

VOTE 6

*Performance Monitoring
and Evaluation*



National Treasury

BUDGET 2012

ESTIMATES OF NATIONAL EXPENDITURE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure 2012

National Treasury

Republic of South Africa

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The Estimates of National Expenditure 2012 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The current global economic context is characterised by high levels of uncertainty. Against this backdrop, South Africa's development depends largely on government improving its level and quality of service delivery in support of the inclusive and equitable economic roadmap, as contained in the new growth path. The 2012 Budget is an important tool of government for giving effect to these objectives, and this Budget allocates resources to specific interventions that will be actioned over the period of the medium term expenditure framework (MTEF). Growth in spending focuses particularly on infrastructure development, job creation, enterprise support and the enhancement of local government delivery.

South Africa's fiscal stance and public spending programmes are focused on long term structural transformation. Over the next three years of the MTEF period, government priorities will continue to be realised within a sustainable fiscal trajectory, which balances current needs with intergenerational equity. In line with this, spending baselines have undergone rigorous review, areas of inefficiency and lower priority have been identified, and funds have been redirected towards government's key priorities, both new and existing. This has been done in recognition of the relationship between the composition of spending and fiscal sustainability over the long term. Here, the balance between consumption and investment is extremely important. Even the distribution of consumption spending between wages, goods and services and transfers is significant, as is the balance between the functional categories expenditure (such as education, health and economic services). Underspensing on key priorities undermines the aims of the spending proposed within MTEF Budgets.

Since introducing the functional approach to budget decision-making in 2009, transparency and coordination in budgeting has been enhanced, largely due to the participation by the stakeholders responsible for delivery across all spheres of government. South African budget reforms, especially the intensified focus on budget trade-offs and the composition of expenditure, will lead to greater accountability and improved control.

It is not enough to demonstrate a change in the composition of budgeted expenditure; nor is it enough to pinpoint the specific actions required and proposed within the Budget. Success will only be achieved when we can demonstrate that a shift in the composition of actual expenditure has taken place, together with the achievement of improved delivery targets.

This year, the layout of this publication has been altered substantially. The focus is on linking more closely expenditure planned with targeted performance. Specific focus is on the outcomes to which institutions contribute and the output and other performance measures supporting them. The sections covering employee numbers, personnel budgets and the purpose and key activities of each subprogramme within a vote are now more prominent, giving expression to the budget and service delivery. This publication still indicates details per vote of the allocation of new monies, monies reprioritised between or within budget programmes, and Cabinet approved budget reductions over the period ahead. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included, containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

The expenditure estimates of departments are the outcome of a rigorous administrative and executive process. Treasury budget analysts, under the guidance of the Ministers' Committee on the Budget, follow a wide-ranging intergovernmental consultative process, working closely with the policy and budget teams of departments and entities to ensure that government priorities are appropriately funded within the available resource envelope. The Treasury is grateful for the contribution of these teams. Appreciation is also due to the people in the Treasury team, who worked with great diligence to produce a high quality document that provides a comprehensive account of government's spending and performance plans.



Lungisa Fuzile
Director General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. Estimates of National Expenditure publications continue to make a significant contribution to the changes relating to budgeting by programme. As part of these ongoing efforts, several changes have been made to the 2012 Estimates of National Expenditure publications. Departments still provide information on the key objectives of each subprogramme within a programme, and note the activities carried out, the number of personnel responsible for undertaking these activities and the funding allocations supporting this. This year in the 2012 publications, information on expenditure and performance is more closely linked under the 'expenditure trends' section, with a brief discussion on the impact of budget allocations on the achievement of outputs over the seven-year period. In addition, an explanation of the personnel trends, per programme by salary level, over the seven years in relation to compensation of employees has also been included. Finally, information on Cabinet approved cost reduction measures and other budget reprioritisation has been included per programme.

The 2012 abridged Estimates of National Expenditure publication, and the separate Estimates of National Expenditure e-publications for each vote are the product of an extensive consultative review process of budgets and policy, and policy implementation by programme, and include the latest improvements in non-financial performance information. These publications provide the details of the spending estimates for the next three financial years (2012/13 to 2014/15), expenditure outcomes for the past three years (2008/09 to 2010/11) and revised estimates for the current financial year (2011/12). Information is provided on performance targets over the seven year period as well as changes in these, as they relate to trends in planned expenditure.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on www.treasury.gov.za.

Performance Monitoring and Evaluation

**National Treasury
Republic of South Africa**



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Vote 6

Performance Monitoring and Evaluation

Budget summary

R thousand	2012/13				2013/14	2014/15
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	59 840	46 340	–	13 500	66 651	68 710
Outcomes Monitoring and Evaluation	37 540	37 540	–	–	44 907	49 000
Monitoring and Evaluation Systems	18 969	18 969	–	–	20 565	21 797
Coordination and Support						
Public Sector Oversight	57 810	57 810	–	–	61 280	64 956
Total expenditure estimates	174 159	160 659	–	13 500	193 403	204 463
Executive authority	Minister in the Presidency: Performance Monitoring and Evaluation as well as Administration					
Accounting officer	Director General of Performance Monitoring and Evaluation					
Website address	www.thepresidency-dpme.gov.za					

Aim

Improve government service delivery through performance monitoring and evaluation.

Programme purposes

Programme 1: Administration

Purpose: Provide strategic management and administrative support to the accounting officer and the department.

Programme 2: Outcomes Monitoring and Evaluation

Purpose: Advance the strategic agenda of government through the development and implementation of the outcomes approach, monitoring and reporting on progress and evaluating impact.

Programme 3: Monitoring and Evaluation Systems Coordination and Support

Purpose: Coordinate and support an integrated government wide performance monitoring and evaluation system through policy development, capacity building and improving data quality and analysis.

Programme 4: Public Sector Oversight

Purpose: Conduct institutional performance monitoring and frontline service delivery monitoring.

Strategic overview: 2008/09 – 2014/15

The mandate of the Department of Performance Monitoring and Evaluation is to: facilitate the development of delivery agreements for the cross-cutting priorities or outcomes of government, and monitor and evaluate the implementation of these delivery agreements; monitor the performance of individual national and provincial government departments and municipalities; monitor frontline service delivery; manage the presidential hotline; carry out evaluations; promote good monitoring and evaluation practices in government; and provide support to delivery institutions to address blockages in delivery.

In 2010/11, the department facilitated the conclusion of 12 delivery agreements based on the performance agreements signed between the president and Cabinet ministers in April 2010. The new programme of action was developed and implemented to support ongoing reporting on and monitoring of progress against outputs data and targets contained in the 12 delivery agreements. The review of government data architecture is ongoing and the department continues to interact with other departments and entities to facilitate improved data quality and standards to support government wide monitoring and evaluation.

Medium term priorities

Over the medium term, the department will focus on the following priorities: monitoring and evaluating the implementation of the delivery agreements; implementing the national evaluation policy framework and developing evaluation practice notes to enhance monitoring and evaluation standards and capacity in government; supporting departments to carry out evaluations; implementing performance assessments of individual departments and municipalities; developing and implementing a range of mechanisms for monitoring the quality of frontline service delivery including site visits, citizen based monitoring and the management of the presidential hotline; reviewing the data architecture of government to facilitate its availability to inform policy and management decisions and assisting departments to analyse and use data to improve service delivery; and providing secretariat support and system support to the director general in the Presidency who, in collaboration with the Department of Public Service and Administration, manages the performance assessments of heads of departments.

To this end, the department will focus on the following key strategic outcome oriented objectives: advancing the strategic agenda of government through the development and implementation of the outcomes approach; monitoring and reporting on progress and evaluating impact; promoting monitoring and evaluation practice through a coordinated policy platform, quality capacity building and credible data systems; and conducting institutional performance monitoring and frontline service delivery monitoring.

The department is sufficiently funded from 2012/13 to address administrative requirements such as office space, furniture and ICT systems.

Selected performance indicators

Table 6.1 Performance Monitoring and Evaluation

Indicator	Programme	Past ¹			Current	Projections		
		2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
Number of signed and reviewed delivery agreements per year	Outcomes Monitoring and Evaluation	–	–	12	12	12	12	12
Number of quarterly progress reports on monitoring and evaluation of strategic priorities per year	Outcomes Monitoring and Evaluation	–	–	–	24	48	48	48
Number of operational data forums per year for each of the outcomes to support data driven and evidence based monitoring and reporting	Monitoring and Evaluation Systems Coordination and Support	–	–	–	12	12	12	12
Number of institutional performance assessments carried out and reports issued per year	Public Sector Oversight	–	–	3 national departments (Pilot)	5 national departments, 20 provincial departments	All national and provincial departments	All national and provincial departments	All national and provincial departments
Number of service delivery monitoring visits conducted at national provincial and local government level and reports issued per year	Public Sector Oversight	–	–	–	60	80	100	120

1. As the department was promulgated with effect from 1 January 2010, performance information is only available from 2010/11.

Expenditure estimates

Table 6.2 Performance Monitoring and Evaluation

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
R thousand								
Administration	–	–	–	33 571	33 571	59 840	66 651	68 710
Outcomes Monitoring and Evaluation	–	–	–	24 743	24 743	37 540	44 907	49 000
Monitoring and Evaluation Systems	3 597	10 404	40 543	10 709	10 709	18 969	20 565	21 797
Coordination and Support	–	2 993	6 805	29 918	29 918	57 810	61 280	64 956
Public Sector Oversight	–	2 993	6 805	29 918	29 918	57 810	61 280	64 956
Total	3 597	13 397	47 348	98 941	98 941	174 159	193 403	204 463
Change to 2011 Budget estimate				23 151	23 151	33 130	32 961	–

Economic classification

	3 578	11 785	40 233	95 837	95 837	160 659	179 873	192 841
Current payments								
Compensation of employees	2 637	6 190	26 111	55 053	55 053	93 124	99 618	106 373
Goods and services	941	5 595	14 122	40 784	40 784	67 535	80 255	86 468
<i>of which:</i>								
Administrative fees	–	–	150	204	204	234	250	265
Advertising	–	64	250	1 011	1 011	783	830	879
Assets less than the capitalisation threshold	75	126	1 070	1 351	1 351	3 135	3 324	3 524
Audit cost: External	–	7	15	2 238	2 238	3 018	3 199	3 391
Bursaries: Employees	151	3	230	200	200	800	848	899
Catering: Departmental activities	15	40	176	496	496	896	950	1 006
Communication	6	60	755	10 553	10 553	8 335	8 834	9 365
Computer services	–	177	5 650	10 083	10 083	20 944	22 200	23 533
Consultants and professional services: Business and advisory services	–	3 018	1 500	4 702	4 702	12 194	17 593	20 049
Consultants and professional services: Legal costs	–	–	50	30	30	100	106	112
Contractors	–	–	25	18	18	1 040	1 102	1 168
Agency and support / outsourced services	246	1 420	1 130	260	260	–	–	–
Entertainment	–	–	50	176	176	191	203	216
Fleet services (including government motor transport)	–	–	–	14	14	–	–	–
Housing	–	–	–	–	–	5	5	5
Inventory: Food and food supplies	–	2	25	37	37	48	49	50
Inventory: Materials and supplies	–	–	5	25	25	26	28	30
Inventory: Medical supplies	–	–	–	–	–	3	3	3
Inventory: Other consumables	–	–	11	30	30	33	34	36
Inventory: Stationery and printing	255	324	500	690	690	1 594	1 689	1 791
Lease payments	–	–	264	1 153	1 153	750	4 795	5 084
Property payments	–	–	–	120	120	–	–	–
Travel and subsistence	81	339	1 925	5 227	5 227	8 353	8 853	9 383
Training and development	–	–	122	649	649	1 745	1 851	1 962
Operating expenditure	39	15	79	937	937	1 987	2 105	2 231
Venues and facilities	73	–	140	580	580	1 321	1 404	1 486
Payments for capital assets	19	1 612	7 115	3 104	3 104	13 500	13 530	11 622
Machinery and equipment	19	1 612	7 115	2 504	2 504	11 000	11 530	9 622
Software and other intangible assets	–	–	–	600	600	2 500	2 000	2 000
Total	3 597	13 397	47 348	98 941	98 941	174 159	193 403	204 463

Expenditure trends

The spending focus over the MTEF period will be on outcomes monitoring and evaluation, and will be extended to include public sector oversight while the implementation of the delivery agreements remains among the department's primary objectives.

Expenditure increased from R3.6 million in 2008/09 to R98.9 million in 2011/12, at an average annual rate of 201.9 per cent, and is expected to increase to R204.5 million over the medium term, at an average annual rate of 27.4 per cent. The increase in both periods is due to additional allocations for the department's expanded mandate.

The department, which was a chief directorate within the policy coordination and advisory services unit in the Presidency until 31 March 2011, was not sufficiently funded in 2010/11 to deliver the full scope of outputs contained in its mandate and strategic objectives. The increases in budget allocations from 2012/13 address this funding gap. Expenditure in the *Public Sector Oversight* programme increases by R27.9 million in 2012/13, as a result of the department taking over the responsibility for the presidential hotline from the Presidency.

The 2012 Budget allocates additional funding over the medium term of R6.2 million for improved conditions of service and R62 million for the presidential hotline.

In addition, a Cabinet approved baseline cut was made of R1.8 million in 2012/13, R2.1 million in 2013/14 and R2.7 million in 2014/15, the details of which are discussed in the subprogrammes where applicable.

Expenditure on consultants is expected to increase from R4.7 million in 2011/12 to R20 million in 2014/15, at an average annual rate of 62.1 per cent. Consultants will be used to develop ICT systems, perform internal audit functions, support evaluations in the *Outcomes Monitoring and Evaluation* programme, and support institutional performance and frontline service delivery monitoring in the *Public Sector Oversight* programme.

Personnel information

Table 6.3 Details of approved establishment and personnel numbers according to salary level¹

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Department	120	120	1	7	7	61	100	197	202	210
Salary level 1 – 6	18	18	–	–	–	4	15	25	27	27
Salary level 7 – 10	44	44	–	2	2	24	38	72	73	76
Salary level 11 – 12	24	24	–	2	2	11	21	57	58	61
Salary level 13 – 16	34	34	1	3	3	22	26	43	44	46
Administration	43	43	1	–	–	18	37	71	74	79
Salary level 1 – 6	15	15	–	–	–	4	14	21	23	23
Salary level 7 – 10	18	18	–	–	–	9	15	31	31	33
Salary level 11 – 12	5	5	–	–	–	2	5	10	10	11
Salary level 13 – 16	5	5	1	–	–	3	3	9	10	12
Outcomes Monitoring and Evaluation	31	31	–	–	–	19	25	40	40	41
Salary level 1 – 6	1	1	–	–	–	–	–	1	1	1
Salary level 7 – 10	8	8	–	–	–	5	8	9	9	9
Salary level 11 – 12	8	8	–	–	–	3	6	15	15	16
Salary level 13 – 16	14	14	–	–	–	11	11	15	15	15
Monitoring and Evaluation Systems Coordination and Support	33	33	–	7	7	21	26	28	28	29
Salary level 1 – 6	2	2	–	–	–	–	1	–	–	–
Salary level 7 – 10	15	15	–	2	2	9	13	10	10	10
Salary level 11 – 12	7	7	–	2	2	6	6	10	10	11
Salary level 13 – 16	9	9	–	3	3	6	6	8	8	8

Table 6.3 Details of approved establishment and personnel numbers according to salary level¹ (continued)

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Public Sector Oversight	13	13	-	-	-	3	12	58	60	61
Salary level 1 – 6	-	-	-	-	-	-	-	3	3	3
Salary level 7 – 10	3	3	-	-	-	1	2	22	23	24
Salary level 11 – 12	4	4	-	-	-	-	4	22	23	23
Salary level 13 – 16	6	6	-	-	-	2	6	11	11	11

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2011.

As at 30 September 2011, the department had an approved establishment of 120 posts, 100 of which were filled and 20 were in the process of being filled. The transfer of the hotline function from the Presidency to the department on 1 October 2011 added 21 posts to the establishment bringing the total establishment to 141 posts. The number of filled posts increased from 7 in 2008/09 to 100 in 2011/12 and it is expected to increase to 210 over the medium term. The increases are the result of the department establishing itself and filling out its programme structure. The increases over the medium term are concentrated in the *Outcomes Monitoring and Evaluation* programme and the *Public Sector Oversight* programme due to the transfer of the presidential hotline and to implement institutional performance assessment and frontline service delivery monitoring projects. The ratio of support staff to line staff was 1:2.7, as at 30 September 2011.

Departmental receipts

Table 6.4 Receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Departmental receipts	-	-	-	104	117	20	22	24
Sales of goods and services produced by department	-	-	-	4	4	20	22	24
Sales by market establishments	-	-	-	4	4	20	22	24
<i>of which:</i>								
Transport for employees to work	-	-	-	1	1	10	11	12
Parking fees	-	-	-	3	3	10	11	12
Transactions in financial assets and liabilities	-	-	-	100	113	-	-	-
Total	-	-	-	104	117	20	22	24

The department generates receipts from payments for parking and from the staff bus for the Presidency. Revenue collected in 2011/12 consisted of parking and bus fees as well as non-recurring revenue of R97 892 received from the Presidency for travel expenses refunded by a donor. Over the medium term, revenue is expected to decrease from R117 000 to R24 000, at an average annual rate of 41 per cent, due to the non-recurring amount received from the Presidency in 2011/12.

Programme 1: Administration

Expenditure estimates

Table 6.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Departmental Management	-	-	-	6 308	6 390	6 773	7 179
Corporate and Financial Services	-	-	-	12 476	20 599	26 835	29 226
Information Technology Support	-	-	-	11 033	27 623	27 501	26 431
Internal Audit	-	-	-	3 754	5 228	5 542	5 874
Total	-	-	-	33 571	59 840	66 651	68 710
Change to 2011 Budget estimate				11 033	13 895	16 515	-
Economic classification							
Current payments	-	-	-	30 475	46 340	53 121	57 088
Compensation of employees	-	-	-	17 730	24 599	26 075	28 418
Goods and services	-	-	-	12 745	21 741	27 046	28 670
<i>of which:</i>							
<i>Administrative fees</i>	-	-	-	190	142	154	165
<i>Advertising</i>	-	-	-	961	650	689	730
<i>Assets less than the capitalisation threshold</i>	-	-	-	1 344	3 107	3 294	3 492
<i>Audit cost: External</i>	-	-	-	2 238	3 018	3 199	3 391
<i>Bursaries: Employees</i>	-	-	-	51	800	848	899
<i>Catering: Departmental activities</i>	-	-	-	201	251	267	283
<i>Communication</i>	-	-	-	408	815	863	915
<i>Computer services</i>	-	-	-	2 060	4 161	4 410	4 675
<i>Consultants and professional services: Business and advisory services</i>	-	-	-	1 749	2 220	2 353	2 494
<i>Consultants and professional services: Legal costs</i>	-	-	-	30	100	106	112
<i>Contractors</i>	-	-	-	18	650	689	730
<i>Agency and support / outsourced services</i>	-	-	-	260	-	-	-
<i>Entertainment</i>	-	-	-	55	36	39	42
<i>Inventory: Food and food supplies</i>	-	-	-	15	27	28	29
<i>Inventory: Materials and supplies</i>	-	-	-	25	26	28	30
<i>Inventory: Medical supplies</i>	-	-	-	-	3	3	3
<i>Inventory: Other consumables</i>	-	-	-	20	29	30	32
<i>Inventory: Stationery and printing</i>	-	-	-	389	841	891	945
<i>Lease payments</i>	-	-	-	850	489	4 518	4 790
<i>Property payments</i>	-	-	-	120	-	-	-
<i>Travel and subsistence</i>	-	-	-	1 305	2 538	2 689	2 850
<i>Training and development</i>	-	-	-	292	615	652	691
<i>Operating expenditure</i>	-	-	-	134	898	951	1 008
<i>Venues and facilities</i>	-	-	-	30	325	345	364
Payments for capital assets	-	-	-	3 096	13 500	13 530	11 622
Machinery and equipment	-	-	-	2 496	11 000	11 530	9 622
Software and other intangible assets	-	-	-	600	2 500	2 000	2 000
Total	-	-	-	33 571	59 840	66 651	68 710

Expenditure trends

Expenditure is expected to increase from R33.6 million in 2011/12 to R68.7 million in 2014/15, at an average annual rate of 27 per cent. The increase was mainly due to the moving of the ICT function, with a budget of R27.6 million in 2012/13, R27.5 million in 2013/14 and R26.4 million in 2014/15, from the *Monitoring and Evaluation Systems Coordination and Support* programme to this programme, as ICT is an administrative function. This shift also explains the trends in spending on compensation of employees, which is expected to increase from R17.7 million to R28.4 million, at an average annual rate of 17 per cent over the medium term. This also explains the growth in the spending on goods and services, which is expected to grow from R12.7 million to R28.7 million over the medium term, at an average annual rate of 31 per cent.

Expenditure on payments for capital assets is expected to increase from R3.1 million in 2011/12 to R11.6 million in 2014/15, at an average annual rate of 55.4 per cent, due to increased spending on ICT equipment as the department builds up infrastructure to meet its mandate. Spending in the *Corporate and Financial Services* subprogramme grows from R12.5 million in 2008/09 to R29.2 million in 2014/15, due to staff increases, the provision for furniture and equipment, the centralisation of the departmental bursaries budget under the human resources directorate, provision for resettlement costs, and provision for the renting of additional office space for the department.

Between 2012/13 and 2014/15, R7.4 million is allocated for expenditure on consultants to support the internal audit and ICT function.

Programme 2: Outcomes Monitoring and Evaluation

Objectives and measures

- Advance government strategic priorities by:
 - embedding the outcomes approach by developing, coordinating and monitoring implementation of delivery agreements, and conducting regular implementation forums and related initiatives
 - monitoring and evaluating the implementation of strategic priorities and providing one quarterly report per outcome to Cabinet on the progress of agreed outputs and targets for each outcome and evaluating the developmental impact.
- Improve delivery performance by facilitating support for effective and timely corrective action through the submission of quarterly reports to Cabinet.
- Increase accountability and transparency of government commitment to the 12 outcomes by updating the current programme of action on the Presidency website. The updated programme of action system will be fully functional from 2012.

Subprogrammes

- *Programme Management for Outcomes Monitoring and Evaluation* provides programme management and administrative support. This subprogramme had a staff complement of 3 and a total budget of R2.5 million in 2011/12, of which 75.1 per cent was used for compensation of employees. R1.5 million has been identified as expenditure cuts over the MTEF. These cuts were identified from goods and services for spending on consultants and professional services for business and advisory services.
- *Outcomes Support* facilitates and monitors the implementation of the outcomes approach. This subprogramme had a staff complement of 29 and a total budget of R20 million in 2011/12, of which 87.8 per cent was used for spending on compensation of employees. 4 quarterly reports are prepared for Cabinet per year to monitor progress against targets, outputs and outcomes contained in the 12 delivery agreements.
- *Evaluation and Research* conducts evaluation of government policies and programmes. This subprogramme had a staff complement of 6 and a total budget of R2.2 million in 2011/12, of which 61.3 per cent was used for goods and services. To date, 4 evaluation projects have been identified and additional projects will be added in 2012 depending on budget availability.

Expenditure estimates

Table 6.6 Outcomes Monitoring and Evaluation

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Programme Management for Outcomes Monitoring and Evaluation	-	-	-	2 517	3 595	3 810	4 037
Outcomes Support	-	-	-	19 999	23 571	24 984	26 484
Evaluation and Research	-	-	-	2 227	10 374	16 113	18 479
Total	-	-	-	24 743	37 540	44 907	49 000
Change to 2011 Budget estimate				-	3 410	1 581	-

Economic classification

Current payments	-	-	-	24 743	37 540	44 907	49 000
Compensation of employees	-	-	-	20 317	26 775	28 832	30 562
Goods and services	-	-	-	4 426	10 765	16 075	18 438
<i>of which:</i>							
Administrative fees	-	-	-	-	52	54	56
Advertising	-	-	-	-	133	141	149
Assets less than the capitalisation threshold	-	-	-	-	28	30	32
Bursaries: Employees	-	-	-	80	-	-	-
Catering: Departmental activities	-	-	-	63	105	111	117
Communication	-	-	-	443	754	799	847
Consultants and professional services: Business and advisory services	-	-	-	1 328	5 730	10 742	12 787
Contractors	-	-	-	-	140	148	157
Entertainment	-	-	-	51	84	89	95
Housing	-	-	-	-	5	5	5
Inventory: Food and food supplies	-	-	-	3	8	8	8
Inventory: Other consumables	-	-	-	-	2	2	2
Inventory: Stationery and printing	-	-	-	129	255	270	286
Lease payments	-	-	-	157	101	107	114
Travel and subsistence	-	-	-	2 052	2 880	3 053	3 236
Training and development	-	-	-	120	255	271	288
Operating expenditure	-	-	-	-	69	73	77
Venues and facilities	-	-	-	-	164	172	182
Total	-	-	-	24 743	37 540	44 907	49 000

Expenditure trends

Expenditure is expected to increase from R24.7 million in 2011/12 to R49 million in 2014/15, at an average annual rate of 25.6 per cent. The increase is primarily due to the provision for commissioning or supporting other government agencies to commission appropriate evaluations, monitoring the undertaking of evaluations across government, and coordinating and facilitating research projects. R5.7 million in 2012/13, R10.7 million in 2013/14 and R12.8 million in 2014/15 is allocated for spending on consultants and professional services.

The budget allocation over the medium term will increase the number of quarterly progress reports on monitoring and evaluation of strategic priorities submitted from 24 to 48 per year. The number of signed and reviewed delivery agreements per year will remain at 12.

Programme 3: Monitoring and Evaluation Systems Coordination and Support

Objectives and measures

- Create the policy platform for monitoring and evaluating by drafting appropriate legislation where required and issuing monitoring and evaluation guidelines and practice notes.
- Facilitate the consolidation and standardisation of monitoring and evaluation practices across government by conducting 10 data forum meetings quarterly.
- Provide leadership and facilitate the creation of monitoring and evaluation capacity across government by developing appropriate course material, conducting quarterly monitoring and evaluation forums and facilitating dedicated training programmes.
- Support activities in the *Public Sector Oversight* programme by providing quality and timely data support for institutional performance assessments and frontline service delivery projects on an ongoing basis.

Subprogrammes

- *Programme Management for Monitoring and Evaluation Systems Coordination and Support* provides programme management and administrative support. This subprogramme had a staff complement of 3 and a total budget of R2.6 million in 2011/12, of which 67.4 per cent was used for compensation of employees.
- *Monitoring and Evaluation Policy and Capacity Building* coordinates the implementation of monitoring and evaluation policies, and systems and capacity building programmes. This subprogramme had a staff complement of 2 and a total budget of R600 000 in 2011/12, of which 83.5 per cent was used for compensation of employees. The learning network task team was established in 2010 and programmes initiated to improve data quality and usage in monitoring and evaluation. R627 000 has been identified as expenditure cuts over the MTEF period. These cuts are to be effected in spending on goods and services.
- *Monitoring and Evaluation Data Support* provides performance data analysis and support services to the department and its clients. This subprogramme had a staff complement of 17 and a total budget of R7.5 million in 2011/12, of which 91.9 per cent was used for compensation of employees. Terms of reference for data forums were developed and data forums were established for 10 outcomes.

Expenditure estimates

Table 6.7 Monitoring and Evaluation Systems Coordination and Support

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
R thousand							
Programme Management for Monitoring and Evaluation Systems Coordination and Support	3 597	10 404	40 543	2 554	2 104	2 230	2 362
Monitoring and Evaluation Policy and Capacity Building	–	–	–	629	5 572	6 363	6 744
Monitoring and Evaluation Data Support	–	–	–	7 526	11 293	11 972	12 691
Total	3 597	10 404	40 543	10 709	18 969	20 565	21 797
Change to 2011 Budget estimate				(11 033)	(15 364)	(10 786)	–

Table 6.7 Monitoring and Evaluation Systems Coordination and Support (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments	3 578	8 846	33 433	10 701	18 969	20 565	21 797
Compensation of employees	2 637	3 431	22 516	8 584	14 579	15 911	16 865
Goods and services	941	5 415	10 917	2 117	4 390	4 654	4 932
<i>of which:</i>							
Administrative fees	–	–	150	4	20	21	22
Advertising	–	–	250	–	–	–	–
Assets less than the capitalisation threshold	75	104	1 070	7	–	–	–
Audit cost: External	–	7	15	–	–	–	–
Bursaries: Employees	151	3	230	52	–	–	–
Catering: Departmental activities	15	34	150	117	160	169	179
Communication	6	37	725	172	438	464	492
Computer services	–	177	2 548	–	–	–	–
Consultants and professional services: Business and advisory services	–	3 018	1 500	425	927	982	1 041
Consultants and professional services: Legal costs	–	–	50	–	–	–	–
Contractors	–	–	25	–	–	–	–
Agency and support / outsourced services	246	1 420	1 130	–	–	–	–
Entertainment	–	–	50	15	31	33	35
Fleet services (including government motor transport)	–	–	–	14	–	–	–
Inventory: Food and food supplies	–	–	25	6	6	6	6
Inventory: Materials and supplies	–	–	5	–	–	–	–
Inventory: Other consumables	–	–	11	–	–	–	–
Inventory: Stationery and printing	255	322	500	32	276	293	311
Lease payments	–	–	250	76	–	–	–
Travel and subsistence	81	279	1 900	317	921	976	1 034
Training and development	–	–	122	182	449	476	504
Operating expenditure	39	14	71	698	837	887	940
Venues and facilities	73	–	140	–	325	347	368
Payments for capital assets	19	1 558	7 110	8	–	–	–
Machinery and equipment	19	1 558	7 110	8	–	–	–
Total	3 597	10 404	40 543	10 709	18 969	20 565	21 797

Expenditure trends

Expenditure increased from R3.6 million in 2008/09 to R10.7 million in 2011/12, at an average annual rate of 43.9 per cent. The increase is due to the increased capacity to develop, implement and support government-wide monitoring and evaluation systems and processes.

Over the medium term, spending is expected to increase to R21.8 million, at an average annual rate of 26.7 per cent, to further increase capacity to develop, implement and support government wide monitoring and evaluation systems and processes, specifically in the *Monitoring and Evaluation Policy and Capacity Building* programme. This programme supports activities in the public sector oversight function by providing quality and timely data support for institutional performance assessments and frontline service delivery projects on an ongoing basis. The budget allocation over the medium term will keep the number of operational data forums constant at 12 per year for each of the outcomes to support data driven and evidence based monitoring and reporting.

Over the MTEF period, R927 000, R982 000 and R1 million is allocated for spending on consultants and specialised services to develop and support the implementation of monitoring and evaluation systems.

Programme 4: Public Sector Oversight

Objectives and measures

- Evaluate departmental strategic plans to establish their alignment with government priorities and conduct management performance assessments on all national and provincial government departments and municipalities over the MTEF period.
- Improve frontline service delivery by :
 - monitoring 300 sites in collaboration with the offices of premiers in all provinces over the MTEF period
 - continuously using the Presidential hotline as a monitoring and evaluation tool.

Subprogrammes

- *Programme Management for Public Sector Oversight* provides programme management and administrative support. This subprogramme had a staff complement of 3 and a total budget of R3.1 million in 2011/12, of which 51.9 per cent was used for compensation of employees and 48.1 per cent was used for goods and services. R1.2 million in expenditure cuts has been identified over the MTEF period and will be effected in spending on goods and services.
- *Institutional Performance Monitoring* coordinates and facilitates institutional performance monitoring and evaluation in government. This subprogramme had a staff complement of 13 and a total budget of R1.3 million in 2011/12, of which 88.9 per cent was used for compensation of employees. The management performance assessment tool was successfully developed and launched in 2011. The tool will be rolled out to all national and provincial government departments in 2012/13.
- *Frontline Service Delivery Monitoring* monitors, evaluates and facilitates improvement of frontline service delivery and includes the presidential hotline. This subprogramme had a staff complement of 37 and a total budget of R25.5 million in 2011/12, of which 77.8 per cent was used for goods and services. 60 frontline service delivery site visits took place in 2011. This will gradually increase over the medium term to 120 site visits per year.

Expenditure estimates

Table 6.8 Public Sector Oversight

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Programme Management for Public Sector Oversight	–	–	–	3 131	1 990	2 108	2 234
Institutional Performance Monitoring	–	–	–	1 289	13 471	14 282	15 139
Frontline Service Delivery Monitoring	–	2 993	6 805	25 498	42 349	44 890	47 583
Total	–	2 993	6 805	29 918	57 810	61 280	64 956
Change to 2011 Budget estimate				23 151	31 189	25 651	–

Table 6.8 Public Sector Oversight (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments	–	2 939	6 800	29 918	57 810	61 280	64 956
Compensation of employees	–	2 759	3 595	8 422	27 171	28 800	30 528
Goods and services	–	180	3 205	21 496	30 639	32 480	34 428
<i>of which:</i>							
Administrative fees	–	–	–	10	20	21	22
Advertising	–	64	–	50	–	–	–
Assets less than the capitalisation threshold	–	22	–	–	–	–	–
Bursaries: Employees	–	–	–	17	–	–	–
Catering: Departmental activities	–	6	26	115	380	403	427
Communication	–	23	30	9 530	6 328	6 708	7 111
Computer services	–	–	3 102	8 023	16 783	17 790	18 858
Consultants and professional services:	–	–	–	1 200	3 317	3 516	3 727
Business and advisory services							
Contractors	–	–	–	–	250	265	281
Entertainment	–	–	–	55	40	42	44
Inventory: Food and food supplies	–	2	–	13	7	7	7
Inventory: Other consumables	–	–	–	10	2	2	2
Inventory: Stationery and printing	–	2	–	140	222	235	249
Lease payments	–	–	14	70	160	170	180
Travel and subsistence	–	60	25	1 553	2 014	2 135	2 263
Training and development	–	–	–	55	426	452	479
Operating expenditure	–	1	8	105	183	194	206
Venues and facilities	–	–	–	550	507	540	572
Payments for capital assets	–	54	5	–	–	–	–
Machinery and equipment	–	54	5	–	–	–	–
Total	–	2 993	6 805	29 918	57 810	61 280	64 956

Expenditure trends

Expenditure is expected to increase from R29.9 million in 2011/12 to R65 million in 2014/15, at an average annual rate of 29.5 per cent. The increase in spending is primarily due to additional funding of R62 million over the medium term for the presidential hotline, which this programme took over from the Presidency in October 2011, and is reflected in the increase in spending on goods and services and compensation of employees over this period.

The *Frontline Service Delivery Monitoring* subprogramme was started in the last quarter of 2011 and funding over the medium term will allow for the expansion of this subprogramme. R16.8 million in 2012/13, R17.8 million in 2013/14 and R18.9 million in 2014/15 is allocated to computer services for payments to the State Information Technology Agency for call centre facilities for the hotline. Spending on communication is primarily on incoming calls to the hotline. Expenditure on consultants and professional services will support the verification of management performance assessment tool results and improved technology for the hotline.

The budget allocation over the medium term will allow the number of institutional performance assessments carried out and reports issued to increase from 5 national departments and 20 provincial departments to all national and provincial departments.

Additional tables

Table 6.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome 2010/11	Appropriation			Revised estimate 2011/12
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2010/11			2011/12			
Administration	–	–	–	33 296	275	33 571	33 571
Outcomes Monitoring and Evaluation	–	–	–	24 743	–	24 743	24 743
Monitoring and Evaluation Systems	20 383	40 543	47 348	10 984	(275)	10 709	10 709
Coordination and Support	–	–	–	13 532	16 386	29 918	29 918
Public Sector Oversight	–	–	–	–	–	–	–
Total	20 383	40 543	47 348	82 555	16 386	98 941	98 941

Economic classification

Current payments	20 343	33 433	40 233	79 555	16 282	95 837	95 837
Compensation of employees	12 206	22 516	26 111	54 921	132	55 053	55 053
Goods and services	8 137	10 917	14 122	24 634	16 150	40 784	40 784
Payments for capital assets	40	7 110	7 115	3 000	104	3 104	3 104
Machinery and equipment	40	7 110	7 115	2 400	104	2 504	2 504
Software and other intangible assets	–	–	–	600	–	600	600
Total	20 383	40 543	47 348	82 555	16 386	98 941	98 941

Table 6.B Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of employees (R thousand)	2 637	3 431	22 516	55 053	93 124	99 618	106 373
Training expenditure (R thousand)	–	–	–	849	2 545	2 699	2 861
Training as percentage of compensation				1.5%	2.7%	2.7%	2.7%
Total number trained in department (head count)	3	2	15	–			
<i>of which:</i>							
Employees receiving bursaries (head count)	1	1	11	–			
Internships (head count)	1	1	1	4			

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