

REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH AND SOCIAL DEVELOPMENT ON THE MEETING HELD ON 15 MAY 2018 IN COMMITTEE ROOM 07 ON THE 2018/19 BUDGET AND ANNUAL PERFORMANCE PLAN OF THE DEPARTMENT OF SOCIAL DEVELOPMENT (DSD): VOTE 12

1. INTRODUCTION

The Portfolio Committee on Health and Social Development (the committee) conducted oversight over the Department of Social Development (the department), as it is mandated by Section 114 of the Constitution of the Republic of South Africa (Act 108 of 1996), to determine whether the Department has a specific, measurable, achievable, realistic and timeous (SMART) Plan and a sufficient Budget to implement an efficient, effective, equitable and economic service delivery to all the people of the Province during the 2018/19 financial year.

2. METHOD OF WORK

The Speaker referred the following documents to the Portfolio Committee on Health and Social Development for consideration and report back to the Legislature, as contemplated in rule 190 (4) of the Rules and Orders of Mpumalanga Provincial Legislature (the Rules):

- ❖ Annual Performance Plan 2018/19
- ❖ Strategic Plan
- ❖ Operational Plan
- ❖ Estimates of Provincial Revenue and Expenditure
- ❖ Cash flow Projection
- ❖ Department Organogram

On 09 May 2018, the Cross Functional Team briefed the Committee on the budget documentation; thereafter the Committee met with the Department on 15 May 2018 in order to deliberate and scrutinize in detail the aforementioned documents. The Committee then met on 22 May 2018 to consider the draft Committee report.

3. PROGRESS ON HOUSE RESOLUTIONS FOR 2017/18

The HOD presented a progress report on the implementation of the previous budget House Resolutions (2017/18 financial year). The Committee noted the progress report and acknowledged the department's efforts to address the House Resolutions.

House Resolutions	Progress Report
1. Strengthen its monitoring system to ensure that the rollover of R55, 4 million is spent to the incomplete projects for 2016/17 and a progress report to be submitted on 30 June 2017 and thereafter on quarterly basis.	The Department has received a rollover amount of R53.4 million, 4 projects were completed. R25 million was rescheduled to Provincial Treasury. R28 429 million was spent of the rollover.
2. Ensure that the engagement with other sectors takes place, such as the Departments of Health, Education, Correctional Services and South African Police Service (SAPS) on the absorption of unemployed Social Work Graduates	The Department appointed 46 unemployed social work graduates using conditional grant funding.
3. Monitor and ensure that the construction of Nkangala Treatment Centre projects is completed on time and progress report be submitted by 30 June 2017 and thereafter on a quarterly basis.	The construction of Nkangala Treatment Centre is at 85% progress, The contractor was granted Extension of Time, and the project end date is revised to 23 March 2018, there is extension of time application to revise the completion period to the 25th of May 2018, due to sewerage treatment plant and additional work (Installation of security cameras by the security term contractor.
4. Provide the list of the Co-coordinators that will work closely with Persons with Albinism in the Local Municipalities. A progress report to be submitted by the 30 June 2017.	The requested list was provided
5. Ensure that the Infrastructure projects that	❖ Construction of Manzini ECD

<p>are planned in Programme 3 are constructed in the 2017/18 financial year. A progress report to be submitted by 30 June 2017 and thereafter on quarterly basis.</p>	<p>Centre: (100% Practical completion was achieved on the 4th of May 2018);</p> <ul style="list-style-type: none"> ❖ Construction of Siyabuswa ECD Centre: (100% Practical completion was achieved on the 15th of December 2017); ❖ Construction of Tweefontein ECD Centre: (100% practical completion was achieved on the 24th of November 2017); ❖ Construction of Ermelo ECD Centre: (100% practical completion was achieved on the 28 November 2017); ❖ Standerton ECD Centre (8%) progress, the contractor was terminated due to poor contract performance. DPWRT is in the process of replacing the contractor.
<p>6. Ensure that the site disputes for Daantjie and Msogwaba Youth Development Centre Constructions are resolved and ensure the commencement of the projects. A progress report to be submitted on 30 June 2017 and thereafter on a quarterly basis.</p>	<ul style="list-style-type: none"> ❖ Msogwaba Youth Development Centre (New Site has been identified, Planning and design to recommence on the new site). ❖ Dantjie Youth Development Centre the project has commenced and the contractor is busy with earthworks.

4. GENERAL OBSERVATIONS

The Committee noted and observed the following from the Annual Performance Plan (APP) of the Department:

- ❖ The total budget for the **2018/19** shows a moderate growth from R 1,509 438 000 in 2017/18 after adjustment to **R1 551 584 000**;
- ❖ The APP is in line with the Treasury Regulations and PFMA;
- ❖ The department is still in a moratorium (filling of vacancies);
- ❖ The department has adopted cost curtailment measures targeting non-core spending items – use of private venues and facilities for meetings, groceries for senior managers, communication and printing services;
- ❖ The increment is reportedly attributed to the need to fund both the National and Provincial priorities to address Early Childhood Development, ISIBINDI model and the absorption of social work graduates.

5. POLITICAL OVERVIEW BY THE MEC

The MEC, Ms BP Shiba was not present at the committee meeting for deliberations on the Annual Performance Plan and Budget Vote 12, however made a written submission of her political overview. The following was noted:

The National Development Plan 2030 directs the department that the social welfare system needs to be reformed to deliver social security to the vulnerable groups and to respond to the increasing complex social problems facing the communities. The department's annual performance plan is guided by the priorities of the Medium Term Strategic Framework (MTSF) for the cycle 2014-2019 adopted in 2014. The following are included:

- Reforming the welfare sector,
- Expand and accelerate quality services to children including early childhood development,
- Coordinate and monitor development interventions including food security through households' profile,

- Reduction of substance abuse,
- Provision and strengthening services to families,
- Enhance capacity capability and partnership with all stakeholders and civil society,
- Strengthening the Victims Empowerment Services.

The recently concluded 2017/18 financial year has reportedly given the department the basis on which to launch the 2018/19 year's performance plan. The department has designed its plan to be effective and achievable, within the available resources and budgetary requirements.

Among many programmes planned for in the 2018/19 year, the department highlighted to the committee to have planned to radically increase its intervention in the lives of poor young girls by providing sanitary towels to restore their dignity. The department has set aside R19million for this project this financial year, and will continue with it in the subsequent years.

to achieve the annual goals, the department outlined that it will need the support of all stakeholders including, labour, associations and organisations representing NPO's the department works with, to stimulate a healthy and sustainable environment for performance.

6. OVERALL BUDGET ALLOCATION FOR PROGRAMMES

Table 6.1

PROGRAMME	2016/17 ALLOCATION R'000	2017/18 ALLOCATION R'000	2018/19 ALLOCATION R'000
Administration	265 772	282 599	310 527
Social Welfare Services	240 460	228 268	257 695

Children and Families	498 072	575 228	598 829
Restorative Services and	196 867	247 546	176 121
Development and Research	168 672	175 797	208 412
TOTAL	1,369,843	1,509,438	1,551,584

7. INTERACTION WITH THE DEPARTMENT

PROGRAMME 1: ADMINISTRATION

Programme 1 deals with institutional leadership and management of the entire department; decision making at this level has a direct bearing on all the other four programmes.

The budget for the programme is **R 310 527 000** showing a **10%** growth from 2017/18 budget allocation of **R 282 599 000**, with **28 set targets** for the financial year.

Planning and Budget Allocation

The committee noted that on page 02 of the APP, the MEC spoke of a swift action and the implementation of an integrated plan of action to address the challenge of drugs and substance abuse, noting the budget cut of 17% on programme 4; Restorative Services. The committee requested the department to outline the reasons for the budget cut and to also indicate whether the allocated funds will be sufficient to implement the integrated plan. The department reported that the budget decrease on Programme 4: Restorative Services is due to the decline in budget allocation of infrastructure delivery which is attributed to the fact that construction of Swartfontein Treatment Centre, phase 2, is complete. Furthermore, the progress as of end of March 2018 on Nkangala Treatment Centre, phase 1, is at 75%; hence the decreased budget for Programme 4. The department also reported that, comparatively, the adjusted allocation to the two infrastructure projects in 2017/18 amounted to R95. 382 million and R16.012 million in 2018/19.

The committee asked the department if it envisages positive outcomes as a result of the 10% increment on the budget allocation for programme 1: Administration noting the targets have not changed from those of the 2017/18 financial year. The department reported that the budget growth of 10% for programme 1: Administration is largely due to the increased allocation on goods and services and infrastructure delivery. Increase in the allocation of goods and services is allocated to communication costs, fleet management costs, maintenance of infrastructure and municipal costs to cover increased costs. On infrastructure, the department outlined that the increased allocation is for construction of Embalenhle branch office, and further indicated that the reasonable increase of budget allocation is also on machinery and equipment for procurement of tools and trade. The department emphasized that the year on year budget growth of 10% is largely related to annual inflationary adjustment on remuneration costs and operational costs which do not always increase proportionally with an increase on targets.

The committee also requested the department to provide reasons for the massive difference in the budget allocation on payment for capital assets which has escalated by 252% in the 2018/19. The department reported that the massive difference in the budget allocation on payment for capital assets of 2018/19 compared to that of 2017/18 financial year is largely due to the increased budget allocation for the construction of Embalenhle branch office which amount to R14 million.

PROGRAMME 2: SOCIAL WELFARE SERVICES

This programme forms the basis for the department as it deals directly with social welfare and thus it's directly linked to Outcome 13 that the department is leading with regard to social protection systems.

The allocated budget for this programme is **R 257 695 000**, showing a **13%** growth compared to the 2017/18 budget allocation of **R 228 268 000**, with **25 set targets** for the 2018/19 financial year.

Budget Allocation and Planning

The department was asked to outline its envisaged positive outcomes as a result of the 13% increment of the budget allocation for programme 2: Social Welfare Services. The department reported that the reasonable year on year budget growth of 13% for this programme is largely due to additional funding of R 19 million received for sanitary towels program for girls and an additional R1.2 million budgeted to provide dignitary packs to 1500 learners in the 2018/19 financial year.

The committee enquired if the two additional targets warranted the 13% budget increment and requested that the department outline the projects to be rolled out on the increased budget. The department reported that the budget increase on older persons sub-programme is largely to fund increased costs associated with the Active Aging programme (golden games) to ensure increased participation of older persons in the programme. The increase in the Non Profit Organizations - transfers and subsidies is due to the absorption of the coordinators stipend that was previously paid through the Expanded Public Works Programme (EPWP) social sector conditional grant. And also for the sanitary towels programme as indicated above. The remaining percentage of the budget growth relates to annual inflationary adjustment of remuneration costs, goods and services.

The committee enquired on the criteria to be used for the distribution of the sanitary towels. The department reported to have received an allocation of 19 million to provide sanitary towels to high school girls. For the 2018/19 financial year the department will reach 105 553 girls from 18 special schools, 5 boarding schools and 374 Quantile 1 schools. The breakdown of learners for Quantile 1 is Bohlabela - 5 282, Ehlanzeni - 19 541, Gert Sibande - 30729 and Nkangala - 16053. The schools are reportedly targeted due to the high risk of vulnerably in the areas.

Poverty Alleviation

The committee asked what the department's response to address poverty alleviation is and the impact of the intervention. The department reported as per the table below:

Strategy	Indicator	Target 2018/19	Impact versus Estimated Need	Implication of budget constraints
Needy households are identified through House Hold profiling and existing income generation projects are supported	Number of poverty reduction initiatives supported	150 poverty reduction initiatives supported	With unemployment rates of 31% or more, depending on the source or definition. As many as 2.5 million people aged 15-64 are affected. Compared to 150 assisted in a year.	Number of initiatives were reduced from 250 to 150 in 2017/18 due to budget constraints.
	Number of people benefitting from poverty reduction initiatives	600 people benefitting from poverty reduction initiatives		
This includes provisioning of meals through 9 Community Nutrition and Development Centres (CNDCs) as well as subsidized meals through other DSD programmes such as ECDs	Number of people accessing food through DSD feeding programmes (centre based)	53 453 people accessing food through DSD programmes	According to CS2016, 170 000 households report running out of money for food for 5 or more days in a month. At an average of 4 members per household this would be an estimated 680 000 people.	Mpumalanga can only fund one centers. Eight of the centers are funded by national DSD. Compared to some other provinces that have up to 50 centers.
Work opportunities are created	Number of EPWP work opportunities	5 800 EPWP work opportunities	5800 against a need of 2.5 million as	Many of the opportunities do not comply with

within DSD as well as NPOs funded by DSD.	created	created	indicated above.	the ministerial determination in terms of stipends due to budget constraints.
Groups of unemployed persons are supported to increase their ability to produce and generate income.	Number of Cooperatives supported.	15 cooperatives supported	Although significant for the lives of individuals it is insignificant against the total need.	This was also reduced from 36 NPOs and cooperatives supported in 2016/17. The amount per cooperative has also been reduced from R30 000 to R25 000.

Co-operatives

The committee indicated that the continuous establishment of co-operatives is a concern, outlining that while the department is assisting in the registration and/or establishment of Co-operatives, there is the need to revisit the funding model to ensure that Co-operatives are appropriately funded and assisted. The department reported that it is providing support to cooperatives focusing on food security and sewing projects. Together with the South African Social Security Agency, there is a concerted effort to link cooperatives to existing markets such as procurement of school uniforms for Social Relief of Distress and food distribution in CNDC and Edu care/ECD centres.

Record Keeping

The committee raised the concern echoed by the public, the filing and information management system is a challenge in some service delivery points; posing a risk of compromising client's confidential information and also limiting the chances for referrals were necessary for further assistance. The department reportedly noted the concerns and

committed to conduct an audit to determine the extent of the problem and to report on the outcome of the audit by end of June 2018. However, the department reported that processes are underway to address the concerns, to strengthen the integrated case management which will involve digitization of some processes in consultation with National Department of Social Development, SACSSP and UNICEF – project to be concluded by 31 December 2018.

Tools of Trade

The department was asked to specify the kind of tools of trades to be bought that necessitated the increased budget. The department reported that during the Social Work Indaba which was facilitated during March 2015; the lack of tools of trade for Social Service Practitioners was identified as a barrier to the rendering of effective services. The Indaba resolved on a standardized package of tools of trade, this standardized package of tools of trade requires that each practitioner have a desk, a high back chair, two visitor's chairs, a computer, access to a vehicle, a filing solution / lockable filing cabinet, access to a printer, name tag, business cards, paper tray, a buddy system, a bin, a container for allocation cards and an external storage device.

PROGRAMME 3: CHILDREN AND FAMILIES

The programme is aimed at providing alternative care and support to vulnerable children and offer programmes and services to promote functional families.

The allocated budget for this programme is **R 598 829 000**, showing a **4%** growth compared to the 2017/18 budget allocation of **R 527 228 000**, with **16 set targets** for the 2018/19 financial year.

Budget Allocation

The department was asked to provide reasons for the consistent low budget allocation on Management and Support and the impact this could have on service delivery. The department reported that the new budget and programme structure which was implemented from April 2014 resulted in five (5) programmes from three (3) programmes in the previous

structure. Programme 2: Social Welfare Services was split into three distinct programmes which bring specialisation in service delivery operations. The department emphasised that this development expected social service professionals to specialise in one of the service delivery functions and not performing all of them.

The department further reported that the National Treasury guideline in implementing the new budget and programme structure provides that budget allocation must be in line with services provided in sub-programme. Thus, allocation under Management and Support sub-programme must not include funding of services under the specialised sub-programmes. As a result, Management and Support sub-programme allocation has been constant as it funds costs of services which cannot be allocated to any of the speciality programmes.

The committee asked the department to provide reasons that warranted the increment in budget allocation while the number of targets have decreased. The department reported that the reasonable year on year budget growth on this programme is attributed to additional funding received for, expansion of Isibindi amounting to R8.847 million and conditional grant of Early Childhood Development amounting to R16.199 million. The department also reported that an additional number of 3,331 children will be reached through the additional grant funding.

The budget allocated reportedly includes special allocation for improvement of Community Based Services to children. The bulk of the budget is reportedly channelled towards improving the stipends/remuneration for child and youth care workers who are implementing the Isibindi project. The child and youth care workers are reportedly qualified cadre of staff with NQF Level 4 qualification in child care but a currently receiving a stipend of R1650. The department also reported that the other additional budget is the conditional grant allocated to improving Early Childhood Development (ECD) services. The targets were reduced due to the fact that the personnel providing services to this programme has not increase as a result of the moratorium – no filling of vacant posts.

Children and People begging on the Streets

Persons begging and living on the streets especially persons with disabilities with reference to persons who are mentally challenged is a concern, cited the committee. The absence of a

responsive intervention is a challenge and should be addressed, the committee enquired about the department's role and obligation in this regard. The department reported that with regards to persons who are mentally challenged, living and begging on the streets; this is the responsibility of the Department of Health. However, the removal thereof is informed by the Mental Health Act No 17 of 2002 as amended which stipulate that removal and admission of mentally challenged persons should be facilitated by an applicant who can give a report confirming that the person is a danger to him/herself and or community. The department also highlighted that the Department of Health has established an Integrated Mental Health Committees to strengthen community based intervention. The Department of Social Development forms part of the committee to provide the necessary support. The role of the Department of Social Development is reportedly to provide psycho-social support to the destitute person and his/her family. The department is further mandated in terms of the Children Act to provide care and support services to children found in need of care who are living and begging on the street. This include ensuring that they are removed from the street back to their families or to a shelter in a case where the family is not available. However, the department indicated that municipalities have a responsibility to develop and enforce Municipal by-laws to deter people from living, begging and working on the streets.

Social Relief Distress Turnaround Time

The committee requested the department to review the social relief distress turnaround time in cases of child headed households and the elderly. The department reported that as part of the revision, endorsement and rollout of DSD administrative tools, the intake form used by Social Workers have been reviewed and now includes risk levels. These risk levels requires of the social worker to perform a preliminary assessment to determine if a case requires immediate intervention, which is defined as an "Emergency" which is a "Person in immediate danger or currently being harmed" where a response is required within 24 hours with follow-up twice a week" or "High risk" which is "a person at high risk of harm or danger" where a response is required within a week and follow-up at minimum every two weeks or "Moderate risk" which refers to low risk of harm, but functioning in daily life or relationships impaired. Response required within 3 weeks and follow-up at least once every one to three months. The department has defined the type of "problems" which requires immediate assistance as follows:

- Emergency health issues includes results from neglect, malnutrition, substance abuse and other illnesses;

- Household members have not eaten in the last 24 hours;
- Physical or sexual violence that resulted in injuries that have not been treated;
- Lack of adequate shelter that could result in immediate health or protection risks;
- Natural disasters etc.

Furthermore, the department has reportedly developed a Procedure Guideline for Social Relief, which unpacks the process to access Social Relief of Distress either in the form of food parcels, burial assistance or school uniform. A social workers report will inform the type of service to be provided.

PROGRAMME 4: RESTORATIVE SERVICES

This programme deals with the provision of integrated developmental social crime prevention, victim empowerment and anti-substance abuse services to the most in partnership with stakeholders and civil society.

The allocated budget for this programme is **R 176 121 000**, showing a **40.5%** decrease compared to the 2017/18 budget allocation of **R 247 546 000**, with **20 set targets** for the 2018/19 financial year.

Budget Allocation

The committee enquired on the reasons for the budget cut of 40.5% in programme 4 and the impact this cut will have on service delivery. The department reported that the year on year budget decrease is due to the budget allocation of infrastructure delivery which is attributed to the fact that construction of Swartfontein Treatment Centre, phase 2 is complete and for Nkangala Treatment Centre the progress is at 75% as at 31 March 2018. The department outlined that the allocation of these projects in 2018/19 is for final accounts and completion of the remaining scope of work for Nkangala Treatment Centre phase 1. And comparatively, the department reported that the adjusted allocation to the two infrastructure projects in 2017/18 amounted to R95. 382 million and R16.012 million in 2018/19 financial year. The negative year on year budget growth does not have an impact on service delivery

The department indicated that the allocated budget is sufficient to implement the planned targets.

PROGRAMME 5: DEVELOPMENT AND RESEARCH

The objective of this programme is to facilitate development processes to empower marginalized individuals, households and communities with necessary capacities to access services and resources that allows them to sustain and improve their livelihood, thereby contributing to the overall socio-economic development of Mpumalanga.

The allocated budget for this programme is **R 208 412 000**, showing an **18.5%** growth compared to the 2017/18 budget allocation of **R 175 797 000**, with **42 set targets** for the 2018/19 financial year.

Budget Allocation and Planning

The department was asked to outline its envisaged positive outcomes as a result of the 18.5% increment of the budget allocation. The department reported that the year on year budget growth is largely due to the increased allocation on social infrastructure delivery for the construction of Daantjie and Msogwaba Youth Development Centres, and planning and design for three new youth development centres.

The committee requested the department to provide reasons for the 9.3% increase in the budget allocation for Compensation of employees. The department reported that the percentage increase of 9.3% is comprised of the following escalations: Cost of living adjustment 6.7% plus 1% of CPI, Total = 7.7%. The other 1.6% is reportedly due to the alignment of budget to the departmental cost per head.

8. FINDINGS

After the deliberations on the Budget and Annual Performance Plan of the Department of Social Development for the 2018/19 financial year, the Committee made the following findings:

- a. There is poor filing of social work documents in the district offices – posing a threat to clients' confidentiality and further referrals where necessary. The department committed to conduct an audit (to determine the extent) and to report on the outcome;
- b. The stipend of R 1 650-00 for child and youth care workers is set to be reviewed and it has been budgeted for;

9. RECOMMENDATIONS

Based on the findings, the Committee recommended that the department must implement the following and **submit a detailed progress report by 30 June 2018:**

- a) Submit the report on the audit outcomes and corrective measures in place for improved filing system (record management);
- b) Indicate the reviewed stipend for the child and youth care workers, and also specify as to when it was effected;

The Committee recommended that the House approves the 2018/19 Annual Performance Plan of the Department of Social Development and the total budget which is **R 1 551 584 000 (billion)**.

The Department must provide a progress report on all House resolutions to the Legislature by **30 June 2018**.

10. CONCLUSION

The Chairperson wishes to express her gratitude to the MEC; the HOD and the senior officials of the Department of Social Development for their active involvement during the deliberations with the Committee.

The Chairperson further wishes to thank the Hon. Members of the committee for their sterling participation and input during the deliberations on the budget vote of the Department of Social Development and to also thank the committee support staff for the support they provided to the committee during the deliberations and the production of this report.

Lastly, the Chairperson requests that the House adopts the report with its recommendations.



HON DP MANANA

**CHAIRPERSON: PORTFOLIO COMMITTEE ON
HEALTH AND SOCIAL DEVELOPMENT**



DATE