



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
SOCIAL DEVELOPMENT

PROVINCE OF LIMPOPO
VOTE NO. 12
ANNUAL REPORT

2017/2018 FINANCIAL YEAR

Table of Contents

PART A: GENERAL INFORMATION

1 DEPARTMENT GENERAL INFORMATION	6
2 LIST OF ABBREVIATIONS/ACRONYMS	7
3 FOREWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL	9
4 DEPUTY MINISTER STATEMENT	11
5 REPORT OF THE ACCOUNTING OFFICER	11
6 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	18
7 STRATEGIC OVERVIEW	19
8 LEGISLATIVE AND OTHER MANDATES	19
9 ORGANISATIONAL STRUCTURES	23
10 ENTITIES REPORTING TO THE MEC	24

PART B: PERFORMANCE INFORMATION

2 OVERVIEW OF DEPARTMENTAL PERFORMANCE	26
3 STRATEGIC OUTCOME ORIENTED GOALS	35
4 PERFORMANCE INFORMATION BY PROGRAMME	36
5 TRANSFER PAYMENTS	74
5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES	74
5.2 TRANSFER PAYMENTS TO ALL ORGANIZATIONS OTHER THAN PUBLIC ENTITIES	76
6. CONDITIONAL GRANTS	76

7 DONOR FUNDS	79
8 CAPITAL INVESTMENTS	79

PART C: GOVERNANCE

1 INTRODUCTION	82
2 RISK MANAGEMENT	82
3 FRAUD AND CORRUPTION	82
4 MINIMISING CONFLICT OF INTEREST	83
5 CODE OF CONDUCT	83
6 HEALTH SAFETY AND ENVIRONMENTAL ISSUES	84
7 PORTFOLIO COMMITTEES	85
8 SCOPA RESOLUTIONS	85
9 PRIOR MODIFICATIONS TO AUDIT REPORTS	93
10 INTERNAL CONTROL UNIT	94
11 INTERNAL AUDIT AND AUDIT COMMITTEES	94
12 AUDIT COMMITTEE REPORT	97

PART D: HUMAN RESOURCE MANAGEMENT

1 INTRODUCTION	100
OVERVIEW OF HUMAN RESOURCES	100
2 HUMAN RESOURCE ACHIEVEMENTS	101
3 CHALLENGES FACED BY THE DEPARTMENT	101
4 FUTURE HUMAN RESOURCE PLANS/GOALS	102

PART E: FINANCIAL INFORMATION

1 REPORT OF THE AUDITOR GENERAL	140
2 ANNUAL FINANCIAL STATEMENT	146

PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS : 21 Biccard Street
Polokwane
0700

POSTAL ADDRESS : Private Bag X 9710
Polokwane
0700

TELEPHONE NUMBER/S: +27 15 230 4300

FAX NUMBER : +27 15 291 2185

EMAIL ADDRESS : info@dsd.limpopo.gov.za

WEBSITE ADDRESS : www.dsd.limpopo.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AGSA	Auditor General of South Africa
ANC	African National Congress
AO	Accounting Officer
APP	Annual Performance Plan
BAS	Basic Accounting System
BAUD	Bar Coded Asset Audit
BBBEE	Broad Based Black Economic Empowerment
CAC	Central Audit Committee
CBO	Community Based Organization
CHH	Child Headed Household
CCMA	Commission for Conciliation Mediation and Arbitration
CDP	Community Development Practitioner
CDA	Central Drug Authority
CFO	Chief Financial Officer
CNDC	Community Nutrition Development Centres
CYCC	Child and Youth Care Centre
CYCW	Child and Youth Care Workers
DIC	Drop in Centre
DORA	Division of Revenue Act
DSD	Department of Social Development
EBT	Electronic Banking Transfer
ECD	Early Childhood Development
EPWP	Extended Public Works Programme
EXCO	Executive Committee
EU	European Union
FET	Further Education and Training
GOVT	Government
HIV	Human Immune Virus
AIDS	Acquired immune deficiency syndrome
HCBC	Home Community Based Care
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
HRP	Human Resource Plan
HWSETA	Health and Welfare Sector Education and Training Authority

ICT	Information Communication Technology
IDT	Independent Development Trust
IEC	Information, Education and Communication
LDP	Limpopo Development Plan
MDDA	Media Development Diversity Agency
MDG	Millennium Development Goals
MEC	Member of Executive Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MPAT	Management Performance Assessment Tool
NACCW	National Association of Child Care Workers
NDA	National Development Agency
NDP	National Development Plan
NGO	Non-Governmental Organization
NPO	Non-Profit Organization
NQF	National Qualification Framework
OD	Organisational Design
OFA	Organisational Functionality Assessment
OSD	Occupation Specific Dispensation
OVC	Orphans and Vulnerable Children
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDS	Performance Management Development System
SANCA	South African National Council for Alcoholism and Drug dependence
SAPS	South African Police Services
SAQA	South African Qualification Authority
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Services
TR	Treasury Regulations
TVET	Technical Vocational Education and Training
VEP	Victim Empowerment Programme
WAN	Wide Area Network

3. FOREWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL



Name: Mme Mapula Anna Mokaba – Phukwana

Title : Member of the Executive Council

The past financial year has yet again hailed significant achievements for the Department and it is with a great sense of pride that I present the Department's Annual Report for this period.

In order to fulfil its constitutional mandate of reducing poverty and creating a caring society, the Department developed and implemented a range of programmes aimed at improving the lives of the most vulnerable citizens of Limpopo.

Our key responsibility is to provide a social safety net for the poor and to prevent more people from sliding into abject poverty and hardships, by creating opportunities for self-sustainability. This is achieved by supporting initiatives such as cooperatives and it is especially those led by women and the youth that have received priority. The Department remains committed towards the liberation of the women, the emancipation of the men and the liberty of children. In addressing poverty, unemployment and inequality, the Department seeks to ensure that no citizen goes to bed hungry, through the introduction of Provincial Food Distribution Centres and Community Development Nutrition Centres.

Further to this, we continue to join hands with sister departments, civil society and NPOs in fighting the ever-present evil of substance abuse, that seems to continuously tear communities and families apart, as well as lead to socio-economic issues such as crime, child neglect, violence and health problems.

NPOs remain an integral part of service delivery in line with the mandate of the Department. We therefore continue to provide financial and technical support. I am therefore proud to present the 2017/18 Annual Report for the Department of Social Development.



MEC: MME Mapula Anna Mokaba – Phukwana

Date 31/05/2018

4. DEPUTY MINISTER STATEMENT

Not applicable

5. REPORT OF THE ACCOUNTING OFFICER



Name: Mme Daphne Ramokgopa
Title : Head of Department

Overview of the operations of the Department:

During the 2017/18 financial year, the Department of Social Development discharged its mandate guided by the following Medium term strategic framework 2014-2019 as aligned to the National Development Plan and Limpopo Development plan , Outcome 13 *“A comprehensive, responsive and sustainable social protection system”* is the key focus point for the Department with the following as supporting Outcomes: Outcome 1, *“Quality basic education”* Outcome 2, *“long and healthy life for all South Africans “* Outcome 3 *“All people in South Africa are and feel safe”* Outcome 4, *“Decent employment through inclusive growth”* Outcome 7 *“Vibrant, equitable,*

sustainable rural communities contributing towards food security for all” and Outcome 12 “An efficient, effective and development-oriented public service”.

The following are key priorities for the Social Sector as enshrined in MTSF Outcome 13 “A comprehensive, responsive and sustainable social protection system”:

Reforming the social welfare sector and services to deliver better results, improving the provision of Early Childhood Development. Deepening social assistance and extending the scope for social security, strengthening community development interventions, establishing social protection systems to strengthen coordination, integration, planning, monitoring and evaluation of services

This Annual report for 2017/18 focuses on the results, challenges, significant events and programmes implemented as of 31st March 2018. In the year under review, the department has successfully implemented the strategies and plans in view of responding to the social challenges confronting poor communities and vulnerable households in the Province.

The introduction of the mobile ECD programme and the registration drive ensured increased access to ECD programmes. Testimony to this is based on the fact that 200 793 children enrolled in ECD centres while 58 083 vulnerable children accessed services in the ISIBINDI sites and Drop in Centres. In an endeavour to build a caring nation through key intervention programmes related to curbing the scourge of HIV and AIDS, the department managed to train 124 organisations in behavioural change programmes. This resulted in 58 083 people being reached and 25 053 beneficiaries provided with psychosocial support services.

Limpopo province is not immune to abuse of substances across all age groups. Departmental interventions ensured outreach to 401 783 people through substance abuse prevention, treatment and rehabilitation services. A total of 766 service users were exposed to out-patient treatment services.

In pursuit of increased access to community intervention services to vulnerable households especially those in need of food security services, the Department managed to reach 191 220 people who accessed nutritious food through DSD Feeding Programmes, such as Early Childhood Development Centres, Drop in

Centres, Old aged residential centres and centres for persons with disabilities. There is still a challenge of expanding the programme to most vulnerable households.

The youth remain an invaluable contributor towards decent employment through inclusive economic growth. The Departmental youth programmes ensured support to youth development structures and exposure of young people to capacity building opportunities. A total of 28 913 young people were mobilised and exposed to skills development and entrepreneurship development programmes with the ultimate goal of empowerment and job creation initiatives.

The department targeted the empowerment of rural women and as a result a total of 24 430 women were empowered through cooperatives support, income generating initiatives and other empowerment programmes. In addition 15 841 women and children were supported through the victim empowerment programmes.

In transforming the social welfare services, 19 572 older persons and 4760 people with disabilities were provided with community based services contrary to the residential based care approach.

Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	1 417	1 548	(101)	1 502	1 374	128
Interest and Dividends	0	0	(6)	-	-	-2

Interest and Dividends	0	0	(6)	-	-	-2
Sale of capital assets	363	530	(187)	1 281	3 205	(1 924)
Financial transactions in assets and	1 010	685	325	16 166	10 173	5 993

The Departmental revised revenue budget for 2017/18 financial year is R 2 794 million and a collection of R 2 763 million or 99% of the adjusted budget by 31 March 2018.

Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	307 708	305 601	2 2 107	287 422	274 712	12 710
Social Welfare services	348 832	345 229	3 603	309 851	305 488	4 363
Children and Families	809 773	807 034	2 739	736 252	735 803	450
Restorative Services	177 921	176 739	11 182	167 597	167 209	388
Development and Research	184 582	182 286	2 296	178 717	178 046	671
Total	1 828 816	1 816 889	11 741	1 679 839	1 654 941	17 931

The Department spent 99.3% of its adjusted budget during the 2017/18 financial year compared to 98.7% spent in 2016/17 financial year. Administration programme spent 99.4% of its adjusted budget during the 2017/18 financial year compared to 95.5% spent in 2016/17 financial year. The underspending is due to delay in recruitment process towards the appointment of four officials for the management of Infrastructure projects in line with Early Childhood Development Programme under

conditional grant funding framework. Included to the underspending is the commitments for infrastructure payments for condition assessment projects not completed following the conditional grant implementation.

Social Welfare Services, Children & families, Restorative Services and Development & Research programmes have spent 99.0%, 99.7%, 99.3% and 98.8% of the adjusted budget respectively.

- **Virements/roll overs**

- No virement and an amount of R3 239 million has been requested as a roll over for payments of commitments from infrastructure projects for condition assessment in implementation of Early Childhood Development Programme for conditional grant funding.
- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.

- **Future plans of the Department**

- Implement the 2018/19 APP.
- Implementation of the National Integrated Childhood Development Policy 2015.

- **Public Private Partnerships**

None.

- **New or proposed activities**

None.

Supply chain management

- All Directors and Shareholders of companies as well as members of close corporations of the recommended companies are being verified through Central Supplier Database Report whether they are not listed on the National Treasury Tender Defaulters as well as government officials who are doing business with public entities. This is done prior to award of competitive bids and quotations to ensure that bids or quotations are not awarded to restricted companies and officials in public service with business interests without approval.

- Appointed Bid Adjudication Committee members were capacitated on supply chain management processes.
- Shortage of staff has been the main challenge especially in SCM in the year under review. This is for both Head Office and at the District level. The filling of posts in this area will be prioritized.
- The Department has implemented BAUD Asset Management system in 2017/18 financial year.
- **Gifts and Donations received in kind from non-related parties**
None
- **Exemptions and deviations received from the National Treasury**
None
- **Events after the reporting date**
As part of strengthening the management and improving service delivery, the following changes were effected:
 - Mr Malatji JT – appointed as Acting Chief Director: Corporate Services
 - Ms Mohale MI- redeployed as Chief Director: Service Delivery Coordination
 - Ms Mathagu KM – reassigned as Director for both Human Resource Management and Development.
 - Ms Sethosa MM – redeployed as Director Capricorn District
- **Other**
There are no other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

Acknowledgement/s or Appreciation

The implementation of the Departmental Annual Performance Plan 2017/18 has been possible because of the contribution of various stakeholders. In this regard, I would like to acknowledge among others the following:

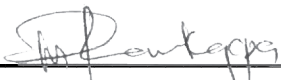
- Portfolio Committee on Social Development
- Standing Committee on Public Funds (SCOPA)
- Public Service Commission

- Cluster 1 Audit committee
- Limpopo Provincial Office of the Premier
- National Department of Social Development
- Limpopo Provincial Treasury
- National Development Agency
- South African Social Security Agency
- Organized Labour
- Civil and Non Profit Organisations
- Government Technical Advisory Centre (GTAC)
- Pact SA

Conclusion

In conclusion, I would like to express my gratitude to the Executive Authority, Oversight bodies and members of the Parliamentary Committees for their political leadership, expertise and guidance. I also wish to extend my appreciation to the leadership and staff of our supporting Agencies, NPOs and other sector partners for their continued support. Finally, I would like to heartily thank the management team and staff members in the department for their dedication and hard work in pursuit of our objectives in striving towards meeting our commitments to the people of Limpopo.

Approval and sign off



Mme Mapula Daphne Ramokgopa

Accounting Officer

Department of Social Development

Date: 31/05/2018

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2018.

Yours faithfully



Head of Department
Mme Mapula Daphne Ramokgopa

Date: 31/05/2018

7. STRATEGIC OVERVIEW

7.1. Vision

A Caring and self-reliant Society.

7.2. Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services.

7.3. Values

- **Human Dignity**

Is a fundamental human right that must be protected in terms of the Constitution of South Africa and facilitates freedoms, justice and peace.

- **Respect**

Is showing regard for one another and the people we serve and is a fundamental value for the realisation of development goals.

- **Integrity**

Refers to consistency with our values, principles, actions, and measures and thus generate trustworthiness amongst ourselves and with our stakeholders.

- **Equality and Equity**

We seek to ensure equal access to services, participation of citizens in the decisions that affect their lives and the pursuit of equity imperatives where imbalances exist.

- **Accountability**

Refers to our obligation to account for our activities, accept responsibility for them and to disclose the results in a transparent manner.

8. LEGISLATIVE AND OTHER MANDATES

The Department derives its legislative mandates from the Constitution of the Republic of South Africa (Section 27 (1) (c), providing for the right of access to Social assistance to those unable to support themselves and their dependents. Section 28 (1) of the Constitution enshrines the right of children with regards to appropriate care, basic nutrition, shelter, health care and social services.

8.1 Constitutional Mandates

The Department implements its constitutional mandates in terms of Section 27(1)(28(1) and schedule 4 of the constitution of Republic of South Africa, Act 108 of 1996.

8.2 Legislative mandates

The following national legislation and policy documents form the legal and policy framework being implemented within the Department:

- **Social Assistance Act (Act no 13 of 2004)**
The Social Assistance Act, 1992 provides for the rendering of social assistance to persons, national councils and Social Development Organizations.
- **Social Service Professions Act, 1978 (Act no. 110 of 1978)**
Promotes and regulates the practice of social service practitioners for social service professions.
- **White Paper for Social Welfare (1997)**
Aims to transform social welfare services through developmental approach
- **Social Service Professions Act, 1978 (Act no. 110 of 1978)**
Promotes and regulates the practice of social service practitioners for social service professions.
- **Child Care Act, 1983 (Act No. 74 of 1983)**
Provides the framework for the care of vulnerable children.
- **Probation Services Act, 1991 (Act no. 116 of 1991)**
Provides for the transformation of the child and youth care system.
- **Domestic Violence Act (Act no. 61 of 2003)**
Provides for the protection of the victims of domestic violence and the vulnerable members of the society.

- **The Child Justice Act (Act no. 75 of 2008)**
Provides the framework for dealing with children in conflict with the law.
- **Older persons Act (Act no.13 of 2006.)**
Provides a framework for the empowerment and protection of older persons.
- **Advisory Board on Social Development Act, 2001 (Act no. 3 of 2001)**
Provides for a national advisory structure in the social development sector.
- **Non-Profit Organisations Act, 1997**
This Act repealed the Fund-Raising Act, 1997, excluding the chapter that deals with relief funds, and provided for an environment in which non-profit organisations can flourish. The Act also established an administrative and regulatory framework within which non-profit organisations can conduct their affairs.
- **Children's Amendment Act No. 38 of 2005**
Provides the framework for the care and protection of children.
- **Sexual Offences Related Matters Amendment Act no 32 of 2007**
Provides for the regulation of sexual offences against vulnerable groups.

Policy mandates

- **National Development Plan**
Chapter 11 of the NDP requires that the Department of Social Development should spearhead the Social Protection to make sure there is alignment and coordination of Social protection issues including addressing the challenges of eradicating poverty and reducing inequality.
- **Medium Term Strategic Framework**
It identifies the development challenges that government has to confront in the next five years. It serves as a backdrop to guide planning and budgeting across the three spheres of government.

- **National guideline on Victim Empowerment**

It provides a framework for sound inter-Departmental and inter-sectoral collaboration and for the integration of effective institutional arrangements for a multi-pronged approach in managing victim empowerment.

- **Limpopo Development Plan**

It is the overarching development strategy for Limpopo province for the next five years. It seeks to reduce poverty, unemployment and inequality through sustainable economic development, social development and transformation.

- **White Paper for Social Welfare (1997)**

The White Paper sets out the principles, guidelines, proposed policies and programmes for developmental social welfare in South Africa. As the primary policy document, the White Paper serves as the foundation for social welfare in the post-1994 era.

- **Integrated National Disability Strategy**

It provides for an integration of disability issues in all government development strategies, planning and programmes.

- **Disability Policy 2006**

It recognizes that Persons with Disabilities are valuable human resources for the country and seeks to create an environment that provides them with equal opportunities, protection of their rights and full participation in society.

- **Relevant Conventions and Agreements**

This refers to relevant and applicable Conventions and Agreements concluded relating to social development.

- **Population Policy 1998**

It examines the current state and likely future directions of population policy in South Africa with particular reference to family planning activities set against the background of past and its also response to the changing socio-political situations in the country.

- **National Crime Prevention Strategy**

It provides the need to follow developmental approach and inter-sectoral collaboration towards combating and addressing crime.

- **Minimum Standards for Residential Facilities on People with Disabilities**

They serve as a guide to individuals and families as to what they can reasonably expect of a residential service. They have been developed for the purposes of the registration and inspection of residential services for people with disabilities.

- **National drug master plan.**

It guides and monitors the actions of government Departments to reduce the demand for and supply of drugs and the harm associated with their use and abuse.

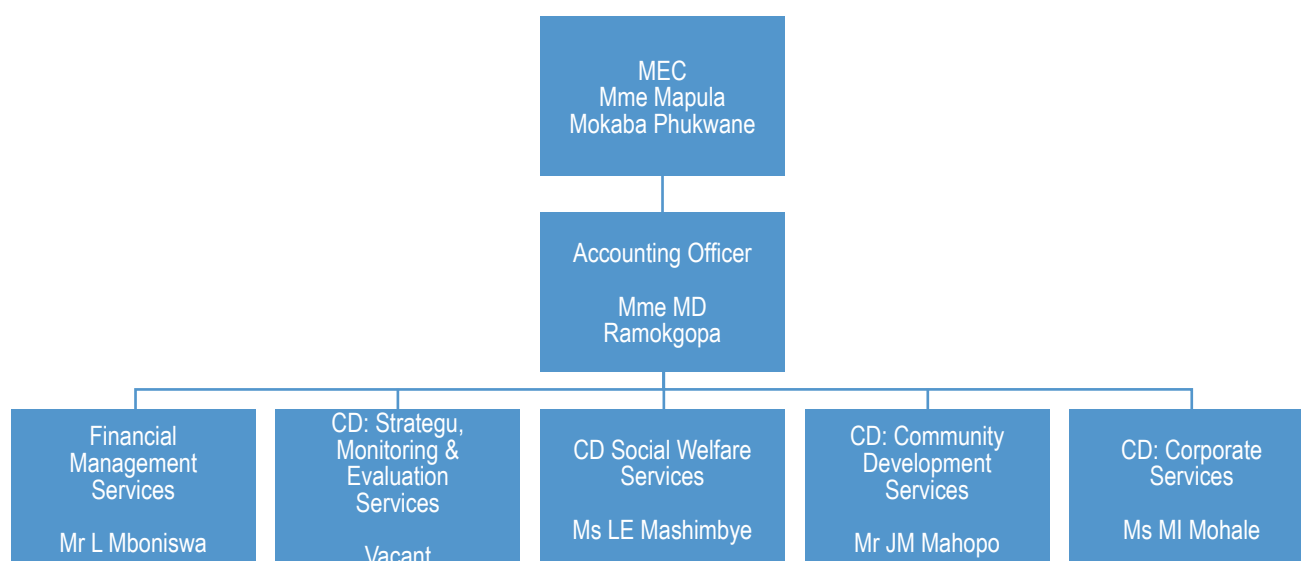
- **Policy Framework on Orphaned and Vulnerable Children.**

It provides for a common agenda for mounting an effective response towards addressing the challenges posed by the HIV/AIDS epidemic. It outlines key actions that must be taken urgently, including the prioritization of support for orphans, vulnerable children and their families in the national policies, actions and plans.

- **National Integrated Early Childhood Development Policy**

The Policy aims at addressing challenges encountered within the sector in relation to currently available legislation that is not well coordinated. The policy objective is to improve universal access to quality, equitable and appropriate services to children.

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MEC

The table below indicates the entities that report to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A	N/A	N/A	N/A

PART B: PERFORMANCE INFORMATION

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

The department has improved from 70% on programme performance information in 2016/17 to 76% in 2017/18 financial year. This account for the achievement of 54 out of 71 indicators. , 17 were not achieved which translates to 24% and 2 out of 71 indicators were not reported which accounts for 3%. The following indicators were not reported due to lack of capacity within the unit, “Number of demographic profiles completed” and “Number of Population Policy, Monitoring and Evaluation projects produced”. The improved performance can be attributed to vigorous monitoring and support of the service delivery programmes and districts.

The Department registered 42.3% (11 of 26) women in senior management services compared to 56.5% (13 of 23) in 2016/17. This decline can be attributed to the resignation and transfer out by two female SMS members. Unfortunately, with Persons with disabilities, the Department has regressed from 2 % (63 of 3138) in 2016/17 to 1.9% (64 of 3384) in 2017/18 Financial year. This is as a result of the departure of three (3) employees with disabilities.

The Department completed the construction of the Seshego Treatment Centre and the other four (4) office accommodation projects namely; Saseleman, Gawula, Mankweng and Mookgopong are still under construction and they will be completed in 2018/19 financial.

The Department has been participating in the Management Performance Assessment Tool (MPAT) since its inception in 2011 (MPAT 1.1). The assessment is conducted annually following MPAT processes launched by DPME. The following is the analysis of MPAT 1.7 final results:

- **Strategic Management:** Annual Performance Plans, Monitoring, and Planning of Implementation Programmes sustained level four (4), level two (2) and level one (1) respectively. This is due to non-functionality of evaluation unit and formalization of Evaluation function within the department.
- **Governance and Accountability:** Functionality of management structures, Assessment of internal audit arrangements and assessment of accountability mechanisms sustained level four (4) whereas Service delivery charter,

standards and SDIP regressed from level four (4) to level two point five (2.5), with improvement in risk management from level two (2) to level three (3). Corporate Governance of ICT improved drastically from level one (1) to level three (3).

- **Human Resource Management:** Human Resources Development Planning, Implementation and Reporting sustained level four (4) whereas Organizational design drastically improved from level one (1) to level four (4). Application of recruitment and retention practices improved from level two point five (2.5) to three (3). Delegation in terms of PSA sustained level three (3). PMDS for employees levels 1 to 12 sustained level two (2) and SMS PMDS (excluding HOD's) improved from level two (2) to three (3) whereas PMDS HOD's sustained level two point five (2.5). Disciplinary cases sustained level one (1).
- **Financial Management:** Demand and Acquisition management sustained level three (3) and level four (4) respectively. Disposal management regressed from three (3) to two (2) and payment of suppliers sustained level two (2). Unauthorised expenditure sustained level four (4). The department has developed an improvement plan with a view to sustain level four (4) scores and improve MPAT 1.8 performance.

2.1 Service Delivery environment

At its core, the Department aims at delivering Social Welfare and developmental services to the poor and vulnerable households. The Department is also providing Child Care and Protection services through ISIBINDI, access to ECD's, Drop in Centers, Foster care placements and psychosocial support.

In 2017/18 financial year, 200 793 children accessed registered ECD programmes. Of these children, 94 521 received R15.00 subsidy. This includes children who benefitted from ECD conditional grant. The Department also managed to fully register 123 ECD centres and 53 ECD programmes. The number of trained ECD Practitioners increased from 3 612 to 3 779 in 2017.18. This is to ensure that quality care and elementary learning are not compromised. Despite challenges identified during Foster Care Evaluation study regarding shortage of resources, the Department managed to place 3 168 children in foster care with 1 678 children awaiting foster care placement.

The bulk of the Department's services are delivered in partnership with 2 742 funded NPO's. In the year under review, a total number of older persons who accessed funded residential facilities is 588, while those accessing community care and support services is 19 572. This is in response to the Older Persons Act that requires provision of care, support and protection of older persons. The Department continues to provide comprehensive and integrated services to people with disabilities. To this end, 4 760 people with disabilities accessed funded protective workshops in the 2017/18 financial year.

HIV and AIDS remains a challenge in the midst of the growing number of orphans and vulnerable children who need dedicated care and support from the Department. In the year under review, 25 053 orphans and vulnerable children receiving psychosocial services were reached.

Challenges posed by substance abuse remain a thorn in the flesh for the Department. The magnitude and vastness of the problem is what fuelled the Departmental efforts in ensuring that incidents of substance abuse are reduced. To this end, the Department managed to reach a total number of 401 017 people (children and adults) through substance abuse prevention programme.

As part of creating an inclusive and responsive Social Protection System, in this regard 5 722 households accessed food through food security programme and 191 220 people accessed food through DSD feeding programmes (centre-based). Fifteen (15) income generating projects have been initiated and funded. This programme focused mainly on rural women, people with disabilities, unemployed youth, and income generating and food security projects. Through EPWP programme, the Department managed to create 2 957 jobs during the financial 2017/18. The Department in partnership with NDA and the National Department of Social Development, managed to empower 5 322 NPO's on governance, financial management, conflict management, registration and compliance.

The Department was able to mobilise 31 995 people in 77 poverty stricken communities through Project Mikondzo in order to uplift the standard of living of the people. To that effect many communities, youth, women, Child Headed

Households and People with Disabilities have benefitted in terms of farming equipments, school uniform, vegetable gardens, referrals to other role players and funding of projects.

Despite these achievements, the Department is still confronted with challenges relating to linking of procurement of goods and services in order to stimulate local economic development from the credible cooperatives and SMMEs. To date we were only able to link 50 cooperatives with provincial food distribution centre and community nutrition and development centres. The intervention in this regard will go a long way in reducing the incidences of Poverty and unemployment amongst women, youth and people with disabilities particularly in rural areas.

2.2. Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan. The table below highlights the service delivery plan and the achievements to date:

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Number of youth participating in skills development programmes	Unemployed out of school youths between 18 - 35 years from profiled vulnerable households in Limpopo province.	328 youths to be capacitated on vocational skills.	500 youths to be capacitated on vocational skills.	1 654 youths were capacitated on vocational skills.
Number of children accessing registered ECD programmes	Children between 0-5 years in Limpopo province	187 793 children accessing the Early Child Development Programme	190 000 children have access to the registered Early Child Development Programme	200 793 children accessed registered Early Child Development Programme

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		(through centre based and non-centre based programmes)		

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation in relation to Early Childhood Development Programme for children between 0-5 years.	Consultation in relation to Early Childhood Development Programme for children between 0-5 years.	Consultations in relation to Early Childhood Development Programme for children between 0-5 years were held.
Capacity building of all ECD Stakeholders (ECD Centers, Government Departments, and NGOs) on ECD services on a quarterly basis.	Capacity building of all ECD Stakeholders (ECD Centers, Government Departments, and NGOs) on ECD services on a quarterly basis.	Conducted capacity building for all ECD Stakeholders (ECD Centers, Government Departments, and NGOs) on ECD services during the period the 2017/18 FY
Quarterly Provincial and District ECD Forum meetings for integration and coordination of ECD services.	Quarterly Provincial and District ECD Forum meetings for integration and coordination of ECD services.	Quarterly Provincial and District ECD Forum meetings for integration and coordination of ECD services were held.
DSD and ECD Practitioners to capacitate the community members /parents on ECD services to ensure they understand the important of ECD services to from 0-5years	DSD and ECD Practitioners to capacitate the community members /parents on ECD services to ensure they understand the important of ECD services to from 0-5years	DSD and ECD Practitioners capacitated the community members /parents on ECD services to ensure they understand the important of ECD services to from 0-5years

Current/actual arrangements	Desired arrangements	Actual achievements
Access: It is through office contacts (visits by beneficiaries at Local, District, Provincial Office, Tribal Offices, clinics and One Stop Centers), telephonic contacts, e-mails and written correspondence (letters, invitation Door-to-door visits will be conducted.	Access is through office contacts (visits by beneficiaries at Local, District, Provincial Office, Tribal Offices, clinics and One Stop Centers), telephonic contacts, e-mails and written correspondence (letters, invitation Door-to-door visits will be conducted.	Through office contacts (visits by beneficiaries at Local, District, Provincial Office, Tribal Offices, clinics and One Stop Centers), telephonic contacts, e-mails and written correspondence (letters, invitation Door-to-door visits were conducted.
ECDs are within 2km radius within the area of access.	ECDs are within 2km radius within the area of access.	ECDs are within 2km radius within the area of access.
Openness & Transparency: in relation to Early Childhood Development Programme for children between 0-5 years. Disseminate information through community meetings, workshops and trainings, Departmental summits and use of citizen's report	Disseminate information through community meetings, workshops and trainings, Departmental summits and use of citizen's report	Disseminated information through community meetings, workshops and trainings, Departmental summits and use of citizen's report
Minutes of the District ECD Forums are disseminated to all stakeholders	Minutes of the District ECD Forums are disseminated to all stakeholders	Minutes of the District ECD Forums disseminated to all stakeholders
Posters, pamphlets and any information relating to ECD services will be sent to all ECD structures	Posters, pamphlets and any information relating to ECD services will be sent to all ECD structures	Posters, pamphlets and any information relating to ECD services sent to all ECD structures
Information in relation to Early Childhood Development Programme for children between 0-5 years. Disseminate information through workshops, campaigns and imbizos, including radio stations, through newsletter, brochures on ECD Programme	Disseminate information through workshops, campaigns and imbizos, including radio stations, through newsletter, brochures on ECD Programme	Disseminated information through workshops, campaigns and imbizos and brochures on ECD Programme

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation in relation to Youth Development : Consult tribal authorities, local municipalities through stakeholder meeting and ensure that youth structures participate, conduct youth dialogues through youth structures, households profiling	Consult tribal authorities, local municipalities through stakeholder meeting and ensure that youth structures participate, conduct youth dialogues through youth structures, households profiling	Consulted tribal authorities, local municipalities through stakeholder meetings and ensured that youth structures participate, conducted youth dialogues through youth structures, households profiling
Access: The youth will have access to credible and accredited training and be exposed to other courses. They will have a wider range of services in the Province. Physical Addresses of all training service providers will be provided to the identified youths across the Province	The youth will have access to credible and accredited training and be exposed to other courses. They will have a wider range of services in the Province. Physical Addresses of all training service providers will be provided to the identified youths across the Province	The youth had access to training and were exposed to other courses. They had a wider range of services in the Province. Physical Addresses of all training service providers were provided to the identified youths across the Province
Openness & Transparency: All issues relating to the programme are addressed during orientation when intake is done. There are monthly and quarterly meetings with students to allow them to raise issues.	All issues relating to the programme are addressed during orientation when intake is done. There are monthly and quarterly meetings with students to allow them to raise issues.	All issues relating to the programme are addressed during orientation when intake was done. There were quarterly meetings with students to allow them to raise issues.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Disseminate information in relation to access of Early Childhood Development Programme is done through workshops, campaigns and imbizos, including radio stations, through newsletter, brochures on ECD Programme	Disseminate information through workshops, campaigns and imbizos, including radio stations, through newsletter, brochures on ECD Programme	Disseminated information through workshops, campaigns, imbizos, and brochures on ECD Programme Minutes of the District ECD Forums were disseminated to all stakeholders
Information in relation to youth development is disseminated during orientation, monthly and quarterly meetings with stakeholders. Use of sms and radio to give information about the programme. During households profiling officials will be informing youths about the programme	Information is disseminated during orientation, monthly and quarterly meetings with stakeholders. Use of sms and radio to give information about the programme. During households profiling officials will be informing youths about the programme	Information disseminated during orientation, monthly and quarterly meetings with stakeholders. Used sms to give information about the programme. During households profiling officials informed informing youths about the programme

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Suggestion boxes mounted in service points	100% of complaints resolved within Twenty Five (25) working days received from suggestion boxes	No complaints received and resolved from the mounted suggestion boxes
Verbal and written apologies for failing to honour meetings, workshops /trainings	100% of complaints resolved within Twenty Five (25) working days received from suggestion boxes	No complaints received and resolved from the mounted suggestion boxes
Presidential, Premier Hotline and Walk Inn Complaints	Resolve all Presidential, Premier Hotline and Walk Ins Complaints within	Five (5) Presidential Hotlines complaints were resolved during the period

	Twenty Five (25) working days.	under review. Four (4) Premier Hotline Complaints were resolved during the period under review. Four (4) Walk Ins complaints were resolved during the period under review.
--	--------------------------------	--

2.3. Organisational environment

The Department has developed Medium Term Expenditure Framework HR Plan for the period 2014/2015 – 2016/2017 as per guidelines given by the HRP Strategic Framework Vision 2015 for the Public Service. The HR Plan ensures that the workforce supply complements current and future demands.

In addition, the HR Plan sets out the issues, evidence and strategies required to deliver a sustainable workforce capable of continuing to deliver high quality social services and to contribute towards the attainment of the goal of a better life for all. Following the DPSA directive, the Department engaged in the PERSAL clean-up Process, which among others resulted in all unfunded vacant position being abolished. During the year under review, the Department managed to fill 255 of the 369 funded posts.

With regard to skills development interventions, the Department implemented management development programs for all levels of employees (Public sector monitoring and evaluation program, Public sector governance and risk management program).

The vacancy rate for the entire Department has decreased from 55.02% to 54.7%. The Under funding of the Department is a cause for concern and has far reaching implications in terms of provision of quality services to communities. This has also affected the filling of vacant posts.

In an endeavour to enhance service delivery particularly at the coalface, the department has procured tool of trades such as vehicles, laptops and office furniture.

2.4. Key policy developments and legislative changes

There are no new key policy developments and legislative changes.

3. STRATEGIC OUTCOME ORIENTED GOALS

South Africa's NDP 2030 accords a central role to social protection in addressing the critical challenges of eradicating poverty and reducing inequality. A role is assigned to social protection to contribute amongst others to ensuring that there prevails households' food, nutrition security, access to basic services, support to early childhood development and investment in children.

The following tables presents a summary:

Outcome	Output / Measure
Outcome 1: Quality basic education.	Improved Early Childhood Development (ECD) for children birth to school going age.
	Improved care, cognitive learning and protection services to children.
Outcome 3: All people in South Africa are and feel safe.	Reduced incidence of gender based violence.
	A reduction in social crime.
	Improved access of social services provided to victims of human trafficking.
	A reduction in the levels of substance abuse by individuals and in communities.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1. Programme 1: ADMINISTRATION

The purpose of this programme is to provide political and strategic direction and leadership through the provision of overall strategic management and support services.

This programme has three sub-programmes-

- Office of the MEC and HOD,
- Corporate Management services and
- District Management.

Strategic Objectives:

- Efficient, effective and developmental support oriented system to the Department by ensuring good governance

Programme Name : Administration					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Efficient, effective and developmental support oriented system to the Department by ensuring good governance	2 932	3 355	3 357	+2	None

Programme Name : Administration					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Efficient, effective and developmental support oriented system to the Department by ensuring good governance	32	31	31	0	None

Performance indicators

Programme: ADMINISTRATION					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Corporate Management Services					
Number of Social Worker bursary holders that graduated	265	171	171	0	None
Number of Social Worker bursary holder graduates employed by	-	164	209	+45	Additional forty – five (45) graduates were appointed out of savings from

Programme: ADMINISTRATION					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
DSD					Social Work conditional grant
Number of EPWP work opportunities created.	2 647	3 000	2 957	-43	Target not reached due to limited equitable share budget
Number of learners on learnership programmes	20	20	20	0	None
Percentage of women in SMS positions employed (Level 13-16)	56.5% (13 of 21)	50% (13 of 26)	42.3% (11 of 26)	-7.7% (2 of 26)	Vacancies of two posts arose due to resignation and transfer out of the department
Percentage of people with disabilities employed	2% (63 of 3138)	2% (68 of 3 384)	1.9% (64 of 3 384)	- 0.1% (3 of 3384)	Vacancies of three posts arose due to resignation and transferred out of the department
Sub-Programme: Financial Management Services					
Number of facilities under construction	3	5	5	0	None
Number of facilities maintained	29	26	26	0	None
Percentage of	100% (12 of	100% (12	100% (12 of	0	None

Programme: ADMINISTRATION					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
asset register and ledger on additions	12)	of 12)	12)		

Strategy to overcome areas of under performance

Underperformed indicators	Strategy to overcome areas of under performance
Number of EPWP work opportunities created	Review equitable share budget allocation aligned to EPWP target.
Percentage of women in SMS positions(Level 13-16)	Prioritize appointment of females in SMS positions.
Percentage of people with disabilities employed	Prioritize appointment of people with disabilities at all levels. Intensify disability disclosure awareness campaigns.

Changes to planned targets

None

Programme 1: Administration

Linking performance with budgets

The programme spent 95.5% of its adjusted budget during the 2017/18 financial year compared to 93% spent in 2016/17 financial year. The underspending is due to delay in recruitment process towards the appointment of four officials for the management of Infrastructure projects in line with Early Childhood Development Programme under conditional grant funding framework. Included to the underspending is the commitments for infrastructure payments for condition assessment projects not completed following the conditional grant implementation.

Sub-programme expenditure

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of MEC	8 520	7 239	1 281	8 470	6 925	1 545
Corporate Management	131 762	132 417	(655)	120 034	109 910	10 124
District Management	167 426	165 945	1 481	158 918	157 977	10 419
Total	307 708	305 601	2 107	287 422	274 710	12 712

4.2. Programme 2: SOCIAL WELFARE SERVICES

The programme provides integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations through the following sub- programmes.

- Sub programme 2.1: Management and Support
- Sub programme 2.2: Services to Older Persons
- Sub programme 2.3: Services to the Persons with Disabilities
- Sub programme 2.4: HIV/AIDS
- Sub programme 2.5: Social Relief

Strategic objectives:

- Expand and accelerate developmental social service delivery to the poor, vulnerable and special focus groups.

Programme Name : Social Welfare Services					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub programme : Services to Older Persons					
Expand and accelerate developmental social service delivery to the poor, vulnerable and special focus groups	18 390	18 278	19 572	+1 294	Intensified marketing and publicity of the program.
Sub Programme : Services to Persons with Disabilities					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus groups	4 327	4 314	4 760	+446	Intensified marketing and publicity of the program.
Sub programme : HIV and AIDS					
Expand and accelerate developmental social welfare service delivery to the poor,	53 763	53 100	58 083	4 983	Collaboration with other stakeholders

Programme Name : Social Welfare Services					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
vulnerable and special focus groups.					
Sub programme : Social Relief					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus groups.	9 512	12 000	13 330	+1 330	The number of cases assessed through the Zero hunger programme were more during the period under review (Collaboration with other stakeholders

Performance indicators

Programme: Social Welfare Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Services to Older Persons					
Number of residential facilities for older	7	8	8	0	None

Programme: Social Welfare Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
persons.					
Number of older persons accessing residential facilities.	559	578	588	+10	The increase is due to the admission in the independent living flats attached to funded residential facilities
Number of older persons accessing community based care and support services.	17 831	17 700	18 984	+1 284	The demand for service exceeded the planned target
Sub-Programme: Service to Persons with Disabilities					
Number of residential facilities for persons with disabilities.	3	3	3	0	None
Number of persons with disabilities accessing residential facilities.	295	294	294	0	None
Number of	4 032	4 020	4 466	+446	The demand for

Programme: Social Welfare Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
persons with disabilities accessing services in funded protective workshops.					service exceeded the planned target
Sub-Programme: HIV and AIDS					
Number of organizations trained on social and Behaviour change programmes.	108	120	151	+31	Additional organizations attended the training session
Number of beneficiaries reached through social and behaviour change programmes.	30 452	32 800	33 030	+230	Training of 31 additional organizations contributed to the output
Number of beneficiaries receiving psycho-social support services.	23 311	20 300	25 053	+4 753	Collaboration with stakeholders e.g. Health, Education) Training of 31 additional

Programme: Social Welfare Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					organizations contributed to the output
Sub-Programme: Social Relief					
Number of beneficiaries who benefited from DSD social relief programs.	9 512	10 700	13 330	+2 630	The number of cases assessed through the Zero hunger programme were more during the period under review

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

The programme spent 98.6% of its adjusted budget during the 2017/18 financial year compared to 99% spent in 2016/17 financial year. The underspending is due to incorrect linkage of employees paid from HIV/Aids Programme sub programme.

Included to the underspending is the commitments for procurement of laptops under machinery and equipment funded as priority – tools of trade during 2017/18 Appropriation Budget. The delay was due to late delivery of minor assets or office furniture for tools of trade received during March 2018.

Sub-programme expenditure

	2017/2018			2016/2017		
Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	92 322	92 401	(79)	79 724	71 003	3 355
Services to Older Persons	98 318	100 643	(2 325)	79 381	77 735	1 646
Services to the Older Person with Disabilities	92 698	89 611	3 087	76 513	77 601	(1 088)
HIV/AIDS	64 443	61 956	2 583	73 232	73 201	31
Social Relief	1 051	618	433	1 001	675	326
Total	348 832	345 229	3 603	309 851	309 851	4 363

4.3. PROGRAMME 3: CHILDREN & FAMILIES

This provides comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations through the following sub programmes.

Sub programme 3.1: Management and Support

Sub programme 3.2: Care and Support Services to Families

Sub programme 3.3: Child Care and Protection Services

Sub programme 3.4: ECD and Partial Care

Sub programme 3.5: Child and Youth Care Centres

Sub programme 3.6: Community-Based Care Services for Children

Strategic objectives

- Expand and accelerate developmental social services to vulnerable children and poor families.

Programme Name: CHILDREN & FAMILIES					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub programme: Care and services to families					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group	56 299	54 374	82 584	+28 210	Awareness campaigns related to family issues contributed to participation of additional families.
Sub programme: Child Care and protection Services					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group	24 984	30 040	30 540	+500	Children in foster care and those presented with behaviour problems led to the high demand for service
Sub programme: ECD and Partial Care					
Expand and accelerate	187 793	190 000	200 793	+10 793	The increase in the number of

Programme Name: CHILDREN & FAMILIES					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
developmental social welfare service delivery to the poor, vulnerable and special focus group					registered centres contributed to the increase in access
Sub programme: Child and Youth Care Centres					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group	1 078	1 115	982	-133	Children placed in less restrictive environment
Sub programme: Community - Based Care Services for Children					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special	58 432	56 700	62 002	+ 5 302	Children are attracted to After School Care Programmes in Community based care services.

Programme Name: CHILDREN & FAMILIES					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
focus group					

Performance indicators

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Care and Services to families					
Number of families participating in family preservation Services.	43 987	44 039	63 383	+19 344	Implementation of Sinovuyo Parenting Programme attracted more families to participate in the programme
Number of family members reunited with their families.	722	711	734	+23	Positive response to family reunification programs
Number of families	11 590	9 624	18 467	+8 843	Implementation of Sinovuyo Parenting Programme

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
participating in the parenting skills programme.					attracted more families to participate in the programme
Sub programme: Child Care and Protection Services					
Number of orphans and vulnerable children receiving psychosocial services.	21 189	30 040	30 540	+500	Children in foster care and those presented with behaviour problem led to the high demand for service
Number of children awaiting Foster care placement.	1 266	1 800	1 678	-122	Few clients were found to be in need of care and protection on Foster care assessment
Number of children placed in foster care.	2 529	2 806	3 168	+362	The appointment of new Social workers assisted in finalization of cases
Sub-Programme: ECD and Partial Care					
Number of fully registered ECD centres	34	35	123	+88	35 ECD centers constructed by the National Lotteries Commission and Blouberg

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					Municipality met all registration requirements 53 which were conditionally registered were upgraded to full registration
Number of fully registered ECD programmes.	19	25	53	+28	Many ECD Practitioners were trained by the training agent on NQF level 4 and 5 leading to full registration of the programme
Number of conditionally registered ECD centres.	275	240	232	- 8	Assessed ECD centres were rejected by the Environmental Health Practitioners therefore not meeting registration requirements
Number of conditionally registered ECD	106	90	135	+45	Many ECD Practitioners were trained by various institutions on NQF

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
programmes.					level 4 and 5 leading to conditional registration of the programme
Number of children accessing registered ECD programmes.	187 793	190 000	200 793	+10 793	The increase in the number of registered centres contributed to the increase in access
Number of subsidised children accessing registered ECD programmes.	93 414	92 700	99 751	+7 051	The increase is due to conditional grant provided
Number of ECD practitioners in registered Early Childhood Development programmes.	3 612	3 075	3 779	+704	Improved coordination with Dept. of Education and other accredited training institutions
Sub-Programme: Child and Youth Care Centres					

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of Child and Youth Care Centre	19	19	19	0	None
Number of children in need of care and protection in funded Child and Youth Care Centres.	1 078	1 115	982	-133	Children placed in less restrictive environment such as placement with families
Sub-Programme: Community-Based Care Services for Children					
Number of Child and Youth Care Worker trainees who received training through ISIBINDI model.	284	334	363	+29	Savings from the contracted amount led to additional trainees on ISIBINDI model
Number of children accessing services	13 560	14 700	15 605	+ 905	The increase in Child and Youth Care Worker Trainees resulted in

Programme: Children & Families					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
through the ISIBINDI model.					additional children accessing ISIBINDI model
Number of children accessing services in registered Drop In Centres.	44 872	42 000	46 397	+ 4 397	Children are attracted to After School Care Programmes in DIC

Strategy to overcome areas of under performance

Underperformed indicators	Strategy to overcome areas of under performance
Number of children awaiting Foster care placement	Raise the marketing effort on the service
Number of children in need of care and protection in funded Child and Youth Care	Continue placing children in less restrictive environments
Number of conditionally registered ECD centres	Seek alternative placement for children in unregistered ECD centres which have been rejected by the Municipality

Changes to planned targets

None

Linking performance with budgets

The programme spent 99.9% of its adjusted budget during the 2017/18 financial year compared to 99% spent in 2016/17 financial year.

Management and support sub programme under spent its budget allocation under compensation of employees 'budget allocation due to delay in appointment of four officials for the management of infrastructure projects in implementation of ECD Programme for conditional grant funding for condition assessments under goods and services.

Sub-programme expenditure

	2017/2018			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	23 418	21 587	2 731	28 549	26 477	2 072
Care and Support Services to Families	23 305	20 085	3 220	71 014	68 670	2 344
Child Care and Protection Services	231 563	211 283	20 280	128 650	128 878	(228)
ECD and Partial Care	351 352	367 037	(15 685)	343 817	339 366	4 451
Child and Youth Care Centres	79 935	92 348	(12 413)	63 222	81 386	(18 164)
Community-Based Care Services for	93 300	94 694	4 606	101 000	91 026	9 974

	2017/2018			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Children						
Total	809 773	807 034	2 739	736 252	735 803	450

4.2.4. PROGRAMME 4: RESTORATIVE SERVICES

To provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations through the following sub programmes:

Sub programme 4.1: Management and Support

Sub programme 4.2: Crime Prevention and Support

Sub programme 4.3: Victim Empowerment Programme

Sub programme 4.4: Substance Abuse, Prevention, Treatment and Rehabilitation

Strategic objectives:

- Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group.

Programme Name: Restorative Services					
Strategic objectives	Actual Achievement 2016/ 2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub Programme: Crime prevention and support					
Expand and accelerate	1 605	1 400	1 612	+212	Children committed theft and

Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group	1 605	1 400	1 612	+212	Children committed theft and housebreaking in groups
Sub Programme: Victim Empowerment					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable and special focus group	14 925	17 581	15 861	-1 720	Number depends on cases reported
Sub Programme: Substance Abuse, Prevention ,Treatment and Rehabilitation					
Expand and accelerate developmental social welfare service delivery to the poor, vulnerable	327 642	310 700	401 783	+91 083	Collaboration with other stakeholders

Performance indicators

Programme : Restorative Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-programme: Crime Prevention and Support					
Number of children in conflict with the law assessed.	1 605	1 400	1 612	+212	Number depends on the cases reported by SAPS
Number of children in conflict with the law. Awaiting trial in secure care centres.	418	130	91	-39	The desired performance was to reduce the number of children in conflict with the law
Number of sentenced children in secure care centres.	28	35	27	-8	The desired performance was to reduce the number of children committing crime
Number of children in conflict with the law referred to diversion programmes.	647	900	754	-146	The desired performance was to reduce the number of children committing crime

Programme : Restorative Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of children in conflict with the law who completed diversion programmes.	540	1 000	706	-294	Ensure that all the children referred for diversion complete the programme
Sub-Programme: Victim Empowerment					
Number of funded victim empowerment programme service Centres.	67	74	76	+2	Additional centres funded
Number of victims of crime and violence accessing Services from funded victim empowerment programme service centres.	14 910	17 569	15 841	-1 728	Few cases referred from SAPS, Community and Community Based Organizations.
Number of victims of human trafficking	0	12	20	+8	Provide restorative and healing services

Programme : Restorative Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
identified.					
Number of Human trafficking victims who accessed social services.	15	12	18	+6	The number depended on number of cases referred and reported.
Sub-programme: Substance Abuse, Prevention ,Treatment and Rehabilitation					
Number of children younger than 18 years reached through substance abuse prevention programmes.	195 918	184 000	230 099	+46 099	Collaboration with other stakeholders yielded an increase in the number of children reached through the programme
Number of people (18 and above) reached through substance abuse prevention programmes.	131 090	126 000	170 918	+44 918	Collaboration with other stakeholders yielded an increase in the number of people reached through the programme
Number of	0	50	0	-50	The centre was not

Programme : Restorative Services					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
service users who accessed in-patient treatment services at funded treatment centres.					yet operational during the financial year
Number of service users who accessed out-patient based treatment services.	634	700	766	+66	Collaboration with SANCA and outpatient team resulted in more people accessing services

Strategy to overcome areas of under performance

Underperformed indicators	Strategy to overcome areas of under performance
Number of children in conflict with the law. Awaiting trial in secure care centres.	The desired performance was to reduce the number of children in conflict with the law
Number of sentenced children in secure care	The desired performance was to reduce the number of children committing crime
Number of children in conflict with the law referred to diversion programmes.	The desired performance was to reduce the number of children committing crime
Number of children in conflict with the law who completed diversion programmes.	Ensure that all the children referred for diversion complete the programme
Number of victims of crime and violence accessing Services from funded victim empowerment programme service centres.	Few cases referred from SAPS, Community and Community Based Organizations.
Number of service users who accessed in-patient treatment services at funded treatment centres	Provide services to users as soon as the centre is operational- To activate the centre during the 2018/19 financial year

Changes to planned targets

None

Linking performance with budgets

The programme spent 99.8% of its adjusted budget during the 2017/18 financial year which is a decrease to expenditure percentage of 99% as in the 2016/17 financial year.

Substance Abuse sub-programme under spent the overall budget due to delay in implementation of operationalisation process for Seshego Treatment Centre funding appropriated during 2017/18 Adjustment Budget,

Victim Empowerment recorded an over spending under compensation of employees due to wrong linkage of employees paid from another programme.

Sub-programme expenditure

	2017/2018			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	18 802	10 853	7 949	10 948	19 155	(8 207)
Crime Prevention and Support	58 534	68 671	(10 137)	56 766	56 977	(211)
Victim Empowerment	49 452	63 667	(14 215)	63 692	61 068	2 624
Substance Abuse, Prevention and Rehabilitation	51 133	33 548	17 585	36 191	30 009	6 182
Total	177 921	176 739	1 182	167 597	167 209	388

4.2.5 PROGRAMME 5: DEVELOPMENT AND RESEARCH

The purpose of the programme is to provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information.

This programme is implemented through the following sub – programmes-:

Sub programme 5.1: Management and Support

Sub programme 5.2: Community Mobilisation

Sub programme 5.3: Institutional Capacity Building and Support for NPOs

Sub programme 5.4: Poverty Alleviation and Sustainable Livelihoods

Sub programme 5.5: Community Based Research and Planning

Sub programme 5.6: Youth Development

Sub programme 5.7: Women Development

Sub programme 5.8: Population Policy Promotion

Strategic objectives:

- Increased access to community intervention services to vulnerable Households.

Programme Name: Development and Research					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub programme : Community Mobilization					
Increased access to community intervention services to vulnerable Households.	29 334	22 000	31 995	+9 995	Effective mobilisation and collaboration with stakeholders
Sub programme: Institutional Capacity Building and Support for NPOs					
Increased access to community intervention services to vulnerable Households.	8 001	6 998	8 064	+1 066	NPO road shows, awareness on registration and compliance contributed to additional sessions
Sub programme : Poverty Alleviation and Sustainable Livelihoods					
Increased access to community intervention services to vulnerable Households.	166 588	184 375	192 690	+8 315	Effective coordination between programmes
Sub programme : Community Based Research and Planning					

Programme Name: Development and Research					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Increased access to community intervention services to vulnerable Households.	20 178	22 000	26 290	+4 290	Due to ministerial outreach programmes
Sub programme : Youth Development					
Increased access to community intervention services to vulnerable Households.	27 198	23 100	28 913	+5 813	Effective collaboration with stakeholders
Sub programme : Women Development					
Increased access to community intervention services to vulnerable Households.	22 461	20 800	24 430	+3630	Effective collaboration with stakeholders
Sub programme : Population Policy Promotion					
Increased access to community intervention services to	1 816	1 600	1 766	+166	Effective collaboration with stakeholders

Programme Name: Development and Research					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
vulnerable Households.					

Performance indicators

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Community Mobilization					
Number of people reached through community mobilization programmes.	29 334	22 000	31 995	+9 995	More people were reached due to collaboration with stakeholders, such as Municipalities and traditional authorities
Sub-Programme: Institutional capacity building and support of NPOs					

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of funded NPOs.	2 607	3 298	2 742	-556	NPOs not funded due to budgetary constraints and others because of non-compliance with funding requirements
Number of NPOs capacitated according to the capacity building guideline.	5 394	3 700	5 322	+1 622	Partnership with National Department of Social Development increased number of NPO road shows
Sub-Programme: Poverty Alleviation & Sustainable Livelihoods					
Number of poverty reduction initiatives supported.	20	20	15	-5	The five (5) were not funded as they were not complying with the Central Supplier Database requirements.
Number of people benefiting from poverty reduction initiatives.	1 734	1 300	1 470	+170	The number increased due to additional Community

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					Nutrition Development Centres (CNDs) and benefits derived from funded projects
Number of Households accessing food through DSD food security programmes	4 853	4 050	5 722	+1 672	The increase is due to extended community mobilisation programmes where more households were profiled and found to be in need of food security
Number of people accessing food through DSD feeding programmes. (centre Based)	166 854	183 075	191 220	+8 145	Effective coordination between programmes
Sub-Programme: Community Based Research and Planning					
Number of households profiled.	20 178	22 000	26 290	+4 290	Due to ministerial/ MEC's outreach programmes during

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					international poverty eradication day, child protection week and population day
Number of communities profiled in a ward.	64	70	77	+7	Communities profiled in preparation for social development events (international poverty eradication day, child protection week and population day)
Number of community Based plans developed.	44	35	35	0	None
Sub-Programme: Youth Development					
Number of youth development structures supported	10	10	6	-4	The four (4) were not funded as they were not complying with the Central Supplier Database

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					requirements.
Number of youth participating in skills development programmes.	328	500	1 654	+1 154	The number increased due to collaboration with other partners, namely NYDA, LEDA, SEDA and TVETs
Number of youth participating in Youth mobilization programmes.	17 174	14 000	17 083	+3 083	Effective collaboration with stakeholders such as Municipalities and traditional authorities
Number of youth participating in entrepreneurship development programmes.	9 686	8 600	10 176	+1 576	The number increased due to collaboration with other partners, namely NYDA, LEDA, SEDA and TVETs
Sub-Programme: Women Empowerment					
Number of women participating in empowerment programmes.	22 461	20 800	24 430	+3 630	Women participated more in empowerment programmes offered
Sub-programme: Population Policy Promotion					

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of population capacity development sessions conducted.	17	17	17	0	None
Number of individuals who participated in population capacity development sessions.	1 816	1 600	1 766	+166	Effective collaboration with stakeholders
Number of population Advocacy, Information, education and communication (IEC) activities implemented.	1	1	1	0	None
Number of Population Policy Monitoring and Evaluation report produced.	1	-	-	-	-
Number of research projects completed.	2	1	1	0	None
Number of demographic profile	1	-	-	-	-

Programme : Development and Research					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
projects completed.					

Strategy to overcome areas of under performance

Underperformed indicators	Strategy to overcome areas of under performance
Number of funded NPOs.	Payment of accruals to outstanding NPOs during the first quarter 2018-19
Number of poverty reduction initiatives supported.	Review funding guideline to incorporate Central Supplier Database (CSD) provisions/requirements
Number of youth development structures supported	Review funding guideline to incorporate Central Supplier Database (CSD) provisions/requirements

Changes to planned targets

None

Linking performance with budgets

The programme spent 99.7% of its adjusted budget during the 2017/18 financial year, which is the same expenditure percentage as in the 2016/17 financial year.

Management Support sub programme over spent its budget allocation under compensation of employees programme due to an incorrect linkage of employees paid from this sub programme.

Sub-programme expenditure

	2017/2018			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	112 901	137 594	(24 693)	122 104	135 699	(13 595)
Community Mobilisation	2 469	1 384	1 085	2 351	1 546	805
Institutional Capacity and Support for NGO	16 053	12 992	3 061	18 092	15 368	2 724
Poverty Alleviation and Sustainable Livelihoods	33 013	15 942	17 071	22 008	14 179	7 829
Community Based Research and Planning	600	453	147	1 962	882	1 080
Youth Development	10 650	8 405	2 245	5 788	5 737	51
Women Development	4 500	2 668	1 832	1 662	970	692
Population Policy and Promotion	4 396	2 848	1 548	4 750	3 665	1 085
Total	185 582	182 286	2 296	178 717	178 046	671

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
National Development Agency	Training for non-profit organizations	4 000	4 000	The training was attended by 200 NPOs on financial management, corporate governance and conflict management modules.
TOTAL		4 000	4 000	

Name of transferee	Type of organization	Purpose for which the funds were used	Did the dept. comply with s 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Prevention treatment and rehabilitation services	NPOs	Provide prevention treatment and rehabilitation services to the communities	yes	5 022	4 319	Delay in submission of claims from NPOs
Care and support services for older persons	NPOs	Provide protection , care and support services within communities and institutions	Yes	31 700	31 700	N/A
Child and Youth Care Centres	NPOs	To provide care and support for children declared in need of care	Child and Youth Care Centres	18 472	18 472	N/A
Victim Empowerment	NPOs	Provide counselling to victims of crime and violence in funded sites	Victim Empowerment	14 988	14 988	N/A
Community based care	NPOs	To reduce the psycho-social impact on individuals and families infected and affected by HIV and AIDS	Community based care	113 000	113 000	N/A
Care and support to families	NPOs	Provide integrated services to families	Care and support services to families	16 700	16 700	N/A
Youth Development	NPOs	Empowering youth structures to conduct services for youth development	Yes	1 437	1 437	N/A

Community based projects	NPOs	Reduce vulnerability in poor households and communities	yes	15 116	10 513	Delay in submission of claims from NPOs
---------------------------------	------	---	-----	--------	--------	---

5.2 Transfer payments to all organizations other than public entities

The table below reflects the transfer payments, which were budgeted for in the period 1 April 2016 to 31 March 2017, but no transfer payments were made.

Name of transferee	Purpose for which the funds were used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons for the funds unspent by the entity
Prevention treatment and rehabilitation services	Provide prevention treatment and rehabilitation services to the communities	5 022	4 319	Delay in submission of claims from NPOs
Community based projects	Reduce vulnerability in poor households and communities	15 116	10 514	The disputes with the Service provider against the service level agreement

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

None

6.2. Conditional grants and earmarked funds received

The receiving Department should include the following information in the annual report on conditional grants received:

The Department was able to create 188 jobs with the incentive grant received from National Department of Public Works as allocated. The Department complied with the DORA requirements.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2017 to 31 March 2018.

Conditional Grant: Extended Public Works Programme – Incentive.

Department who transferred the grant	Public Works
Purpose of the grant	Facilitate the achievement of the 2016/17 Social Sector work opportunities targets
Expected outputs of the grant	Monitor and support implementation of the plan
Actual outputs achieved	To pay stipend
Amount per amended DORA	R 8 978 000.00
Amount received (R'000)	R 8 8978 000.00
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R 8 973 000.00
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	The Department will continue to recruit EPWP workers focusing on unemployed people, without discriminating against gender, age and educational level.
Monitoring mechanism by the receiving Department	Standard reporting tool per prescripts

Earmarked funds received

Department who transferred the grant	None
Purpose of the grant	N/A
Expected outputs of the grant	N/A
Actual outputs achieved	N/A
Amount per amended	Nil
Amount received (R'000)	Nil
Reasons if amount not received	N/A
Amount spent by the Department (R'000)	Nil
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving Department	N/A

7. DONOR FUNDS

7.1. Donor Funds Received

- Donor Fund HWSETA:

Name of donor	HWSETA
Full amount of the funding	R4 005 000.00
Period of the commitment	2016/17 financial year
Purpose of the funding	Re-imbursement of the expenditure incurred against development and training of staff.
Expected outputs	Re-imbursement of the expenditure incurred against development and training of staff.
Actual outputs achieved	Clearance of development and training expenditure from CoE programme.
Amount received in current period (R'000)	R14 220 000.00
Amount spent by the Department (R'000)	R14 220 000.00
Reasons for the funds unspent	Training and development costs were not paid due to delays in procurement processes.
Monitoring mechanism by the donor	Standard reporting tool per prescripts

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

No.	Project	Progress	Expected completion date
1	Seshego Treatment Centre	Practical completion achieved in September 2017. Facility is ready to be utilised for its intended purpose once the Municipality issue an Occupation Certificate.	Completed
2	Iris Children's Home	Project completed	Operational

3	Mtsetweni Children's Home	Project completed. The Department is finalising appointment of staff to operationalize the centre.	Completed
4	Mafeke Drop in Centre	Project completed	Operational
5	Thohoyandou Children's home	Project completed	Operational
6	Vukuzenzele Community Rehabilitation Centre	Project completed	Operational

Infrastructure projects	2017/2018			2016/2017		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	0	0	0	0	0	0
Existing infrastructure assets	0	0	0	0	0	0
- Upgrades and additions	30 139	30 690	(551)	32 996	23 545	9 451
- Rehabilitation, renovations and refurbishments	0	0	0	0	0	0
- Maintenance and repairs	10 667	9 890	777	7 961	5 660	2 301
Infrastructure transfer	0	0	0	0	0	0
- Current	0	0	0	0	0	0
- Capital	0	0	0	0	0	0
Total	40 806	40 580	226	40 957	29 205	11 752

PART C: GOVERNANCE

1. INTRODUCTION

The Department is committed to strengthen and improve management administrative functions with a view of enhancing service delivery. To this effect, the following governance structures were in the year under review:

- District Performance Review Committee
- Branch Meeting
- Departmental Budget Committee
- Departmental Performance Review Committee
- Executive Management Committee
- Senior Management Committee
- Risk Management Committee
- Audit Steering Committee
- Extended Executive Management Meeting (Called by the MEC)

2. RISK MANAGEMENT

During the year under review, the Department of Social Development performed risk management at both strategic and operational levels. The Department has a functioning Risk Management Committee chaired by an independent chairperson.

The Department conducts risk assessment annually and not regularly due to the shortage of staff. The Department has Chief Risk Officer who is responsible for all Risk Management Matters. The Department has appointed a Risk Management Champions at the Provincial and District level.

The role of Risk Management Committee is to advice accounting officer on risk management matters, as well as assisting management in developing new mitigation plans on a quarterly basis for the ones that are not yielding the desired results. The Committee checks the controls and mitigations in place on a quarterly basis and advice management.

- The Department has an approved Risk Profile for the year under review
- The Department has an approved Risk Management plan
- The Department has an approved Risk Management Strategy and Implementation Plan.
- All Risk Management policies were distributed to employees.
- The Risk Committee held four quarterly meetings where issues of risk management were discussed.

3. FRAUD AND CORRUPTION

The Department has an approved Fraud Prevention Policy as well as the Fraud Prevention Plan. The plan is implemented through the Risk Management section.

Reported cases are investigated and recommendations are implemented. Risk Management oversees and monitors the implementation of recommendations as approved by the Head of Department. The Department conducts education awareness campaigns as a proactive measure of preventing fraud by employees of Social Development.

Whistle Blowers report allegations of Fraud and Corruption to the Head of Department while others report to Risk Management unit. During education awareness employees are also encouraged to use the National Anti-Corruption Hotline which is managed by PSC at the number 0800 701 701.

Risk Management through its sub unit of Anti-Fraud is responsible for investigation of all cases referred to the Department through various ways of reporting. Upon completion of investigations reports are sent to the Head of Department for approval.

- The Department investigated cases reported during the financial year. The Department is still having backlog cases due to shortage of personnel within the unit however; the Department has requested the assistance of Office of the Premier to investigate backlog cases.
- The Department conducted awareness campaigns in all Districts, educating employees on matters of Fraud and Corruption.
- The Department submitted monthly integrity reports to office of the Premier.

4. MINIMISING CONFLICT OF INTEREST

- The Department ensured that every member of the SMS has declared registrable interests and submitted to Public Service Commission.
- Declarations by members of Bid Adjudication Committees are done through completion of security clearance forms.
- Once conflict of interest is identified, the incumbent is recused to serve in the Bid Committee immediately.

5. CODE OF CONDUCT

The Code of conduct act as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the code enhances professionalism and help to ensure confidence in the Public Service.

The code of conduct further assist in providing direction to the employees with regard to their relationship with the political office bearers, executive and the public at large.

Employees who breach the code of conduct are subjected to disciplinary process.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

- The Department has an approved Safety, Health, Environment, Risk and Quality Management Policy.
- The Department procured summary copies of the Occupational Health and Safety Act and the selected regulations of the Occupational Health and Safety which were distributed in all district offices for display as required by the OHS Act and Regulations.
- Head of Department has appointed Director District Services and Heads of Institutions in terms of section 16.2 of the Occupational Health and Safety Act to manage and coordinate health and safety issues in all districts and institutions.
- Health and Safety Representatives are appointed in all districts offices and head office to help in assessing potential safety, environmental and health hazards.
- Occupational Health and Safety Committee Meetings are held quarterly to discuss health and safety issues in the workplace.
- The Department through Employee Health and Wellness periodically conducts Health and Safety awareness to employees.
- Health and Safety audits and assessments are continuously done in districts offices and institutions to identify potential health, environment and safety hazards.

7. PORTFOLIO COMMITTEES

7.1. The dates of the Portfolio Committee meetings were as follows:

18 August 2017
01 September 2017
12 September 2017
20 March 2018

Matters raised by the Portfolio Committee include amongst others the following

Matters Raised	Progress
Non functionality of Mtsweteni Children's Home and Seshego Treatment Centre	Operational budget for the two centres have been set aside for the 2018/2019 Financial year
Taking over by Government of the management of Shiluvane Frail Care centre due challenges raised by the community and workers	There is EXCO decision to extend the contract by six months while the new tender is being advertised based on the advice from both National Department Social Development and Health in the provision of integrated services to the centre due to the type of users

8. SCOPA RESOLUTIONS

2013/14 FINANCIAL YEAR

Resolution No	Subject	Details	Response by Department	Resolved (Yes/No)
RESOLUTION 1 Significant uncertainty	The Committee recommends that the MEC should provide a comprehensive	The Committee has heard and considered evidence that with reference to note 17.1 to the financial	Department is defending twenty-one (21) Three (03) cases were finalized as at 31 March 2018.	Not resolved

	e report on finished and unfinished cases	statements, the department is the defendant in a legal claim amounting to R45 000 000 (2014: R45 000 000). The department is opposing these claims as it believes it has reasonable grounds to defend each claim.	Defamation two (02) SCM related cases one (1) Motor Vehicle Accident (MVA) eighteen (18)	
RESOLUTION 2 Irregular Expenditure			The department incurred irregular expenditure amounting to R14 520 124.52 during 2014/15 financial year. An irregular expenditure to an amount of R 4 834 152.79 has been condoned. Payment of performance incentives R9 595 645.73 The matter has been referred to Provincial Treasury for assistance with regard to condonation	Not resolved
RESOLUTION 1	The	Executing	Secure care	Not resolved

ON 3 Fruitless and wasteful expenditure	Committee recommends that the MEC should institute investigations into the circumstances which led to the department incurring the fruitless and wasteful expenditure and report the matter to Provincial Treasury and take steps to regularize it.	Authority, on page 174 of the report, the Auditor-General reports that as disclosed in note 23 to the financial statements, fruitless and wasteful expenditure to the amount of R3 514 000 (2014:R 222 000) was incurred due to penalties and interest	management contract - R3 486 992.90: The matter does not meet the definition of fruitless and wasteful expenditure Non-attendance of training - R7 314.42: The case has been investigated and the findings were that the official and the Hotel are responsible for R1 950.00. During the investigations it was noticed that the amount of R5 364.42 was erroneously calculated. The total amount has since been paid. Interest on Wesbank running cost - R1 164.47: The matter has been investigated and the department has referred the matter to Office of State Attorney for recovery.	
RESOLUTI ON 4 Compliance	The Committee recommends	The Committee has heard and considered	The M&E Teams have been established at all levels to quality assure	Resolved

with legislation	that the MEC should take appropriate action should be taken to address the anomaly.	evidence that that effective, efficient and transparent systems of risk management was not taken and internal control with respect to performance information and management was not maintained as required by section 38(1)(a)(i) of the PFMA	and review the reported data before being submitted to the provincial level for consolidation and submission. Tremendous progress has been recorded in the Annual Report 2015/16 due to the effectiveness of some of these measures as implemented hence the unqualified audit of predetermined objectives.	
RESOLUTION 5 Annual financial statements, performance and annual reports	The Committee recommends that the MEC must take appropriate action against the Accounting Officer and the Chief Financial Officer for this anomaly	The Committee has heard and considered evidence that that financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40 (1)(a) of the PFMA.	No action could be taken against the Accounting Officer as her contract came to an end in May 2016. A written warning was issued against the Chief Financial Officer.	Resolved
RESOLUTION	The	The Committee	The amount has been	Not resolved

ON 6 Procurement and contract management	Committee recommends that the MEC should investigate circumstances that led to the Department awarding a tender of over R500 000.00 without inviting competitive bids, as required by TR 16A6.1	has heard and considered evidence that that goods and services of a transaction value of above R500 000 were procured without inviting competitive bids, as required by Treasury Regulations (TR) 16A6.1	condoned by Provincial Treasury.	
RESOLUTION 7 Human Resource management and compensation	The Committee recommends that the MEC should provide a detailed report on all funded vacant posts which were not filled within 12 months as required by Public Service Regulation 1/VII/C. 1A2 and advance	The Committee has heard and considered evidence that that funded vacant posts were not filled within 12 months as required by Public Service Regulation 1/VII/C. 1A2.	The following post were filled Director: GITO (01) Director: Risk Management (01) Deputy Director: Financial Management Services (01) SW Manager: NPO Support (01) Community Dev Supervisors (05) Child & Youth Care Worker (02) Senior Provisioning Admin Officer: Demand (01)	Resolved

	reasons why the positions remained vacant for more than 12 months		Artisan (01) Admin Clerk: NPO Support (20) Artisan (01) Driver/ Messenger (01)	
RESOLUTION 8 Asset Management	The Committee recommends that the MEC should develop implementable proper control systems to safeguard and maintain assets as required by section 38(1)(d) of the PFMA and TR 10.1.1(a).	The Committee has heard and considered evidence that proper control systems to safeguard and maintain assets were not implemented, as required by section 38(1)(d) of the PFMA and TR 10.1.1(a).	Physical Asset Verification – The Department has developed physical asset verification plan which is to take place bi-annually Issuance of Warning Letters – The anomalies frequency encountered during physical asset verification include unavailability of assets allocated to various Asset Holders. Establishment of Loss Control Committees – The department established Loss Control Committees at all Cost-Centres to deal specifically with assets that have been lost by Asset Holders. Inventory Lists –	Not resolved

			<p>Updated Inventory Lists are issued and signed for by all Asset Holders immediately after verification of assets</p> <p>Asset Movement Forms – When assets are moved permanently from their locations to the other, Asset Holders are required to complete Asset Movement Forms</p> <p>Asset Removal Permit – No asset is permitted to leave the premises without a duly completed and signed Asset Removal Permit.</p> <p>Disposals – During physical asset verification redundant and obsolete assets are identified and safeguarded in one location</p> <p>Migration from Excel Asset Register to</p>	
--	--	--	--	--

			BAUD – The department has completed the migration from Excel asset Register to BAUD. Scanners were purchased to upload the BAUD.	
RESOLUTION 9 Internal control Leadership	The Committee recommends that the MEC must take appropriate action against the Accounting Officer and the Chief Financial Officer for this anomaly	The Committee has heard and considered evidence that financial statements and other information to be included in the annual report were not properly reviewed for accuracy and completeness by the accounting officer	No action could be taken against the Accounting Officer as her contract came to an end in May 2016. A written warning was issued against the Chief Financial Officer.	Resolved
RESOLUTION 10 Other reports Investigations	The Committee recommends that the MEC should provide a comprehensive report on finished and	Executing Authority, on page 178 of the report, the Auditor-General reports that the following investigations were in progress	The department is having fifty three (53) cases that were under investigations. Forty one (41) cases were finalized and twelve (12) are still pending	Resolved

	unfinished cases	at the reporting date		
QUESTION 11 Completed investigations	The Committee recommends that the MEC should provide a detailed report to this Honourable House into alleged procurement fraud involving a tender for a feeding scheme at the Place for Safety.	The Committee has heard and considered evidence that the department has completed investigations into alleged procurement fraud involving a tender for a feeding scheme at the Place for Safety. The official involved was given a final written warning	The investigation report recommended that action should be taken against the official. The investigation further recommended that monies erroneously paid to the two companies is recovered The matter is being handled with the assistance of the State Attorneys Polokwane. State Attorneys is in the process of issuing out summonses	Not resolved

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department developed an audit action plan with twenty-six audit findings and managed to resolved/implement twenty-two findings. Four findings were not resolved by the end of financial year. The findings that were not resolved are assets not utilised for intended purposes, revenue management, infrastructure assets accounted for in the books of the department resulting in the asset register being misstated and transfer payments were not paid in accordance with the funding model and the funding letter

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
<ul style="list-style-type: none"> • Irregular expenditure incurred in the previous year are still under investigations • Fruitless and wasteful expenditure incurred in the previous year are still under investigations 		<ul style="list-style-type: none"> • The department has resolved an amount of R26 959 841.53 and continues to work on the remaining balances • The department has resolved an amount of R3 575 268.84 and continues to work on the remaining balances

10. INTERNAL CONTROL UNIT

Internal Control Unit has been consolidating information/reports for oversight bodies to ensure compliance with submission deadlines. The unit organized pre-audit teams comprising of management who assisted in monitoring compliance to augment service rendered by the limited personnel in the unit and acts as a coordinator for the Department for audit purposes with both internal and external audits.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of Provincial Internal Audit

Provincial Internal Audit provides an independent, objective assurance and consulting services that are designed to add value and improve Department of Social Development's operations. It assists the Department of Social Development accomplish its strategic, control and operations goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Internal Control processes.

Summary of Provincial Internal Audit work performed

Risk Based Audit

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
<ul style="list-style-type: none"> Subsistence and Travelling Allowance Recruitment & Termination 	<ul style="list-style-type: none"> Child Care - Foster Care Supply Chain Management 	<ul style="list-style-type: none"> Interim Financial Statements Transfer Payments 	<ul style="list-style-type: none"> Asset Management Non-Profit Organisation and Early Childhood Development

Performance Audit

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
<ul style="list-style-type: none"> Annual Performance Plan Value for Money on Funded Projects Services to Persons with Disabilities 	<ul style="list-style-type: none"> Service Delivery Improvement Plan 	<ul style="list-style-type: none"> Food Security 	None

Information Systems Audit

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
None	None	None	<ul style="list-style-type: none"> General Control Review

Fraud Audit

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
None	None	<ul style="list-style-type: none"> General Fraud Risk 	None

REPORT OF THE AUDIT COMMITTEE ON THE DEPARTMENT OF SOCIAL DEVELOPMENT

We present our report for the financial year ended 31 March 2018.

Audit Committee Structure

Limpopo Provincial Government has an Audit Committee which is two-tiered consisting of 4 Cluster Audit Committees. The first-tier deals with specific departments whilst the second is a shared Central Audit Committee.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related accounting policies and practices.

Stakeholder Engagement/s

The committee has been able to engage with the following stakeholders:

- MEC of Finance
- MEC Department of Social Development
- DSD Management
- Limpopo Provincial Internal Auditors
- Limpopo Provincial Treasury
- Limpopo Provincial Auditor (AGSA)

Audit Committee Skills Development

A strategic session was held during the last quarter of the financial year to assist the audit committee members better understand their challenging roles and the direction of the province in general.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed control weaknesses, which were raised with the Department.

The following were areas of concern:

Whilst the department reflected the required rigour in the management of material control weaknesses identified, there were some that had been raised before but had not yet been resolved. As a result, the Audit Committee will continue to monitor management's action plan in response to all unresolved findings.

Risk Management

The department has an independent risk management committee chairman. The objective is to ensure that a non-conflicted party chairs the committee. There is a risk assessment process in place as well as the resultant risk register. The top ten (10) risks will continue to be monitored by the audit

committee on a quarterly basis; with special attention paid to remedial actions and residual risk exposures. This will be in addition to the efforts of the risk management committee.

Funding of the Departmental Budget/ Possible Going Concern Risk

During the current financial year, the department brought to the attention of the existing budgetary constraints arising from how they are funded since separating from department of health. It seems that the department is underfunded therefore there is a potential risk of “going concern”. This matter was raised with the executing authorities of both department of social development as well as Treasury.

Compliance with the relevant laws and regulations

A few non-compliance/s with the enabling laws and regulations were noted by Audit Committee, Management, Internal Audit and AGSA. The Audit Committee recommended development and implementation of an effective compliance management system in order to address the issues of non-compliance and monitor compliance with laws and regulations on a frequent basis.

In-Year Management and Monthly/Quarterly Report

The department has reported monthly and quarterly to the Treasury as is required by the PFMA. In addition at all audit committee meetings the department has presented quarterly reports for review and or consideration by us. The overall expenditure for the year amounted to 99.3% of the total budget which is within the tolerable variance.

Evaluation of Financial Statements

We reviewed the annual financial statements prepared by the department at the audit committee meeting held on 30 May 2018 and recommended them for audit.

Evaluation of Performance Information

At the same audit committee meeting we evaluated performance tables and recommended them for audit after further refinement by management.

Auditor General's Report

Finally the Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General. Furthermore the committee commends management on receiving an unqualified report on both financial statements as well as on performance information. We do recommend however that the Accounting Officer develops a strategy to address any findings contained in the management letter to enable sustainability of this level of performance.



B Ngunjiri
Chairperson of the Audit Committee
The Department of Social Development
Date 31 July 2018B

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The Department's organizational structure is based on five (5) programmatic pillars i.e. Programs 1, 2 3, 4 and 5. With additional budget programme structure, the Department has reviewed and align the organizational structure with the five (5) programs introduced by National Social Development. This will ensure proper allocation of personnel with budget.

Following the DPSA directive, the Department engaged in the PERSAL clean-up process, which among others resulted in all unfunded vacant position being abolished. During the year under review, the Department managed to fill 255 of the 369 funded posts.

With regard to skills development interventions, the Department implemented management development programs for all levels of employees (Foundation Program, Management Development Program, Emerging Management Program, and Executive Leadership Program).

OVERVIEW OF HUMAN RESOURCES

- The Department reviewed its organisational structure in 2016 with a view of aligning with the budget structure and compliance to the Provincial Personnel Management Framework (PPMF). The vacancy rate for the entire Department has decreased from 55.02% to 54.7%. The current status of posts is as follows:

Support Staff:

Filled posts: 689

Vacant posts: 1 108

Social Welfare Services:

Filled post: 1 914

Vacant posts: 1 944

Community Development Services:

Filled posts: 359

Vacant posts: 526

- The MTEF HR Plan provides an overview of the Department's human resources requirements over the next three years.
- Strategic HR Plan is developed to ensure that the workforce supply matches current and future demands. In addition, the Departmental HR Plan sets out the issues, evidence and strategies required to deliver a sustainable workforce capable of continuing to deliver high quality social services to the people of Limpopo.

2. HUMAN RESOURCE ACHIEVEMENTS.

- All unfunded posts were abolished through PERSAL clean-up process.
- The Department implemented all PSCBC resolution concluded in 2015/16. E, g resolution on danger allowance, resolution on housing allowance etc.
- The Department has finalised four Human Resource Policies on Wellness Management, Safety, Health, Environment, Risk and Quality Management, Health and Productivity Management and Workplace HIV and AIDS. Workshops have been conducted to familiarise the employees on the said policies. .
- The CCMA awarded two (2) arbitrations in favour of the Department.
- All members of Senior Management Services disclosed their financial interest on time.
- The department is gradually addressing the shortage of tools of trade amongst social service professionals.

3. CHALLENGES FACED BY THE DEPARTMENT

- The Department is not able to absorb all graduates who completed their studies starting from 2013 academic year due to budgetary constraints.

- Funding for absorption of the graduates is not aligned with the number of graduates per province hence the province will not be able to appoint additional graduates in the coming financial years.
- Occupation Specific Dispensation (OSD) for Social Services Professions was implemented with the intention to recruit and retain this category of employees, the inconsistencies in the implementation of OSD across Provinces and sector Departments make it difficult to retain this category of professionals, hence the high staff turnover.

In general, staff stability rate is high, mostly in Community Development and other support personnel. Social Workers are moving across sector Departments which is mainly attributed to inconsistencies in the implementation of OSD and the working conditions in the Department.

- The Department has developed the recruitment and retention strategy in an attempt to address the HR challenges. The assessment in terms of funding is that Social Development in Limpopo Province is far below other Provinces.
- The Department has high vacancy rate that is mainly influenced by non-filling of post due to insufficient funds.

4. FUTURE HUMAN RESOURCE PLANS/GOALS

- Filling of funded vacant posts within a prescribed period.
- Employment of unemployment social work graduates.
- Review of recruitment and retention strategy.
- Implement training and development plan.
- Continuous updating and cleaning of PERSAL System.
- Continued implementation of Internship and Learnership programme.

1. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 and 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1	305 604.00	182 726.00	0.00	0.00	59.80	330
Programme 2	347 525.00	212 345.00	0.00	0.00	61.11	373
Programme 3	808 882.00	354 135.00	0.00	0.00	43.78	295
Programme 4	176 806.00	104 394.00	0.00	0.00	59.05	394
Programme 5	182 039.00	139 002.00	0.00	0.00	76.36	368
Total	1 820 856.00	992 602.00	0.00	0.00	54.52	334

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average cost per employee (R'000)
Lower skilled (Levels 1-2)	35 825.00	3.50	163 584.00	1 027 022.00
Skilled (level 3-5)	100 929.00	9.80	223 789.00	1 027 022.00
Highly skilled production (levels 6-8)	665 987.00	64.80	334 667.00	1 027 022.00
Highly skilled supervision (levels 9-12)	163 276.00	15.90	581 053.00	1 027 022.00
Senior and Top management (levels 13-16)	25 197.00	2.50	1 049 875.00	1 027 022.00
Contracts	16 227.00	1.50	266 353.00	1 027 022.00
Periodical Remuneration	90.00	0.00	90 000.00	1 027 022.00
TOTAL	1 007 530.00	98.10	303 656.00	1 027 022.00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2018.

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1	151 801	84.0	438.00	0.20	7 767.00	3.90	11 375.00	5.70
Programme 2	180 583	85.0	22.00	0.00	7 835.00	3.60	11 498.00	5.30
Programme 3	300 227	85.0	95.00	0.00	14 634.00	4.10	20 287.00	5.60
Programme 4	88 867	86.0	77.00	0.10	3 871.00	3.60	5 513.00	5.20
Programme 5	119 488	86.0	34.00	0.00	5 104.00	3.50	6 641.00	4.60
Total	843 990	85.0	666.00	0.10	39 211.00	3.80	55 315.00	5.40

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	25 080.00	70.00	0.00	0.00	2 983.00	8.30	4 729.00	13.20
Skilled (level 3-5)	75 399.00	74.60	452.00	0.40	6 382.00	6.30	9 449.00	9.30
Highly skilled production (levels 6-8)	538 345.00	80.10	134.00	0.00	26 220.00	3.90	35 587.00	5.30
Highly skilled supervision (levels 9-12)	137 888.00	79.00	80.00	0.00	3 139.00	1.80	5 343.00	3.10
Senior management (level 13-16)	22 319.00	82.80	0.00	0.00	488.00	1.80	208.00	0.80
Contract	16 227.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
Periodical Remuneration	90.00	96.80	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	843 990	85.0	666.00	0.10	39 211.00	3.80	55 315.00	5.40

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1	1797	554	69.17%	0
Programme 2	1157	569	50.82%	0
Programme 3	1929	1200	37.79%	0
Programme 4	772	265	65.67%	0
Programme 5	885	378	57.29%	0
Total	6540	2966	54.65%	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	412	207	49.76%	0
Skilled(3-5)	2053	454	77.89%	0
Highly skilled production (6-8)	3292	1990	39.55%	0
Highly skilled supervision (9-12)	740	291	60.68%	0
Senior management (13-16)	43	24	44.19%	0
Total	6540 INCLUDED)	2966 (MEC INCLUDED)	54.65%	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Support	1797	693	61.44%	0
Social Workers	2570	1636	36.34%	0
Nurses	34	10	70.59%	0
Child Youth Care Workers	185	89	51.89%	0
Social Auxiliary Workers	1057	179	83.07%	0
Allied Health Workers	12	0	100.00%	0
Community Development Practitioners	885	359	59.44%	0
TOTAL	6540	2966	54.65%	0

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1 (MEC)	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	4	4	100	0	0
Salary Level 13	21	18	86	3	14
Total	27	24	89	3	11

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	4	3	75	1	25
Salary Level 13	21	18	86	3	14
Total	27	23	85	4	15

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

SMS LEVEL	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 min of becoming vacant	Number of vacancies per level not filled in 6 but filled in 12 months
Director General /Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1 (CD:SWS)	0	1
Salary Level 13	1	0	More than 12 months
Total	2	0	1

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2017 and 31 March 2018

Reason for vacancies not filled within twelve months
Compliance with Provincial Personnel Management Framework with the aim of addressing the over expenditure of the Compensation of Employees (CoE)

Reasons for vacancies not filled within six months
Insufficient budget on CoE

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2015 and 31 March 2016

Reasons for vacancies not advertised within six months
No disciplinary action was taken

Reasons for vacancies not filled within six months
No disciplinary action was taken

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	412	0	0	0	0	0	0
Skilled (Levels 3-5)	2053	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	3292	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	740	0	0	0	0	0	0
Senior Management Service Band A	43	0	0	0	0	0	0
Senior Management Service Band B	0	0	0	0	0	0	0
Senior Management Service Band C	0	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Total	6540	0	0	0	0	0	0

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability

0

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 and 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
NONE				

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability

0

Total number of Employees whose salaries exceeded the grades determined by job evaluation

0

3.5 Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of employees at beginning of period-1 April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	223	0	4	1.7
Skilled (Levels3-5)	442	27	17	3.8
Highly skilled production (Levels 6-8)	1976	215	31	1.6
Highly skilled supervision (Levels 9-12)	278	3	11	3.9
Senior Management Service (Level 13-16)	23	3	3	13.0
Total	2942	248	66	2.2

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Support	682	34	27	4.0
Social Workers	1602	214	18	1.1
Nurses	12	0	1	8.3
Child Youth Care Workers	91	0	2	2.2
Social Auxiliary Workers	185	0	6	3.2
Allied Health Workers	1	0	1	100
Community Development Practitioners	369	0	11	3.0
TOTAL	2942	248	66	2.2

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2017 and 31 March 2018

Termination Type	Number	% of Total Resignations
Death	8	12
Resignation	28	42
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	5	8
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	9	14
Transfer to other Public Service Departments	16	24
Other	0	0
Total	66	100
Total number of employees who left as a % of total employment	66 (2.2%)	28 (0.9%)

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018

Occupation	Employees 1 April 2016	Promotions to another salary level	Salary promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Support	682	2	0.3	0	0
Community Development Workers	369	10	2.7	0	0
Social Workers	1602	15	0.9	0	0
TOTAL	2653	27	1.4	0	0

Table 3.5.5 Promotions by salary band for the period 1 April 2017 and 31 March 2018

Salary Band	Employee s 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	223	0	0	0	0
Skilled (Levels 3-5)	442	0	0	0	0
Highly skilled production (Levels 6-8)	1976	0	0	0	0
Highly skilled supervision (Levels 9-12)	278	25	9.0	0	0
Senior Management (Level 13-16)	23	2	8.7	0	0
Total	2942	27	0.9	0	0

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2018

Occupational category	Male			Female			Total		
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Support	268	0	0	0	421	2	0	2	693
Social Workers	410	0	0	0	1 223	0	0	3	1 636
Nurses	2	0	0	0	8	0	0	0	10
Child Youth Care Workers	24	0	0	0	65	0	0	0	89
Social Auxiliary Workers	57	0	0	0	122	0	0	0	179
Allied Health Workers	0	0	0	0	0	0	0	0	0
Community Development Workers	179	0	0	0	180	0	0	0	359
Total	940	0	0	0	2 018	2	0	6	2 966
Employees with disabilities	27	0	0	0	36	0	0	1	64

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (15 -16)	0	0	0	0	2	0	0	0	2
Senior Management (13-14)	12	0	0	0	10	0	0	0	22
Professionally qualified and experienced specialists and mid-management (9-12)	116	0	0	0	169	0	0	5	291
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (6-8)	593	0	0	0	1 397	0	0	0	1 990
Semi-skilled and discretionary decision making (3-5)	146	0	0	0	306	2	0	0	454
Unskilled and defined decision making (1-2)	73	0	0	0	134	0	0	0	207

	Male				Female			
Total	940	0	0	0	2 018	2	0	2 966

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (15-16)	0	0	0	0	0	0	0	0	0
Senior Management (13-14)	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (9-12)	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (6-8)	89	0	0	0	134	0	0	0	223
Semi-skilled and	10	0	0	0	15	0	0	0	25

	Male				Female			
discretionary decision making (3-5)								
Unskilled and defined decision making (1-2)	0	0	0	0	0	0	0	0
Total	99	0	0	0	149	0	0	248
Employees with disabilities	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	10	0	0	0	15	0	0	0	25
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	11	0	0	0	16	0	0	0	27
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (15-16)	0	0	0	0	1	0	0	0	1
Senior Management (13-14)	0	0	0	0	2	0	0	0	2
Professionally qualified and experienced specialists and mid-management (9-12)	5	0	0	0	6	0	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (6-8)	10	0	0	0	21	0	0	0	31
Semi-skilled and discretionary decision making (3-5)	5	0	0	0	12	0	0	0	17
Unskilled and defined decision making (2-3)	2	0	0	0	2	0	0	0	4
Total	22	0	0	0	44	0	0	0	66
Employees with Disabilities	2	0	0	0	1	0	0	0	3

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Theft	5	0	0	0	1	0	0	0	6
Intimidation	0	0	0	0	2	0	0	0	2
Dereliction of duties and responsibilities	1	0	0	0	0	0	0	0	1
Prejudice the administration	0	0	0	0	0	0	0	0	0
Abscondment	2	0	0	0	0	0	0	0	2
Contravention of Children Act	0	0	0	0	0	0	0	0	0
Negligence	2	0	0	0	0	0	0	0	2

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	7	0	0	0	8	0	0	0	15
Middle Management	19	0	0	0	12	0	0	0	31
Professionals	309	0	0	0	661	0	0	2	972
Clerks	17	0	0	0	27	0	0	0	44
Elementary occupations	13	0	0	0	7	0	0	0	20
Total	365	0	0	0	715	0	0	2	1082
Employees with disabilities	2	0	0	0	4	0	0	1	7

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 Mar 2017

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	1	1	1	100
Salary Level 14	2	2	2	100
Salary Level 13	20	20	20	100
Total	23	23	23	100

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2017

Reasons
None

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2017

Reasons
None

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number beneficiaries	Number of employees	% of total group	Cost (R'000)	Average cost per employee
African					
Male	472	912	51.8	1,973	4,177
Female	1 141	1 945	59	4,849	4,250
Asian					
Male	0	0	0	0	0
Female	0	0	0	0	0
Coloured					
Male	0	0	0	0	0
Female	0	2	100	0	0
White					
Male	0	0	0	0	0
Female	3	6	50	17	5,779
Employee with disability	13	55	23	57	4387
Total	1 629	2 920	52.1	6 839	4,323

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	995	224	42	246	2.598	24
Skilled (level 3-5)	266	451	59	965	3.627	33
Highly skilled production (level 6-8)	1285	1869	68	7840	6.054	56
Highly skilled supervision (level 9-12)	162	276	58	1695	10.428	97
Total	2708	2820	66.6	10.747	5.941	52

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee	
Support	320	681	46.9	5090	6.179	
Social Workers	909	1482	68.2	6126	6.126	
Nurses	7	12	58	32	6.122	
Child Youth Care Workers	43	89	47	114	4.148	
Social Auxiliary Workers	115	188	61	352	4.462	
Allied Health Workers	2	2	100	7	3.755	
Community Development Workers	294	380	68.2	971	6.179	
Total	1690	2454	56.6%	12692	5941	

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost			Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total (R'000)	Average cost per employee	Cost per	
Band A	0	18	0	0	0		0
Band B	0	5	0	0	0		0
Band C	0	0	0	0	0		0
Band D	0	2	0	0	0		0
Total	0	25	0	0	0		0

3.9 Foreign Workers

Table 3.9.1 foreign workers by salary band for the period 1 April 2017 and 31 March 2018

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (level. 6-8)	0	0	0	0	0	0
Highly skilled supervision (level. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0	0	0	0	0	0
None	0	0	0	0	0	0

3.10 Leave utilisation

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% Medical certification	Days with	Number Employees using leave	% of employees using leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	1 326.00	91.00		158.00	7.40	8.00	698.00
Skilled (levels 3-5)	2 589.00	83.00		337.00	15.80	8.00	2 000.00
Highly skilled production (levels 6-8)	9 235.00	83.30		1 291.00	60.70	7.00	11 761.00
Highly skilled supervision (levels 9 - 12)	1 512.00	85.40		223.00	10.50	7.00	3 319.00
Top and Senior management (levels 13-16)	70.00	88.60		15.00	0.70	5.00	272.00
Contracts	326.00	71.80		104.00	4.90	3.00	96.00
Total	15 058.00	83.90		2 128.00	100.00	7.00	18 146.00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017.

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	24.00	100.00	3.00	7.90	8.00	12.00
Skilled (Levels 3-5)	306.00	100.00	5.00	13.20	61.00	259.00
Highly skilled production (Levels 6-8)	731.00	100.00	26.00	68.40	28.00	943.00
Highly skilled supervision (Levels 9-12)	96.00	100.00	2.00	5.30	48.00	239.00
Senior management (Levels 13-16)	1.00	100.00	1.00	2.60	1.00	3.00
Contracts	4.00	100.00	1.00	2.60	4.00	1.00
Total	1 162.00	100.00	38.00	100.00	31.00	1 457.00

Table 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	4 852.00	22.00	224.00
Skilled Levels 3-5)	9 735.00	21.00	465.00
Highly skilled production (Levels 6-8)	39 397.92	20.00	1 972.00
Highly skilled supervision(Levels 9-12)	6 814.00	23.00	292.00
Senior management (Levels 13-16)	469.00	20.00	23.00
Contracts	3 223.00	9.00	346.00
Total	64 490.92	19.00	3 322.00

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2018
Lower skilled (Levels 1-2)	0.00	0.00	0.00	64.00
Skilled Levels 3-5)	21.00	5.00	4.00	109.00
Highly skilled production (Levels 6-8)	3.00	2.00	2.00	84.00
Highly skilled supervision (Levels 9-12)	0.00	0.00	0.00	85.00
Senior management (Levels 13-16)	0.00	0.00	0.00	89.00
Total	24.00	7.00	3.00	86.00

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

Table 3.10.5 Leave pay-outs for the period 1 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave gratuity on termination of service	1 789	40	45
Total	1 789	40	45

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 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
Nurses Cleaners	<p>The Department to provide employees with personal protective equipment such as gloves, musk's etc.</p> <p>Conduct awareness on Occupational Health and Safety including HIV & AIDS and TB</p> <p>Conduct Occupational Health and Safety audits to assess compliance with the minimum standards.</p> <p>Capacitate employees on the importance of wearing protective clothing,</p> <p>Encourage employees to comply with universal precautionary measures.</p>

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

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.	Yes		Ms Sethosa M M Director HRM
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.	Yes		1 Deputy Director, 5 x seconded social workers to Employee Health and Wellness in each district Budget R 115 000
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.	Yes		Wellness Management which includes Counselling for employees with both personal and work related problems. Trauma Debriefing, emotional support, proactive programmes such as financial wellness, stress management, wellness screening and promotion of physical wellness,
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.	Yes		Mr Mabilu TAR, (HR Planning) Mr Rasivumo M S, (HRM) Mr Rangata M T, Social Work Services) Ms Moselana C, (Logistics) Ms MC Rambuda (Risk) Ms Moloto M E (Labour Organisation) Mr

Question	Yes	No	Details, if yes
			Masoga F (Labour organisation) Ms Poopedi E M (Finance) and Ms Sehlapelo D (Supply Chain Management).
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.	Yes		The Department has an approved HIV policy which provides guidelines on non-discrimination.
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.	Yes		The Department HIV and AIDS Workplace policy protect positive employees and those who have disclosed their status. HIV & AIDS awareness sessions are done quarterly to capacitate employees on their rights in the workplace. Employees' aggrieved either through discrimination or stigmatisation are encouraged to seek recourse through Departmental grievance procedures.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Facilitated sixteen HIV Counselling and Testing Campaigns whereby 334 employees tested. Three employees were found to be positive. Those found to be positive were offered post-test counselling and referred to other service providers for further disease

Question	Yes	No	Details, if yes
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The Department compiles annual Employee Health and Wellness System Monitoring Tool as a self-assessment tool to measure the impact of its health and wellness programmes. Quarterly and annual reports are compiled to measure the impact of the program against the set objectives/targets.

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2017 and 31 March 2018

Subject matter	Date
Total number of Collective agreements	0

Notes

Total number of Collective agreements	0
---------------------------------------	---

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 and 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	1	0%
Final written warning	12	48.0%
Suspended without pay	5	20.0%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	7	28.0%
Total	25	100

Total number of Disciplinary hearings finalised

06

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
Theft	1	7.69
Fraud	5	38.46
Intimidation	2	15.38

Dereliction of duties and responsibilities	1	7.69
Prejudice the administration	0	0
Abscondment	2	15.38
Contravention of Children Act	0	0
Negligence	2	15.38
Total	13	100

Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018

Grievances	Number	% of Total
Number of grievances resolved	145	100
Number of grievances not resolved	0	0
Total number of grievances lodged	145	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017

Disputes	Number	% of Total
Number of disputes upheld	1	2.7
Number of disputes dismissed	36	97.3
Total number of disputes lodged	37	100

Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018

Total number of persons working days lost	152
Total costs working days lost	158 595
Amount recovered as a result of no work no pay (R'000)	158 595

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Senior Management Services: SL 13-16	Female	12	0	8	0	8
	Male	12	0	7	0	7
Middle Management Services: SL 9-12	Female	32	0	29	0	29
	Male	37	0	20	0	20
Professionals: SL 6-8	Female	1666	110	365	0	365
	Male	731	35	951	0	951
Clerical Services: SL 3-5	Female	135	0	16	0	16
	Male	56	0	4	0	4
Elementary Workers: SL 1-2	Female	164	0	0	0	0
	Male	117	0	7	0	7
Gender sub totals	Female	2009	110	418	0	418
	Male	953	35	989	0	989
Total		2962	145	1407	0	1407

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Senior Management Services: SL 13-16	Female	12	0	8	0	8
	Male	12	0	7	0	7
Middle Management Services: SL 9-12	Female	32	0	12	0	12
	Male	37	0	19	0	19
Professionals: SL 6-8	Female	1666	110	663	0	663
	Male	731	35	309	0	309
Clerical Services: SL 3-5	Female	135	0	27	0	27
	Male	56	0	17	0	17
Elementary Workers: SL 2	Female	164	0	7	0	7
	Male	117	0	13	0	13
Gender sub totals	Female	2009	110	717	0	717
	Male	953	35	365	0	365
Total		2962	145	1082	0	1082

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2017 and 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	5	100
Permanent Disablement	0	0
Fatal	0	0
Total	5	100

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2017 and 31 March 2018

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

PART E

FINANCIAL INFORMATION

Report of the auditor-general to Limpopo provincial legislature on vote no. 12: Department of Social Development

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Social Development set out on pages 146 to 240, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2017) (DoRA)

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Irregular expenditure

7. As disclosed in note 25 to the financial statements, irregular expenditure of R55 467 000 that was disclosed in the previous years was still under investigation.

Fruitless and wasteful expenditure

8. As disclosed in note 26 to the financial statements, fruitless and wasteful expenditure of R6 632 000 that was disclosed in the previous years was still under investigation.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 241 to 256 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with Modified Cash Standard prescribed by the National Treasury and, the requirements of the PFMA and the DoRA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning

documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2: Social welfare services	40 - 46
Programme 3: Children and families	46 - 56

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2: Social welfare services
 - Programme 3: Children and families

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 36 to 72 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statement, performance and annual report

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1) (a) of the PFMA.

Material misstatements of liabilities and disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Conditional grants and transfers

25. The early childhood development (ECD) grant was not spent for its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of the DoRA.

Other information

26. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
27. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
28. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
29. The other information I obtained prior to the date of this auditor's report is draft annual report, and the final annual report is expected to be made available to me after 31 July 2018.
30. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement in this other information, I am required to report that fact. No other material inconsistencies were identified in the other information.
31. After I receive and read the final annual report, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the

significant internal control deficiencies that resulted in the findings on the compliance with legislation included in this report.

Leadership

- 33. Management's oversight responsibility relating to the review of the financial statements was inadequate.
- 34. Oversight responsibility regarding IT governance and related internal controls was not exercised.
- 35. Management have not adequately addressed internal control deficiencies relating to the vacancies of posts within the department.

Financial and performance management

- 36. Compliance with laws and regulations was not properly monitored by the accounting officer.
- 37. Management did not implement adequate controls to ensure sound IT systems.

Auditor General

Polokwane

31 July 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department of Social Development ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per programme									
	2017/18					2016/17			
	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
Programme									
1. Administration	284 706	21 024	-	305 730	303 809	1 921	99,4%	285 520	273 668
2. Social Welfare Services	429 232	(80 400)	-	348 832	345 229	3 603	99,0%	309 851	300 215
3. Children and Families	785 873	23 900	-	809 773	807 034	2 739	99,7%	736 252	735 803
4. Restorative Services	167 921	10 000	-	177 921	176 739	1 182	99,3%	167 597	167 209
5. Development and Research	159 182	25 400	-	184 582	182 286	2 296	98,8%	178 717	178 046
Subtotal	1 826 914	(76)	-	1 826 838	1 815 097	11 741	99,4%	1 677 937	1 654 941
Statutory Appropriation	1 902	76	-	1 978	1 792	186	90,6%	1 902	1 902
Members' remuneration	1 902	76	-	1 978	1 792	186	90,6%	1 902	1 902
	-	-	-	-	-	-	-	-	-
TOTAL	1 828 816	-	-	1 828 816	1 816 889	11 927	99,3%	1 679 839	1 656 843

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	-		14 752	-
Aid assistance	9 190		16 469	
Actual amounts per statement of financial performance (total revenue)	1 838 006		1 711 060	
ADD				
Aid assistance		13 726		16 298
Actual amounts per statement of financial performance (total expenditure)		1 830 615		1 673 141

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per economic classification									
	2017/18					2016/17			
	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
Economic classification									
Current payments	1 243 555	-	-	1 243 555	1 232 258	11 297	99.1%	1 117 221	1 103 220
Compensation of employees	995 415	-	-	995 415	992 608	2 807	99.7%	904 612	889 248
Salaries and wages	845 518	(20 000)	-	825 518	843 995	(18 477)	102.2%	766 276	756 309
Social contributions	149 897	20 000	-	169 897	148 613	21 284	87.5%	138 336	132 939
Goods and services	248 140	-	-	248 140	239 536	8 604	96.5%	212 609	213 972
Administrative fees	826	-	-	826	456	370	55.2%	408	277
Advertising	4 700	-	-	4 700	2 683	2 017	57.1%	5 632	4 018
Minor assets	7 012	-	-	7 012	5 908	1 104	84.3%	6 865	2 176
Audit costs: External	4 645	-	-	4 645	5 854	(1 209)	126.0%	5 873	5 687
Bursaries: Employees	64	-	-	64	64	-	100.0%	714	93
Catering: Departmental activities	7 887	-	-	7 887	6 492	1 395	82.3%	7 348	5 904
Communication	6 375	(700)	-	5 675	4 861	814	85.7%	6 941	6 422
Computer services	6 674	-	-	6 674	5 515	1 159	82.6%	6 991	8 921
Consultants: Business and advisory services	128	-	-	128	44	84	34.4%	140	59
Legal services	333	-	-	333	154	179	46.2%	350	10
Contractors	5 074	-	-	5 074	1 998	3 076	39.4%	7 961	5 716
Agency and support / outsourced services	75 785	(1 500)	-	74 285	78 481	(4 196)	105.6%	61 754	69 844
Entertainment	-	-	-	-	-	-	-	45	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Fleet services	11 202	(900)	-	10 302	17 526	(7 224)	170.1%	5 844	14 999
Inventory: Clothing material and supplies	2 710	(500)	-	2 210	1 407	803	63.7%	1 340	1 063
Inventory: Farming supplies	467	-	-	467	466	1	99.8%	160	-
Inventory: Food and food supplies	10 956	-	-	10 956	9 425	1 531	86.0%	9 367	7 275
Inventory: Fuel oil and gas	323	-	-	323	239	84	74.0%	151	118
Inventory: Materials and supplies	-	-	-	-	-	-	-	427	190
Inventory: Medical supplies	-	-	-	-	-	-	-	298	287
Inventory: Other supplies	394	-	-	394	280	114	71.1%	-	-
Consumable supplies	5 090	-	-	5 090	2 844	2 246	55.9%	10 853	7 042
Consumable: Stationery printing and office supplies	8 256	-	-	8 256	5 245	3 011	63.5%	7 479	5 465
Operating leases	2 903	(300)	-	2 603	1 324	1 279	50.9%	2 322	1 987
Property payments	51 806	-	-	51 806	48 017	3 789	92.7%	30 208	33 617
Transport provided: Departmental activity	757	-	-	757	457	300	60.4%	698	301
Travel and subsistence	22 758	3 900	-	26 658	31 185	(4 527)	117.0%	25 677	27 239
Training and development	6 742	-	-	6 742	4 881	1 861	72.4%	1 558	1 212
Operating payments	1 264	-	-	1 264	1 555	(291)	123.0%	823	2 002
Venues and facilities	1 507	-	-	1 507	1 160	347	77.0%	2 856	1 313
Rental and hiring	1 502	-	-	1 502	1 015	487	67.6%	1 526	735
Transfers and subsidies	534 534	-	-	534 534	533 715	819	99.8%	518 899	522 474
Provinces and municipalities	350	-	-	350	272	78	77.7%	-	166
Municipalities	350	-	-	350	272	78	77.7%	-	166
Municipal bank accounts	350	-	-	350	272	78	77.7%	-	166

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Departmental agencies and accounts	1 500	-	-	1 500	1 329	171	88.6%	5 500	5 886
Departmental agencies and accounts (Non business entities)	1 500	-	-	1 500	1 329	171	88.6%	5 500	5 886
Non-profit institutions	530 861	-	-	530 861	529 833	1 028	99.8%	511 734	513 349
Households	1 823	-	-	1 823	2 281	(458)	125.1%	1 665	3 073
Social benefits	1 823	-	-	1 823	2 281	(458)	125.1%	1 665	3 073
Payments for capital assets	50 727	-	-	50 727	51 030	(303)	100.6%	43 719	31 149
Buildings and other fixed structures	30 139	-	-	30 139	30 690	(551)	101.8%	32 996	23 505
Buildings	30 139	-	-	30 139	30 690	(551)	101.8%	-	-
Other fixed structures	-	-	-	-	-	-	-	32 996	23 505
Machinery and equipment	20 588	-	-	20 588	20 340	248	98.8%	10 723	7 644
Transport equipment	6 837	-	-	6 837	5 737	1 100	83.9%	6 486	4 418
Other machinery and equipment	13 751	-	-	13 751	14 603	(852)	106.2%	4 237	3 226
Total	1 828 816	-	-	1 828 816	1 816 889	11 927	99.3%	1 679 839	1 656 843

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Statutory Appropriation per economic classification									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 902	76	-	1 978	1 792	186	90.6%	1 902	1 902
Compensation of employees	1 902	76	-	1 978	1 792	186	90.6%	1 902	1 902
Total	1 902	76	-	1 978	1 792	186	90.6%	1 902	1 902

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 1: Administration									
	2017/18						2016/17		
	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
Sub programme									
1. Office of the MEC	7 618	(1 076)	-	6 542	5 447	1 095	83.3%	6 568	5 023
2. Corporate Management Services	111 762	20 000	-	131 762	132 417	(655)	100.5%	120 034	110 768
3. District Management	165 326	2 100	-	167 426	165 945	1 481	99.1%	158 918	157 877
Total for sub programmes	284 706	21 024	-	305 730	303 809	1 921	99.4%	285 520	273 668
Economic classification									
Current payments	244 450	21 024	-	265 474	265 258	216	99.9%	245 412	243 102
Compensation of employees	167 321	21 924	-	189 245	180 933	8 312	95.6%	178 495	172 169
Salaries and wages	158 010	7 924	-	165 934	153 312	12 622	92.4%	150 490	145 596
Social contributions	9 311	14 000	-	23 311	27 621	(4 310)	118.5%	28 005	26 573
Goods and services	77 129	(900)	-	76 229	84 325	(8 096)	110.6%	66 917	70 933
Administrative fees	27	-	-	27	9	18	33.3%	75	30
Advertising	720	-	-	720	493	227	68.5%	1 441	1 097
Minor assets	1 365	-	-	1 365	1 479	(114)	108.4%	699	535
Audit costs: External	4 645	-	-	4 645	5 854	(1 209)	126.0%	5 873	5 687
Bursaries: Employees	64	-	-	64	64	-	100.0%	160	93
Catering: Departmental activities	519	-	-	519	458	61	88.2%	1 136	678
Communication	4 113	-	-	4 113	3 644	469	88.6%	4 554	4 274

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Computer services	5 531	-	-	5 531	16	99.7%	6 041	8 921
Consultants: Business and advisory services	108	-	-	44	64	40.7%	140	59
Legal services	333	-	-	154	179	46.2%	350	10
Contractors	5 074	-	-	1 998	3 076	39.4%	7 961	5 660
Fleet services	6 724	(900)	-	16 888	(11 064)	290.0%	2 541	7 620
Inventory: Clothing material and supplies	81	-	-	15	66	18.5%	15	-
Inventory: Fuel oil and gas	-	-	-	-	-	-	10	-
Inventory: Materials and supplies	-	-	-	-	-	-	77	68
Consumable supplies	771	-	-	1 014	(243)	131.5%	1 563	1 417
Consumable: Stationery printing and office supplies	2 691	-	-	2 035	656	75.6%	1 254	1 022
Operating leases	2 058	-	-	1 147	911	55.7%	1 649	1 651
Property payments	34 917	-	-	34 329	588	98.3%	19 371	23 493
Transport provided: Departmental activity	-	-	-	-	-	-	5	-
Travel and subsistence	4 988	-	-	6 826	(1 838)	136.8%	8 820	6 529
Training and development	1 986	-	-	1 905	81	95.9%	1 249	1 198
Operating payments	119	-	-	160	(41)	134.5%	625	390
Venues and facilities	205	-	-	200	5	97.6%	1 028	501
Rental and hiring	90	-	-	94	(4)	104.4%	280	-
Transfers and subsidies	3 673	-	-	2 284	1 389	62.2%	3 165	3 347
Provinces and municipalities	350	-	-	216	134	61.7%	-	97
Municipalities	350	-	-	216	134	61.7%	-	97
Municipal bank accounts	350	-	-	216	134	61.7%	-	97

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Departmental agencies and accounts	1 500	-	-	1 500	1 329	171	88.6%	1 500	1 886
Departmental agencies	1 500	-	-	1 500	1 329	171	88.6%	1 500	1 886
Households	1 823	-	-	1 823	739	1 084	40.5%	1 665	1 364
Social benefits	1 823	-	-	1 823	739	1 084	40.5%	1 665	1 364
Payments for capital assets	36 583	-	-	36 583	36 267	316	99.1%	36 943	27 219
Buildings and other fixed structures	30 139	-	-	30 139	30 690	(551)	101.8%	32 996	23 545
Buildings	30 139	-	-	30 139	30 690	(551)	101.8%	-	-
Other fixed structures	-	-	-	-	-	-	-	32 996	23 545
Machinery and equipment	6 444	-	-	6 444	5 577	867	86.5%	3 947	3 674
Transport equipment	1 400	-	-	1 400	300	1 100	21.4%	786	784
Other machinery and equipment	5 044	-	-	5 044	5 277	(233)	104.6%	3 161	2 890
Total	284 706	21 024	-	305 730	303 809	1 921	99.4%	285 520	273 668

APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.1 Office of the MEC									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 618	(1 076)	-	6 542	5 364	1 178	82.0%	6 568	5 023
Compensation of employees	5 544	(1 076)	-	4 468	4 275	193	95.7%	4 190	4 000
Goods and services	2 074	-	-	2 074	1 089	985	52.5%	2 378	1 023
Transfers and subsidies	-	-	-	-	83	(83)	-	-	-
Households	-	-	-	-	83	(83)	-	-	-
Total	7 618	(1 076)	-	6 542	5 447	1 095	83.3%	6 568	5 023

1.2 Corporate Management Services									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	74 356	20 000	-	94 356	96 446	(2 090)	102.2%	79 926	81 343
Compensation of employees	42 789	20 000	-	62 789	53 859	8 930	85.8%	48 780	46 649
Goods and services	31 567	-	-	31 567	42 587	(11 020)	134.9%	31 146	34 694
Transfers and subsidies	3 323	-	-	3 323	1 880	1 443	56.6%	3 165	2 583
Provinces and municipalities	-	-	-	-	19	(19)	-	-	19

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Departmental agencies and accounts	1 500	-	-	1 500	1 329	171	88.6%	1 500	1 886
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	1 823	-	-	1 823	532	1 291	29.2%	1 665	678
Households									
Payments for capital assets	34 083	-	-	34 083	34 091	(8)	100.0%	36 943	26 842
Buildings and other fixed structures	30 139	-	-	30 139	30 690	(551)	101.8%	32 996	23 545
Machinery and equipment	3 944	-	-	3 944	3 401	543	86.2%	3 947	3 297
Intangible assets									
Total	111 762	20 000	-	131 762	132 417	(655)	100.5%	120 034	110 768

1.3 District Management									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	162 476	2 100	-	164 576	163 448	1 128	99.3%	158 918	156 736
Compensation of employees	118 988	3 000	-	121 988	122 799	(811)	100.7%	125 525	121 520
Goods and services	43 488	(900)	-	42 588	40 649	1 939	95.4%	33 393	35 216

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Transfers and subsidies	350	-	-	350	321	29	91.7%	-	764
Provinces and municipalities	350	-	-	350	197	153	56.3%	-	78
Departmental agencies and accounts	-	-	-	-	-	(124)	-	-	686
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 500	-	-	2 500	2 176	324	87.0%	-	377
Machinery and equipment	2 500	-	-	2 500	2 176	324	87.0%	-	377
Total	165 326	2 100	-	167 426	165 945	1 481	99.1%	158 918	157 877

Programme 2: Social Welfare Services									
	2017/18					2016/17			
	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
Sub programme									
1. Administration	80 322	12 000	-	92 322	92 401	(79)	100.1%	79 724	71 003
2. Services to Older Persons	71 318	27 000	-	98 318	100 643	(2 325)	102.4%	79 381	77 735
3. Services to People with Disabilities	76 698	16 000	-	92 698	89 611	3 087	96.7%	76 513	77 601
4. HIV and AIDS	199 843	(135 400)	-	64 443	61 956	2 487	96.1%	73 232	73 201
5. Social Relief	1 051	-	-	1 051	618	433	58.8%	1 001	675
Total for sub programmes	429 232	(80 400)	-	348 832	345 229	3 603	99.0%	309 851	300 215
Economic classification									
Current payments	351 002	(75 000)	-	276 002	277 891	(1 889)	100.7%	247 925	237 931
Compensation of employees	277 200	(72 000)	-	205 200	212 352	(7 152)	103.5%	190 133	181 972
Salaries and wages	250 004	(78 000)	-	172 004	180 589	(8 585)	105.0%	166 751	154 380
Social contributions	27 196	6 000	-	33 196	31 763	1 433	95.7%	23 382	27 592
Goods and services	73 802	(3 000)	-	70 802	65 539	5 263	92.6%	57 792	55 959
Administrative fees	183	-	-	183	148	35	80.9%	86	58
Advertising	847	-	-	847	481	366	56.8%	674	522

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Minor assets	4 387	-	-	4 387	4 006	381	91.3%	4 441	1 457
Catering: Departmental activities	1 452	-	-	1 452	1 201	251	82.7%	1 518	1 289
Communication	1 696	(700)	-	996	772	224	77.5%	1 130	1 042
Computer services	143	-	-	143	-	143	-	-	-
Agency and support / outsourced services	32 412	(1 500)	-	30 912	32 388	(1 476)	104.8%	21 024	24 566
Fleet services	3 995	-	-	3 995	354	3 641	8.9%	2 790	5 099
Inventory: Clothing material and supplies	2 065	(500)	-	1 565	957	608	61.2%	975	905
Inventory: Food and food supplies	9 136	-	-	9 136	8 141	995	89.1%	4 348	3 615
Inventory: Fuel oil and gas	79	-	-	79	50	29	63.3%	40	23
Inventory: Medical supplies	-	-	-	-	-	-	-	238	234
Inventory: Other supplies	220	-	-	220	197	23	89.5%	-	-
Consumable supplies	1 315	-	-	1 315	392	923	29.8%	5 748	3 392
Consumable: Stationery printing and office supplies	1 835	-	-	1 835	1 535	300	83.7%	2 453	2 244
Operating leases	510	(300)	-	210	5	205	2.4%	290	81
Property payments	3 686	-	-	3 686	3 985	(299)	108.1%	4 221	4 150
Transport provided: Departmental activity	342	-	-	342	263	79	76.9%	195	181
Travel and subsistence	8 464	-	-	8 464	9 518	(1 054)	112.5%	6 608	6 454
Training and development	55	-	-	55	-	55	-	-	-
Operating payments	19	-	-	19	217	(198)	1142.1%	50	268
Venues and facilities	746	-	-	746	677	69	90.8%	899	335
Rental and hiring	215	-	-	215	252	(37)	117.2%	64	44
Transfers and subsidies	66 386	(5 400)	-	60 986	54 673	6 313	89,6%	57 850	58 950
Provinces and municipalities	-	-	-	-	-	-	-	-	54

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-	-	54
Municipalities	-	-	-	-	-	-	-	-	-	-	-	54
Municipal bank accounts	-	-	-	-	-	-	-	-	-	-	-	
Non-profit institutions	66 386	(5 400)	-	60 986	54 291	6 695	89,0%	57 850	58 219			
Households	-	-	-	-	382	(382)	-	-	677			
Social benefits	-	-	-	-	382	(382)	-	-	677			
Payments for capital assets	11 844	-	-	11 844	12 665	(821)	106,9%	4 076	3 334			
Machinery and equipment	11 844	-	-	11 844	12 665	(821)	106,9%	4 076	3 334			
Transport equipment	5 437	-	-	5 437	5 437	-	100,0%	3 700	3 118			
Other machinery and equipment	6 407	-	-	6 407	7 228	(821)	112,8%	376	216			
Total	429 232	(80 400)	-	348 832	345 229	3 603	99,0%	309 851	300 215			

2.1 Administration									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2016/17	
								Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	68 478	12 000	-	80 478	79 662	816	99,0%	75 648	67 607
Compensation of employees	48 500	13 000	-	61 500	61 139	361	99,4%	57 001	51 244
Goods and services	19 978	(1 000)	-	18 978	18 523	455	97,6%	18 647	16 363

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Transfers and subsidies	-	-	-	-	74	(74)	-	-	62
Provinces and municipalities	-	-	-	-	-	-	-	-	54
Households	-	-	-	-	74	(74)	-	-	8
Payments for capital assets	11 844	-	-	-	11 844	(821)	106.9%	4 076	3 334
Machinery and equipment	11 844	-	-	-	11 844	(821)	106.9%	4 076	3 334
Payments for financial assets	80 322	12 000	-	-	92 322	(79)	100.1%	79 724	71 003

2.2 Services to Older Persons									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	39 040	31 000	-	70 040	76 684	(6 644)	109.5%	53 781	51 815
Compensation of employees	34 589	31 000	-	65 589	73 343	(7 754)	111.8%	49 542	48 601
Goods and services	4 451	-	-	4 451	3 341	1 110	75.1%	4 239	3 214
Transfers and subsidies	32 278	(4 000)	-	28 278	23 959	4 319	84.7%	25 600	25 920
Non-profit institutions	32 278	(4 000)	-	28 278	23 667	4 611	83.7%	25 600	25 755
Households	-	-	-	-	292	(292)	-	-	165
Total	71 318	27 000	-	98 318	100 643	(2 325)	102.4%	79 381	77 735

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.3 Services to People with Disabilities									
2017/18							2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	59 168	13 000	-	72 168	70 969	1 199	98.3%	58 313	58 531
Compensation of employees	26 027	13 000	-	39 027	38 637	390	99.0%	35 556	31 670
Goods and services	33 141	-	-	33 141	32 332	809	97.6%	22 757	26 861
Transfers and subsidies	17 530	3 000	-	20 530	18 642	1 888	90.8%	18 200	19 070
Non-profit institutions	17 530	3 000	-	20 530	18 642	1 888	90.8%	18 200	18 580
Households	-	-	-	-	-	-	-	-	490
Total	76 698	16 000	-	92 698	89 611	3 087	96.7%	76 513	77 601

2.4 HIV and AIDS									
2017/18							2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Current payments	183 265	(131 000)	-	52 265	49 958	2 307	95.6%	59 182	59 303
Compensation of employees	168 084	(129 000)	-	39 084	39 233	(149)	100.4%	48 034	50 457
Goods and services	15 181	(2 000)	-	13 181	10 725	2 456	81.4%	11 148	8 846
Transfers and subsidies	16 578	(4 400)	-	12 178	11 998	180	98.5%	14 050	13 898
Non-profit institutions	16 578	(4 400)	-	12 178	11 982	196	98.4%	14 050	13 884
Households	-	-	-	-	16	(16)	-	-	14
Total	199 843	(135 400)	-	64 443	61 956	2 487	96.1%	73 232	73 201

2.5 Social Relief									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 051	-	-	1 051	618	433	58.8%	1 001	675
Compensation of employees	1 051	-	-	1 051	618	433	58.8%	1 001	675
Goods and services	-	-	-	-	-	-	-	-	-
Total	1 051	-	-	1 051	618	433	58.8%	1 001	675

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 3: Children and Families									
	2017/18					2016/17			
	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
Sub programme									
1. Administration	53 418	(29 100)	-	24 318	21 587	2 731	88.8%	28 549	26 477
2. Care and Services to Families	74 305	(51 000)	-	23 305	20 085	3 220	86.2%	71 014	68 670
3. Child Care and Protection	150 563	81 000	-	231 563	211 283	20 280	91.2%	128 650	128 878
4. ECD Partial Care	317 352	34 000	-	351 352	367 037	(15 685)	104.5%	343 817	339 366
5. Child and Youth Care	61 935	18 000	-	79 935	92 348	(12 413)	115.5%	63 222	81 386
6. Community Based Care for Children	128 300	(29 000)	-	99 300	94 694	4 606	95.4%	101 000	91 026
Total for sub programmes	785 873	23 900	-	809 773	807 034	2 739	99.7%	736 252	735 803
Economic classification									
Current payments	373 497	19 900	-	393 397	377 910	15 487	96.1%	330 763	323 566
Compensation of employees	345 766	19 000	-	364 766	354 135	10 631	97.1%	313 800	306 198
Salaries and wages	250 121	19 000	-	269 121	300 227	(31 106)	111.6%	262 882	259 743
Social contributions	95 645	-	-	95 645	53 908	41 737	56.4%	50 918	46 455
Goods and services	27 731	900	-	28 631	23 775	4 856	83.0%	16 963	17 368
Administrative fees	378	-	-	378	173	205	45.8%	207	169
Advertising	1 625	-	-	1 625	844	781	51.9%	1 260	1 186
Minor assets	87	-	-	87	18	69	20.7%	99	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Catering: Departmental activities	1 964	-	-	1 964	1 827	137	93.0%	1 494	1 182
Communication	332	-	-	332	256	76	77.1%	652	482
Contractors	-	-	-	-	-	-	-	-	56
Agency and support / outsourced services	2 354	-	-	2 354	3 298	(944)	140.1%	-	-
Fleet services	100	-	-	100	113	(13)	113.0%	80	219
Inventory: Clothing material and supplies	240	-	-	240	237	3	98.8%	50	34
Inventory: Farming supplies	121	-	-	121	77	44	63.6%	-	-
Inventory: Food and food supplies	1 116	-	-	1 116	847	269	75.9%	2 981	3 093
Inventory: Fuel oil and gas	205	-	-	205	169	36	82.4%	101	95
Inventory: Materials and supplies	-	-	-	-	-	-	-	300	115
Inventory: Medical supplies	-	-	-	-	-	-	-	60	53
Inventory: Other supplies	144	-	-	144	62	82	43.1%	-	-
Consumable supplies	1 079	-	-	1 079	604	475	56.0%	1 284	944
Consumable: Stationery printing and office supplies	1 675	-	-	1 675	745	930	44.5%	1 074	753
Operating leases	295	-	-	295	171	124	58.0%	250	204
Property payments	10 837	-	-	10 837	7 806	3 031	72.0%	3 454	2 857
Transport provided: Departmental activity	179	-	-	179	(73)	252	(40.8%)	47	13
Travel and subsistence	3 951	900	-	4 851	5 841	(990)	120.4%	3 173	5 314
Training and development	166	-	-	166	-	166	-	-	-
Operating payments	539	-	-	539	480	59	89.1%	63	474
Venues and facilities	270	-	-	270	212	58	78.5%	221	82
Rental and hiring	74	-	-	74	68	6	91.9%	113	43
Transfers and subsidies	411 776	4 000	-	415 776	428 674	(12 898)	103.1%	405 489	412 277

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Provinces and municipalities	-	-	-	-	14	(14)	-	-	15
Municipalities					14	(14)	-	-	15
Municipal bank accounts	-	-	-	-	14	(14)	-	-	15
Non-profit institutions	411 776	4 000	-	415 776	428 299	(12 523)	103,0%	405 489	412 158
Households	-	-	-	-	361	(361)	-	-	104
Social benefits	-	-	-	-	361	(361)	-	-	104
Payments for capital assets	600	-	-	600	450	150	75,0%	-	(40)
Other fixed structures	-	-	-	-	-	-	-	-	(40)
Machinery and equipment	600	-	-	600	450	150	75,0%	-	-
Other machinery and equipment	600	-	-	600	450	150	75,0%	-	-
Total	785 873	23 900	-	809 773	807 034	2 739	99,7%	736 252	735 803

3.1 Administration									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2016/17	
	R'000	R'000	R'000	R'000	R'000	R'000	%	Final Appropriation	Actual expenditure
Economic classification									
Current payments	53 418	(29 100)	-	24 318	21 468	2 850	88.3%	28 549	26 459
Compensation of employees	51 542	(30 000)	-	21 542	18 842	2 700	87.5%	26 000	23 433
Goods and services	1 876	900	-	2 776	2 626	150	94.6%	2 549	3 026

3.2 Care and Services for Families								
2017/18								
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2016/17
	R'000	R'000	R'000	R'000	R'000	R'000	%	Final Appropriation
Economic classification								
Current payments	56 770	(51 000)	-	5 770	1 525	4 245	26.4%	54 114
Compensation of employees	56 000	(51 000)	-	5 000	1 289	3 711	25.8%	53 000
Goods and services	770	-	-	770	236	534	30.6%	1 114
Transfers and subsidies	17 535	-	-	17 535	18 560	(1 025)	105.8%	16 900
Non-profit institutions	17 535	-	-	17 535	18 560	(1 025)	105.8%	16 900
Households	-	-	-	-	-	-	-	-
Total	74 305	(51 000)	-	23 305	20 085	3 220	86.2%	71 014

APPROPRIATION STATEMENT for the year ended 31 March 2018

3.3 Child Care and Protection									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	150 563	81 000	-	231 563	211 154	20 409	91.2%	128 650	128 834
Compensation of employees	148 300	81 000	-	229 300	207 791	21 509	90.6%	126 400	126 090
Goods and services	2 263	-	-	2 263	3 363	(1 100)	148.6%	2 250	2 744
Transfers and subsidies	-	-	-	-	129	(129)	-	-	44
Provinces and municipalities	-	-	-	-	129	(129)	-	-	44
Households	-	-	-	-	-	-	-	-	-
Total	150 563	81 000	-	231 563	211 283	20 280	91.2%	128 650	128 878

3.4 ECD and Partial Care									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43 957	19 000	-	62 957	68 057	(5 100)	108.1%	62 500	51 023
Compensation of employees	32 487	19 000	-	51 487	60 934	(9 447)	118.3%	61 500	49 593
Goods and services	11 470	-	-	11 470	7 123	4 347	62.1%	1 000	1 430
Transfers and subsidies	273 295	15 000	-	288 295	298 943	(10 648)	103.7%	281 317	288 343
Provinces and municipalities	273 295	15 000	-	288 295	298 923	(10 628)	103.7%	281 317	288 321
Non-profit institutions	-	-	-	-	20	(20)	-	-	22
Households	100	-	-	100	37	63	37.0%	-	-
Payments for capital assets	100	-	-	100	37	63	37.0%	-	-
Machinery and equipment	100	-	-	100	37	63	37.0%	-	-
Machinery and equipment	100	-	-	100	37	63	37.0%	-	-
Total	317 352	34 000	-	351 352	367 037	(15 685)	104.5%	343 817	339 366

APPROPRIATION STATEMENT for the year ended 31 March 2018

3.5 Child and Youth Care									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	42 489	18 000	-	60 489	74 666	(14 177)	123.4%	44 950	63 318
Compensation of employees	33 437	18 000	-	51 437	65 281	(13 844)	126.9%	37 900	56 546
Goods and services	9 052	-	-	9 052	9 385	(333)	103.7%	7 050	6 772
Transfers and subsidies	18 946	-	-	18 946	17 269	1 677	91.1%	18 272	18 108
Provinces and municipalities	-	-	-	-	14	(14)	-	-	15
Non-profit institutions	18 946	-	-	18 946	17 162	1 784	90.6%	18 272	18 093
Households	-	-	-	-	93	(93)	-	-	-
Payments for capital assets	500	-	-	500	413	87	82.6%	-	(40)
Buildings and other fixed structures	-	-	-	-	-	-	-	-	(40)
Machinery and equipment	500	-	-	500	413	87	82.6%	-	-
Total	61 935	18 000	-	79 935	92 348	(12 413)	115.5%	63 222	81 386

3.6 Community Based Care for Children									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	26 300	(18 000)	-	8 300	1 040	7 260	12.5%	12 000	2 353
Compensation of employees	24 000	(18 000)	-	6 000	(2)	6 002	(0.0%)	9 000	-
Goods and services	2 300	-	-	2 300	1 042	1 258	45.3%	3 000	2 353
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	102 000	(11 000)	-	91 000	93 654	(2 654)	102.9%	89 000	88 673
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit institutions	102 000	(11 000)	-	91 000	93 654	(2 654)	102.9%	89 000	88 673
Total	128 300	(29 000)	-	99 300	94 694	4 606	95.4%	101 000	91 026

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 4: Restorative Services									
	2017/18						2016/17		
	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
Sub programme									
1. Administration	18 802	-	-	18 802	10 853	7 949	57.7%	10 948	19 155
2. Crime Prevention and Support	58 534	-	-	58 534	68 671	(10 137)	117.3%	56 766	56 977
3. Victim Empowerment	39 452	10 000	-	49 452	63 667	(14 215)	128.7%	63 692	61 068
4. Substance Abuse Prevention and Rehabilitation	51 133	-	-	51 133	33 548	17 585	65.6%	36 191	30 009
Total for sub programmes	167 921	10 000	-	177 921	176 739	1 182	99.3%	167 597	167 209
Economic classification									
Current payments	141 881	10 000	-	151 881	152 628	(747)	100.5%	144 297	146 773
Compensation of employees	94 578	10 000	-	104 578	104 394	184	99.8%	93 014	92 845
Salaries and wages	84 801	10 000	-	94 801	88 867	5 934	93.7%	73 779	78 894
Social contributions	9 777	-	-	9 777	15 527	(5 750)	158.8%	19 235	13 951
Goods and services	47 303	-	-	47 303	48 234	(931)	102.0%	51 283	53 928
Administrative fees	228	-	-	228	123	105	53.9%	30	20
Advertising	522	-	-	522	341	181	65.3%	927	608
Minor assets	210	-	-	210	245	(35)	116.7%	345	151
Bursaries: Employees	-	-	-	-	-	-	-	554	-
Catering: Departmental activities	862	-	-	862	509	353	59.0%	374	626
Communication	54	-	-	54	14	40	25.9%	153	274

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Computer services	1 000	-	1 000	-	950	-
Consultants: Business and advisory services	20	-	20	-	-	-
Agency and support / outsourced services	37 409	-	37 409	40 501	40 000	44 884
Fleet services	181	-	181	-	7	182
Inventory: Clothing material and supplies	-	-	-	-	-	12
Inventory: Farming supplies	-	-	-	93	-	-
Inventory: Food and food supplies	16	-	16	7	606	567
Inventory: Fuel oil and gas	39	-	39	20	-	-
Inventory: Materials and supplies	-	-	-	-	-	7
Inventory: Other supplies	-	-	-	-	-	-
Consumable supplies	832	-	832	566	784	741
Consumable: Stationery printing and office supplies	743	-	743	383	1 077	474
Operating leases	40	-	40	1	133	51
Property payments	2 252	-	2 252	1 884	2 662	2 043
Transport provided: Departmental activity	23	-	23	-	-	-
Travel and subsistence	2 164	-	2 164	3 239	2 298	2 863
Training and development	300	-	300	137	117	14
Operating payments	253	-	253	137	5	153
Venues and facilities	115	-	115	34	196	194
Rental and hiring	40	-	40	-	65	64
Transfers and subsidies	24 340	-	24 340	22 463	20 600	19 863
Non-profit institutions	24 340	-	24 340	22 396	20 600	19 824

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Households	-	-	67	(67)	-	-	39
Social benefits	-	-	67	(67)	-	-	39
Payments for capital assets	1 700	-	1 648	52	96.9%	2 700	573
Machinery and equipment	1 700	-	1 648	52	96.9%	2 700	573
Transport equipment	-	-	-	-	-	2 000	516
Other machinery and equipment	1 700	-	1 648	52	96.9%	700	57
Total	167 921	10 000	176 739	1 182	99.3%	167 597	167 209

4.1 Administration								
	2017/18					2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Current payments	18 802	-	-	18 802	10 853	7 949	57.7%	19 138
Compensation of employees	17 237	-	-	17 237	9 061	8 176	52.6%	17 734
Goods and services	1 565	-	-	1 565	1 792	(227)	114.5%	1 404
Transfers and subsidies	-	-	-	-	-	-	-	17
Households	-	-	-	-	-	-	-	17
Total	18 802	-	-	18 802	10 853	7 949	57.7%	19 155

APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Crime Prevention and Support									
	2017/18						2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	54 939	-	-	54 939	66 895	(11 956)	121.8%	54 676	55 056
Compensation of employees	16 558	-	-	16 558	25 527	(8 969)	154.2%	20 613	18 751
Goods and services	38 381	-	-	38 381	41 368	(2 987)	107.8%	34 063	36 305
Transfers and subsidies	3 595	-	-	3 595	1 776	1 819	49.4%	2 090	1 921
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	3 595	-	-	3 595	1 749	1 846	48.7%	2 090	1 899
Households	-	-	-	-	27	(27)	-	-	22
Total	58 534	-	-	58 534	68 671	(10 137)	117.3%	56 766	56 977

4.4 Substance Abuse Prevention and Rehabilitation									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	44 025	-	-	44 025	27 015	17 010	61.4%	29 469	25 174
Compensation of employees	40 783	-	-	40 783	24 302	16 481	59.6%	25 706	21 732
Goods and services	3 242	-	-	3 242	2 713	529	83.7%	3 763	3 442
Transfers and subsidies	5 408	-	-	5 408	4 885	523	90.3%	5 022	4 319
Non-profit institutions	5 408			5 408	4 845	563	89.6%	5 022	4 319
Households	-	-	-	-	40	(40)	-	-	-
Payments for capital assets	1 700	-	-	1 700	1 648	52	96.9%	1 700	516
Machinery and equipment	1 700	-	-	1 700	1 648	52	96.9%	1 700	516
Total	51 133	-	-	51 133	33 548	17 585	65.6%	36 191	30 009

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 5: Development and Research									
	2017/18						2016/17		
	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
Sub programme									
1. Management and Support	88 901	24 000	-	112 901	137 594	(24 693)	121,9%	122 104	135 699
2. Community Mobilisation	2 469	-	-	2 469	1 384	1 085	56,1%	2 351	1 546
3. Institutional Capacity Building	16 053	-	-	16 053	12 992	3 061	80,9%	18 092	15 368
4. Poverty Alleviation and Sustainable Livelihood	31 613	1 400	-	33 013	15 942	17 071	48,3%	22 008	14 179
5. Community Based Research and Planning	600	-	-	600	453	147	75,5%	1 962	882
6. Youth Development	10 650	-	-	10 650	8 405	2 245	78,9%	5 788	5 737
7. Women Empowerment	4 500	-	-	4 500	2 668	1 832	59,3%	1 662	970
8. Population and Policy Promotion	4 396	-	-	4 396	2 848	1 548	64,8%	4 750	3 665
Total for sub programmes	159 182	25 400	-	184 582	182 286	2 296	98,8%	178 717	178 046
Economic classification									
Current payments	130 823	24 000	-	154 823	156 779	(1 956)	101,3%	146 922	149 946
Compensation of employees	108 648	21 000	-	129 648	139 002	(9 354)	107,2%	127 268	134 162
Salaries and wages	100 680	21 000	-	121 680	119 488	2 192	98,2%	110 472	116 071
Social contributions	7 968	-	-	7 968	19 514	(11 546)	244,9%	16 796	18 091
Goods and services	22 175	3 000	-	25 175	17 663	7 512	70,2%	19 654	15 784
Administrative fees	10	-	-	10	3	7	30,0%	10	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Advertising	986	-	986	524	462	53.1%	1 330	605
Minor assets	963	-	963	160	803	16.6%	1 281	33
Catering: Departmental activities	3 090	-	3 090	2 497	593	80.8%	2 826	2 129
Communication	180	-	180	175	5	97.2%	452	350
Agency and support / outsourced services	3 610	-	3 610	2 294	1 316	63.5%	730	394
Entertainment	-	-	-	-	-	-	45	-
Fleet services	202	-	202	171	31	84.7%	426	1 879
Inventory: Clothing material and supplies	324	-	324	198	126	61.1%	300	112
Inventory: Farming supplies	346	-	346	296	50	85.5%	160	-
Inventory: Food and food supplies	688	-	688	430	258	62.5%	1 432	-
Inventory: Materials and supplies	-	-	-	-	-	-	50	-
Inventory: Other supplies	30	-	30	21	9	70.0%	-	-
Consumable supplies	1 093	-	1 093	268	825	24.5%	1 474	548
Consumable: Stationery printing and office supplies	1 312	-	1 312	547	765	41.7%	1 621	972
Property payments	114	-	114	13	101	11.4%	500	1 074
Transport provided: Departmental activity	213	-	213	267	(54)	125.4%	451	107
Travel and subsistence	3 191	3 000	6 191	5 761	430	93.1%	4 778	6 079
Training and development	4 235	-	4 235	2 307	1 928	54.5%	192	-
Operating payments	334	-	334	561	(227)	168.0%	80	717
Venues and facilities	171	-	171	37	134	21.6%	512	201
Rental and hiring	1 083	-	1 083	601	482	55.5%	1 004	584
Transfers and subsidies	28 359	1 400	29 759	25 621	4 138	86.1%	31 795	28 037
Provinces and municipalities	-	-	-	42	(42)	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Municipalities	-	-	-	-	42	(42)	-	-	-
Municipal bank accounts	-	-	-	-	42	(42)	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	4 000	4 000
Departmental agencies	-	-	-	-	-	-	-	4 000	4 000
Non-profit institutions	28 359	1 400	29 759	24 847	4 912	83.5%	27 795	23 148	23 148
Households	-	-	-	732	(732)	-	-	889	889
Social benefits	-	-	-	732	(732)	-	-	889	889
Payments for capital assets	-	-	-	-	-	-	-	63	63
Machinery and equipment	-	-	-	-	-	-	-	63	63
Other machinery and equipment	-	-	-	-	-	-	-	63	63
Total	159 182	25 400	184 582	182 286	2 296	98,8%	178 717	178 046	178 046

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.1 Management and Support							
	2017/18					2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%
Current payments	88 901	24 000	-	112 901	136 934	(24 033)	121.3%
Compensation of employees	82 504	21 000	-	103 504	128 776	(25 272)	124.4%
Goods and services	6 397	3 000	-	9 397	8 044	1 353	85.6%
Transfers and subsidies	-	-	-	-	774	(774)	-
Provinces and municipalities	-	-	-	-	42	(42)	-
Departmental agencies and accounts	-	-	-	-	-	-	-
Households	-	-	-	-	732	(732)	-
Total	88 901	24 000	-	112 901	137 594	(24 693)	121.9%

5.2 Community Mobilisation							
	2017/18					2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%
Current payments	2 469	-	-	2 469	1 384	1 085	56.1%
Goods and services	2 469	-	-	2 469	1 384	1 085	56.1%
Total	2 469	-	-	2 469	1 384	1 085	56.1%

5.3 Institutional Capacity Building									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 075	-	-	7 075	4 019	3 056	56.8%	6 850	4 171
Compensation of employees	5 725	-	-	5 725	3 074	2 651	53.7%	3 452	2 346
Goods and services	1 350	-	-	1 350	945	405	70.0%	3 398	1 825
Transfers and subsidies	8 978	-	-	8 978	8 973	5	99.9%	11 242	11 197
Provinces and municipalities									
Non-profit institutions	8 978	-	-	8 978	8 973	5	99.9%	11 242	11 197
Households									
Total	16 053	-	-	16 053	12 992	3 061	80.9%	18 092	15 368

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.4 Poverty Alleviation and Sustainable Livelihoods									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19 741	-	-	19 741	5 070	14 671	25.7%	6 892	3 665
Compensation of employees	16 026	-	-	16 026	3 204	12 822	20.0%	3 263	2 741
Goods and services	3 715	-	-	3 715	1 866	1 849	50.2%	3 629	924
Transfers and subsidies	11 872	1 400	-	13 272	10 872	2 400	81.9%	15 116	10 514
Provinces and municipalities	11 872	1 400	-	13 272	10 872	2 400	81.9%	15 116	10 514
Non-profit institutions	11 872	1 400	-	13 272	10 872	2 400	81.9%	15 116	10 514
Households									
Total	31 613	1 400	-	33 013	15 942	17 071	48.3%	22 008	14 179

5.5 Community Based Research and Planning									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	600	-	-	600	453	147	75.5%	1 962	819
Compensation of employees	-	-	-	-	146	-146	-	-	-
Goods and services	600	-	-	600	307	293	51.2%	1 962	819
Payments for capital assets									
Machinery and equipment									
Total	600	-	-	600	453	147	75.5%	1 962	882

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.6 Youth Development									
2017/18							2016/17		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 141	-	-	6 141	5 403	738	88.0%	4 351	4 300
Compensation of employees	1 598	-	-	1 598	2 036	(438)	127.4%	1 522	833
Goods and services	4 543	-	-	4 543	3 367	1 176	74.1%	2 829	3 467
Transfers and subsidies	4 509	-	-	4 509	3 002	1 507	66.6%	1 437	1 437
Non-profit institutions	4 509	-	-	4 509	3 002	1 507	66.6%	1 437	1 437
Total	10 650	-	-	10 650	8 405	2 245	78.9%	5 788	5 737

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.7 Women Empowerment									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 500	-	-	1 500	668	832	44.5%	1 662	970
Goods and services	1 500	-	-	1 500	668	832	44.5%	1 662	970
Transfers and subsidies	3 000	-	-	3 000	2 000	1 000	66.7%	-	-
Non-profit institutions	3 000	-	-	3 000	2 000	1 000	66.7%	-	-
Households									
Total	4 500	-	-	4 500	2 668	1 832	59.3%	1 662	970

5.8 Population and Policy Promotion									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 396	-	-	4 396	2 848	1 548	64.8%	4 750	3 665
Compensation of employees	2 795	-	-	2 795	1 766	1 029	63.2%	2 369	1 924
Goods and services	1 601	-	-	1 601	1 082	519	67.6%	2 381	1 741
Total	4 396	-	-	4 396	2 848	1 548	64.8%	4 750	3 665

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

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

Details	2017/18 R'000	2016/17 R'000
Other transfers	529 833	513 348

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

None

3. Detail on payments for financial assets

None

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

4.1 Per programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Administration	305 730	303 809	1 921	1%
Social Welfare Services	348 832	345 229	3 603	1%
Children and Families	809 773	807 034	2 739	0%
Restorative Services	177 921	176 739	1 182	1%
Development and Research	184 582	182 286	2 296	1%
4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Current payments				
Compensation of employees	995 415	992 608	2 807	0%
Goods and services	248 140	239 536	8 604	3%
Transfers and subsidies				
Provinces and municipalities	350	272	78	22%
Departmental agencies and accounts	1 500	1 329	171	11%
Non-profit institutions	530 861	529 833	1 028	0%
Households	1 823	2 281	(458)	-25%
Payments for capital assets				
Buildings and other fixed structures	30 139	30 690	(551)	-2%
Machinery and equipment	20 588	20 340	248	1%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

The underspending on good and services is due to the delay in completing maintenance of Early Childhood Development. The department has requested for the funds to be rolled over. The over spending on Households is due to more employees exiting employment than expected.

4.3	Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	Expanded Public Work Grant	8 978	8 973	5	0%
	Early Child Hood Grant	41 085	35 693	5 392	13%
	Social Work Employment Grant	46 784	46 784	0	0%

The underspending on good and services is due to the delay in completing maintenance of Early Childhood Development. The department has requested for the funds to be rolled over.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	<i>Note</i>	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	<u>1</u>	1 826 838	1 677 937
Statutory appropriation	<u>2</u>	1 978	1 902
Departmental revenue	<u>3</u>	-	14 752
Aid assistance	<u>4</u>	9 190	16 469
TOTAL REVENUE		1 838 006	1 711 060
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>5</u>	992 608	889 247
Goods and services	<u>6</u>	239 536	213 972
Aid assistance	<u>4</u>	9 190	16 298
Total current expenditure		1 241 334	1 119 517
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	533 715	522 475
Total transfers and subsidies		533 715	522 475
Expenditure for capital assets			
Tangible assets	<u>8</u>	51 030	31 149
Total expenditure for capital assets		51 030	31 149
TOTAL EXPENDITURE		1 826 079	1 673 141
SURPLUS FOR THE YEAR		11 927	37 919

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

Reconciliation of Net Surplus for the year

Voted funds	11 927	22 996
Annual appropriation	6 530	22 951
Conditional grants	5 397	45
Departmental revenue and NRF Receipts	<u>13</u> -	14 752
Aid assistance	<u>4</u> -	171
SURPLUS FOR THE YEAR	<u>11 927</u>	<u>37 919</u>

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	<i>Note</i>	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		42 174	41 793
Cash and cash equivalents	<u>9</u>	-	11 106
Prepayments and advances	<u>10</u>	25 175	16 870
Receivables	<u>11</u>	12 463	12 692
Aid assistance receivable	<u>11</u>	4 536	1 125
Non-current assets		9 522	8 861
Receivables	<u>11</u>	9 522	8 861
TOTAL ASSETS		51 696	50 654
LIABILITIES			
Current liabilities		32 497	32 291
Voted funds to be surrendered to the Revenue Fund	<u>12</u>	15 583	22 996
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>13</u>	695	4 038
Bank overdraft	<u>14</u>	2 913	-
Payables	<u>15</u>	13 306	5 257
Aid assistance unutilised	<u>4</u>	-	-
Non-current liabilities		7 940	7 940
Payables	<u>16</u>	7 940	7 940
TOTAL LIABILITIES		40 437	40 231
NET ASSETS		11 259	10 423

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Represented by:			
Capitalisation reserve		11 259	10 423
Recoverable revenue			
Retained funds			
Revaluation reserves			
TOTAL		11 259	10 423

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		10 423	20 993
Transfers:		836	(10 570)
Debts revised		437	(1 584)
Debts recovered (included in departmental receipts)		(269)	(10 194)
Debts raised		668	1 208
Closing balance		11 259	10 423
TOTAL		11 259	10 423

CASH FLOW STATEMENT
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 839 389	1 707 855
Annual appropriated funds received	<u>1.1</u>	1 825 988	1 677 937
Statutory appropriated funds received	<u>2</u>	1 978	1 902
Departmental revenue received	<u>3</u>	2 233	11 547
Aid assistance received	<u>4</u>	9 190	16 469
Net (increase)/decrease in working capital		(3 438)	(1 795)
Surrendered to Revenue Fund		(24 596)	(34 457)
Surrendered to RDP Fund/Donor		-	
Current payments		(1 241 334)	(1 119 517)
Payments for financial assets			
Transfers and subsidies paid		(533 715)	(522 475)
Net cash flow available from operating activities	<u>17</u>	36 306	29 611
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(51 030)	(31 149)
Proceeds from sale of capital assets	<u>3.2</u>	530	3 205
(Increase)/decrease in loans			
(Increase)/decrease in investments			
(Increase)/decrease in other financial assets			
Net cash flows from investing activities		(50 500)	(27 944)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received			
Increase/(decrease) in net assets		836	(10 570)
Increase/(decrease) in non-current receivables		(661)	20 061
Net cash flows from financing activities		175	9 491
Net increase/(decrease) in cash and cash equivalents		(14 019)	11 158
Cash and cash equivalents at beginning of period		11 106	(52)
Unrealised gains and losses within cash and cash equivalents			
Cash and cash equivalents at end of period	<u>18</u>	(2 913)	11 106

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

PART A: ACCOUNTING POLICIES

<p>Summary of significant accounting policies</p> <p>The financial statements have been prepared in accordance with the following policies which have been applied consistently in all material aspects unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>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 (PFMA) Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>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.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

7	Revenue
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services transfers and subsidies and payments for</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> • cost being the fair value of the asset; or • the sum of the minimum lease payments made including any payments made to acquire ownership at the end of the lease term excluding interest.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement cash and cash equivalents comprise cash on

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	hand deposits held other short-term highly liquid investments and bank overdrafts.
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>The department makes quarterly prepayments to Non-Profit Organisations (NPOs). These prepayments enables the organisations to render the services on behalf of the department. The Non-Profit Organisations (NPOs) submit claims which are then reconciled against the prepayments made and expense the prepayments suspense accounts</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest where interest is charged less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date a department shall measure its financial assets at cost less amounts already settled or written-off except for recognised loans and receivables which are measured at cost plus accrued interest where interest is charged less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset an estimation of the reduction in the recorded carrying value to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	<p>ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset the asset is transferred to the custodian subsequent to completion.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

17	Provisions and Contingents
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there 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 within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	<p>when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues expenditures assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
25	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
26	<p>Inventories</p> <p>At the date of acquisition inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
27	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

PART B: EXPLANATORY NOTES**1. Annual Appropriation****1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for Provincial Departments:

	Final Appropriation	2017/18 Actual Funds Received	Funds not requeste d/not received	2016/17 Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	305 730	304 880	850	286 520	286 520
Social Welfare Services	348 832	348 832	-	314 251	314 251
Children and Families	809 773	809 773	-	704 352	704 352
Restorative Services	177 921	177 921	-	193 597	193 597
Development and Research	184 582	184 582	-	179 217	179 217
Total	1 826 838	1 825 988	850	1 677 937	1 677 937

The department received R1 825 988 000.00 of its R1 826 838 000.00 total allocation. The outstanding R850 000.00 was received in April 2018.

1.2 Conditional grants

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Total grants received	37	<u>96 847</u>	<u>11 242</u>
Provincial grants included in Total Grants received		<u>96 847</u>	<u>11 242</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

2. Statutory Appropriation

	2017/18 R'000	2016/17 R'000
Members' remuneration	1 978	1 902
Total	1 978	1 902
Actual Statutory Appropriation received	1 978	1 902

3. Departmental revenue

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	1 548	1 374
Sales of capital assets	3.2	530	3 205
Transactions in financial assets and liabilities	3.3	685	10 173
Total revenue collected		2 763	14 752
Less: Own revenue included in appropriation	13	2 763	-
Departmental revenue collected		-	14 752

The decline on transactions in financial assets and liabilities is due to 2012/13 NPO debts recovered during 2016/17. Not all revenue collected in 2017/18 was deposited on the 31st March 2018. The department carried accrued revenue on sale of capital assets.

3.1 Sales of goods and services other than capital assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department		1 528	1 301
Sales by market establishment		383	277
Other sales		1 145	1 024
Sales of scrap waste and other used current goods		20	73
Total	3	1 548	1 374

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

3.2 Sale of capital assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tangible assets	3	530	3 205
Machinery and equipment	31.2	530	3 205
Total		530	3 205

The decline is due to fifteen (15) vehicles sold in the current year compared to seventy three (73) in the prior year.

3.3 Transactions in financial assets and liabilities

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Receivables	3	-	(21)
Other Receipts including Recoverable Revenue		685	10 194
Total		685	10 173

The decline is due to 2012/13 over payment recoveries done during 2016/17.

4. Aid assistance

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening Balance		-	(171)
Prior period error			(5 366)
As restated		-	(5 537)
Transferred from statement of financial performance		-	5 537
Closing Balance		-	-

The department performed reconciliation of the aid assistance from 2010/11 and found that expenditure for donor from this period to 2013/4 was accounted for under Equitable Share as compensation of employees in the prior years.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

4.1. Aid assistance prepayments (expensed)

	<i>Note</i>	Amount as at 1 April 2017	Less: Received in the current year	Add: Current Year prepayments	Amount as at 31 March 2018
		R'000	R'000	R'000	R'000
Compensation of employees	4	-	(9 190)	9 190	-
Total		-	(9 190)	9 190	-

The department received R9 190 million in Aid assistance for 2017/18 financial year.

4.2. Prior period error

	<i>Note</i>	2016/17 R'000
	4	
Nature of prior period error		
The expenditure from 2011/12 to 2013/14 for aid assistance not taken into account and therefore paid under voted funds		(5 366)
Prior period error		(5 366)
Total prior period errors		(5 366)

The department performed reconciliation of the aid assistance from 2010/11 and found that expenditure for donor from this period to 2013/4 was accounted for under Equitable Share as compensation of employees in the prior years.

4.3. Aid assistance expenditure per economic classification

	<i>Note</i>	2017/18 R'000	2016/17 R'000
	4		
Current		9 190	16 298
Total aid assistance expenditure		9 190	16 298

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

The department performed reconciliation of the aid assistance from 2010/11 and found that expenditure for donor from this period to 2013/4 was accounted for under Equitable Share as compensation of employees in the prior years.

5. Compensation of employees

5.1 Salaries and Wages

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Basic salary		718 580	631 481
Performance award		9 196	12 318
Service Based		485	580
Compensative/circumstantial		3 362	5 968
Periodic payments		90	-
Other non-pensionable allowances		112 282	106 241
Total		843 995	756 588

5.2 Social contributions

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		93 113	82 529
Medical		55 279	49 921
Bargaining council		221	209
Total		148 613	132 659
 Total compensation of employees		 992 608	 889 247
 Average number of employees		 2 950	 2 811

The increase in Compensation of employees is mainly due to general salary increase and leave gratuity paid to officials. The reduction in compensative/ circumstantial is due to the reduction of overtime payment during the financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

6. Goods and services

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Administrative fees		456	278
Advertising		2 683	4 017
Minor assets	6.1	5 908	2 177
Bursaries (employees)		64	93
Catering		6 492	5 904
Communication		4 861	6 419
Computer services	6.2	5 515	8 921
Consultants: Business and advisory services		44	59
Legal services		154	9
Contractors		1 998	5 716
Agency and support / outsourced services		78 481	69 844
Entertainment			
Audit cost – external	6.3	5 854	5 687
Fleet services		17 526	14 998
Inventory	6.4	11 817	8 935
Consumables	6.5	8 089	12 509
Operating leases		1 324	1 986
Property payments	6.6	48 017	33 617
Rental and hiring		1 015	734
Transport provided as part of the departmental activities		457	301
Travel and subsistence	6.7	31 185	27 237
Venues and facilities		1 160	1 359
Training and development		4 881	1 214
Other operating expenditure	6.8	1 555	1 958
Total		239 536	213 972

The variance in Goods and Services on security services travel and subsistence and R4 000 000.00 transfer to NDA previously accounted for as departmental agency and accounts. Legal services payments relate to claims from the department of Justice.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

6.1 Minor assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tangible assets	6	5 908	2 177
Machinery and equipment		5 908	2 177
Total		5 908	2 177

The increase in minor assets is due to the acquisition for the tools of trade.

6.2 Computer services

	<i>Note</i>	2017/18 R'000	2016/17 R'000
SITA computer services	6	5 515	8 921
Total		5 515	8 921

The department now acquires software licensing from Microsoft not through SITA.

6.3 Audit cost – External

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Regularity audits	6	5 854	5 687
Performance audits			
Total		5 854	5 687

6.4 Inventory

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Clothing material and accessories	6	1 413	1 063
Farming supplies		466	-
Food and food supplies		9 419	7 277
Fuel oil and gas		239	119
Materials and supplies		116	190
Medical supplies		164	286
Total		11 817	8 935

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

6.5 Consumables

	Note 6	2017/18 R'000	2016/17 R'000
Consumable supplies		2 790	7 042
Uniform and clothing		6	1 315
Household supplies		1 791	4 036
IT consumables		965	1 533
Other consumables		28	158
Stationery printing and office supplies		5 299	5 467
Total		8 089	12 509

6.6 Property payments

	Note 6	2017/18 R'000	2016/17 R'000
Municipal services		707	1 479
Property maintenance and repairs		8 390	-
Other		38 920	32 138
Total		48 017	33 617

Other property payments relates to payments for outsourced security services provided at various institutions in the department.

6.7 Travel and subsistence

	Note 6	2017/18 R'000	2016/17 R'000
Local		31 125	27 228
Foreign		60	9
Total		31 185	27 237

Various officials travelled outside the country during the year under review.

6.8 Other operating expenditure

	Note 6	2017/18 R'000	2016/17 R'000
Resettlement costs		267	10
Other		1 288	1 948
Total		1 555	1 958

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Other operating expenditure relates to the insurance for subsidised vehicles

7. Transfers and subsidies

		2017/18 R'000	2016/17 R'000
	<i>Note</i>		
Provinces and municipalities	38	272	167
Departmental agencies and accounts	<i>Annex 1B</i>	1 329	5 886
Non-profit institutions	<i>Annex 1F</i>	529 833	513 349
Households	<i>Annex 1G</i>	2 281	3 073
Total		533 715	522 475

The decline in agencies and accounts is due to reclassification of payments to NDA from Transfers and Subsidies to Good and Services. The increase in Non-profit institutions is mainly to the due Early Childhood Development Conditional Grant.

8. Expenditure for capital assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tangible assets		51 030	31 149
Buildings and other fixed structures	33.1	30 690	23 545
Machinery and equipment	31.1	20 340	7 604
Total		51 030	31 149

The increase is due to acquisition of additional desktops, furniture and other equipment.

8.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	51 030	-	51 030
Buildings and other fixed structures	30 690	-	30 690
Machinery and equipment	20 340	-	20 340
Total	51 030	-	51 030

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

8.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	31 149	-	31 149
Buildings and other fixed structures	23 545	-	23 545
Machinery and equipment	7 604	-	7 604
Total	31 149	-	31 149

8.3 Finance lease expenditure included in Expenditure for capital assets

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Tangible assets			
Machinery and equipment		1 692	880
Total		1 692	880

Finance lease mainly consist of photocopiers

9. Cash and cash equivalents

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		-	11 106
Total		-	11 106

10. Prepayments and advances

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Prepayments (Not expensed)	10.2	10 258	3 147
Advances paid (Not expensed)	10.1	14 917	13 723
Total		25 175	16 870

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Prepayments relates to transfer payments to NPOs while advances relates to payments made to NDA for training of NPOs and the IDT for infrastructure projects.

10.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepayment s R'000	Balance as at 31 March 2018 R'000
Public entities	10	13 723	532	1 726	14 917
Other entities					
Total		13 723	532	1 726	14 917

Advances relates to payments made to NDA for training of NPOs and the IDT for infrastructure projects. The matter relating to R10 million utilised by the IDT was referred to the provincial Treasury for investigation.

10.2 Prepayments (Not expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2018 R'000
Transfers and subsidies	10	3 147	3 147	10 258	10 258
Total		3 147	3 147	10 258	10 258

Prepayments relates to transfer payments to NPOs.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

11. Receivables

		Current	2017/18 Non- current	Total	Current	2016/17 Non- current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	<i>Note</i>						
Claims recoverable	11.1	2 061	-	2 061	1 355	-	1 355
Claims recoverable (Aid Assistance)	11.2	4 536	-	4 536	1 125	-	1 125
Recoverable expenditure	11.3	48	7 940	7 988	843	7 940	8 783
Staff debt	11.4	940	255	1 195	739	402	1 141
Fruitless and wasteful expenditure	11.5						
Other debtors	11.6	9 414	1 327	10 741	9 755	519	10 274
Total		16 999	9 522	26 521	13 817	8 861	22 678

11.1 Claims recoverable

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Provincial departments		2 061	1 226
Private enterprises		-	129
Total	11	2 061	1 355

Claims recoverable provincial departments relates to fourth quarter claim received in April for SASSA shared service.

11.2 Recoverable expenditure (Aid Assistance)

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Public entities (Aid assistance)	11	4 536	1 125
Total		4 536	1 125

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

An amount of R4 536 million has been made prior to the receipt of funds and is accounted for as a receivable.

11.3 Recoverable expenditure (disallowance accounts)

	<i>Note</i> 11	2017/18 R'000	2016/17 R'000
General accounts		7 940	8 000
Deduction accounts		48	783
Total		7 988	8 783

11.4 Staff debt

	<i>Note</i> 11	2017/18 R'000	2016/17 R'000
Staff		1 195	1 141
Total		1 195	1 141

11.5 Other debtors

	<i>Note</i> 11	2017/18 R'000	2016/17 R'000
Social grant debtors		175	175
NGO debtors		5 247	5 290
Other debtors		5 319	4 809
Total		10 741	10 274

11.6 Fruitless and wasteful expenditure

	<i>Note</i> 11	2017/18 R'000	2016/17 R'000
Opening balance		-	-
Less amounts recovered		(1)	(2)
Less amounts written off			
Transfers from note 32 Fruitless and Wasteful Expenditure		1	2
Interest			
Total		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

12. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		22 996	23 387
Prior period error	12.1		5 366
As restated		22 996	28 753
Transfer from statement of financial performance (as restated)		11 927	17 630
Voted funds not requested/not received	1.1	(850)	-
Paid during the year		(18 490)	(23 387)
Closing balance		15 583	22 996

The received R850 000.00 less from the Provincial Treasury and Surrendered R860 000.00 more because surrender is done before the finalization of the audit.

12.1 Prior period error

	<i>Note</i>	2016/17 R'000
Nature of prior period error		
The expenditure from 2011/12 to 2013/14 on aid assistance not taken into account and therefore paid under equitable share	12	5 366
Total prior period errors		5 366

The department performed reconciliation of the aid assistance from 2010/11 and found that expenditure for donor from this period to 2013/4 was accounted for under Equitable Share as compensation of employees in the prior years.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		4 038	356
As restated		4 038	356
Transfer from Statement of Financial Performance (as restated)	3	-	14 752
Own revenue included in appropriation		2 763	
Transfer from aid assistance			
Paid during the year		(6 106)	(11 070)
Closing balance		695	4 038

14. Bank Overdraft

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		2 913	-
Total		2 913	-

An amount of R4 537 million on Aid assistance has been made prior to the receipt of funds and has been accounted for as a receivable in the statement of financial position. This has negatively affected the overall cash flow of the department.

15. Payables – current

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Amounts owing to other entities		13 290	5 240
Clearing accounts	15.1	16	17
Total		13 306	5 257

The balance relates to under payments to NPOs and the payments to the NPOs will be made during 2018/19. The increase in amount owing to other entities is also due to month end interface timing differences on payments to SARS and GEPP.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

15.1 Clearing accounts

	<i>Note</i> 15	2017/18 R'000	2016/17 R'000
Deductions Accounts		16	17
Total		16	17

16. Payables – non-current

		2017/18			2016/17
		R'000	R'000	R'000	R'000
		One to	Two to	More	
		two	three	than	
		years	years	three	
	<i>Note</i>			years	
Amounts owing to other entities				7 940	7 940
Total				7 940	7 940

17. Net cash flow available from operating activities

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Net surplus as per Statement of Financial Performance		11 927	37 919
Add back non cash/cash movements not deemed operating activities		24 379	(8308)
(Increase)/decrease in receivables – current		(3 182)	134
(Increase)/decrease in prepayments and advances		(8 305)	1 714
(Increase)/decrease in other current assets			
Increase/(decrease) in payables – current		8 049	(3 643)
Proceeds from sale of capital assets		(530)	(3 205)
Proceeds from sale of investments			
(Increase)/decrease in other financial assets			
Expenditure on capital assets		51 030	31 149
Surrenders to Revenue Fund		(24 596)	(34 457)
Surrenders to RDP Fund/Donor			
Voted funds not requested/not received		(850)	-
Own revenue included in appropriation		2 763	-
Other non-cash items			
Net cash flow generated by operating activities		36 306	29 611

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

18. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		(2 913)	11 106
Total		(2 913)	11 106

An amount of R4 536 million on Aid assistance has been made prior to the receipt of funds and has been accounted for as a receivable in the statement of financial position. This has negatively affected the overall cash flow of the department.

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

Liable to	Nature	<i>Note</i>	2017/18 R'000	2016/17 R'000
Housing loan guarantees	Employees	<i>Annex 3A</i>	564	399
Claims against the department		<i>Annex 3B</i>	413	46 333
Other		<i>Annex 3B</i>	7 620	7 620
Total			8 597	54 352

The matter on R45 million defamation was concluded during the financial year. Included in the balance is R1 million that relates to vehicle accident against the department. The finality of these cases is dependent on the court processes. The department issued guarantees worth R399 thousand.

19.2 Contingent assets

Nature of contingent asset	<i>Note</i>	2017/18 R'000	2016/17 R'000
Over payment – Ditirisano		324	324
Over payment – Whisk-It		151	151
Stolen computer at the project- Emmos Trading		69	69
Vehicle accidents – districts		1 473	317
Over payment – Ngonyama		-	76
Total		2 017	937

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

20. Commitments

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		247 741	246 189
Approved but not yet contracted			
		247 741	246 189
Capital expenditure			
Approved and contracted		78 955	93 048
Approved but not yet contracted			
		78 955	93 048
Total Commitments		326 696	339 237

The following contracts are for the period longer than a year secure care (Polokwane) supply delivery and installation of furniture catering service at Polokwane welfare complex and Tubatse child and youth care centre food parcels and security.

21. Accruals and payables not recognised

21.1 Accruals

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	44 057	-	44 057	15 062
Transfers and subsidies	2 768	-	2 768	2 256
Capital assets	2 894	-	2 894	73
Other				
Total	49 719	-	49 719	17 391
		<i>Note</i>	2017/18 R'000	2016/17 R'000
Listed by programme level				
Administration			14 314	6 097
Social Welfare Services			9 463	2 900
Children and Families			2 873	1 053
Restorative Services			17 005	4 547
Development and Research			6 064	2 794
Total			49 719	17 391

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Material amounts are mainly key accounts contractual obligations subsistence and transport.

21.2 Payables not recognised

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	1 319	314	1 633	6 556
Transfers and subsidies	500	-	500	5 902
Capital assets	-	-	-	1 301
Total	1 819	314	2 133	13 759

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Administration		511	2 596
Social Welfare Services		503	3 788
Children and Families		221	2 860
Restorative Services		94	4 092
Development and Research		804	423
Total		2 133	13 759

	Note	2017/18 R'000	2016/17 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	216	-
Total		216	-

Material amounts are mainly key accounts contractual obligations subsistence and transport.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

22. Employee benefits

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Leave entitlement		48 089	41 898
Service bonus (Thirteenth cheque)		31 659	27 582
Performance awards		14 931	13 569
Capped leave commitments		31 994	31 652
Other		31 322	26 000
Total		157 995	140 701

The disclosure has negative leave to the value of **(R622 515.60)**

The employee's leave credits for annual are 22 or 30. It is up to the employees to decide when to utilise those credits between January – December. The report only indicated pro-rata credit of up to March 2018 hence employees who took more than the pro-rata credit has negative leaves which will be cleared during the cycle.

23. Lease commitments

23.1 Operating leases

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18					
Not later than 1 year			200		200
Later than 1 year and not later than 5 years					
Later than five years					
Total lease commitments			200		200

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17					
Not later than 1 year			479		479
Later than 1 year and not later than 5 years					
Later than five years					
Total lease commitments			479		479

The department is renting various buildings for office accommodation

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

23.2 Finance leases

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18					
Not later than 1 year				2 788	2 788
Later than 1 year and not later than 5 years				1 625	1 625
Later than five years					
Total lease commitments				4 413	4 413
<hr/>					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17					
Not later than 1 year				949	949
Later than 1 year and not later than 5 years				1 230	1 230
Later than five years					
Total lease commitments				2 179	2 179

The lease disclosed relates to Photocopiers fax machines and cell phones

24. Accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Sales of capital assets		319	-
Total		319	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

24.1 Analysis of accrued departmental revenue

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Add: amounts recorded		319	-
Closing balance		<u><u>319</u></u>	<u><u>-</u></u>

The department conducted auction towards the end of 2017/18 financial year not all payments were received from the auctioneer.

25. Irregular expenditure**25.1 Reconciliation of irregular expenditure**

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		56 548	89 008
Prior period error		<u>(26 121)</u>	<u>(26 121)</u>
As restated		56 548	62 887
Add: Irregular expenditure – relating to prior year			
Add: Irregular expenditure – relating to current year		5 598	478
Less: Prior year amounts condoned		(1 081)	(6 817)
Closing balance		<u><u>61 065</u></u>	<u><u>56 548</u></u>

Analysis of awaiting condonation per age classification

Current year	5 598	478
Prior years	55 467	56 070
Total	<u><u>61 065</u></u>	<u><u>56 548</u></u>

The department investigated and condoned irregular expenditure transactions.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

25.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Quotations were evaluated on the 16/05/2017 and CSD reports were printed on the 17/05/2017.	Under investigation	3
Motsatsi Trading and Services has attached original copy of sworn affidavit and quoted the same amount as Crilet (Pty) Ltd but they were denied points for BEE. Crilet (Pty) Ltd attached copy of sworn affidavit but it was recommended for appointment through drawing of lotts.	Under investigation	11
Quotations were evaluated on the 05/06/2017 and CSD reports were printed on the 05/06/2017 however CSD report for Miami Lodges was Non-Tax compliant during evaluation and it was recommended for acceptance.	Under investigation	3
Mokakatlala Trading and Projects as well as Vusimuzi and Projects scored equal points in terms of price however it was not explained how Mokakatlala Trading and Projects was recommended.	Under investigation	4
Aerollian Trading Enterprise and Napfumela Trading Enterprise have attached original copies of sworn affidavit but they were denied points for BEE.	Under investigation	3
MLE 7786 Enterprise was denied points for BEE even though they have attached original copy of sworn affidavit. Glasshead Trading Enterprise was allocated points for BEE even though they did not attach the BEE certificate or original sworn affidavit.	Under investigation	49
Quotations were evaluated on the 02/06/2017 and CSD reports were printed on the 02/06/2017 however CSD report for Hlulihluli Trade and Enterprise was Non-Tax compliant during evaluation and it was recommended for acceptance.	Under investigation	3
Quotations were evaluated on the	Under investigation	1

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

20/06/2017 and CSD reports were printed on the 20/06/2017 however CSD report for Miami Lodges was Non-Tax compliant during evaluation and it was recommended for acceptance.

Quotations were evaluated on the 27/06/2017 and CSD reports were printed on the 27/06/2017 however CSD report for Miami Lodges was	Under investigation	33
--	---------------------	----

Quotations were evaluated on the 12/06/2017 and CSD reports were printed on the 14/06/2017 however CSD report for Lepaz trust t/a Sidze Guest House's tax information could not be verified on CSD and it was recommended for acceptance without verifying the tax status of the company.	Under investigation	7
---	---------------------	---

Quotations were evaluated on the 09/06/2017 and CSD reports were printed on the 25/08/2017. The evaluation committee considered the CSD report printed by the supplier dated 15/05/2017 and it was Non-Tax complaint however it was recommended for appointment.	Under investigation	89
--	---------------------	----

Conditional grant saving not backed by funds in the bank account	Under investigation	5 392
--	---------------------	-------

Total		5 598
--------------	--	--------------

The department incurred Irregular expenditure and the level of the district and all cases are under investigation.

25.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Security services at Senwabarwana One-Stop Centre for a period of three (3) months	Accounting officer	94
Supply and delivery of nappies	Accounting officer	72
Supply and delivery of cleaning material	Accounting officer	34
Security services at Mafefe One-Stop Centre for a period of three (3) months	Accounting officer	93
Purchase of groceries for Sekutupu	Accounting officer	9

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

Old Age Home		
Purchase of cleaning material	Accounting officer	42
Catering of thirty eight (38) people	Accounting officer	7
Registration fees for Ntjie P.N and Makgoba M.S	Accounting officer	10
Accommodation meals and shuttle for Ntjie P.N and Makgoba M.S	Accounting officer	19
Air tickets for Ntjie P.N and Makgoba M.S	Accounting officer	17
Catering for two hundred and twenty (220) people	Accounting officer	12
Catering for two hundred and fifty (250) people	Accounting officer	14
Catering for five hundred and seventy (570) people	Accounting officer	28
Provisioning of sound system	Accounting officer	12
Provisioning of sound system	Accounting officer	7
Provisioning of 1 x VIP toilet 2 x chemical toilets 5 x rectangular tables and 350 x chairs	Accounting officer	9
Printing of five hundred (500) copies of Citizens Report and three hundred (300) of Service Delivery Improvement Plan.	Accounting officer	11
Accommodation and meals for 2 officials in Umthunzi Boutique Hotel from the 10th to 11th of September 2014	Accounting officer	3
Accommodation and meals Protea Hotel The Ranch from the 10th to 12th of September 2014.	Accounting officer	48
Accommodation, catering etc	Accounting officer	540

Total		1 081
--------------	--	--------------

Various transactions were investigated and condoned by the accounting officer.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

25.4 Prior period error

	<i>Note</i>	2016/17 R'000
Nature of prior period error		
Relating to 2012/13 the transactions were reviewed and found to be proper		(26 121)
2012/13 transactions were reviewed and found to be proper		(26 121)
Total prior period errors		(26 121)

The department incorrectly recorded an amount relating to Life Esidimeni and transaction relating to NPO funding. These transactions were discovered to be proper during the year under review and must be corrected using accounting standards dealing with prior years errors in terms of the irregular expenditure guide.

26. Fruitless and wasteful expenditure**26.1 Reconciliation of fruitless and wasteful expenditure**

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		16 576	10 767
Prior period error			
As restated		16 576	10 767
Fruitless and wasteful expenditure – relating to prior year			5 811
Fruitless and wasteful expenditure – relating to current year		49	5
Less: Amounts resolved		(9 973)	(5)
Less: Amounts transferred to receivables for recovery	11.5	(1)	(2)
Closing balance		6 651	16 576

The department investigated and resolved fruitless expenditure on Vukuzenzele, Bosasa and other transactions were recovered from responsible officials. The remaining transactions are currently being investigated by Risk Management.

26.2 Analysis of awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	49	5
Capital		
Transfers and subsidies		
Total	49	5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

26.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Capricon		1
Waterberg		1
Place of safety		4
Sekhukhune district		43
Total		49

The department incurred fruitless expenditure on Eskom Municipality and other transaction relates to no show when booked for accommodation.

27. Related party transactions

Payments made	<i>Note</i>	2017/18 R'000	2016/17 R'000
Goods and services		4 090	1 692
Total		4 090	1 692

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Year end balances arising from payments			
Receivables from related parties		1 979	-
Payables to related parties		391 718	303 209
Total		393 697	303 209

The increase in payables to the related party is a result of shared service claims from the department of Health for the year under review. The department has shared service relationship with the department of Health at the district, sub-district and institution level.

The department also has shares office space with SASSA at the sub district level

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

Use of buildings belonging to the department of Public Works Road and Infrastructure

The department make use of buildings belonging to the department of Public Works.

Services paid by the Provincial Treasury : Vote 5

The services provided by the provincial Audit Committee are administered and paid for by Limpopo Provincial Treasury. The amount paid for Audit Committee is R354 000.

Limpopo Internal Audit Function is provided by the Provincial Treasury. The amount for internal audit is R3 736 000.00

Services paid by the Limpopo Sport Arts and Culture: Vote 13

Security and cleaning service at the Olympic Towers building (Provincial office) is paid by the department of Sports Arts and Culture.

South African Social Security Agency

The department has a shared service relationship with SASSA at the sub district level. The amount incurred by the department is R4 565 000.00 and the revenue received is R3 731 000.00

Other related parties includes:

Department of Education

Department of Safety Security and Liaison

Department of Co-operate Governance Human Settlement and Traditional Affairs

Department of Economic Development Environmental and Tourism

Provincial Legislature

Office of the Premier

Department of Transport

Department of Agriculture

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

28. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers (provide detail below)	2	1 980	1 902
Officials:			
Level 15 to 16	1	1 600	1 963
Level 14 (incl. CFO if at a lower level)	4	3 811	4 511
Total		7 391	8 376

29. Impairment

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Debtors		345	331
Fidelity Cash Management		7 940	7 940
Total		8 285	8 271

The balance of R8 285 000 relates to the departmental doubtful debts. The decision to impair followed the unsuccessful debt recovery process. The cases recorded no recovery for the past years.

30. Non-adjusting events after reporting date

Nature of event	2017/18 R'000
As part of strengthening the management and improving service delivery the following changes were effected:	
- Mr Malatji JT – appointed as Acting Chief Director: Corporate Services	
- Ms Mohale MI- redeployed as Chief Director: Service Delivery Coordination	
- Ms Mathagu KM – reassigned as Director for both Human Resource Management and Development.	
- Ms Sethosa MM – redeployed as Director Capricorn District	
Total	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

31. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	142 750		20 019	4 547	158 222
Transport assets	110 981		6 979	3 259	114 701
Computer equipment	16 771	(17)	9 254	952	25 056
Furniture and office equipment	8 866	17	2 185	238	10 830
Other machinery and equipment	6 132		1 601	98	7 635
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	142 750	-	20 019	4 547	158 222

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	103	2 462

Assets at Phasha Selatole One Stop Centre could not be verified because of land dispute. The breakdown of unverified assets at Phasha Selatole is as follows;

Three (03) major assets to the value of R1 444 189.57 (02 park homes to the value of R1 436 689.57 and 01 conference table to the value of R7 500.00)

Lost departmental assets can be broken down as follows:

Major assets are 07 to the valued of R70 792.42

89 major assets to the value of R832 634.00 that could not be verified

Office of the Premier (OTP) Legal Unit is assisting the Department with this matter. The findings revealed that only a certain portion of the land belongs to the claimant. OTP Legal Unit has requested that the Local Government Town Planners measure the portion of the land that belongs to both the claimant and the department. The State Attorney has further been instructed by OTP Legal Unit to apply to court to rescind an earlier judgment of awarding the land to the claimant and progress is still awaited from the State Attorney.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

The department has also put in place control measures to control and safeguard the assets and such measures include the following;

- Issuance of warning letters to asset holders for assets under their custody but could not be found during verification.
- Reinforcement of Loss Control committees.
- Completion of asset removal and movement forms.
- Keeping of assets which can easily be lost (laptops, cameras) at the district office or any highly secured place while waiting to be distributed or disposed.

31.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current not paid (Paid current year received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	20 341	1 243	(1 692)	127	20 019
Transport assets	5 736	1 243			6 979
Computer equipment	9 015			239	9 254
Furniture and office equipment	2 307			(122)	2 185
Other machinery and equipment	3 283		(1 692)	10	1 601
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	20 341	1 243	(1 692)	127	20 019

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

31.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	3 404	1 143	4 547	530
Transport assets	2 317	942	3 259	494
Computer equipment	787	165	952	18
Furniture and office equipment	232	6	238	11
Other machinery and equipment	68	30	98	7
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	3 404	1 143	4 547	530

There is no separate disclosure for minor assets disclosure the department collected R20 414.47 from the sale of minor assets.

31.3 Movement for 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	144 911	-	7 951	10 112	142 750
Transport assets	114 501	-	4 418	7 938	110 981
Computer equipment	17 846	-	781	1 856	16 771
Furniture and office equipment	7 658	-	1 453	245	8 866
Other machinery and equipment	4 906	-	1 299	73	6 132
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	144 911	-	7 951	10 112	142 750

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

31.3.1 Prior period error

	<i>Note</i>	2016/17 R'000
Nature of prior period error		
Relating to 2016/17		
Computer equipment		(17)
Furniture and Office equipment		17
Total prior period errors		<u>-</u>

The department reviewed the asset register and corrected assets worth R17 000.00 from computer equipment to furniture and office equipment.

31.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance				36 429		36 429
Value adjustments				(39)		(39)
Additions				6 374		6 374
Disposals				(1 361)		(1 361)
TOTAL MINOR ASSETS				41 403		41 403

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets						
Number of minor assets at cost				26 317		26 317
TOTAL NUMBER OF MINOR ASSETS				26 317		26 317

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Heritage assets		
Machinery and equipment	1 298	1 408

Minor assets at Phasha Selatole One Stop Centre could not be verified because of land dispute. The breakdown of unverified assets at Phasha Selatole is as follows;

- o Minor assets is 56 to the value of R72 950.00

The department also has 11 lost minor asset valued at R27 308.43

Other unverified minor assets are 1 180 valued at R1 256 057.42.

On the matter relating to Phasha Selatole One Stop Office of the Premier (OTP) Legal Unit is assisting the Department with this matter. The findings revealed that only a certain portion of the land belongs to the claimant. OTP Legal Unit has requested that the Local Government Town Planners measure the portion of the land that belongs to both the claimant and the department. The State Attorney has further been instructed by OTP Legal Unit to apply to court to rescind an earlier judgment of awarding the land to the claimant and progress is still awaited from the State Attorney.

The department has also put in place control measures to control and safeguard the assets and such measures include the following;

- o Issuance of warning letters to asset holders for assets under their custody but could not be found during verification.
- o Reinforcement of Loss Control committees.
- o Completion of asset removal and movement forms.
- o Keeping of assets which can easily be lost (laptops, cameras) at the district office or any highly secured place while waiting to be distributed or disposed.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance				36 068		36 068
Prior period error						
Additions				2 515		2 515
Disposals				(2 154)		(2 154)
TOTAL MINOR ASSETS				36 429		36 429

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets						
Number of minor assets at cost				828		828
TOTAL NUMBER OF MINOR ASSETS				828		828

31.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off				168		168
TOTAL MOVABLE ASSETS WRITTEN OFF				168		168

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off				363		363
TOTAL MOVABLE ASSETS WRITTEN OFF				363		363

32. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	129				129
TOTAL INTANGIBLE CAPITAL ASSETS	129				129

32.1 Movement for 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	129	-	-	-	129
TOTAL INTANGIBLE CAPITAL ASSETS	129	-	-	-	129

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

33. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments	Additions R'000	Disposal s R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	278 951		131 545		410 496
Dwellings					
Non-residential buildings	278 951		131 545		410 496
Other fixed structures					
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	278 951		131 545		410 496

Seshego Treatment Center achieved practical completion and is currently ready for use.

33.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current not paid (Paid current year received prior year) R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	30 690	131 545	(30 690)		131 545
Dwellings					
Non-residential buildings	30 690	131 545	(30 690)		131 545
Other fixed structures					
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	30 690	131 545	(30 690)		131 545

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Seshego Treatment Center achieved practical completion and is currently ready for use.
--

33.2 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	215 113	(210)	126 258	62 210	278 951
Dwellings					
Non-residential buildings	215 113	(210)	126 258	62 210	278 951
Other fixed structures					
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	215 113	(210)	126 258	62 210	278 951

33.2.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2016/17 (affecting the opening balance)		(210)
Payment for Mphanama Schonoord Mohlaletsi and Saaipias was duplicated		(210)
Total prior period errors		(210)

Payment for Mphanama Schonoord Mohlaletsi and Saaipias was duplicated on the schedule for completed projects
--

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

33.3 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2018
<i>Note Annexure 7</i>	R'000	R'000	R'000	R'000
Buildings and other fixed structures	140 647	30 690	131 545	39 792
TOTAL	140 647	30 690	131 545	39 792

Accruals and payables not recognised relating to Capital WIP	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Accruals		1 464	-
Total		1 464	-

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

	Opening balance 1 April 2016	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2017
<i>Note Annexure 7</i>	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	243 360		23 545	(126 258)	140 647
TOTAL	243 360		23 545	(126 258)	140 647

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

33.4 S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA – 2017/18

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	36	281 398
Non-residential buildings	36	281 398
TOTAL	36	281 398

Assets subjected to transfer in terms of S42 of the PFMA – 2016/17

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	19	279 161
Dwellings		
Non-residential buildings	19	279 161
Other fixed structures		
TOTAL	19	279 161

34. Principal-agent arrangements

42.1 Department acting as the principal

	Fee paid	
	2017/18 R'000	2016/17 R'000
NDA	4 000	4 000
Total	4 000	4 000

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

The decline in agencies and accounts is due to reclassification of payments to NDA from Transfers and Subsidies to Good and Services.

35. Prior period errors

<i>Note</i>	Amount before error correction	Prior period error	Restated Amount
	R'000	2016/17 R'000	R'000
Liabilities: Employee benefits			
Line affected: other	627	25 373	26 000
Net effect	627	25 373	26 000

Prior period adjustment on employee benefits relates to payables on accelerated grade progression

36. Inventories

<i>Note</i>	2017/18	2016/17
	R'000	R'000
Opening balance	454	145
Add/(Less): Adjustments to prior year balances	63	
Add: Additions/Purchases – Cash	11 817	8 935
Add: Additions - Non-cash	392	
(Less): Disposals		
(Less): Issues	(12 268)	(8 626)
Add/(Less): Adjustments		
Closing balance	458	454

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

37. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT				2016/17	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspen ding)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by departmen t
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Expanded Public Work Grant	8 978				8 978	8 978	8 973	5	100%	11 242	11 197
Early child Hood Grant	41 085				41 085	41 085	35 693	5 392	87%		
Social Work Employment Grant	46 784				46 784	46 784	46 784		100%		
	96 847				96 847	96 847	91 450	5 397		11 242	11 197

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

38. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Greater Giyani Municipality	65			65	65		
Modimolle Municipality	28			28	28		
Polokwane Municipality	13			13	13		
Greater Tubatse Municipality	-			-	-		
Thulamela Municipality	-			-	-		
Vhembe district municipality	36			36	36		
Greater Sekhukhune	31			31	31		
Waterberg Municipality	29			29	29		
Capricon Municipality	70			70	70		
TOTAL	272			272	272		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2016/17	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation s by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
													R'000
Greater Giyani Municipality	65			65	65								11
Modimolle Municipality	28			28	28								13
Polokwane Municipality	13			13	13								70
Greater Tubatse Municipality				-									24
Thulamela Municipality				-									48
Vhembe district	36			36	36								

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

municipality				
Greater	31	31	31	
Sekhukhune				
Waterberg	29	29	29	
Municipality				
Capricon	70	70	70	
Municipality				
TOTAL	272	272	272	166

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
National Development Agency HWSETA (skills development levy)	1 500			1 500	1 329	89%	4 000 1 500
TOTAL	1 500	-	-	1 500	1 329	89%	5 500

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
NON-PROFIT INSTITUTIONS							
Transfers							
Substance Abuse Prevention & Rehabilitation	5 408			5 408	4 845	90%	5 022
Care and support to older persons	32 278			32 278	23 667	73%	31 700
Crime Prevention and support	3 595			3 595	1 749	49%	4 090
Services to the Persons with Disabilities	17 530		3 000	20 530	18 642	91%	16 600
ECD and Partial Care	273 295		15 000	288 295	298 923	104%	250 817
Child and Youth Care	18 946			18 946	17 162	91%	18 472
Community Based Care for children	102 000		(11 000)	91 000	93 654	103%	113 000
Victim empowerment	15 337			15 337	15 802	103%	14 988
HIV and AIDS	16 578		(4 400)	12 178	11 982	98%	11 550
Care and support services to Families	17 535			17 535	18 560	106%	16 700
Youth Development	4 509			4 509	3 002	67%	1 437
Poverty Alleviation and Sustainable livelihood	11 872		1 400	13 272	10 872	82%	16 116
Institutional capacity	8 978			8 978	8 973	100%	11 242
Research and Planning							
Child Protections							
Women Development							
	3 000			3 000	2 000	67%	
	530 861	-	4 000	534 861	529 833	99%	511 734
TOTAL	530 861	-	4 000	530 861	529 833	99%	511 734

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H EMPL S/BEN:INJURY ON DUTY					483		100
H/H EMPL S/BEN:LEAVE GRATUITY					1 798		1 565
TOTAL					2 281		1 665

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1H
STATEMENT OF GIFTS DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Received in kind			
Vhembe Women's Club	URN	1	
Prime furniture Group	20 Chairs	-	50
National DSD	11 Laptops	-	115
Save the Children	Multifunction Printer	-	18
DSD Women's Club	Urn	-	1
National DSD	Office furniture	-	27
Subtotal		1	211
TOTAL		1	211

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 11
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	PAID BACK ON/BY 31 MARCH R'000	CLOSING BALANCE R'000
Received in cash						
HWSETA		-	9 190	9 190	-	-
Subtotal		-	9 190	9 190	-	-
TOTAL		-	9 190	9 190	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1K
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2017 R'000	May 2017 R'000	Jun 2017 R'000	Jul 2017 R'000	Aug 2017 R'000	Sept 2017 R'000	Oct 2017 R'000	Nov 2017 R'000	Dec 2017 R'000	Jan 2018 R'000	Feb 2018 R'000	Mar 2018 R'000	Total R'000
Other	-	5 225	80 205	47 917	9 259	109 521	19 871	104 037	14 752	8 142	77 988	52 916	529 833
TOTAL	-	5 225	80 205	47 917	9 259	109 521	19 871	104 037	14 752	8 142	77 988	52 916	529 833

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2017 R'000	Guarantees draw downs during the year R'000	Guarantees repaid/cancelled/reduced/released during the year R'000	Revaluations R'000	Closing balance 31 March 2018 R'000	Guaranteed interest for year ended 31 March 2018 R'000	Realised losses not recoverable i.e. claims paid out R'000
	Subtotal								
	Housing								
	ABSA		111				111		
	NP Develop. Cor. (LIMDEV)		288	165			453		
	TOTAL	-	399	165	-	-	564		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2018 R'000
Claims against the department					
Allegation that the Department published defamatory statements about the plaintiff in several newspapers	45 000		45 000		-
Allegation that the Department published defamatory statements about the plaintiff (Mphahlele and Mbambo)	100				100
The plaintiff (Mashau Mabotse) alleged that she was called a thief by a social worker at Mashamba clinic	1 000		1 000		-
MVA: Mohoto collided with Lubisi and caused damages to the value of R5 060	50				50
MVA: Employee (Masithulela) collided with the car of Mr Mutsila thereby alleged causing damages to his car. The officer was on duty by the time of accident	39				39
MVA: Macheke KE a Social Worker at Waterberg collided with a motor vehicle belonging to David Mulaudzi thereby causing damages	30				30
Alleged that minister promise to provide the plaintiff with food and cash payment of R3000	3				3
Alleged that the Department Of Social Development did not pay the Service provider DEVELOPNOMIC PTY LTD as per Order that was issued	12				12
Matsobane Gabriel Setsiba/ MEC: Fuel claim: Department/ defendant did not pay a plaintiff's fuel claim/ allowance. Summons issued to State attorney to file notice of intention to defend.		10			10

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

GJ DE klerk/ MEC: MVA: State vehicle collided with a third party vehicle. Summons issued. State attorney filed notice to defend	48		48
D Mundzhedzi vs MEC MVA: State vehicle collided with third party vehicle.summons issued state attorney filled notice to defend	22		22
Rasemate Johannes Nkoana / MEC for Motor Vehicle Accident	99		99
Subtotal	46 333	80	46 000
Other			413
Dispute by employees for payment of performance bonus	7 620	-	7 620
Subtotal	7 620	-	7 620
TOTAL	53 953	80	46 000
			8 033

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 4
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018		31/03/2018		31/03/2018		Receipt date up to six (6) working days after year end	
	R'000	R'000	R'000	R'000	R'000	R'000		Amount R'000
Department								
National Department of Justice								
Gauteng education			91		91	-		-
Limpopo Education			55		55	25		25
Mpumalanga Social Development					-	25		25
Correctional Service						26		26
Limpopo Agriculture			48		48	-		-
TOTAL	-	-	194	76	194	76		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18 *	
	31/03/2018		31/03/2017		31/03/2018		31/03/2017	
	R'000	R'000	R'000	R'000	R'000	R'000	Payment date up to six (6) working days before year end	Amount R'000
DEPARTMENTS								
Current								
LP Health	32				32	-		
LP Education					-	-		
Northwest Social Development					-	-		
National Department of Corporate Governance			42	42	42	42		
Mpumalanga social Development			-	51	-	51		
Gauteng Social Development					-	-		
LP Agriculture	184		17		201	-		
Limpopo Treasury						-		
Subtotal	216	-	59	93	275	93		
TOTAL	216	-	59	93	275	93		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 6
INVENTORIES

Inventories [Per major category]	Note	Quantity	2017/18 R'000	Quantity	2016/17 R'000
Opening balance		7 086	454	1 320	145
Add/(Less): Adjustments to prior year balance		3 550	63		
Add: Additions/Purchases – Cash		23 236	11 817	52 292	8 935
Add: Additions - Non-cash		3 330	392		
(Less): Disposals					
(Less): Issues					
Add/(Less): Adjustments		(27 552)	(12 268)	(46 526)	(8 626)
Closing balance		9 650	458	7 086	454

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	140 647	30 690	(131 545)	39 792
Dwellings				
Non-residential buildings	140 647	30 690	(131 545)	39 792
Other fixed structures				
TOTAL	140 647	30 690	(131 545)	39 792

Age analysis on ongoing projects	Number of projects		2017/118
	Planned Construction not started	Planned Construction started	Total R'000
0 to 1 Year			
1 to 3 Years		4	17 136
3 to 5 Years			
Longer than 5 Years	23		22 656
Total	23	4	39 792

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	243 360	-	23 545	(126 258)	140 647
Dwellings					
Non-residential buildings	243 360	-	23 545	(126 258)	140 647
Other fixed structures					
TOTAL	243 360	-	23 545	(126 258)	140 647

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 8A
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
IDT	13 191	13 191			13 191	13 191
NDA	1 726	532			1 726	532
Subtotal	14 917	13 723	-	-	14 917	13 723
TOTAL	14 917	13 723	-	-	14 917	13 723