

# Vote 1

## The Presidency

### Budget summary

R million	2010/11					2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Administration	227.5	213.6	2.0	11.9	–	249.9	276.3
Communications	30.0	30.0	–	0.1	–	32.9	37.6
Executive Coordination	465.1	94.8	370.0	0.3	–	489.4	496.6
<b>Subtotal</b>	<b>722.6</b>	<b>338.5</b>	<b>371.9</b>	<b>12.2</b>	<b>–</b>	<b>772.2</b>	<b>810.5</b>
<b>Direct charge against the National Revenue Fund</b>							
Salary of the president	2.4	2.4	–	–	–	2.5	2.7
Salary of the deputy president	2.2	2.2	–	–	–	2.3	2.4
<b>Total expenditure estimates</b>	<b>727.2</b>	<b>343.0</b>	<b>371.9</b>	<b>12.2</b>	<b>–</b>	<b>777.0</b>	<b>815.6</b>

Executive authority Minister in the Presidency: Performance Monitoring and Evaluation as well as Administration

Accounting officer Chief Operations Officer in the Presidency

Website address [www.thepresidency.gov.za](http://www.thepresidency.gov.za)

*The Estimates of National Expenditure booklets for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.*

### Aim

*The aim of the Presidency is to lead, manage and develop the strategic agenda of government and oversee and ensure its realisation by government as a whole.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Effective leadership, management and administrative support services to the principals and branches of the Presidency.

#### Programme 2: Communications

**Purpose:** A comprehensive communications, research, and knowledge and information management service to enable the Presidency to communicate effectively with all its stakeholders, including the public and government.

#### Programme 3: Executive Coordination

**Purpose:** Strengthen the strategic management and leadership capability of government by aligning the strategies of all spheres of government and state owned enterprises.

### Strategic overview: 2006/07 – 2012/13

The main focus of the Presidency over the medium term is to ensure that government is efficient and geared to attaining its strategic priorities.

## Two new ministries

Government has recognised the lack of integrated and aligned national planning and programmes across the three spheres. In response, the Presidency has established two new ministries, the National Planning Commission and the Ministry of Performance Management and Evaluation.

### *National planning*

The National Planning Commission will be instituted in 2010 and will be responsible for developing a long term strategic plan and ensuring a common perspective on government's policy agenda, and for facilitating discussions on reaching South Africa's development goals in the medium to long term. The commission's work will be driven by South Africa's long term national strategic plan, commonly known as Vision 2025, which sets the national agenda and specifies how to achieve national goals and aspirations.

### *Monitoring and evaluation*

Monitoring and evaluation activities enable government to reflect on the impact and effectiveness of policy choices and programme targets. In 2005, Cabinet approved an implementation plan to develop a monitoring and evaluation system across all national government departments, with the Presidency responsible for facilitating the implementation of the government wide monitoring and evaluation system and promoting the use of appropriate performance indicators to measure delivery. This function has been boosted by the new ministry, which will be responsible for monitoring the implementation of government strategy and programmes, and evaluating government performance, reporting, and facilitating the president's interaction with political principals. The Presidency will build a government wide monitoring and evaluation system and provide leadership on coordination and monitoring and evaluation policies. This function is designed to improve the quality of government services and help to remove obstacles to implementation.

## Evolved and improved planning instruments

South Africa's planning system has evolved and improved since 1994 and now embodies a variety of planning instruments. The medium term strategic framework sets government's medium term strategic objectives. Government's electoral mandate constitutes the fundamental core of the framework and is reviewed annually to respond to local and international change. The medium term strategic framework and the annual reviews inform the three-year medium term expenditure framework and provide the basis for government's annual programme of action, as well as the planning and budgeting decisions made throughout government. The strategic framework also ensures that budgetary allocations reflect government's strategic priorities. The ministers' committee on the budget plays an important role in ensuring that allocations are aligned with government's priorities.

## Current priorities

The Presidency will take a leadership role in accelerating economic growth, ensuring that planned infrastructure projects are implemented, and developing and implementing an integrated approach to rural development. Other priorities include: positioning South Africa globally; strengthening South Africa's skills and education base; improving the health profile of all South Africans, including through a national health insurance scheme and improving health care services; improving the capacity and efficiency of the criminal justice system; promoting nation building and social cohesion; promoting regional integration and peace and security; ensuring that government's 2010 FIFA World Cup commitments are implemented and that South Africa is well marketed beyond the event; and encouraging sustainable development and the use of alternative energy.

## Improved communication channels

The Presidency is improving communication channels with its stakeholders and the media, and with the public through the new presidential hotline.

## New structures

The functions of the *Gender, Disability and Children* subprogramme in *Executive Coordination* were shifted to the new Ministry for Women, Children and People with Disabilities, established after the 2009 elections. This

new ministry will consolidate, institutionalise and drive government's equity, equality and empowerment agenda on women, children and persons with disabilities, especially in rural and poor communities.

The National Youth Commission in the Presidency and the Umsobomvu Youth Fund in the Department of Labour have been dissolved and amalgamated into the new National Youth Development Agency.

## Savings and cost effective service delivery

The Presidency's expenditure review has resulted in projected cost reductions of R19.9 million in 2010/11, R22.4 million in 2011/12 and R10.1 million in 2012/13. Projected expenditure on goods and services is reduced by 14.2 per cent, 15.7 per cent and 7.5 per cent and transfers and subsidies are reduced by R1 million in each year over the MTEF period. Savings in goods and services have been advertising in advertising, bursaries, catering, communication, contractors, legal costs, stationery and printing, travel and subsistence, and venues and facilities across all programmes.

## Selected performance indicators

**Table 1.1 The Presidency**

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of new districts' integrated development plans aligned with the national spatial development perspective and provincial growth and development plans	Executive Coordination	13	10	15	14	-	-	-
Number of households surveyed on income, consumption and expenditure in the national income dynamic survey per year	Executive Coordination	-	8 000	7 305	8 000	9 600	0	12 000
Number of research reports per year	Executive Coordination	-	-	-	-	0	1	1

## Expenditure estimates

**Table 1.2 The Presidency**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Administration	158.0	162.2	213.0	240.7	240.7	227.5	249.9	276.3
2. Communications	14.1	16.2	20.5	35.6	32.6	30.0	32.9	37.6
3. Executive Coordination	52.3	473.0	78.9	418.4	418.4	465.1	489.4	496.6
<b>Subtotal</b>	<b>224.4</b>	<b>651.4</b>	<b>312.4</b>	<b>694.8</b>	<b>691.8</b>	<b>722.6</b>	<b>772.2</b>	<b>810.5</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2.2</b>	<b>2.3</b>	<b>4.0</b>	<b>4.3</b>	<b>4.3</b>	<b>4.6</b>	<b>4.8</b>	<b>5.1</b>
Salary of the president	1.2	1.3	2.1	2.3	2.3	2.4	2.5	2.7
Salary of the deputy president	1.0	1.0	1.9	2.0	2.0	2.2	2.3	2.4
<b>Total</b>	<b>226.5</b>	<b>653.7</b>	<b>316.4</b>	<b>699.1</b>	<b>696.1</b>	<b>727.2</b>	<b>777.0</b>	<b>815.6</b>
Change to 2009 Budget estimate				377.6	374.6	392.2	422.4	464.3

Table 1.2 The Presidency (continued)

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
<b>Economic classification</b>								
<b>Current payments</b>	<b>191.4</b>	<b>224.0</b>	<b>273.9</b>	<b>354.0</b>	<b>351.0</b>	<b>343.0</b>	<b>380.4</b>	<b>399.1</b>
Compensation of employees	100.5	118.7	144.3	187.4	184.4	218.1	242.4	258.2
Goods and services	90.9	105.3	129.6	166.5	166.5	124.9	138.0	140.9
<i>of which:</i>								
Communication	9.4	10.6	11.8	13.4	13.4	9.7	11.4	12.3
Computer services	2.0	2.0	4.9	8.9	8.9	7.8	11.8	13.5
Consultants and professional services:	7.0	1.4	9.5	45.5	45.5	25.6	22.8	15.0
Business and advisory services								
Travel and subsistence	36.4	37.0	46.6	44.3	44.3	36.3	41.1	43.8
<b>Transfers and subsidies</b>	<b>27.8</b>	<b>425.1</b>	<b>35.6</b>	<b>334.4</b>	<b>334.4</b>	<b>371.9</b>	<b>387.8</b>	<b>407.3</b>
Provinces and municipalities	0.1	0.0	0.0	–	–	0.0	0.0	0.0
Departmental agencies and accounts	23.2	424.6	33.4	331.9	331.9	371.9	387.8	407.3
Public corporations and private enterprises	3.1	–	–	–	–	–	–	–
Non-profit institutions	0.4	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>7.2</b>	<b>4.7</b>	<b>6.8</b>	<b>10.7</b>	<b>10.7</b>	<b>12.2</b>	<b>8.8</b>	<b>9.2</b>
Machinery and equipment	7.2	4.7	6.8	10.7	10.7	12.2	8.8	9.2
<b>Payments for financial assets</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>226.5</b>	<b>653.7</b>	<b>316.4</b>	<b>699.1</b>	<b>696.1</b>	<b>727.2</b>	<b>777.0</b>	<b>815.6</b>

## Expenditure trends

Between 2006/07 and 2009/10, total expenditure increased from R226.5 million to R699.1 million at an average annual rate of 45.6 per cent. This accommodates the increase in compensation of employees and goods and services, mainly due to changes to the departmental structure and the increase in the number of ministers and support staff. Between 2006/07 and 2009/10, spending on transfers and subsidies increased at an average annual rate of 129.1 per cent due to the merger of the Umsobomvu Youth Fund and the National Youth Commission to form the National Youth Development Agency. Over the MTEF period, expenditure is projected to increase to R815.6 million in 2012/13 at an average annual rate of 5.4 per cent.

The 2010 Budget provides additional funds of R105.6 million in 2010/11, R131.5 million in 2011/12 and R147.1 million in 2012/13 for: administration capacity, advisers to political principals and office equipment for the Presidency (R30 million); the National Planning Commission (R20 million); the Ministry of Performance Management and Evaluation (R30 million); and salary adjustments (R5.6 million).

Spending over the MTEF period focuses on the integration and implementation of the programmes of the National Planning Commission and the Ministry of Performance Management and Evaluation.

## Departmental receipts

Departmental receipts consist mainly of recovered advances and debts, and from renting out state property. The increase in revenue in 2006/07 is due to the sale of official vehicles.

Table 1.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
<b>Departmental receipts</b>	<b>1 738</b>	<b>289</b>	<b>233</b>	<b>502</b>	<b>502</b>	<b>311</b>	<b>331</b>	<b>337</b>
Sales of goods and services produced by department	76	99	131	102	102	252	266	279
Sales of scrap, waste, arms and other used current goods	4	5	1	–	–	–	–	–
Interest, dividends and rent on land	4	19	4	10	10	16	19	13
Sales of capital assets	1 076	32	–	240	240	–	–	–
Transactions in financial assets and liabilities	578	134	97	150	150	43	46	45
<b>Total</b>	<b>1 738</b>	<b>289</b>	<b>233</b>	<b>502</b>	<b>502</b>	<b>311</b>	<b>331</b>	<b>337</b>

## Programme 1: Administration

### Expenditure estimates

Table 1.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Minister <sup>1</sup>	0.9	1.0	2.8	3.3	3.4	3.6	3.8
Management	105.5	114.0	145.9	164.3	160.0	172.0	184.1
Support Services to President	38.6	31.9	44.8	51.2	49.6	57.9	69.7
Support Services to Deputy President	13.0	15.3	19.5	21.9	14.5	16.4	18.7
<b>Total</b>	<b>158.0</b>	<b>162.2</b>	<b>213.0</b>	<b>240.7</b>	<b>227.5</b>	<b>249.9</b>	<b>276.3</b>
Change to 2009 Budget estimate				50.2	26.1	38.5	54.4

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

#### Economic classification

<b>Current payments</b>	<b>142.5</b>	<b>153.4</b>	<b>200.4</b>	<b>225.1</b>	<b>213.6</b>	<b>239.4</b>	<b>265.2</b>
Compensation of employees	71.5	81.7	98.3	123.1	136.0	150.9	160.0
Goods and services	71.0	71.7	102.1	102.1	77.6	88.5	105.2
<i>of which:</i>							
Communication	8.5	9.7	10.4	11.1	8.3	9.8	10.5
Computer services	2.0	2.0	4.6	4.8	6.1	9.5	11.0
Consultants and professional services:	2.0	1.3	2.0	6.5	3.7	1.4	10.8
Business and advisory services							
Travel and subsistence	28.4	28.6	38.2	34.7	23.3	26.3	28.2
<b>Transfers and subsidies</b>	<b>8.5</b>	<b>4.4</b>	<b>6.2</b>	<b>5.3</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>
Provinces and municipalities	0.1	0.0	0.0	–	0.0	0.0	0.0
Departmental agencies and accounts	4.0	4.0	4.0	3.0	2.0	2.0	2.1
Public corporations and private enterprises	3.1	–	–	–	–	–	–
Non-profit institutions	0.4	–	–	–	–	–	–
Households	0.9	0.4	2.2	2.3	–	–	–
<b>Payments for capital assets</b>	<b>6.9</b>	<b>4.3</b>	<b>6.4</b>	<b>10.3</b>	<b>11.9</b>	<b>8.5</b>	<b>8.9</b>
Machinery and equipment	6.9	4.3	6.4	10.3	11.9	8.5	8.9
<b>Payments for financial assets</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>158.0</b>	<b>162.2</b>	<b>213.0</b>	<b>240.7</b>	<b>227.5</b>	<b>249.9</b>	<b>276.3</b>

Table 1.4 Administration (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Details of selected transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>3.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>
South African Chapter of the African Renaissance (SACAR)	1.0	1.0	1.0	–	–	–	–
Isigodlo Trust	3.0	3.0	3.0	3.0	2.0	2.0	2.1
<b>Public corporations and private enterprises</b>							
<b>Public corporations</b>							
<b>Other transfers</b>							
<b>Current</b>	<b>3.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Development Bank of Southern Africa	3.1	–	–	–	–	–	–
<b>Non-profit institutions</b>							
<b>Current</b>	<b>0.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Centre for African Renaissance Studies	0.4	–	–	–	–	–	–

## Expenditure trends

Expenditure in the *Administration* programme increased from R158 million in 2006/07 to R240.7 million in 2009/10 at an average annual rate of 15.1 per cent. Growth over the medium term slows to an average annual rate of 4.7 per cent. Strong growth between 2006/07 and 2009/10 was mainly due to funds allocated in 2009/10 for additional capacity to support the new ministries and principals. The *Support Services to the President* subprogramme grew at an average annual rate of 9.9 per cent between 2006/07 and 2009/10. The strong growth of 40.6 per cent in 2009/10 is mainly due to the additional minister and the increase in capacity to support the minister. Spending by the *Management* subprogramme over the medium term is expected to grow at an average annual rate of 3.9 per cent, mainly due to the increase in operational costs to support the new principals and ministries.

## Programme 2: Communications

- *Communications* provides communication services to the Presidency by assisting the president and the other principals to communicate effectively with the public and within government. This is done through research, speech writing, media liaison and the imbizo programmes.

The programme is structured around the following functions:

- research, drafting, speech writing, monitoring external communication, and writing services
- media liaison: communication support to the principals and external stakeholders on behalf of the Presidency
- public participation and public relations: management of public participation programmes such as imbizos; public relations services; and support for outreach events, including coordinating visits by the public to the Presidency; and events management
- internal communication services: branding the Presidency and providing information services to the Presidency staff and the public, including: the Presidency newsletter, the annual report, the intranet, the Presidency website, and library, and information management services
- public liaison (presidential hotline): providing an appeal mechanism for citizens whose complaints have not been attended to satisfactorily by other spheres of government or departments.

Funding in all subprogrammes is mainly used for compensation of employees, and related expenditure in goods and services.

## Objectives and measures

- Ensure full compliance with the Promotion of Access to Information Act (2000) and its amendments by publishing it on the Presidency website by the end of February 2010.
- Improve the effectiveness of the presidential hotline by:
  - making hotline reports available to all directors-general and following up on backlogs on a monthly basis in accordance with targets agreed by Cabinet
  - publishing monthly reports for Cabinet.
- Increase the reach of the Presidency beyond traditional target audiences by establishing a presence in new media platforms, specifically Facebook, Twitter and mobile technology.
- Improve relations with the media through regular media briefings at the Union Buildings with 1 principal addressing at least 1 briefing per month on an ongoing basis.
- Improve the outreach of the principals by identifying and facilitating more platforms, with each principal addressing at least 2 per year.
- Improve national identity by improving the media profile and visibility of the national orders each year by at least 10 per cent of the coverage received in the preceding year.
- Highlight the role of the principals in international affairs by improving their annual media coverage each year by at least 15 per cent of the coverage received in the preceding year.

## Service delivery focus

In 2009/10, the Presidency continued to facilitate direct communication between political principals and the public through imbizos. Several sectoral meetings were held with school principals, religious leaders, mayors and municipal managers, and members of the police force. These meetings, apart from those with religious leaders, have emphasised the new administration's service delivery expectations. In addition to drafting and writing principals' speeches, the *Communications* programme has compiled reports of all public and sectoral meetings that principals have engaged in since they came into office. An important project was compiling profiles of the recipients of national orders.

Media relations have improved since the president met executives and editors of the three major media houses. Other principals within the Presidency have also been more open with the media; for example the deputy president addressed the Cape Town Press Club in September 2009 and the Minister of the National Planning Commission invited the media to a briefing on the commission.

Launched in 2009/10, the presidential hotline is an appeal mechanism for citizens whose complaints have not been attended to satisfactorily by other spheres of government or departments. The hotline is housed in a public liaison unit and staffed by 21 full time personnel and 40 call centre agents employed by the State Information Technology Agency. This service has enabled hundreds of people to have problems attended to and resolved, and has set a new trend in citizen care.

## Expenditure estimates

**Table 1.5 Communications**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Communications	14.1	16.2	20.5	35.6	30.0	32.9	37.6
<b>Total</b>	<b>14.1</b>	<b>16.2</b>	<b>20.5</b>	<b>35.6</b>	<b>30.0</b>	<b>32.9</b>	<b>37.6</b>
Change to 2009 Budget estimate				11.3	4.4	5.7	9.1

Table 1.5 Communications (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Economic classification</b>							
<b>Current payments</b>	<b>14.0</b>	<b>16.1</b>	<b>20.4</b>	<b>35.6</b>	<b>30.0</b>	<b>32.8</b>	<b>37.6</b>
Compensation of employees	7.3	10.0	11.9	22.7	21.5	23.5	24.7
Goods and services	6.7	6.1	8.5	12.9	8.4	9.3	12.9
<i>of which:</i>							
Communication	0.4	0.3	0.7	1.3	0.4	0.4	0.4
Computer services	0.0	–	0.3	4.1	1.6	2.2	2.4
Consultants and professional services:	–	0.1	–	0.5	0.4	0.4	3.3
Business and advisory services							
Travel and subsistence	3.5	2.5	3.3	3.7	3.6	3.7	4.0
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
Machinery and equipment	0.0	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total</b>	<b>14.1</b>	<b>16.2</b>	<b>20.5</b>	<b>35.6</b>	<b>30.0</b>	<b>32.9</b>	<b>37.6</b>

### Expenditure trends

Expenditure increased at an average annual rate of 36.2 per cent from R14.1 million in 2006/07 to R35.6 million in 2009/10, due to the expansion of the *Communications* subprogramme with a 2009 adjustment allocation for the presidential hotline.

Spending over the medium term focuses on responding to growing communication responsibilities.

### Programme 3: Executive Coordination

- *Policy Coordination* is responsible for: overseeing the development and implementation of policy in government through engaging with clusters of directors-general and other top officials; providing strategic support and advice to principals in the Presidency; and overseeing the government wide monitoring and evaluation system and the national spatial development perspective. *Policy Coordination* is in the process of expanding its responsibilities with the creation of the new *National Planning Commission* and *Performance, and Monitoring and Evaluation* subprogrammes.
- *Cabinet Office* facilitates Cabinet processes and ensures that Cabinet can operate effectively. This includes managing documentation and meetings, providing quality control services, and monitoring the implementation of cabinet decisions
- *National Youth Development Agency* transfers funds to the National Youth Development Agency which initiates, implements, facilitates and monitors youth development interventions aimed at reducing youth unemployment and promoting social cohesion. This new subprogramme was established due to the merging of the National Youth Commission and the Umsobomvu Youth Fund to create the National Youth Development Agency.

Funding in all subprogrammes is mainly used for compensation of employees, and related expenditure in goods and services.

### Objectives and measures

- Provide clear and consistent policies in pursuit of government's developmental objectives of reducing poverty and inequality and creating a non-racial society by:
  - developing a long term national strategic plan and ensuring a common perspective on government's policy agenda for the future, taking into account major long term and spatial trends and dynamics
  - developing spatial guidelines for spatial planning and territorial development as a common reference point for interpreting spatial realities and the implications for government intervention and private sector activity



- producing a medium term strategic framework and annual programmes of action consistent with the department’s long term vision and electoral mandate
- aligning policy development horizontally and vertically while specifying activities, inputs, outputs and outcomes.
- Operationalise planning capacity at the centre of government by developing a long term development vision and a roadmap within 18 months.
- Improve government planning and policy making by reviewing and updating the medium term strategic framework every year to include outcomes, interventions and progress.
- Introduce and support government wide outcomes based performance management systems and translate these measures into a performance letter from the president to the relevant minister, groups of ministers, and ministers and members of the executive council for each sector.
- Report on government’s programme of action by leading a coordinated government wide monitoring and evaluation system and publishing a standardised set of development indicators every year.
- Strengthen the leading role of the Presidency in global governance, bilateral and multilateral relations, South-South cooperation, and the implementation of the African Agenda by engaging in international forums.
- Ensure the sustainable absorption of the unemployed into economic activity by supporting the development of a policy document on a new growth path over the MTEF period.

## Service delivery focus

The lack of a national long term strategic plan has weakened government’s ability to provide clear and consistent policies, limited its capacity to mobilise society in pursuit of developmental objectives, and hampered efforts to prioritise resource allocations and drive the implementation of government’s objectives and priorities. In addition, weaknesses in the coordination of government have led to policy inconsistencies and, in several cases, poor service delivery. Government will rectify these weaknesses by working with all social partners to mobilise society in pursuit of objectives that are broadly accepted and enshrined in the Constitution. There will be more focus on planning and more attention to coordination, and related interventions aimed at remedying what has not worked. The Presidency has proposed a series of special reports on key issues that influence planning in light of concerns about the effectiveness of current policies and programmes. The annual programme of action will remain an important planning tool, but will focus more on measurable objectives. The medium term strategic framework will also give more attention to measurable objectives and timetables.

Progress with implementing the government wide monitoring and evaluation system includes re-establishing the monitoring and evaluation task team and creating a coordinated policy platform for monitoring and evaluation across government on an ongoing basis. The Presidency publishes annual development indicators aimed at providing an assessment of the progress made by South African society.

## Expenditure estimates

**Table 1.6 Executive Coordination**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Policy Coordination	23.0	40.3	36.3	76.6	82.8	90.5	77.0
Cabinet Office	10.0	12.1	13.2	12.9	12.3	13.0	14.5
National Youth Development Agency	19.2	420.6	29.4	328.9	370.0	385.9	405.1
<b>Total</b>	<b>52.3</b>	<b>473.0</b>	<b>78.9</b>	<b>418.4</b>	<b>465.1</b>	<b>489.4</b>	<b>496.6</b>
Change to 2009 Budget estimate				316.1	361.6	378.1	400.8

Table 1.6 Executive Coordination (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Economic classification</b>							
<b>Current payments</b>	<b>32.8</b>	<b>52.2</b>	<b>49.1</b>	<b>89.0</b>	<b>94.8</b>	<b>103.3</b>	<b>91.3</b>
Compensation of employees	19.6	24.7	30.1	37.4	56.0	63.2	68.5
Goods and services	13.2	27.5	19.0	51.6	38.8	40.2	22.7
<i>of which:</i>							
Communication	0.5	0.6	0.7	0.9	1.0	1.3	1.5
Consultants and professional services: Business and advisory services	5.0	0.0	7.5	38.5	21.6	20.9	0.9
Travel and subsistence	4.5	5.8	5.1	5.8	9.4	11.0	11.7
<b>Transfers and subsidies</b>	<b>19.2</b>	<b>420.6</b>	<b>29.4</b>	<b>329.1</b>	<b>370.0</b>	<b>385.9</b>	<b>405.1</b>
Departmental agencies and accounts	19.2	420.6	29.4	328.9	370.0	385.9	405.1
Households	–	–	–	0.1	–	–	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
Machinery and equipment	0.2	0.2	0.3	0.4	0.3	0.2	0.2
<b>Total</b>	<b>52.3</b>	<b>473.0</b>	<b>78.9</b>	<b>418.4</b>	<b>465.1</b>	<b>489.4</b>	<b>496.6</b>
<b>Details of selected transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>19.2</b>	<b>420.6</b>	<b>29.4</b>	<b>328.9</b>	<b>370.0</b>	<b>385.9</b>	<b>405.1</b>
National Youth Development Agency	19.2	420.6	29.4	328.9	370.0	385.9	405.1

## Expenditure trends

Expenditure in the *Executive Coordination* programme increased at an average annual rate of 100 per cent from R52.3 million in 2006/07 to R418.4 million in 2009/10, with projected growth over the MTEF period at an average annual rate of 5.9 per cent to reach R496.6 million in 2012/13. The growth between 2006/07 and 2009/10 provided funding for policy coordination and the national income dynamics survey. The National Planning Commission and the Ministry of Performance Management and Evaluation are new and have impacted on the growth of expenditure in this programme. Expenditure for the Ministry of Performance Monitoring and Evaluation will be frontloaded and additional funding was made available through the 2009 adjustments budget. Funding for this ministry over the MTEF period has been set at R30 million, R35 million and R40 million.

Between 2006/07 and 2009/10, spending on transfers and subsidies grew at an average annual rate of 157.7 per cent due to the merger of the Umsobomvu Youth Fund and the National Youth Commission to form the National Youth Development Agency.

Spending over the medium term focuses on the operationalisation of the new ministries.

## Additional tables

**Table 1.A Summary of expenditure trends and estimates per programme and economic classification**

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R million	2008/09		2008/09	2009/10			2009/10
1. Administration	184.0	200.2	213.0	190.5	50.2	240.7	240.7
2. Communications	22.8	23.1	20.5	24.3	11.3	35.6	32.6
3. Executive Coordination	79.1	88.4	78.9	390.5	28.0	418.4	418.4
<b>Subtotal</b>	<b>285.8</b>	<b>311.7</b>	<b>312.4</b>	<b>605.3</b>	<b>89.5</b>	<b>694.8</b>	<b>691.8</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2.5</b>	<b>5.0</b>	<b>4.0</b>	<b>4.3</b>	<b>-</b>	<b>4.3</b>	<b>4.3</b>
Salary of the president	1.3	5.0	2.1	2.3	-	2.3	2.3
Salary of the deputy president	1.1	-	1.9	2.0	-	2.0	2.0
<b>Total</b>	<b>288.3</b>	<b>316.7</b>	<b>316.4</b>	<b>609.6</b>	<b>89.5</b>	<b>699.1</b>	<b>696.1</b>

### Economic classification

<b>Current payments</b>	<b>252.8</b>	<b>278.7</b>	<b>273.9</b>	<b>270.2</b>	<b>83.7</b>	<b>354.0</b>	<b>351.0</b>
Compensation of employees	143.9	152.2	144.3	154.5	32.9	187.4	184.4
Goods and services	108.9	126.4	129.6	115.7	50.8	166.5	166.5
<b>Transfers and subsidies</b>	<b>28.4</b>	<b>29.5</b>	<b>35.6</b>	<b>331.9</b>	<b>2.5</b>	<b>334.4</b>	<b>334.4</b>
Departmental agencies and accounts	28.3	28.3	33.4	331.9	-	331.9	331.9
Public corporations and private enterprises	0.1	0.1	-	-	-	-	-
Households	-	1.0	2.2	-	2.5	2.5	2.5
<b>Payments for capital assets</b>	<b>7.1</b>	<b>8.6</b>	<b>6.8</b>	<b>7.4</b>	<b>3.3</b>	<b>10.7</b>	<b>10.7</b>
Machinery and equipment	6.6	8.6	6.8	7.4	3.3	10.7	10.7
Software and other intangible assets	0.5	-	-	-	-	-	-
<b>Total</b>	<b>288.3</b>	<b>316.7</b>	<b>316.4</b>	<b>609.6</b>	<b>89.5</b>	<b>699.1</b>	<b>696.1</b>

**Table 1.B Summary of personnel numbers and compensation of employees**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Permanent and full time contract employees</b>							
Compensation (R million)	98.1	113.3	140.9	186.7	217.1	241.3	257.0
Unit cost (R million)	0.2	0.2	0.3	0.4	0.3	0.4	0.4
<i>Administration</i>	0.2	0.2	0.2	0.3	0.3	0.3	0.3
<i>Communications</i>	0.3	0.3	0.3	0.7	0.4	0.4	0.4
<i>Executive Coordination</i>	0.3	0.3	0.3	0.4	0.6	0.7	-
Personnel numbers (head count)	443	479	512	497	636	636	636
<b>Part time and temporary contract employees</b>							
Compensation (R million)	2.0	4.8	3.1	0.7	-	-	-
Unit cost (R million)	0.2	0.2	0.3	0.2	-	-	-
Personnel numbers (head count)	9	20	12	3	-	-	-
<b>Total for department</b>							
<b>Compensation (R million)</b>	<b>100.5</b>	<b>118.7</b>	<b>144.3</b>	<b>187.4</b>	<b>218.1</b>	<b>242.4</b>	<b>258.2</b>
<b>Unit cost (R million)</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>
<b>Personnel numbers (head count)</b>	<b>465</b>	<b>516</b>	<b>534</b>	<b>500</b>	<b>675</b>	<b>675</b>	<b>675</b>

**Table 1.C Summary of expenditure on training**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R million)	100.5	118.7	144.3	187.4	218.1	242.4	258.2
Training expenditure (R million)	1.5	2.3	1.4	1.9	2.2	2.4	2.6
Training as percentage of compensation	1.5%	1.9%	1.0%	1.0%	1.0%	1.0%	1.0%
Total number trained in department (head count)	197	97	93	–			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	47	35	63	56			
<i>Leaverships trained (head count)</i>	11	12	11	–			
<i>Internships trained (head count)</i>	13	17	10	–			

**Table 1.D Summary of departmental public private partnership (PPP) projects**

Project description: National fleet project	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2009/10	2010/11	2011/12	2012/13
R million					
<b>Projects signed in terms of Treasury Regulation 16</b>	–	15.9	16.7	18.3	19.6
PPP unitary charge <sup>1</sup>	–	15.9	16.7	18.3	19.6
<b>Total</b>	–	15.9	16.7	18.3	19.6

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter.

**Disclosure notes for projects signed in terms of Treasury Regulation 16**

Project name	Phakisa World
Brief description	Phavis fleet services - Transport services
Duration of PPP agreement	5 years
Escalation index for unitary fee	n/a
Net Present Value of all payment obligations discounted at appropriate duration government bond yield	n/a
Variations / amendments to PPP agreement	n/a
Cost implications of variations/amendments	n/a
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	n/a