

REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH AND SOCIAL DEVELOPMENT IN RELATION TO THE 2nd QUARTERLY PERFORMANCE REPORT FOR 2016/17 FINANCIAL YEAR - DEPARTMENT OF SOCIAL DEVELOPMENT – MEETING HELD ON 21 FEBRUARY 2017 IN COMMITTEE ROOM 07

1. INTRODUCTION

As stated in Rule 218 sub-rule (1) (2) and (3) of the Rules and Orders of the Mpumalanga Provincial Legislature, the Member of the Executive Council responsible for a provincial Department must table quarterly reports of the Department to the Speaker, within 30 calendar days after the end of a quarter.

The Committee considered the 2nd quarterly report of the Department of Social Development (the Department) for the 2016/17 financial year, reporting period July – September 2016. Interaction with the Department was aimed at assessing the Department's performance for the quarter, in relation to its 2016/17 Annual Performance Plan (APP).

2. METHOD OF WORK

The Speaker referred the Department's second (2nd) quarterly report to the Portfolio Committee on Health and Social Development for consideration and report back to the Legislature, as contemplated in Rule 218 (4) of the Rules and Orders of Mpumalanga Provincial Legislature (the Rules).

On 21 February 2017, the Committee met with the Department to deliberate and scrutinize in detail the aforementioned document. The Committee then met on 07 March 2017, to consider the draft Committee Report.

3. GENERAL OBSERVATIONS

- The seven planned ECD centres for construction within the 2016/17 financial year are still at 0% expenditure. The Department has reported a projection related to the end of the financial year in this regard, that is by end of March 2017 an overspending of **R4 462 million** is anticipated. However, this shortfall is reportedly reported to Treasury for consideration during the adjustment budget process;
- The Department reportedly struggles with two sub-programmes in programme 3: Children and Families - the Child and Youth Care Centre and Community-based Care Services achieved **31.6%** and **35.6%** respectively;
- Programme 5: Development and Research performed poorly compared to all the other programmes at **39.3%**. The Youth development sub-programme, institutional capacity building and Poverty alleviation performed badly at **23.7%**, **27.1%** and **33.5%** respectively;
- The expenditure for the quarter shows that all five programmes underspent, with Programme 5: Development and Research having spent the least budget at **39.3%**.

4. BROAD OVERVIEW BY THE MEC

MEC BP Shiba appreciated the oversight conducted by the Committee. In her overview she report that:

- Through SASSA – South African Social Services Agency, the Department has transmitted social grants to all the registered beneficiaries, these includes the old age, foster-care, child support and disability grants;
- The Early Childhood Development remained a critical part of the department's social programme, ECD centres are funded by the department to ensure that the National Integrated Policy for Early Childhood Development is adhered to;

- The Department continues to provide restorative services through the rehabilitation centres to control and reduce the escalating scourge of drugs and alcohol abuse;
- In the youth development centres, the young people access information on education, training, employment, self-employment, citizenship and health welfare. In partnership with the private sector, the department has opened a youth development centre on 20 September 2016 at Siyathemba Thusong Centre in Dipaliseng Local Municipality, fully funded by SASOL;
- The Department continues to provide support to victims of abuse through the VEP; they are provided with shelter and psychological support.

5. DELIBERATIONS ON THE 2nd QUARTERLY REPORT

After the MEC's overview, the HOD was requested to brief the Committee on the progress made on the implementation of the APP's strategic objectives of the 2nd quarter. Thereafter the Committee interacted with the Department on the following:

Overall Expenditure

Programme	Main Budget R'000	Actual Expenditure	Percentage %
Administration	271 198	126 547	46.7%
Social Welfare Services	284 642	129 333	45.4%
Children & families	543 628	240 516	44.2%
Restorative Services	158 913	70 089	44.1%
Development & Research	196 335	77 217	39.3%
Total	1 454 716	643 702	44.2%
Economic classification			
Compensation of employees	606 202	292 716	48.3%

Goods & services	186 736	85 975	46.0%
Interest and rent on land	-	-	-
Total transfers and subsidies	494 749	239 121	48.3%
Payments for capital assets	167 029	25 890	15.5%
Payments for financial assets	-	-	-
Total	1 454 716	643 702	44.2%

PROGRAMME 1: ADMINISTRATION

Programme 1 is responsible for policy and strategic direction by the Member of the Executive Council and the support staff of the Department to ensure good governance. There are six (6) sub-programmes namely; strategic planning, monitoring and evaluation, anti-corruption and risk management, corporate services, financial accounting, management accounting and supply chain management. There were 31 planned targets and 25 were achieved, which translate to 80.6% achievement for the quarter.

Administration	Adjusted Budget R'000	Final Actual Expenditure	Percentage %
Total(s)	271 198	126 547	46.7%

Construction of the seven planned Early Childhood Development Centers

Noting that the seven planned ECD centers for construction within the 2016/17 financial year are still at 0% expenditure and the Department's projection in this regard is anticipated at R4 462 million at the end of the financial year; the Committee enquired on the current budget and the factors informing the projection of over R4.4 million. In response, the Department outlined the initial budget as follows:

- Manzini ECD R6.468 million
- Mbuzini ECD R6.468 million
- Siyabuswa ECD R4.500 million
- Tweefontein ECD R4.500 million
- Ermelo ECD R4.500 million
- Ogies ECD R4.500 million
- Standerton ECD R4.500 million.

However, the Department further indicated that the budget of the ECD Centres was adjusted during the adjustment appropriation and currently it is as follows:

- Manzini ECD R3.000 million
- Mbuzing ECD R3.000 million
- Siyabuswa ECD R3.000 million
- Tweefontein ECD R3.000 million
- Ermelo ECD R3.000 million
- Ogies ECD R4.000 million
- Standerton ECD R3.000 million.

The Department also reported that the projected shortfall of R 4 459 337 alluded to in the budget and expenditure report for the period under review relates to ECD Centres implemented by the National Development Agency (NDA), namely: Mananga ECD Centre, Verena ECD Centre, Maphanga ECD Centre, Glenmore ECD Centre, Umjindi ECD Centre and Ndzalama ECD Centre.

With concern that the construction of all the seven ECD centres is still at 0% expenditure, the Committee asked if construction of all the centres will be completed within 2016/17 financial year and further enquired on the challenges. The Department reported that only Ogies ECD will be completed within the current financial year and that the other projects will not be completed in the current financial year. Standerton ECD had challenges with soil conditions (Consultants had not identified the challenge during the site investigation) it was discovered when the contractor was on site, which delayed the commencement of the project. The other five projects (Manzini, Mbuzini, Tweefontein, Siyabuswa and Ermelo ECD Centres) were delayed due to site disputes.

Social Work Bursary Holders

The Committee noted that a target of 50 social workers bursary holders to graduate was planned by the Department and only 48 bursary holders submitted their results for graduation. The Committee then enquired on the outstanding 02 social work bursary holders. The Department reported that the two students have outstanding courses on their last academic year, and for them to graduate they have to complete the outstanding courses.

Facilities on Retention

The Committee asked the Department for a progress report with regard to the outstanding final consultant fees on the target of facilities on retention. The Department reported that all outstanding final fee claims for Jerusalem and Amsterdam Branch Offices have been paid.

Staff Shortage

Noting with concern that shortage of personnel particularly Social Workers has been a long standing challenge of the Department, the Committee wanted to know what measures were put in place by the Department to addressing this. The Department reported that as from 01 April 2017, the Department will appoint 47 social work bursary holders using a conditional grant allocated by the National Department of Social Development. The appointment of these Social Workers will be sustained over the MTEF period through the conditional grant. The Department also reported that permission is being sought from Cabinet Chairperson to replace posts of professionals who have been terminated. The process of recruitment and selection will be finalized in the first quarter of the 2017/18 financial year.

PROGRAMME 2: SOCIAL WELFARE SERVICES

The social welfare services programme forms the core function of the DSD; its purpose is to provide integrated development social welfare services to the poor and the vulnerable in partnership with stakeholders and civil society organizations. Its priorities stress the issue of poverty reduction for children, adults and older persons as well as social cohesion. The Department managed to achieve **72.2%**, **18** targets were planned and **13** targets were achieved.

Social Welfare Services	Main Budget R'000	Actual Expenditure	Expenditure %
TOTAL	284 642	129 333	45.4%

PROGRAMME 3: CHILDREN AND FAMILIES

The programme aims to provide for a comprehensive and integrated child and family care and support services to communities in partnership with stakeholders and civil society organizations. It focuses on providing alternative care and support to vulnerable children and to offer programmes and services to promote functional families. There were 17 targets planned for the quarter and only 15 i.e. 82.4% achieved, showing an improvement from the previous year's performance that was at 77%.

Children and Families	Adjusted Final Budget R'000	Actual Expenditure	Percentage %
Total(s)	543 628	240 516	44.2%

Expenditure

The Committee enquired on the factors that led to goods and services overspending at 76.9% (p.48 of the Department's report). The Department reported that the over expenditure on goods and services for the period under review is due to a once-off payment of annual insurance premium for subsidized vehicles.

Food Relief

The Committee enquired on the criteria used to identify households qualifying for food relief and the measures put in place to assist the household after the three months of receiving the food parcels has lapsed. The Department reported those households that experience

undue hardship are assisted by both SASSA and the Department through departmental and SASSA programmes or through referrals, assessment is done before food parcels are issued. The family qualifies to get food parcels for three months while other more sustainable interventions are explored. The Department reported that clients are referred and linked to various developmental programmes including households' initiative support for those with assets and capabilities for their livelihoods whilst others are assisted with application for grants, for those who qualify for such.

The Committee further asked if the Department was working with local councilors in the identification of households in need of food and the distribution thereof. The Department reported that it is the departmental standard practice to engage the Ward Councilors and involve them in any intervention in a particular Ward; SASSA will also be encouraged to do likewise in case there was omission in some areas. The Department reported to being a member and stakeholder in the Operation Vuka Sisebente, which is a provincial forum that has been established to coordinate and for the implementation of government services through the involvement of all stakeholders. The Local War Rooms serve as a platform for the integration and monitoring of the services.

Aware that there are children accessing the food nutrition programme at schools with no means of having food when they get home from schools later on, the Committee asked if the Department had a programme addressing this challenge. Requesting that if there is no such programme, the Department should partner with the Department of Education in addressing this challenge. The Department reported that it is funding Drop-in-Centres (DIC), Community Nutrition Development Centres (CNDCs) and Isibindi Centres which among other things provide cooked meals. The caregivers in these Centres are getting referrals from schools and the community of children from poverty stricken communities. The Department further reported that it is assisting food insecure households with food through funded Community Nutrition and Development Centres (CNDCs) in 09 municipalities. The objective of the CNDCs is to provide daily cooked meals for the most vulnerable and food insecure households including children. Below is the list of the CNDC funded by the Department:

No.	Name of the CNDC	Local Municipality	Area / Location
1.	Sikhulangolwazi	Mkhondo	Amsterdam

No.	Name of the CNDC	Local Municipality	Area / Location
2.	Tholulwazi	Nkomazi	Kamaqhekeza- Naas
3.	Khayaletu	Chief Albert Luthuli	Lochiel
4.	Sizabantu	Pixley Ka Seme	Daggakraal
5.	Kutlwano	Dipaliseng	Nthoroane/ Greylingstad
6.	Nagakamoka	Thembisile Hani	Twefontein- KwaMhlanga
7.	Katjebane	DR JS Moroka	Mzindala Katjebane
8.	Amass	Bushbuckridge	Green Valley Acornhoek
9.	Hlayisani Centre	Mbombela	Bhuga

PROGRAMME 4: RESTORATIVE SERVICES

This programme deals with the provision of the integrated developmental social crime prevention and anti-substance abuse services to the most in partnership with stakeholders and civil society. There are four sub-programmes, namely; management and support, crime prevention and support, victim empowerment (VEP) and substance abuse, prevention rehabilitation. There were 18 planned targets and 15 were achieved, that is, 83.3%.

Restorative Services	Adjusted Budget R'000	Final	Actual Expenditure	Percentage %
TOTAL	158 913		70 089	44.1%

Expenditure

As per the report of the Department, the Committee noted with concern that management and support under this programme is at 97.4% expenditure and only in the second quarter, enquiring on the causes of the over expenditure. The Department reported that the over expenditure was caused by relocation of professionals who manage more than one

programme from specialty sub-programmes, whereas their budgets are still linked to those sub-programmes. However, the budgets have been shifted to the sub-programmes during the adjustment appropriation.

Construction of a Treatment Centre in Nkangala

Aware of the Department's plan to construct a Substance Abuse Treatment Centre in Nkangala, the Committee asked for progress report in that regard also noting the 2.9% payment of capital assets as reflected on page 54 of the Department's report. The Department reported that progress in this regard is at 13% with the following stages completed; site establishment, demolishing of existing structures, platforms for the admin block, dining hall and workshop, pegging of the road and fence.

Substance Abuse

The Committee asked what measures or strategy the Department has in place to avoid relapses by substance abuse patients who have been discharged from the in-patient treatment Centres. The Department reported that it and its partners render Anti Substance Abuse services guided by the Prevention of and Treatment of Substance Abuse Act, 70 of 2008. The Act emphasizes a continuum of care:

- Prevention
- Early intervention
- Statutory
- Aftercare and reintegration

To prevent relapse the Department and its partners have reportedly strengthened aftercare services. Aftercare means ongoing professional support to a service user after a formal treatment episode has ended in order to enable him or her to maintain sobriety or abstinence, personal growth and to enhance self-reliance and proper social functioning.

PROGRAMME 5: DEVELOPMENT AND RESEARCH

This programme is aimed at the development and research in the province. It has the following sub-programmes:

- Professional and administrative support;
- Youth development;
- Sustainable Livelihood;
- Institutional capacity building;
- Research and demography;
- Population capacity development and advocacy.

There were **39** targets planned for the quarter and only **31** achieved, that is, **79.5%**.

Development and Research	Adjusted Budget R'000	Actual Expenditure	Percentage %
TOTAL	196 335	77 217	39.3%

Poverty Reduction Initiatives

A target of 69 poverty reduction initiatives to be supported was planned but only 4 achieved by the Department, the Committee asked what support was provided to poverty reduction initiatives to ensure their sustainability. The Department reported that it could not support all household initiatives as targeted because the funding policy on household initiatives was under review; as a result there were delays due to the lengthy process. However, the review has been completed and the process has commenced to support the households and poverty reduction initiatives. To date 147 households have been supported and the Department will reach the annual target by the end of the financial year. The support to households focuses on the change agents in the profiled households. The Department provides capital to the households based on the assessment of skills and assets; the aim is to improve livelihoods.

Food Parcels

Aware that the people that access food through DSD programme are budgeted for, the Committee enquired how the incorrect counting impacted the budget as reported on page

58 of the Department's report. The Department reported that this is the first year that the target included food provided through all the different programmes supported by DSD. One of the challenges was that in some cases all registered Centres / beneficiaries were counted and not only those funded by DSD. The Department further reported that it will revise the target to align to the actual number of beneficiaries receiving food from Centre-based feeding programmes supported by DSD.

Poor Performance

The Committee expressed concern on the poor performance of the Department under this programme. The Department's report after experiencing challenges with reporting in the first quarter, the performance of Programme 5 largely improved. In the second quarter there were only 4 targets with substantial non-achievement:

- The first two unmet targets are related to the delays in procurement processes to support households and individuals with poverty reduction initiatives;
- The third unmet indicator is related to the over-targeting for people accessing food;
- The last unmet target is for the guideline for Women Development that was not completed; however, the guideline has now been approved.

The Department reportedly acknowledges areas of poor performance, including indicators with minor variation, and is fully committed to ensure that challenges are addressed.

6. COMMITTEE FINDINGS

After the deliberations on the 2nd quarterly report of the Department of Social Development for the 2016/17 financial year, the Committee found that:

- a) Of the 50 social work bursary holders, 48 completed their studies and have graduated, the other 02 still has outstanding courses from their last academic year;
- b) The Construction of the Substance Abuse Treatment Centre at Nkangala was at 13% with the following stages completed; site establishment, demolishing of existing structures, platforms for the admin block, dining hall and workshop, pegging of the road and fence.

- c) The Department has seven ECD projects underway, Manzini ECD, Mbuzini ECD, Siyabuswa ECD, Tweefontein ECD, Ermelo ECD, Ogies ECD and Standerton ECD; only Ogies ECD project is projected to be completed within 2016/17 financial year, there are noted challenges with the other projects, they are however reportedly being addressed.

7. RECOMMENDATIONS

After the findings, the Committee recommended that the Department must:

- a) Provide progress report on the 02 social work bursary holders inclusive of placement if any of the 48 social work bursary holders who qualified in their field by 13 April 2017;
- b) Provide a detailed progress to date on the Substance Abuse Treatment Centre construction project at Nkangala by 13 April 2017;
- c) Provide a detailed progress report to date on the seven ECD projects underway inclusive of the measures put in place to address the noted challenges - Manzini ECD, Mbuzini ECD, Siyabuswa ECD, Tweefontein ECD, Ermelo ECD, Ogies ECD and Standerton ECD by 13 April 2017.

8. CONCLUSION

The Chairperson would like to thank the MEC, the HOD and the officials of the Department of Social Development for availing themselves for the deliberations on the 2nd quarterly report of the Department.

The Chairperson would further like to thank Members of the Committee for their active participation and contribution during the deliberations of the 2nd quarterly report of the Department and the Legislature staff for their support and contribution towards the production of this report.

Lastly, the Chairperson requests that the House adopts the report with its recommendations and request the Department to submit the progress report on 13 April 2017.



HON P NGOBENI

CHAIRPERSON: PORTFOLIO COMMITTEE ON
HEALTH AND SOCIAL DEVELOPMENT

29/03/17

DATE