DEPARTMENT OF SOCIAL DEVELOPMENT

PROVINCE OF FREE STATE

VOTE NO. 7

ANNUAL REPORT

2023/2024 FINANCIAL YEAR

Contents

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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

DEPARTMENT OF SOCIAL DEVELOPMENT

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa	NDSD	National Department of Social Development
AO	Accounting Officer	TR	Treasury Regulations
AIDS	Acquired Immunodeficiency Syndrome	NGO	Non-Governmental Organization
BBBEE	Broad Based Black Economic Empowerment	NISIS	National Integrated Social Information System
CBO	Community-Based Organization	NLC	National Lottery Commission
CBP	Community-Based Planning	NPO	Non-Profit Organization
CDP	Community Development Practitioner	NQF	National Qualification Framework
CFO	Chief Financial Officer	NYDA	National Youth Development Agency
CNDC	Community Nutrition and Development Centres	NYSP	National Youth Service Programme
CYCW	Child and Youth Care Workers	OHSA	Occupational Health & Safety Act
CYCC	Child and Youth Care Centre	OSD	Occupational Specific Dispensation
DESTEA	Department of Economic, Small Business Development, Tourism and Environmental Affairs	OVC	Orphans and Vulnerable Children
DITC	Departmental Information Technology Committee	PFMA	Public Finance Management Act
DPSA	Department of Public Service and Administration	PILIR	Policy & Procedure on Incapacity Leave & ill-Health Retirement
DSD	Department of Social Development	PHSDSBC	Public Health & Social Development Sector Bargaining Council
ECD	Early Childhood Development	PMDS	Performance Management Development System
EPWP	Expanded Public Works Programme	PROPAC	Provincial Public Accounts Committee
EXCO	Executive Committee	PSC	Public Service Commission
FBO	Faith-Based Organization	PSR	Public Service Regulations
FSGDS	Free State Growth and Development Strategy	SARS	South African Revenue Services
HCBC	Home/Community-Based Care	SASSA	South African Social Security Agency
HOD	Head of Department	SCM	Supply Chain Management
HWSETA	Health	SDIP	Service Delivery Improvement Plan
IGR	Inter-Governmental Relations	SEDA	Small Enterprise Development Agency
ICROP	Integrated Community Registration and Outreach Programme	SMME	Small Medium and Micro Enterprises
ILO	International Labour Organization	SCM	Supply Chain Management
KCM	Key Control Matrix	VAWC	Violence Against Women and Children
KPI	Key Performance Indicator		
M&E	Monitoring & Evaluation		
MDG	Millennium Developmental Goals		
MEC	Member of Executive Council		
MOA	Memorandum of Agreement		
MPAT	Management Performance Assessment Tool		
MTEF	Medium Term Expenditure Framework		
MTSF	Medium-Term Strategic Framework		
NAWONGO	National Association of Welfare Organisations and Non-Governmental Organizations		
NDA	National Development Agency		
NDP	National Development Plan		

3. FOREWORD BY THE MEC

It is an honour and privilege for me to present this Annual Report for the financial-year ending 31 March 2024, the year that marks the end of the 6th Administration. The period under review saw significant advances in the department's efforts to build a caring society in partnership with our stakeholders to ensure that the basic and fundamental needs of our people are met.

During this period we have maintained our services albeit the challenges brought by Covid-19 pandemic and also introduced new innovations to consolidate our achievements with focus on achieving the priorities of government.

The context of this annual report is that it serves more than just a mere reporting to the communities we serve. It is an instrument of democratic participation as the various public representatives may use it as an interactive point with the Department. To us, as a Department, it is a tool through which we can measure service delivery interventions, correct our past shortfalls and improving service delivery instruments going into the future.

It is therefore appropriate to start the review of our performance by outlining some of our key achievements over the last five years.

Appointment of Social Services Professionals: The department has successfully implemented the Recruitment and Selection Policies by ensuring employment as follows:

Prioritized appointments of 188 Social Service Professionals during 2019/20 financial year (different fields of profession e.g. Nurses, Social Workers, Community Development Workers). These appointments includes ninety-two (92) Social Workers appointed on contract as part of the COVID-19 Intervention.

During 2020/21 financial year, sixteen (16) Social Workers were appointed to work in areas with a high prevalence of gender-based violence, substance abuse and issues affecting children throughout the Province. An additional seven (7) new Social Workers were appointment on contract.

Thirty eight (38) Social Work Graduates who were beneficiaries of National Department of Social Development's (NDSD) bursary programme were appointed to support the initiatives of dealing with foster care backlog.

The supply of social workers in the market is unfortunately lower than the demand of social workers given the social challenges faced by the country. Further to the above, the inception of prescripts like, Children's Act; Older persons Act and many others, also contributed to the dire need of additional social workers in the department.

Gender Based Violence against Women and Children: An increase in Gender-based Violence (GBV) has been observed since the onset of the pandemic. In response to this pandemic and guided by the National Strategic Plan on Gender-based Violence and Femicide (2020), the Free State DSD implemented prevention programmes to address GBV, increased number of shelters, established a safe-house and provided psychosocial support services to victims.

Substance Abuse Prevention, Treatment and Rehabilitation: Drugs threaten the health, safety, and wellbeing of communities in the province. The Department has strived and managed to improve access to treatment and rehabilitation services by establishing new government owned centres.

The Dr. Beyers Naude' Substance Dependency Halfway House was established and operationalized on the 18 July 2019 in Clarens. Since then, several service users received counselling and support, life skills and development programmes offered in partnership with the Bethlehem Skills Development Centre.

During 2020/21 financial year, Department completed the State of Art Drug and Treatment Centre in Botshabelo, named Charlotte Maxeke Treatment and Rehabilitation Centre. A total amount of R 73.787

million was spent on the project over the years. The Centre has the capacity of 40 beds to accommodate 20 male adults, 10 female adults, 5 boys and 5 girls. We are working with Motheo TVET and Botshabelo Digital Hub to provide skills development programmes for users.

Food Security: Unemployment continues to grow, which has exacerbated food insecurity in the province. During the hard times of Covid-19, the Department ensured provision of cooked meals and food parcels to approximately 309 920 number of individuals from 61 984 households, who would have otherwise been left without access to nutritious meal.

We managed to sustain the existing Community Nutrition and Development Centres (CNDCs) and continued providing nutritional meals and developmental programmes benefitting more than nineteen-thousand, six hundred (19 600) individuals annually.

Child Care and Protection Services: The Department remains committed to its statutory obligation of ensuring care and protection of children. The stability of the family unit plays an integral role in a child's wellbeing and development. The Department has therefore worked hard to provide integrated family preservation and parenting skills programmes.
In 2023/24 financial year, through our Community-Based Prevention and Early Interventions Services, 9 060 children were provided access to developmental support through Risiha programme, 3 879 placed in foster care, 175 reunified with their families and 1 255 children in need of care and protection placed in Child and Youth Care Centres

Employment Equity: The department performed extraordinarily well with regards to employment equity matters. In terms of gender representativity, females are represented with an overwhelming 65% of the total departmental workforce, whilst at senior management is 68% versus 32% male representativity. Disability representation stood at 5,7% by 31 March 2024 meaning the department has surpassed the national norm of 2%.

Our strategic focus remains addressing the multi-dimensionality of poverty and inequality. Developmental social welfare interventions to address:

- Economic and social exclusion and strengthen social cohesion.
- Ensure that families and individuals are able to access services, entitlements and social opportunities.
- Developmental social services to reach out and provide care to vulnerable such as those affected by HIV, women and children abuse, disabled etc.

My profound gratefulness goes to the Executive Council led by the Premier and Provincial Legislature under the stewardship of the Speaker and all its oversight committees for keeping us accountable for carrying out our mandate. My overwhelming thanks goes to Team Social Development led by the Head of Department for their unwavering support, hard work and dedication in advancing the lives of our people.

Finally, I am humbled to have led a department that has maintained sound organisational and business practices in promoting accountability, efficiency and good governance.

I thank you.

Leeto

Hon. M Leeto
MEC of the Department of Social Development
Date: 12/08/2024

4. REPORT OF THE ACCOUNTING OFFICER

- **Overview of the operations of the department:**

The DSD is mandated by the Constitution of the Republic of South Africa to provide social assistance to those who cannot support themselves and their dependents in terms of Section 27(1) (c); to uphold and ensure the rights of children to appropriate care (basic nutrition, shelter, healthcare services and social services), which also pertains when they are in detention in terms of Section 28(1); and general societal welfare, population development and disaster management (Schedule 4 of the Constitution).

This mandate is further governed by several Legislative Acts and Laws in South Africa.

Based on its mandate, the Department of Social Development develops and implements programmes for the eradication of poverty, social protection and social development among the poorest of the poor and the most vulnerable and marginalised. The department effectively implements this through its partnerships with its primary customers/clients and all those sharing its vision.

Our ultimate goal is to transform these communities from social vulnerability to self-reliant communities through resilience community development. To achieve this, transformational strategies and collaboration with all stakeholders in the three spheres of government and international environment becomes a priority of the department.

We are guided by the following Priorities as outlined in the Revised Medium Term Strategic Framework (MTSF) 2019-2024 which came into effect in the Financial Year 2020/21:

Priority 1: A Capable, Ethical and Developmental State

Priority 2: Economic Transformation and Job Creation

Priority 3: Education, Skills and Health

Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services

Priority 5: Spatial Integration, Human Settlements and Local Government

Priority 6: Social Cohesion and Safe Communities

Priority 7: A better Africa and World

Free State Department of Social Development is proud to present the 2023/24 Annual Report to the Provincial citizens and the Country at large. This report gives account of the Department's performance in fulfilling its Constitutional mandate and plans as outlined in its 2023/24 Annual Performance Plan (APP).

- **Overview of the results and challenges for the department**

- The department submitted vetting application forms to the South African Security Agency (SSA) for the following categories of employees:
  - Supply Chain Management: 100% (submitted to SSA).
  - Members of SMS: 100% (submitted to SSA).
  - Financial Administration and Accounting: 100% (submitted to SSA).
  - Bid Adjudication Comm: 100 % (submitted to SSA).
  - Bid Evaluation Comm: 95% (submitted to SSA).

- Appointed thirty-eight (38) Social Work Graduates who were beneficiaries of National Department of Social Development's (NDSD) bursary programme on a contract basis. These Social Work posts were advertised and will be filled permanently during 2024/25 financial year.
- Eighty (80) Older Persons participated in the Active Ageing Programme in Mpumalanga during 21-23 March 2024.
- Launched a shelter for the Victims of Crime and Violence in Koffiefontein.
- Operationalised the Safe House for Victims of Gender Based Violence in Botshabelo to ensure that emergency responses are provided to victims and their children.
- Launched, during Child Protection Week, the "Chommy and YOLO" Programs in Ficksburg, to form part of the 365 days Child Care and Protection Integrated Programme.
- Supported 5 existing Women Development Cooperatives to ensure that they have access to markets in collaboration with NDA, SASSA and other relevant departments and Stakeholders.
- Sustained the existing 55 Community Nutrition and Development Centres (CNDCs) that were established to provide nutritious meals and developmental programmes.
- Operationalized the Provincial Food and Clothing Bank at the Hamilton House in Bloemfontein.
- Sourced operating sites and/ or structures for CNDCs operating from temporary or rented facilities, churches or community facilities.

The Department's achievements were strengthened through its partnership with stakeholders including the NPO sector, cooperatives, communities, civil society organisations, sector Departments, municipalities and the private sector.

- **Overview of the financial results of the department:**

The Free State Department of Social Development spent 99.9 per cent (R1.208.326 billion) of its final allocation of R1.209.034 billion in the 2023/24 financial year. The preliminary outcome for 31 March 2024 reflects an unspent surplus of R708 000 within the vote.

Departmental receipts

Departmental receipts	2023/2024			2022/2023		
	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	857	938	(81)	955	991	(36)
Interest, dividends and rent on land	30	0	30	29	49	(20)
Financial transactions in assets and liabilities	1 241	1 919	(678)	779	1 238	(459)
Total	**2 128**	**2 857**	**(729)**	**1 763**	**2 278**	**(515)**

The main sources of revenue for the Department are:

- Collection of debts owing to the Department
- Commission on insurance and garnishee order deductions
- Parking fees as per Department of Transport and Public Works Parking Policy
- Recovery of previous years expenditure

Programme Expenditure

Programme Name	2023/2024			2022/2023		
	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	336 134	336 128	6	361 265	361 265	-
Social Welfare Services	227 615	227 318	297	221 311	221 219	92
Children and Families	285 807	285 537	270	276 106	275 945	161
Restorative Services	211 638	211 607	31	206 233	206 233	-
Development and Research	147 840	147 736	104	152 794	151 458	1 336
Total	**1 209 034**	**1 208 326**	**708**	**1 217 709**	**1 216 120**	**1 589**

Virements/roll overs

- **Roll over**
  No roll over from 2023/24 requested.

- **Virements between programmes and economic classifications**

The following virements were effected after the 2nd Adjusted Budget:

Virement 1: Virement of funds between programmes within the same economic classification
To clear over expenditure on economic classifications as well as prevent over expenditure on Programme 1: Administration, a virement was approved and implemented.

Virement 2: Virement of funds within programmes between economic classification
To clear over expenditure on economic classifications (Voted and Earmarked Funds) within programmes, a virement was approved and implemented.

Financial implications of the two virements:

Voted Funds

Programme Name	Economic Classification	Amount (R'000)
Administration	Compensation of Employees	-1 540
	Goods and Services	14 937
	Departmental Agencies and Accounts	-58
	Machinery and Equipment	-58
		13 281
Social Welfare Services	Compensation of Employees	-634
	Goods and Services	-2 856
	Non-Profit Institutions	-142
	Households	142

Programme Name	Economic Classification	Amount (R'000)
	Machinery and Equipment	-17
		-3 507
Children and Families	Compensation of Employees	-948
	Goods and Services	-3 324
	Non-Profit Institutions	-10
	Households	10
	Machinery and Equipment	-404
		-4 676
Restorative Services	Compensation of Employees	-932
	Goods and Services	-3 902
	Non-Profit Institutions	923
	Households	24
	Machinery and Equipment	-6
		-3 893
Development and Research	Compensation of Employees	537
	Goods and Services	-1 605
	Non-Profit Institutions	-24
	Machinery and Equipment	-113
		-1 205
TOTAL		**0**

Earmarked Funds

Fund / Programme Name	Economic Classification	Amount (R'000)
Social Worker / Restorative Services	Goods and Services	-811
Violence against Women and Children / Restorative Services	Goods and Services	-112
	Non-Profit Institutions	923
TOTAL		**0**

- **Unauthorised, Fruitless and Wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.**
  - ***Unauthorised Expenditure***
    The Department did not incur any Unauthorised Expenditure and
  - ***Irregular Expenditure***
    The Irregular expenditure reported in the current year was due to irregular appointment of officials on a contract basis in the previous year, amounting to R1.191 million. The contract for irregular appointments has been terminated. Normal recruitment processes will be followed to fill the vacancies.
  - ***Fruitless and Wasteful Expenditure***
    No additional fruitless and wasteful expenditure was incurred during the year under review.

- **Strategic focus over the short to medium term period**

The focus for the Social Development Sector is to assist communities in meeting the human and social needs of the poor and vulnerable people in the Free State through various services. Our priority areas are:

- Gender Based Violence against Women and Children
- Substance Abuse Prevention and Rehabilitation
- Food Security
- Child Care and Protection

- **Public Private Partnerships**
  The Department does not have any public private partnerships

- **Discontinued key activities / activities to be discontinued**
  None

- **New or proposed key activities**
  None
- **Supply chain management**

➢ Unsolicited bid proposals concluded for the year under review

- There were no unsolicited bid proposals concluded in the year under review

➢ SCM processes and systems to prevent irregular expenditure

- SCM processes and system are in place. No irregular expenditure identified in the current financial year.

➢ Challenges experienced in SCM and how they were resolved

- None

- **Gifts and Donations received in kind from non related parties**

Name of the donor	Nature of donation	Amount
National Department of Social Development	Recreational Items	R15 908.10
Emmaus Catholic Church	Toiletries	R1 325.00
Motaung A.	Clothes	R300.00
Mwewa J.M.	Toiletries	R500.00
Tshabalala L.	Toiletries	R250.00
Mohale Fortunate	Food	R599.00
Salomane	Clothes	R400.00
Mofokeng M.W.	Clothes	R200.00
Mothibi L.A.	Clothes	R300.0
Thabang	Clothes	R200.00
Pule	Clothes	R300.00
Molaba	Clothes	R150.00
Mohalere T.	Clothes	R200.00
Moloi Itumeleng	Clothes	R150.00
Selete Zandile	Clothes	R300.00
		R21 082.10

Nature of donation	Amount
Blankets	R300.00
Clothes	R2 450.00
Food	R599.00
Recreational Items	R15 908.10
Toiletries	R1 825.00
Total	**R21 082.10**

- **Exemptions and deviations received from the National Treasury**

- There were no exemptions or deviations from the PFMA or TR or deviation from the financial reporting requirements received.

- **Events after the reporting date**

- There were no reported events after reporting period.

- **Acknowledgement/s or Appreciation**

The Department acknowledges the oversight committees in their proactive roles towards enhancing and ensuring improved levels of accountability by management. I also appreciate efforts by employees of the Department in improving services and delivering on our mandate.

I would also like to thank all the NPO partner organisations who have worked with the Department over the past year, and have had to operate under trying conditions, with limited funding from government and shrinking investment from the private sector.
We had to adapt to these challenges to ensure services are prioritised to those in need, while simultaneously ensuring the health and wellbeing of staff, partners, and service users.

- **Conclusion**

In the next financial year, we look forward to a better and improved service delivery, improved collaboration with our stakeholders, improved employer-employee relations and improved stability within the Department.

As we board on the journey towards the next financial year, we approach it with lessons learnt from the current financial year and a renewed commitment to improved quality service delivery.

- **Approval and sign off**

Phahlo

Adv. TJ Phahlo
Accounting Officer
Department of Social Development

Date: 31/07/2024

5. 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 F) 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 2024.

Yours faithfully

Accounting Officer
Adv. TJ Phahlo

Date: 31 JULY 2024

6. STRATEGIC OVERVIEW

6.1. Vision

A Caring and Self-reliant Society.

6.2. Mission

Provision of integrated, comprehensive and sustainable social development services.

6.3. Values

The values of the Social Development Sector are:

- **Accountability** – taking ownership for decisions and actions and accepting the consequences that come with them
- **Caring** – showing sympathy and concern; embodying heart for all stakeholders and beneficiaries
- **Equality and equity** – treating everyone fairly and equally
- **Human dignity** – respecting everyone's human rights
- **Respect** – showing due regard for the rights and obligations of others.

7. LEGISLATIVE AND OTHER MANDATES

The Department of Social Development derives its mandate from several pieces of legislation and policies, including the White Paper for Social Welfare (1997) and the Population Policy (1998). The constitutional mandate of the department is to provide sector-wide national leadership in social development.

Based on its mandate, the Department of Social Development develops and implements programmes for the eradication of poverty, social protection and social development among the poorest of the poor, and the most vulnerable and marginalised. The department effectively implements this through its partnerships with its primary customers/clients and all those sharing its vision.

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

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

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

The Act requires the department to adhere to the regulations governing the right to fair labour practices by enforcing basic conditions of employment.

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

The Act requires the department to provide services to children in need of care and protection.

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

The Act requires the department to implement diversion programmes in relation to arrest, assessment, detention, trial and sentencing of children.

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

When establishing cooperatives, the department is required to adhere to the provisions of the Act regarding the development of the cooperative movement in the country to reduce the scourge of unemployment.

Division of Revenue Act, 2008

The department is required to adhere to the provisions of the act pertaining to division of revenue and the responsibilities set out for provincial government.

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

The Act provides the requirements for the department to implement programmes to protect of victims of domestic violence. Monitor and care for the victims and survivors of crime.

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

The Act requires the department to adhere to the provisions of the act that promotes equal opportunity and fair treatment by eliminating discrimination and implements affirmative action to redress imbalances of the past.

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

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

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

The Act provides the department with guidelines regarding national funding and capacity building for programmes aimed at meeting the developmental needs of poor communities.

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

The Act requires the department to facilitate the registration of welfare organisations on a regional basis.

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

The Act provides the department with an administrative and regulatory framework within which non-profit organisations should conduct their affairs.

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

The Act requires to department to adhere to the regulations pertaining to a safe and a healthy working environment.

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

The Act represents a new development approach to ageing and requires the department to maintain and promote the status of older persons, by promoting the rights, well-being, safety and security of older persons as recipients of services.

Preferential Procurement Policy Framework Act, 2000

The department is required to adhere to the regulatory framework for the implementation of the procurement policy contemplated in section 217 (2) of the Constitution of South Africa.

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

The Act requires the department to adhere to the provisions related to the establishment of Central Drug Authority and the establishment of programmes for the prevention and treatment of drug dependency as it pertains to their functions.

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

The Act provides the legal mandate for the department to establish and implement programmes aimed at combating crime, treatment to persons involved in crime and assistance to victims of crime.

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

The Act requires the department to undertake mandatory assessment of arrested children and for the duties of Assistant Probation Officers.

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

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

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

The department is required to adhere to the provisions of Act, which provides for the protection of employees who disclose information regarding unlawful or irregular conduct.

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

The department is required to adhere to all the regulations regarding financial management and responsibilities entrusted different officials working in the public service.

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

The Act provides guidance regarding the development of skills to the South African workforce and these also pertain the human resource development initiatives of the department.

Skills Development Levies Act, 1999

The department is required to contribute to the skills development levy as dictated by the act.

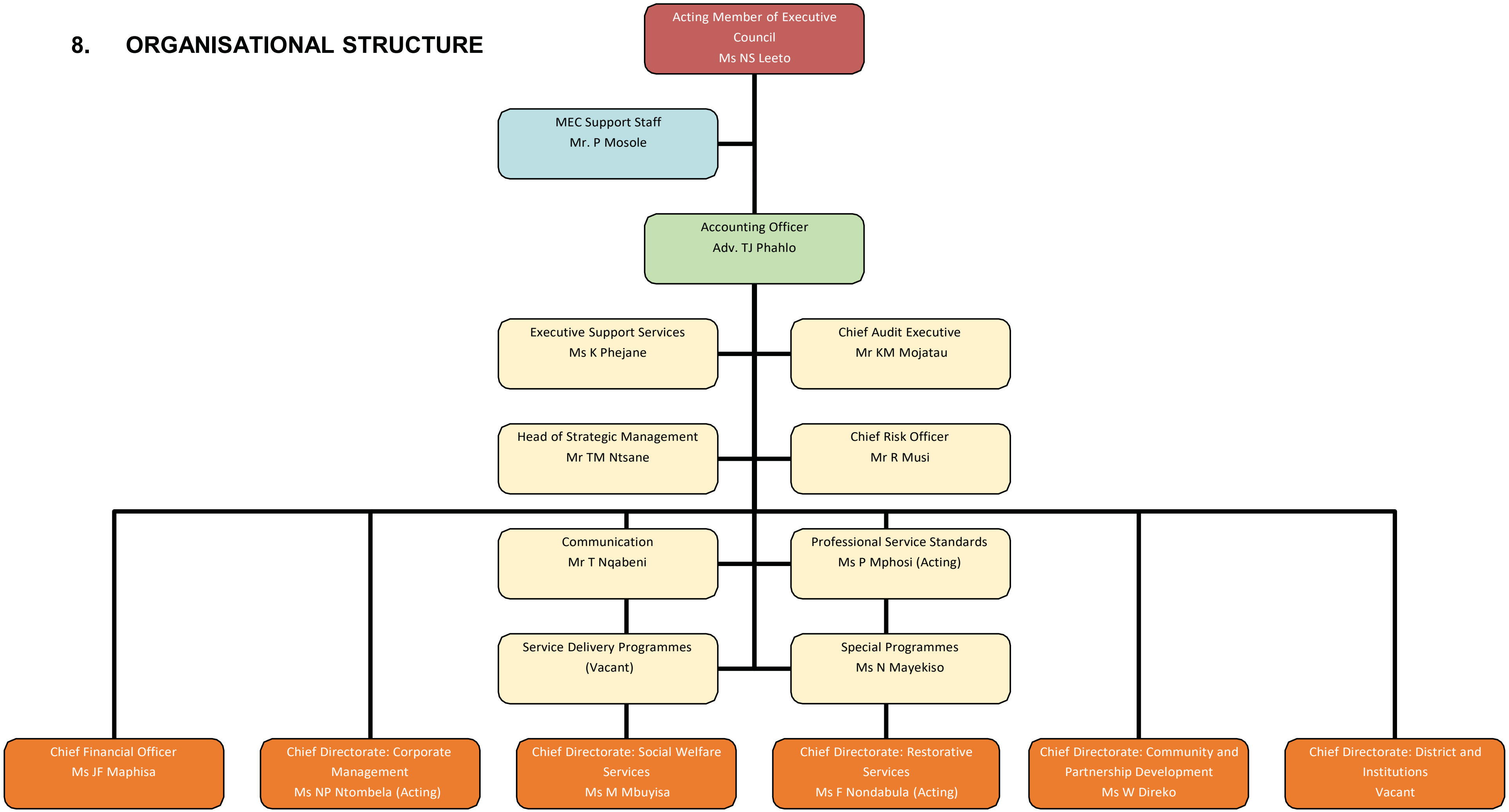
Social Assistance, 2004 (Act No. 13 of 2004)

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

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

The Act provides for the establishment of the South Africa Council for Social Work that also govern the operations of Social Workers within the department.

8. ORGANISATIONAL STRUCTURE



9. 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
NONE			

NOTES

PART B:

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page **112** of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Our service delivery environment is accentuated by a higher demand for social work services in communities because of, inter alia, Gender Based Violence, Substance Abuse, Disintegrating and dysfunctional families, child abuse and other social problems.

The fight against Gender Based Violence remains top of the priority for the Department. We are also mandated to provide comprehensive services for combating substance abuse aimed at demand and harm reduction through prevention, early intervention and re-integration programmes.

To address these challenges, there is a need for a comprehensive, inclusive and responsive social protection system to ensure resilience of citizens. Integrated and effective coordinated social protection is critical for reducing impact of vulnerabilities through income security and protecting human capital during transition from social vulnerability to community resilience.

During the financial year under review Free State Province experienced localised floods which affected municipalities in Bloemfontein, Bethlehem and Kroonstad. The Department had to provide humanitarian interventions including psychosocial support to the affected families.

An amount of R7.216 million was reprioritized from the departmental budget towards payment of provincial municipal services. R2.531 million of this amount was reprioritised from HIV and AIDS programme which resulted in reduction of NPOs funded to render psychosocial support service under HIV and Aids programme from 98 to 32.

Stringent cost containment measures proposed by National Treasury to close the fiscal gap and absorb the cost of the 2023 wage agreement within departmental baselines affected programmes that can only be implemented either through workshops that include catering and travelling etc.

The challenges brought by these budget cuts led to management taking a decision to revise the Annual Performance Plan since the set targets could not be achieved. Thus, this Annual report reflect achievements based on implementation of the Revised APP.

2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight 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
Substance Use Disorder Re-integration and After Care Services.	Service users	Shortage of centres/provision of after-care services.	Increased number of organisations providing aftercare services.	Department funded additional organisation to render services
Funding monitoring and evaluation for NPO's	Funded organisations.	Non-compliance by NPOs on submission of Monthly Reports as per MOA	100% compliance	99% - Improved management of funding and submission of expenditure reports

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Workshop, personal consultations and community meetings	Conduct consultative sessions and road shows with NPO formations to discuss: - Needs and to prioritise services - Services provided and how they are provided. - NPO officials conduct frequent visits to NPOs and are available for consultation in offices. - (Quarterly visits to the districts through Quality Assurance).	Social Compact sessions conducted in four Districts during the period under review.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Community outreach / roadshows / Imbizos	Road show for information sharing and conduct consultative sessions with NPOs	Social Compact sessions conducted in four Districts during the period under review.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Management of complaints and compliments policy approved	Display Service Delivery Charter in all offices	Approved service delivery charter are displayed in all offices
		Suggestion/complaints/compliments boxes have been installed in all frontline offices
Customer care services	Fully functional customer complaints management.	Contact details of a dedicated customer care officer are published on departmental website and social media platforms.

2.3 Organisational environment

To effectively deliver on its mandate, which is to address complex social development challenges, the Department requires to strengthen efforts to achieve tangible results. This requires engagement and commitment of management and all employees, to utilise available resources and budget in a cost-effective accountable manner to implement its plans through collective social protection strategic policy that engage all stakeholders and role players to identify inclusive social protection strategies that focuses on both formal and informal initiatives.

Shortage of skilled social workers particularly those working with child protection is a serious challenge. This challenge persists despite efforts by government to prioritise skilling and absorbing qualified social workers and result in Department not effectively performing its social welfare responsibilities to the vulnerable groups such as orphaned children in need of foster care, substance abuse victims and victims of gender-based violence.

Compensation Budget amounts to 64% of the Budget Vote. The department has however experienced several financial challenges arising from budget cuts which resulted in a critical funded post not fully covered by the budget. Budget cuts were implemented on COE as follows: R101.035 million for 2021/22, R136.685 million for 2022/23 and R87.517 million for 2023/24.

2.4 Key policy developments and legislative changes

There were no Policy development or Legislative changes during the period under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Outcome	Outcome Indicator	Baseline	Five-year target	Progress on MTSF Target
Reduced levels of poverty, inequality, vulnerability and social ills	1.1. Percentage of people accessing developmental social welfare services	50%	100%	96,73%
	1.2. Percentage of individuals benefiting from poverty reduction interventions / initiatives.	50%	80%	98,29%
	1.3. Prevalence rate of Gender based Violence	60%	100%	78,92%
Empowered, resilient individuals, families and sustainable communities	2.1 Percentage of individuals receiving protection, prevention, early intervention and statutory services	60%	100%	114,93%
	2.2 Percentage of all sectors of government integrating population factors in their plan	50%	100%	77,94%
	2.3 Integrated planning, implementation design and monitoring of strategies applied	0%	100%	89,26%
Functional, efficient and integrated sector	3.1. Clean Audit Opinion	Qualified	Unqualified Audit Opinion	Unqualified Audit Opinion
	1.2. Social Development Sector service delivery coordination forums established	Multiple forums without relevant representation	An approved integrated service delivery model Integrated sector reports	33%
	1.3. Functional structures for engagement between the Department and NPO's (forums)	0	100%	130%

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose: To provide administrative support to core business programmes, namely Social Welfare and Community Development

List of Sub-Programmes:

- Office of the MEC
- Corporate Services Management
- District Management Services

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 4.1.1: Corporate Service Management

Annual Performance Plan until date of re-tabling

No revisions on Corporate Services Management

Achievements on Re-tabled Annual Performance Plan

Programme / Sub-programme: Corporate Service Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Functional, Efficient and Integrated Sector	Fraud Prevention Policy Implemented to fight corruption	Number of risk management and fraud prevention awareness workshop conducted.	13	13	12	13	1	Exception was made after a request for awareness to capacitate official during induction program.
	Financial Management Policy implemented	Number of Workshops on prevention of Irregular, Fruitless and Wasteful expenditure conducted.	4	2	2	2	0	Achieved
	Compliance to Treasury Regulations on payment period	Percentage of valid invoices paid within 30 days.	99%	100%	100%	100%	0	Achieved
	Service Professionals capacitated to respond to social ills affecting the vulnerable communities	Number of Service Professionals appointed.	27	93	38	40	2	38 Social Work Interns have been appointed 1 Community Development Practitioner was appointed on 09 October 2023 1 Community Development Manager was appointed on 01 November 2023.
	Social Workers compliant to Professional Service Standards	Number of comprehensive assessments conducted by social workers.	310	681	480	1 938	1 458	The reporting from the districts has improved as all districts are now reporting efficiently. This also means APP targets set for 2023/2024 were too low hence the deviation. For financial year 2024/2025 new targets were set based on the 2023/2024 baseline.
		Number of written supervision contracts between social work supervisors and supervisees signed.	465	353	410	440	30	The contracts signed include Social Workers on contract as well as Social Auxiliary Workers. The actual achievement is based on the consolidated verified report received from the districts.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	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 the MEC	10 577	10 577	0	8 155	8 128	26
Corporate Management Services	211 852	211 851	1	237 650	236 720	930
District Management	113 705	113 700	5	115 460	116 417	(956)

Strategy to overcome areas of under performance

The Department established strategic and operational risks. Performance reviews are conducted to provide reasons and remedial actions for underperformance.

4.2 Programme 2: Social Welfare Services

Purpose: To provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organizations

Sub-programmes:

- Management and Support
- Services to Older Persons
- Persons with disabilities
- HIV and AIDS
- Social Relief

Institutional outcomes:

- Outcome 1: Reduced levels of poverty, inequality, vulnerability and social ills
- Outcome 2: Empowered, resilient individuals, families and sustainable communities
- Outcome 3: Functional, Efficient and Integrated Sector

Table 4.2.1: Services to Older Persons

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills.	Provision of residential care and protection services to older persons.	Number of older persons accessing residential facilities.	1 546	1 422	1392	1 348	-44	Unfunded beds targeted.	Align target with allocated funds.

Achievements on Re-tabled Annual Performance Plan

Programme / Sub-programme: Services to Older Persons								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	Provision of residential care and protection services to older persons.	Number of older persons accessing residential facilities.	1 546	1 422	1 295	1 348	53	More admissions in the residential care facilities resulted in more Older Persons accessing residential facilities
	Provision of Community based services for older persons.	Number of older persons accessing Community based services.	3 856	4 668	4 565	4 763	198	More Older Persons accessing CBCSS due to awareness raising initiatives by DSD and Stakeholders.
		Number of Developmental Programmes implemented in residential facilities.	7	6	4	5	1	Additional programme conducted on Calendar of events celebrations

Table 4.2.2: Services to Persons with Disabilities

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills. Empowered, resilient individuals, families and sustainable	Empowerment of persons with disabilities and provision of psychological support services.	Number of persons with disabilities accessing services in protective workshops.	749	860	906	973	67	Achieved	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, “No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
communities.									transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.
		Number of families caring for children and adults with disabilities accessing social support services.	-	-	3 364	1 181	-2 183	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	

Achievements on Re-tabled Annual Performance Plan

Programme / Sub-programme: Services to Persons with Disabilities								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	Provision of residential care and protection services to older persons.	Number of persons with disabilities accessing residential facilities.	669	511	462	651	189	Residential facilities have more beds and admit more beneficiaries than the numbers they are funded for.
Empowered, resilient individuals, families and sustainable communities.	Empowerment of persons with disabilities and provision of psychological support services.	Number of persons with disabilities accessing services in protective workshops.	749	860	880	979	99	Newly funded Protective workshops increased the number of beneficiaries who accessed the service
		Number of families caring for children and adults with disabilities accessing social support services.	-	-	3 344	5 237	1 893	More beneficiaries accessed the service during the awareness campaigns.

Table 4.2.3: HIV and AIDS

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills. Empowered, resilient individuals, families and sustainable communities	Provision of Prevention, Early Intervention and Psychosocial Support Services	Number of beneficiaries reached through Social and Behaviour Change Programmes.	29 767	19 600	15 400	1 819	-13 728	Delay of implementation is as result of re-engineering of the programme and scaling down of the funded organisations	Reprioritisation of Budget towards payment of Municipal Services. Funds surrendered during the Adjustment Budget.
		Number of beneficiaries receiving Psychosocial Support Services.	7 487	5 720	8 081	6 352	-1 729	Delay of implementation is as result of re-engineering of the programme and scaling down of the funded organisations	

Achievements on Re-tabled Annual Performance Plan

Programme / Sub-programme: HIV and AIDS								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills. Empowered, resilient individuals, families and sustainable communities	Provision of Prevention, Early Intervention and Psychosocial Support Services	Number of Implementers trained on social and behaviour change programmes	374	517	539	566	27	Some funded NPOs reported more in Quarter 2, 3 and 4
		Number of beneficiaries reached through Social and Behaviour Change Programmes.	29 767	19 600	13 548	15 285	1 737	High number of beneficiaries was reached through Boy and Men Championing Change, YOLO and CHOMMY programmes in three districts namely Thabo Mofutsanyana, Lejweleputswa and Fezile Dabi which took place in Quarter 3 and 4.
		Number of beneficiaries receiving Psychosocial Support Services.	7 487	5 720	6 275	8 409	2 134	More support groups, life skills and counselling services were provided throughout the province in Quarter 3 and Quarter 4.

Table 4.2.4: Social Relief

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social-ills.	To provide relief an ease hardship endured.	Number of households who benefitted from Social Relief of Distress.	840	950	1000	297	-703	Service is demand driven.	Reprioritisation of Budget towards payment of Municipal Services. Funds surrendered during the Adjustment Budget.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Social Relief								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social-ills.	To provide relief an ease hardship endured.	Number of households who benefitted from Social Relief of Distress.	840	950	750	355	-395	Service is Demand Driven

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	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	10 251	10,251	0	15 157	14 384	773
Services to Older Persons	128 534	128,532	2	117 230	118 376	(1 146)
Services to Persons with Disabilities	49 792	49 600	192	45 767	45 690	77
HIV and AIDS	27 995	27 898	97	33 133	33 105	28
Social Relief	11 043	11 037	6	10 024	9 664	360

Strategy to overcome areas of under performance

The Department established strategic and operational risks. Performance reviews are conducted to provide reasons and remedial actions for underperformance.

4.3 Programme 3: Children and Families

Purpose: To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

List of Sub-programmes:

- Management and Support
- Care and Services to Families
- Child Care and Protection Services
- ECD and Partial Care
- Child and Youth Care Centres
- Community-Based Care Services to Children

List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan:

- Outcome 1: Reduced levels of poverty, inequality, vulnerability and social ills
- Outcome 2: Empowered, resilient individuals, families and sustainable communities

Table 4.3.1: Care and Services to Families

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Empowered, resilient individuals, families and sustainable communities.	Resilient families.	Number of family members participating in family preservation services.	11 754	8 684	7 170	6 544	-626	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	Reprioritisation of Budget towards payment of Municipal Services. Funds surrendered during the Adjustment Budget.
		Number of family members reunited with their families.	61	40	54	42	-12	Successful reunification services depend on the willingness of members to participate.	
		Number of family members participating in parenting skills programme.	2 756	3 276	2 870	1 470	-1 400	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Care and Services to Families

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Empowered, resilient individuals, families and sustainable communities.	Resilient families.	Number of family members participating in family preservation services.	11 754	8 684	7 570	14 356	6 786	Increased capacity building on family preservation led to more families participating.
		Number of family members reunited with their families.	61	40	46	70	24	Successful reunification services and therapy provided resulted in family increased reunification.
		Number of family members participating in parenting skills programme.	2 756	3 276	2 720	3 668	948	Focus was more on teen parenting capacity building in 3 Districts.

Table 4.3.2: Child Care and Protection Services

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills.	Children in need of Care and Protection placed in foster care.	Number of children with valid foster care orders.	24 974	23 331	22 909	20 588	-2 321	The implementation of the child support top up grant resulted in reduced number of children placed in foster care.	Children's Amendment Act 17/2022 on Section 150 (1) (a); and Social Assistance Policy.
		Number of children placed in foster care.	1 298	1 222	885	398	-487	The implementation of the child support top up grant resulted in reduced number of children placed in foster care.	

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Child Care and Protection Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	Children in need of Care and Protection placed in foster care.	Number of reported cases of child abuse.	1 060	1 033	0	1 518	0	Unplanned target. Performance depends on number of reported cases.
		Number of children with valid foster care orders.	24 974	23 331	19 500	20 652	1 152	More children in foster care continued with education and training because of the improved matric pass rate in the province.
		Number of children placed in foster care.	1 298	1 222	595	731	136	Foster care is one of the placements options for children found in need care and protection.
		Number of children in foster are re-united with their families.	36	24	20	48	28	Successful reunification services and therapy provided resulted in family reunification.

Table 4.3.3: ECD and Partial Care

Annual Performance Plan until date of re-tabling

No revisions on ECD and Partial Care.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: ECD and Partial Care								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities.	Quality services provided.	Number of registered partial care facilities.	45	128	135	146	11	Successful registration drive of partial care facilities.
		Number of children accessing registered partial care facilities.	755	3 411	2 762	3 308	546	Additional children as a result of increased number of registered partial care facilities.

Table 4.3.4: Child and Youth Care Centre

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills.	Children and Youth in need of care and protection receiving services in Child and Youth Care Centres	Number of children in Child and Youth Care Centres (CYCCs) re-unified with their families.	151	98	34	23	-11	Successful reunification depends on the willingness of family members to participate.	Reprioritisation of fund towards payment of Municipal Services.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Child and Youth Care Centre								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	Children and Youth in need of care and protection receiving services in Child and Youth Care Centres.	Number of children placed in Child and Youth Care Centres (CYCCs).	1 183	1 187	1 215	1 255	40	More children in need of care and protection were placed during 2023/24 in CYCC's. No additional financial implications since CYCC's are allowed to keep 5% bed space for crisis placements.
		Number of children in Child and Youth Care Centres (CYCCs) re-unified with their families.	151	98	26	57	31	Successful reunification services and therapy provided resulted in family reunification.
		Number of Individual Develop-mental Plans (IDP) for children in CYCCs reviewed.	125	184	180	138	-42	More Children were discharged and re-unified with their families.

Table 4.3.5: Community Based Care Services for Children

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills.	Vulnerable children receive community-based care services from trained Child and Youth Care Workers.	Number of Child and Youth Care Workers providing community-based care services.	326	317	316	290	-26	Resignations and deaths during the previous year led to reduced number of Child and Youth Care Workers.	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Community Based Care Services for Children								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	Vulnerable children receive community-based care services from trained Child and Youth Care Workers.	Number of children reached through community-based prevention and early intervention programmes.	16 691	11 047	7 240	11 322	4 082	More vulnerable children accessed and received community-based care services which included referrals to other stakeholders.
		Number of sites/ communities where children could access services.	35	34	35	35	0	Achieved
		Number of Child and Youth Care Workers providing community-based care services.	326	317	307	290	-17	By the end of the financial year, 17 child and youth care workers resigned for better opportunities.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	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	504	504	0	0	0	0
Care and Services to Families	29 583	29,583	0	28 571	28 788	(217)
Child Care and Protection	107 292	107 292	0	98 842	98 837	5
ECD and Partial Care	9 710	9 642	68	12 269	12 060	209
Child and Youth Care Centres	124 674	124 673	1	122 353	122 432	(79)
Community Based Care Services for Children	14 044	13 843	201	14 071	13 828	243

Strategy to overcome areas of under performance

The Department established strategic and operational risks. Performance reviews are conducted to provide reasons and remedial actions for underperformance.

4.4 Programme 4: Restorative Services

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

List of Sub-programme:

- Management and Support
- Crime Prevention and Support
- Victim Empowerment
- Substance Abuse, Prevention and Rehabilitation

List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan:

- Outcome 1: Reduced levels of poverty, inequality, vulnerability and social ills
- Outcome 2: Empowered, resilient individuals, families and sustainable communities

Table 2.4.1: Crime Prevention and Support

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills Empowered, resilient individuals, families and sustainable communities	Implementation of diversion programmes. Implementation of Social Crime Prevention Programmes.	Number of persons reached through Social Crime Prevention Programmes.	11 598	16 731	13 065	13 743	678	Achievements due to outreach programmes	Reprioritisation of Budget towards payment of Municipal Services. Funds surrendered during the Adjustment Budget.
		Number of persons in conflict with the law who completed diversion programmes.	1 210	628	875	606	269	Successful completion of programme depends on cooperation and attendance of participants.	

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Crime Prevention and Support								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills Empowered, resilient individuals, families and sustainable communities	Implementation of diversion programmes. Implementation of Social Crime Prevention Programmes.	Number of persons reached through Social Crime Prevention Programmes.	11 598	16 731	12 815	28 020	15 205	Prevention programmes were implemented in schools with several requests from Mangaung Metro and Thabo Mofutsanyana district.
		Number of persons in conflict with the law who completed diversion programmes.	1 210	628	379	1 166	787	Completion is dependent on the attendance and compliance of clients
		Number of children in conflict with the law who accessed Secure Care Centres.	157	111	90	98	8	Admission of children is based on referrals by the Department of Justice and centres
		Number of Developmental Programmes implemented at Secure Care Centre.	5	6	5	5	0	Achieved

Table 4.4.2: Victim Empowerment

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills Empowered, resilient individuals, families and sustainable communities	Programmes implemented. Access, Prevention and Response Programmes/Services.	Number of victims of crime and violence accessing support services.	9 851	4 728	4 360	3 913	447	There was a high demand, and the service is need driven	Cost containment measures introduced.
		Number of victims of Gender Based Violence Femicide and Crime (GBVF) who accessed sheltering services.	237	215	191	122	-69	Launching of Botshabelo Safe House was scheduled for 29 November (Third Quarter)	
		Number of beneficiaries reached through Gender Based Violence Prevention Programmes.	22 183	33 433	18 500	26 742	8 242	Achievement due to built-up activities towards launching	

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Victim Empowerment								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills Empowered, resilient individuals, families and sustainable communities	Programmes implemented. Access, Prevention and Response Programmes/Services.	Number of victims of crime and violence accessing support services.	9 851	4 728	3 430	5 215	1 785	There was a high demand, and the service is need driven
		Number of human trafficking victims who accessed social services.	7	2	0	4	0	It is need driven.
		Number of victims of Gender Based Violence Femicide and Crime (GBVF) who accessed sheltering services.	237	215	173	277	104	Koffiefontein shelter and Safe House in Botshabelo were launched led to high number.
		Number of beneficiaries reached through Gender Based Violence Prevention Programmes.	22 183	33 433	18 810	50 878	32 068	There was a high demand of service and is voluntary. Built-up activities towards launching of shelter and Safe House.

Table 4.4.3: Substance Abuse, Prevention and Rehabilitation

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Empowered, resilient individuals, families and sustainable communities	Implementation of Substance Use Disorder Prevention Programme.	Number of people reached through Substance Abuse Prevention Programmes.	50 462	46 967	39 350	33 152	-6 198	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.
	Provision of rehabilitation services.	Number of Service Users who accessed Substance Use Disorder (SUD) treatment services.	1 355	732	586	451	-135		
		Number of Service Users who accessed Substance Use Disorder Re-integration and After Care Services.	377	472	452	181	-271		

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Substance Abuse, Prevention and Rehabilitation

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Empowered, resilient individuals, families and sustainable communities	Implementation of Substance Use Disorder Prevention Programme.	Number of people reached through Substance Abuse Prevention Programmes.	50 462	46 967	35 380	65 255	29 875	Programme implemented in collaboration with SAPS in Qwa-Qwa and campaign in Institutions of Higher Learning Institutions contributed significantly to the performance.
	Provision of rehabilitation services.	Number of Service Users who accessed Substance Use Disorder (SUD) treatment services.	1 355	732	442	872	430	Demand for outpatient treatment service was high in Lejweleputswa and Fezile Dabi districts.
		Number of Service Users who accessed Substance Use Disorder Re-integration and After Care Services.	377	472	313	328	15	Achieved

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	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	467	467	0	799	443	356
Crime Prevention and Support	87 307	87,306	1	84 857	85 042	(185)
Victim Empowerment	36 409	36 395	14	35 240	34 036	1 204
Substance Abuse, Prevention and Rehabilitation	87 455	87 439	16	85 337	86 712	(1 375)

Strategy to overcome areas of under performance

The Department established strategic and operational risks. Performance reviews are conducted to provide reasons and remedial actions for underperformance.

4.5 Programme 5: Development and Research

Purpose: To render developmental social welfare services to vulnerable people and groups in collaboration with partners to reduce their vulnerabilities and promote community empowerment.

Sub-programmes:

- Community Mobilisation
- Institutional Capacity Building and Support for NPOs
- Poverty Alleviation and Sustainable Livelihoods
- Community-Based Research and Planning
- Youth Development
- Women Development
- EPWP
- Population Policy Promotion

Institutional outcomes:

- Outcome 1: Reduced levels of poverty, inequality, vulnerability and social ills
- Outcome 2: Empowered, resilient individuals, families and sustainable communities
- Outcome 3: Functional, Efficient and Integrated Sector

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 4.5.1: Community Mobilisation

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Empowered, resilient individuals, families and sustainable communities.	Community mobilised	Number of people reached through community mobilisation programmes.	2 986	2 929	2 750	2 614	-136	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Community Mobilisation								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities.	Community mobilised	Number of people reached through community mobilisation programmes.	2 986	2 929	2 110	4 456	2 346	The sessions are usually open to the community and therefore the attendance is not controlled (over supply assists in an increased outreach programme)

Table 4.5.2: Institutional Capacity Building and Support for NPOs

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Functional, efficient and integrated sector.	NPOs capacitated and supported	Number of NPOs capacitated.	2 400	1 406	1 006	1012	6	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Institutional Capacity Building and Support for NPOs								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Functional, efficient and integrated sector.	NPOs capacitated and supported	Number of NPOs capacitated.	2 400	1 406	856	1 784	928	The session also included some NPO not necessarily funded by the department
	Functional Structures established.	Percentage of funded NPOs monitored for compliance.	100%	99%	100%	84%	-16%	Some of the NPOs were suspended due to non-compliance

Table 4.5.3: Poverty Alleviation and Sustainable Livelihoods

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduced levels of poverty, inequality, vulnerability and social ills.	CNDCs supported.	Number of people benefitting from poverty reduction initiatives.	1 621	1 366	359	504	145	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	Reprioritisation of funds towards payment of municipal services
		Number of households accessing food through DSD food security programmes.	7 332	960	212	269	57		
		Number of people accessing food through DSD feed programmes (centre-based)	26 262	25 398	19 462	19 600	138		
	Vulnerable individual and households linked to community development initiatives.	Number of cooperatives linked to economic opportunities	30	44	46	20	26		

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Poverty Alleviation and Sustainable Livelihoods								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills.	CNDCs supported.	Number of people benefitting from poverty reduction initiatives.	1 621	1 366	343	967	624	The increase in the unemployment rate contributes to added numbers of people finding themselves without any source of provisions
		Number of households accessing food through DSD food security programmes.	7 332	960	160	456	296	The increase in the unemployment rate contributes to added numbers of people finding themselves without any source of provisions

Programme: / Sub-programme: Poverty Alleviation and Sustainable Livelihoods								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
		Number of people accessing food through DSD feed programmes (centre-based)	26 262	25 398	16 213	19 600	3 387	The increase in the unemployment rate contributes to added numbers of people finding themselves without any source of provisions
	Vulnerable individual and households linked to community development initiatives.	Number of cooperatives linked to economic opportunities.	30	44	32	38	6	Achieved

Table 4.5.4: Community Based Research and Planning

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Functional, efficient and integrated sector.	Community Based Research and Planning.	Number of households profiled.	2 464	2 324	2 400	1 291	-1 109	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.
		Number of Community Based Plans developed.	10	16	17	3	-14		
		Number of Communities profiled.	54	46	47	22	-25		

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Community Based Research and Planning								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Functional, efficient and integrated sector.	Community Based Research and Planning.	Number of households profiled.	2 464	2 324	1 600	1 958	358	Increase as a result of the challenges experienced due to the disasters
		Number of Community Based Plans developed.	10	16	7	7	0	Achieved
		Number of Communities profiled.	54	46	29	38	9	Achieved

Table 4.5.5: Youth Development

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Empowered, resilient individuals, families and sustainable communities	Youth Development Programmes provided.	Number of youth participating in skills development programmes	592	517	660	307	-353	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.
		Number of youth participating in youth mobilization programmes	1 392	2 603	1 490	928	-562		

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Youth Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities	Youth Development Programmes provided.	Number of youth development structures supported.	71	23	40	40	0	Achieved
		Number of youth participating in skills development programmes	592	517	500	664	164	The invites are open to whomever wants to attend and therefore the increase indicates the interest that has been generated by the outreach programme
		Number of youth participating in youth mobilization programmes	1 392	2 603	1 230	1 675	445	The invites are open to whomever wants to attend and therefore the increase indicates the interest that has been generated by the outreach programme

Table 4.5.6: Women Development

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Empowered, resilient individuals, families and sustainable communities	Women supported through skills and funding	Number of women participating in empowerment programmes.	892	1 067	1 020	928	-92	Stringent cost containment measures proposed	In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to

Programme / Sub-programme: Corporate Service Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		Number of women empowerment initiatives supported	13	21	32	8	-24	by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc.	close fiscal gap, "No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Women Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Empowered, resilient individuals, families and sustainable communities	Women supported through skills and funding	Number of women participating in empowerment programmes.	892	1 067	770	1 321	551	The invites are open to whomever wants to attend and therefore the increase indicates the interest that has been generated by the outreach programme
		Number of women empowerment initiatives supported	13	21	13	31	18	Achieved

Table 4.5.7: EPWP

Annual Performance Plan until date of re-tabling

No Changes effected

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: EPWP								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Reduced levels of poverty, inequality, vulnerability and social-ills.	Work opportunities created.	Number of EPWP work opportunities created.	5 611	1 065	1 000	1 265	265	Additional Work Opportunities created that included Equitable Share

Table 4.5.8: Population Policy Promotion

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Service Management									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	***Actual Achievement 2023/2024 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Empowered, resilient individuals, families and sustainable communities	Population policy promoted	Number of population capacity development sessions conducted.	4	0	4	0	-4	The transferring of officials outside the Unit to other components contributed to the underperformance	Stringent cost containment measures proposed by National Treasury to close the fiscal gap affected programmes implemented either through workshops, catering and travelling etc. In terms of National Treasury Cost Containment Measures to assist National Department, Public Entities and Provinces to close fiscal gap, “No additional funds have been identified for the 2023 PSCBC wage settlement. Departments and Public entities that receive transfers from National Revenue Fund must absorb the cost of the 2023 wage agreement within departmental baselines.
		Number of research projects completed	1	1	1	0	-1		
		Number of Population Policy Monotiring and Evaluation Reports Produced	0	0	1	0	-1		

Achievements on Re-tabled Annual Performance Plan

Programme: / Sub-programme: Population Policy Promotion								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities	Population policy promoted	Number of population capacity development sessions conducted.	4	0	2	0	-2	The transferring of officials outside the Unit to other components contributed to the underperformance
		Number of Population Advocacy, Information, Education and Communication (IEC) activities conducted.	7	6	4	4	0	Achieved
		Number of Population Policy Monotiring and Evaluation Reports Produced	0	0	0	0	0	Not planned
		Number of research projects completed	1	1	0	0	0	Not Planned
		Number of demographic profile projects completed.	5	5	5	5	0	Achieved

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	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	4 205	4 205	0	3 940	3 960	(20)
Community Mobilisation	2 874	2 873	1	3 262	2 699	563
Institutional Capacity Building and Support for NPOS	13 900	13 900	0	14 741	14 746	(5)
Poverty Alleviation and Sustainable Livelihoods	54 396	54 302	94	62 498	60 207	2 291
Community Based Research and Planning	0	0	0	15	14	1
Youth Development	66 462	66 453	9	63 125	63 827	(702)
Women Development	435	435	0	9	691	(682)
Population Policy Promotion	5 568	5 568	0	5 204	5 314	(110)

Strategy to overcome areas of under performance

The Department established strategic and operational risks. Performance reviews are conducted to provide reasons and remedial actions for underperformance.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Not applicable				

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2023 to 31 March 2024

Name of transferee	Type of organisation	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 (R'000)	Reasons for the funds unspent by the entity
NPOs	Corporate Management Services	Payment of ENGO	Yes	38 315	38 315	0
NPOs	Services to Older Persons	Create an environment that enables promotion of the development of older persons and protection of their rights	Yes	52 823	52 729	Suspended NPOs due to Non-Compliance. CSD Verification
NPOs	Services to Persons with Disabilities	Protects and promote the rights of people with disabilities including social security rights	Yes	25 079	25 079	0
NPOs	HIV and AIDS	Reduce the incidence and minimize the psycho-social impact of HIV and AIDS	Yes	13 529	13 529	0

Name of transferee	Type of organisation	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 (R'000)	Reasons for the funds unspent by the entity
NPOs	Care and Services to Families	Create an environment that enables the promotion of functional families and prevention of their vulnerability	Yes	5 663	5 663	0
NPOs	Child Care and Protection	Ensure the provision of quality services to children and youth including those in need of care and protection	Yes	46 087	46 087	0
NPOs	ECD and Partial Care	Ensure the provision of quality early childhood development services to children	Yes	8 527	8 527	0
NPOs	Child and Youth Care Centres	Ensure the provision of quality services to children and youth including those in need of care and protection	Yes	66 625	66 625	0
NPOs	Community Based Care Services to Children	Protect, care and support vulnerable children in communities	Yes	12 951	12 951	0
NPOs	Crime Prevention and Support	Reduce crime and provide diversion programmes	Yes	3 391	3 271	Suspended NPOs due to Non-Compliance.
NPOs	Victim Empowerment	Reduce the risk of sexual and physical violence against women (gender-based violence)	Yes	14 087	14 087	0
NPOs	Substance Abuse Prevention and Rehabilitation	Reduce substance abuse and provide rehabilitation programmes	Yes	6 530	6 530	0
NPOs	Poverty Alleviation and Sustainable Livelihood	Implement a comprehensive rural poverty reduction strategy ensuring universal access to basic services	Yes	24 801	24 596	Suspended NPOs due to Non-Compliance.
NPOs	Youth Development	Create a cadre of patriotic youth who will support programmes to create caring communities	Yes	700	709	0
NPOs	Women Development	Provide programmes for empowerment of women	Yes	192	192	0

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The table below detail/s the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: Social Sector EPWP Incentive Grant for Provinces

Department who transferred the grant	Public Works

Purpose of the grant	To incentivise provincial social sector departments, identified in the 2016 social sector EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential
Expected outputs of the grant	Payment of stipend to 492 participants
Actual outputs achieved	491 Participants recruited and paid stipends (1 x Data capturer declining position)
Amount per amended DORA	R14 841
Amount received (R'000)	R14 841
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R14 376
Reasons for the funds unspent by the entity	Under expenditure was as a result of non-compliance by NPO's as well as late delivery of goods and services items
Reasons for deviations on performance	1 x Data capturer declining position
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	

Earmarked Funding 1: Violence against Women and Children (VAWC)

Department who transferred the grant	Social Development
Purpose of the grant	For prevention and early intervention programmes to fight the abuse of women and children
Expected outputs of the grant	For the elimination and prevention of all forms of violence against women and children as a national priority of government
Actual outputs achieved	
Amount per amended DORA	N/A
Amount received (R'000)	R18 319
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R14 871
Reasons for the funds unspent by the entity	Under expenditure due to incorrect placements and resignation of Social Workers

Earmarked Funding 2: Substance Abuse Treatment

Department who transferred the grant	Social Development
Purpose of the grant	Operationalization of the state-run treatment facility aimed at providing treatment and rehabilitation to service users who abuse and are dependent on substances
Expected outputs of the grant	Fully operational

Actual outputs achieved	Fully operational
Amount per amended DORA	N/A
Amount received (R'000)	R28 758
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R28 738
Reasons for the funds unspent by the entity	N/A

Earmarked Funding 3: Social Worker

Department who transferred the grant	National Department of Social Development
Purpose of the grant	The allocation was made to address the backlog in the number of social worker graduates that remain unemployed.
Expected outputs of the grant	Salaries and related cost of Social Workers
Actual outputs achieved	Social Workers appointed
Amount per amended DORA	N/A
Amount received (R'000)	R14 612
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R8 980
Reasons for the funds unspent by the entity	Under expenditure due to incorrect placements and resignation of Social Workers

Earmarked Funding 4: Infrastructure Enhancement

Department who transferred the grant	Free State Provincial Treasury
Purpose of the grant	To help with maintenance of office buildings and institutions
Expected outputs of the grant	Ensure that office buildings and institutions are secured and renovated
Actual outputs achieved	
Amount per amended DORA	N/A
Amount received (R'000)	R2 000
Reasons if amount as per DORA was not received	N/A

Amount spent by the department (R'000)	R1 495
Reasons for the funds unspent by the entity	Contractors deserted 3 sites, procurement processes had to be restarted

Earmarked Funding 5: NPO Court Judgement NT

Department who transferred the grant	National Treasury
Purpose of the grant	To cover at least core cost of its statutory obligated services and thereafter demonstrates the progressive realization of the remainder of its social services.
Expected outputs of the grant	Debt payment
Actual outputs achieved	Settlement
Amount per amended DORA	N/A
Amount received (R'000)	R33 690
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R33 690
Reasons for the funds unspent by the entity	N/A

Earmarked Funding 6: NPO Court Judgement PT

Department who transferred the grant	Free State Provincial Treasury
Purpose of the grant	To cover at least core cost of its statutory obligated services and thereafter demonstrates the progressive realization of the remainder of its social services.
Expected outputs of the grant	Debt Payment
Actual outputs achieved	Settlement
Amount per amended DORA	N/A
Amount received (R'000)	R13 000
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R12 912
Reasons for the funds unspent by the entity	N/A

Earmarked Funding 7: HIV Prevention Programmes

Department who transferred the grant	Social Development

Purpose of the grant	To implement social and behaviour change programme to reduce vulnerabilities to HIV&AIDS among key populations
Expected outputs of the grant	Fund NPO`s to implement the programme
Actual outputs achieved	Services rendered
Amount per amended DORA	N/A
Amount received (R'000)	R5 310
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R5 233
Reasons for the funds unspent by the entity	N/A

Earmarked Funding 8: Food Relief

Department who transferred the grant	Social Development
Purpose of the grant	Distribution of food parcels to homeless shelters and communities through drop-in centres and Community Nutrition Development Centres (CNDCs)
Expected outputs of the grant	Provide nutritious meals to vulnerable communities
Actual outputs achieved	Services rendered
Amount per amended DORA	N/A
Amount received (R'000)	R7 113
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R7 111
Reasons for the funds unspent by the entity	N/A

Earmarked Funding 9: Covid-19

Department who transferred the grant	Social Development
Purpose of the grant	Implementation of COVID-19 measures
Expected outputs of the grant	Provision of PPEs and social service support
Actual outputs achieved	Social Workers appointed and PPEs and social service support
Amount per amended DORA	N/A
Amount received (R'000)	R7 990
Reasons if amount as per DORA was not received	N/A

Amount spent by the department (R'000)	R8 094
Reasons for the funds unspent by the entity	N/A

7. DONOR FUNDS

7.1. Donor Funds Received

No Donor Funds Received

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2023/2024			2022/2023		
	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				1 158	1 159	(1)
Existing infrastructure assets	9 103	6 814	2 289	9 792	9 538	254
- Upgrades and additions						
- Rehabilitation, renovations and refurbishments						
- Maintenance and repairs	9 103	6 814	2 289	9 792	9 538	254
Infrastructure transfer						
- Current						
- Capital						
Total	**9 103**	**6 814**	**2 289**	**10 950**	**10 697**	**253**

PART C:

GOVERNANCE

1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to utilize the state resources effectively, efficiently and economically, which is funded by the taxpayers.

2. RISK MANAGEMENT

Risk Management is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the department service delivery.

2.1 Department has approved Risk Management Policy and Strategy in place. Risk assessment is conducted regular to determine the effectiveness of risk management strategy and to identify new and emerging risks.

2.2 Risk Management Committee was appointed for the new financial 2024-25 to advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk and provide recommendation to the Accounting Officer.

2.3 Reports from the Risk Management Committee are tabled quarterly to the Audit Committee meeting for advises on risk management and independently monitors the effectiveness of the system of risk management.

2.4 In terms of compliance, department is Monitored through bi-annual Key Performance Indicators assessments and evaluation of effectiveness of Risk Management processes and department's performance score reached 90% target set by Provincial Treasury.

2.5 One critical risk that emerged was insufficient budget to meet operational needs/expectation due to Budget cut that resulted to fiscal constraints, and it was responded to by amendment of the APP to reprioritisation. Indicators were amended and re-tabled APP at the legislature.

2.6 The department is aware of strategic risks facing and sees progress in the management of those risks, this has transmitted into improvements in the department's performance.

Enterprise Risk Management (ERM) is defined as:

The culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value. Integrating enterprise risk management throughout an organization improves decision-making in governance, strategy, objective-setting, and day-to-day operations.

The five components of ERM are:

i. **Risk Governance and Culture**: Risk governance sets the department's tone, reinforcing the importance of, and establishing oversight responsibilities for, enterprise risk management. Culture pertains to ethical values, desired behaviours, and understanding of risk in the department. Culture is reflected in decision-making.

ii. **Risk, Strategy, and Objective-Setting**: Enterprise risk management is integrated into the department's strategic plan through the process of setting strategy and operational objectives

iii. **Risk in Execution**: The department identifies and assesses risks that may affect its ability to achieve its strategy and operational objectives.

iv. **Communication and Reporting**: Communication is the continual, iterative process of obtaining information and sharing it throughout the department.

v. **Monitoring Enterprise Risk Management Performance**: By monitoring enterprise risk management performance, the department considers how well the enterprise risk management components are functioning over time and in light of substantial changes.

3. FRAUD AND CORRUPTION

- The department has a dedicated sub-directorate placed within the Security Administration, Anti- fraud and Corruption directorate.

- The primary objectives and function of the directorate is to champion policy development and implementation as instruments to fight any possible or perceived elements of fraud and corruption, furthermore, is to oversee daily fraud prevention programs.

- The department has an approved fraud prevention strategy and implementation plan, which deals with four pillars:

i) Prevention:
It includes among others the awareness campaigns and workshops as part of training and capacity building, background checks on applicants including vetting of permanent staff, policy development and implementation and collaboration with other internal stakeholders as preventative measure.

ii) Detection:
It is a collaborated effort, which include internal controls, whistleblowing by internal and external stakeholders and direct referral for investigation by other directorates.

iii) Investigation:
The directorate record all reported instance of possible fraud and corruption in fraud incident register of the department and has the primary role to investigate all suspected fraudulent act, issue report to the Accounting Officer with findings and recommendation for approval.

iv) Resolution:
All approved investigation reports depending on the nature of the recommendations may trigger action that includes but not limited to; improved internal controls, disciplinary action, criminal investigations and/or recovery of loss where applicable.

- The reporting procedure as entailed in the prevention strategy policy, provides reporting system wherein officials at all levels can report unethical conducts.

- The tip off from anonymous reporting is dealt in accordance with the whistleblowing policy of the department, and it provides mechanisms for employees and member public to retain anonymity when reporting an actual or potential fraud and corruption without fear of retribution.

- All cases reported in the financial year are registered in the departmental fraud and corruption case register, investigation report with recommendations is forwarded for approval of the accounting officer and where adverse findings are made, such is referred either for consequence management and or criminal investigation by law enforcement agencies.

- Ethics and Anti-Corruption Committee:

  The committee was established in terms of the public sector integrity management framework and approved by the accounting officer. Its primary role is to monitor the implementation of all policies, strategies, activities inclusive of programmes and plans relating to ethics, anti- fraud and corruption in the department. They periodically evaluate the effectiveness of the programs and provide strategic direction to all in the fight against fraud and corruption within the department.

  The committee consists of high-level ranking personnel appointed by the Accounting Officer from different programmes and is chaired by a member at the level of Chief Director.

4. MINIMISING CONFLICT OF INTEREST

In terms of the Public Service Regulations, 2016 (PSR, 2016) designated employees are required to disclose their financial interests (Chapter 2, Part 2). Disclosure of financial interest is not limited to employees in senior management positions but extended to other categories of employees.

From 2022/23, the following categories of designated employees were required to disclose their financial interests:

Category	Due date of disclosure	Total
SMS members	30 April 2023	25
Employees on Level 11 and 12, including employees earning the equivalent of salary level 11 and 12 (and above) through the OSD	30 June 2023	92

A total of 117 designated employees disclosed their financial interests using the electronic (e-Disclosure) system, as part of a lifestyle review. No actual or potential conflicts of interests could be detected during the verification of the financial interests of the designated employees.

The Directive on Other Remunerative Work outside the employees' employment in the department as contemplated in Section 30 of the Public Service Act, is adhered to, and serves to minimise possible, perceived and potential conflicts of interest. During the period under review, the Department has introduced a policy on Remunerative Work outside Public Service, including Standard Operating Procedures (SOP) for the application process.

Furthermore, all employees in the Department are required to comply with the Directive on Conducting Business with an Organ of State, issued by the Minister of Public Service and Administration. The purpose of this Directive is to minimise possible, perceived and potential conflicts of interest. Regulation 13 (c) of the PSR, 2016, prohibits an employee from conducting business with an organ of state or be a director of a public or private company unless such an employee is in an official capacity a director of a company listed in Schedules 2 and 3 of the Public Finance Management Act.

All employees are prohibited from registering on the National Treasury Central Supplier Database (CSD) as an individual, owner of a company or director of a public or private company unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act.

5. CODE OF CONDUCT

Heads of Department have a specific mandate and responsibility to manage the conduct of employees and to instil ethical principles. The Public Service Regulations of 2016, Chapter 2, particularly addresses matters of conduct, financial disclosure, anti-corruption and ethics management.

The Code of Conduct also places the duty and the responsibility on employees to behave ethically at all times. Besides these legislative and regulatory responsibilities, there is a general moral responsibility for the Public Service employees to behave ethically and to provide ethical leadership.

The Head of Department has appointed an Ethics Officer and the Ethics, Fraud and Anti-Corruption Committee to assist with ensuring all matters related to ethics, governance and good conduct are adhered to.

The Department has implemented a policy on Ethics Management to strengthen measures for managing unethical conduct and promoting integrity in the Department. All SMS members have signed a Pledge of Commitment to Clean Administration. The pledge deals with issues of leadership, financial and performance management and governance.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The department is in the process of appointing Departmental Health and Safety Committee comprising of Executive, Senior Management and new Health and Safety representatives and representatives from the available Trade Unions for the new term of service which commences from April 2024 to April 2027 (three-year term as prescribed by the OHSACT).

According to the Occupational Health and Safety Act, Act 85 OF 1993, section 16.1, the Accounting Officer shall as far as reasonably practicable ensure that the duties of his employees as contemplated in the Act are properly discharged.

The Accounting has therefore, delegated 16.2 (District Directors / Centre Managers) permission to approve all appointment letters for the OHS committee in their respective offices.

Health, safety and environmental issues should be addressed through:

- conducting risk assessments province wide,
- proper trainings of OHS committees,
- implementing safety protocols and developing a culture of open communication about health, safety and environmental concerns.

According to quarterly OHS risk assessment and minutes 2023/2024, a considerable number of offices that are not compliant due to:

- poor reporting of risk assessments that outlines the health, safety and environmental issues,
- no quarterly OHS meetings that are designed to address OHS concerns in the workplace,
- poor reporting of injury on duty incidents and
- no formal health and safety information trainings as prescribed by the OHSACT e.g., Health and Safety Reps; First aiders and Marshalls trained on OHS related matters.

Furthermore, due to high number of offices that are declared non-compliant, it is difficult to conduct safety drills in the department as a compliant matter in terms of OHSACT.

All these factors can have negative impact such as;

- an increase in risk of accidents and injury amongst the employees,
- financial,
- legal consequences and
- poor OHS practices can result in legal liabilities to the employer.

7. PORTFOLIO COMMITTEES

- The dates of the meeting

Meeting Date	Reason for sitting
08 June 2023	Consideration of 4th Quarter 2022/23 NFD Report and Tabling of Annual Performance Plan for 2023-24
26 September 2023	Consideration of First Quarter Non-Financial Data Report 2023-24
11 November 2023	Consideration of 2nd Quarter NFD Report and Tabling of Annual Report for 2022-23
09 March 2024	3rd Quarter Non-Financial Data Report 2022-23

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
A (ii)	Non-profit Organisations The Portfolio Committee was concerned about the poor health and safety conditions of certain non-profit organisations (NPOs) that are funded by the department.	The Portfolio Committee resolved that the Accounting Officer should: Implement adequate, efficient, and effective monitoring processes to ensure that funds transferred are utilized for the intended purpose.	The department has developed and implemented a spreadsheet to be used when analysis of income and expenditure reports are done. a) As part of enhancing controls around the disbursement to and use of funds by the NPOs, the Department has implemented a system that requires the following: - The submission of beneficiary lists with identity numbers - Meeting all the conditions on the compliance certificates as per signed MOA in the preceding quarter. These are required before funds are disbursed by the finance section to the approved NPOs. This system requires the districts to closely monitor and analyze the service and financial performance of the NPOs. Subsequently, the District Directors then submit a list of NPOs certified to be compliant with the above terms to the Provincial Office for further analyses and processing. Should these conditions not be met, funds to the affected NPO's will be withheld until such is received from Districts.	No
B(i)	The Portfolio Committee was concerned about the irregular expenditure of R16.9 million which was incurred due to non-compliance	The Portfolio Committee resolved that the Accounting Officer should: Put measures in place to ensure compliance with SCM legislation.	The service providers for institution catering have been appointed on a 3-year contract and the quotation system for institutions catering was terminated. The irregular expenditure has been investigated and approved for removal from the IFS.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	with SCM requirements. In addition, the full extent of irregular expenditure was still in the process of being determined.		Consequence management was implemented and disciplinary actions were taken against the responsible officials. Controls are enhanced in the Supply Chain Management and the Unit has been capacitated.	
C(i)	The Portfolio Committee noted the contingent asset reported by the department for the possible recovery of salaries paid during a strike in March and April 2017.	The Portfolio Committee resolved that the Accounting Officer should: Obtain all the necessary supporting documentation and comply with the conditions of the cases before a final conclusion is reached. Implement the recovery of salaries after directive from the National Department has been received.	All the necessary documents regarding the statistics on strike have been obtained, therefore the Department is still awaiting a directive from the National Social Development. There are no changes. The matter remains unresolved between the parties and it seems that chances to recover the money are nil. The employer Department of Social Development and NEHAWU task team has not held meetings to address the matter at the National Level.	Yes
E(i)	The Portfolio Committee noted with concern that three Centre's were vacated owing to renovations. Contractors did not meet the project milestones. Furthermore, three other facilities were not fully operational because of the poor condition of the facilities.	The Portfolio Committee resolved that the Accounting Officer should: The department must ensure that all facilities are completed as it impacts negatively on the users.	The Department developed the turn-around plan for departmental facilities that clearly sets out the budget needs. major renovations still continue on the three prioritised institutions. Progress is reported regularly at the Management meeting and to the HOD.	No
F(i)	The Portfolio Committee noted with concern that during 2018-19 the department transferred R1 million and R9,8 million in the previous three financial years to fund the operations of a youth development project that manufactures sanitary towels in the Thabo Mofutsanyana District.	The Portfolio Committee resolved that the Accounting Officer should: Monitoring, detection and evaluation must be strengthened in order for the project to grow and become effective in order to assist the youth development agency to become self-sustainable and being able to generate an income.	The assessment of the viability of the project was conducted by Enslins Accountants and the project was transferred to DESTEA during the 1st quarter of 2022/23 financial year.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
G(i)	The Portfolio Committee resolved that the Accounting Officer must implement measures to ensure that monitoring and evaluation process of the department is effective to detect and correct inconsistencies in underlying control records	The Portfolio Committee resolved that the Accounting Officer should: Review performance information management procedures and put the following measures in place: • Standardize performance information collection tools • Validate information monthly • Internal Audit to verify information quarterly.	Validations of the reported Performance for the whole year are completed. System accuracy has been tested. Quality assurance on reports for the year is completed. Completeness and accuracy of reported performance have been confirmed.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of matters of non-compliance	Financial year in which it first arose	Progress made in clearing /resolving the matter*
Irregular Expenditure Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.	2021/2022	The service providers for institutions catering have been appointed and the quotation system for institutions catering was terminated. The irregular expenditure has been investigated and approved for removal from the IFS. Consequence management was implemented and disciplinary actions were taken against the responsible officials. **The matter is resolved.**
Transfer Payments Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by Treasury Regulation 8.4.1.	2022/2023	The department is currently enforcing the certification of compliance by the NPOs before payments are made. No payment is made before receipt of such. The department through districts does the reported information analysis on a monthly basis. The Department is enforcing clause 3.9 of the MOA for any unspent funds by the NPOs. However, no unspent funds were reported or recovered at the end of the financial year. **The matter is resolved.**
Performance Management AGSA could not obtain sufficient appropriate audit evidence for the reported achievements of indicators relating to social welfare and children and families services programme. This was due to the lack of accurate and complete records. AGSA was unable to confirm the reported achievements by alternative means. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.	2022/2023	Validations of the reported Performance for the whole year are completed. System accuracy has been tested. Quality assurance on reports for the year is completed. Completeness and accuracy of reported performance have been confirmed. **The matter is resolved**
Inadequate POE's submitted Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service	2022/2023	Progress toward achieving targets, Core objectives, and service delivery is monitored, however, the review is compromised due to a lack of capacity. Requested HR to assist with Interns to temporarily increase capacity within M&E during the current financial

Nature of matters of non-compliance	Financial year in which it first arose	Progress made in clearing /resolving the matter*
delivery as required by public service regulation 25(1)(e)(i) and (iii).		year (2023/24) given the unavailable budget and National Cost Containment Measures. **In progress**

10. INTERNAL CONTROL UNIT

The work performed by internal control unit during the year.

- Oversight on the development and implementation of the departmental internal control systems, policies and procedures.
- Identified, mitigated and managed control risks which may hamper the achievement of the Department's financial objectives.
- Facilitated and coordinated all assurance services (Internal Audit, Provincial Treasury and Auditor General
- Consolidation and submission of monthly and quarterly Key Control Matrix to Provincial Treasury.
- Managed the processes of identification, investigation and reporting of Irregular, Fruitless and Wasteful Expenditure.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

- **Key activities and objectives of the internal audit**

Internal Audit provided limited assurance on governance, risk management and internal control, including performance information. The unit coordinated and provided secretariat services for all 7 Audit Committee meetings for the financial year under review. The unit also evaluated the extent to which governance systems are implemented in the Department, evaluated the extent to which the risk management principles are inculcated into the language and activities of the Department.

- **Summary of audit work done**

The following audit projects were performed: (refer to audit committee report below)

- Quarterly Interim and Annual Financial Statements 2023/24
- Performance Information
- Control Self-assessment - SCM
- Transfer Payments and NPO Management
- Human Resources Management
- Follow-up on Auditor General's 2022/23 Audit and Management Reports and Internal Audit Findings.

Audit Findings:

Quarterly Interim and Annual Financial Statements 2023/24

- Accruals as at 31 December 2023 - there were invoices older than 30 days.
- The Closing balance of R46,595,000 for major assets could not be agreed to the Asset Register (Worksheet REAL) total amount of R44,004,501. The difference amount to R 2,590, 499.
- According to the Asset Register as at 31st December 2023, (sheet: Subject to Verification) containers to the value of R 2,624,441, are yet to be verified before they could be included in the Asset Register.
- The Closing balance of R27,748,000 could not be agreed to the Asset Register (Worksheet REAL) total amount R27,863,796.11.

- Assets donated amounting to R1,198,000 could not be agreed to major and minor assets disposals reported in note 38 (R676,000) and note 38.2 (R531,000) respectively.
- The statement of donations made by the Department as well as the register for the distribution of items donated were not submitted.

Transfer Payments and NPO Management

- Inadequate capacity to effectively monitor transfer payments
- Policy on Financial Awards to the Non-profit Organisations in the Social Development Sector 2017/18 may be outdated or not relevant to current control environment.
- No monitoring (Financial Spending & Service) performed by the District Officials.
- Pertinent documents not attached to file.

Performance Information

- High vacancy rate in Strategic Management Unit.
- No sufficient Monitoring and Evaluation Officials at District offices, to implement performance information management effectively and efficiently.
- Inconsistencies in reporting and validation of performance indicator “Number of family members participating in family preservation services”.
- Misalignment between the Secondary Data Collection Tool and the Technical Indicator Description (TID).

Human Resources Management

- Incapacity leave applications not finalised within 30 days
- Discrepancies with leave application, submission, capturing and recording.
- Departmental registry not fully functional and secure

Key activities and objectives of the audit committee

- The Committee, comprised of five members with background knowledge of Accounting, Risk Management, Auditing as well as Legal.
- The Committee met a total of 7 times, the Chairperson attended 2 Audit Committee Chairpersons Forum meetings convened by Treasury.
- The Committee also assisted the Accounting Officer in implementing recommendations of Internal Audit reports, the Committee compiled and submitted quarterly reports to the Accounting Officer and the Executive Authority on responsibilities related to Governance, Risk and Internal Control in the Department.
- The Committee also evaluated the quarterly financial and performance reports.
- The Audit Committee is fulfilling its responsibilities according to the requirements of the PFMA and its approved Charter.

Meetings for 2023/24 financial year were held and attended as follows by members:

The tables below disclose relevant information on the Audit Committee members from 1 April 2023 to 31 March 2024.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr. M Mohlakoana	CIA	External	-	25 October 2021	-	6
Mr. S Ngwenya	CA(SA)	External	-	25 October 2021	-	6
Ms. L Sonqishe	Bachelor – Accounting Sciences,	External	-	25 October	-	7

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
	Masters: Business Administration			2021		
Adv. ST Kholong	LLB (Law), Project Management, Masters: Business Leadership	External	-	25 October 2021	-	7
Mr. ZW Ngququ	B Proc, Post graduate Diploma – Drafting and Interpretation of contracts	External	-	25 October 2021		7

12. AUDIT COMMITTEE REPORT

FINAL AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Shared Audit Committee (the Committee) is pleased to present its report for the financial year ended 31 March 2024.

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee hereby reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.10 to 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. However, the Committee has reviewed changes in accounting policies and practices.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Committee has members listed below and should meet at least four (4) times per annum as per its approved terms of charter, members met 7 times for the 2023/24 financial year:

Names	**Dates of Meetings**						
	18 April 2023	29 May 2023	27 July 2023	12 Sept 2023	21 Nov 2023	20 Feb 2024	12 March 2024
Mr. M Mohlakoana (Chairperson)	✢	✔	✔	✔	✔	✔	✔
Mr. S Ngwenya	✔ 🗗	✔	✔	✔	✔	✔	✢
Adv. ST Kholong	✔	✔	✔	✔	✔	✔	✔
Mr. ZW Ngququ	✔	✔	✔	✔	✔	✔	✔
Ms. L Sonqishe	✔	✔	✔	✔	✔	✔	✔

Legend:

✔ : Member attended the meeting
✢ : Member tendered an apology
🗗 : Member served as acting chairperson

In terms of Treasury Regulations 3.1.10, the audit committee has amongst others, reviewed the following:

(a) Effectiveness of the internal control systems;
(b) Effectiveness of the internal audit function;
(c) Risk areas of the institution's operations to be covered in the scope of internal and external audits;
(d) Adequacy, reliability and accuracy of the financial and performance information provided to management and other users of such information;
(e) Any accounting and auditing concerns identified as a result of internal and external audits;
(f) The department's compliance with legal and regulatory provisions and
(g) The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

THE EFFECTIVENESS OF INTERNAL CONTROL

The Committee has reviewed the reports of Management, Internal Auditors and Provincial Treasury. Based on the assurance provided by management and internal auditors, no material breakdown was reported in the system of internal control.

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

The following internal audit work was completed during the year under review:

- Quarterly Interim and Annual Financial Statements 2023/24
- Performance Information
- Control Self-assessment - SCM
- Transfer Payments and NPO Management
- Human Resources Management
- Follow-up on Auditor General's 2022/23 Audit and Management Reports and Internal Audit Findings.

The following are some of the issues that were raised in Internal Audit reports, most of these have been addressed:

Quarterly Interim and Annual Financial Statements 2023/24

- Accruals as at 31 December 2023 - there were invoices older than 30 days.
- The closing balance of R46,595,000 for major assets could not be agreed to the Asset Register (Worksheet REAL) total amount of R44,004,501. The difference amount to R 2,590, 499.
- According to the Asset Register as at 31st December 2023, (sheet: Subject to Verification) containers to the value of R 2,624,441, are yet to be verified before they could be included in the Asset Register.
- The closing balance of R27,748,000 could not be agreed to the Asset Register (Worksheet REAL) total amount R27,863,796.11.
- Assets donated amounting to R1,198,000 could not be agreed to major and minor assets disposals reported in note 38 (R676,000) and note 38.2 (R531,000) respectively.
- The statement of donations made by the Department as well as the register for the distribution of items donated were not submitted.

Transfer Payments and NPO Management

- Inadequate capacity to effectively monitor transfer payments

- Policy on Financial Awards to the Non-profit Organisations in the Social Development Sector 2017/18 may be outdated or not relevant to current control environment.
- Inadequate monitoring (Financial Spending & Service) performed by the District Officials.

Performance Information

- High vacancy rate in Strategic Management Unit.
- No sufficient Monitoring and Evaluation Officials at District offices, to implement performance information management effectively and efficiently.
- Inconsistencies in reporting and validation of performance indicator “Number of family members participating in family preservation services”.
- Misalignment between the Secondary Data Collection Tool and the Technical Indicator Description (TID).

Human Resources Management

- Incapacity leave applications not finalised within 30 days
- Discrepancies with leave application, submission, capturing and recording.
- Departmental registry not fully functional and secure.

Key activities and objectives of the Audit Committee

- The Committee, comprised of five members with background knowledge of Accounting, Risk Management, Auditing as well as Legal.
- The Committee met a total of 7 times, the Chairperson attended 2 Audit Committee Chairpersons Forum meetings convened by Treasury.
- The Committee also assisted the Accounting Officer in implementing recommendations of Internal Audit reports, the Committee compiled and submitted quarterly reports to the Accounting Officer and the Executive Authority on responsibilities related to Governance, Risk and Internal Control in the Department.
- The Committee also evaluated the quarterly financial and performance reports.
- The Audit Committee is fulfilling its responsibilities according to the requirements of the PFMA and its approved Charter.

THE COMMITTEE IDENTIFIED AND RAISED THE FOLLOWING MATTERS CONCERNING GOVERNANCE, RISK AND INTERNAL CONTROL (STANDARD 2450):

Status of Governance

The post of Head of Department was filled during the financial year, after being vacant and occupied on acting basis, the filing of the thereof resulted in leadership stability within the Department.

Human Resources capacity is still a challenge in the Department due to high vacancy rate, however the posts are occupied on acting capacity, there is a need to fill vacant funded posts, especially at service delivery level (Districts).

Risk Management

The Department filled the post of Chief Risk Officer, the vacancy rate remains high in the unit and the matter requires urgent attention. The Risk Committee is active and chaired by an independent Chairperson, all other members in the Committee are part of management.

Internal Control

Management not effectively addressing the key control environment issues over the past financial year.

Inadequate review on the system of internal control and compliance with laws and regulations which is not taking place continuously and throughout the whole Department.

Proper record keeping which is not maintained at District and NPO levels to ensure completeness, accuracy and availability of information.

It is noted that matters of audit and risk management are now forming part of contracts of senior managers. Internal Audit team assisted Performance Monitoring and Evaluation section with verification of primary source documents at Provincial level.

COMBINED ASSURANCE - STANDARD 2050

The Committee approved a Combined Assurance Framework and the Terms of Reference for the Combined Assurance Committee. Training on Integrated Combined Assurance was attended by the CAE and the Deputy Director.

QUALITY ASSURANCE REVIEW (QAR) - STANDARD 1300

The Department is currently finalising procurement processes to perform Quality Assurance Review by a qualified independent service provider.

THE QUALITY OF IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT.

The Audit Committee has reviewed all quarterly financial reports and is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer during the year under review.

The Committee has also reviewed the quarterly performance reports and notes that, although there are improvements in the management of performance information, there are areas which still require attention. The Committee notes the development of a system internally and by National Department of Social Development to manage performance information. The new system (eMEs) being ool;ed out by National Treasury is expected to improve control environment related to management of performance information, if correctly implemented.

EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has performed the following:

- reviewed and discussed the draft annual financial statements with the Accounting Officer, before submission to Auditor-General, these statements were prepared in accordance with the preparation guide and format supplied by National Treasury, in compliance with Modified Cash Standard as issued by National Treasury;
- reviewed the significant adjustments which resulted from the audit;
- has reviewed any changes in accounting policies and practices;
- has reviewed the department’s compliance with legal and regulatory provisions;
- reviewed the quality and timeliness of financial information submitted to the Committee during the year;
- has reviewed performance information to be included in the annual report, management attention is drawn to the stringent control measures required to ensure that performance information objectives are achieved on Usefulness and Reliability of information contained in the annual performance report, this can be achieved by ensuring that the validation process is credible, capacity is enhanced in District and all stakeholders expected to participate in the process do play their role.

EFFECTIVENESS OF INTERNAL AUDIT

The Audit Committee is satisfied that the Internal Audit and Risk Management functions are operating effectively, however, there are instances where matters raised by Internal Audit still need to be addressed by management. In some instances, the management responses on the Internal Audit reports did not sufficiently address the root causes. The Committee has continuously urged management to address the Internal Audit findings to ensure an improved internal control environment. The use of work of Internal Audit by the Auditor-General is noted. Capacity for audit of ICT environment will be considered.

Notwithstanding the capacity constraints within the unit, the Internal Audit Activity (IAA) operated and addressed some of the pertinent risk areas in its audit projects.

AUDITOR-GENERAL'S REPORT

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

Functional Area	% Progress	Details
Inadequate portfolio of evidence (POE's) submitted	50%	Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Management has developed an action plan to address the above control deficiencies which are being monitored monthly by Internal Control and Internal Audit.

PERFORMANCE INFORMATION

The Committee monitored implementation of the Department's Annual Performance Plan (APP) in order to achieve its strategic objectives and deliver on its mandate. The Committee is satisfied that the reports on performance information are a fair reflection of the operational status of the Department as set out in the Annual Performance Report.

RISK MANAGEMENT

The Department has a separate Risk Management Committee presided by an external independent Chairperson. The Risk Management Committee (RMC) provided oversight on the development and implementation of the risk management policies, the risk assessment process, the development of the strategic risk register and Business Continuity Plan. Management is ultimately responsible for maintaining an effective risk management process.

Based on the assessments by the Provincial Treasury, the Department's risk management processes and risk maturity levels are at an elementary stage. The Audit Committee expresses gratitude regarding finalisation of appointment of Chief Risk Officer, as well as the placement of 2 interns in the unit assisted to alleviate work pressures and addressing capacity challenges in the unit.

IN-YEAR MANAGEMENT AND QUARTERLY REPORT

During the year under review, the Department has submitted quarterly and mid-term reports to the Provincial Treasury as required by the PFMA and the Division of Revenue Act.

Given the volume of irregular expenditure reported thus far, the Committee has consistently urged management not only to identify, but to also tighten the controls around the prevention and detection thereof during the year.

EVALUATION OF THE FINANCIAL STATEMENTS

The Audit Committee reviewed the following:

- Annual Financial Statements for the year ended 31 March 2024 to be included in the annual report;
- Information of the audited performance information to be included in the 2023/24 annual report; and
- The Department's compliance with legal and regulatory provisions were reviewed during the cause of the year.

AUDITOR-GENERAL SOUTH AFRICA

The Audit Committee liaised with the Auditor-General South Africa (AGSA) during the year. We have reviewed the Department's implementation plan for audit findings raised in the previous year and we are satisfied that the matters have been, to a significant extent resolved, though resolved late in the financial year.

The Committee reviewed the AGSA's 2023/24 Regularity Audit Report before the audit was finalized.

CONCLUSION

The Committee would like to thank the Executive Authority, the Accounting Officer and Management, Provincial Treasury and Internal Audit team for their professionalism and support throughout the year.

Date: ________________

Mr. M Mohlakoana

Chairperson of the Audit Committee
Department of Social Development

Date: 31 July 2024

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion** *(include a discussion on your response and indicate what measures have been taken to comply)*
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not applicable to the Department of Social Development.
Developing and implementing a preferential procurement policy?	Yes	The Department has the SCM policy which encompasses the Preferential Procurement Framework.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable to the Department of Social Development.
Developing criteria for entering into partnerships with the private sector?	No	Not applicable to the Department of Social Development.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable to the Department of Social Development.

NOTES

PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

- **The status of human resources in the department.**

The Department of Social Development employed 1 859 staff members on a permanent, contract and temporary basis. In addition, PERSAL is used as a payment tool to pay the stipends of 219 Abnormal appointments comprising of the following categories:

- 86 Graduate Social Work Interns who were initially appointed as part of COVID Intervention,
- Additional 38 Graduate Social Work Interns who were recruited during 2023;
- Graduate Interns funded by the Department;
- Graduate Interns funded by HWSETA;
- TVET Learners funded by HWSETA
- EPWP Data Capturers

The department continued to fill vacant and funded posts within the allocated budget. In this regard, fourteen (14) nursing-related posts were prioritised and filled at the three institutions, namely Botshabelo Haven, Leratong and Tshireletsong Child and Youth Care Centres. In addition to the above, the post of Accounting Officer was filled in a permanent capacity with effect from 1 October 2023. Despite progress made, the department still experience a high vacancy rate in SMS, Supply Chain Management, Financial Services and Community Development Programme.

The overall turnover rate in the Department for the previous 4 financial years was as follows:

- 2023/24: 4,10%
- 2022/23: 3.6%.
- 2021/22: 3,8%,
- 2020/21: 8,9%

The highest number manifested in the occupational category of Social Work and Related Professionals. In this regard, a total number of sixteen (16) out of seventy-seven (77) service terminations were recorded. Of this number, there has been some staff members who were enticed and accepted posts in international world of market. To address an increased turn-over rate, the Department should implement its approved recruitment and selection policy which guides the recruitment and selection processes to curb the turnover rate and maintain it at a required rate.

The Department of Social Development remains a lead department in terms of diversity management and has the highest female SMS representation. Female representativity on senior management level comprise of 68% Women vs 32% Males. Regarding disability representation, the department has surpassed the national norm of 2% by appointing 5.7% (107) employees with disabilities across all levels including Senior Management echelons.

The Department has identified key priority areas as interventions to ensure that its workforce is highly skilled, capacitated and ready to implement its mandate accordingly. To this end, allocated training budget was R7.176 million for the year under review. Additional R2.631 million was received from HWSETA for Internship Programme and Work Integrated Learning (WIL) programme. The department appointed twenty (20) Graduate Interns, as well as thirty (30) TVET Learners, all funded by HWSETA. This is addition to twenty (20) graduate Interns funded through developmental programmes funded.

The Department has a significant growth in the past three years in terms of recruiting unemployed graduates/ interns and learners. This is a response to the government call of reducing the unemployment rate, particularly in the youth.

- **Human resource priorities for the year under review and the impact of these.**

The MTEF 2020/21-2022/23 identified the following five (5) priorities:

- Organizational Development and Design (Organizational structure review)
- Recruitment, Selection and Evaluation
- Training and Development
- Employment Equity
- Employee health and wellness

The impact of the above human resources priorities is discussed below:

HR Priority	Impact
Organizational Development and Design (Organizational structure review	The current organisational structure was approved on the 30th September 2013 and this is mostly aligned to the Generic Functional Structure as developed for the Department of Social Development during 2011. During the financial year under review, the department continued with the organizational structure review. The process is nearing completion.
Recruitment, Selection and Evaluation	The unavailability of critical skills invariably impacts on service delivery. Without requisite skills, the department will not be able to deliver on its mandate
Training and Development	People development is important because it will ensure that employees possess the necessary competencies to deliver services. Skilled employees will contribute to improved service delivery and mobility as per career development needs.
Employment Equity	This objective is aimed at realizing a workforce that is representative of the Free State population, through active implementation of the AA measures in the approved EE Plan and continuous effort to improve employment equity. Whilst the department is doing relatively well, there is a need to ensure representation of LGBTQI community
Employee health and wellness	Any employer of choice is measured against the success of the employee health and wellness programme. Departmentally this programme which relies on close co-operation with line management seeks to achieve a healthy and productive workforce.

Four (4) out of five (5) priorities were achieved, namely Recruitment, Selection and Evaluation; Training and Development; Employment Equity and Employee health and wellness. Review of the Organizational structure was not achieved.

The new MTEF HR Plan 2023-2027 identifies the following objectives:

HR Planning objectives	Functional Area
Fully implementation of the approved Organisational Structure and its maintenance Evaluation inclusive	Organisational development and change management
Ensure that the department has competent employees through continuous capacity development	HR Utilization and Development
To ensure that the required number of employees with the required skills are available when needed through recruitment and selection processes	HR Practices and Administration Services
Develop a multi-skilled, representative and flexible workforce Strengthen management capacity and the use of human resource evidence and information for effective decision making	HR Utilisation and Development/Training and Development
To ensure that the required number of employees with the required skills are available when needed through recruitment and selection processes.	HR Administration and Services
Implementation of Wellness programmes and employee relations disciplinary grievance, dispute procedure	Employee Health and Wellness and employee relations
Development, review, implementation and monitoring of Human Resource Plan, HR Policies, Procedures, guidelines and process flows	Human Resource Policy development

- **Workforce planning and key strategies to attract and recruit a skilled and capable workforce.**

The supply of social workers in the market is unfortunately lower than the demand of social workers given the social challenges faced by the country. Further to the above, the inception of prescripts like, Children’s Act; Older persons Act and many others, also contributed to the dire need of additional social workers in the department.

An amount of R3.806 million was added in 2023/24 for the appointment of 38 Social Workers on a contract basis. In the outer years the allocation is increased to R10.254 million and R10.254 million, respectively, for permanent appointments of the 38 Social Workers. Furthermore, an allocation of R2.8 million was added in the 2024/25 and 2025/26 financial years for the permanent appointment of 83 Social Workers who were appointed on contract during Covid-19.

- **Employee performance management**

During the year under review, the Department implemented the Performance Management Development System (PMDS) to contract and assess staff against the performance of the Department. Pay progressions were implemented as follows:

- Pay progressions loaded as part of September 2023 normal salaries;
- Out of the total staff complement of 1878 employees, 1757 (93%) officials were assessed. 121 assessments were not submitted.

- 334 OSD Officials did not receive pay progressions during 2022/23, as the system allows for bi-annual pay progressions.
- 21 officials were found to be partially effective
- 4 officials were found to be not effective
- 72 Officials are still on probation/received grade progression during the year under review.

- **Employee wellness programmes.**

With regards to Employee Health and Wellness programmes, the Department has dedicated unit to promote the health and well-being of the employees. Employee Assistance or Health Promotion Programme is available to all employees. The Department complied in terms of submitting mandatory reports to the DPSA in respect of the Employee Health and Wellness, as follows:

- Annual EHW Operational Plans were submitted to the DPSA on or before 31 March every financial year.
- Annual EHW Implementation Review Reports were submitted to the DPSA on or before 31 May every financial year.
- Annual EHW Systems Monitoring Tool (SMT) Reports were submitted to the DPSA on or before 30 June every financial year.

The Department received acknowledgement for consistent adherence on the prescribed due dates.

- **Highlight achievements and challenges faced by the department, as well as future human resource plans /goals.**

- The department is doing exceptionally well with regards to employment equity matters, both in terms of women representativity at 68% and disability at 5.7%.

The challenges included the following:

- The Department's organisational structure was last reviewed and approved on 30 September 2013;
- The department continues to operate with a high vacancy rate in its funded establishment and in addition, the vacancy rate in the finance section is at 45.59%, the vacancy rate in SCM is at 54.84% and the vacancy rate in the Children and Families programme is at 30% based on the analysis of the staff establishment for March 2024. The reason for this control deficiency is that the reduction in the baselines of the Department of Social Development had a serious impact in the ability of the department to fill all vacant posts.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

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)
Administration	336,957	223,729	0	0	66	385
Social Welfare Services	227,467	124,551	0	0	55	306
Children and Families	285,537	134,788	0	0	47	448
Restorative Services	210,348	176,955	0	0	84	409
Development & Research	147,736	118,725	0	0	80	334
Total as on Financial Systems (BAS)	**1,208,044**	**778,749**	**0**	**0**	**65**	**375**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Personnel Expenditure including Transfers (R'000)	% of Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	33,348	4	139	239,914
Skilled (Levels 3-5)	262,712	33	904	290,611
Highly skilled production (Levels 6-8)	271,946	34	559	486,487
Highly skilled supervision (Levels 9-12)	165,570	21	210	788,429
Senior management (Levels >= 13)	28,418	4	17	1,671,647
Contract (Levels 3-5)	3,053	0	12	254,417
Contract (Levels 6-8)	3,766	1	8	470,750
Contract (Levels 9-12)	6,630	1	7	947,143
Contract (Levels >= 13)	2,573	0	2	1,286,500
Abnormal Appointment	11,059	1	219	50,500
TOTAL	**789,076**	**100**	**2,078**	**379,730**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries (R'000)	Salaries as a % of Personnel Costs	Overtime (R'000)	Overtime as a % of Personnel Costs	HOA (R'000)	HOA as a % of Personnel Costs	Medical Aid (R'000)	Medical Aid as a % of Personnel Costs
Administration	174,704	77	2,073	1	9,319	4	19,247	9
Social Welfare Services	97,014	77	1,301	1	4,986	4	10,864	9
Children and Families	104,260	76	1,283	1	5,578	4	11,569	9
Restorative Services	133,894	75	2,264	1	7,888	4	17,647	10
Development & Research	89,443	74	188	0	6,517	5	12,304	10
TOTAL	**599,314**	**76**	**7,109**	**1**	**34,287**	**4**	**71,632**	**9**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Salaries (R'000)	Salaries as a % of Personnel Costs	Overtime (R'000)	Overtime as a % of Personnel Costs	HOA (R'000)	HOA as a % of Personnel Costs	Medical Aid (R'000)	Medical Aid as a % of Personnel Costs
Lower skilled (Levels 1-2), Permanent	21,715	65	244	1	2,615	8	5,560	17
Skilled (Levels 3-5), Permanent	178,922	68	4,185	2	16,954	6	37,692	14
Highly skilled production (Levels 6-8), Permanent	209,492	77	2,239	1	10,690	4	21,090	8
Highly skilled supervision (Levels 9-12), Permanent	138,412	83	419	0	3,552	2	6,694	4
Senior management (Levels >= 13), Permanent	25,025	87	0	0	389	1	296	1
Contract (Levels 3-5), Permanent	2,633	86	0	0	68	2	198	7
Contract (Levels 6-8), Permanent	3,637	96	23	1	20	1	40	1
Contract (Levels 9-12), Permanent	5,966	87	0	0	0	0	51	1
Contract (Levels >= 13), Permanent	2,453	94	0	0	0	0	12	1
Abnormal Appointment, Permanent	11,059	99	0	0	0	0	0	0
TOTAL	**599,314**	**76**	**7,109**	**1**	**34,287**	**4**	**71,632**	**9**

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of Posts on Approved Establishment	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Employees Additional to the Establishment
Administration	758	515	32	5
Social Welfare Services	387	275	29	6
Children and Families	429	301	30	0
Restorative Services	551	432	22	2
Development & Research	427	336	21	0
TOTAL	**2552**	**1859**	**27**	**13**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary Band	Number of Posts on Approved Establishment	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Employees Additional to the Establishment
Lower Skilled (Levels 1-2), Permanent	238	139	42	1
Skilled (Levels 3-5), Permanent	1126	904	20	6
Highly Skilled Production (Levels 6-8), Permanent	797	559	30	0

Salary Band	Number of Posts on Approved Establishment	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Employees Additional to the Establishment
Highly Skilled Supervision (Levels 9-12), Permanent	322	210	35	2
Senior Management (Levels >= 13), Permanent	39	17	56	0
Other, Permanent	1	1	0	0
Contract (Levels 3-5), Permanent	12	12	0	0
Contract (Levels 6-8), Permanent	8	8	0	1
Contract (Levels 9-12), Permanent	7	7	0	3
Contract (Levels >= 13), Permanent	2	2	0	0
TOTAL	**2552**	**1859**	**27**	**13**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Critical Occupation	Number of Posts on Approved Establishment	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Employees Additional to the Establishment
Administrative Related, Permanent	178	178	0	2
Auxiliary and Related Workers, Permanent	96	96	0	3
Cleaners in Offices Workshops Hospitals Etc., Permanent	161	161	0	0
Client Inform Clerks(Switchb Recept Inform Clerks), Permanent	15	15	0	0
Communication and Information Related, Permanent	3	3	0	0
Community Development Workers, Permanent	81	81	0	0
Finance and Economics Related, Permanent	8	8	0	0
Financial and Related Professionals, Permanent	13	13	0	1
Financial Clerks and Credit Controllers, Permanent	23	23	0	0
Food Services Aids and Waiters, Permanent	8	8	0	0
Head Of Department/Chief Executive Officer, Permanent	1	1	0	0
Health Sciences Related, Permanent	2	2	0	0
Household Food and Laundry Services Related, Permanent	28	28	0	0
Housekeepers Laundry and Related Workers, Permanent	3	3	0	0
Human Resources & Organisat Developm & Relate Prof, Permanent	1	1	0	0
Human Resources Clerks, Permanent	9	9	0	0
Human Resources Related, Permanent	5	5	0	0
Information Technology Related, Permanent	9	9	0	0
Legal Related, Permanent	1	1	0	0
Light Vehicle Drivers, Permanent	16	16	0	0
Logistical Support Personnel, Permanent	15	15	0	0
Material-Recording and Transport Clerks, Permanent	11	11	0	0
Messengers Porters And Deliverers, Permanent	234	234	0	1
Not Available, Permanent	694	1	100	0
Nursing Assistants, Permanent	22	22	0	3
Occupational Therapy*, Permanent	2	2	0	0
Other Administrat & Related Clerks and Organisers,	65	65	0	1

Critical Occupation	Number of Posts on Approved Establishment	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Employees Additional to the Establishment
Permanent				
Other Administrative Policy and Related Officers, Permanent	3	3	0	0
Physiotherapy, Permanent	1	1	0	0
Professional Nurse, Permanent	18	18	0	0
Risk Management and Security Services, Permanent	1	1	0	0
Secretaries & Other Keyboard Operating Clerks, Permanent	4	4	0	0
Security Officers, Permanent	290	290	0	0
Senior Managers, Permanent	14	14	0	0
Social Sciences Related, Permanent	1	1	0	0
Social Work and Related Professionals, Permanent	384	384	0	2
Staff Nurses and Pupil Nurses, Permanent	12	12	0	0
Trade/Industry Advisers & Other Related Profession, Permanent	2	2	0	0
Youth Workers, Permanent	118	118	0	0
TOTAL	**2552**	**1859**	**27**	**13**

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2024

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
Head of Department Salary Level 16	1	1	100%	0	0%
Salary Level 15	0	0	0%	0	0%
Salary Level 14	6	3	50%	3	50%
Salary Level 13	20	13	65%	7	35%
Total	**27**	**17**	**63%**	**10**	**37%**

Table 3.3.2 SMS post information as on 30 September 2023

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
Head of Department Salary Level 16	1	0	0%	1	100%
Salary Level 15	0	0	0%	0	0%
Salary Level 14	6	4	67%	2	33%
Salary Level 13	20	14	70%	6	30%
Total	**27**	**18**	**67%**	**10**	**33%**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

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 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department Salary Level 16	0	0	1

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 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Salary Level 15	0	0	0
Salary Level 14	1	0	0
Salary Level 13	1	0	0
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 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
The department has been experiencing a number of financial challenges arising from budget cuts that were implemented on COE as follows: R101.035 million for 2021/22, R136.685 million for 2022/23 and R87.517 million for 2023/24.
During the period under review, the department advertised 8 SMS posts, namely: *1. Head of Department* *2. Chief Director Specialist Social Services* *3. Director Special Needs* *4. Director Children* *5. Director NPO Institutional Capacity Building and Support* *6. District Director Mangaung* *7. Director Youth Development, and* *8. Director Security Administration, Anti-Fraud and Corruption.* *Only one post was filled during the year under review, namely Head of Department. The remaining 7 posts are in the process of selection (shortlisted). The austerity measures were introduced on 1 November 2023, and the department subjected the posts to the process outlined in DPSA 49 of 2023.*

Reasons for vacancies not filled within twelve months
The department has been experiencing a number of financial challenges arising from budget cuts that were implemented on COE as follows: R101.035 million for 2021/22, R136.685 million for 2022/23 and R87.517 million for 2023/24.
The austerity measures were introduced on 1 November 2023, and the department subjected the posts to the process outlined in DPSA 49 of 2023.

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 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within six months
N/A

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Number of Posts on Approved Establishment	Number of Jobs Evaluated	% of Posts Evaluated by Salary Bands	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower Skilled (Levels 1-2)	238	0	0	0	0	0	0
Skilled (Levels 3-5)	1126	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	797	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	322	0	0	0	0	0	0
Senior Management Service Band A	31	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Other	1	0	0	0	0	0	0
Contract (Levels 3-5)	12	0	0	0	0	0	0
Contract (Levels 6-8)	8	0	0	0	0	0	0
Contract (Levels 9-12)	7	0	0	0	0	0	0
Contract Band A	1	0	0	0	0	0	0
Contract Band D	1	0	0	0	0	0	0
TOTAL	**2552**	**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 2023 and 31 March 2024

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 disabilities	0	0	0	0	0

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Department
N/A					

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2), Permanent	167	0	3	2
Skilled (Levels 3-5), Permanent	895	12	21	2
Highly Skilled Production (Levels 6-8), Permanent	575	6	20	4

Salary Band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Highly Skilled Supervision (Levels 9-12), Permanent	210	2	6	3
Senior Management Service Band A Permanent	18	0	3	17
Senior Management Service Band B Permanent	5	0	2	40
Senior Management Service Band D Permanent	1	0	1	100
Other, Permanent	1	0	0	0
Contract (Levels 3-5), Permanent	7	8	8	114
Contract (Levels 6-8), Permanent	10	6	6	60
Contract (Levels 9-12), Permanent	7	3	6	86
Contract Band A Permanent	2	0	1	50
Contract Band D Permanent	0	1	0	0
TOTAL	**1898**	**38**	**77**	**4**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical Occupation	Number of employees at beginning of period- 1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	187	8	14	8
Auxiliary and Related Workers Permanent	97	0	9	9
Cleaners in Offices Workshops Hospitals Etc. Permanent	168	0	5	3
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	15	1	0	0
Communication and Information Related Permanent	4	1	2	50
Community Development Workers Permanent	79	2	0	0
Finance and Economics Related Permanent	7	1	0	0
Financial and Related Professionals Permanent	12	0	0	0
Financial Clerks and Credit Controllers Permanent	24	1	0	0
Food Services Aids and Waiters Permanent	8	0	2	25
Head of Department/Chief Executive Officer Permanent	0	1	0	0
Health Sciences Related Permanent	2	0	0	0
Household Food and Laundry Services Related Permanent	28	0	0	0
Housekeepers Laundry and Related Workers Permanent	3	0	0	0
Human Resources & Organisat Developm & Relate Prof Permanent	1	0	0	0
Human Resources Clerks Permanent	9	1	0	0
Human Resources Related Permanent	5	0	0	0
Information Technology Related Permanent	9	0	0	0
Legal Related Permanent	0	1	0	0
Light Vehicle Drivers Permanent	15	1	0	0
Logistical Support Personnel Permanent	14	1	0	0
Material-Recording and Transport Clerks Permanent	8	1	2	25
Messengers Porters and Deliverers Permanent	239	1	3	1
Not Available Permanent	1	0	0	0
Nursing Assistants Permanent	19	6	3	16
Occupational Therapy* Permanent	2	0	0	0

Critical Occupation	Number of employees at beginning of period- 1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Other Administrat & Related Clerks and Organisers Permanent	67	4	6	9
Other Administrative Policy and Related Officers Permanent	3	0	0	0
Other Occupations Permanent	1	0	1	100
Physiotherapy Permanent	1	0	0	0
Professional Nurse Permanent	14	4	0	0
Psychologists And Vocational Counsellors Permanent	1	0	1	100
Risk Management and Security Services Permanent	1	0	0	0
Secretaries & Other Keyboard Operating Clerks Permanent	4	0	4	100
Security Officers Permanent	290	0	3	1
Senior Managers Permanent	19	0	4	21
Social Sciences Related Permanent	1	0	0	0
Social Work and Related Professionals Permanent	403	0	16	4
Staff Nurses and Pupil Nurses Permanent	8	3	0	0
Trade/Industry Advisers & Other Related Profession Permanent	2	0	0	0
Youth Workers Permanent	127	0	2	2
TOTAL	**1898**	**38**	**77**	**4**

Table 3.5.3 Reasons why staff left the department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death, Permanent	7	9
Resignation, Permanent	28	36
Expiry of contract, Permanent	20	26
Dismissal-misconduct, Permanent	3	4
Retirement, Permanent	19	25
TOTAL	**77**	**100**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of Employees at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by Occupation	Progressions to another Notch within a Salary Level	Notch Progression as a % of Employees by Occupation
Administrative Related	187	0	0	102	55
Auxiliary and Related Workers	97	0	0	23	24
Building and Other Property Caretakers	0	0	0	3	0
Cleaners in Offices Workshops Hospitals Etc.	168	0	0	134	80
Client Inform Clerks (Switchb Recept Inform Clerks)	15	0	0	8	53
Communication and Information Related	4	0	0	2	50
Community Development Workers	79	0	0	21	27
Finance and Economics Related	7	0	0	4	57
Financial and Related Professionals	12	0	0	7	58
Financial Clerks and Credit Controllers	24	0	0	27	113
Food Services Aids and Waiters	8	0	0	3	38

Occupation	Number of Employees at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by Occupation	Progressions to another Notch within a Salary Level	Notch Progression as a % of Employees by Occupation
Health Sciences Related	2	0	0	0	0
Household and Laundry Workers	0	0	0	7	0
Household Food and Laundry Services Related	28	0	0	16	57
Housekeepers Laundry and Related Workers	3	0	0	3	100
Human Resources & Organisat Developm & Relate Prof	1	0	0	4	400
Human Resources Clerks	9	0	0	14	156
Human Resources Related	5	0	0	4	80
Information Technology Related	9	0	0	7	78
Legal Related	0	0	0	1	0
Library Mail and Related Clerks	0	0	0	10	0
Light Vehicle Drivers	15	0	0	8	53
Logistical Support Personnel	14	0	0	6	43
Material-Recording and Transport Clerks	8	1	13	10	125
Messengers Porters And Deliverers	239	0	0	168	70
Not Available	1	0	0	0	0
Nursing Assistants	19	0	0	5	26
Occupational Therapy*	2	0	0	1	50
Other Administrat & Related Clerks and Organisers	67	0	0	57	85
Other Administrative Policy and Related Officers	3	0	0	8	267
Other Information Technology Personnel.	0	0	0	3	0
Other Occupations	1	0	0	0	0
Physiotherapy	1	0	0	0	0
Probation Workers	0	0	0	1	0
Professional Nurse	14	0	0	6	43
Psychologists and Vocational Counsellors	1	0	0	0	0
Risk Management and Security Services	1	1	100	0	0
Secretaries & Other Keyboard Operating Clerks	4	0	0	9	225
Security Guards	0	0	0	2	0
Security Officers	290	0	0	151	52
Senior Managers	19	0	0	7	37
Social Sciences Related	1	0	0	1	100
Social Sciences Supplementary Workers	0	0	0	21	0
Social Work and Related Professionals	403	0	0	144	36
Staff Nurses and Pupil Nurses	8	0	0	0	0
Trade/Industry Advisers & Other Related Profession	2	0	0	0	0
Youth Workers	127	0	0	18	14
TOTAL	**1898**	**2**	**0**	**1026**	**54**

Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Number of Employees at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by Salary Band	Progressions to another Notch within a Salary Level	Notch Progression as a % of Employees by Salary Band
Lower Skilled (Levels 1-2), Permanent	167	0	0	115	69
Skilled (Levels 3-5), Permanent	895	0	0	522	58
Highly Skilled Production (Levels 6-8), Permanent	575	1	0	277	48
Highly Skilled Supervision (Levels 9-12), Permanent	210	1	1	95	45
Senior Management (Levels >= 13), Permanent	24	0	0	12	50
Other, Permanent	1	0	0	0	0
Contract (Levels 3-5), Permanent	7	0	0	1	14
Contract (Levels 6-8), Permanent	10	0	0	3	30
Contract (Levels 9-12), Permanent	7	0	0	1	14
Contract (Levels >= 13), Permanent	2	0	0	0	0
TOTAL	**1898**	**2**	**0**	**1026**	**54**

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 2024

Occupational Category	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Officials and Managers	3	1	0	4	0	8	1	0	9	0	13
Professionals	134	1	0	135	1	406	15	0	421	9	566
Technicians and Associate Professionals	112	2	0	114	2	198	5	0	203	10	329
Clerks	58	1	1	60	2	106	3	0	109	6	177
Service Shop and Market Sales Workers	197	3	0	200	0	167	1	0	168	0	368
Plant and Machine Operators And Assemblers	19	0	0	19	0	1	0	0	1	0	20
Labourers and Related Workers	111	2	0	113	0	271	1	0	272	0	385
Professionals	1	0	0	1	0	0	0	0	0	0	1
TOTAL	**635**	**10**	**1**	**646**	**5**	**1157**	**26**	**0**	**1183**	**25**	**1859**
Employees with disabilities	52	0	0	52	0	54	0	0	54	1	107

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Management, Permanent	4	1	0	5	0	11	1	0	12	0	17
Profesionally qualified and experienced specialists and mid-management, Permanent	56	1	0	57	2	132	8	0	140	11	210
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	164	0	1	165	3	365	12	0	377	14	559
Semi-skilled and discretionary decision making, Permanent	364	8	0	372	0	527	5	0	532	0	904
Unskilled and defined decision making, Permanent	37	0	0	37	0	102	0	0	102	0	139
Not Available, Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Professionaly Qualified), Permanent	3	0	0	3	0	4	0	0	4	0	7
Contract (Skilled Technical), Permanent	1	0	0	1	0	7	0	0	7	0	8
Contract (Semi-Skilled), Permanent	4	0	0	4	0	8	0	0	8	0	12
TOTAL	**635**	**10**	**1**	**646**	**5**	**1 157**	**26**	**0**	**1 183**	**25**	**1 859**

Table 3.6.3 Recruitment for the period 1 April 2023 and 31 March 2024

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Professionally qualified and experienced specialists and mid-management, Permanent	0	0	0	0	0	2	0	0	2	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	0	0	1	0	5	0	0	5	0	6
Semi-skilled and discretionary decision making, Permanent	2	0	0	2	0	10	0	0	10	0	12
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	2	0	0	2	0	1	0	0	1	0	3
Contract (Skilled technical), Permanent	1	0	0	1	0	5	0	0	5	0	6

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Contract (Semi-skilled), Permanent	2	0	0	2	0	6	0	0	6	0	8
TOTAL	**9**	**0**	**0**	**9**	**0**	**29**	**0**	**0**	**29**	**0**	**38**

Table 3.6.4 Promotions for the period 1 April 2023 and 31 March 2024

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Senior Management, Permanent	4	0	0	4	0	8	0	0	8	0	12
Professionally qualified and experienced specialists and mid-management, Permanent	33	0	0	33	0	55	2	0	57	6	96
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	87	0	1	88	2	173	5	0	178	10	278
Semi-skilled and discretionary decision making, Permanent	183	6	0	189	0	330	3	0	333	0	522
Unskilled and defined decision making, Permanent	30	0	0	30	0	85	0	0	85	0	115
Contract (Professionally qualified), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Skilled technical), Permanent	0	0	0	0	0	3	0	0	3	0	3
Contract (Semi-skilled), Permanent	0	0	0	0	0	1	0	0	1	0	1
TOTAL	**337**	**6**	**1**	**344**	**2**	**656**	**10**	**0**	**666**	**16**	**1028**
Employees with disabilities	43	0	0	43	0	40	0	0	40	0	83

Table 3.6.5 Terminations for the period 1 April 2023 and 31 March 2024

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	0	0	0	0	0	1	0	0	1	0	1
Senior Management, Permanent	2	0	0	2	0	3	0	0	3	0	5
Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	4	0	2	0	0	2	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2	0	0	2	0	15	1	0	16	2	20
Semi-skilled and discretionary decision making, Permanent	8	0	0	8	0	12	0	0	12	1	21
Unskilled and defined decision making, Permanent	0	0	0	0	0	3	0	0	3	0	3
Contract (Senior Management), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Professionally qualified), Permanent	2	0	0	2	0	4	0	0	4	0	6
Contract (Skilled technical), Permanent	0	0	0	0	0	6	0	0	6	0	6

Occupational Band	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Contract (Semi-skilled), Permanent	3	0	0	3	0	5	0	0	5	0	8
TOTAL	**21**	**0**	**0**	**21**	**0**	**52**	**1**	**0**	**53**	**3**	**77**
Employees with disabilities	1	0	0	1	0	2	0	0	2	0	3

Table 3.6.6 Disciplinary action for the period 1 April 2023 and 31 March 2024

Disciplinary Action	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
N/A											

Table 3.6.7 Skills development for the period 1 April 1 April 2023 and 31 March 2024

Occupational Category	Males					Females					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Legislators, Senior Officials and Managers	6	3	0	9	0	5	1	0	6	0	15
Professionals	29	0	0	29	0	65	0	0	65	0	94
Technicians and Associate Professionals	4	0	0	4	0	10	0	0	10	0	14
Clerks	26	0	0	26	0	28	0	0	28	1	55
Service and Sales Workers	15	0	0	15	0	13	0	0	13	0	28
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	6	0	0	6	0	0	0	0	0	0	6
Elementary Occupations	20	0	0	20	0	7	0	0	7	0	27
Employees with disabilities (Included in totals above)	6	0	0	0	0	6	0	0	0	0	12
TOTAL	**106**	**3**	**0**	**109**	**0**	**128**	**1**	**0**	**129**	**1**	**239**

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2024

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 Salary Level 16	0	0	0	0%
Salary Level 15	0	0	0	0%
Salary Level 14	6	5	5	100%
Salary Level 13	23	15	15	100%
Total	**29**	**20**	**20**	**100%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024

Reasons
N/A

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024

Reasons
N/A

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 and 31 March 2024

Race and Gender	Number of Beneficiaries	Number of Employees	% of Total within Group	Total Cost (R'000)	Average Cost per Employee (R)
African, Female	0	1103	0	0	0
African, Male	0	583	0	0	0
Asian, Female	0	0	0	0	0
Asian, Male	0	1	0	0	0
Coloured, Female	0	26	0	0	0
Coloured, Male	0	10	0	0	0
Total Blacks, Female	**0**	**1129**	**0**	**0**	**0**
Total Blacks, Male	**0**	**594**	**0**	**0**	**0**
White, Female	0	24	0	0	0
White, Male	0	5	0	0	0
Employees with a disability	0	107	0	0	0
TOTAL	**0**	**1859**	**0**	**0**	**0**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 and 31 March 2024

Salary Band	Number of Beneficiaries	Number of Employees	% of Total within Salary Band	Total Cost (R'000)	Average Cost per Employee (R)
Lower Skilled (Levels 1-2)	0	139	0	0	0
Skilled (Levels 3-5)	0	904	0	0	0
Highly Skilled Production (Levels 6-8)	0	559	0	0	0
Highly Skilled Supervision (Levels 9-12)	0	210	0	0	0
Other	0	1	0	0	0
Contract (Levels 3-5)	0	12	0	0	0
Contract (Levels 6-8)	0	8	0	0	0
Contract (Levels 9-12)	0	7	0	0	0
TOTAL	**0**	**1840**	**0**	**0**	**0**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 and 31 March 2024

Critical Occupation	Number of Beneficiaries	Number Of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee (R)
Financial Clerks and Credit Controllers	0	23	0	0	0
Household Food and Laundry Services Related	0	28	0	0	0
Human Resources Clerks	0	9	0	0	0
Security Officers	0	290	0	0	0
Messengers Porters And Deliverers	0	234	0	0	0
Human Resources & Organisat Developm & Relate Prof	0	1	0	0	0
Risk Management and Security Services	0	1	0	0	0
Social Sciences Related	0	1	0	0	0
Finance and Economics Related	0	8	0	0	0
Logistical Support Personnel	0	15	0	0	0
Occupational Therapy*	0	2	0	0	0
Other Administrat & Related Clerks and Organisers	0	65	0	0	0
Housekeepers Laundry and Related Workers	0	3	0	0	0
Auxiliary and Related Workers	0	96	0	0	0
Legal Related	0	1	0	0	0
Financial and Related Professionals	0	13	0	0	0
Not Available	0	1	0	0	0
Administrative Related	0	178	0	0	0
Communication and Information Related	0	3	0	0	0
Secretaries & Other Keyboard Operating Clerks	0	4	0	0	0
Cleaners in Offices Workshops Hospitals Etc.	0	161	0	0	0
Human Resources Related	0	5	0	0	0
Trade/Industry Advisers & other Related Profession	0	2	0	0	0
Head Of Department/Chief Executive Officer	0	1	0	0	0
Physiotherapy	0	1	0	0	0
Social Work and Related Professionals	0	384	0	0	0
Youth Workers	0	118	0	0	0
Material-Recording and Transport Clerks	0	11	0	0	0
Other Administrative Policy and Related Officers	0	3	0	0	0
Professional Nurse	0	18	0	0	0
Senior Managers	0	14	0	0	0
Client Inform Clerks(Switchb Recept Inform Clerks)	0	15	0	0	0
Light Vehicle Drivers	0	16	0	0	0
Health Sciences Related	0	2	0	0	0
Food Services Aids and Waiters	0	8	0	0	0
Nursing Assistants	0	22	0	0	0
Community Development Workers	0	81	0	0	0
Information Technology Related	0	9	0	0	0

Critical Occupation	Number of Beneficiaries	Number Of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee (R)
Staff Nurses and Pupil Nurses	0	12	0	0	0
TOTAL	**0**	**1859**	**0**	**0**	**0**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 and 31 March 2024

Salary Band	Number of Beneficiaries	Number Of Employees	% Of Total Within Salary Band	Total Cost (R'000)	Average Cost Per Employee (R)	Total Cost As A % Of The Total Personnel Expenditure
Band A	0	15	0	0	0	0
Band B	0	3	0	0	0	0
Band D	0	1	0	0	0	0
TOTAL	**0**	**19**	**0**	**0**	**0**	**0**

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employment at Beginning of Period	% of Total at Beginning of Period	Employment at End of Period	% of Total at End of Period	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Highly skilled production (Levels 6-8)	0	0	0	0	0	0	1	0	- 1
Highly skilled supervision (Levels 9-12)	1	100	0	0	- 1	100	1	0	- 1
Other	0	0	0	0	0	0	1	0	- 1
Skilled (Levels 3-5)	0	0	0	0	0	0	1	0	- 1
TOTAL	**1**	**100**	**0**	**0**	**- 1**	**100**	**1**	**0**	**- 1**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Major Occupation	Employment at Beginning of Period	% of Total at Beginning of Period	Employment at End of Period	% of Total at End of Period	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Administrative office workers	0	0	0	0	0	0	1	0	- 1
Professionals and managers	1	100	0	0	- 1	100	1	0	- 1
Social natural technical and medical sciences+supp	0	0	0	0	0	0	1	0	- 1
TOTAL	**1**	**100**	**0**	**0**	**- 1**	**100**	**1**	**0**	**- 1**

Leave utilisation

Table 3.9.3 Sick leave for the period 1 January 2023 to 31 December 2023

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)
Contract (Levels 13-16)	8	88	2	0	4	34
Contract (Levels 3-5)	62	90	9	1	7	64
Contract (Levels 6-8)	58	90	8	1	7	84
Contract (Levels 9-12)	52	87	8	1	7	161

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)
Highly skilled production (Levels 6-8)	4592	78	487	31	9	7 686
Highly skilled supervision (Levels 9-12)	1615	81	180	12	9	4 607
Lower skilled (Levels 1-2)	1189	87	135	9	9	792
Senior management (Levels 13-16)	128	81	17	1	8	638
Skilled (Levels 3-5)	6087	81	715	46	9	5 487
TOTAL	**13791**	**81**	**1561**	**100**	**9**	**19 554**

Table 3.9.4 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)
Highly skilled production (Levels 6-8)	417	100	17	28	25	745
Highly skilled supervision (Levels 9-12)	174	100	5	8	35	566
Lower skilled (Levels 1-2)	267	100	6	10	45	197
Skilled (Levels 3-5)	688	100	33	54	21	649
TOTAL	**1546**	**100**	**61**	**100**	**25**	**2157**

Table 3.9.5 Annual Leave for the period 1 January 2023 to 31 December 2023

Salary Band	Total Days Taken	Number of Employees using Annual Leave	Average per Employee
Contract (Levels 1-2)	1	1	1
Contract (Levels 13-16)	14	3	5
Contract (Levels 3-5)	137	12	11
Contract (Levels 6-8)	100	9	11
Contract (Levels 9-12)	86	10	9
Highly skilled production (Levels 6-8)	14598	576	25
Highly skilled supervision (Levels 9-12)	5696	214	27
Lower skilled (Levels 1-2)	3668	166	22
Senior management (Levels 13-16)	524	23	23
Skilled (Levels 3-5)	22275	898	25
TOTAL	**47099**	**1912**	**25**

Table 3.9.6 Capped leave for the period 1 January 2023 to 31 December 2023

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 at End of Period
Contract (Levels 13-16)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	5	3	2	25
Highly skilled supervision (Levels 9-12)	4	2	2	16
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	34

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 at End of Period
Skilled (Levels 3-5)	1	1	1	31
TOTAL	**10**	**6**	**2**	**24**

Table 3.9.7 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total Estimated Amount (R'000)	Number of Employees	Estimated Average per Employee (R)
Annual - Discounting with Resignation (Workdays)	360	14	25 714
Annual - Discounting: Contract Expiry (Workdays)	411	13	31 615
Annual - Gratuity: Death/Retirement/Medical Retirement (Work	987	26	37 962
Capped - Gratuity: Death/Retirement/Medical Retirement (Work	762	17	44 824
TOTAL	**2 520**		
Leave Payouts (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701	**2 528**	**53**	

3.10 HIV/AIDS & Health Promotion Programmes

Table 3.10.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	

Table 3.10.2 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.	X		Mr F Finger
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Employee Health and Wellness Unit, 4x Budget of R10 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.	X		Health Screening for employees, Know Your HIV Status Campaign, Health Dialogues
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Committees have been established at the district level and they facilitate own programmes with the support of other key internal and external stakeholders
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		HIV, AIDS &STI Policy Health and Productivity Management Wellness Management Policy Occupational Health and Safety Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Advocacy Confidentiality Disclosure Referrals
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		Officials voluntarily go for workplace testing and no names are disclosed by the external service provider who conducts the testing.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Activities with targets on employees reached on health promotion as part of the Operational Plans & Quarterly reporting

3.11 Labour Relations

Table 3.11.1 Collective agreements for the period 1 April 2023 and 31 March 2024

Subject matter	Date
Resolution 1 of 2023, amendment of Resolution 01 of 2022 agreement on the provision of Uniform for Nurses in the Public Health and Social Development Sector. (PHSDSBC)	04/10/2023
Resolution 2 of 2023- Agreement on Provision of Token of Appreciation to all Qualifying Department of Health and Social Development Employees. (PHSDSBC)	07/11/2023
Resolution 3 of 2023 Enforcement of Collective Agreements in the Public Service. (PSCBC)	13/07/2023

Table 3.11.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	5	29,41
Verbal warning	2	11,76
Written warning	0	0
Final written warning	3	17,64
Suspended without pay	1	5,88
Fine	0	0
Demotion	0	0
Dismissal	3	17,64
Not guilty	0	0
Case withdrawn	3	17,64
Total	**17**	**100**

Table 3.11.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Abscondment	2	8,69
Absenteeism	4	17,39
Contraventions of Regulations	7	30,43
Poor work Performance	3	13,04
Dishonesty	1	4,34
Insubordination	2	8,69
Theft	2	8,69
Assault	2	8,69
Total	**23**	**100**

Table 3.11.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	26	66,67
Number of grievances not resolved	13	33,33
Total number of grievances lodged	**39**	**100**

Table 3.11.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	8	80
Number of disputes dismissed	2	20
Total number of disputes lodged	**10**	**100**

Table 3.11.6 Strike actions for the period 1 April 2023 and 31 March 2024

Total number of persons working days lost	**0**
Total costs working days lost	**0**
Amount recovered as a result of no work no pay (R'000)	**0**

Table 3.11.7 Precautionary suspensions for the period 1 April 1 April 2023 and 31 March 2024

Number of people suspended	**07**
Number of people who's suspension exceeded 30 days	**06**
Average number of days suspended	**100**
Cost of suspension(R'000)	**R1 199 861.64**

3.12 Skills development

Table 3.12.1 Training needs identified for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	20	0	Managing performance SCM Ethics	Project and programmes Disaster Management	20
	Male	12	0	Change Management Disability Management		12
Professionals	Female	139	0	Ethics Supervisory Public Admin Play therapy	First AID Basic M&E Mental Health IIA CPD points	139
	Male	29	0	Change Management	Trauma counselling	29
Technicians and associate professionals	Female	16	0	Cyber Security Managing Performance		16
	Male	12	0			12
Clerks	Female	98	0	Ethics SCM Public Admin	CIP First aid Basic M&E	98
	Male	33	0			33
Service and sales workers	Female	13	0	Ethics Public Admin	CIP	13
	Male	13	0			13
Skilled agriculture and fishery workers	Female	0	0			0
	Male	0	0			0
Craft and related trades workers	Female	0	0			0
	Male	0	0			0
Plant and machine operators and assemblers	Female	0	0			0
	Male	12	0	Ethic	CIP	12
Elementary occupations	Female	0	0			0
	Male	2	0			2
Sub Total	**Female**	**286**	0			**286**
	Male	**113**	0			**113**
Total		**399**	0			**399**

Table 3.12.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	Project and programme		6
	Male	9	0	SCM Avoiding irregular		9
Professionals	Female	65	0	Disaster Management	Ethics	65
	Male	29	0	Conflict		29
Technicians and associate professionals	Female	10	0	Ethics		10
	Male	4	0			4
Clerks	Female	29	0	Conflict Management	Emotional Intelligence	29
	Male	26	0	Ethics	Public Admin	26
Service and sales workers	Female	13	0	Supervisory		13
	Male	15	0	Public Admin		15
Skilled agriculture and fishery workers	Female	0	0			0
	Male	0	0			0
Craft and related trades workers	Female	0	0			0
	Male	0	0			0
Plant and machine operators and assemblers	Female	0	0			0
	Male	6	0	Plumbing Ethics		6
Elementary occupations	Female	7	0	Plumbing Ethics		7
	Male	20	0			20
Sub Total	Female	**130**				**130**
	Male	**109**				**109**
Total		**239**				**239**

3.13 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.13.1 Injury on duty for the period 1 April 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	20
Temporary Total Disablement	4	80
Permanent Disablement	0	0
Fatal	0	0
Total	**5**	**100**

3.14 Utilisation of Consultants

Table 3.14.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024

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 3.14.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

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 3.14.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

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 3.14.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

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

3.15 Severance Packages

Table 3.15.1 Granting of employee initiated severance packages for the period 1 April 2023 and 31 March 2024

Category	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by Department
None				

NOTES

PART E:

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	107,996	119,573
Adjustment to opening balance		3,069
Opening balance as restated		
Add: Irregular expenditure confirmed	205	15,639
Less: Irregular expenditure condoned		
Less: Irregular expenditure not condoned and removed	(62,485)	(30,315)
Less: Irregular expenditure recoverable[1]		
Less: Irregular expenditure not recoverable and written off		
Closing balance	**45,686**	**107,966**

Reconciling notes

Description	2023/2024	2022/2023[2]
	R'000	R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	2,885
Irregular expenditure for the current year	205	12,754
Total	**205**	**15,639**

Included in the **Irregular expenditure that relates to the prior year and identified in the current year** is the amount of R28,646.40 that relates to the 2022/2023 financial year and was identified during the 2023/2024 Audit.

b) Details of irregular expenditure (under assessment, determination, and investigation)

Description[3]	2023/2024	2022/2023
	R'000	**R'000**
Irregular expenditure under assessment	0	3,069
Irregular expenditure under determination	3,069	2,473
Irregular expenditure under investigation	5,688	0
Total	**8,757**	**5,542**

[1] Transfer to receivables
[2] Record amounts in the year in which it was incurred
[3] Group similar items

c) **Details of irregular expenditure condoned**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	0	0
Total	**0**	**0**

d) **Details of irregular expenditure removed - (not condoned)**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	62,485	30,315
Total	**62,485**	**30,315**

e) **Details of irregular expenditure recoverable**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	0	0
Total	**0**	**0**

f) **Details of irregular expenditure written off (irrecoverable)**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	0	0
Total	**0**	**0**

Additional disclosure relating to Inter-Institutional Arrangements

g) **Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)**

Description
None

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)[4]

Description	2023/2024	2022/2023
	R'000	R'000
None		

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Officials responsible for irregular expenditure were served with written warnings and final written warnings
Three cases have been referred to Law Enforcement Agencies

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	14,999	36,163
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed		13,847
Less: Fruitless and wasteful expenditure recoverable[5]		
Less: Fruitless and wasteful expenditure not recoverable and written off		(35, 011)
Closing balance	**14,999**	**14,999**

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	0	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	11,181
Fruitless and wasteful expenditure for the current year	0	2,666
Total	**0**	**13,847**

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

[4] Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023
[5] Transfer to receivables

Description[6]	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	614	0
Fruitless and wasteful expenditure under determination	0	12,681
Fruitless and wasteful expenditure under investigation	14,999	0
Total	**15,613**	**12,681**

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	0	0
Total	**0**	**0**

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
Total	**0**	**0**

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Three cases have been referred to Law Enforcement Agencies

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
None		

b) Details of unauthorised expenditure (under assessment, determination, and investigation)

Description[7]	2023/2024	2022/2023
	R'000	R'000
None		

[6] Group similar items
[7] Group similar items

1.4. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))[8]

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	**0**	**0**

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R	R
(*Group major categories, but list material items)*		
Any other assets written-off (minor assets like torches etc)	0	0
Total	**0**	**0**

c) Other material losses recoverable

Nature of losses	2023/2024	2022/2023
	R'000	R'000
Loss/damage of cell-phones	94	
Damage to GG vehicles	26	
Loss/Damage of IT Equipment (Notebooks)	21	
Total	**141**	**0**

The material losses were incurred in 2021/2022 on pre-payments expensed. This involved one NPO that did not utilise the allocated funds of R2.408 million for the intended purpose. Recovery is pursued through the office of the State Attorney.

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(*Group major categories, but list material items)*		
Cell-phones written off	10	0
IT Equipment written-off (Notebooks)	2	0
Total	**12**	**0**

[8] Information related to material losses must be disclosed in the annual financial statements.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	465	107 281
Invoices paid **within** 30 days or agreed period	461	107 179
Invoices paid **after** 30 days or agreed period	4	102
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	0	0
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	0	0

1. *For the first two (2) invoices – they were paid in time on LOGIS System, and BAS System disbursed late.*
2. *The second two (2) invoices were paid after 30 Days due to the 27 April 2024 public holiday.*

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
None	None	None	None	0
Total				**0**

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
None	None	None	None	0	0	0
Total				**0**	**0**	**0**

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PART F:

FINANCIAL INFORMATION

Report of the auditor-general to the Free State Provincial Legislature on vote no. 7: 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 123 to 191, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as 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 of Social Development as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury, the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (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 responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other 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 matter

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

Contingent liabilities

7. With reference to note 17.1 to the financial statements, the department is the defendant in various claims against the department. The department is opposing the claims. The ultimate outcome of these matters could not be determined and no provision for any liabilities that may result was made in the financial statements.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 192 to 206 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 on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and 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.

11. 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 appropriate governance structure either intends to liquidate the department or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

12. 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.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 119-120, forms part ofour auditor's report.

Report on the audit of the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programmes	Page numbers	Purposes
Social welfare services	29 to 33	To provide integrated developmental social welfare to the poor and vulnerable in partnership with stakeholders and civil society organisations
Children and families	34 to 38	To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

16. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

18. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion

19. The material findings on the reported performance information for the selected programmes are as follows:

Social welfare services

Number of beneficiaries receiving psychosocial support services

20. An achievement of 8 409 was reported against a target of 6 275. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially more than reported. Consequently, it is likely that the achievement against the target was better than reported.

Children and families

Number of children reached through community-based prevention and early intervention programmes

21. An achievement of 11 322 was reported against a target of 7 240. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Number of children accessing registered partial care facilities

22. An achievement of 3 308 was reported against a target of 2 762. However, some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Number of family members reunited with families

23. An achievement of 70 was reported against a target of 46. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the target was not achieved.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under-achievements. This information should be considered in the context of the material findings on the reported performance information.

26. The tables that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The

reasons for any underachievement of targets are included in the annual performance report on pages 29 to 38.

Programme 2: Social welfare services

Targets achieved: 90,0% *Budget spent: 99,9%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of households who benefitted from social relief of distress.	750	355

Programme 3: Children and families

Targets achieved: 86,7% *Budget spent: 99,9%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of individual develop-mental plans (IDP) for children in CYCCs reviewed.	180	138
Number of child and youth care workers providing community-based care services.	307	290

Material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of social welfare and children and families. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

28. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting is responsible for the department's compliance with legislation.

29. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

30. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily

available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

31. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Strategic planning and performance management

32. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Other information in the annual report

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to 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 on in this auditor's report.

34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

35. My responsibility is to read this other information and, in doing so, consider whether it 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.

36. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

37. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

38. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

39. The control records for the recording of performance information are not yet reliable and the various processes for the collection and verification of reported performance achievements are not yet effectively monitored and controlled by management although additional controls were implemented. This continues to affect the reliability of the report performance that is included in the performance reporting.

40. The monitoring and evaluation unit of the department is not sufficiently capacitated to deal with large volumes of data especially considering that the systems being used to collect and collate information for performance reporting is not yet automated.

41. Management's lack of a detailed review of the annual performance report and the underlying records resulted in material misstatements to the report that were not detected by the department's internal processes.

42. Management did not adequately monitor and enforce the implementation of the corrective measures included in the audit action plan to address internal control weaknesses relating to performance reporting.

Auditor-General

Bloemfontein

31 July 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

1. The annexure includes the following:
   - The auditor-general's responsibility for the audit
   - The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

2. 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 selected requirements in key legislation.

Financial statements

3. 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
   - conclude on the appropriateness of the 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 relating to events or conditions that may cast significant doubt on the ability of the department 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 my 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 operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

4. 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.

5. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

6. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii). Section 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a) Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a) Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b) Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1 Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4 Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2 Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2 Regulation 16A3.2(a); 16A6.1; 16A6.2(a) Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b) Regulation 16A6.3(c); 16A 6.3(e); 16A6.4 Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3 Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2). Regulation 16A8.3; 16A8.4; 16A9.1(b)(ii). Regulation16A 9.1(d); 16A 9.1(e); 16A9.1(f). Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2.
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 5 of 2023	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i). Section 16(3)(a)(ii)(bb)
Second amendment National Treasury Instruction Note 5 of 2020-21	Paragraph 1

Legislation	Sections or regulations
Erratum National Treasury Instruction Note 5 of 2020-21	Paragraph 2
National Treasury Instruction Note 5 of 2020-21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction Note 1 of 2021-22	Paragraph 4.1
National Treasury Instruction Note 4 of 2015-16	Paragraph 3.4
National Treasury SCM Instruction Note 4A of 2016-17	Paragraph 6
National Treasury SCM Instruction Note 3 of 2021-22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction Note 11 of 2020-21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction Note 2 of 2021-22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1;
Practice Note 11 of 2008-09	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009-10	Paragraph 3.3
Practice Note 7 of 2009-10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3 Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 7

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

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DEPARTMENT OF SOCIAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per programme									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	322,853	-	13,281	336,134	336,128	6	100.0%	361,265	361,265
2. Social Welfare Services	231,122	-	(3,507)	227,615	227,318	297	99.9%	221,311	221,219
3. Children and Families	290,484	-	(4,677)	285,807	285,537	270	99.9%	276,106	275,945
4. Restorative Services	215,530	-	(3,892)	211,638	211,607	31	100.0%	206,233	206,233
5. Development and Research	149,045	-	(1,205)	147,840	147,736	104	99.9%	152,794	151,458
Subtotal	**1,209,034**	**-**	**-**	**1,209,034**	**1,208,326**	**708**	**99.9%**	**1,217,709**	**1,216,120**

APPROPRIATION STATEMENT
for the year ended 31 March 2024

	2023/24				2022/23	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)						
Reconciliation with statement of financial performance						
ADD						
Departmental receipts						
NRF Receipts						
Aid assistance						
Actual amounts per statement of financial performance (Total revenue)	**1,209,034**				**1,217,709**	
ADD						
Aid assistance						
Prior year unauthorised expenditure approved without funding						
Actual amounts per statement of financial performance (Total expenditure)		**1,208,326**				**1,216,120**

DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 7

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per economic classification									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**874,993**	**(690)**	**(267)**	**874,036**	**872,487**	**1,549**	**99.8%**	**872,427**	**872,425**
Compensation of employees	781,641	-	(3,517)	778,124	778,070	54	100.0%	761,248	761,248
Goods and services	93,352	(690)	3,250	95,912	94,417	1,495	98.4%	108,513	108,511
Interest and rent on land	-	-	-	-	-	-	-	2,666	2,666
Transfers and subsidies	**324,740**	**-**	**865**	**325,605**	**325,214**	**391**	**99.9%**	**332,231**	**330,897**
Departmental agencies and accounts	2,369	(32)	(58)	2,279	2,279	-	100.0%	2,180	2,180
Non-profit institutions	318,944	-	746	319,690	319,300	390	99.9%	327,388	326,054
Households	3,427	32	177	3,636	3,635	1	100.0%	2,663	2,663
Payments for capital assets	**9,301**	**690**	**(598)**	**9,393**	**9,387**	**6**	**99.9%**	**10,950**	**10,697**
Buildings and other fixed structures	-	-	-	-	-	-	-	1,158	1,159
Machinery and equipment	9,301	690	(598)	9,393	9,387	6	99.9%	9,792	9,538
Payments for financial assets	**-**	**-**	**-**	**-**	**1,238**	**(1,238)**	**-**	**2,101**	**2,101**
Total	**1,209,034**	**-**	**-**	**1,209,034**	**1,208,326**	**708**	**99.9%**	**1,217,709**	**1,216,120**

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 1: ADMINISTRATION	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	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	10,505	72	-	10,577	10,577	-	100.0%	8,155	8,128
2. Corporate Management	213,048	(632)	(564)	211,852	211,851	1	100.0%	237,650	236,720
3. District Management	99,300	560	13,845	113,705	113,700	5	100.0%	115,460	116,417
Total for sub programmes	**322,853**	**-**	**13,281**	**336,134**	**336,128**	**6**	**100.0%**	**361,265**	**361,265**
Economic classification									
Current payments	**273,203**	**(522)**	**13,397**	**286,078**	**286,073**	**5**	**100.0%**	**298,427**	**298,425**
Compensation of employees	224,621	-	(1,540)	223,081	223,080	1	100.0%	221,080	221,080
Goods and services	48,582	(522)	14,937	62,997	62,993	4	100.0%	74,681	74,679
Interest and rent on land	-	-	-	-	-	-	-	2,666	2,666
Transfers and subsidies	**42,619**	**-**	**(58)**	**42,561**	**42,561**	**-**	**100.0%**	**55,041**	**55,042**
Departmental agencies and accounts	2,369	(32)	(58)	2,279	2,279	-	100.0%	2,180	2,180
Non-profit institutions	38,315	-	-	38,315	38,315	-	100.0%	51,534	51,534
Households	1,935	32	-	1,967	1,967	-	100.0%	1,327	1,328
Payments for capital assets	**7,031**	**522**	**(58)**	**7,495**	**7,494**	**1**	**100.0%**	**7,797**	**7,798**
Machinery and equipment	7,031	522	(58)	7,495	7,494	1	100.0%	7,797	7,798
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**322,853**	**-**	**13,281**	**336,134**	**336,128**	**6**	**100.0%**	**361,265**	**361,265**

DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 7

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 2: SOCIAL WELFARE SERVICES									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management and Support	10,972	(109)	(612)	10,251	10,251	-	100.0%	15,157	14,384
2. Service to Older Persons	130,891	(231)	(2,126)	128,534	128,532	2	100.0%	117,230	118,376
3. Service to Persons with Disabilities	50,180	(195)	(193)	49,792	49,600	192	99.6%	45,767	45,690
4. HIV and AIDS	28,155	308	(468)	27,995	27,898	97	99.7%	33,133	33,105
5. Social Relief	10,924	227	(108)	11,043	11,037	6	99.9%	10,024	9,664
Total for sub programmes	**231,122**	**-**	**(3,507)**	**227,615**	**227,318**	**297**	**99.9%**	**221,311**	**221,219**
Economic classification									
Current payments	**138,406**	**(14)**	**(3,490)**	**134,902**	**134,850**	**52**	**100.0%**	**131,674**	**131,674**
Compensation of employees	125,186	-	(634)	124,552	124,500	52	100.0%	122,326	122,325
Goods and services	13,220	(14)	(2,856)	10,350	10,350	-	100.0%	9,348	9,349
Interest and rent on land	-	-	-	-	-	-	-	-	-
								-	-
Transfers and subsidies	**92,551**	**-**	**-**	**92,551**	**92,306**	**245**	**99.7%**	**86,515**	**86,516**
Departmental agencies and accounts	-	-	-	-	-	-	-	**-**	**-**
Non-profit institutions	91,818	-	(143)	91,675	91,431	244	99.7%	86,181	86,182
Households	733	-	143	876	875	1	99.9%	334	334
Payments for capital assets	**165**	**14**	**(17)**	**162**	**162**	**-**	**100.0%**	**1,021**	**928**
Machinery and equipment	165	14	(17)	162	162	-	100.0%	1,021	928

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Payments for financial assets	-	-	-	-	-	-	-	2,101	2,101
Total	231,122	-	(3,507)	227,615	227,318	297	99.9%	221,311	221,219

DEPARTMENT OF SOCIAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 3: CHILDREN AND FAMILIES									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management and Support	2,975	(1,865)	(606)	504	504	-	100.0%	-	-
2. Care and Services to Families	28,467	1,116	-	29,583	29,583	-	100.0%	28,571	28,788
3. Child Care and Protection	107,176	158	(42)	107,292	107,292	-	100.0%	98,842	98,837
4. ECD and Partial Care	10,060	(340)	(10)	9,710	9,642	68	99.3%	12,269	12,060
5. Child and Youth Care Centres	125,422	2,191	(2,939)	124,674	124,673	1	100.0%	122,353	122,432
6. Community Based Care Services to Children	16,384	(1,260)	(1,080)	14,044	13,843	201	98.6%	14,071	13,828
Total for sub programmes	**290,484**	**-**	**(4,677)**	**285,807**	**285,537**	**270**	**99.9%**	**276,106**	**275,945**
Economic classification									
Current payments	**149,394**	**(48)**	**(4,273)**	**145,073**	**144,872**	**201**	**99.9%**	**140,832**	**140,831**
Compensation of employees	135,736	-	(948)	134,788	134,789	(1)	100.0%	131,968	131,968
Goods and services	13,658	(48)	(3,325)	10,285	10,083	202	98.0%	8,864	8,863
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**140,326**	**-**	**-**	**140,326**	**140,257**	**69**	**100.0%**	**135,061**	**135,061**
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	139,931	-	(10)	139,921	139,853	68	100.0%	134,566	134,566
Households	395	-	10	405	404	1	99.8%	495	495
Payments for capital assets	**764**	**48**	**(404)**	**408**	**408**	**-**	**100.0%**	**213**	**53**

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Machinery and equipment	764	48	(404)	408	408	-	100.0%	213	53
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**290,484**	**-**	**(4,677)**	**285,807**	**285,537**	**270**	**99.9%**	**276,106**	**275,945**

DEPARTMENT OF SOCIAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 4: RESTORATIVE SERVICES									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management and Support	477	(10)	-	467	467	-	100.0%	799	443
2. Crime Prevention and Support	88,702	(1,395)	-	87,307	87,306	1	100.0%	84,857	85,042
3. Victim Empowerment	36,026	383	-	36,409	36,395	14	100.0%	35,240	34,036
4. Substance Abuse, Prevention and Rehabilitation	90,325	1,022	(3,892)	87,455	87,439	16	100.0%	85,337	86,712
Total for sub programmes	**215,530**	**-**	**(3,892)**	**211,638**	**211,607**	**31**	**100.0%**	**206,233**	**206,233**
Economic classification									
Current payments	**192,163**	**(81)**	**(4,833)**	**187,249**	**185,960**	**1,289**	**99.3%**	**181,876**	**181,878**
Compensation of employees	177,909	-	(932)	176,977	176,976	1	100.0%	169,107	169,109
Goods and services	14,254	(81)	(3,901)	10,272	8,984	1,288	87.5%	12,769	12,769
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**23,159**	**-**	**947**	**24,106**	**24,131**	**(25)**	**100.1%**	**23,878**	**23,877**
Non-profit institutions	23,061	-	923	23,984	24,008	(24)	100.1%	23,584	23,584
Households	98	-	24	122	123	(1)	100.8%	294	293
Payments for capital assets	**208**	**81**	**(6)**	**283**	**278**	**5**	**98.2%**	**479**	**478**
Buildings and other fixed structures								-	-
Machinery and equipment	208	81	(6)	283	278	5	98.2%	479	478

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Payments for financial assets	-	-	-	-	1,238	(1,238)	-	-	-
Total	**215,530**	**-**	**(3,892)**	**211,638**	**211,607**	**31**	**100.0%**	**206,233**	**206,233**

DEPARTMENT OF SOCIAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 5: DEVELOPMENT AND RESEARCH									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management and Support	4,260	(13)	(42)	4,205	4,205	-	100.0%	3,940	3,960
2. Community Mobilisation	3,168	-	(294)	2,874	2,873	1	100.0%	3,262	2,699
3. Institutional Capacity Building and Support	14,741	120	(961)	13,900	13,900	-	100.0%	14,741	14,746
4. Poverty Alleviation and Sustainable Livelihoods	53,782	1,303	(689)	54,396	54,302	94	99.8%	62,498	60,207
5. Community Based Research and Planning	-	-	-	-	-	-	-	15	14
6. Youth Development	67,020	(1,104)	546	66,462	66,453	9	100.0%	63,125	63,827
7. Women Development	685	(250)	-	435	435	-	100.0%	9	691
8. Population Policy Promotion	5,389	(56)	235	5,568	5,568	-	100.0%	5,204	5,314
Total for sub programmes	**149,045**	**-**	**(1,205)**	**147,840**	**147,736**	**104**	**99.9%**	**152,794**	**151,458**
Economic classification									
Current payments	**121,827**	**(25)**	**(1,068)**	**120,734**	**120,732**	**2**	**100.0%**	**119,618**	**119,617**
Compensation of employees	118,189	-	537	118,726	118,725	1	100.0%	116,767	116,766
Goods and services	3,638	(25)	(1,605)	2,008	2,007	1	100.0%	2,851	2,851
Interest and rent on land	-	-	-	-	-	-		-	-
Transfers and subsidies	**26,085**	**-**	**(24)**	**26,061**	**25,959**	**102**	**99.6%**	**31,736**	**30,401**
Non-profit institutions	25,819	-	(24)	25,795	25,693	102	99.6%	31,523	30,188
Households	266	-	-	266	266	-	100.0%	213	213

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Payments for capital assets	**1,133**	**25**	**(113)**	**1,045**	**1,045**	**-**	**100.0%**	**1,440**	**1,440**
Buildings and other fixed structures	-	-	-	-	-	-	-	1,158	1,159
Machinery and equipment	1,133	25	(113)	1,045	1,045	-	100.0%	282	281
Payments for financial assets									
Total	**149,045**	**-**	**(1,205)**	**147,840**	**147,736**	**104**	**99.9%**	**152,794**	**151,458**

DEPARTMENT OF SOCIAL DEVELOPMENT
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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2024

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1 A-H to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	336,134	336,128	6	0%
Social Welfare Services	227,615	227,318	297	0%
Children and Families	285,807	285,537	270	0%
Restorative Services	211,638	211,607	31	0%
Development and Research	147,840	147,736	104	0%
Total	**1,209,034**	**1,208,326**	**708**	**0%**

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2024

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments	**874,036**	**872,487**	**1,549**	**0%**
Compensation of employees	778,124	778,070	54	0%
Goods and services	95,912	94,417	1,495	2%
Transfers and subsidies	**325,605**	**325,214**	**391**	**0%**
Departmental agencies and accounts	2,279	2,279	-	0%
Non-profit institutions	319,690	319,300	390	0%
Households	3,636	3,635	1	0%
Payments for capital assets	**9,393**	**9,387**	**6**	**0%**
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	9,393	9,387	6	0%
Payments for financial assets	-	**1,238**	**(1,238)**	-
Total	**1,209,034**	**1,208,326**	**708**	**0%**

Goods and Services: Under expenditure was realised to prevent over expenditure of the vote.

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
Social Sector- EPWP Grant	14,841	14,376	465	3%
Total	**14,841**	**14,376**	**465**	**3%**

Social Sector EPWP Grant: The adjusted allocation of R14.841 million is mainly for payment of stipends. Under expenditure is as a result of non-compliance by NPO's, as well as late delivery of goods and services items

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	1,209,034	1,217,709
Departmental revenue	2	-	-
TOTAL REVENUE		**1,209,034**	**1,217,709**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	778,070	761,248
Goods and services	4	94,417	108,511
Interest and rent on land	5	-	2,666
Total current expenditure		**872,487**	**872,425**
Transfers and subsidies			
Transfers and subsidies	7	325,214	330,897
Total transfers and subsidies		**325,214**	**330,897**
Expenditure for capital assets			
Tangible assets	8	9,387	10,697
Intangible assets	8	-	-
Total expenditure for capital assets		**9,387**	**10,697**
Payments for financial assets	6	1,238	2,101
TOTAL EXPENDITURE		**1,208,326**	**1,216,120**
SURPLUS/(DEFICIT) FOR THE YEAR		**708**	**1,589**

DEPARTMENT OF SOCIAL DEVELOPMENT
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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds	708	1,589
Annual appropriation	243	690
Conditional grants	465	899
SURPLUS/(DEFICIT) FOR THE YEAR	**708**	**1,589**

DEPARTMENT OF SOCIAL DEVELOPMENT
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STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		**2,551**	**3,466**
Cash and cash equivalents	9	1,461	1,849
Prepayments and advances	10	-	-
Receivables	11	1,090	1,617
Non-current assets		**16**	**57**
Prepayments and advances	10		
Receivables	11	16	57
TOTAL ASSETS		**2,567**	**3,523**
LIABILITIES			
Current liabilities		**2,397**	**2,962**
Voted funds to be surrendered to the Revenue Fund	12	708	1,589
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	527	573
Payables	14	1,162	800
TOTAL LIABILITIES		**2,397**	**2,962**
NET ASSETS		**170**	**561**

	Note	2023/24 R'000	2022/23 R'000
Represented by:			
Recoverable revenue		170	561
TOTAL		**170**	**561**

DEPARTMENT OF SOCIAL DEVELOPMENT
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STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
Recoverable revenue			
Opening balance		561	1,060
Transfers:		**(391)**	(499)
Irrecoverable amounts written off	*6.1*	(452)	(400)
Debts revised		(3)	(86)
Debts recovered (included in departmental revenue)		(130)	(245)
Debts raised		194	232
Closing balance		**170**	**561**
TOTAL		**170**	**561**

DEPARTMENT OF SOCIAL DEVELOPMENT
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CASH FLOW STATEMENT
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**1,211,8 1**	**1,219,987**
Annual appropriation funds received	1.1	1,209,0 4	1,217,709
Departmental revenue received	2	2,8 7	2,229
Interest received	2.2	-	49
Net (increase)/decrease in net working capital		8 9	2,708
Surrendered to Revenue Fund		(4,492)	(27,560)
Current payments		(872,487)	(869,759)
Interest paid	5	-	(2,666)
Payments for financial assets		(1,238)	(2,101)
Transfers and subsidies paid		(325,214)	(330,897)
Net cash flow available from operating activities	15	**9,3 9**	**(10,288)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(9,387)	(10,697)
(Increase)/decrease in non-current receivables	11	41	51
Net cash flow available from investing activities		**(9,346)**	**(10,646)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(391)	(499)
Net cash flows from financing activities		**(391)**	**(499)**
Net increase/(decrease) in cash and cash equivalents		(388)	(21,433)
Cash and cash equivalents at beginning of period		1,8 9	23,282
Cash and cash equivalents at end of period	16	**1,4 1**	**1,849**

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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.

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.

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.

1.	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	**Going concern** The financial statements have been prepared on a going concern basis.
3.	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4.	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	**Foreign currency translation** 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.
6.	**Comparative information**
6.1	**Prior period comparative information** 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.
6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

DEPARTMENT OF SOCIAL DEVELOPEMNT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

7.	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). 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. Appropriated funds are measured at the amounts receivable. 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.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: - 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. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8.	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for 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. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value 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. Operating lease payments received are recognised as departmental revenue. 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. Finance lease payments received are recognised as departmental revenue. 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: 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. CARA Funds are recognised when receivable and measured at the amounts receivable. 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

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 hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11.	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Payments are expensed when the service is rendered, and invoices are received.
12.	**Receivables** 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.
13.	**Financial assets**
13.1	**Financial assets** 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. 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.
13.2	**Impairment of financial assets** 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.
14.	**Payables** Payables recognised in the statement of financial position are recognised at cost.
15.	**Capital assets**
15.1	**Immovable capital assets** 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. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
15.2	**Movable capital assets** 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. 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. All assets acquired prior to 1 April 2005 may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
15.3	**Intangible capital assets** 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. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. 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. All assets acquired prior to 1 April 2005 may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
15.4	**Project costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. 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. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
16.	**Provisions and contingents**
16.1	**Provisions** 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

DEPARTMENT OF SOCIAL DEVELOPEMNT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
16.2	**Contingent liabilities** 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.
16.3	**Contingent assets** 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.
16.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
17.	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: - fruitless and wasteful expenditure that was under assessment in the previous financial year; - fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and - fruitless and wasteful expenditure incurred in the current year.
18.	**Irregular expenditure** Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: - irregular expenditure that was under assessment in the previous financial year; - irregular expenditure relating to previous financial year and identified in the current year; and - irregular expenditure incurred in the current year.
19.	**Changes in accounting policies, estimates and errors** Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. 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

DEPARTMENT OF SOCIAL DEVELOPEMNT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	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.
20.	**Events after the reporting date** 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.
21.	**Principal-Agent arrangements** The department is party to a principal-agent arrangement with HWSETA. In terms of the arrangement the department is the agent and is responsible for placing learners in occupations that will provide them with experience related to their qualifications. 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.
22.	**Departures from the MCS requirements** Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard, there are no instances of departure from the standard.
23.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
24.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
25.	**Related party transactions** Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
26.	**Inventories** ***(Effective from date determined by the Accountant-General)*** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. 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. The cost of inventories is assigned by using the weighted average cost basis.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

27.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
28.	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

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:

	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Administration	336,134	336,134	-	361,265	361,265	-
Social Welfare Services	227,615	227,615	-	221,311	221,311	-
Children and Families	285,807	285,807	-	276,106	276,106	-
Restorative Services	211,638	211,638	-	206,233	206,233	-
Development and Research	147,840	147,840	-	152,794	152,794	-
Total	**1,209,034**	**1,209,034**		**1,217,709**	**1,217,709**	**-**

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

1.2. Conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total grants received	31	14,841	22,034
Provincial grants included in total grants received		-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

2. Departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services other than capital assets	2.1	938	991
Interest, dividends and rent on land	2.2	-	49
Transactions in financial assets and liabilities	2.3	1,919	1,238
Total revenue collected		**2,857**	**2,278**
Less: Own revenue included in appropriation	13	2,857	2,278
Total		**-**	**-**

2.1. Sales of goods and services other than capital assets

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services produced by the department		936	991
Other sales		936	991
Sales of scrap, waste and other used current goods		2	-
Total	2	**938**	**991**

2.2. Interest, dividends and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest		-	49
Total	2	**-**	**49**

2.3. Transactions in financial assets and liabilities

	Note	2023/24 R'000	2022/23 R'000
Receivables		615	613
Other receipts including Recoverable Revenue		1,304	625
Total	2	**1,919**	**1,238**

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2.4. Transfers received

	Note	2023/24 R'000	2022/23 R'000
Other governmental units			
Higher education institutions			
Foreign governments			
International organisations			
Public corporations and private enterprises			
Households and non-profit institutions			
Total	2		

2.4.1. Gifts, donations and sponsorships received in-kind (*not included in the main note or sub note)*

	Note	2023/24 R'000	2022/23 R'000
	Annex 1H		
Gifts		-	-
Donations		21	-
Sponsorships		-	-
Total gifts, donations and sponsorships received in kind		21	**-**

Included in the amount reported is a donation received from National Social Development and other donors.

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3. Compensation of employees

3.1. Analysis of balance

	Note	2023/24 R'000	2022/23 R'000
Basic salary		523,615	489,349
Performance award		107	449
Service based		1,090	850
Compensative/circumstantial		23,074	22,732
Other non-pensionable allowances		91,038	117,757
Total		**638,924**	**631,137**

3.2. Social contributions

Employer contributions	Note	2023/24 R'000	2022/23 R'000
Pension		66,551	62,116
Medical		72,316	67,679
Bargaining council		150	153
Insurance		129	163
Total		**139,146**	**130,111**
Total compensation of employees		**778,070**	**761,248**
Average number of employees		2,034	**2,090**

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4. Goods and services

	Note	2023/24 R'000	2022/23 R'000
Administrative fees		254	361
Advertising		578	540
Minor assets	4.1	430	950
Bursaries (employees)		110	155
Catering		1,227	1,527
Communication		1,176	3,208
Computer services	4.2	13,675	13,576
Consultants: Business and advisory services	4.9	662	620
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		486	626
Contractors		2,573	4,031
Agency and support / outsourced services		17,136	20,155
Entertainment		12	29
Audit cost - external	4.3	7,477	8,534
Fleet services		10,707	11,539
Inventories	4.4	-	-
Consumables	4.5	8,326	8,350
Housing		-	-
Operating leases		13,835	14,923
Property payments	4.6	8,434	10,518
Rental and hiring		-	-
Transport provided as part of the departmental activities		-	-
Travel and subsistence	4.7	4,703	6,217
Venues and facilities		199	125
Training and development		1,142	1,176
Other operating expenditure	4.8	1,275	1,351
Total		**94,417**	**108,511**

The goods and services budget of the current year was 12% less than that of the previous year, as a result, the Department had to cut down on several items.

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4.1. Minor assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		**430**	950
Buildings and other fixed structures			
Machinery and equipment		430	950
Total	4	**430**	**950**

4.2. Computer services

	Note	2023/24 R'000	2022/23 R'000
SITA computer services		5,020	6,020
External computer service providers		8,655	7,556
Total	4	**13,675**	**13,576**

4.3. Audit cost - external

	Note	2023/24 R'000	2022/23 R'000
Regularity audits		7,477	8,534
Total	4	**7,477**	**8,534**

4.4. Consumables

	Note	2023/24 R'000	2022/23 R'000
Consumable supplies		6,304	6,110
Uniform and clothing		1,884	-
Household supplies		3,013	3,041
Building material and supplies		333	189
Communication accessories		-	-
IT consumables		5	4
Other consumables		1,069	2,876
Stationery, printing and office supplies		2,022	2,240
Total	4	**8,326**	**8,350**

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The correction regarding comparative figures between Household Supplies and Other Supplies to the value of R49 thousand was made

4.5. Property payments

	Note	2023/24 R'000	2022/23 R'000
Municipal services		-	-
Property management fees		-	-
Property maintenance and repairs		6,814	8,845
Other		1,620	1,673
Total	4	**8,434**	**10,518**

4.6. Travel and subsistence

	Note	2023/24 R'000	2022/23 R'000
Local		4,675	6,217
Foreign		28	-
Total	4	**4,703**	**6,217**

4.7. Other operating expenditure

	Note	2023/24 R'000	2022/23 R'000
Resettlement costs		203	102
Other		1,072	1,249
Total	4	**1,275**	**1,351**

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4.8. Remuneration of members of a commission or committee of inquiry (*Included in Consultants: Business and advisory services)*

Name of Commission / Committee of Inquiry	*Note*	2023/24 R'000	2022/23 R'000
Audit Committee		296	270
Risk Management Committee		14	8
Total		**310**	**278**

5. Interest and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest paid		-	2,666
Total		**-**	**2,666**

6. Payments for financial assets

	Note	2023/24 R'000	2022/23 R'000
Debts written off	*6.1*	1,238	2,101
Total		1,238	**2,101**

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6.1. Debts written off

Nature of debts written off	*Note*	**2023/24 R'000**	**2022/23 R'000**
Group major categories, but list material items			
Recoverable revenue written off			
Ex-Employees		-	29
Employees		452	337
Breach of Contract		-	34
Total		452	400
Other debt written off			
Employees		717	175
Ex-Employees		69	1,424
Suppliers		-	102
Total		786	1,701
Total debt written off	*6*	**1,238**	**2,101**

7. Transfers and subsidies

	Note	**2023/24 R'000**	**2022/23 R'000**
Departmental agencies and accounts	*Annex 1B*	2,279	2,180
Non-profit institutions	*Annex 1F*	319,300	326,054
Households	*Annex 1G*	3,635	2,663
Total		**325,214**	**330,897**

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7.1. Gifts, donations and sponsorships made in kind (*not included in the main note)*

	Note	2023/24 R'000	2022/23 R'000
	Annex 1J		
Donations		1,198	63
Total		**1,198**	**63**

Old assets were donated to Non-Profit Institutions.

8. Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		**9,387**	**10,697**
Buildings and other fixed structures		-	1,159
Machinery and equipment		9,387	9,538
Total		**9,387**	**10,697**

8.1. Analysis of funds utilised to acquire capital assets - Current year

	2023/24		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	**9,387**	**-**	**9,387**
Buildings and other fixed structures			
Machinery and equipment	9,387	-	9,387
Total	**9,387**	**-**	**9,387**

The container amounting to R416 thousand paid in current year was received and recorded as addition on note 38 in prior year

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8.2. Analysis of funds utilised to acquire capital assets - Prior year

	2022/23		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	**10,697**	-	**10,697**
Buildings and other fixed structures	1,159	-	1,159
Machinery and equipment	9,538	-	9,538
Total	**10,697**	-	**10,697**

8.3. Finance lease expenditure included in Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets			
Machinery and equipment		6,403	6,765
Total		**6,403**	**6,765**

9. Cash and cash equivalents

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General Account		1,391	1,770
Cash on hand		70	79
Total		**1,461**	**1,849**

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10. Prepayments and advance

10.1. Prepayments (Expensed) *(-"prepayments expensed" not permitted from 1 April 2024)*

	2023/24				
	Amount as at 1 April 2023	Less: Received in the current year	Less: Other	Add Current year prepay-ments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Goods and services	652	(38)	(614)	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	2,206	-	(2,206)	-	-
Other					
Total	**2,858**	**(38)**	**(2,820)**	**-**	**-**

The amount of R614 thousand not recovered from NPOs was removed and recorded as Fruitless and Wasteful Expenditure and disclosed in the PFMA Compliance report.

	2022/23				
	Amount as at 1 April 2022	Less: Received in the current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Goods and services	1,517		(865)		652
Interest and rent on land	-		-	-	-
Transfers and subsidies	-		-	-	-
Capital assets	2,206		-	-	2,206
Other	-		-	-	-
Total	**3,723**		**(865)**	**-**	**2,858**

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11. Receivables

		2023/24			2022/23		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	*11.1*	189	-	189	62	-	62
Recoverable expenditure	*11.2*	8	-	8	87	-	87
Staff debt	*11.3*	892	16	908	1,436	57	1,493
Other receivables	*11.4*	1	-	1	32		32
Total		**1,090**	**16**	**1,106**	**1,617**	**57**	**1,674**

11.1. Claims recoverable

	Note	2023/24 R'000	2022/23 R'000
National departments		-	38
Provincial departments		180	24
Public entities		9	-
Total	*11*	**189**	**62**

11.2. Recoverable expenditure

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Salary Reversal Control		6	75
Salary Pension Fund		-	12
Salary Tax Debt		2	-
Total	*11*	**8**	**87**

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11.3. Staff debt

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Employee Related		249	1,371
Ex-Employee Debt		476	7
Bursary Debts Employees		26	62
GG Accident		28	41
Losses and Damages		129	12
Total	*11*	**908**	**1,493**

11.4. Other receivables

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Suppliers		1	32
Total	*11*	**1**	**32**

11.5. Impairment of receivables

	Note	2023/24 R'000	2022/23 R'000
Estimate of impairment of receivables		51	-
Total		**51**	**-**

Debts amounting to R51 thousand are classified as impaired as they are deemed irrecoverable and will result in loss of future economic benefits of receivables.

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12. Voted funds to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		1,589	25,769
Prior period error			
As restated		1,589	25,769
Transferred from statement of financial performance (as restated)		708	1,589
Voted funds not requested/not received	1.1		
Paid during the year		(1,589)	(25,769)
Closing balance		**708**	**1,589**

12.1. Reconciliation on unspent conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total conditional grants received	1.2	14,841	22,034
Total conditional grants spent		(14,376)	(21,135)
Unspent conditional grants to be surrendered		465	899
Less: Paid to the Provincial Revenue Fund by Provincial department			(899)
Approved for rollover			-
Not approved for rollover			(899)
Due by the Provincial Revenue Fund		**465**	**-**

The unspent Conditional Grant amounting to R899 thousand relating to prior year was surrendered to Provincial Treasury during June 2023

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

	Note	2023/24 R'000	2022/23 R'000
Opening balance		573	86
Prior period error			-
As restated		573	86
Transferred from statement of financial performance (as restated)			-
Own revenue included in appropriation		2,857	2,278
Paid during the year		(2,903)	(1,791)
Closing balance		**527**	**573**

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14. Payables - current

	Note	2023/24 R'000	2022/23 R'000
Clearing accounts	*14.1*	1,076	661
Other payables	*14.2*	86	139
Total		**1,162**	**800**

14.1. Clearing accounts

Description	Note	2023/24 R'000	2022/23 R'000
Identify major categories, but list material items			
Salary Government Employees Housing Scheme (GEHS) Refund Control		1,073	620
Salary Automated Clearing Bureau (ACB) Recalls		-	41
Salary ACB Recalls		3	-
Total	*14*	**1,076**	**661**

14.2. Other payables

Description	Note	2023/24 R'000	2022/23 R'000
Identify major categories, but list material items			
HWSETA		86	139
Total	*14*	**86**	**139**

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15. Net cash flow available from operating activities

	Note	2023/24 R'000	2022/23 R'000
Net surplus/(deficit) as per Statement of Financial Performance		708	1,589
Add back non-cash/cash movements not deemed operating activities		8,641	(11,877)
(Increase)/decrease in receivables		527	2,483
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables - current		362	225
Proceeds from sale of capital assets		-	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		9,387	10,697
Surrenders to Revenue Fund		(4,492)	(27,560)
Surrenders to RDP Fund/Donors		-	-
Voted funds not requested/not received		-	-
Statutory Appropriation not requested/not received		-	-
Own revenue included in appropriation		2,857	2,278
Other non-cash items		-	-
Net cash flow generated by operating activities		**9,349**	**(10,288)**

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

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General account		1,391	1,770
Cash on hand		70	79
Total		**1,461**	**1,849**

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17. Contingent liabilities and contingent assets

17.1. Contingent liabilities

Liable to	Nature	Note	2023/24 R'000	2022/23 R'000
Claims against the department		Annex 3B	1,522	1,352
Intergovernmental payables		Annex 5	13,004	1,375
Total			**14,526**	**2,727**

The matters listed are opposed and are still pending before the courts. The Department is in consultation with State Attorney. As these matters are still before the courts, the possibility of reimbursement cannot be made with certainty at this stage. There are no instances where disclosure requirements of the Standards are not done due to impracticalities and or sensitivity of the information

The Department has other matters in the Contingent Liabilities Register of which the claim amounts cannot be estimated at the reporting period.

17.2. Contingent assets

Nature of contingent asset	Note	2023/24 R'000	2022/23 R'000
Possible recovery of employee costs resulting from strike action		-	397
Possible recovery from METAD		3,039	-
Total		**3,039**	**397**

The possible recovery reported in prior year was for the strike that took place in March 2023.The amount is currently being recovered as leave without pay. METAD was referred to State Attorneys for possible recovery

18. Accruals and payables not recognised

18.1. Accruals

		2023/24			2022/23
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		6,316	1,435	7,751	5,882
Capital assets		526	587	1,113	929
Total		**6,842**	**2,022**	**8,864**	**6,811**

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Listed by programme level	*Note*	**2023/24 R'000**	**2022/23 R'000**
Administration		6,711	4,263
Social Welfare Services		242	743
Children and Families		376	555
Restorative Services		373	234
Development and Research		1,162	1,016
Total		**8,864**	**6,811**

18.2. Payables not recognised

		2023/24			**2022/23**
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	*Note*	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		1,341	134	1,475	824
Transfers and subsidies		-	1,153	1,153	39,687
Capital assets		-	-	-	132
Total		**1,341**	**1,287**	**2,628**	**40,643**

Listed by programme level	*Note*	**2023/24 R'000**	**2022/23 R'000**
Administration		799	1,766
Social Welfare Services		264	259
Children and Families		-	8
Restorative Services		412	52
Development and Research		1,153	38,558
Total		**2,628**	**40,643**

Included in the above totals are the following:	*Note*	**2023/24 R'000**	**2022/23 R'000**
Confirmed balances with other departments	*Annex 5*	27	-
Confirmed balances with other government entities	*Annex 5*	-	-
Total		**27**	**-**

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19. Employee benefits

	Note	2023/24 R'000	2022/23 R'000
Leave entitlement		34,445	36,021
Service bonus		22,143	20,545
Performance awards		-	-
Capped leave		6,280	6,396
Other		1,607	1,580
Total		**64,475**	**64,542**

Disclosure under "Other" includes Long Service awards, at this stage the department is not able to reliably measure the long-term portion of the long service awards. Included in Leave entitlement are negative leave credits amounting to R897 thousand. The negative leave balances are as a result of officials taking leave in advance during the financial year. The matter is being monitored continuously.

Included in the above totals are the following:	Note	2023/24 R'000	2022/23 R'000
Confirmed balances with other departments	*Annex 5*	179	-
Confirmed balances with other government entities	*Annex 5*	-	-
Total		**179**	**-**

20. Lease commitments

20.1. Operating leases

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	13,966	13,966
Later than 1 year and not later than 5 years	-	-	-	27,006	27,006
Later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**40,972**	**40,972**

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	2022/23				
	Specialised military equipment	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year	-	-	-	6,253	6,253
Later than 1 year and not later than 5 years	-	-	-	7,894	7,894
Later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**14,147**	**14,147**

The department has entered into a service level agreement with Free State Fleet Management Trading Entity for provisions of vehicles. The leases are treated as operating leases.

20.2. Finance leases **

	2023/24				
	Specialised military equipment	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year	-	-	-	4,165	4,165
Later than 1 year and not later than 5 years	-	-	-	2,286	2,286
Later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**6,451**	**6,451**

	2022/23				
	Specialised military equipment	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year				5,179	5,179
Later than 1 year and not later than 5 years				1,992	1,992
Later than 5 years				-	-
Total lease commitments				**7,171**	**7,171**

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21. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2023/24 R'000	2022/23 R'000
Unauthorised expenditure - current year			-
Irregular expenditure - current year		205	15,823
Fruitless and wasteful expenditure - current year			2,666
Total		**205**	**18,489**

Irregular Expenditure for prior year has been corrected. This relates to R3,069 million that was under assessment in prior year, confirmed in current year. Prior period error correction has been made.

22. Related party transactions

The Department Transferred funds to various NPOs who render service delivery programmes to communities as disclosed in Annexure 1F. The MEC is the political head of the department and plays an oversight role. There are no related party transactions. Only remuneration is recorded under note 23.

The Department also has Chief Directors and those in acting capacity that are responsible for directing and controlling the activities of the department as Key Management Personnel. There are no related party transactions. The salaries of Key Management Personnel and families are disclosed in Note 23.

23. Key management personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (*provide detail below)*	1,230	1,962
Officials:	-	-
Level 16	2,320	2,219
Level 14 (incl CFO)	5,260	7,060
Level 13	1,847	1,231
Family members of key management personnel	-	-
Total	**10,657**	**12,472**

A backdated salary increase payment of R60 thousand has been made to erstwhile MEC. The HOD was appointed on 1 October 2023. The post of Chief Director: Restorative Services was vacant during 2023/2024

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24. Provisions

	Note	2023/24 R'000	2022/23 R'000
Retention for Substance Abuse Treatment Center Project		3,453	3,453
Total		**3,453**	**3,453**

The amount disclosed is pending a review and will be amended once Department of Public Works submits updated close out report

24.1. Reconciliation of movement in provisions - Current year

	2023/24			
	Retention	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3,453			3,453
Increase in provision				
Settlement of provision				
Unused amount reversed				
Reimbursement expected from third party				
Change in provision due to change in estimation of inputs				
Closing balance	**3,453**	**-**	**-**	**3,453**

Reconciliation of movement in provisions - Prior year

	2022/23			
	Retention	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3,453			3,453
Increase in provision				
Settlement of provision				
Unused amount reversed				
Reimbursement expected from third party				
Change in provision due to change in estimation of inputs				
Closing balance	**3,453**			**3,453**

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The Provisions for prior year were reviewed as a result of updated supporting documents received from Department of Public Works

25. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	44,386	-	2,568	(998)	45,956
Transport assets	-		-	-	-
Computer equipment	19,299		1,407	(749)	19,957
Furniture and office equipment	11,771		558	(205)	12,124
Other machinery and equipment	13,316		603	(44)	13,875
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**44,386**	**-**	**2,568**	**(998)**	**45,956**

The container amounting to R416 thousand paid in current year was received and recorded as addition in prior year.

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Heritage assets			
Machinery and equipment		35	901
Specialised military assets			
Biological assets			
Total		**35**	**901**

These are items reported to Loss Control Unit. Investigations are ongoing.

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25.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**42,522**		**3,322**	**(1,458)**	**44,386**
Computer equipment	18,272		2,308	(1,281)	19,299
Furniture and office equipment	11,484		345	(58)	11,771
Other machinery and equipment	12,766		669	(119)	13,316
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**42,522**		**3,322**	**(1,458)**	**44,386**

25.1.1. Prior period error

Nature of prior period error	*Note*	2022/23 R'000
Relating to 2021/22 *[affecting the opening balance]*		
Relating to 2022/23		
Total prior period errors		

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25.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	27,916		27,916
Value adjustments						-
Additions				430		430
Disposals				(627)		(627)
Total Minor assets	**-**	**-**	**-**	**27,719**		**27,719**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				22		22
Number of minor assets at cost				17,586		17,586
Total number of minor assets	**-**	**-**	**-**	**17,608**	**-**	**17,608**

Minor capital assets under investigation

	Note	Number	Value R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Specialised military assets			
Intangible assets			
Heritage assets			
Machinery and equipment		11	25
Biological assets			

These are items reported to Loss Control Unit. Investigations are ongoing.

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MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance				27,575		27,575
Prior period error				-		-
Additions				950		950
Disposals				(609)		(609)
Total Minor assets				**27,916**		**27,916**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				23		23
Number of minor assets at cost				17,912		17,912
Total number of minor assets				**17,935**		**17,935**

25.2.1. Prior period error

Nature of prior period error	*Note*	2022/23 R'000
Relating to 2021/22 *[affecting the opening balance]*		
Relating to 2022/23		
Total prior period errors		

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25.3. Movable tangible capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off						
Total movable assets written off						

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off				2,004		2,004
Total movable assets written off				**2,004**		**2,004**

26. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	4,010			4,010
TOTAL INTANGIBLE CAPITAL ASSETS	**4,010**			**4,010**

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Intangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register that are under investigation:			
Software			
Mastheads and publishing titles			
Patents, licences, copyright, brand names, trademarks			
Recipes, formulae, prototypes, designs, models			
Services and operating rights			

26.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	4,010	-	-	-	4,010
TOTAL INTANGIBLE CAPITAL ASSETS	**4,010**	-	-	-	**4,010**

27. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**77,309**			77,309
Dwellings				
Non-residential buildings	3,521			3,521
Other fixed structures	73,788			73,788
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**77,309**			**77,309**

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Section 42 transfer for both centres will be finalised in 2024/25 financial year.

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27.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	**Prior period error**	**Additions**	**Disposals**	**Closing balance**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
BUILDINGS AND OTHER FIXED STRUCTURES	**73,788**		**3,521**	-	**77,309**
Non-residential buildings	-		3,521	-	3,521
Other fixed structures	73,788		-	-	73,788
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**73,788**		**3,521**	**-**	**77,309**

27.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

		2022/23				
		Opening balance 1 April 2022	**Prior period error**	**Current Year WIP**	**Ready for use (Assets to the AR) / Contracts terminated**	**Closing balance 31 March 2023**
	Note Annexure7	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Buildings and other fixed structures		2,362		1,159	(3,521)	-
Total		2,362		1,159	**(3,521)**	-

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28. Principal-agent arrangements

28.1. Department acting as the agent

28.1.1. Revenue received for agency activities

	Note	2023/24 R'000	2022/23 R'000
Project Management Fee		23	-
Total		**23**	**-**

The Department acts as an implementing agent in an agreement with HWSETA for the implementation of the TVET College learners work experience and internships. In terms of the agreement, the department places learners in occupations that will provide them with experience related to the qualification they studied. The department receives funds for the stipends from HWSETA and facilitates payment to the learners. In terms of the MOA, the department is entitled to a project management fee for the arrangement. A total of R23 thousand has been received for the current year. The department also entered into MOA for bursaries of officials. HWSETA has committed to fund academic studies of 10 officials of the department. In terms of the MOA, HWSETA transfers funds to the department for payment of the studies. No project management fee is payable to the department for this arrangement.

28.1.2. Reconciliation of funds and disbursements - Current year

	2023/24	
Category of revenue or expenditure per arrangement	**Total funds received R'000**	**Expenditure incurred against funds R'000**
Stipends	854	769
Total	**854**	**769**

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Reconciliation of funds and disbursements - Prior year

	2022/23	
	Total funds received	Expenditure incurred against funds
Category of revenue or expenditure per arrangement	**R'000**	**R'000**
Stipends	1,895	1,756
Total	**1,895**	**1,756**

28.1.3. Reconciliation of carrying amount of receivables and payables - current year

Receivables

	2023/24				
	Opening balance 1 April 2023	Revenue principal is entitled to	Less: Write offs / settlements / waivers	Cash received on behalf of principal	Closing balance 31 March 2024
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
HWSETA	-	57	-	(23)	34
Total	**-**	**57**	**-**	**(23)**	**34**

Payables

	2023/24			
	Opening balance 1 April 2023	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal	Closing balance 31 March 2024
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**
HWSETA	139	(53)	-	86
Total	**139**	**(53)**	**-**	**86**

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Reconciliation of carrying amount of receivables and payables - prior year

Receivables

	2022/23				
	Opening balance 1 April 2022	**Revenue principal is entitled to**	**Less: Write offs / settlements / waivers**	**Cash received on behalf of principal**	**Closing balance 31 March 2023**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
HWSETA	368		(368)		-
Total	**368**		**(368)**		**-**

Payables

	2022/23			
	Opening balance 1 April 2022	**Expenses incurred on behalf of the principal**	**Cash paid on behalf of the principal**	**Closing balance 31 March 2023**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**
HWSETA	1,895	(1,756)		139
Total	**1,895**	**(1,756)**		**139**

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29. Prior period errors

29.1. Correction of prior period errors

		2022/23		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
***Liabilities:** (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)*				
Finance Leases	20	10,573	(3,402)	7,171
Provisions	24	875	2,578	3,453
Net effect		**11,448**	**(824)**	**10,624**

The department participated in RFA1818/2018 contract for provision of office automation solutions. The contract expired on 31 May 2022 and was extended from June 2022 with 0% rental fees. Correction of prior period error amounting to R3,402 million has been made as this was reported incorrectly as finance lease in 2022/2023. The Provisions were reviewed as a result of updated supporting documents received from Department of Public Works.

		2022/23		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
***Other:** (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)*				
Irregular Expenditure	21	12,754	3,069	15,823
Net effect		**12,754**	**3,069**	**15,823**

Irregular Expenditure for prior year has been corrected. This relates to R3,069 million that was under assessment in prior year, confirmed in current year. Prior period error correction has been made.

30. Transfer of functions and mergers

30.1. Transfer of functions

Provide a brief description of the functions transferred or acquired and the reason for undertaking the transaction or event.

30.1.1. Statement of Financial Position

	Note	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
			Dept name *(Specify)*	Dept name *(Specify)*	Dept name *(Specify)*	
		R'000	R'000	R'000	R'000	R'000
ASSETS						
Current Assets						
Cash and cash equivalents						
Other financial assets						
Prepayments and advances						
Receivables						
Loans						
Aid assistance prepayments						
Aid assistance receivable						
Non-Current Assets						
Investments						
Prepayments and advances						
Receivables						
Loans						

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Other financial assets	
TOTAL ASSETS	
LIABILITIES	
Current liabilities	
Voted funds to be surrendered to the Revenue Fund	
Statutory Appropriation to be surrendered to the Revenue Fund	
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	
Bank Overdraft	
Payables	
Aid assistance repayable	
Aid assistance unutilised	
Non-Current liabilities	
Payables	
TOTAL LIABILITIES	
NET ASSETS	

30.1.2. Notes

	Note	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
			Dept name *(Specify)*	Dept name *(Specify)*	Dept name *(Specify)*	
		R'000	R'000	R'000	R'000	R'000
Contingent liabilities						
Contingent assets						
Capital commitments						
Accruals						
Payables not recognised						
Employee benefits						
Lease commitments - Operating leases						
Lease commitments - Finance leases						
Lease commitments - Operating lease revenue						
Accrued departmental revenue						
Impairment						
Provisions						
Movable tangible capital assets		70,097	(1069)			69,028
Immovable tangible capital assets						
Intangible capital assets						

The Transfer of assets in terms of Section 42 has been finalised. Of these assets 73 have been transferred out of the assets register, the remaining 121 assets will be transferred out during 2024-2025 financial year.

31. Statement of conditional grants received

	2023/24									2022/23	
	GRANT ALLOCATION					SPENT					
	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- / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Amount spent by depart-ment
Name of grant	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**
Social Sector- EPWP Grant	15,987	-	(1,146)	-	14,841	14,841	14,376	465	96.9%	22,034	21,135
TOTAL	**15,987**	**-**	**(1,146)**	**-**	**14,841**	**14,841**	**14,376**	**465**		**22,034**	**21,135**

The Department confirms that transfers totalling R14 841 million was deposited into the primary account of the province and transferred to the departmental PMG account.

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32. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

33. Natural disaster or relief expenditure

	Note	2023/24 R'000	2022/23 R'000
Compensation of employees		8,094	6,755
Goods and services		-	180
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total	*Annex 11*	**8,094**	**6,935**

The expenditure on COVID 19 relates to the extension of contracts for Social Workers that were appointed to assist communities with the Pandemic.

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2023/24						2022/23	
	TRANSFER ALLOCATION				TRANSFER			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Health and Welfare Sector Education and Training Authority (HWSETA)	2, 279	-	-	2, 279	2, 279	100,0%	2,153	2,153
South African Broadcasting Corporation (SABC)	90	-	(90)	-	-		27	27
TOTAL	**2,369**	**-**	**(90)**	**2, 279**	**2, 279**		**2,180**	**2,180**

Unaudited Supplementary Information

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	**Adjusted Budget**	**Roll overs**	**Adjustments**	**Total Available**	**Actual transfer**	**% of available funds transferred**	**Final Budget**	**Actual transfer**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Services to Older persons	52,825		(2)	52,823	52,823	100.0%	45,427	45,427
Services to persons with disability	25,463		(237)	25,226	25,079	99.4%	20,009	19,984
HIV/AIDS	13,530		97	13,627	13,529	99.3%	20,745	20,770
Care and Services to Families	5,898		(235)	5,663	5,663	100.0%	5,772	5,772
Child Care and Protection	46,087			46,087	46,087	100.0%	39,527	39,527
ECD and Partial Care	8,605		(10)	8,595	8,527	99.2%	10,682	10,682
Child and Youth Care Centers	66,390		235	66,625	66,625	100.0%	65,268	65,268
Comm Based Care Services for Children	12,951			12,951	12,951	100.0%	13,317	13,317
Crime Prevention and Support	3,471		(80)	3,391	3,391	100.0%	3,042	3,042
Victim Empowerment	12,864		1,150	14,014	14,087	100.5%	12,624	12,625
Substance Abuse and Rehabilitation	6,726		(147)	6,579	6,530	99.3%	7,918	7,918
Poverty Alleviation and Sustainable Livelihoods	23,838		1,055	24,893	24,801	99.6%	30,901	29,566
Youth Development	1,789		(1,080)	709	700	98.7%	622	622
Women Development	192			192	192	100.0%	-	-
Corporate Management Services	38,315			38,315	38,315	100.0%	51,534	51,534
TOTAL	**318,944**	**-**	**746**	**319,690**	**319,300**		**327,388**	**326,054**

Unaudited Supplementary Information

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ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave gratuity	2,292		(28)	2,264	2,263	100.0%	2,663	2,663
Post Retirement Benefits	1,135		237	1,372	1,372	100.0%		
Total	3,427		209	3,636	3,635		2,663	2,663
Subsidies								
TOTAL	**3,427**		**209**	**3,636**	**3635**		**2,663**	**2,663**

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	**Nature of gift, donation or sponsorship**	**2023/24 R'000**	**2022/23 R'000**
Received in cash			
Gifts			
Total gifts			
Donations			
National Department of Social Development	Recreational Items	16	-
Emmaus Catholic Church and Sechaba Mahobe Bakeries	Toiletries	2	-
Various Donors	Clothes	2	-
Mohale Fortunate	Food	1	-
Total donations		21	-
Subtotal – received in kind		**21**	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		**21**	**-**

Included in the amount reported is a donation received from National Social Development and other donors.

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ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship *(Group major categories but list material items including name of organisation)*	**2023/24**	**2022/23**
	R'000	**R'000**
Donations		
Assets Donated (Capital and Minor Assets)	1,198	63
Total donations	**1,198**	**63**
Sponsorships	-	-
Total sponsorships	-	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	**1,198**	**63**

Old Assets were donated to Non-Profit Institutions.

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Bobby Alexander Armour	30				30
Finbond Group LTD	82				82
Dibuo Maputle	880				880
Anitta van Schalkwyk	311				311
Lancet Laboratories	49				49
Thabo Mahlaba		62			62
Ledia Khasu		108			108
Subtotal	1,352	170			1,522
TOTAL	**1,352**	**170**	**-**	**-**	**1,522**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
FSPG: Education		6				6		
FSPG: Human Settlement		2				2		
Gauteng: Social Development		16				16		
National: Agriculture, Land Reform & Rural Development		38				38		
Mpumalanga: Social Development			37		37			
FSPG: Agriculture	136				136			
GP: Social Development			7		7			
Subtotal	136	62	44		180	62		
Other Government Entities								
Government Employees Pension Fund			9		9			
Subtotal								
TOTAL	**136**	**62**	**53**		**189**	**62**		

Unaudited Supplementary Information

ANNEXURE 5
INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Justice and Constitutional Development			1,546	1,375	1,546	1,375		
FSPG: Public Works & Infrastructure	179				179			
FSPG: Public Works & Infrastructure			11,458		11,458			
FSPG: Office of the Premier	27				27			
Subtotal	206		13,004	1,375	13,210	1,375		
Non-current								
Subtotal	-		-	-		-		
Total Departments	**206**		**13,004**	**1,375**	**13,210**	**1,375**		
OTHER GOVERNMENT ENTITIES								
Current								

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Subtotal							
Non-current							
Subtotal							
Total Other Government Entities							
TOTAL INTERGOVERNMENT PAYABLES	**206**		**13,004**	**1,375**	**13,210**	**1,375**	

ANNEXURE 6
INVENTORIES

Inventories for the year ended 31 March 2024	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	67				67
Add/(Less: Adjustments to prior year balances					
Add: Additions/Purchases - Cash					
Add: Additions - Non-cash					
(Less): Disposals	(34)				(34)
(Less): Issues					
Add/(Less): Received current, not paid; (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance	**33**				**33**

The donation for eleven medical bed and nine wheelchair was received in 2021/22 financial year. To date, only 7 wheelchairs have been issued. The rest of the items are still on hand.

DEPARTMENT OF SOCIAL DEVELOPMENT
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Insert major category of inventory	Insert major category of inventory	Inventory Other Suppliers	Insert major category of inventory	Total
Inventories for the year ended 31 March 2023	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance			-	-	-
Add/(Less: Adjustments to prior year balances			-	-	-
Add: Additions/Purchases - Cash			-	-	-
Add: Additions - Non-cash			67	-	67
(Less): Disposals			-	-	-
(Less): Issues			-	-	-
Add/(Less): Received current, not paid; (Paid current year, received prior year)			-	-	-
Add/(Less): Adjustments			-	-	-
Closing balance			**67**	**-**	**67**

DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE 7

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Dwellings				
Non-residential buildings				
Other fixed structures				
TOTAL				

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	2,362		1,159	(3,521)	-
Dwellings					
Non-residential buildings	2,362		1,159	(3,521)	
Other fixed structures					-
TOTAL	**2,362**		**1,159**	**(3,521)**	**-**

In 2022 2023, the disclosure under Building and Other Fixed Structure was reported under other fixed structure, a correction has been made under Non-Residential Buildings.

ANNEXURE 11
NATURAL DISASTER OR RELIEF EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**1,549**	**2,266**	**2,099**	**2,180**	**8,094**	**6,755**
Goods and services						180
List all applicable SCOA level 4 items	-	-	-	-	-	
Cons Supplies						180
TOTAL NATURAL DISASTER OR RELIEF EXPENDITURE	**1,549**	**2,266**	**2,099**	**2,180**	**8,094**	**6,935**

The expenditure on COVID 19 relates to the extension of contracts for Social Workers that were appointed to assist communities with the Pandemic.

Unaudited Supplementary Information

ANNEXURE 12
ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2 AND 13)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2023	Total amount prepaid /advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2024
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
FREE STATE DEAFASSOCIATION			Goods and services	124	28			(28)	-
MIGHTY EXCLUSIVE			Goods and services	281	79			(79)	-
ONLY LOVE AND HOPE FOUNDATION			Goods and services	241	201			(201)	-
RETHABILE CENTRE FOR PEOPLE WITH DISABILITIES			Goods and services	240	53			(53)	-
TRTCL AN M PROJECT			Goods and services	118	11			(11)	-
SINOTHANDO AFTER CARE PROGRAMME			Goods and services	467	(39)			39	-
SEBABATSO COMMUNITY BASED ORGANISATION			Goods and services	595	(37)			37	-
LETLOTLO LA BANA AFTER CARE PROGRAMME			Goods and services	146	(1)			1	-
RISE AND SHINE			Goods and services	321	40	(38)		(2)	-
THUSA SETJHABA MULTIPURPOSE COOPERATIVE			Goods and services	250	9			(9)	-
MOTLOMO CNDC			Goods and services	321	44			(44)	-

METAD	Goods and services	6,981	2,470			(2,470)	-
Total prepayments			**2,858**	**(38)**	**-**	**(2,820)**	**-**
Advances							
Total advances			-	-	-	-	-
TOTAL PREPAYMENTS AND ADVANCES			**2,858**	**(38)**	**-**	**(2,820)**	**-**

The amount of R614 thousand not recovered from NPOs was removed and recorded as Fruitless and Wasteful Expenditure and disclosed in the PFMA Compliance report. The removal has been reported under Add/ (Less): Other Column.

NOTES

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