

PUBLIC HEARINGS ON CONDITIONAL GRANTS AND CAPITAL EXPENDITURE

SOCIAL DEVELOPMENT



10 NOVEMBER 2005

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Objectives

- To inform the Select Committee on finance in relation to the administration of conditional grants.
- Data trends in allocations, transfers and actual expenditure of conditional grants.
- Assessment on Free State Social Development's monitoring capacity.
- Pro-active measures to be introduced.
- Business plans for conditional grants submitted to National Treasury.

1(A). Social Development Free State Conditional Grants

R ' 000	BUDGET	EXPENDITURE - APRIL - SEPT '05	PROJECTIONS OCT - MARCH '06	TOTAL EXPENDITURE 2005/2006	TOTAL OVER/UNDER EXPENDITURE
HIV/AIDS	20,716	4,254	16,462	20,716	0
INTEGRATED SOC. DEV. SERVICES GRANT	74,654	24,214	50,440	74,654	0
SOCIAL ASS. ADMIN. GRANT	232,876	66,728	160,857	227,585	5,291
SOCIAL ASS. TRANSFER GRANT	3,725,860	1,658,132	1,839,466	3,497,598	228,262
TOTAL	4,054,106	1,753,328	2,067,225	3,820,553	233,553

1(B) Conditional Grant: October '05

R'000	BUDGET	EXPENDITURE - APRIL - OCT'05	TOTAL EXPENDITURE
HIV/Aids	20,716	5,387	20,716
Integrated Soc. Dev. Services Grant	74,654	29,205	74,654
TOTAL	95,370	34,592	95,370

1(C). Social Development Capital Expenditure

R'000	Budget	Expenditure – Sept '05	Projections Oct- March'06	Total Expenditure 2005/2006
Capital Expenditure	22,005	5,813	13,438	19,251

2(A). Reasons for over/under expenditure

➤ HIV/AIDS

Under expenditure on HIV/AIDS due to Memorandums of Agreement were returned late and was incomplete received from NGOs.

➤ Integrated Social Development Services Grant

A call for service plans from the NPO sector was made in September 2005, closing date is 31 October 2005. Measures will be put in place to ensure that funds are utilized by 31 March 2006.

➤ Social Assistance Admin. Grant

Critical vacant posts not filled. Structure for SASSA not in place and approved by the National Department of Social Development.

➤ Social Assistance Transfer Grant

A disability Review Programme was launched which resulted in the indicated saving.

3. Monthly Reporting

Monthly reports (In-Year-Monitoring) signed by the Accounting Officer are sent to Provincial Treasury and the National Department of Social Development as prescribed.

The Department receive reports on a monthly basis from NGO's as required.

4. Business Plans

Business Plans for Conditional Grants have been submitted to National Treasury and National Department of Social Development as required.

**Please note that the Business Plan for Food Relief Grant 2004/2005 is in use for the 2005/06 financial year due to the fact that funds were rolled over from the previous financial year.