

The Presidency

Adjusted budget summary

R thousand	2011/12			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	814 983	930 910	–	115 927
of which:				
Current payments	412 692	473 775	–	61 083
Transfers and subsidies	387 823	448 367	–	60 544
Payments for capital assets	14 468	8 768	(5 700)	–
Direct charge against the National Revenue Fund	4 810	3 837	(973)	–
Executive authority	Minister in the Presidency			
Accounting officer	Chief Operations Officer in the Presidency			
Website address	www.thepresidency.gov.za			

Aim

Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the State through considered planning, coordination, oversight, mobilisation and support.

Changes to programme purposes, objectives and measures

Programme 3: Auxiliary and Associated Services

Changed programme purpose: Facilitate the transfer of funds to the National Youth Development Agency so that the agency may initiate, implement, facilitate and monitor youth development interventions aimed at reducing unemployment and promoting social cohesion. Facilitate the transfer of funds to Brand South Africa in order to inform the international marketing strategy of the country by ongoing monitoring, assessing and analysing national and international media coverage of the country.

Oversight of Brand South Africa was moved from the Government Communication and Information System to the Presidency, following a Cabinet decision. The department will still have three programmes, but programme 3 (previously *National Youth Development Agency*) will now be called *Auxiliary and Associated Services* to accommodate the function shift. Programme 3 will have two subprogrammes, the *National Youth Development Agency* and *Brand South Africa*.

Mid-year performance status

Mid-year progress

The National Planning Commission, one of the ministries in the Presidency, was established with the mandate to develop a long term vision and strategic plan for South Africa. In June 2011, the commission released a diagnostic review that outlined the central challenges facing the country and to examining its underlying causes. Challenges identified include high unemployment and low economic participation, poor educational outcomes, inadequate and inefficient infrastructure and an ailing public health system. Although the diagnostic review is not the national plan, it provides a basis for the plan. The National Planning Commission has included inputs from the public in its vision statement and the national development plan that will be presented in November 2011. These will be used later to inform the allocation of resources.

Adjusted Estimates of National Expenditure 2011

Programme		2011/12					
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Administration	345 308	–	37 500	–	14 694	52 194	397 502
National Planning	83 822	–	–	–	1 280	1 280	85 102
National Youth Development Agency	385 853	–	–	–	(385 853)	(385 853)	–
Auxiliary and Associated Services	–	–	–	–	448 306	448 306	448 306
Total	814 983	–	37 500	–	78 427	115 927	930 910
Direct charge against the							
National Revenue Fund	4 810	–	–	–	(973)	(973)	3 837
Salary of the President	2 531	–	–	–	–	–	2 531
Salary of the Deputy President	2 279	–	–	–	(973)	(973)	1 306
Total	819 793	–	37 500	–	77 454	114 954	934 747
Economic classification							
Current payments	417 502	–	37 500	7 609	15 001	60 110	477 612
Compensation of employees	237 433	–	–	12 211	15 045	27 256	264 689
Goods and services	180 069	–	37 500	(4 602)	(44)	32 854	212 923
Transfers and subsidies	387 823	–	–	(1 909)	62 453	60 544	448 367
Departmental agencies and accounts	387 823	–	–	(1 970)	62 453	60 483	448 306
Households	–	–	–	61	–	61	61
Payments for capital assets	14 468	–	–	(5 700)	–	(5 700)	8 768
Machinery and equipment	14 468	–	–	(5 700)	–	(5 700)	8 768
Total	819 793	–	37 500	–	77 454	114 954	934 747

Programme 1: Administration

Subprogramme		2011/12					
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Ministry	35 155	–	–	1 300	(2 244)	(944)	34 211
Management	201 540	–	21 500	(1 300)	11 282	31 482	233 022
Support Services to President	30 260	–	5 000	–	2 773	7 773	38 033
Support Services to Deputy President	34 281	–	–	–	1 779	1 779	36 060
Cabinet Services	20 072	–	–	–	1 104	1 104	21 176
Commission on State Owned Enterprises	24 000	–	11 000	–	–	11 000	35 000
Total	345 308	–	37 500	–	14 694	52 194	397 502
Economic classification							
Current payments	328 870	–	37 500	7 609	14 694	59 803	388 673
Compensation of employees	199 707	–	–	12 211	14 738	26 949	226 656
Goods and services	129 163	–	37 500	(4 602)	(44)	32 854	162 017
Transfers and subsidies	1 970	–	–	(1 909)	–	(1 909)	61
Departmental agencies and accounts	1 970	–	–	(1 970)	–	(1 970)	–
Households	–	–	–	61	–	61	61
Payments for capital assets	14 468	–	–	(5 700)	–	(5 700)	8 768
Machinery and equipment	14 468	–	–	(5 700)	–	(5 700)	8 768
Total	345 308	–	37 500	–	14 694	52 194	397 502

Programme 2: National Planning

Subprogramme		2011/12					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	
R thousand							
Ministry	61 273	–	–	–	871	871	62 144
Research and Policy Services	15 000	–	–	–	367	367	15 367
Communication and Public Participation	7 549	–	–	–	42	42	7 591
Total	83 822	–	–	–	1 280	1 280	85 102
Economic classification							
Current payments	83 822	–	–	–	1 280	1 280	85 102
Compensation of employees	32 916	–	–	–	1 280	1 280	34 196
Goods and services	50 906	–	–	–	–	–	50 906
Total	83 822	–	–	–	1 280	1 280	85 102

Programme 3: National Youth Development Agency (Name changed)

Subprogramme		2011/12					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	
R thousand							
National Youth Development Agency	385 853	–	–	–	(385 853)	(385 853)	–
Total	385 853	–	–	–	(385 853)	(385 853)	–
Economic classification							
Transfers and subsidies	385 853	–	–	–	(385 853)	(385 853)	–
Departmental agencies and accounts	385 853	–	–	–	(385 853)	(385 853)	–
Total	385 853	–	–	–	(385 853)	(385 853)	–

Programme 3: Auxiliary and Associated Services

Subprogramme		2011/12					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	
R thousand							
National Youth Development Agency	–	–	–	–	385 853	385 853	385 853
Brand South Africa	–	–	–	–	62 453	62 453	62 453
Total	–	–	–	–	448 306	448 306	448 306
Economic classification							
Transfers and subsidies	–	–	–	–	448 306	448 306	448 306
Departmental agencies and accounts	–	–	–	–	448 306	448 306	448 306
Total	–	–	–	–	448 306	448 306	448 306

Direct charges against the National Revenue Fund

Subprogramme		2011/12					
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Salary of the President	2 531	–	–	–	–	–	2 531
Salary of the Deputy President	2 279	–	–	–	(973)	(973)	1 306
Total	4 810	–	–	–	(973)	(973)	3 837
Economic classification							
Current payments	4 810	–	–	–	(973)	(973)	3 837
Compensation of employees	4 810	–	–	–	(973)	(973)	3 837
Total	4 810	–	–	–	(973)	(973)	3 837

Details of adjustments to Estimates of National Expenditure 2011**Unforeseeable and unavoidable expenditure – R37.500 million****Programme 1: Administration**

An additional R20 million is allocated for legal services.

An additional R1.500 million is allocated to protocol and ceremonial services for state funerals.

An additional R5 million is allocated to the office of the president to enable the president to deliver on his national and international mandate.

An additional R11 million is allocated to the presidential review committee on state owned enterprises.

Virements and shifts

Programmes					
1. Administration					
2. National Planning					
3. National Youth Development Agency (Name changed)					
4. Auxiliary and Associated Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(18 033)	Programme 1		18 033
Compensation of employees	Funds incorrectly classified in the 2011 ENE were reclassified	(61)	Households	For payment of leave gratuity	61
Goods and services	Reprioritisation of funds ¹	(10 302)	Compensation of employees	To compensate for higher than budgeted for salary increases	10 302
Machinery and equipment	Rescheduling of procurement of Voice Over Internet Protocol equipment in Cape Town for 2012/13	(2 200)	Goods and services	For shortfalls in goods and services (agencies) and support services, as well as consultants	2 200
	Purchasing of furniture delayed due to the delay in the planned refurbishment of the Presidency ¹	(3 500)	Goods and services	For the appointment of consultants and contract workers to assist in the implementation and maintenance of the supplier database	3 500
Departmental agencies and accounts	The Isigodlo Trust was terminated in 2008/09, but received allocations in subsequent years ¹	(1 970)	Compensation of employees	To compensate for overspending due to increasing staff numbers	1 970
Percentage of programme budget		5.2%			
Total		(18 033)			18 033

¹ National Treasury approval has been obtained.

Other adjustments – R78.427 million**Adjustments due to significant and unforeseeable economic and financial events**

An additional R20 million has been allocated for higher personnel remuneration increases than the main budget provided for, as follows:

Programme 1: Administration

R18.720 million

Programme 2: National Planning Commission

R1.280 million

Function shifts between votes

Programme 1: Administration

R4.026 million will be transferred to the Department of Performance Monitoring and Evaluation for the function of the Presidential Hotline.

Programme 3: Auxiliary and Associated Services

R62.453 million will be received from the Government Communication and Information System for Brand South Africa.

Direct charges against the National Revenue Fund – R973 000**Other adjustments – R973 000****Function shifts between votes**

R973 00 will be transferred to the Department of National Treasury in respect of the Political Office Bearers Pension Fund.

Expenditure for 2010/11 and preliminary expenditure for 2011/12

Programme	2010/11 Expenditure outcome					2011/12 Preliminary expenditure		
	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation	Apr 10 - Mar 11	% of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation
R thousand								
Administration	318 903	175 454	55.0	346 930	108.8	397 502	188 931	47.5
National Planning	89 587	35 380	39.5	89 988	100.4	85 102	21 589	25.4
Auxiliary and Associated Services	398 973	200 000	50.1	398 973	100.0	448 306	200 000	44.6
Subtotal	807 463	410 834	50.9	835 891	103.5	930 910	410 520	44.1
Direct charge against the National Revenue Fund	4 550	1 954	42.9	3 950	86.8	3 837	2 501	65.2
Salary of the President	2 394	1 053	44.0	2 107	88.0	2 531	1 579	62.4
Salary of the Deputy President	2 156	901	41.8	1 843	85.5	1 306	922	70.6
Total	812 013	412 788	50.8	839 841	103.4	934 747	413 021	44.2
Economic classification								
Current payments	387 171	199 932	51.6	421 454	108.9	477 612	210 259	44.0
Compensation of employees	228 735	111 898	48.9	236 302	103.3	264 689	115 539	43.7
Goods and services	158 436	88 034	55.6	185 152	116.9	212 923	94 720	44.5

	2010/11					2011/12		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation	Apr 10 - Mar 11	% of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation
R thousand								
Economic classification								
Transfers and subsidies	401 057	200 184	49.9	399 369	99.6	448 367	200 090	44.6
Provinces and municipalities	–	2	0.0	3	0.0	–	5	0.0
Departmental agencies and accounts	400 943	200 000	49.9	398 973	99.5	448 306	200 000	44.6
Households	114	182	159.6	393	344.7	61	85	139.3
Payments for capital assets	23 785	12 672	53.3	19 018	80.0	8 768	2 672	30.5
Machinery and equipment	23 785	12 672	53.3	19 018	80.0	8 768	2 672	30.5
Total	812 013	412 788	50.8	839 841	103.4	934 747	413 021	44.2

Main expenditure trends for the first half of 2011/12

Total expenditure for 2010/11 was 103.4 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 was R413.021 million, or 44.2 per cent of the adjusted appropriation of R934.747 million for the year as a whole. In comparison, mid-year expenditure in 2010/11 was R412.788 million, or 50.8 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 increased by R233 000 or 0.1 per cent, compared to expenditure in the first six months of 2010/11.

The main expenditure increase compared to 2010/11 is due to the inflationary salary and baseline adjustment.

Departmental receipts

	2010/11					2011/12			
	Audited outcome					Actual receipts			
	Adjusted estimate	Apr 10 - Sep 10	% of adjusted estimate	Apr 10 - Mar 11	% of adjusted estimate	Budget estimate	Adjusted estimate	Apr 11 - Sep 11	% of adjusted estimate
R thousand									
Departmental receipts	451	322	71.4	586	129.9	331	258	180	69.8
Sales of goods and services produced by department	252	71	28.2	144	57.1	266	144	90	62.5
Sales of scrap, waste, arms and other used current goods	–	–	–	6	–	–	6	–	–
Interest, dividends and rent on land	16	7	43.8	8	50.0	19	8	(11)	(137.5)
Sales of capital assets	140	140	100.0	140	100.0	–	–	24	–
Transactions in financial assets and liabilities	43	104	241.9	288	669.8	46	100	77	77.0
Total	451	322	71.4	586	129.9	331	258	180	69.8

Main departmental revenue trends for the first half of 2011/12

Departmental revenue collection in the first six months of 2011/12 was R180 000, or 69.8 per cent of the adjusted revenue estimate of R258 000 for the year as a whole. In comparison, mid-year revenue collection in 2010/11 was R322 000, or 71.4 per cent of the 2010/11 adjusted estimate. Departmental revenue collection in the first six months of 2011/12 decreased by R142 000 or 44.1 per cent, compared to revenue in the first six months of 2010/11. The main revenue decrease compared to 2010/11 is due to the decrease in the sale of redundant furniture.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2011/12						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	
Administration							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	1 970	–	–	(1 970)	–	(1 970)	–
Isigodlo	1 970	–	–	(1 970)	–	(1 970)	–
Households							
Social benefits							
Current	–	–	–	61	–	61	61
Employee social benefits	–	–	–	61	–	61	61
National Youth Development Agency							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	385 853	–	–	–	(385 853)	(385 853)	–
National Youth Development Agency	385 853	–	–	–	(385 853)	(385 853)	–
Auxiliary and Associated Services							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	–	–	448 306	448 306	448 306
National Youth Development Agency	–	–	–	–	385 853	385 853	385 853
Brand South Africa	–	–	–	–	62 453	62 453	62 453

