



**SOUTH AFRICAN  
SOCIAL SECURITY AGENCY**  
STRATEGIC PLAN  
2007/08 – 2009/10



**Paying the right social grant to the right person  
at the right time and place, NJALO!**

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## GLOSSARY OF TERMS AND ACRONYMS

Agency	South African Social Security Agency
BAS	Basic Accounting System
DoSD	Department of Social Development
ERP	Enterprise Resource Planning
GEPF	Government Employees Pension fund
IMST	Information Management System and Technology
ICT	Information and Communication Technology
ITIL	Information Technology Infrastructure Library
LOGIS	Logistical Information System
MEC	Member of Executive Council
Minister	Minister of Social Development
PERSAL	Personnel & Salary System
PFMA	Public Finance Management Act, 1999
PMI	Project Management Institute
SASSA	South African Social Security Agency
SLA	Service Level Agreement
SITA	State Information Technology Agency
SOCPEN	Social Security Pension System





**PART A**  
**STRATEGIC OVERVIEW**

## FOREWORD BY THE MINISTER



**S**ince 1994 the Government has remained resolute to implement policies that bridge the economic divide between the rich and poor. This is demonstrated through the allocation of public resources, which is skewed towards the poor and vulnerable. The allocation of additional resources towards the poor has led to an expansion of the social assistance safety net to provide protection against vulnerability. The expansion of this safety net to the poor not only includes increasing the number of eligible beneficiaries in both rural and urban areas, but also increasing the value of each social assistance grant type annually in line with inflation in order to protect the purchasing power of the different grants.

Notwithstanding these strides in the expansion of the safety net and protecting poor people from vulnerability, accessing the different social assistance grants and overall service delivery by the poor has been uneven across the country. While this unevenness is gradually being addressed in the administration and payment of social assistance grants, the quality of services, unnecessary long queues, inadequate service delivery at pay points still exists in both rural and urban areas. It is in this area where Government will ensure that there is concentrated and increased improvement in the quality of service delivery to the poor and vulnerable. In achieving better and improved services, the establishment and operationalisation of the South African Social Security Agency, is therefore our priority.

During 2005 I requested from the President to proclaim the South African Social Security Agency Act, 2004 which establishes the Agency as a legal entity. This Agency is with effect from 1 April 2006 responsible for administering social assistance through the implementation of policies, programmes and procedures to ensure an effective and efficient social assistance grants administration system. The Agency is a public entity responsible for the delivery of social assistance grants within the borders of South Africa. As the Executive Authority, I will serve as the regulatory authority of the Agency, thereby setting the policy framework on who qualifies for social assistance grants, setting norms and standards for social assistance administration and the monitoring of the Agency's operations.

During March 2006 the Social Assistance Act, 2004 was proclaimed into law which confirms as per the Constitutional Court ruling of 2004 that national Government is responsible for social assistance administration and payment. I believe that this legislation will further enhance the centralisation of the social assistance function, given the required uniformity and standardisation across the country as directed by the Constitutional Court.

Since the beginning of 2005 the establishment of the Agency Head Quarters in Pretoria, including the ring-fencing and separation of the social assistance function in provinces have been fast-tracked in a diligent and responsible manner. This has been done over and above the administration and payment processes of ensuring that eligible beneficiaries receive their social assistance grants. The nature of capacity development in the Agency has not only included the appointment of strategic and operational managers, but also the development of policies, processes, procedures and systems on human capital management, financial management and administration, information and communication technology and the firming up of the key features of the social assistance service delivery model. During 2006 the social assistance administration and payment services responsibilities were gradually transferred and integrated in a phased manner into the regional and national offices of the Agency.

We are satisfied that the 2007/08-2009/10 Strategic Plan that follows in this publication, not only draws on our theme “pushing back the frontiers of poverty”, through better access and quality social assistance service delivery to the poor and vulnerable, but also to establish a dedicated Agency that must ensure uniformity in policy, procedures and processes across the country. The Strategic Plan is therefore the implementation of Agency’s mandate and commitment to both Government and the general public that the poor and vulnerable will be treated in a dignified and equal manner.

We, the personnel of the Agency and I, will endeavour to meet this mandate and exceed our expectations.



**Dr. Z.S.T Skweyiya, MP**  
**Minister of Social Development**  
**Date: 28 February 2007**



## 1. OVERVIEW BY THE CEO

The priorities of the South African Social Security Agency (SASSA) for the medium term strategic plan are:

- Improving service delivery quality
- Improving organisational capacity
- Improvement of payment services
- Enhancing grant process integrity
- Improving financial management
- Minimizing fraud

Over the 2006/07 financial year, the energies and activities of the transferred staff from the nine provincial social security administrations and the national Department of Social Development, including newly-appointed strategic and operational staff were aimed at the establishment and operationalisation of SASSA. The establishment and consolidation of SASSA took place simultaneously with the improvements on social grants administration such as the turn-around strategy and continuity in the social grants delivery to eligible beneficiaries.

Despite the daunting nature and complexities associated with the separation, ring-fencing and integration of personnel, liabilities, assets, administration and payment, the process of SASSA establishment has proceeded well in line with expectations of the Social Cluster Programme of Action. SASSA has taken over full responsibility and accountability of the administration and payment of social grants across all nine provinces.

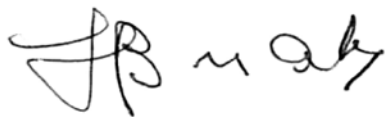
The phased consolidation of the provincial social assistance function into the Agency has been completed. The key highlights of the progress during the 2006/7 financial year include the following:

- Completion of migration and transfer of staff. Transferred more than 6 000 grant administration staff from the national and the nine provincial departments of social development to SASSA. In addition a further 300 staff has been recruited and appointed, principally to capacitate SASSA support functions at Head Office and in the regional offices.
- Appointments of most of the Executive Managers at the SASSA national office as well as senior managers in areas critical to building the strategic and operational capacity of SASSA.
- Sufficient capacitation of the finance branch.
- Implementation of policies, procedures and delegations of authority and accounting policies.
- Implementation of Transversal Information Communication Technology Systems with the

support and guidance of the State Information Technology Agency, National Treasury and the National Department of Social Development.

Over the period of this Strategic Plan 2007/08-2009/10, added advantage will be taken in achieving the uniformity, standardisation and further improvements of the social grants administration and payment services system and strengthening the different head office branches and regions. I am of the view that this strategic plan embodies the fundamental strategic and operational principles to enable the Social Security Agency to carry out its legislative mandate as prescribed by the South African Social Security Act, 2004 and the Social Assistance Act, 2004.

This plan provides the basis for the development of operational plans for the branches and detailed work plans for the individuals. The implementation of the strategic plan will be periodically reviewed in order to ascertain delivery against the targets as well to effect any amendments to the plan that become necessary.



**MR F. MAKIWANE**  
**CHIEF EXECUTIVE OFFICER**

## **2. MANDATE OF THE SOUTH AFRICAN SOCIAL SECURITY AGENCY**

To ensure the provision of comprehensive social security services against vulnerability and poverty within the constitutional and legislative framework.

## **3. VISION**

To provide world-class social security services.

## **4. MISSION**

To administer quality social security services, cost effectively and timeously using appropriate best practices by:

- Developing and implementing policies, programmes and procedures for an effective and efficient social grants administration system;
- Promotion and protection of human dignity; and
- Delivering innovative, cost-effective and efficient services to individuals, their families and community groups via easy multi-access channels using modern technology.

## **5. VALUES OF SASSA**

The Constitution of the Republic of South Africa (The Constitution) and the Batho Pele Policy Principles forms the foundation of our values. The Constitution sets high standards in its demand for a schedule 3A public entity in terms of the Public Finance Management Act, 1999 such as the South African Social Security Agency (Social Security Agency). The following principles guide the execution of the mandate:

- Confidentiality
- Integrity
- Fairness
- Transparency
- Equitability

The value proposition will require continuous refinement in order to satisfy and meet customer needs and expectations. The responsiveness of Social Security Agency to community needs and expectations may require adjustments in respect of service delivery, information technology and administrative processes.

## **6. THEME OF SASSA**

Paying the right social grant, to the right person, at the right time and place. NJALO!

## **7. LEGISLATIONS GOVERNING SASSA**

The following laws set the mandate of the South African Social Security Agency (Social Security Agency):

### **7.1. The Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996)**

The Constitution of the Republic of South Africa, 1996, provides for everyone to have the right to access to social security. This includes, if they are unable to support themselves and their dependants, appropriate social assistance and obliges the state to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of these rights. The Social Assistance Act No. 13 of 2004 inter-alia provides for the rendering of social assistance to persons.

### **7.2. South African Social Security Agency Act, 2004 (Act No. 9 of 2004)**

The Act provides for the establishment of the South African Social Security Agency as an agent for the administration and payment of social assistance to provide for the prospective administration and payment of social security by the Agency and the provision of services related thereto; and to provide for matters connected therewith.

### **7.3. Social Assistance Act, 2004 (Act No. 13 of 2004)**

The Act provides for the rendering of social assistance to persons. It provides for the mechanism for the rendering of such assistance and the establishment of an inspectorate for social assistance and for matters connected therewith.

## **8. KEY STRATEGIC OBJECTIVES**

There are four key strategic objectives that have been identified as the pillars to enhance the legislative mandate of the Social Security Agency. The key strategic objectives are:

- Ensure a High Performance Institution
- Service Delivery Improvement
- Improvement of Operational Excellence
- Good Governance

## **9. LINK BETWEEN KEY STRATEGIC OBJECTIVES AND STRATEGIC PROJECTS**

In order to ensure that the key strategic objectives are achieved, various strategic projects were undertaken. As mentioned in this strategic plan, the main focus was on the establishment, operationalisation and integration during 2006/07 financial year while strengthening the Social

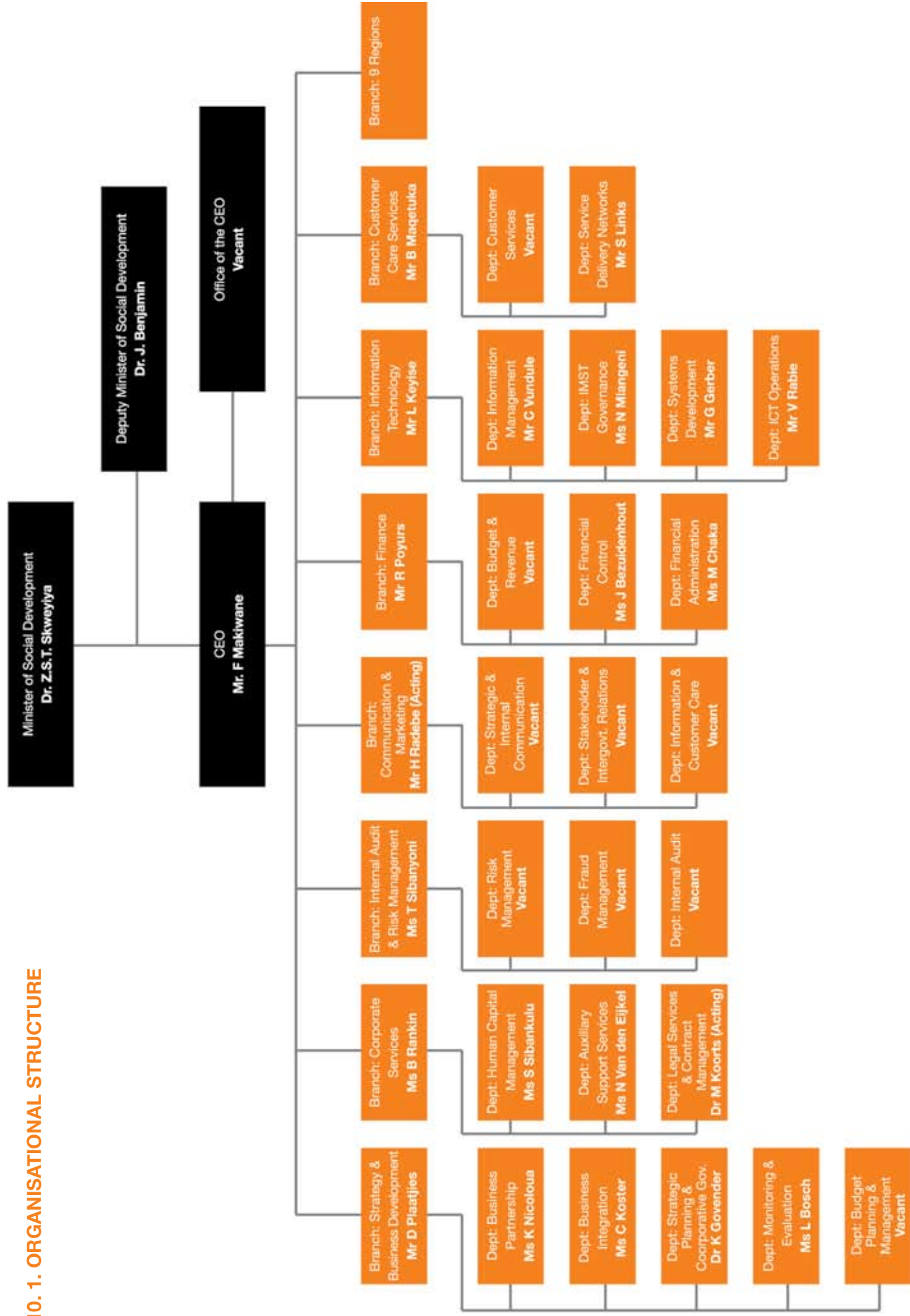
Security Agency. Its activities were directed towards achieving the establishment objectives and the continuation and maintenance of service levels to eligible beneficiaries. The strategic intent was to ensure that all activities were directed towards the establishment of the Social Security Agency and that services to eligible beneficiaries are not be adversely affected.

Given the complexity regarding the shift of the social assistance administration and payment services from provinces, in conjunction with the establishment and continued delivery of social assistance services, it is envisaged that closer and diligent attention would be given towards the improved realisation of the key strategic objectives.

Table 1: Linkage between Key Strategic Objectives and Outputs

<b>Key Strategy 1: Ensure a High Performance Institution</b>		<b>Responsible Branch</b>
<b>Strategic Objectives</b>	<b>Outputs</b>	
1. Maintain a high performance institution	1. Develop and operationalise a high performing efficient & effective institution	All Branches
	2. Continuous review of the institution's performance	
	3. Ensure the Agency's compliance with legislative mandates	
<b>Key Strategy 2: Service Delivery Improvement</b>		
2. Improve the administration and delivery of social security services.	4. Payment of grants are managed effectively, efficiently and economically	All Branches
<b>Key Strategy 3: Improvement of Operational Excellence</b>		
3. Operations meets world class standards	5. Benchmarking performance against best practices	All Branches
<b>Key Strategic 4: Good Governance</b>		
4. Ensure accountability and transparency	6. Full compliance with all legislative mandates	All Branches

## 10. 1. ORGANISATIONAL STRUCTURE



## 11. MACRO SOCIAL SECURITY POLICY REFORM AND CONTEXT

In his 2007 State of the Nation Address, President Thabo Mbeki sets the social security policy and administration reforms for both the public and private sectors stating that:

A critical part of this reform will be the task of repairing a defect identified in the 2002 Report of the Committee of Inquiry into a Comprehensive System of Social Security in South Africa. This is that the contributory earnings-related pillar of our social security system is missing or unreliable for large numbers of working people. The principle guiding this approach is that, over and above social assistance provided through the government budget, we need to explore the introduction of an earnings-related contributory social security system that is informed by the principle of social solidarity.

Moreover, the President mentions that this envisaged social security reform programme, “will enjoy membership of a common, administratively efficient social insurance system, while those earning higher incomes will be able to continue contributing to private retirement and insurance schemes”. By implication, this commitment by the President requires a continuation of social grants payments through a modernised administrative and payment service system.

The Minister of Social Development in his recent Parliamentary Briefing in February 2007 indicated that extensive work on social security reform, especially development of pillar two (2) the non-contributory or social insurance system, will be conducted. According to Government the second pillar system will be supported by the existing social grants system, referred to as the pillar one (1), South Africa’s elementary social assistance system and the private retirement and employee benefits industry. The principles of the second pillar comprise of:-

- Equity – to allow for fair and equitable uniform rates of contribution and benefits for all participants;
- Pooling of risks – collective funding arrangements and non-contributory rules and entitlements;
- Mandatory participation – compulsory participation of employees and inclusion of self-employed individuals and reasonable terms;
- Administrative efficiency – streamlined use of payroll-based contributions, modern information systems and efficient arrangements; and
- Solidarity – minimum benefits assured through fiscal redistribution or cross-subsidisation.

With regard to the administrative efficiency, the institutional reform argument confirms that the following advantages exist for the consolidation of the administration of social benefits, namely,

direct control over a comprehensive database, economies of scale in administration, payment services and data processing, including simplicity and accessibility for beneficiaries. Under direction of the President and Minister of Social Development, a critical step has therefore been taken in consolidating of the social grants administration and payment services, including the improvement of services to the poor under the Social Security Agency. This strategic programme forms the basis of the 2007/08 to 2009/10 Strategic Plan.

### **11.1. Social Grants Expenditure to Gross Domestic Product (GDP)**

The preliminary social grants expenditure as a percentage of the Gross Domestic Product is expected to be 3.3 per cent. The growth in child support beneficiaries has been the main source of expenditure. According to the 2007 Budget Review, social grants expenditure is expected to decline to 3.2 per cent in relation to GDP for 2007/08 and 2008/09, with a further 0.1 per cent decline to 3.1 per cent in 2009/10.

### **11.2. Targeted measures of social assistance**

Given the changing patterns of poverty, uncertainty about demographics, socio-economic conditions and economic prospects, there are increasing challenges to accurately gauge the demand for social grants. These are:

- The existing policy on the child support grant will continue to support the current growth trajectory on social grants in beneficiary numbers;
- The pattern of ageing of South African society. The number of elderly is growing significantly faster than the rest of the population, estimated at about 3.3 per cent per year over the next decade. This will result in continued growth in the number of old-age grant recipients; and
- Eligibility for disability, foster care and care dependency grants will in all likelihood expand as the social and economic impact of HIV/Aids is felt more widely.

## **12. ORGANISATIONAL ENVIRONMENT AND CONTEXT**

### **12.1. Integration of the Social Assistance Competencies into the Social Security Agency**

The South African Social Security Agency (SASSA) is a schedule 3A national public entity established in terms of the South African Social Security Agency Act (2004) to administer and pay social assistance grants. Although the Social Security Agency Act establishes the Agency and describes its governance, management and accountability structures, the Social Assistance Act (2004) regulates the Agency's mandate.

In terms of the Social Assistance Act, the Social Security Agency has been mandated to address the needs of specific groups of vulnerable people, including the aged, people with

disabilities, children under the age of 14, foster children and care-dependent children, in addition to paying the grant-in-aid. Although the South African Social Security Agency has been formally in operation since April 2005, the transfer of the social assistance administration and payment service functions from the national and provincial departments of social development only began in April 2006.

By shifting the social assistance grant payment function to the agency, provincial departments of social development can now focus solely on improving the delivery of social welfare services, and the national department can concentrate on developing and reviewing social policy and monitoring service delivery.

On 1 April 2006, the Social Security Agency was formally established in terms of the South African Social Security Agency Act, 2004. The strategic objectives of the agency are to:

- Ensure a high performance institution
- Improve service delivery
- Promote operational excellence
- Ensure good governance.

During 2006/07, the Social Security Agency has embarked on several key strategic and operational projects to give effect to the above strategic objectives. The major focus (80 per cent of resource effort) was spent on the establishment, operationalisation and integration of the social assistance administration and payment services.

Moreover, the key strategic tasks of the Executive Authority (Minister of Social Development) and the Accounting Officer (Chief Executive Officer), was the integration of the social assistance administration and payment services function from the nine (9) provincial social security administrations into the Social Security Agency. The strategic and operational focus was more specifically on:

- The financial and operational separation and ring-fencing of the social assistance administration and payment services in all nine provinces to separate assets, liabilities, personnel, and overall activities related to the social security service-delivery, administration and financial responsibilities;
- The separation, ring-fencing, transfer and capturing of the social assistance administration and payment services staff in provincial administrations onto the Social Security Agency Personnel Salary System (PERSAL) database in all nine provinces;
- The search and hire of office accommodation for the Social Security Agency within

provinces in order to accommodate staff to be transferred from the provincial administrations. Over the 2007/08 financial year it is envisaged that the process of acquiring additional buildings would be intensified through the implementation of an infrastructure strategy in conjunction with the national Department of Public Works;

- The continuation of social assistance transfers (social grants) delivery to the eligible beneficiaries within all provinces. The continued roll-out of social grants to eligible beneficiaries happened parallel to the national service delivery improvement programme to beneficiaries and rigorous implementation of the grants administration integrity programme. Moreover, strategic intention of both programmes, which continues over the 2007 Medium Term Expenditure Framework (MTEF) is to create standardisation in the social assistance administration and payment service processes and procedures from applications to approvals, payments of social grants and fast-tracking the beneficiary maintenance services;
- The finalisation of the service delivery administration and payment services model. This includes the specifications of the model with a view to improving service delivery quality, creating efficient social assistance administration processes, clear identification of the improvements within the current payment services in order to demonstrate and attain the necessary efficiency gains for government; and
- The establishment and consolidation programme of the Social Security Agency over the 2007/08 financial year. This includes the strengthening of the organisation and management capabilities through the recruitment and appointment of appropriately skilled and qualified staff with a much stronger focus on historically disadvantaged groups and communities. The organisational and management capacity will be enhanced through:
  - Improving public financial management and administration;
  - Adopting a zero tolerance, uncompromising approach towards fraud and mismanagement;
  - The finalisation and implementation of appropriate information communication technology policy and strategy;
  - The continued implementation of human resource management policies and procedures; and
  - The continued enhancement of governance and management structures such as the Internal Audit, Risks Management, Budget Planning and Management, including strategic and operational management structures within all branches, both at head and regional offices.

## **12.2. Service Delivery Improvements**

The following strategic projects are being designed for implementation to improve the quality

of services across and within regions at service, satellite and local offices over the 2007 MTEF period:

- A turn-around strategy which intends to streamline the business processes (the macro value chain) for grant administration and payment services in order to reduce the processing times from application to approval, approval to payment, and from payment to review. This includes administrative processes around beneficiary maintenance. This strategy focuses more specifically on screening, application capturing, application approval (verification), data capturing and system verification.
- A new payment service management system for social assistance intended to create economies of scale by providing nationally uniform services. This new payment management system and method ought to be finalised within the next 18 months.
- An optimal service delivery infrastructure network to support the grants administration and payment process and procedures. This network aims to ensure that services are located closer to the beneficiaries through service offices and paypoints that should enable the Social Security Agency to ensure equitable access to all current and potential beneficiaries.
- Improved access to services in rural and peri-urban areas through the procurement of mobile units to render services in remote areas.

### **12.3. 2007 Medium Term Expenditure Framework for Priorities**

The strategic priorities and overall focus of the 2007/08 to 2009/10 Strategic Plan for the Social Security Agency are:

- Improving the quality of service delivery
- Improving organisational capacity
- Improving payment services
- Enhancing the integrity of the grant process
- Improving financial management
- Minimising fraud

The different strategic projects that are linked to the strategic priorities were identified over a three year (3) year period. The identification and implementation of strategic and operational plans as indicated in Part B of the Strategic Plan from each branch are measured against the strategic priorities identified above.

### **12.4 Co-Operative Governance of the Social Assistance Function**

The social assistance function comprises of policy, administration and payment services and monitoring and evaluation responsibilities. The Minister of Social Development as the

Executive Authority is responsible and accountable as the political principal for the entire social assistance function. To give effect to the Minister's mandate, these responsibilities are distributed between the Social Security Agency and the National Department of Social Development (DoSD). In terms of the South African Social Security Agency Act, 2004, the Social Security Agency is responsible for social grant administration and payment services, including the diligent monitoring of these services. The functions of the Social Security Agency are identified in Chapter 2 (two) of the SASSA Act.

Chapter 2, Section 3 of this Act also states that the Social Security Agency, "will ensure the efficient and effective management, administration and payment of social assistance." Given these obligations, the Chief Executive Officer (CEO), in terms of Chapter 3 of the SASSA Act, where his/her appointment is approved by the Minister and Cabinet, must account for all the activities of the Social Security Agency to the Minister.

In order to ensure proper accountability, management and administration of the Social Security Agency to the Minister of Social Development, a Shareholders' Compact and a Performance Agreement is signed and approved by the said Minister and Chief Executive Officer.







**PART B**  
**PROGRAMME (BRANCHES) STRATEGIC PLANS**

## **13.1. PROGRAMME 1: OFFICE OF THE CEO**

### **13.1.1. Objective**

This programme is responsible for providing strategic leadership and overall management regarding the administration and payment of social grants in South Africa.

### **13.1.2. Situational analysis**

This programme oversees the function of seven branches and nine regional offices. The regional offices arose out of the amalgamation of the different social security units that were previously administered by the nine Provincial Departments of Social Development until 31 March 2006. Although the process of separating the units from the provincial departments is nearing completion, there are still challenges in some regional Social Security Agency offices that remain reliant on the province to provide administrative support with regard to recruitment and selection processes.

The programme has currently in its employ regional support services officials who are responsible for providing a coordinating role to ensure that the process of total separation from the provincial departments and acquisition of separate office accommodation is fast-tracked.

### **13.1.3. Priorities**

The main priorities of the programme are:

- Improve and strengthen the management of the Agency, particularly through the appointment of seven regional executive managers.
- Providing capacity building for the institution for the purpose of ensuring effective and efficient service delivery.
- Development and implementation of institutional policies.
- Ensuring an effective, efficient and economical management of the Agency's resources.
- Effective interaction and partnership with key stakeholders.

13.1.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Office of the CEO	Provide strategic leadership and overall management regarding the administration and payment of social grants in South Africa.	Strategic leadership and management provided	The Agency is economically, effectively and efficiently managed	The Agency is economically, effectively and efficiently managed	The Agency is economically, effectively and efficiently managed

## 13.2. PROGRAMME 2: INTERNAL AUDIT AND RISK MANAGEMENT

### 13.2.1. Objective

This programme seeks to enhance good corporate governance within the South African Social Security Agency, especially in reducing fraud and corruption in the grants administration process through effective and efficient risk management and internal audit.

This programme consists of three departments; firstly, Internal Audit which provides independent assurance to senior management on the adequacy and effectiveness of management controls to ensure achievement of objectives. This is done through a systemic disciplined approach to evaluate the effectiveness of risk management, control and governance processes. Secondly, Compliance and Fraud Management is concerned with the development, implementation and maintenance of a national strategy to identify, reduce and prevent fraud, corruption and maladministration in the grants administration process as well as investigate any cases of grant fraud and corruption.

Thirdly, Risk Management is responsible for assisting senior management to identify and quantify enterprise risks that might prevent Social Security Agency from achieving its goals, develop strategies to mitigate the risks and continuously monitor the risks to ensure that they are kept at a tolerable level.

### 13.2.2. Situational analysis

The Internal Audit and Risk Management Branch was established at the beginning of the previous financial year as a sub-programme under Administration. It was not fully functional for the better part of the previous financial year due to capacity constraints. A General Manager was appointed in August 2006. The Chief Audit Executive, at a level of an Executive Manager was appointed in October 2006. This Branch will from this financial year 2007/08 operate independently from the Administration programme. The other sub-programme, i.e. the Risk Management Function, will be established during the 2007/08 financial year. The Compliance and Fraud Management sub-programme, which has migrated from the Department of Social Development, is grossly under-capacitated both at head office and in the regions. This branch is therefore, in the process of reaching full capacity during this financial year.

### 13.2.3. Priorities

The main priorities of the programme are:

Enhance good corporate governance.

- Provision of effective internal audit services.
- Implementation of fraud prevention strategies.
- Intensify the risk management initiatives.



13.2.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Internal Audit.	Provide quality internal audit services to the Agency	Three-year internal audit plan developed and implemented.	Assurance and consulting engagements conducted timeously in line with Annual Risk-Based Coverage Plan	Assurance and consulting engagements conducted timeously in line with Annual Risk-Based Coverage Plan	Assurance and engagements conducted timeously in line with Annual Risk-Based Coverage Plan
Compliance and Fraud Management.	Maintain and implement fraud prevention strategies	Decrease in the number of fraudulent activities.	Develop and implement fraud prevention strategy for the Agency	Review the fraud prevention strategy and monitor implementation	Review the fraud prevention strategy and monitor implementation
Risk Management.	Develop and maintain risk management strategy	Risks being proactively managed.	Develop and implement risk management strategy.	Review the Risk Management Strategy.	Review Risk Management Strategy.

### 13.3. PROGRAMME 3: CORPORATE SERVICES

#### 13.3.1. Objective

This programme is responsible, firstly for the effective and efficient management and development human capital. Secondly, it provides auxiliary support and legal and contract management services.

#### 13.3.2. Situational analysis

In this programme, the Human Capital Management sub programme is almost fully operational with the staff migration process having been completed. The skills audit is well underway and support personnel are in the process of being recruited to the organisation. Regarding general support services, the department is fully operational but has challenges with capacity both at head office and regions.

Most positions are now filled while vacant posts will be filled in this financial year. Policies and procedures have now been developed and need to be communicated and implemented. Whilst regions have established their own offices, district and local offices are still largely within the Provincial Departments of Social Development buildings. This impacts on how services are standardised and provided. Because of the disparate systems in place in the regions, standardisation is a key focus.

Furthermore, the Legal Service and Contract Management sub programme is not currently operating at optimal level due to the key senior management positions still vacant at Head Office and Regional Offices. The filling of key posts will be the priority in this financial year.

#### 13.3.3. Priorities

The priorities of the programme are as follows:

- Provision of human capital management services.
- Provision of auxiliary support services.
- Provision of legal and contract management services.



13.2.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Human Capital Management	Effective and efficient management and development of human capital.	Optimal utilisation of human and material resources	Develop and implement Human Resource Strategy for the Agency	Review and implement Human Resource Strategy for the Agency	Review and implement Human Resource Strategy for the Agency
Auxiliary Support Services	Effective, efficient and economical provision of Auxiliary Support Services.	Auxiliary Support Services effectively, efficiently and economically provided.	Develop and implement Auxiliary Support Services Strategy.	Review and implement Auxiliary Support Services Strategy	Review and implement Auxiliary Support Services Strategy
Legal Services and Contract Management	Render effective and efficient litigation and contract management services	Quality advice on contract and litigation matters provided timeously.	Develop and implement Litigation and Contract Management framework	Review and implement contract management framework	Review of Litigation and Contract management Strategy

## **13.4. PROGRAMME 4: COMMUNICATIONS AND MARKETING.**

### **13.4.1. Objective**

This programme is responsible for providing strategic communication and marketing services within the institution. It comprises the following sub programmes:

- Strategic and internal communications.
- Stakeholder and Intergovernmental Relations.

### **13.4.2. Situational analysis**

This programme has developed and implemented a communication strategy and a policy. It is currently operational but not fully functional, with challenges of unfilled posts at executive and general management level. The programme is currently reviewing some of its functions in order to determine whether they are optimally located or not, thereafter, liaise with relevant programmes regarding the takeover of such functions that are not directly related to communications.

This means that in the case of functions that are transferred, the programme will only play a supporting role. After completing the role clarification exercise, the programme will embark on fast tracking appointment in key management posts during the financial year.

### **13.4.3. Priorities**

The main priorities of the programme are:

- Strengthen Internal Communications;
- Branding and publications.
- Maintain good media relations.



13.4.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/ Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Strategic internal and external Communication	Provide an effective and efficient internal and external communications service to the Agency	<p>Communication strategy is implemented effectively and efficiently throughout the Agency</p> <p>Communication strategy reviewed on six monthly basis and implemented</p> <p>Media liaison services are effectively rendered</p> <p>Language and translation service effectively rendered</p> <p>Monitoring and compilation service effectively rendered</p>	<p>Implement Communication Strategy effectively and efficiently</p> <p>Review the communication strategy on a six monthly basis</p> <p>Render media liaison service</p> <p>Translate and edit documents for the Agency</p> <p>Monitor news and compile reports for Executive Management.</p>	<p>Implement Communication Strategy effectively and efficiently.</p> <p>Review and implement the communication strategy on a six monthly basis</p> <p>Render media liaison service</p> <p>Translate and edit documents for the Agency</p> <p>Monitor news and compile articles reports for Executive Management.</p>	<p>Implement Communication Strategy effectively and efficiently.</p> <p>Review and implement the communication strategy on a six monthly basis</p> <p>Render media liaison service</p> <p>Translate and edit documents for the Agency</p> <p>Monitor news and compile articles reports for Executive Management.</p>
Branding and Publications	To market the Agency to the general public as a caring organisation	<p>Agency's brand developed, maintained and promoted</p> <p>Agency's documents printed timeously and distributed widely.</p> <p>All Agency documents are informative and empowering for all stakeholders</p> <p>Website maintained and updated regularly</p>	<p>Printing and distribution of Agency's promotional material such as banners, calendars, annual reports, strategic plans and pamphlets</p> <p>Promote and maintain the Agency's brand.</p> <p>Participation in exhibitions and conferences.</p> <p>Monitoring of all complaints and concerns and providing comprehensive reports to executive managers.</p> <p>Maintain and update website</p>	<p>Printing of Agency's promotional material such as banners, calendars, annual reports, strategic plans and pamphlets</p> <p>Promote and maintain the Agency's brand.</p> <p>Participation in exhibitions and conferences</p> <p>Monitoring of all complaints and concerns and providing comprehensive reports to executive managers</p> <p>Maintain and update website</p>	<p>Printing of Agency's promotional material such as banners, calendars, annual reports, strategic plans and pamphlets</p> <p>Promote and maintain the Agency's brand.</p> <p>Participation in exhibitions and conferences</p> <p>Monitoring of all complaints and concerns and providing comprehensive reports to executive managers</p> <p>Maintain and update website</p>

Sub-Programme	Measurable Objective	Performance Measure/ Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Stakeholder and Inter-governmental Relations	Facilitation of stakeholder and intergovernmental relations Effective management and oversight of stakeholder and intergovernmental relations	Protocol and international affairs effectively coordinated. Relevant information shared with stakeholders on a regular basis Internal and external stakeholder relations managed effectively Parliamentary/Provincial Legislature matters attended to timeously	Coordinate protocol and international affairs Facilitate national and provincial consultative summits/gatherings with relevant stakeholders Manage and oversee internal and external stakeholder relations Attend to Parliamentary/Legislative matters Participate in government izimbizo and Provincial Cabinet Outreach programmes	Coordinate protocol and international affairs Convene national and provincial consultative summits/gatherings with relevant stakeholders Manage and oversee internal and external stakeholder relations Attend to Parliamentary/Legislative matters Participate in government izimbizo and Provincial Cabinet Outreach programmes.	Coordinate protocol and international affairs Convene national and provincial consultative summits/gatherings with relevant stakeholders. Manage and oversee internal and external stakeholder relations Attend to Parliamentary/Legislative matters Participate in government izimbizo and Provincial Cabinet Outreach programmes
Information and Customer Care	To provide quality information and customer care services timeously to internal and external stakeholders Effective management of the shared service centre that will provide help and advice to social grant beneficiaries and the general public	Shared Service Centre established and operating effectively Helpdesk system established and operating effectively Walk-in centres established and operational in 9 regions	Establish and maintain a national call centre linked to 9 regional call centres Establishment of a National Helpdesk Establish walk-in facilities and information resources in the 9 regions	Maintain a national call centre linked to 9 regional call centres Maintain and operate the Helpdesk Maintain and operate the walk-in facilities in the 9 regions	Maintain a national call centre linked to 9 regional call centres Maintain and operate the Helpdesk Maintain and operate the walk-in facilities in the 9 regions
Secretariat Affairs	Provide effective secretarial support service to the Agency	Secretariat support provided regularly. As per agreements	Regular provision of secretariat support service	Regular provision of secretariat support service	Regular provision of secretariat support service

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Change Management	Communicate change management results within the Agency	<p>Identify change management priorities</p> <p>Develop change initiatives to achieve priorities</p> <p>Implement, measure and track change management impact.</p> <p>Change management issues are communicated immediately</p> <p>Change management programmes and campaigns are promoted widely</p>	<p>Change management issues are communicated immediately</p> <p>Change management programmes and campaigns are promoted widely.</p> <p>Development and coordinate change management programmes and campaigns</p>	<p>Change management issues are communicated immediately.</p> <p>Change management programmes and campaigns are promoted widely</p> <p>Coordinate change management programmes and campaigns</p>	<p>Change management issues are communicated immediately.</p> <p>Change management programmes and campaigns are promoted widely</p> <p>Coordinate change management programmes and campaigns</p>

## **13.5. PROGRAMME 5: FINANCE**

### **13.5.1. Objective**

This programme is responsible for providing financial management and accounting services through the following:

- Ensuring an integrated budget planning and expenditure monitoring service;
- Ensuring the development and implementation of a comprehensive set of financial control mechanisms to facilitate accountability, compliance and reporting;
- Ensuring the provisioning of financial system support; and
- Ensuring the provisioning of an integrated financial administration and supply chain management service.

### **13.5.2. Situational analysis**

This programme is fully functional at head office and in most of the regions. The CFO and General Managers for the Branch have been appointed and most of the Senior Managers, at Head Office and all the Regions, have been appointed. Financial and Supply Chain Management policies, procedures and delegations have been approved and implemented.

A centralised Basic Accounting System (BAS) has been implemented and is in use by Head Office and all the Regions. Admin funds are administered through one central Pay Master General's bank account. A Bid Committee has been formed and is fully functional.

### **13.5.3. Priorities**

The main priorities of the programme are:

- Review and optimise Financial and Supply Chain Management policies, procedures and delegations through the process mapping and optimisation tender.
- Implement the ERP system.
- Create and implement a centralised Beneficiary Transfers Department.

13.5.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/ Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Financial Accounting	Provision of financial information to ensure consolidated alignment of priorities and efficient performance management.	Timely, accurate, complete and relevant financial and non-financial reports.	100% of deadlines for weekly, monthly, quarterly and annual reports met.	100% of deadlines for weekly, monthly, quarterly and annual reports met.	100% of deadlines for weekly, monthly, quarterly and annual reports met.
	Develop and implement policies and procedures in terms of financial legislation to ensure good corporate governance.	Policies, procedures and delegation of authority in line with legislation developed and implemented	Completion of process mapping.	100% review of policies, procedures and delegation of authority	100% review of policies, procedures and delegation of authority
Management Accounting	Provide effective financial system support to enable a high performance institution.	Effective and efficient financial system implementation, support and coordination within the identified target time frames.	Specific capacity building and implementation of processes.	Evaluate implementation of and compliance with policies, procedures and delegation of authority in three regions per quarter.	Evaluate implementation of and compliance with policies, procedures and delegation of authority in three regions per quarter
	Provide integrated financial planning to ensure effective and efficient utilisation of financial resources	Timely submission of accurate and complete financial plans (budgets) complying with national guidelines and criteria.	Coordination and implementation of identified modules of the ERP system in HO and Regional offices.	Roll-out of identified modules of the ERP system at District and Local Offices and additional modules at HO and Regional offices	Identify and roll-out additional modules of the ERP system to District and Local Offices.
Beneficiary Transfer	Provide financial information to ensure consolidated alignment of priorities and efficient performance management.	Timely, accurate, complete and relevant financial and non-financial reports.	100% of deadlines for submission of MTEF and adjustment budgets met	100% of deadlines for submission of MTEF and adjustment budgets met	100% of deadlines for submission of MTEF and adjustment budgets met.
	Ensure timeous provision of grants funds and accurate reconciliation, recording and reporting	Adequate funds available in all Regions for the timely payments of beneficiaries.	Fully functional Budget Advisory Committee.	Fully functional Budget Advisory Committee.	Fully functional Budget Advisory Committee.
			100% of deadlines for weekly, monthly, quarterly and annual reports met.	100% of deadlines for weekly, monthly, quarterly and annual reports met.	100% of deadlines for weekly, monthly, quarterly and annual reports met.
			100% timely availability of funds.	100% timely availability of funds.	100% timely availability of funds.
			Monthly reconciliations completed	Monthly reconciliations completed	Monthly reconciliations completed
			Accurate monthly reporting.	Accurate monthly reporting.	Accurate monthly reporting.

## **13.6. PROGRAMME 6: INFORMATION AND COMMUNICATION TECHNOLOGY**

### **13.6.1. Objective**

This programme is responsible for providing information and communication technology services through:

- Management of special ICT projects;
- Managing information for planning, operational and management purposes;
- Develop business solutions to support operations in line with the Agency's development standards and principles;
- Develop and implement governance model and IMST architecture; and
- Achieving Operational Excellence in optimizing ICT systems and processes required by business; and
- Ensuring high availability and high integrity of information and systems

### **13.6.2. Situational analysis**

This Programme is sufficiently capacitated with Senior Management and an initial complement of core ICT staff supporting critical business and IT processes are in place. Optimised ICT Infrastructure is in place at Head Office and all regional offices to accommodate new staff and social security staff transferred from national and provincial departments.

In the District and Local offices where Social Security Agency staff has not yet moved to the new buildings, and are therefore sharing the infrastructure with the department staff, the process of logically separating infrastructure and systems is continuing. Critical business systems (PERSAL, LOGIS, BAS, WALKER, SOCPEN) are operational in all regions as of 1 April 2006.

### **13.6.3. Priorities**

The main priorities of the programme are:

- Implement business systems that support and improve Business Processes.
- Design and develop systems and processes for management of Fraud and Risks.
- Provide ICT infrastructure for District and Local offices.
- Design and develop an integrated information management solution.



13.6.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/ Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Systems Development	Implement Enterprise Resource Plan (ERP) systems	Blueprint for ERP implemented	Implement Phase 1 100% across the Agency	Implement Phase 2 across the Agency	Monitor and review
	Develop Grants Administration System Solutions	Automated grants processes Developed SOCPEN Enhancement and Transition plan	Complete Business and Application Architectures Developed first phase of SOCPEN enhancements (web interface and database normalization) Developed a payment system in accordance to the new model and architecture	Operationalise Social Grants Automation Systems Adopt Social Grants Administration System roadmap	Operationalise Social Grants Automation Systems Retire SOCPEN Application
Information Management	Provide, Implement a data quality management programme	Effective and efficient Information Management System in place.	Information Management Strategy developed and implemented.	Review and implement Information Management Strategy.	Review the effectiveness of the Information Management Strategy.
ICT Operations	Maintain Business Systems and provide IT solutions.	SOCPEN and Business Systems fully operational.	Enhancement of Business Systems and availability thereof.	Enhancement of Business Systems and availability thereof.	Enhancement of Business Systems and availability thereof.
	Provision of Enterprise-Wide Area network, VPN services and ICT Infrastructure in accordance with set Infrastructure plans	Enterprise-Wide Area Network, VPN services and ICT Infrastructure effectively provided	Enterprise-Wide Area Network, VPN services and ICT Infrastructure effectively provided to all regional offices	Review the provision of Enterprise-Wide Area Network, VPN services and ICT Infrastructure	Review the provision of Enterprise-Wide Area Network, VPN services and ICT Infrastructure
Architecture and IT Governance	Development of an IT Governance Policy. Formulated a Fraud Prevention System (FPS) Architecture. Developed a payment process model and system architecture.	IT Governance Policy developed and implemented Blueprint for FPS approved New Payment process model and architecture approved	Develop and implement a new governance policy Fraud Prevention System implemented Provided design and tender specifications for the relevant development phase of the system	Review and implement the IT Governance Policy Review FPS Architecture Interim Payment System Operational	Review and implement the IT Governance Policy Provided design and tender specifications for the relevant development phase of the END-State Payment system
	Effective and efficient management of ICT projects	Projects for the use of uniform project management uniformly implemented.	Project Management methodology implemented (Project in Controlled Environment 2/PMI)	100% business alignment	Implement Enterprise PMO
Programme Management Office	Implement project manager's assessment and career development structures	Project management assessment tool implemented, along with career development support structure	Assessment tool implemented across the Agency	Career development support structure implemented across the Agency	Fully developed in-house Project Management competency

## 13.7. PROGRAMME 7: CUSTOMER SERVICES

### 13.7.1. Objective

The programme is responsible for providing a coordinated and integrated grant administration and payment service by providing strategic guidance to Head Office and Regions in relation to:

- Operational Management
- Beneficiary Management
- Disability Management
- Customer Care
- Payment Management and Payment Contracts
- Service Delivery Infrastructure

### 13.7.2. Situational analysis

The programme has been in existence since the beginning of the previous financial year but is hampered by a high rate of unfilled posts at all levels. The executive manager post was filled in January 2007. Currently, only one of the general manager posts is filled. The organisational structure has been revised in accordance with the core value chain of the Agency, aligned to regional structures in order to ensure maximum support. The reviewed organisational structure has been forwarded for approval.

According to the approved organisational structure of the branch, the vacancy rate per Sub programme is as follows:

- Customer Services, which comprises four units i.e. Old Age and War Veterans Pension, Disability, Child Support, Foster Care and Social Relief of Distress and Beneficiary Maintenance has been operating without a general manager and with only one appointed senior manager.
- Service Delivery Network, which comprises four units i.e. Geographical Information Systems Planning, Pay Point Planning, Service Office Planning and Alternate Access Planning, has a general manager and one only senior manager.

Regarding service delivery projects, the Management Information System (MIS) was fully implemented in 2 regions, namely; Eastern Cape and Free State. The remaining seven regions will be attended to during the financial year. The pilot project for cycle time has been successfully implemented. The tender for the new payments system has been drafted and will be published. Mobile offices geared to enhance access to social assistance in rural areas will be rolled out during the financial year. The proposed location for service offices has been finalised in accordance with the spatial optimisation model

### 13.7.3. Priorities

The priorities of the programme are:

- Finalise and phase in the Service Delivery Model in all regions.
- Review and implement norms and standards.
- Manage the extended contracts with service providers.
- Ensure proper evaluation and appointment of new service providers for cash payments.
- Finalise working drawings for service offices and pay points.
- Finalise the proposed location for pay points in accordance with the Spatial Optimisation Model



13.7.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Operations	Implement the Service Delivery Model in all regions	Detailed implementation plan (Service Delivery Model) over the MTEF period developed	Finalise refinement of Service Delivery Model and cost the Implementation Plan	Roll-out of Service Delivery Model in all regions	Service Delivery Model operational in all regions
	Improve delivery of social security services in a manner that meets customer and stakeholder expectations	Reviewed and implemented priority norms and standards: (Implement a Customer Charter, standardised business process, improved turnaround time for grants processing and improved conditions at access points)	Pilot Model in urban and rural areas.  Complete Service Delivery Improvements on prioritised Norms and Standards	Monitor and evaluate implementation of Service Delivery Model	Monitoring and evaluation of Service Delivery Model
Customer-Centric Services			Align Service Delivery Model across value chain	Roll-out 20% prioritised norms and standards	Roll-out 40% prioritised norms and standards
			Develop tool to monitor compliance by service providers. Implement compliance monitoring tool	Monitor compliance	Monitor compliance
Contract/Vendor	Audit and analyse current contracts.	Contract and guidelines designed			
	Design and introduce standardise contracts and guidelines for new, existing contracts.	Negotiations with stakeholders concluded			
Customer Care	Optimise (incrementally) infrastructure to improve access to social assistance	Infrastructure plan completed. Increased coverage and accessibility. Incremental acquisition and customisation of suitable infrastructure	Roll out of infrastructure	Roll out of infrastructure	Roll out of infrastructure
	Customer relationship strategy	Customer relationship strategy with the new Service Delivery Model finalised	Finalise establishment of centralised contact centre as part of the Service Delivery Model.	Re-launch and implementation of Charter	Evaluate impact
Beneficiary Maintenance			Review, implement and assess Customer Charter	Evaluate impact	Ongoing monitoring and evaluation
	Enhance Service Delivery Integrity through the Improvement of data quality	Systems to assist in the improvement and measurement of data integrity implemented	Implement remaining modules for MIS	Optimise MIS	Optimise MIS Assess state of readiness for ERP
		Discrepancies relating to social grants identified through data matching with all significant sources of data	Implement fraud detection mechanisms	Improvement in data integrity.	Improvement in data integrity
			Implement Data Quality Management Project	Continue with investigations	Continue with investigations
			Strengthen verification process within the value chain	Monitor effectiveness of the verification process	Shift to more proactive forensic investigation

## 13.8. PROGRAMME 8: STRATEGY AND BUSINESS DEVELOPMENT

### 13.8.1. Objective

The programme is responsible for the development of innovative strategies and mechanisms to improve service delivery through:

- Effective and efficient business integration services
- Establishment of new business partnerships and maintaining the current ones
- Effective budget planning services;
- Effective strategic planning and cooperative governance services; and
- Effective monitoring and evaluation services

### 13.8.2. Situational analysis

This is a completely new Branch and is currently not operating at full capacity. Senior Management functions have gradually been filled. The General Manager: Strategic Planning and Corporate Governance was appointed at the beginning of the financial year, but was subsequently promoted to a more senior position in the Department of Social Development in September 2006. To date 4 General Managers have been appointed (namely, Business Integration, Business Partnerships, Strategic Planning and Corporate Governance and Monitoring and Evaluation) and 5 Senior Managers. The branch went on an aggressive recruitment drive from September to December 2006. This process will pick up momentum again. The branch should run at 80 percent capacity by the second quarter of 2007/08.

The Executive Manager of the Strategy and Business Development Branch was appointed the Acting Executive Manager for the Customer Services Branch. As a result, a lot of work of the strategic effort was devoted to developing the core service delivery value chain as well as the macro service delivery value chain; understanding the various components of the macro and core value chain; and raising the importance of the core service delivery value function in the Agency. The Regional Integration Department is supported by a Project Management Office (PMO), which is responsible for integrating all the nine provincial regions into one organisation. The extent and complexity of this task was grossly under-estimated. Most of the regions will be fully integrated into the Agency by the end of the 2006/07 financial year. Moreover, standardization, consolidation, optimization and diversification will only be achieved over the medium term. In November 2006, the Minister approved the appointment of the Executive Manager for the Customer Services Branch, effective 1 January 2007. As a result, the two branches have reverted back to their original organizational structures and functions.

### 13.8.3. Priorities

The priorities of this programme are:

- Build capacity to the branches at head office and regions regarding the development of operational plans as well as the compilation of progress reports.
- Fast track the process of finalising the integration of Regional, District and Local offices Service Delivery Models that will be more comprehensive.
- Business integration processes will be successfully concluded.
- Business partnerships will be expanded.



13.8.4. Measurable objectives, performance measures/indicators and medium-term targets

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Business Integration	Manage the integration of Social Assistance function at Regional, District and Local levels.	An integrated Social Assistance Function at Regional, District and Local levels established.	Effective separation and integration of the Regional and District office levels.	Effective separation and integration of the Local office levels.	Review and optimise the separation and integration of National, District and Local office levels
	Establish learning and knowledge management in support of Agency operations	Effective and efficient knowledge management function established	Develop infrastructure to support knowledge management and learning opportunities Identify and record knowledge and learning areas.	Implement strategies and policies, processes for knowledge and learning management	Consolidate and identify new areas for knowledge and learning initiatives
	Conduct research and development	Research and development areas identified. Research conducted and reports readily available	Identified research and development areas	Identified research and development areas.	Identified research and development areas.
Business Partnerships	Develop and coordinate effective and efficient existing and potential partnerships with the Agency in order to promote service delivery	Business partnerships framework developed and implemented	Develop and implement a Business Partnerships framework	Review and implement a Business Partnerships framework	Review and implement a Business Partnerships framework

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Budget Planning	Design budget planning models that include financial, economic and social security factors	Design, update and implement financial /economic modelling and micro-simulation models with regard to budget planning on social security benefits	Design, update and implement financial /economic modelling and micro-simulation models with regard to budget planning on social security benefits.  Design or support overall budgeting process on social assistance budget administration and payment services within regions.  Monitor financial management expenditure and service delivery  Finalise the budget process and coordinate various inputs from branches and regions on social security administration and payment services	Update and implement financial /economic modelling and micro-simulation models with regard to budget planning on social security benefits  Review and analyse social security service delivery and budget trends  Monitor financial management , expenditure and service delivery.  Finalise the budget process and coordinate various inputs from branches and regions on social security administration and payment services	Update and implement financial /economic modelling and micro-simulation models with regard to budget planning on social security benefits.  Review and analyse social security service delivery and budget trends  Monitor financial management , expenditure and service delivery.  Finalise the budget process and coordinate various inputs from branches and regions on social security administration and payment services

Sub-Programme	Measurable Objective	Performance Measure/Indicator	Target 2007/08	Target 2008/09	Target 2009/10
Strategy Planning and Cooperative Governance	Coordinate the development of strategic and operational plans within the Agency.	National and regional and strategic plans are developed and implemented.	Review and implement regional strategic and operational plans.	Review and implement National and regional strategic and operational plans.	Review and implement National and regional strategic and operational plans.
	Coordinate and monitor the implementation of cooperative governance codes, procedures and ethics within the Agency.	Approved codes and procedures on Cooperative Governance issues are in place.	Develop and implement cooperative governance charter outlining goals, values and service excellence that will guide Agency's overall performance	Review and implement cooperative governance charter outlining goals, values and service excellence that will guide Agency's overall performance	Review and implement cooperative governance charter outlining goals, values and service excellence that will guide Agency's overall performance
Monitoring and Evaluation	Facilitate and coordinate the Agency's policy costing	Agency's policy costing is facilitated and coordinated	Facilitate the Agency's policy costing and provide reports to Executive Management.	Facilitate the Agency's policy costing and provide reports to Executive Management.	Facilitate the Agency's policy costing and provide reports to Executive Management.
	Ensure system provides strategic monitoring support, institutional monitoring, service delivery and social security evaluations.	Approved comprehensive framework for M & E.	Development of a comprehensive framework for M&E	Implementation of a comprehensive framework for M&E	Review and implementation of a comprehensive framework for M&E

#### **14. FINANCIAL FORECASTS OVER THE MTEF PERIOD**

As mentioned earlier in this Strategic Plan, prior to the 2006/07 financial year budgeting and financing of social grants transfers and administration were the responsibility of the provincial and national Departments of Social Development. Table 14.1 below shows the past audited expenditure on the administration and payment services and medium-term estimated expenditure up to 2009/10. The Social Security Agency is both responsible and accountable for 2006/07 estimated expenditure outcome and the medium-term expenditure leading up to 2009/10.

Table 14.1 Expenditure on Administration for Social Grants

	Outcome				Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited	Audited		2006/07	2007/08	2008/09
R thousand	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	
Revenue	1 953 520	2 177 800	3 323 665	4 179 263	4 142 747	4 459 715	4 765 778	
Transfers received								
Of which:								
Establishment and operationalisation	74 442	82 105	183 294	135 000	158 250	166 954	176 136	
Grant Administration integrity	-	6 049	39 605	96 086	154 487	157 525	166 189	
Social assistance administration	1 879 078	2 089 646	3 100 766	3 892 405	3 760 010	4 115 236	4 403 453	
Management information system	-	-	-	55 772	70 000	20 000	20 000	
<b>Total revenue</b>	<b>1 953 520</b>	<b>2 177 800</b>	<b>3 323 665</b>	<b>4 179 263</b>	<b>4 142 747</b>	<b>4 459 715</b>	<b>4 765 778</b>	
Expenses								
Current expense	1 927 751	2 140 470	3 090 821	3 849 710	3 892 684	4 250 648	4 547 289	
Compensation of employees	281 092	336 561	570 745	879 390	923 360	969 527	1 027 699	
Goods and services of which:	1 646 659	1 803 909	2 520 076	2 970 320	2 969 324	3 281 120	3 519 590	
Payment contractors	1 236 568	1 447 490	2 131 301	2 015 056	2 176 260	2 350 361	2 538 390	
Consultants, contractors and special services	73 263	82 356	169 977	175 413	183 114	290 312	295 923	
Travel and subsistence	26 622	33 135	57 018	98 356	101 700	106 785	114 260	
Transfers and subsidies	340	592	595	1 459	-	-	-	
Provinces and municipalities	340	592	595	1 459	-	-	-	
Payments for capital assets	25 429	36 738	232 249	328 094	250 063	209 067	218 488	
Buildings and other fixed structures	-	-	145 097	128 650	36 511	38 337	40 222	
Machinery and equipment	25 429	36 738	87 152	128 784	133 163	139 821	146 812	
Software and other intangible assets	-	-	-	70 660	80 390	30 909	31 455	
<b>Total expense</b>	<b>1 953 520</b>	<b>2 177 800</b>	<b>3 323 665</b>	<b>4 179 263</b>	<b>4 142 747</b>	<b>4 459 715</b>	<b>4 765 778</b>	
Surplus / (deficit)	-	-	-	-	-	-	-	
Source: South African Social Security Agency								

Table 14.2 shows the social grants expenditure by type of grant and province from 2003/04 to 2009/10. As from 1 April 2007 the Social Security Agency will be responsible and accountable for the distribution of social grants, previously administered by provinces and the national Department of Social Development.

On 1 April 2007, the amount of the larger social grants, that is, old age, disability and care dependency will increase by R50 to R870. The child support grant also increases to R200 a month.

Table 14.2 Social Grants Expenditure

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	% growth (average annual)
<b>R million</b>								
Old age	17,146	18,504	19,527	21,590	22,782	24,405	26,106	7.3%
War veterans	34	36	28	25	21	18	14	-13.7%
Disability	10,329	12,570	14,099	14,707	15,728	16,991	18,347	10.0%
Foster care	1,142	1,563	1,996	2,464	3,404	4,091	4,886	27.4%
Care dependency	639	760	916	998	1,127	1,240	1,357	13.4%
Child support	7,690	11,431	14,143	17,936	19,176	20,888	22,327	19.4%
<b>Total</b>	<b>36,982</b>	<b>44,885</b>	<b>50,708</b>	<b>57,720</b>	<b>62,238</b>	<b>67,633</b>	<b>73,037</b>	<b>12.0%</b>
<b>Province</b>								
Eastern Cape	7,553	9,006	9,732	11,085	11,826	12,855	13,953	10.8%
Free State	2,379	3,049	3,352	3,919	4,214	4,667	5,166	13.8%
Gauteng	4,454	5,411	6,130	6,938	7,114	7,682	8,223	10.8%
KwaZulu-Natal	8,165	10,275	11,898	13,362	15,249	16,610	17,855	13.9%
Limpopo	4,899	5,802	6,815	7,722	8,464	9,144	9,899	12.4%
Mpumalanga	2,421	2,981	3,476	3,888	4,140	4,484	4,818	12.2%
Northern Cape	936	1,065	1,177	1,344	1,429	1,543	1,660	10.0%
North West	3,064	3,795	4,186	4,861	4,963	5,403	5,823	11.3%
Western Cape	3,111	3,500	3,942	4,601	4,839	5,245	5,640	10.4%
<b>Total</b>	<b>36,982</b>	<b>44,885</b>	<b>50,708</b>	<b>57,720</b>	<b>62,238</b>	<b>67,633</b>	<b>73,037</b>	<b>12.0%</b>
Source: Intergovernmental Fiscal Review, Socpen, National Department of Social Development								

## **15. IMPLEMENTATION OF THE STRATEGIC PLAN**

### **15.1. Relationship with other planning processes in the Agency**

The strategic plan is the primary guiding document to other planning process in the Agency, therefore, it must inform:

- MTEF projections of the Agency.
- Annual Operational Plans of the Agency.
- Annual Budget of the Agency.
- Annual Branch and Regional Operational Plans of the Agency.
- Annual Performance Agreement of SMS members
- Work plans of staff from post levels 1-12.

The Strategic Plan will be reviewed annually to ensure that performance targets are refined and outer years added to the plan.

### **15.2. Monitoring and Evaluation**

The Agency is required to submit to the Minister, quarterly reports on progress with regard to implementation of the Strategic Plan, that is, non-financial and financial information (expenditure). Quarterly Performance Reports will be reviewed during the extended quarterly meetings between the Minister and the CEO.



# NOTES





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