11	121	9.09	11	1.00
Female	36	171	21.05	412	11.44
<b>Asian</b>					
Male	0	2	0	0	0
Female	1	4	0.25	13	13.00
<b>Coloured</b>					
Male	133	409	32.52	1262	9.49
Female	199	499	39.88	1980	9.95
<b>White</b>					
Male	15	31	48.39	184	12.27
Female	44	105	41.90	518	11.77
<b>Employees with a disability</b>					
	2	13	15.38	16	8.00
<b>TOTAL</b>	<b>439</b>	<b>1342</b>	<b>32.71</b>	<b>4469</b>	<b>10.18</b>



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**TABLE 7.2 – PERFORMANCE REWARDS BY SALARY BANDS FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE, 1 APRIL 2005 TO 31 MARCH 2006**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	17	78	21.79	74	4.35	1.41
Skilled (Levels 3-5)	88	302	29.14	471	5.35	0.88
Highly skilled production (Levels 6-8)	205	681	30.10	1993	9.72	2.00
Highly skilled supervision (Levels 9-12)	120	269	44.61	1833	15.28	3.00
<b>TOTAL</b>	<b>430</b>	<b>1330</b>	<b>32.33</b>	<b>4371</b>	<b>10.17</b>	<b>60.54</b>

**TABLE 7.3 – PERFORMANCE REWARDS BY CRITICAL OCCUPATIONS, 1 APRIL 2005 TO 31 MARCH 2006**

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Senior Managers	9	12	75.00	98	10.89
Middle Managers	37	94	39.36	638	17.24
Social Science Professionals	124	342	36.26	1649	13.30
Social, Natural, Technical, Medical Science and Support Personnel	36	264	13.64	261	7.25
Admin Clerks & Professionals	215	527	40.80	1739	8.09
Service Workers	5	12	41.67	21	4.20
Elementary Workers	13	91	14.29	63	4.85
<b>TOTAL</b>	<b>439</b>	<b>1342</b>	<b>32.71</b>	<b>4469</b>	<b>10.18</b>

**TABLE 7.4 – PERFORMANCE RELATED REWARDS (CASH BONUS), BY SALARY BAND, FOR SENIOR MANAGEMENT SERVICE**

Salary Bands	Beneficiary Profile			Cost			
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure	Personnel cost per band
Band A	6	8	75.00	56	9.33	1.07	0.78
Band B	3	3	100.00	42	14.00	0.08	0.02
Band C	0	0					
Band D	0	1					
<b>TOTAL</b>	<b>9</b>	<b>12</b>	<b>75.00</b>	<b>98</b>	<b>10.89</b>	<b>1.36</b>	<b>0.80</b>

## PART FIVE

### HUMAN RESOURCE MANAGEMENT

#### 5.8. FOREIGN WORKERS

The tables below summarize the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarize changes in the total number of foreign workers in each salary band and by each major occupation.

**TABLE 8.1 – FOREIGN WORKERS, 1 APRIL 2005 TO 31 MARCH 2006, BY SALARY BAND**

Salary Bands	1-Apr-05		31-Mar-06	% of total	Number	Change % change
	Number	% of total				
Lower skilled (Levels 1-2)	None					
Skilled (Levels 3-5)						
Highly skilled production (Levels 6-8)						
Highly skilled supervision (Levels 9-12)						
Senior management (Levels 13-16)						
<b>TOTAL</b>	<b>NONE</b>					

**TABLE 8.2 – FOREIGN WORKER, 1 APRIL 2005 TO 31 MARCH 2006, BY MAJOR OCCUPATION**

Major Occupation	1-Apr-05		31-Mar-06	% of total	Number	Change % change
	Number	% of total				
	None					
<b>TOTAL</b>	<b>NONE</b>					

#### 5.9. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2005 TO 31 DECEMBER 2005

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1). In both cases, the estimated cost of the leave is also provided.

**TABLE 9.1 – SICK LEAVE, 1 JANUARY 2005 TO 31 DECEMBER 2005**

Salary Bands	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total Yearly Notch of Sick
Lower skilled (Levels 1-2)	1138	82%	79	5%	13	R174	R3 546 558
Skilled (Levels 3-5)	5474	72%	866	46%	6	R1 000	R41 281 695
Highly skilled production (Levels 6-8)	6121	80%	715	37%	9	R2 122	R63 784 584
Highly skilled supervision (Levels 9-12)	2184	80%	218	12%	10	R1 275	R33 206 294
Senior management (Levels 13-16)	55	91%	6	6	9	R58	R1 660 239
<b>TOTAL</b>	<b>14972</b>	<b>77%</b>	<b>1884</b>	<b>100%</b>	<b>8</b>	<b>R4 369</b>	<b>R143 479 370</b>

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**TABLE 9.2 – DISABILITY LEAVE (TEMPORARY AND PERMANENT), 1 JANUARY 2005 TO 31 DECEMBER 2005**

Salary Bands	Total days	% days with medical certification	Number of Employees using disability leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total Yearly Notch of Sick
Lower skilled (Levels 1-2)	345	100%	9	11%	38	R53	R357 711
Skilled (Levels 3-5)	481	100%	16	20%	30	R99	R857 676
Highly skilled production (Levels 6-8)	980	100%	39	49%	25	R320	R3 328 905
Highly skilled supervision (Levels 9-12)	372	100%	15	19%	25	R207	R2 183 129
Senior management (Levels 13-16)	0	100%	0	0%	0	R0	R0
<b>TOTAL</b>	<b>2178</b>	<b>100%</b>	<b>79</b>	<b>100%</b>	<b>28</b>	<b>R711</b>	<b>R6 727 421</b>

Table 9.3 summarizes the utilization of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

**TABLE 9.3 – ANNUAL LEAVE, 1 JANUARY 2005 TO 31 DECEMBER 2005**

Salary Bands	Total Days taken = A	Average number of days taken per employee = B	Number of employees with annual leave
Lower skilled (Levels 1-2)	1951	19	103
Skilled Levels 3-5)	8666	8	1096
Highly skilled production(Level 6-8)	13810	16	888
Highly skilled supervision (level 9-12)	5439	19	285
Senior Management (Level 13-16)	284	20	14
<b>TOTAL</b>	<b>30150</b>	<b>13</b>	<b>2386</b>

**TABLE 9.4-CAPPED LEAVE 1 JANUARY 2005 TO 31 DECEMBER 2005**

Salary Bands	Total Days = A	Average number of days taken per employee = B	Average capped leave per employee as at 31 December 2005 = C	Number of employees as at 31 December 2005 = D	Total number of capped leave available as at 20051228 = E
Lower skilled (Levels 1-2)	151	1.53	23	99	2235
Skilled Levels 3-5)	496	0.58	5	853	4601
Highly skilled-production (Levels 6-8)	1271	1.59	24	800	19030
Highly skilled supervision(Levels 9-12)	336	1.20	34	281	9416
Senior management (Levels 13-16)	10	0.77	50	13	656
<b>TOTAL</b>	<b>2264</b>	<b>1.11</b>	<b>18</b>	<b>2046</b>	<b>35938</b>

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### HUMAN RESOURCE MANAGEMENT

**TABLE 9.5 – LEAVE PAYOUTS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2005**

The following table summarises payments made to employees as a result of leave that was not taken.

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2005/06 due to non-utilisation of leave for the previous cycle	52	6	9
Capped leave payouts on termination of service for 2005/06	201	15	13
Current leave payout on termination of service for 2005/06	41	17	2
Long Service Awards	239	55	4
<b>TOTAL</b>	<b>533</b>	<b>93</b>	<b>6</b>

**TABLE 10.1 – STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE**

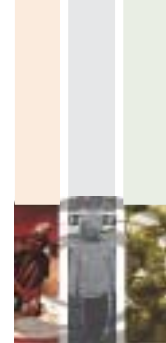
Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Social Workers & Nursing Staff	10x 2 Hour HIV and AIDS Awareness presentation and 10x VCT Sessions at District Offices and Facilities where Social Workers are employed were represented by Life Line. 9x Social Work Employees and NGO members attended HIV and AIDS Integrated Development course presented by the National Department of Social Development and SAMDI. Condom dispensers and condoms were placed in toilets utilized by staff. The Provincial Policy, programme and educational material and media was distributed. 24 Hour Employee Assistance Programme available to Social Workers for HIV & Aids help, information, referrals and support

**TABLE 10.2 – DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr. N Lukhai
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		3 Employees
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Based on an early intervention strategy as a mechanism to optimal service delivery. Provide for telephone and face to face counseling for employees as well as members of their immediate families, education, support and referral mechanisms. Employees are assisted by professional psychological staff and are referred to other professional staff for further assistance and ongoing support

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### HUMAN RESOURCE MANAGEMENT



Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Representing employees and citizens: P Julies Vredendal District, N Malgas Langa District, X Maninjwa Athlone District, Jim Mawona Oudtshoorn District, E Renene Beaufort West District, M Zatu Cape Town District, I De Kock Worcester District, A Louw Bellville District, A De Goede Paarl District, T Nqgcongolo Gugulethu District, E Raymond Atlantis District, J Poggenpoel Mitchells Plain. I Parks George, D Stander Khayelitsha
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Recruitment and Selection, Leave and Flexi time
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Policy awareness sessions, Policy revision, EAP access,
7. Does the department encourage its employees to undergo Voluntary Counseling and Testing(VCT)? If so, list the results that you have achieved.	X		10 VCT Sessions were held at various offices and facilities after awareness sessions were done. High turnout at these sessions
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The EAP Programme generates monthly and quarterly reports to assist management in assessing the impact and effectiveness of delivered programmes. Amendments, additions are made to the programme and preventative measures are taken where possible.

#### 5.11. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the department.

**TABLE 11.1 – COLLECTIVE AGREEMENTS, 1 APRIL 2005 TO 31 MARCH 2006**

PSCBC BARGAINING COUNCIL	
Subject Matter	Date
Resolution 4 of 2005; Amendments to Annexure A of the PSCBC constitution	31/03/05
Resolution 6 of 2005: The appointment of a panel of conciliators and arbitration	28/06/05
Resolution 7 of 2005: Pension Restructuring: Orphan's pension and funeral benefit	13/12/05
BARGAINING COUNCIL (NATIONAL)	
Resolution 1 of 2005: Implementation of Uniforms Allowance for nurses	3/06/05
Resolution 1 of 2006: Agreement on the transfer of employees from the Department of Social Development to the South African Social Security Agency (SASSA)	3/03/06
BARGAINING CHAMBER ( PROVINCIAL)	
None	

## PART FIVE

### HUMAN RESOURCE MANAGEMENT

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

**TABLE 11.2 – MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED, 1 APRIL 2005 TO 31 MARCH 2006**

Outcomes of disciplinary hearings	Number	% of total
Correctional counseling	4	16.67
Verbal warning	6	25.00
Written warning	5	20.83
Final written warning	7	29.17
Dismissal	2	8.33
<b>TOTAL</b>	<b>24</b>	<b>100.00</b>

**TABLE 11.3 – TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS**

Type of misconduct	Number	% of total
Absenteeism	7	25.93
Negligence	3	11.11
Insubordination	9	33.33
Verbal abuse	1	3.70
Alcohol abuse	1	3.70
RWOPS	1	3.70
Misrepresentation	1	3.70
Unauthorised use of GG car & driving GG car under influence of alcohol	2	7.41
Non adherence to financial regulations	2	7.41
<b>TOTAL</b>	<b>27</b>	<b>100</b>

**TABLE 11.4 – GRIEVANCES LODGED FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006**

	Number	% of total
Number of grievances resolved : Individual grievances (14) and collective grievances (2)	16	59.26
Number of grievances not resolved: Individual grievance (10) Collective Grievance (1)	11	40.74
<b>Total number of grievances lodged</b>	<b>27</b>	<b>100.00</b>

**TABLE 11.5 – DISPUTES LODGED WITH COUNCILS FOR THE PERIOD 01 APRIL 2005 TO 31 MARCH 2006**

	Number	% of total
Number of disputes successful upheld	8	53.33
Number of disputes dismissed	3	20.00
Number of disputes pending	4	26.67
<b>Total number of disputes lodged</b>	<b>15</b>	<b>100</b>

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**TABLE 11.6 – STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006**

Total number of person working days lost	5
Total cost (R'000) of working days lost	R1348.72
Amount (R'000) recovered as a result of no work no pay	R1348.72

**TABLE 11.7 – PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2005 TO 31 MARCH 2006**

Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	162
Cost (R'000) of suspensions	80

### 5.12. SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

#### 12.1 TRAINING NEEDS IDENTIFIED 1 APRIL 2005 TO 31 MARCH 2006

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	M	7	1. Customer service and diversity management 2. Strategic leadership	Workshops, Benchmarking, Conferences CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	7
	F	5			5
Professionals	M	189	1. Customer Service and Diversity Management 2. Finance and Budgeting for Non Financial Managers. 3. HIV & AIDS Awareness. 4. GET Programme. 5. Social Security Certificate, Diploma and Post Graduate Studies. 6. Poverty Programme Design. 7. Capacity Building for Social Service Professionals. 8. Computer Training	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	105
	F	341			265

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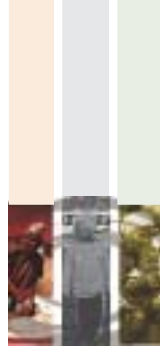
### HUMAN RESOURCE MANAGEMENT

#### 12.1 CONTINUED

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Technicians and associate professionals	M	170	1. Customer Service and Diversity Management. 2. Computer Training 3. Social Auxiliary learnerships	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	228
	F	103			136
Clerks	M	138	1. Customer Service and Diversity Management. 2. HIV & AIDS Awareness. 3 ABET and GET Programme. 4 Social Security Certificate, Diploma and post graduate studies. 5. Report and script writing. 6. Computer Training	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	156
	F	269			289
Service and sales workers	M	20	1.Customer Service and Diversity Management. 2. HIV & AIDS Awareness. 3. ABET and GET Programme. 4. Social Security Certificate, Diploma and post graduate studies. 5. Report and script writing. 6. Computer Training, 7. Disability Learnerships	CAA training, PAWC policy and workshop training	24
	F	1			5
Skilled agriculture and fishery workers	M	0			
	F	0			
Craft and related trades workers	M	0			
	F	0			



## PART FIVE HUMAN RESOURCE MANAGEMENT



### 12.1 CONTINUED

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Plant and machine operators and assemblers	M	10	1.Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET Programme.	CAA Training	10
	F	0			0
Elementary occupations	M	27	1.Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET	CAA training	30
	F	54			61
SUB-TOTAL	M	561			560
	F	773			761
TOTAL		1334			1321

### 12.2 TRAINING PROVIDED 1 APRIL 2005 TO 31 MARCH 2006

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	M	7	1.Customer service and diversity management 2. Strategic leadership	Workshops, Benchmarking, Conferences CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	3
	F	5			1
Professionals	M	189	1. Customer Service and Diversity Management 2. Finance and Budgeting for Non Financial Managers. 3. HIV & AIDS Awareness. 4. GET Programme. 5. Social Security Certificate, Diploma and Post Graduate Studies. 6. Poverty Programme Design. 7. Capacity Building for Social Service Professionals. 8. Computer Training	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	87
	F	341			233

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### HUMAN RESOURCE MANAGEMENT

#### 12.2 CONTINUED

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Technicians and associate professionals	M	170	4. Customer Service and Diversity Management. 5. Computer Training 6. Social Auxiliary learnerships	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	205
	F	103			118
Clerks	M	138	1. Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET Programme. 4 Social Security Certificate, Diploma and post graduate studies. 5 Report and script writing. 6 Computer Training	Workshops, Conferences, CAA Training, Treasury Training, PAWC Policy Implementation workshops and training	143
	F	269			262
Service and sales workers	M	20	1 Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET Programme. 4 Social Security Certificate, Diploma and post graduate studies. 5 Report and script writing. 6 Computer Training, 7. Disability Learnerships	CAA training, PAWC policy and workshop training	24
	F	1			5
Skilled agriculture and fishery workers	M	0			
	F	0			
Craft and related trades workers	M	0			
	F	0			
Plant and machine operators and assemblers	M	10	1 Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET Programme.	CAA Training	6
	F	0			0

## PART FIVE HUMAN RESOURCE MANAGEMENT



### 12.2 CONTINUED

Occupational categories	Gender	No. employees 01 April 2005	Skills programmes and other short courses	Other forms of training	Total
Elementary occupations	M	27	Customer Service and Diversity Management. 2 HIV & AIDS Awareness. 3 ABET and GET Programme.	CAA training	26
	F	54			52
SUB-TOTAL	M	561			494
	F	773			671
TOTAL		1334			1165

### 5.13. INJURY ON DUTY

The following tables provide basic information on injury on duty.

**TABLE 13.1 – INJURY ON DUTY, 1 APRIL 2005 TO 31 MARCH 2006**

Nature of injury on duty	Number	% of total
Required basic medical attention only	27	96.43
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	1	3.57
<b>TOTAL</b>	<b>28</b>	<b>100.00</b>

### 5.14. UTILISATION OF CONSULTANTS

**TABLE 14.1: REPORT ON CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS**

Project Title	Total number of consultants that worked on the project	Duration:
		Work days
Transformation Specialist	3	2 months
Research on the situation of children in the Western Cape	4	5 months
Data Capturing-Population Register Update	1	4 months
Data Analyses-Population Register Update	1	2 months

**TABLE 14.2: ANALYSIS OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS, IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIS)**

Project Title	& ownership by HDI groups	% management by HDI groups
Transformation Specialist	100%	
Research on the situation of children in the Western Cape	Statutory	
Data Capturing-Population Register Update	100%	
Data analyses-Population Register Update	100%	

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### HUMAN RESOURCE MANAGEMENT

**TABLE 14.3: REPORT ON CONSULTANT APPOINTMENTS USING DONOR FUNDS**

Project Title	Total Number of consultants that worked on the project	Duration:
		Work days
		Total duration:
Total number of projects	Total individual consultants	Work days

**TABLE 14.4: ANALYSIS OF CONSULTANT APPOINTMENTS USING DONOR FUNDS, IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI)**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups



## ANNEXURE A

## NON-FINANCIAL DATA

## PROGRAMME 2: SOCIAL ASSISTANCE GRANTS

DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	TOTAL ACTUAL
<b>2.2 Old Age</b>					
Number of beneficiaries.	165,585	165,585	166,097	496,602	993,364
<b>2.3 War Veterans</b>					
Number of beneficiaries.	766	766	734	2,130	4,396
<b>2.4 Disability</b>					
Number of beneficiaries.	131,833	131,833	132,060	396,493	792,219
<b>2.5 Grants-in-aid</b>					
Number of beneficiaries.	6,855	6,855			13,710
<b>2.6 Foster Care</b>					
Number of beneficiaries.	18,302	18,302	45,020	75,411	157,035
<b>2.7 Care Dependency</b>					
Number of beneficiaries.	6,833	6,833	14,094	21,373	49,133
<b>2.8 Child Support Grant</b>					
Number of beneficiaries.	270,552	270,552	678,108	1,218,56	1,341,068
<b>2.9 Relief of Distress</b>					
Number of beneficiaries.	1,212	1,212			2,424

## PROGRAMME 3: SOCIAL WELFARE SERVICES

DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	ACTUAL Q5
<b>3.2 Treatment and Prevention of Substance Abuse</b>					
Number of substance abuse rehabilitation centres run by Government.	1	1	1	1	1
Number of substance abuse rehabilitation centres run by the NGO sector.	10	10	10	10	14
	4 non - funded	4 non - funded	4 non - funded	4 non - funded	(10 funded by government & 4 non-funded)
Number of clients admitted to substance abuse rehabilitation centres run by Government.	221	221	196	142	220
Number of clients admitted to substance abuse rehabilitation centres run by the NGO sector.	207	207	88	31	2,276
Number of clients counselled at substance abuse rehabilitation centres run by the NGO sector.	825	825	44	61	2,276
<b>3.3 Services to Older Persons</b>					
Number of homes for the aged run by Government.					
Number of homes for the aged run by the NGO sector.	134	134	134	134	134

## ANNEXURE

DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	ACTUAL Q5
Number of clients admitted to homes for the aged run by Government.					
Number of clients admitted to homes for the aged run by the NGO sector.	10,473	10,473	10,473	10,473	10,473
Number of aged clients counselled at Government centres.					
Number of aged clients counseled at NGO centres.		506	614	1,120	
Number of clients supported by NGO-based Service Centres for the Aged.	12,009	12,009	12,009	12,009	12,009
<b>3.4 Crime Prevention and Support</b>					
Number of children served by probation officers (children in conflict with the law).	4,037	3,361	3,205	1,910	12,513
Number of adults served by probation officers (probation services).	320	305	1,092	843	2,560
Number of children court enquiries executed by Government.	399	232	681		
Number of children court enquiries executed by the NGO sector.			162	178	340
Number of children court cases executed to place AIDS orphans in foster care by Government.			57	64	141
Number of children court cases executed to place AIDS orphans in foster care by the NGO sector.		134	30	169	
<b>3.5 Services to Persons with Disabilities</b>					
Number of protective workshops in province run by Government.					
Number of protective workshops in province run by the NGO sector.	43	43	43	43	43
Number of clients employed - protective workshops run by Government.	0	0	0	0	0
Number of clients employed - protective workshops run by the NGO sector.	2425	2425	2425	2425	2425
Number of homes for disabled run by Government.			0	0	
Number of homes for disabled run by the NGO sector.	31	31	31	31	31
Number of clients admitted to homes for the disabled run by Government.					
Number of clients admitted to homes for the disabled run by the NGO sector.	1253	1253	1253	1253	1253
Number of disabled clients counselled at centres run by Government.					
Number of disabled clients counselled at centres run by the NGO sector.			594	234	828
<b>3.6 Services to Children, Women and Families</b>					
Number of crèches run by Government.					

## ANNEXURE



DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	ACTUAL Q5
Number of crèches run by the NGO sector.	852	852	852	852	852
Number of children/youth getting services at Government crèches.	0	0	0	0	0
Number of children/youth getting services at crèches run by the NGO sector (subsidised by Government).	58844	58844	58844	58844	58844
Number of children/youth getting services at crèches run by the NGO sector (not subsidised by Government).	17,902	17,902	24,345	14,315	74,464
Number of children's homes run by the NGO sector.	37	37	37	37	37
Number of children/youth getting services at childrens homes run by the NGO sector.	2,041	2,041	2,041	2,041	2,041
Number of places of safety run by Government.	7	7	7	7	7
Number of children/youth getting services at places of safety run by Government.	430	430	128	1,319	2,307
Number of children/youth receiving counseling at centres run by Government.	430	430	1,243	525	2,628
Number of children/youth receiving counseling at centres run by the NGO sector.	9	97	129		
Number of secure care centres run by Government.					
Number of secure care centres run by the NGO sector.	2	2	2	2	2
Number of children/youth getting services at secure care centres run by Government.					
Number of children/youth getting services at secure care centres run by the NGO sector.	235	235	235	235	235

### PROGRAMME 4: DEVELOPMENT AND SUPPORT SERVICES

DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	ACTUAL Q5
<b>4.2 Youth Development</b>					
Number of youth served.	7,283	9,525	17,928		
<b>4.3 HIV/Aids</b>					
Number of clients counselled.	273	473	347	906	1999
<b>4.4 Poverty Alleviation</b>					
Number of people in poverty that are served.	89,093	89,093	34,876	35,645	253,707
Number of poverty alleviation projects implemented.	19	19	57	105	215

### PROGRAMME 5: POPULATION DEVELOPMENT AND DEMOGRAPHIC TRENDS

DESCRIPTION OF OBJECTIVE	ACTUAL Q1	ACTUAL Q2	ACTUAL Q3	ACTUAL Q4	ACTUAL Q5
<b>5.2 Research and Demography</b>					
Number of research projects completed.			3	3	6
Number of research projects outsourced.	1	1	1	1	4
<b>5.3 Capacity Development and Advocacy</b>					
Number of capacity building projects.	1	3	2	2	8

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## GLOSSARY OF TERMS

### TERM

#### Areas of greatest need and highest priority

This includes:

- The Presidential nodal areas i.e. Central Karoo, Mitchell's Plain and Khayelitsha, areas identified through Project Consolidate that includes the presidential nodal areas as well as Theewaterskloof, Matsikama, Witzenberg, Cederburg
- The eight provincial crime hot spot areas Khayelitsha, Mitchell's Plain, Guguletu, Nyanga/Philippi, Kuilsriver, Worcester, Kraaifontein and Oudtshoorn as well as
- The 170 informal settlements in the Metropole. These areas have been prioritized for redistribution of resources.

#### Emerging organisations

This definition has been approved and accepted by the Minister of Social Development. Broad-base definition(Characteristics):

- Black-owned and managed as per BEE definition
- Geographic areas of greatest need
  - established townships
  - informal settlements (local context and roots in community)
- Locally based i.t.o. its origin, functioning, historical location
- Skills and competencies required to sustain organisation over time
- Limited/ no access to financial and capacity building support services
- Will continue to promote development and strengthening of social cohesion

### ACRONYM

<b>BEE</b>	Black Economic Empowerment
<b>CYCA</b>	Child and Youth Care System
<b>ECD</b>	Early Childhood Development
<b>EPWP</b>	Expanded Public Works Programme
<b>GIS</b>	Geographic Information System
<b>HOD</b>	Head of Department of Social Development
<b>IDP</b>	Integrated development plans of Local Authorities
<b>IPDP</b>	Individual development and performance plan
<b>LED</b>	Local economic development
<b>MOU</b>	Memorandum of Understanding
<b>MIS</b>	Management Information System
<b>M&amp;E</b>	Monitoring and evaluation
<b>SASSA</b>	South African Social Security Agency
<b>SLA</b>	Service level agreement
<b>SMME</b>	Small, micro and medium enterprises
<b>VEP</b>	Victim empowerment programme