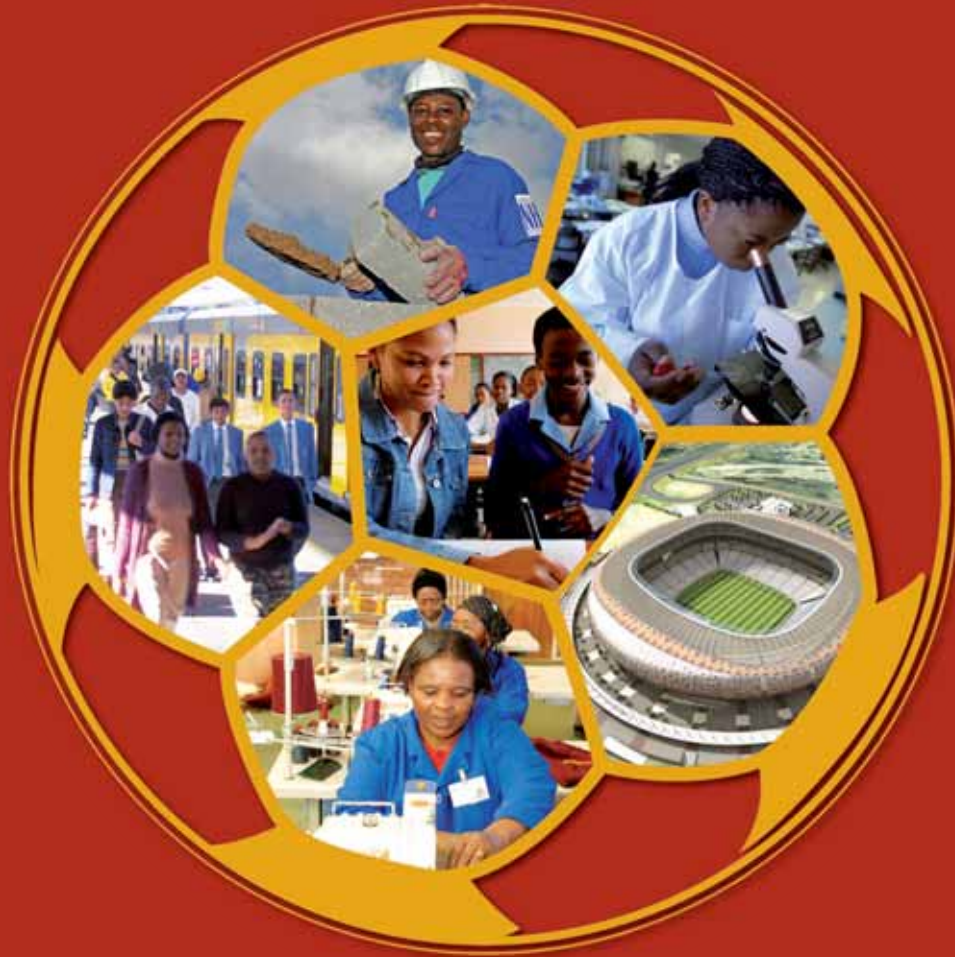


Vote 11

Public Service and Administration



Estimates of National Expenditure 2010



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2010

National Treasury

Republic of South Africa

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The *Estimates of National Expenditure 2010* booklet for each vote is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. In this booklet, more comprehensive coverage of goods and services, transfers, public entities and lower level institutional information is provided where applicable.

The *Estimates of National Expenditure 2010* as well as the *Estimates of National Expenditure 2010* booklets are also available on www.treasury.gov.za

Foreword

The Estimates of National Expenditure publication provides Parliament, departments and public entities, ministers, the media, civil society and the public with information about how tax payers' money is being spent: what it buys and for what purpose. Do not be concerned regarding the magnitude of this publication. Instead, let us use this unique reference tool to keep departments and agencies accountable and ensure that the expenditure of public funds achieves its intended policy outcomes, ultimately improving the welfare of our people.

Budgets link the policy choices that government makes with the services that are delivered to people – better budgeting plays an important role in improving service delivery. In line with the 2009 Medium Term Strategic Framework, government has adopted 12 desirable outcomes. At the output level, departments and agencies continue to set targets; for the first time these are in support of the attainment of officially stated outcomes. Budgeted spending on outputs and activities will increasingly reflect this.

Following the 2009 elections, a re-organisation of departments was proclaimed to give effect to the required government policy shifts and to accommodate the necessary changes in the programmes and activities of departments and entities. Several new national departments were created; some functions were transferred between departments. This also resulted in certain national departments being re-named to better capture the content of their new responsibilities. In terms of the new structure of government there are now 37 votes in the Estimates of National Expenditure publication, whereas in 2009 there were 34 votes.

This consolidated publication provides extensive vote level information on strategies and objectives. Legislation, policy developments and other factors affecting these are also noted. Information is presented in a format that aligns government's performance commitments with resource allocations. As with the 2009 Budget, we will publish booklets for individual votes that will provide full coverage of public entities and more detail on transfers and lower level institutional information.

Given the current economic climate, there are greater trade-offs in choosing between spending priorities or in the sequencing of programme implementation. Outputs and activities are constantly being re-evaluated to determine if more effective and cost efficient options are available. As a result, some programmes have to be delayed. Alongside the additions to spending, this publication also indicates details per national vote of savings amounting to R23 billion over the period ahead. These savings have been reallocated to other departments in order to augment funding for government's priorities.

All the figures, targets and outputs result from a wide ranging intergovernmental consultative process, leading to executive approval of additional spending allocations and savings. Many people have contributed to making this publication possible, especially my colleagues in national departments and agencies. Their collaboration and understanding during the allocation and publication processes has been invaluable. Thanks are also due to the dedicated National Treasury team for the publication of this useful resource.



Lesetja Kganyago

Director-General: National Treasury

Introduction

Transparent and accountable governance is strengthened when comprehensive budget documents are tabled for public scrutiny and legislative oversight. The Estimates of National Expenditure provides relevant public sector financial information in a timely and systematic manner, linking performance targets to budgeted expenditure. Specifically, it serves to:

- provide members of Parliament with detailed information on how departments and public entities plan to spend the money that is to be authorised by the legislature
- enable Parliament and society to keep departments and agencies accountable for service delivery commitments that are set out in each chapter
- provide parliamentary committees with a valuable source of information that can assist them in performing their oversight functions.

Although it contains a large volume of information, the 2010 Estimates of National Expenditure presents a summarised account of the spending plans of all national departments and agencies for the next three financial years (2010/11 to 2012/13), expenditure outcomes for the past three years (2006/07 to 2008/09) and revised estimates for the current year (2009/10). Newly formed departments are covered in the same way. Information is also provided on legislation and mandates, policy, strategies, objectives and performance targets over the seven-year period – as well as any changes in these, particularly as they relate to trends in planned expenditure. This provides a platform for review that could result in new policy options or operational alternatives in the achievement of government's objectives.

In keeping with ongoing improvements in the way that public finances are managed and reported, both the quality of information and presentation of the 2010 Estimates of National Expenditure have been enhanced. Information on new departments is mostly covered by way of a separate chapter, although in some cases departments are accommodated within a shared vote and discussed together in the same chapter. Information on savings and cost effective service delivery is included under a separate heading following the strategic overview section. Spending on selected key mega infrastructure projects is discussed in text boxes in the expenditure trends sections of relevant votes. For some votes a new personnel table has been included, showing personnel numbers in relation to the different salary levels and other information, such as the number and type of posts on funded establishment and posts filled. The 2010 Estimates of National Expenditure booklets, which are published separately for each vote, provide more extensive coverage on transfers, public entities, goods and services and lower level institutional information.

Value for money

Budget accountability has historically focused mainly on targeting the performance of government departments and agencies at the output level. Government has now adopted an approach which provides a new methodology that is focused on the attainment of 12 desirable outcomes, using measurable outputs and well defined activities to achieve better value, as well as better value for money. The medium term expenditure framework (MTEF) for the next three years targets spending on government's official outcomes and simultaneously seeks to change the culture in the public service towards greater prudence and efficiency in order to obtain better value for money.

The Ministry for the National Planning Commission and the Ministry for Performance Evaluation and Monitoring are to ensure that planning and implementation in government institutions are focused on the achievement of outcomes and the improvement of performance. In line with this service delivery orientation, new functions and a reconfiguration of existing functions have led to a new national government structure. Taking account of the creation of new departments, 37 votes are now contained in the 2010 Estimates of National Expenditure. The table below provides a list of the new votes and alongside each, the department/s from which functions have been shifted in order to form the basis of the new department.

Newly created vote	Department/s from which all or some functions have been shifted
Agriculture, Forestry and Fisheries	Agriculture Water Affairs and Forestry Environmental Affairs and Tourism
Water Affairs	Water Affairs and Forestry
Human Settlements	Housing Water Affairs and Forestry
Environmental Affairs	Environmental Affairs and Tourism
Tourism	Environmental Affairs and Tourism
Basic Education	Education
Higher Education and Training	Education Labour (still exists)
Cooperative Governance and Traditional Affairs	Provincial and Local Government
Defence and Military Veterans	Defence
Economic Development	Trade and Industry (still exists)
Energy	Minerals and Energy
Mineral Resources	Minerals and Energy
International Relations and Cooperation	Foreign Affairs
Police	Safety and Security
Rural Development and Land Reform	Land Affairs Provincial and Local Government
Women, Children and People with Disabilities	The Presidency (still exists) Justice and Constitutional Development (still exists)

Savings

Given the shortfall in government revenue collection and the pressure on the available resources of the fiscus, this year's budget preparation has focused extensively on finding savings within departmental and agency baselines and on redirecting expenditure towards key priorities within these institutions. Savings arise from effecting changes in public sector spending habits and instituting cost-cutting measures. Over the period ahead, government is to reform procurement systems, rationalise public entities and review a range of programmes – in order to accommodate increased spending on government's priorities in the attainment of its desired outcomes.

During the Budget process, judgements on value for money in achieving outcomes are made by examining funding requests in relation to the implementation plans and costings presented, among other considerations. There is extensive consultation with departments, agencies and intergovernmental forums before proposals are presented to the ministers' committee on the budget¹, approved by Cabinet and then tabled in Parliament.

National departments undertook a rigorous budget baseline savings exercise, and identified R23 billion in savings over the medium term: R6.5 billion in 2010/11, R8.6 billion in 2011/12 and R7.9 billion in 2012/13.

1. A committee of cabinet ministers tasked with considering budgetary issues before they are presented to Cabinet.

About R2.6 billion in savings has been identified over the three years at local government level. Every endeavour was made to decrease spending on non-core goods and services, reschedule expenditure over time in the case of delays, effect exchange rate savings in respect of payments to foreigners, reduce transfers to certain public entities, improve financial management, reduce expenditure on administration in favour of frontline services and find alternative sources of financing.

Major savings amounts over the medium term expenditure framework period are:

- Defence and Military Veterans: R4.5 billion (cancellation of the A400M military aircraft contract)
- Social Development: R1.2 billion (slower uptake of social grants than anticipated and rationalisation of the South African Social Security Agency payments system)
- International Relations and Cooperation: R1.5 billion (revision of foreign costs and deferral of the building of the Pan African Parliament)
- Correctional Services: R4.8 billion (rescheduling of prison building plans)
- Transport: R3.4 billion (deferral of public transport infrastructure projects where planning and design have been delayed).

Additional allocations

The revised national Budget framework provides for additional expenditure by departments of R20.7 billion in 2010/11, R26 billion in 2011/12 and R39.9 billion in 2012/13. Including the government savings of R25.6 billion identified across all spheres, in total an additional R112.2 billion is allocated to government institutions to fund government's key priorities over the next three years. Of the R112.2 billion, national departments receive R56.2 billion (50.1 per cent): R13.1 billion in 2010/11, R18.2 billion in 2011/12 and R24.8 billion in 2012/13. Provinces and municipalities receive the remainder. Conditional grants to provinces and municipalities are reflected in both national budgets and the budgets of provinces or municipalities.

A summary of additional funding by national vote is provided below. Information on direct charges against the National Revenue Fund and the amounts for the provincial and local equitable shares are excluded. Adjustments to provincial and local conditional grants have been included. Details are only noted for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The total amounts per vote in the discussion below represent the gross additional allocations, before the deduction of savings. This means that these total amounts are all bigger than the overall net change in the budget of a particular vote and therefore they do not balance to the amounts reflected in table 2. In the discussion that follows, these vote totals will be referred to as the *gross total allocation*, received over the MTEF period. In some instances, the savings on a specific vote exceed the *gross total allocation* to that vote and the overall net change in the budget is actually negative.

Central government and financial and administrative services

An amount of R448 million is the gross total allocation to **Parliament's** vote. This is mainly to enhance the capacity of the Office of the Speaker, including provision for the establishment of a budget office in terms of the Money Bills Amendment Procedure and Related Matters Act (2009). Also included is provision for increasing the capacity of the Parliamentary oversight committees.

National Treasury receives an addition of R1.1 billion for the neighbourhood development partnership grant for the regeneration of townships through the development of social and economic infrastructure. An amount of R1.5 billion is allocated in the first two years of the MTEF period for the recapitalisation of the Land Bank.

Social services

The gross total allocation to **Health** amounts to R8.8 billion, most of which is for transfers to the provinces. R8.4 billion is provided for the broadening of HIV and AIDS treatment programmes, in support of the rapid expansion of the antiretroviral treatment rollout. R50 million has been set aside for a mass immunisation campaign to combat measles and polio.

Social Development's gross total allocation is R12.5 billion, mainly this is for the extension of the child support grant up to 18 years of age, as a major intervention against child poverty.

Most of the gross total allocation of R3.1 billion to **Basic Education** is for transfers to provinces. An amount of R2.7 billion is allocated for the provision of workbooks in all official languages for grades R to 9, and R28 million is provided for national numeracy and literacy assessments for grades 3, 6 and 9. An additional R120 million is allocated for the national school nutrition programme.

A gross total allocation of R2.4 billion is set aside for **Higher Education and Training**, of which R1 billion is for subsidies for higher education institutions and R1.3 billion is a provincial conditional grant for further education and training colleges.

Justice, crime prevention and security

Police is allocated additional funding of R1.5 billion for an increase in police officers, the establishment of the Directorate for Priority Crime Investigation (the Hawks) and police station property management.

Gross total allocations to **Defence and Military Veterans** amount to R4.7 billion. R2.2 billion is for improving the South African National Defence Force remuneration system. R220 million is provided for expanding the military skills development system intake and R600 million for upgrading the *Landward Defence* programme.

Correctional Services is to receive gross total additional funding amounting to R2.8 billion. This covers the cost of the occupation specific salary dispensation for correctional officials and the impact of the general government employee wage increase.

Economic services and infrastructure

Human Settlements is to receive a R1 billion allocation for upgrading informal settlements and establishing community settlements. The rural household infrastructure grant is allocated R1.2 billion, specifically to support rural communities.

Funds for **Rural Development and Land Reform** are mostly for the rural development programme. An additional allocation of R860 million is for improving the quality of life within rural communities and broadening the base of agricultural production.

Energy receives a gross total allocation of R4.6 billion. R4.5 billion is to provide for part of the capital costs of building a pipeline for fuel from Durban to the Highveld. This allocation will be financed through the fuel levy imposed for this purpose.

Cooperative Governance and Traditional Affairs has a gross total allocation of R10.7 billion. The biggest vote allocation provides for an increase of R2.5 billion for the municipal infrastructure grant, to enable the further expansion of basic services infrastructure delivery aligned to government's 2014 universal access goals. R1.5 billion is allocated for the community work programme, within the expanded public works programme, which enables the non-governmental sector to assist government in providing guaranteed employment on a project basis.

A gross total allocation of R3.8 billion is set aside for **Trade and Industry**. Of this, R3.5 billion is shared equally by the clothing and textile sector and the automotive industry. A further R274 million is allocated for critical infrastructure and regulatory institutions such as the Competition Commission, the Companies and Intellectual Property Commission and other consumer orientated institutions.

Transport's R2.9 billion gross total addition includes funding for the secondary strategic road network, the Passenger Rail Agency of South Africa and the procurement of buses for the 2010 FIFA World Cup.

The main allocation of R500 million for the **Water Affairs** vote is for regional bulk infrastructure to roll out the basic services and water supply in support of human settlement development, in line with government's commitment to universal access by 2014. R498 million is also allocated for the working for water and working on fire programmes, within the expanded public works programme.

Overview of expenditure

The main Budget provides for total expenditure of R818.1 billion in 2010/11, increasing to R888.3 billion in 2011/12 and R964.3 billion in 2012/13. Non-interest expenditure comprises on average 90.1 per cent of total main Budget expenditure, and grows at an average annual rate of 7.6 per cent over the MTEF period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R6 billion in 2010/11, R12 billion in 2011/12 and R24 billion in 2012/13.

The allocations in the main Budget are detailed in the pages of this publication, with a consolidated account provided in the summary tables below.

Summary tables

Table 1: Main budget framework

Table 2: Additional allocation to national votes

Table 3: Expenditure by national vote

Table 4: Expenditure by economic classification

Table 5: Amounts to be appropriated from the National Revenue Fund

Table 6a: Conditional grants to provinces

Table 6b: Conditional grants to municipalities

Table 7: Training expenditure per vote

Table 8: Infrastructure expenditure per vote

Table 9: Personnel expenditure per vote

Table 10: Departmental receipts per vote

Table 1. Main budget framework 2006/07 to 2012/13

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue (National Revenue Fund)							
Tax revenue (gross)	495 548.6	572 814.6	625 100.2	590 425.0	647 850.0	721 477.0	818 298.0
Departmental and other receipts, and repayments	10 843.3	11 671.7	12 616.2	8 982.6	10 380.3	11 483.2	12 379.4
Less: Southern Africa Customs Union payments	-25 194.9	-24 712.6	-28 920.6	-27 915.4	-14 991.3	-11 211.0	-22 781.0
Total revenue	481 197.0	559 773.8	608 795.7	571 492.1	643 239.0	721 749.2	807 896.4
<i>Percentage of GDP</i>	<i>26.2%</i>	<i>26.9%</i>	<i>26.2%</i>	<i>23.3%</i>	<i>23.8%</i>	<i>24.3%</i>	<i>24.5%</i>
Expenditure							
State debt cost	52 192.2	52 877.1	54 393.7	57 599.8	71 357.6	88 462.7	104 022.0
<i>Percentage of GDP</i>	<i>2.8%</i>	<i>2.5%</i>	<i>2.3%</i>	<i>2.4%</i>	<i>2.6%</i>	<i>3.0%</i>	<i>3.2%</i>
Current payments ¹	77 911.5	88 599.8	103 563.2	119 215.8	130 938.5	141 636.6	148 890.9
Transfers and subsidies	332 685.1	391 023.5	458 352.8	530 553.1	579 667.8	634 811.7	674 058.0
Payments for capital assets ¹	6 067.8	7 182.9	8 780.8	8 687.9	9 290.5	10 676.6	13 342.9
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 760.0	20 888.6	750.0	-
Contingency reserve	-	-	-	-	6 000.0	12 000.0	24 000.0
Total expenditure	470 192.5	541 495.7	636 063.5	748 816.5	818 142.9	888 337.6	964 313.8
<i>Percentage of GDP</i>	<i>25.6%</i>	<i>26.0%</i>	<i>27.4%</i>	<i>30.6%</i>	<i>30.3%</i>	<i>29.9%</i>	<i>29.3%</i>
Budget deficit²	11 004.5	18 278.1	-27 267.7	-177 324.3	-174 904.0	-166 588.4	-156 417.4
<i>Percentage of GDP</i>	<i>0.6%</i>	<i>0.9%</i>	<i>-1.2%</i>	<i>-7.2%</i>	<i>-6.5%</i>	<i>-5.6%</i>	<i>-4.7%</i>
<i>GDP</i>	<i>1 833 191.0</i>	<i>2 081 626.0</i>	<i>2 320 117.0</i>	<i>2 449 857.9</i>	<i>2 699 888.0</i>	<i>2 967 560.3</i>	<i>3 295 748.7</i>

1. Excludes conditional grants to provinces and local government, which are included in transfers and subsidies.

2. A positive number reflects a surplus and a negative number a deficit.

Table 2. Additional allocation to national votes 2010/11 to 2012/13¹

R million	Medium term expenditure estimates			Total
	2010/11	2011/12	2012/13	
Central Government Administration	1 882.8	3 072.3	7 510.5	12 465.6
1 The Presidency	85.6	106.5	117.1	309.1
2 Parliament	145.9	150.0	152.5	448.4
3 Cooperative Governance and Traditional Affairs	1 206.7	2 557.8	6 958.5	10 723.1
4 Home Affairs	224.0	80.7	87.3	392.1
5 International Relations and Cooperation	92.6	105.6	115.4	313.5
6 Public Works	97.1	35.5	38.5	171.1
7 Women, Children and People with Disabilities	31.0	36.1	41.2	108.3
Financial and Administrative Services	1 826.9	1 837.5	1 381.0	5 045.4
8 Government Communication and Information System	24.5	25.3	25.7	75.4
9 National Treasury	1 721.7	1 660.0	1 298.6	4 680.3
10 Public Enterprises	38.7	3.2	3.5	45.4
11 Public Service and Administration	10.2	11.9	12.9	35.0
12 Statistics South Africa	31.9	137.2	40.3	209.4
Social Services	5 143.8	8 479.1	13 507.1	27 130.0
13 Arts and Culture	15.3	18.1	19.4	52.8
14 Basic Education	800.8	1 052.5	1 278.0	3 131.3
15 Health	1 930.7	2 896.1	3 998.8	8 825.6
16 Higher Education and Training	421.1	761.3	1 249.0	2 431.4
17 Labour	59.2	49.1	51.9	160.3
18 Social Development	1 910.3	3 694.0	6 900.6	12 505.0
19 Sport and Recreation South Africa	6.3	7.9	9.3	23.6
Justice, Crime Prevention and Security	3 899.4	4 730.2	6 437.0	15 066.6
20 Correctional Services	883.1	919.4	952.8	2 755.3
21 Defence and Military Veterans	1 092.7	1 400.3	2 190.1	4 683.2
22 Independent Complaints Directorate	2.2	4.6	5.8	12.7
23 Justice and Constitutional Development	358.9	529.2	686.1	1 574.1
24 Police	1 562.5	1 876.7	2 602.1	6 041.3
Economic Services and Infrastructure	4 296.7	5 684.4	8 184.8	18 166.0
25 Agriculture, Forestry and Fisheries	57.2	195.8	310.8	563.8
26 Communications	5.1	5.9	6.4	17.4
27 Economic Development	115.0	160.0	175.0	450.0
28 Energy	1 528.8	1 544.4	1 546.8	4 620.0
29 Environmental Affairs	88.8	111.3	216.6	416.7
30 Human Settlements	242.9	360.5	1 761.3	2 364.7
31 Mineral Resources	20.3	33.2	43.0	96.5
32 Rural Development and Land Reform	301.2	348.1	352.1	1 001.4
33 Science and Technology	34.7	40.8	93.7	169.2
34 Tourism	47.7	63.3	74.9	185.9
35 Trade and Industry	905.6	1 294.0	1 638.8	3 838.3
36 Transport	495.8	1 081.6	1 359.3	2 936.7
37 Water Affairs	453.7	445.6	606.1	1 505.4
Total	17 049.6	23 803.6	37 020.3	77 873.6

1. Excludes additional allocations on provincial equitable share and other direct charges against the National Revenue Fund.

Table 3. Expenditure by national vote 2006/07 to 2012/13

R million	Audited Outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Central Government Administration				
1 The Presidency	224.4	651.4	312.4	694.8
2 Parliament	755.1	902.1	1 135.1	1 108.0
3 Cooperative Governance and Traditional Affairs	24 571.6	30 026.2	35 343.2	36 683.5
4 Home Affairs	2 546.9	3 241.7	4 666.6	5 263.8
5 International Relations and Cooperation	2 944.7	4 069.7	5 472.3	5 553.0
6 Public Works	3 025.8	3 402.3	4 197.0	5 890.1
7 Women, Children and People with Disabilities	49.6	52.5	61.9	68.2
Financial and Administrative Services				
8 Government Communication and Information System	293.1	380.9	427.5	496.8
9 National Treasury	16 171.0	18 966.2	31 312.1	62 845.6
10 Public Enterprises	2 589.8	4 604.0	3 265.1	3 991.2
11 Public Service and Administration	583.7	609.6	630.6	682.8
12 Statistics South Africa	1 096.6	1 054.3	1 323.1	1 715.2
Social Services				
13 Arts and Culture	1 329.9	1 585.8	2 114.5	2 632.1
14 Basic Education	1 571.6	2 165.3	3 284.4	4 474.4
15 Health	11 338.0	12 762.7	15 464.5	18 423.5
16 Higher Education and Training	14 292.2	15 997.3	18 765.9	20 696.6
17 Labour	1 343.3	1 431.5	1 507.2	1 709.2
18 Social Development	61 676.1	67 191.4	76 096.7	86 508.2
19 Sport and Recreation South Africa	886.5	5 048.0	4 871.4	2 883.9
Justice, Crime Prevention and Security				
20 Correctional Services	9 251.2	11 122.4	12 822.6	13 834.5
21 Defence and Military Veterans	23 817.6	25 180.1	27 801.3	31 325.3
22 Independent Complaints Directorate	65.3	80.9	99.3	116.5
23 Justice and Constitutional Development	5 853.8	7 194.0	8 244.4	9 721.0
24 Police	32 634.9	36 525.9	41 635.2	47 622.0
Economic Services and Infrastructure				
25 Agriculture, Forestry and Fisheries	2 711.0	3 858.6	3 465.0	3 874.5
26 Communications	1 319.6	1 911.8	2 328.6	2 470.5
27 Economic Development	238.7	245.1	220.4	316.2
28 Energy	1 930.8	2 189.1	2 918.4	3 756.9
29 Environmental Affairs	1 164.2	1 654.1	1 882.7	2 244.2
30 Human Settlements	7 178.2	8 716.1	11 147.4	14 036.2
31 Mineral Resources	676.8	758.2	811.6	925.1
32 Rural Development and Land Reform	3 724.6	5 896.6	6 663.7	6 401.4
33 Science and Technology	2 613.0	3 127.3	3 703.5	4 261.7
34 Tourism	853.5	1 065.1	1 211.8	1 155.7
35 Trade and Industry	3 566.1	5 050.2	4 836.6	6 085.9
36 Transport	13 360.4	16 331.6	24 838.6	24 238.5
37 Water Affairs	3 851.9	4 802.9	5 795.3	7 342.6
Total appropriation by vote	262 101.6	309 853.1	370 678.0	442 049.4
Plus:				
Direct charges against the National Revenue Fund				
President and Deputy President salary (The Presidency)	2.2	2.3	4.0	4.3
Members remuneration (Parliament)	223.3	240.7	356.9	376.7
State debt costs (National Treasury)	52 192.2	52 877.1	54 393.7	59 995.0
Provincial equitable share (National Treasury)	149 245.6	171 053.7	201 795.6	236 877.8
General fuel levy sharing with metros (National Treasury)	-	-	-	6 800.1
Skills levy and Setas (Higher Education and Training)	5 328.4	6 284.3	7 234.1	7 750.0
Judges and magistrates salaries (Justice and Constitutional Development)	1 099.3	1 184.5	1 601.1	1 669.7
Total direct charges against the National Revenue Fund	208 090.9	231 642.6	265 385.4	313 473.5
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 3. Expenditure by national vote 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
				Central Government Administration
691.8	722.6	772.2	810.5	The Presidency
1 108.0	1 179.2	1 238.6	1 288.4	Parliament
36 629.6	43 921.5	50 449.1	57 238.3	Cooperative Governance and Traditional Affairs
5 159.4	5 719.6	5 003.5	5 144.8	Home Affairs
5 508.0	4 824.4	5 087.0	5 393.0	International Relations and Cooperation
5 740.1	6 446.3	7 984.1	8 246.2	Public Works
68.2	97.8	108.3	114.9	Women, Children and People with Disabilities
				Financial and Administrative Services
496.8	546.2	507.1	515.4	Government Communication and Information System
62 512.7	50 219.9	33 127.9	34 265.6	National Treasury
3 991.2	350.6	186.8	196.2	Public Enterprises
681.0	651.5	657.1	684.1	Public Service and Administration
1 715.2	1 973.4	2 845.9	1 769.6	Statistics South Africa
				Social Services
2 440.1	2 406.7	2 417.4	2 562.7	Arts and Culture
4 197.9	6 166.2	7 549.8	8 099.3	Basic Education
18 025.5	21 497.0	23 707.9	25 844.7	Health
20 681.8	23 720.7	26 104.6	27 856.1	Higher Education and Training
1 674.4	1 783.9	1 866.6	1 942.5	Labour
86 108.2	95 929.1	105 715.4	114 023.7	Social Development
2 872.4	1 245.6	760.5	793.7	Sport and Recreation South Africa
				Justice, Crime Prevention and Security
13 834.5	15 129.0	16 027.4	18 277.2	Correctional Services
30 325.3	30 715.3	33 931.4	36 386.5	Defence and Military Veterans
116.5	129.3	144.1	152.4	Independent Complaints Directorate
9 673.3	10 250.5	11 083.7	11 730.6	Justice and Constitutional Development
47 622.0	52 556.4	56 916.6	60 390.8	Police
				Economic Services and Infrastructure
3 305.5	3 658.0	4 361.4	4 740.5	Agriculture, Forestry and Fisheries
2 354.5	2 114.0	1 814.1	1 630.4	Communications
316.2	418.6	494.4	520.3	Economic Development
3 740.2	5 535.4	5 739.6	5 538.7	Energy
2 244.2	2 607.8	2 817.5	3 058.7	Environmental Affairs
14 036.2	16 201.5	18 483.0	19 603.8	Human Settlements
924.0	1 030.0	1 112.1	1 168.0	Mineral Resources
6 401.4	6 769.6	7 972.9	8 360.1	Rural Development and Land Reform
4 261.7	4 615.5	4 968.8	4 560.2	Science and Technology
1 155.7	1 151.8	1 223.2	1 291.2	Tourism
5 988.8	6 150.1	6 757.4	7 264.0	Trade and Industry
24 164.1	25 086.3	27 960.1	29 169.5	Transport
6 969.8	7 996.6	9 090.2	9 628.2	Water Affairs
437 736.1	461 517.9	486 987.8	520 261.0	Total appropriation by vote
				Plus:
				Direct charges against the National Revenue Fund
4.3	4.6	4.8	5.1	President and Deputy President salary (The Presidency)
376.7	392.7	409.6	430.1	Members remuneration (Parliament)
57 599.8	71 357.6	88 462.7	104 022.0	State debt costs (National Treasury)
236 877.8	260 973.7	280 688.7	294 780.0	Provincial equitable share (National Treasury)
6 800.1	7 542.4	8 531.1	8 957.7	General fuel levy sharing with metros (National Treasury)
7 750.0	8 424.2	9 148.7	9 606.1	Skills levy and Setas (Higher Education and Training)
1 671.7	1 929.9	2 104.2	2 251.9	Judges and magistrates salaries (Justice and Constitutional Development)
311 080.3	350 625.0	389 349.8	420 052.9	Total direct charges against the National Revenue Fund
-	6 000.0	12 000.0	24 000.0	Contingency reserve
-	-	-	-	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 4. Expenditure by economic classification 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Current payments				
Compensation of employees	49 574.2	56 243.2	64 973.4	76 392.8
Salaries and wages	41 022.9	46 738.9	53 788.3	63 755.1
Social contributions	8 551.3	9 504.3	11 185.1	12 637.7
Goods and services	28 335.8	32 354.3	38 587.4	44 065.4
Interest and rent on land	52 193.7	52 879.3	54 396.1	59 995.8
Interest (including interest on finance leases)	52 193.0	52 878.6	54 395.9	59 995.0
Rent on land	0.7	0.7	0.2	0.8
Total current payments	130 103.7	141 476.8	157 956.9	180 454.0
Transfers and subsidies to:				
Provinces and municipalities	205 438.3	243 233.9	289 397.3	345 879.0
Provinces	178 867.2	205 829.6	245 302.3	295 353.2
Provincial revenue funds	178 867.2	205 829.6	245 302.3	295 353.2
Municipalities	26 571.1	37 404.3	44 095.1	50 525.8
Municipal bank accounts	26 571.1	37 404.3	44 095.1	50 525.8
Departmental agencies and accounts	38 102.1	44 531.2	53 572.4	58 512.9
Social security funds	7.0	8.5	2 508.7	12.7
Departmental agencies (non-business entities)	38 095.0	44 522.7	51 063.6	58 500.3
Universities and technikons	11 056.0	12 003.8	13 897.7	15 437.4
Foreign governments and international organisations	919.3	936.0	1 010.6	1 266.8
Public corporations and private enterprises	13 424.4	18 764.3	20 170.1	20 061.4
Public corporations	9 872.3	14 155.2	14 694.3	17 851.2
Subsidies on products or production	4 101.1	3 691.7	4 676.1	5 188.9
Other transfers to public corporations	5 771.2	10 463.5	10 018.2	12 662.3
Private enterprises	3 552.1	4 609.0	5 475.8	2 210.2
Subsidies on products or production	3 339.6	4 111.4	5 193.5	1 855.1
Other transfers to private enterprises	212.5	497.6	282.3	355.1
Non-profit institutions	882.1	1 002.8	1 220.2	1 225.3
Households	62 862.9	70 551.4	79 084.5	91 029.5
Social benefits	59 569.1	65 170.5	73 611.2	85 989.9
Other transfers to households	3 293.8	5 381.0	5 473.3	5 039.6
Total transfers and subsidies	332 685.1	391 023.5	458 352.8	533 412.3
Payments for capital assets				
Buildings and other fixed structures	2 481.5	3 838.2	5 566.8	5 961.3
Buildings	2 376.9	3 325.7	4 893.8	4 843.3
Other fixed structures	104.6	512.5	673.0	1 118.0
Machinery and equipment	3 322.8	3 210.7	2 965.0	2 741.0
Transport equipment	1 522.3	1 528.0	1 419.6	1 467.8
Other machinery and equipment	1 800.5	1 682.7	1 545.4	1 273.1
Specialised military assets	-	-	-	27.6
Biological assets	0.7	11.2	2.7	1.1
Land and subsoil assets	31.5	27.4	49.0	-
Software and other intangible assets	231.4	95.5	197.4	167.4
Total payments for capital assets	6 067.8	7 182.9	8 780.8	8 898.3
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 758.3
Total	470 192.5	541 495.7	636 063.5	755 522.9
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 4. Expenditure by economic classification 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
76 008.7	84 093.2	90 167.3	95 232.5	Current payments
				Compensation of employees
63 383.4	69 171.6	74 337.1	78 539.2	Salaries and wages
12 625.3	14 921.6	15 830.2	16 693.2	Social contributions
43 205.8	46 843.3	51 466.9	53 656.0	Goods and services
57 601.0	71 359.6	88 465.0	104 024.5	Interest and rent on land
57 600.2	71 358.7	88 464.1	104 023.5	Interest (including interest on finance leases)
0.8	0.8	0.9	1.0	Rent on land
176 815.6	202 296.0	230 099.3	252 913.0	Total current payments
				Transfers and subsidies to:
				Provinces and municipalities
345 167.9	381 726.9	417 237.3	442 587.4	Provinces
294 968.2	322 858.2	350 547.1	369 348.4	Provincial revenue funds
294 968.2	322 858.2	350 547.1	369 348.4	
50 199.7	58 868.7	66 690.2	73 239.0	Municipalities
50 199.7	58 868.7	66 690.2	73 239.0	Municipal bank accounts
57 114.3	58 456.5	65 123.0	68 388.7	Departmental agencies and accounts
12.7	11.6	12.4	13.0	Social security funds
57 101.6	58 445.0	65 110.6	68 375.7	Departmental agencies (non-business entities)
15 437.4	17 532.0	19 318.5	20 669.2	Universities and technikons
1 260.9	1 313.9	1 288.8	1 380.3	Foreign governments and international organisations
19 725.2	20 129.1	20 700.1	21 489.8	Public corporations and private enterprises
17 555.0	16 988.4	17 034.7	17 355.7	Public corporations
5 198.9	5 180.8	5 262.0	5 499.9	Subsidies on products or production
12 356.1	11 807.6	11 772.7	11 855.7	Other transfers to public corporations
2 170.1	3 140.7	3 665.4	4 134.1	Private enterprises
1 795.1	2 778.8	3 255.0	3 629.1	Subsidies on products or production
375.1	362.0	410.3	505.0	Other transfers to private enterprises
1 225.1	2 275.2	2 339.0	1 894.0	Non-profit institutions
90 622.4	98 234.2	108 805.0	117 648.6	Households
85 620.3	92 792.8	102 213.6	110 636.4	Social benefits
5 002.1	5 441.4	6 591.5	7 012.1	Other transfers to households
530 553.1	579 667.8	634 811.7	674 058.0	Total transfers and subsidies
				Payments for capital assets
5 862.9	5 994.9	7 237.3	9 660.6	Buildings and other fixed structures
4 743.8	4 537.4	4 836.4	6 935.7	Buildings
1 119.2	1 457.5	2 400.9	2 725.0	Other fixed structures
2 735.2	3 236.9	3 381.4	3 525.6	Machinery and equipment
1 467.8	1 352.7	1 474.3	1 690.0	Transport equipment
1 267.4	1 884.2	1 907.2	1 835.6	Other machinery and equipment
27.6	19.6	24.5	122.0	Specialised military assets
1.1	1.6	0.7	0.7	Biological assets
–	–	–	–	Land and subsoil assets
61.0	37.5	32.7	33.8	Software and other intangible assets
8 687.9	9 290.5	10 676.6	13 342.9	Total payments for capital assets
32 760.0	20 888.6	750.0	0.0	Payments for financial assets
748 816.5	812 142.9	876 337.6	940 313.8	Total
–	6 000.0	12 000.0	24 000.0	Contingency reserve
–	–	–	–	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 5. Amounts to be appropriated from the National Revenue Fund for 2010/11

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹	
R million	2009/10	2010/11						
Central Government Administration								
1	The Presidency	609.6	343.0	371.9	12.2	-	727.2	117.6
2	Parliament	1 350.7	1 275.4	284.8	11.7	-	1 571.9	221.2
3	Cooperative Governance and Traditional Affairs	35 604.4	619.7	43 288.5	13.3	-	43 921.5	8 317.0
4	Home Affairs	5 050.6	3 992.4	1 587.8	139.3	-	5 719.6	669.0
5	International Relations and Cooperation	5 337.0	3 688.6	820.2	315.7	-	4 824.4	-512.6
6	Public Works	5 298.0	2 042.8	3 029.6	1 373.9	-	6 446.3	1 148.3
7	Women, Children and People with Disabilities	64.0	39.3	51.9	6.6	-	97.8	33.8
Financial and Administrative Services								
8	Government Communication and Information System	482.0	355.5	187.4	3.4	-	546.2	64.2
9	National Treasury	354 795.2	72 806.9	296 522.2	14.5	20 750.0	390 093.6	35 298.4
10	Public Enterprises	3 797.3	174.7	36.7	0.6	138.6	350.6	-3 446.8
11	Public Service and Administration	596.3	376.9	271.6	2.9	-	651.5	55.2
12	Statistics South Africa	1 608.6	1 871.5	3.8	98.1	-	1 973.4	364.8
Social Services								
13	Arts and Culture	2 623.5	311.1	2 089.1	6.6	-	2 406.7	-216.7
14	Basic Education	3 929.9	1 777.1	4 385.1	4.1	-	6 166.2	2 236.3
15	Health	17 058.1	1 063.0	20 403.3	30.7	-	21 497.0	4 438.9
16	Higher Education and Training	25 259.6	382.4	31 752.7	9.8	-	32 144.9	6 885.3
17	Labour	1 671.0	1 259.9	515.2	8.8	-	1 783.9	112.9
18	Social Development	86 408.3	543.0	95 376.0	10.1	-	95 929.1	9 520.7
19	Sport and Recreation South Africa	2 859.9	192.9	1 047.6	5.1	-	1 245.6	-1 614.3
Justice, Crime Prevention and Security								
20	Correctional Services	13 238.6	14 007.7	13.1	1 108.3	-	15 129.0	1 890.5
21	Defence and Military Veterans	32 024.4	23 099.0	6 830.1	786.2	-	30 715.3	-1 309.1
22	Independent Complaints Directorate	114.9	126.0	0.1	3.3	-	129.3	14.5
23	Justice and Constitutional Development	11 278.6	9 984.8	1 567.9	627.7	-	12 180.4	901.8
24	Police	46 409.7	49 336.4	438.4	2 781.7	-	52 556.4	6 146.7
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	2 903.5	1 773.5	1 836.5	47.9	-	3 658.0	754.5
26	Communications	2 266.9	483.2	1 626.7	4.1	-	2 114.0	-152.9
27	Economic Development	292.5	95.2	318.6	4.8	-	418.6	126.1
28	Energy	3 742.3	202.1	5 328.7	4.6	-	5 535.4	1 793.1
29	Environmental Affairs	2 261.0	910.2	1 224.3	473.3	-	2 607.8	346.8
30	Human Settlements	14 020.0	599.5	15 442.8	159.3	-	16 201.5	2 181.5
31	Mineral Resources	904.9	607.3	408.7	14.1	-	1 030.0	125.1
32	Rural Development and Land Reform	6 109.4	1 878.1	4 871.6	19.8	-	6 769.6	660.2
33	Science and Technology	4 234.1	362.0	4 249.5	4.1	-	4 615.5	381.4
34	Tourism	1 109.1	196.1	953.3	2.4	-	1 151.8	42.8
35	Trade and Industry	6 051.7	1 142.9	4 992.6	14.7	-	6 150.1	98.4
36	Transport	23 734.8	743.4	24 301.3	41.6	-	25 086.3	1 351.4
37	Water Affairs	7 462.4	3 632.8	3 238.5	1 125.3	-	7 996.6	534.2
Total	732 562.8	202 296.0	579 667.8	9 290.5	20 888.6	812 142.9	79 580.2	

1. A positive number reflects an increase and a negative number a decrease.

Table 6a. Conditional grants to provinces 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
3	Cooperative Governance and Traditional Affairs	–	–	29.7	–	–	–	–	
6	Public Works	710.1	836.6	889.3	1 501.2	1 401.2	1 483.8	1 962.0	2 060.1
Financial and Administrative Services									
9	National Treasury	4 983.5	6 276.2	7 384.5	13 449.2	13 449.2	11 314.9	13 091.2	14 007.6
Social Services									
13	Arts and Culture	–	163.2	344.6	440.6	440.6	512.7	543.4	570.8
14	Basic Education	1 242.5	1 376.9	2 114.1	2 575.4	2 575.4	3 931.4	5 048.1	5 447.4
15	Health	10 206.5	11 552.7	14 028.7	16 702.5	16 417.5	19 852.8	21 971.8	24 030.4
16	Higher Education and Training	1 973.7	2 435.3	3 005.8	3 168.3	3 168.3	3 772.7	3 972.0	4 169.1
19	Sport and Recreation South Africa	119.0	194.0	293.7	402.3	402.3	426.4	452.0	474.6
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	401.1	761.7	898.0	973.7	973.7	1 116.9	1 437.1	1 508.9
30	Human Settlements	6 677.8	8 149.9	10 177.9	12 592.3	12 592.3	15 160.6	17 222.4	17 938.7
32	Rural Development and Land Reform	8.0	–	–	–	–	–	–	–
35	Trade and Industry	58.2	–	–	–	–	–	–	–
36	Transport	3 241.0	3 029.4	4 340.3	6 669.9	6 669.9	4 312.4	4 158.5	4 360.9
Total		29 621.6	34 775.9	43 506.6	58 475.4	58 090.4	61 884.5	69 858.4	74 568.4

1. Detail provided in the Division of Revenue Act (2010).

Table 6b. Conditional grants to municipalities 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
3	Cooperative Governance and Traditional Affairs	6 138.4	8 954.1	9 308.4	11 633.5	11 633.5	12 740.9	15 293.3	18 557.9
6	Public Works	–	–	–	201.7	201.7	623.0	1 108.0	1 163.4
Financial and Administrative Services									
9	National Treasury	410.3	716.5	361.5	851.4	611.4	1 394.6	1 575.1	1 586.3
Social Services									
19	Sport and Recreation South Africa	600.0	4 605.0	4 295.0	2 168.7	2 168.7	512.6	–	–
Economic Services and Infrastructure									
28	Energy	390.7	462.5	589.1	1 108.0	1 092.2	1 240.1	1 376.6	1 151.4
36	Transport	518.0	1 174.0	2 928.7	2 428.0	2 428.0	3 709.9	4 436.1	4 136.7
37	Water Affairs	385.7	732.9	994.6	925.0	854.6	890.1	380.0	399.0
Total		8 443.1	16 645.0	18 477.3	19 316.2	18 990.1	21 111.1	24 169.1	26 994.8

1. Detail provided in the Division of Revenue Act (2010).

Table 7. Training expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
Central Government Administration								
1	The Presidency	1.5	2.3	1.4	1.9	2.2	2.4	2.6
2	Parliament	10.7	10.6	11.9	10.1	10.4	14.2	15.0
3	Cooperative Governance and Traditional Affairs	1.7	2.3	1.7	1.8	2.4	2.6	2.7
4	Home Affairs	35.6	32.4	34.0	35.1	30.9	28.2	28.5
5	International Relations and Cooperation	4.0	13.1	8.1	12.4	14.4	14.1	14.1
6	Public Works	12.8	15.2	22.0	26.1	27.5	28.5	29.9
Financial and Administrative Services								
8	Government Communication and Information System	2.4	4.7	4.2	3.7	4.4	4.2	4.4
9	National Treasury	9.3	16.1	16.9	33.6	19.8	20.4	21.2
10	Public Enterprises	0.8	1.6	1.7	2.2	1.9	2.0	2.0
11	Public Service and Administration	2.0	2.2	3.7	2.6	3.6	3.5	3.7
12	Statistics South Africa	7.7	11.9	14.0	21.2	45.1	42.1	40.0
Social Services								
13	Arts and Culture	2.4	3.1	4.5	2.1	2.3	2.4	2.5
14	Basic Education	1.6	2.8	6.5	1.7	2.5	2.4	2.5
15	Health	5.5	9.5	1.8	4.5	5.5	6.1	6.6
16	Higher Education and Training	1.8	2.5	2.9	1.9	2.6	2.8	2.9
17	Labour	8.9	6.5	8.9	8.3	8.9	9.3	9.8
18	Social Development	2.2	1.7	1.8	2.3	2.5	2.6	2.8
19	Sport and Recreation South Africa	0.5	0.9	0.9	1.1	1.1	1.1	1.1
Justice, Crime Prevention and Security								
20	Correctional Services	111.4	125.6	76.0	89.5	64.0	100.5	105.6
21	Defence and Military Veterans	85.6	87.4	117.7	113.6	145.6	151.0	167.0
22	Independent Complaints Directorate	0.5	0.6	0.6	0.7	0.7	0.8	0.8
23	Justice and Constitutional Development	12.4	18.3	37.5	86.4	78.9	83.6	89.4
24	Police	807.5	966.0	1 124.0	1 006.5	1 386.6	1 449.0	1 514.2
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	27.3	20.3	24.2	16.4	20.0	21.8	23.3
26	Communications	3.1	3.7	6.0	9.0	9.4	9.9	10.4
27	Economic Development	-	-	-	-	0.1	0.2	0.2
28	Energy	0.6	0.7	1.6	2.1	3.5	3.9	4.1
29	Environmental Affairs	2.3	2.1	2.2	2.3	2.5	2.7	2.9
30	Human Settlements	2.0	1.2	2.9	12.9	14.1	15.2	16.1
31	Mineral Resources	1.5	1.7	3.8	9.1	3.5	3.9	4.1
32	Rural Development and Land Reform	11.6	9.0	9.4	11.9	12.6	13.3	13.9
33	Science and Technology	1.0	3.6	5.2	6.5	5.1	5.4	5.6
34	Tourism	1.5	1.4	1.5	1.0	1.0	1.0	1.1
35	Trade and Industry	3.2	1.0	2.5	9.3	11.0	11.5	12.0
36	Transport	3.0	3.2	1.8	3.9	4.0	4.0	4.1
37	Water Affairs	37.0	38.9	40.8	63.1	65.7	67.3	70.7
Total		1 223.1	1 424.2	1 604.9	1 616.8	2 016.3	2 133.7	2 237.8

Table 8. Infrastructure expenditure per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Central Government Administration							
2 Parliament	–	5.1	40.5	–	–	–	–
3 Cooperative Governance and Traditional Affairs	6 138.4	8 754.1	9 138.1	11 433.5	12 528.9	15 068.6	18 322.0
4 Home Affairs	45.1	61.4	68.0	56.1	67.2	132.5	129.8
5 International Relations and Cooperation	119.4	649.9	926.7	423.2	231.5	249.8	317.0
6 Public Works	414.1	488.0	988.4	1 220.6	1 303.9	1 603.9	1 634.7
Financial and Administrative Services							
9 National Treasury	5 035.7	6 327.3	7 768.0	9 910.6	12 569.9	14 486.6	15 405.0
Social Services							
13 Arts and Culture	312.1	281.2	448.6	801.4	557.8	455.6	483.0
14 Basic Education	–	–	–	–	80.0	200.0	210.0
15 Health	1 498.7	2 118.5	1 884.8	3 495.2	3 939.6	3 789.7	3 805.0
16 Higher Education and Training	90.5	77.5	54.8	37.0	32.0	26.0	22.0
17 Labour	78.5	64.4	37.6	56.8	25.9	34.6	0.0
19 Sport and Recreation South Africa	600.0	4 605.0	4 295.0	1 661.1	302.3	–	–
Justice, Crime Prevention and Security							
20 Correctional Services	794.8	1 087.0	1 035.5	1 012.5	1 108.3	1 163.1	2 675.6
21 Defence and Military Veterans	49.2	93.4	476.5	452.0	1 120.7	841.1	1 218.3
23 Justice and Constitutional Development	323.7	361.1	479.5	515.5	631.5	759.4	865.0
24 Police	510.5	727.0	843.3	1 049.7	1 118.2	1 235.3	1 544.6
Economic Services and Infrastructure							
25 Agriculture, Forestry and Fisheries	120.0	112.0	108.6	115.0	172.9	270.8	253.5
26 Communications	100.0	646.0	950.0	810.0	420.9	279.0	167.0
28 Energy	1 328.9	1 525.6	1 888.8	2 400.3	4 271.9	4 366.4	4 565.5
29 Environmental Affairs	199.8	405.7	437.4	512.3	656.7	664.8	693.0
30 Human Settlements	–	3 829.9	1 885.1	1 674.3	2 014.8	2 248.4	2 341.9
32 Rural Development and Land Reform	14.4	5.6	6.3	11.8	17.4	18.3	44.7
33 Science and Technology	175.0	272.0	408.0	699.3	745.7	801.0	254.4
35 Trade and Industry	468.0	911.0	967.5	1 283.3	769.9	721.4	758.6
36 Transport	5 801.6	7 934.8	10 601.2	12 799.8	14 131.7	16 038.7	16 542.4
37 Water Affairs	85.9	644.4	1 467.1	1 976.8	2 279.9	3 358.1	3 805.1
Total	24 304.4	41 988.0	47 205.2	54 408.3	61 099.7	68 813.1	76 057.9

1. Amounts include mega infrastructure projects and programmes (over R300 million per year for a minimum of three years, or R900 million total project cost), large projects and programmes (between R300 million and R50 million per year within a given MTEF period), small projects and programmes (less than R50 million per year). Infrastructure transfers to other spheres, agencies and entities, fixed installations transferred to households and maintenance and repair projects are also included. Details are provided in the additional tables in each vote.

Table 9. Personnel expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
1	The Presidency	100.5	118.7	144.3	187.4	184.4	218.1	242.4	258.2
2	Parliament	446.6	521.0	708.6	780.1	780.1	856.1	905.7	951.2
3	Cooperative Governance and Traditional Affairs	116.2	128.1	153.8	172.3	164.8	241.9	255.3	268.1
4	Home Affairs	844.7	1 087.0	1 296.0	1 659.1	1 659.1	1 896.2	2 134.8	2 243.7
5	International Relations and Cooperation	1 136.5	1 293.2	1 683.4	2 062.6	2 062.6	2 017.1	2 101.4	2 203.1
6	Public Works	613.6	746.4	916.6	1 012.2	1 012.2	1 121.4	1 201.7	1 249.6
7	Women, Children and People with Disabilities	3.8	4.8	5.9	10.0	10.0	15.7	27.5	29.9
Financial and Administrative Services									
8	Government Communication and Information System	84.1	116.2	114.0	137.1	136.9	147.0	157.5	166.3
9	National Treasury	230.9	272.7	321.0	438.5	408.5	538.5	573.0	598.6
10	Public Enterprises	47.2	56.0	70.4	81.4	81.4	88.0	93.5	98.3
11	Public Service and Administration	92.5	115.8	129.1	153.4	153.4	174.4	183.4	193.4
12	Statistics South Africa	414.9	472.0	700.7	1 015.8	1 015.8	891.0	1 065.1	992.5
Social Services									
13	Arts and Culture	95.1	107.2	126.8	146.3	141.3	149.0	159.4	168.7
14	Basic Education	117.0	150.4	186.3	229.9	251.4	255.4	273.8	288.1
15	Health	231.7	258.6	292.5	329.1	329.1	369.7	403.4	442.4
16	Higher Education and Training	131.7	146.2	174.8	203.3	203.6	228.9	245.8	261.1
17	Labour	435.4	497.9	491.3	632.6	611.2	738.4	760.6	811.4
18	Social Development	111.1	133.6	184.1	225.4	225.4	245.1	260.6	277.7
19	Sport and Recreation South Africa	30.1	43.4	54.5	67.6	59.6	75.3	73.7	77.4
Justice, Crime Prevention and Security									
20	Correctional Services	5 606.6	6 799.2	8 077.8	9 313.0	9 313.0	10 483.8	11 058.5	11 611.2
21	Defence and Military Veterans	9 037.6	9 735.9	10 620.0	12 223.2	12 223.2	13 450.4	14 630.1	15 686.9
22	Independent Complaints Directorate	36.8	45.7	58.0	66.5	66.5	74.1	85.5	90.4
23	Justice and Constitutional Development	3 619.7	4 250.9	5 326.2	6 277.1	6 233.7	6 834.7	7 375.3	7 846.8
24	Police	22 730.2	25 610.6	29 147.4	33 770.2	33 770.2	37 148.8	39 660.3	41 777.4
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	717.4	778.8	908.8	1 138.5	938.5	1 144.2	1 244.2	1 380.2
26	Communications	99.0	97.7	108.0	147.4	147.4	160.4	169.2	177.9
27	Economic Development	-	-	-	12.6	12.6	59.5	78.0	89.8
28	Energy	49.7	68.2	84.6	113.1	112.1	133.0	140.4	142.8
29	Environmental Affairs	156.7	196.3	212.3	260.3	260.3	324.9	351.5	368.9
30	Human Settlements	81.4	107.3	136.9	217.4	217.4	290.2	313.4	328.9
31	Mineral Resources	196.4	222.3	245.5	287.6	287.0	352.3	392.1	414.7
32	Rural Development and Land Reform	406.0	476.4	614.2	954.8	954.8	1 072.2	1 141.5	1 199.8
33	Science and Technology	83.7	104.1	144.9	200.2	200.2	215.0	227.3	239.1
34	Tourism	102.8	130.8	106.4	89.6	89.6	98.5	112.1	160.6
35	Trade and Industry	283.6	327.5	383.1	513.0	469.0	557.8	590.4	628.5
36	Transport	111.2	131.3	182.6	221.0	221.0	259.4	282.2	296.6
37	Water Affairs	972.0	890.7	862.5	1 043.1	1 001.4	1 166.5	1 196.7	1 212.4
Total		49 574.2	56 243.2	64 973.4	76 392.8	76 008.7	84 093.2	90 167.3	95 232.5

Table 10. Departmental receipts per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
1	The Presidency	1.7	0.3	0.2	0.5	0.5	0.3	0.3	0.3
2	Parliament	41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
3	Cooperative Governance and Traditional Affairs	6.8	0.7	0.8	0.6	0.6	0.6	0.6	0.6
4	Home Affairs	468.2	421.1	355.7	429.5	429.5	455.3	482.6	506.7
5	International Relations and Cooperation	46.3	65.1	43.6	39.2	18.4	31.2	33.3	33.2
6	Public Works	79.9	95.8	28.5	25.6	31.5	26.6	27.7	29.4
Financial and Administrative Services									
8	Government Communication and Information System	3.1	3.1	3.3	2.9	2.9	3.0	3.0	3.0
9	National Treasury	4 355.1	6 116.7	5 270.4	4 148.5	3 839.0	2 354.2	2 544.8	2 602.9
10	Public Enterprises	0.1	0.1	0.8	0.1	0.1	0.1	0.1	0.1
11	Public Service and Administration	1.8	2.7	1.0	0.9	0.9	0.7	0.7	0.7
12	Statistics South Africa	1.5	17.7	2.8	6.9	6.9	2.2	2.5	2.6
Social Services									
13	Arts and Culture	3.2	0.4	3.6	1.0	1.0	0.6	0.6	0.7
14	Basic Education	0.6	1.9	1.5	0.9	0.9	1.1	1.2	1.2
15	Health	33.3	41.2	31.2	33.7	33.7	31.5	32.8	32.9
16	Higher Education and Training	6.2	6.9	6.7	6.5	6.6	6.9	7.0	7.0
17	Labour	6.1	8.4	28.9	12.9	12.9	16.1	22.4	24.3
18	Social Development	865.3	237.0	16.5	0.2	20.2	510.2	10.2	10.2
19	Sport and Recreation South Africa	5.6	0.0	0.3	0.6	5.7	0.3	0.4	0.4
Justice, Crime Prevention and Security									
20	Correctional Services	100.0	136.3	80.5	131.2	136.7	143.4	152.0	161.0
21	Defence and Military Veterans	492.8	551.9	629.4	676.7	676.7	702.5	729.2	756.9
22	Independent Complaints Directorate	0.0	0.4	0.1	0.1	0.1	0.1	0.1	0.1
23	Justice and Constitutional Development	319.5	317.0	356.8	358.9	358.9	377.6	399.8	422.5
24	Police	251.9	345.1	376.5	332.6	332.6	341.7	321.3	324.5
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	141.1	121.1	254.0	219.7	216.7	119.3	121.5	118.2
26	Communications	2 613.8	3 007.4	3 520.1	933.0	1 160.8	925.0	959.4	993.4
27	Economic Development	177.5	229.3	244.4	484.8	420.0	230.0	243.8	250.0
28	Energy	0.1	1.2	3.3	3.5	3.5	3.7	3.9	4.1
29	Environmental Affairs	4.9	4.7	8.5	2.7	2.7	0.8	0.8	0.8
30	Human Settlements	1.9	0.7	2.4	0.5	2.8	0.5	0.5	0.6
31	Mineral Resources	191.0	267.1	261.3	161.8	161.8	205.6	211.8	213.9
32	Rural Development and Land Reform	158.8	176.4	64.2	231.2	61.1	68.4	69.0	64.5
33	Science and Technology	1.0	0.2	0.3	1.0	1.0	0.1	0.1	0.1
35	Trade and Industry	66.6	94.2	64.9	66.7	67.0	108.3	114.9	120.2
36	Transport	330.4	362.5	215.8	231.7	116.6	127.8	137.4	144.3
37	Water Affairs	137.2	0.1	26.6	72.6	39.8	41.2	44.0	44.0
Total departmental receipts as per Estimates of National Expenditure		10 915.2	12 686.3	11 960.0	8 635.5	8 188.0	6 852.2	6 691.4	6 887.0
Less: Parliament (retained departmental receipts)		41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
Plus: South African Revenue Service departmental receipts collection		-30.0	58.0	711.4	1 205.8	812.4	3 543.6	4 803.7	5 503.9
Total departmental receipts as per Budget Review		10 843.3	12 692.6	12 616.2	9 825.0	8 982.6	10 380.3	11 483.2	12 379.4

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.

Information contained in each chapter

The Estimates of National Expenditure publication describes in detail the planned spending of all national government departments for three years going forward: that is, the years of the medium term expenditure framework (MTEF). The Estimates of National Expenditure is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. It provides details about the allocation of expenditure to all national departments set out in the appropriation bill, which is tabled on the same day.

The appropriation bill is divided into votes. A vote generally specifies the total amount appropriated per department. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the appropriation bill, Parliament authorises expenditure.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery.

- central government administration
- financial and administrative services
- social services
- justice, crime prevention and security
- economic services and infrastructure.

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions.

The Estimates of National Expenditure booklets for individual votes are available on 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.

The chapter for each vote contains the following information:

Budget summary

This table shows the budgeted expenditure for the vote for the MTEF period.

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
MTEF allocation							
Programme name							
Programme name							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Item							
Total expenditure estimates							
Executive authority	Minister						
Accounting officer	Director-General / Chief Operating Officer						
Website address							

Due to rounding off, the figures do not necessarily add up to the total. Figures are mostly denoted in rand million unless otherwise indicated.

The **2010/11 total to be appropriated** shows the expenditure allocation for 2010/11 and corresponds with the information in the 2010 Appropriation Bill.

The totals to be appropriated by Parliament are categorised by economic classification into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

Current payments are payments made by the department for its operational requirements.

Transfers and subsidies are payments made by the department for which the department does not directly receive anything in return.

Payments for capital assets are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.

Payments for financial assets mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in departments where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure estimates table.

Estimates for the two outer years of the expenditure framework, **2011/12** and **2012/13**, are also shown. These estimates are not included in the 2010 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The last lines of the table provide accountability information: the department's executive authority, accounting officer and website address.

Aim

The aim of the vote captures the department's mandate, strategic objectives or its administrative functions, and corresponds with the aim stated in the appropriation bill.

Programme purposes

Each vote is comprised of several programmes. The activities and functions performed by a department are typically divided into these programmes. Programme 1 is the *Administration* programme, which houses the administrative activities and functions required to keep the department operating. Each vote programme is listed individually with its purpose, as stated in the appropriation bill. The programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure, in terms of the Public Finance Management Act (1999).

Strategic overview: 2006/07 – 2012/13

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments and legislative changes as well as a table of selected quantitative and trendable performance indicators.

Savings and cost effective service delivery

In this section, departments discuss details of the cost savings measures and reprioritisation of budgets effected in the 2009/10 financial year and to be effected over the MTEF period ahead.

Savings typically emanate from reduced expenditure on non-core goods and services, the rescheduling of expenditure over time in the case of delays, reduced transfers to certain public entities, improved financial management, reduced expenditure on administration in favour of frontline services and through seeking alternative sources of financing.

Selected performance indicators

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance.

An **indicator** is a numerical measure that tracks a department's or entity's progress towards its goal. An indicator may measure inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment.

The **programme** column links the indicator to the programme associated with it.

Expenditure estimates

This table shows expenditure outcomes and estimates over a seven-year period, by vote programme and by economic classification item.

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. Programme name								
2. Programme name								
3. Programme name								
Subtotal								
Direct charge against the National Revenue Fund								
Item								
Item								
Total								
Change to 2009 Budget estimate								

Economic classification

Current payments			
Economic classification item			
Economic classification item			
Transfers and subsidies			
Economic classification item			
Economic classification item			
Payments for capital assets			
Economic classification item			
Economic classification item			
Payments for financial assets			
Total			

Expenditure is set out first by **programme** and then by **economic classification** over a seven-year period.

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years. The president's appointment of ministers and deputy ministers after the 2009 general elections has necessitated a reorganisation of national departments, including renaming departments and establishing new departments. As a result, functions may have shifted between departments as a whole or in part, and new functions may have been defined.

Audited outcomes are presented as they appear in the department or entity's annual financial statements, with amounts reallocated for any subsequent approved budget programme structure changes.

Adjusted appropriation includes the changes made to the appropriation voted in the 2009 main Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments are included in the adjustments appropriation bill, which Parliament approves before expenditure can take place, and the details are published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2009/10 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2009/10 adjusted appropriation; it is merely a more recent estimate of what the department will indeed spend.

The **medium-term expenditure estimates** are shown for 2010/11, 2011/12 and 2012/13. The spending figures for 2010/11 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main appropriation bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2011/12 and 2012/13 are indicative allocations, and will form the basis for planning the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The **totals**, which are the sum of the expenditure on programmes and direct charges, are also classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

Expenditure trends

The main expenditure trends and vote programme structure changes from 2006/07 to 2012/13 are described. Trends are generally represented over the MTEF period between 2009/10 and 2012/13, or over the entire period between 2006/07 and 2012/13.

An explanation of the spending focus over the MTEF period in relation to the strategic objectives and the performance targets that will be achieved over the period is given. Expenditure growth in the historical period is also typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and the significant increases or decreases in expenditure are explained in terms of the underlying policies and service delivery objectives that inform the trends. A summary of the new (additional) allocations to the vote programme's baseline budget is given. The baseline is derived from the previous year's forward estimates. Expenditure on existing and new infrastructure is discussed.

Generally, unless otherwise indicated, average annual growth rates are reflected in nominal, not real, terms. Where inflationary growth has been excluded from the calculation and real growth estimates are provided, the consumer price index has been used to deflate the growth rate.

Departmental receipts

Departmental (non-tax) receipts for 2009/10 are described, as well as the anticipated receipts for the MTEF period.

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
Departmental receipts								
Economic classification item								
Economic classification item								
Total								

Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes of the subprogrammes that form that programme. The details of functions performed within subprogrammes and the principle for distributing funds across spending areas within subprogrammes are also described.

Programme 1 is always *Administration*, which includes spending on the ministry, the director-general's office and central corporate services.

Objectives and measures

Objectives and measures are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. (Programme 1 (*Administration*) is generally exempt from providing objectives and measures.)

For example: Improve service to eligible citizens and residents (objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2008/09 to 5 days in 2011/12 (progress measure).

Service delivery focus

Information is provided on recent achievements for each programme, including service delivery and operational achievements for the previous year and for the current financial year to date. Reports are given relative to the targets that were presented in previous Estimates of National Expenditure and Adjusted Estimates of National Expenditure publications.

Expenditure estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period.

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							
Subprogramme name							
Subprogramme name							
Subprogramme name							
Total							
Change to 2009 Budget estimate							

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	appropriation	2010/11	2011/12	2012/13
R million				2009/10			
Economic classification							
Current payments							
Economic classification item							
Economic classification item							
Transfers and subsidies							
Economic classification item							
Economic classification item							
Payments for capital assets							
Economic classification item							
Economic classification item							
Payments for financial assets							
Total							

Expenditure trends (per programme)

Important expenditure trends for each programme are explained. The scope of the information provided in this section is similar to what is provided for the entire vote.

Public entities and other agencies

Where appropriate, the discussion of an entity is linked to a specific vote programme and is shown directly after the discussion of that programme.

The scope of information contained in the write-up on public entities is similar to what is reported for the department.

Information on each of the public entities generally consists of the following:

- key legislative mandates in terms of which the entity was established and within which it operates
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key objectives achieved during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and if applicable an analysis of some of the more important items on the entity's balance sheet
- reprioritisation and savings measures implemented.

Additional tables

Additional tables appear at the end of the vote. These include:

Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure as well as the audited outcome and revised estimate for 2008/09 and 2009/10 respectively.

Summary of personnel numbers and compensation of employees

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on different categories of employees.

The **unit cost** refers to the average cost per person employed by the department. It is calculated by dividing the compensation figure by the personnel numbers.

Personnel numbers refers to the physical number (head count) of people employed by the department.

Details of establishment and personnel numbers per salary level

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on the number of posts in the department at different salary levels **per programme** as at 30 September 2009.

Number of posts on approved establishment refers to the number of departmental employment positions approved by the Department of Public Service and Administration.

Number of funded posts refers to the number of departmental employment positions which are provided within the budget.

Number of posts additional to the establishment typically refers to additional employment positions that have been allocated on an ad hoc basis and that do not form part of the approved departmental establishment.

Summary of expenditure on training

Information is provided on the funds spent on training, and the number of people trained by the department.

Summary of conditional grants to provinces and municipalities

A conditional grant refers to an allocation made by the national government, from its nationally raised revenue, to a province, local government or municipality, on condition that certain requirements or services are met.

Summary of departmental public private partnerships projects

Disclosure notes with additional details are provided for the projects signed in terms of Treasury Regulation 16.

Public private partnerships refer to contractual arrangements in which a private party performs part of a government function and assumes the associated risks. In return, the private party receives a fee according to predefined performance criteria. A public private partnership may also be a project in which a private party uses state assets for its own commercial purposes, and government benefits from the profits generated by the enterprise.

Unitary fee refers to the total payment made to the private party for the provision of all types of services.

A **signed** project is a public private partnership project which has reached financial close and is being implemented.

Projects in preparation are in some stage of inception, feasibility or procurement, but have not yet reached financial close.

Project monitoring costs are associated with the ongoing evaluation and monitoring of public private partnerships in operation.

Advisory fees are costs related to the hiring of transaction advisors who assist government with feasibility studies and procurement in the public private partnership project process.

Revenue generated is shown in cases where public private partnership projects have revenue generating potential such as tourism projects or toll roads.

Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in the South African government's appropriation legislation.

Donor funding comprises official development assistance and other local and international donations.

Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants, technical cooperation and financial cooperation.

The **programme** column links the donor funding to the vote programme that is associated with it.

The **spending focus** shows what the department aims to achieve by using the funding.

Summary of expenditure on infrastructure

The infrastructure table includes new and replacement assets, maintenance and repairs, upgrades and additions, and rehabilitation, renovation and refurbishment of assets.

Infrastructure transfers to other spheres, agencies and departments refers to transfers and grants to other government components for expenditure on infrastructure.

Fixed installations transferred to households shows the transfer of funds to individual South Africans to be used for the construction of fixed 'on-site' structures that enhance the welfare of households.

Maintenance on infrastructure refers to all maintenance, repairs and refurbishment expenditure on infrastructure that prolongs the life and retains the value of the infrastructure asset. This item does not include day-to-day maintenance.

In all tables a dash (-) indicates that information is unavailable or zero.

Public Service and Administration

**National Treasury
Republic of South Africa**



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Vote 11

Public Service and Administration

Budget summary

R thousand	2010/11				2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	138 787	136 198	26	2 563	140 559	147 358
Human Resource Management and Development in Government	48 903	48 853	–	50	39 175	41 503
Labour Relations and Compensation Management in Government	57 220	57 100	–	120	57 166	58 076
Information and Technology Management in Government	45 357	45 255	–	102	45 202	47 320
Service Delivery Improvement throughout Government	186 663	49 172	137 481	10	188 314	195 118
Governance for Public Service and Administration	174 554	40 335	134 119	100	186 729	194 732
Total expenditure estimates	651 484	376 913	271 626	2 945	657 145	684 107

Executive authority

Minister for Public Service and Administration

Accounting officer

Director-General of Public Service and Administration

Website address

www.dpsa.gov.za

The Estimates of National Expenditure booklets for individual votes are available on 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 Department of Public Service and Administration is to lead the modernisation of the public service by assisting government departments to implement their management policies, systems and structural solutions within a generally applicable framework of norms and standards, to improve service delivery.

Programme purposes

Programme 1: Administration

Purpose: Policy, strategic leadership and overall management of the department.

Programme 2: Human Resource Management and Development in Government

Purpose: Develop and implement an integrated strategy, monitor employment practices, conduct human resource planning and diversity management, and improve the health and wellbeing of public service employees.

Programme 3: Labour Relations and Compensation Management in Government

Purpose: Develop and implement compensation policies and guidelines for the public sector. Ensure coordinated bargaining and effective programme management for the establishment of the single public service.

Programme 4: Information and Technology Management in Government

Purpose: Ensure the effective use of information technology in government. Facilitate the use of information technology for modernising government and establishing e-government practices, within an acceptable information security environment.

Programme 5: Service Delivery Improvement throughout Government

Purpose: Engage in supportive interventions and partnerships which improve efficiency and effectiveness; and innovative learning and knowledge based modes; and practices of service delivery in the public service.

Programme 6: Governance for Public Service and Administration

Purpose: Improve governance and public administration for improved service delivery in Africa and other participating countries worldwide, in support of the vision of efficiency and increased public participation in governance; fight against corruption and carry out participatory monitoring.

Strategic overview: 2006/07 – 2012/13

The Department of Public Service and Administration was established in 1996 in terms of the Public Service Act (1994) to provide policy making support to the Minister for Public Service and Administration, and to carry out the necessary functions in terms of its constitutional and legislative mandate. These functions are to: transform and modernise the public service; oversee changes to the structure of the public service; establish norms and standards for human resources and development, conditions of service, labour relations, IT and service delivery; issue directives and regulations for the public service; formulate the national anti-corruption strategy; and exercise oversight over the State Information Technology Agency.

The department's mandate has evolved over the years from developing policy towards implementing and facilitating service delivery improvement through support interventions, ICT and community development workers. The department also participates in and plays a critical role in various public administration and management structures in the Southern African Development Community (SADC) region and the rest of the world.

In 2008/09, the Centre for Public Service Innovation was established as a government component operating within the department. The centre identifies, supports and nurtures innovation in the public sector with a view to improving overall service delivery. In addition, a decision has been taken to shift oversight responsibility for the Public Service Commission and the Public Administration Leadership and Management Academy (PALAMA) to the department in terms of the Public Finance Management Act (1999).

Strategic objectives in line with government's major priorities

Informed by government's major priorities, which have been identified as education, health, land reform and rural development, the creation of decent work and sustainable livelihoods, and the fight against crime and corruption, and in line with the priorities of the governance and administration cluster, the department has adopted five overarching strategic objectives: to develop and strengthen the capacity of the state through efficient and sustainable systems; to strengthen the public sector through institutional reform; to develop human capacity in the public sector by ensuring that staff are skilled and professional; to promote good governance in the public sector by building an effective and caring government; and to pursue international strategic partnerships to consolidate South Africa's public administration agenda in the regional and international spheres.

In meeting these objectives, the department is mindful of the constraints and challenges that the current global economic climate presents, and that it is necessary to accelerate implementation to ensure a functional public service, which is expected to improve the lives of the poor and other marginalised groups.

Medium term objectives

Over the medium term, the department aims to increase efficient public service delivery and access to public services through ICT initiatives and the creation of an enabling environment. It will also improve the administration of human resources through the ongoing implementation of effective transversal systems, such as the integrated financial management system, and the continued development and implementation of human resource policies, frameworks and tools. Engaging with national and provincial departments, it will continue to enhance good governance throughout the public service, working towards improved and more effective public sector accountability by supporting departments in the implementation of its policies and frameworks and the infusion of the Batho Pele principles.

With regard to legislation, the department will complete the development of the Public Administration Management Bill (previously referred to as the Single Public Service Bill) following the withdrawal of the bill from Parliament in September 2008. This bill is a strategic initiative aimed at promoting and accelerating access to services. It will outline minimum standards for service delivery across the three spheres of government and will ensure the alignment of remuneration and conditions of service for government workers.

Savings and cost effective service delivery

The department realised savings of R7.3 million in 2010/11, R28.8 million in 2011/12 and R17.1 million in 2012/13 by participating in the government fleet management scheme. From April 2008, the department restricted the use of business class air travel and car hire. It is keeping delegations to national and international destinations as small as possible to further reduce travelling costs.

Other cost saving initiatives that have been implemented include: the use of least cost routers on the landline telephone system, reducing the overall cost of telephonic communications by 30 per cent; discounted rates on cellular telephone contracts that have been negotiated by the department; less catering and entertainment; an electronic landline telephone accounting system that saves on paper and ink cartridges; and reducing printing costs by limiting the procurement of personal printers and by using multifunctional photocopy machines for printing.

Selected performance indicators

Table 11.1 Public Service and Administration

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of departments where HR Connect skills database and processes have been implemented per year	Human Resource Management and Development in Government	5	22	22	46	46	23	-
Number of departmental human resources plans analysed and feedback provided per year	Human Resource Management and Development in Government	-	6	75	93	95	95	95
Number of departments submitting human resource development organisational readiness audit reports per year	Human Resource Management and Development in Government	-	87	113	120	140	140	140
Number of departments submitting human resource development implementation plans per year	Human Resource Management and Development in Government	-	-	43	72	140	140	140
Number of employee health and wellness practitioners trained in mainstreaming HIV and AIDS per year	Human Resource Management and Development in Government	-	-	250	680	321	321	321
Number of departments equipped with tools and skills in employee health and wellness per year	Human Resource Management and Development in Government	-	-	-	-	46	47	48
Number of occupation specific dispensations implemented at applicable departmental levels per year	Labour Relations and Compensation in Government	-	1	2	4	5	-	-
Number of Thusong service centres connected to a centralised ICT infrastructure per year	Information and Technology Management in Government	-	-	43	48	49	-	-
Number of entries for Centre for Public Service Innovation awards solicited and adjudicated per year	Service Delivery Improvement throughout Government	30	35	110	107	125	135	145
Number of successful innovative projects replicated per year	Service Delivery Improvement throughout Government	-	-	-	1	2	3	4
Number of SADC public administration documents submitted to the United Nations Public Administration Network portal per year	Service Delivery Improvement throughout Government	360	360	500	1 200	1 500	1 750	2 000
Number of visits to the Centre for Public Service Innovation per year	Service Delivery Improvement throughout Government	-	-	-	200	250	250	300
Number of Department of Public Service and Administration policies evaluated for effectiveness per year	Governance for Public Service and Administration	-	-	-	2	4	4	4
Number of consultations to enhance public participation in and ownership of the African peer review mechanism per year	Governance for Public Service and Administration	-	-	-	-	9	2	-

Expenditure estimates

Table 11.2 Public Service and Administration

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 thousand								
1. Administration	62 031	89 317	95 414	115 305	115 305	138 787	140 559	147 358
2. Human Resource Management and Development in Government	32 373	34 101	35 943	48 071	46 271	48 903	39 175	41 503
3. Labour Relations and Compensation Management in Government	168 079	116 539	134 738	117 354	117 354	57 220	57 166	58 076
4. Information and Technology Management in Government	33 075	38 269	33 328	40 147	40 147	45 357	45 202	47 320
5. Service Delivery Improvement throughout Government	125 484	192 077	174 449	191 579	191 579	186 663	188 314	195 118
6. Governance for Public Service and Administration	162 648	139 269	156 738	170 333	170 333	174 554	186 729	194 732
Total	583 690	609 572	630 610	682 789	680 989	651 484	657 145	684 107
Change to 2009 Budget estimate				86 465	84 665	(11 181)	(39 237)	(31 091)

Economic classification

	345 836	366 203	396 834	405 913	404 113	376 913	370 029	386 124
Current payments								
Compensation of employees	92 528	115 820	129 111	153 387	153 387	174 430	183 369	193 426
Goods and services	253 308	250 383	267 661	252 526	250 726	202 483	186 660	192 698
<i>of which:</i>								
<i>Administrative fees</i>	195	872	2 285	791	791	838	848	879
<i>Advertising</i>	6 009	24 878	16 769	7 098	7 098	16 552	15 193	14 065
<i>Assets less than the capitalisation threshold</i>	3 137	680	352	3 111	3 111	7 038	6 109	6 225
<i>Audit cost: External</i>	1 806	1 667	2 006	2 074	2 074	2 672	2 579	2 749
<i>Bursaries: Employees</i>	264	639	550	460	460	500	500	551
<i>Catering: Departmental activities</i>	1 859	774	1 360	1 891	1 891	840	834	917
<i>Communication</i>	6 761	3 696	3 613	7 784	7 784	3 412	1 990	1 841
<i>Computer services</i>	28 162	36 299	27 428	32 855	32 855	36 089	36 711	40 684
<i>Consultants and professional services: Business and advisory services</i>	1 006	28 777	24 641	47 233	45 433	31 354	18 229	15 791
<i>Consultants and professional services: Legal costs</i>	519	561	402	504	504	550	530	533
<i>Contractors</i>	72 941	76 292	93 316	77 463	77 463	6 942	6 762	6 876
<i>Agency and support / outsourced services</i>	53 629	235	669	404	404	671	214	384
<i>Entertainment</i>	1 096	586	518	539	539	486	486	494
<i>Inventory: Food and food supplies</i>	4	-	-	-	-	-	-	-
<i>Inventory: Fuel, oil and gas</i>	-	-	19	-	-	-	-	-
<i>Inventory: Learner and teacher support material</i>	-	1	128	128	128	468	470	482
<i>Inventory: Materials and supplies</i>	408	332	267	1 051	1 051	132	136	145
<i>Inventory: Medical supplies</i>	-	-	-	72	72	10	10	12
<i>Inventory: Other consumables</i>	515	343	613	72	72	664	568	707
<i>Inventory: Stationery and printing</i>	11 239	9 426	4 884	12 933	12 933	4 763	6 271	6 106
<i>Lease payments</i>	2 815	13 303	12 353	20 669	20 669	25 459	25 311	26 931
<i>Property payments</i>	998	6 620	6 660	9	9	5 303	5 306	5 689
<i>Transport provided: Departmental activity</i>	87	5 953	9 391	127	127	290	215	233
<i>Travel and subsistence</i>	35 630	24 686	33 499	22 695	22 695	39 153	40 255	42 122
<i>Training and development</i>	1 974	2 186	4 779	2 244	2 244	3 596	3 673	3 899
<i>Operating expenditure</i>	1 567	2 768	11 394	2 709	2 709	2 888	2 756	3 124
<i>Venues and facilities</i>	20 687	8 809	9 765	7 610	7 610	11 813	10 704	11 259
Interest and rent on land	-	-	62	-	-	-	-	-
Transfers and subsidies	230 412	239 945	223 020	275 227	275 227	271 626	284 473	295 396
Provinces and municipalities	63	1	1	1	1	1	1	1
Departmental agencies and accounts	154 336	239 247	219 021	274 798	274 798	271 229	284 076	294 980
Foreign governments and international organisations	399	248	671	400	400	396	396	415

Table 11.2 Public Service and Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Transfers and subsidies								
Public corporations and private enterprises	75 033	436	–	–	–	–	–	–
Households	581	13	3 327	28	28	–	–	–
Payments for capital assets	7 415	3 410	10 584	1 649	1 649	2 945	2 643	2 587
Machinery and equipment	7 329	3 410	10 068	1 539	1 539	2 623	2 432	2 374
Software and other intangible assets	86	–	516	110	110	322	211	213
Payments for financial assets	27	14	172	–	–	–	–	–
Total	583 690	609 572	630 610	682 789	680 989	651 484	657 145	684 107

Expenditure trends

Expenditure increased from R583.7 million in 2006/07 to R682.8 million in 2009/10, at an average annual rate of 5.4 per cent. Over the 2010 MTEF period, spending is expected to grow to R684.1 million at an average annual rate of 0.1 per cent. Spending in the *Administration* programme grew at an average annual rate of 23 per cent between 2006/07 and 2009/10, due to the devolution of accommodation funds from the Department of Public Works to national departments. Spending in this programme over the medium term is expected to slow to an average annual rate of 8.5 per cent once the devolved funds have been incorporated into the programme's baseline.

The *Service Delivery Improvement throughout Government* programme constitutes 28.5 per cent of the department's expenditure over the medium term. Spending in the *Centre for Public Service Innovation* subprogramme declined by 24 per cent in 2009/10 due to a once-off additional virement to secure alternative accommodation and establish the Centre for Public Service Innovation. The *Centre for Public Service Innovation* subprogramme's spending is projected to increase at an average annual rate of 2.3 per cent over the MTEF period. Spending in the *Labour Relations and Compensation Management in Government* programme is expected to decrease at an average annual rate of 20.9 per cent over the medium term, due to the reduced allocations for the policy on incapacity leave and ill health retirement which will not continue over the medium term.

Additional funding of R4.7 million in 2010/11, R5.5 million in 2011/12 and R5.9 million in 2012/13 is to fund the higher than anticipated general salary adjustments.

Departmental receipts

The department estimates revenue of approximately R881 000 in 2009/10, mostly generated from parking fees, interest on bursary debts, and commissions. Receipts are estimated to remain relatively stable over the MTEF period. A once-off amount of R926 347 was received in 2006/07 from the Eastern Cape department of health for the assistance provided by the integrated management team. Other once-off amounts were received in 2007/08: from the Commonwealth Secretariat (R297 000) for the sponsorship of the fourth Africa meeting of heads of public service; from Sportsman's Warehouse (R100 000) as a sponsorship for the indaba project; from the Government Employees Medical Scheme (R110 000) as a sponsorship for the employee health and wellness day; and from Bytes Harges (R223 000) and the Gauteng provincial government (R430 000) for the Global Forum V on fighting corruption and safeguarding integrity.

Table 11.3 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
Departmental receipts	1 803	2 701	962	881	881	666	716	735
Sales of goods and services produced by department	464	382	416	258	258	271	295	301
Transfers received	100	1 200	–	–	–	–	–	–
Interest, dividends and rent on land	16	43	50	38	38	40	43	45
Sales of capital assets	(4)	–	3	–	–	–	–	–
Transactions in financial assets and liabilities	1 227	1 076	493	585	585	355	378	389
Total	1 803	2 701	962	881	881	666	716	735

Programme 1: Administration

Table 11.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Minister¹	885	951	1 149	1 725	1 816	1 916	2 012
Deputy Minister ¹	–	–	–	1 420	1 496	1 578	1 657
Management	11 192	14 074	16 999	24 448	21 398	21 900	22 159
Cooperate services	48 880	59 865	67 374	59 795	91 669	92 757	97 454
Office Accommodation	1 074	14 427	9 892	27 917	22 408	22 408	24 076
Total	62 031	89 317	95 414	115 305	138 787	140 559	147 358
Change to 2009 Budget estimate				6 512	16 876	10 828	19 000

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

	57 702	86 029	90 777	113 811	136 198	137 998	144 858
Current payments							
Compensation of employees	31 723	38 755	46 904	58 158	70 203	73 323	77 116
Goods and services	25 979	47 274	43 841	55 653	65 995	64 675	67 742
<i>of which:</i>							
Administrative fees	77	293	499	360	267	269	274
Advertising	1 049	1 986	3 032	3 202	3 815	3 816	3 752
Assets less than the capitalisation threshold	1 724	602	221	2 167	1 895	1 765	1 837
Audit cost: External	907	758	998	919	1 365	1 228	1 325
Bursaries: Employees	264	639	550	390	500	500	551
Catering: Departmental activities	527	158	288	610	240	233	250
Communication	1 617	1 616	1 667	1 451	1 253	721	682
Computer services	2 778	6 677	3 724	5 508	6 281	6 155	6 614
Consultants and professional services: Business and advisory services	357	1 502	1 082	2 035	2 180	2 113	1 016
Consultants and professional services: Legal costs	316	189	333	224	400	380	383
Contractors	857	82	827	7 475	836	848	916
Agency and support / outsourced services	2 136	–	–	160	142	143	151
Entertainment	133	297	125	144	171	172	173
Inventory: Learner and teacher support material	–	1	9	32	179	180	189
Inventory: Materials and supplies	368	233	219	1 036	81	83	89
Inventory: Medical supplies	–	–	–	72	10	10	12
Inventory: Other consumables	176	322	487	48	606	508	644
Inventory: Stationery and printing	1 898	2 387	2 246	2 132	1 159	1 261	1 392
Lease payments	2 001	9 309	8 519	17 035	19 962	19 847	21 529
Property payments	522	6 620	2 862	9	5 055	5 055	5 435
Transport provided: Departmental activity	–	253	2	15	–	–	–
Travel and subsistence	5 900	10 014	11 676	8 022	15 132	14 956	15 516

Table 11.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
<i>Training and development</i>	656	628	1 143	687	1 489	1 507	1 629
<i>Operating expenditure</i>	939	1 477	1 760	1 115	1 679	1 683	2 077
<i>Venues and facilities</i>	777	1 231	1 572	805	1 298	1 242	1 306
Interest and rent on land	-	-	32	-	-	-	-
Transfers and subsidies	90	21	1 105	27	26	26	27
Provinces and municipalities	24	1	1	1	1	1	1
Foreign governments and international organisations	11	11	12	25	25	25	26
Households	55	9	1 092	1	-	-	-
Payments for capital assets	4 217	3 257	3 516	1 467	2 563	2 535	2 473
Machinery and equipment	4 217	3 257	3 400	1 357	2 363	2 335	2 272
Software and other intangible assets	-	-	116	110	200	200	201
Payments for financial assets	22	10	16	-	-	-	-
Total	62 031	89 317	95 414	115 305	138 787	140 559	147 358
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	24	1	1	1	1	1	1
Regional Services Council levies	24	1	-	-	-	-	-
Vehicle License	-	-	1	1	1	1	1
Foreign governments and international organisations							
Current	11	11	12	25	25	25	26
Gifts and donations	11	11	12	25	25	25	26
Households							
Other transfers to households							
Current	55	9	1 092	1	-	-	-
Ex gratia payments	-	-	5	-	-	-	-
Gifts and donations	55	9	-	1	-	-	-
Severance Package benefit	-	-	992	-	-	-	-
Households	-	-	95	-	-	-	-

Expenditure trends

Expenditure increased from R62 million in 2006/07 to R115.3 million in 2009/10 at an average annual rate of 23 per cent, and is expected to increase over the medium term to R147.4 million at an average annual rate of 8.5 per cent. The substantial increase from 2006/07 to 2009/10 was due to the devolution of accommodation funds from the Department of Public Works.

Spending in the *Management* subprogramme grew at an average annual rate of 29.6 per cent between 2006/07 and 2009/10 due to increased capacity. Expenditure in the *Corporate Services* subprogramme is expected to increase at an average annual rate of 17.7 per cent over the medium term, mainly due to the increase in capacity for support to the Office of the Ministry. Additional funding of R3 million was received in 2009/10 for the appointment of a deputy minister and support staff in terms of the revised government structure, reflected in the new *Deputy Minister* subprogramme and the corporate services subprogramme.

Compensation of employees increased at an average annual rate of 22.4 per cent between 2006/07 and 2009/10, from R31.7 million in 2006/07 to R58.2 million in 2009/10, due to an increase in the number of filled posts, from 172 in 2006/07 to 208 at September 2009, mainly at senior management service levels.

Programme 2: Human Resource Management and Development in Government

- *Management.*
- *Employment Practice and Career Management* develops transversal policies, prescripts and interventions in the senior and middle management services. It is also responsible for the strategic positioning and delivery model of the human resource function in the public service.
- *Senior Management Service* ensures that there is a professional management cadre in the public service by establishing and implementing competency based management and performance management systems through the development of transversal employment policies, prescripts and guidelines, and other career practices for senior management service members.
- *Human Resource Planning* provides advice, develops policies, prescripts, processes and systems, and conducts interventions to improve human resource planning at the departmental and macro levels.
- *Diversity Management* develops policy and guidelines on employment equity in the public service to remove barriers of access into and within the workplace for targeted groups and to prevent direct and indirect discrimination against designated groups, through targeted strategies.
- *Employee Health and Wellness* promotes and manages health and wellness in the public service and improves the quality of work life through focused strategies and a holistic framework.
- *Human Resource Development* aims to improve the competency levels of public servants through capacity development activities, such as internships, learnerships and skills programmes, to ensure a constant pool of productive and contributing employees.

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

Objectives and measures

- Provide information on skills in the public service by phasing in the HR Connect skills database in all government departments by 2011.
- Monitor the implementation of the gender equality and job access strategic frameworks through quarterly reports to assess national and provincial departments' progress in attaining the set targets of 50 per cent women at senior management service level and 2 per cent persons with disabilities at all levels by 2014.
- Revise the senior management service performance management and development system through a strategic framework by April 2011.
- Annually review the deficiencies in the human resource function at departmental level in terms of the human resource repositioning frameworks by identifying a 30 per cent sample then applying the readiness assessment tool issued to departments to inform required policy enhancements.
- Improve the working environment in frontline offices through capacity development and supporting 300 employee health and wellness managers and practitioners each year in health risk assessment and management.

Service delivery focus

Since the launch of the employee health and wellness strategic framework in November 2008, 4 policies were developed: for HIV and AIDS, and tuberculosis; for health and productivity; for safety, health, environment, risk and quality; and for wellness management. The rollout of these policies is progressing well.

Between August and October 2009, 174 practitioners and managers were trained on HIV and AIDS mainstreaming. 2 cohorts of 107 practitioners and 120 managers will be trained in February 2010.

The national targets for 50 per cent women and 2 per cent persons with disabilities in senior management across all salary levels have not been met since they were mandated by Cabinet in 2005. The deadline for the same targets has been extended to 2014.

In 2008/09, the complete HR Connect model was rolled out in 27 departments, including 5 self-funding departments in KwaZulu-Natal. 46 departments have been approved to participate in the model in 2009/10. The rollout of HR Connect to the remaining departments will continue in 2010/11 and 2011/12.

Departmental design and reconfiguration after the 2009 elections, involving 16 departments, has been facilitated by the Department of Public Service and Administration. As part of the national macro organisation of the state project that started in May 2009, the department has created new departments, renamed existing departments, abolished redundant departments and transferred functions between departments.

Expenditure estimates

Table 11.5 Human Resource Management and Development in Government

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Management	1 489	2 192	3 463	2 906	3 901	4 268	4 501
Employment Practice and Career Management	3 347	4 632	4 956	4 048	4 271	4 029	4 291
Senior Management Service	681	2 723	3 013	3 007	3 371	3 196	3 193
Human Resource Planning	9 318	14 114	12 039	25 041	23 190	13 342	13 833
Diversity Management	4 724	2 493	3 622	4 563	4 922	4 740	4 933
Employee Health and Wellness	8 111	4 131	4 517	4 996	5 570	5 880	6 822
Human Resource Development	4 703	3 816	4 333	3 510	3 678	3 720	3 930
Total	32 373	34 101	35 943	48 071	48 903	39 175	41 503
Change to 2009 Budget estimate				1 167	(3 153)	(4 196)	(7 183)
Economic classification							
Current payments	31 112	34 086	35 020	48 046	48 853	39 125	41 450
Compensation of employees	13 561	20 993	21 550	23 201	24 627	25 979	27 686
Goods and services	17 551	13 093	13 461	24 845	24 226	13 146	13 764
<i>of which:</i>							
<i>Administrative fees</i>	29	145	330	61	159	153	158
<i>Advertising</i>	212	58	313	198	144	21	284
<i>Assets less than the capitalisation threshold</i>	532	9	2	239	247	210	220
<i>Audit cost: External</i>	248	174	285	212	288	292	309
<i>Catering: Departmental activities</i>	210	210	49	69	66	74	79
<i>Communication</i>	337	423	408	713	409	237	217
<i>Computer services</i>	1 366	240	872	472	1 371	1 889	1 979
<i>Consultants and professional services: Business and advisory services</i>	59	4 720	2 930	15 157	12 226	928	960
<i>Contractors</i>	92	12	44	270	105	110	115
<i>Agency and support / outsourced services</i>	7 679	-	-	244	459	-	158
<i>Entertainment</i>	24	49	33	83	58	58	58
<i>Inventory: Food and food supplies</i>	4	-	-	-	-	-	-
<i>Inventory: Learner and teacher support material</i>	-	-	116	37	40	40	42
<i>Inventory: Materials and supplies</i>	-	54	-	12	10	10	11
<i>Inventory: Other consumables</i>	133	4	7	4	15	15	16
<i>Inventory: Stationery and printing</i>	1 893	1 175	577	784	358	760	612
<i>Lease payments</i>	201	489	251	343	264	268	284
<i>Property payments</i>	108	-	-	-	-	-	-
<i>Transport provided: Departmental activity</i>	-	86	-	-	40	40	42
<i>Travel and subsistence</i>	2 609	3 287	4 038	3 325	4 458	5 886	6 152
<i>Training and development</i>	170	383	1 206	175	518	523	553
<i>Operating expenditure</i>	154	59	515	165	272	183	190
<i>Venues and facilities</i>	1 491	1 516	1 485	2 282	2 719	1 449	1 325
Interest and rent on land	-	-	9	-	-	-	-

Table 11.5 Human Resource Management and Development in Government (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfers and subsidies	16	-	619	25	-	-	-
Provinces and municipalities	8	-	-	-	-	-	-
Households	8	-	619	25	-	-	-
Payments for capital assets	1 245	13	304	-	50	50	53
Machinery and equipment	1 234	13	304	-	50	50	53
Software and other intangible assets	11	-	-	-	-	-	-
Payments for financial assets	-	2	-	-	-	-	-
Total	32 373	34 101	35 943	48 071	48 903	39 175	41 503
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	8	-	-	-	-	-	-
Regional Services Council levies	8	-	-	-	-	-	-
Households							
Other transfers to households							
Current	8	-	619	25	-	-	-
Gifts and donations	8	-	619	25	-	-	-

Expenditure trends

Expenditure increased from R32.4 million in 2006/07 to R48.1 million in 2009/10 at an average annual rate of 14.1 per cent, mainly due to additional funding of R12 million allocated to the *Human Resource Planning* subprogramme for the rollout of the HR Connect project to departments in 2009/10.

Spending in the *Employee Health and Wellness* subprogramme is expected to grow at an average annual rate of 10.8 per cent over the medium term, due to the implementation and rollout of 4 new policies. Between 2006/07 and 2009/10, spending in the *Management* subprogramme grew at an average annual rate of 62.4 per cent, due to funding allocated for State Information Technology Agency services and audit costs.

Over the MTEF period, spending is projected to decrease at an average annual rate of 5.3 per cent from R48.1 million in 2009/10 to R41.5 million in 2012/13, mainly due to the completion of the rollout of HR Connect by 2010/11.

Over the MTEF period, spending focuses on ensuring the effective and appropriate use of human resources in government.

Programme 3: Labour Relations and Compensation Management in Government

- *Management*.
- *Remuneration and Macro Benefits* develops, implements and maintains policies, practices and systems on remuneration and macro benefits.
- *General Benefits* develops, implements and maintains policies and practices on general benefits.
- *Negotiations and Labour Relations* develops, implements and maintains policies and systems on labour relations for the public service, and ensures coordinated collective bargaining in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council.
- *Special Projects and Job Evaluation* develops, implements and manages the human resource component of the integrated financial management systems project; and develops, implements and maintains policies, practices and systems on job evaluation and grading.

- *Single Public Service* ensures effective and efficient programme management for establishing the single public service, including change management and communication.

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

Objectives and measures

- Develop a human resource module of the financial management system in the public service by:
 - creating a generic human resource template, which includes customising and configuring the human resource system according to the needs of the public service, by April 2010
 - implementing the human resource system in 2 lead sites (the Department of Public Service and Administration and the Free State education department) by April 2011, and phasing it into the rest of the public service by 2016.
- Review pension provisioning in the public service by:
 - reporting progress to the department on discriminatory practices in pension provisioning by March 2010
 - implementing the agreed upon and costed practices and developing an institutional framework and governance arrangements to support the envisaged comprehensive social security system by March 2011.
- Improve the medical subsidy policy by implementing a revised post-retirement medical assistance provision by March 2011 for employees on salary levels 1 to 5 and who are members of the Government Employees Medical Scheme.
- Ensure that departments understand and implement the occupation specific dispensations by auditing the implementation on 4 identified occupational specific dispensations by March 2012.
- Coordinate the design of the programme for the single public service and oversee its implementation by:
 - establishing the pilot urban mall, which will be a centre where citizens can access government services, in Maponya Mall by June 2010
 - developing the single public service regulations by March 2012 in order to enact the overarching single public service legislative framework
 - designing and implementing the single public service change management programme by March 2013
 - establishing a geographic information system by March 2014
 - developing a government access strategy by March 2015.

Service delivery focus

In June 2009, the preparation phase of the human resource module for an integrated financial management system was completed. The blueprinting phase, during which business requirements in the various human resource functional areas are confirmed and captured, will have been completed by the end of 2009/10. The realisation phase, during which the system will be configured and customised for the requirements of the public service, was initiated in November 2009.

A comprehensive exercise to rectify any past discriminatory pension practices by identifying possible beneficiaries and enabling costing is currently under way. The revised policy on post-retirement medical assistance to public servants on salary levels 1 to 5 who are members of the Government Employees Medical Scheme is being finalised. The decentralisation of the policy on incapacity leave and ill health retirement is at an advanced stage, and is expected to be completed in March 2010. A redefined job evaluation system that operates on a web enabled platform will be ready for implementation in April 2010.

The development of a pilot urban mall at the Maponya Mall is proceeding well. The first phase of construction was completed in November 2009, and completion is targeted for May 2010.

The following progress has been made on implementing the occupational specific dispensations, which arose from the Public Service Bargaining Council resolution 1 of 2007 and the Birchwood declaration in June 2009:

- Nurses (implemented in July 2007): A joint employer-union task team was established to deal with interpretation and application challenges.

- Educators (implemented in January 2008): A resolution on all outstanding matters was signed in July 2009. However, this dispensation requires additional funding.
- Doctors, dentists, pharmacists and emergency medical services: An agreement was signed and implementation started in January 2010.
- Social workers: A majority signature was received in June 2009 and implementation is currently underway, with a joint task team in place to ensure coordinated implementation.
- Correctional officials: An agreement was signed in June 2009 and implementation is underway, with a task team to deal with reprioritising resources within the Department of Correctional Services' budget to release funds.
- Engineers and related occupations: A number of agreements on different dispensations were signed in August 2009 and implementation is underway.
- Medical therapeutic services, educator specialists and related occupations: Proposals are currently being negotiated in the Public Health and Social Development Sectoral Bargaining Council.
- Legal officials: An agreement was signed in 2007 and implementation has started, with the minister revising measures for affected senior management service members who must translate to the legal occupational specific dispensations.

Expenditure estimates

Table 11.6 Labour Relations and Compensation Management in Government

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Management	1 158	2 209	3 613	3 180	4 553	4 757	4 985
Remuneration and Macro Benefits	81 726	3 545	5 772	7 065	8 155	7 992	8 339
General Benefits	77 692	80 686	92 545	71 151	4 253	4 478	5 073
Negotiations and Labour Relations	4 378	15 714	5 187	5 200	4 746	4 982	4 781
Special Projects and Job Evaluation	2 860	3 078	7 405	4 628	6 588	6 805	6 809
Single Public service	265	11 307	20 216	26 130	28 925	28 152	28 089
Total	168 079	116 539	134 738	117 354	57 220	57 166	58 076
Change to 2009 Budget estimate				66 124	(4 048)	(8 423)	(10 792)
Economic classification							
Current payments	92 375	116 497	133 333	117 304	57 100	57 166	58 076
Compensation of employees	10 583	15 017	17 944	19 968	22 882	24 169	25 098
Goods and services	81 792	101 480	115 382	97 336	34 218	32 997	32 978
<i>of which:</i>							
<i>Administrative fees</i>	22	143	304	44	97	99	105
<i>Advertising</i>	229	12 852	6 010	366	6 384	5 399	4 029
<i>Assets less than the capitalisation threshold</i>	254	6	47	173	51	53	56
<i>Audit cost: External</i>	198	185	192	247	295	311	326
<i>Catering: Departmental activities</i>	192	100	124	612	56	57	61
<i>Communication</i>	254	346	308	509	647	316	260
<i>Computer services</i>	1 102	209	3 813	1 365	3 499	3 569	5 498
<i>Consultants and professional services:</i>							
<i>Business and advisory services</i>	71	7 597	7 245	17 633	10 329	9 081	8 374
<i>Consultants and professional services: Legal costs</i>	203	333	69	244	150	150	150
<i>Contractors</i>	71 313	75 430	88 899	67 429	2 514	2 530	2 546
<i>Agency and support / outsourced services</i>	4 175	235	-	-	-	-	-
<i>Entertainment</i>	29	24	24	81	92	92	93
<i>Inventory: Learner and teacher support material</i>	-	-	3	6	15	15	15
<i>Inventory: Materials and supplies</i>	-	-	-	3	-	-	-

Table 11.6 Labour Relations and Compensation Management in Government (continued)

Subprogramme	Adjusted
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R thousand	Audited outcome			appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments	92 375	116 497	133 333	117 304	57 100	57 166	58 076
<i>Inventory: Other consumables</i>	7	1	22	3	5	5	5
<i>Inventory: Stationery and printing</i>	1 251	811	557	1 747	938	1 351	1 303
<i>Lease payments</i>	92	348	1 349	209	3 275	3 289	3 303
<i>Property payments</i>	102	-	-	-	190	190	190
<i>Transport provided: Departmental activity</i>	-	31	-	-	-	-	-
<i>Travel and subsistence</i>	1 579	2 226	4 014	4 042	3 149	3 386	3 536
<i>Training and development</i>	128	151	100	387	390	411	432
<i>Operating expenditure</i>	124	85	1 820	676	74	76	77
<i>Venues and facilities</i>	467	367	482	1 560	2 068	2 617	2 619
Interest and rent on land	-	-	7	-	-	-	-
Transfers and subsidies	75 007	-	-	-	-	-	-
Provinces and municipalities	7	-	-	-	-	-	-
Public corporations and private enterprises	75 000	-	-	-	-	-	-
Payments for capital assets	697	42	1 405	50	120	-	-
Machinery and equipment	622	42	1 405	50	120	-	-
Software and other intangible assets	75	-	-	-	-	-	-
Total	168 079	116 539	134 738	117 354	57 220	57 166	58 076
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	7	-	-	-	-	-	-
Regional Services Council levies	7	-	-	-	-	-	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	75 000	-	-	-	-	-	-
Government Employees Medical Scheme	75 000	-	-	-	-	-	-

Expenditure trends

Expenditure decreased from R168.1 million in 2006/07 to R117.4 million in 2009/10 at an average annual rate of 11.3 per cent. This was as a result of a once-off transfer to the Government Employees Medical Scheme from the *Remuneration and Macro Benefits* subprogramme in 2006/07. Spending in the *General Benefits* subprogramme mainly relates to allocations for the policy on incapacity leave and ill-health retirement.

Expenditure in the *Negotiations and Labour Relations* subprogramme increased by 256.8 per cent from R4.4 million in 2006/07 to R15.7 million in 2007/08, due to unforeseen and unavoidable expenditure related to the 2007 public service strike action. Expenditure in the *Single Public Service* subprogramme increased by 78.8 per cent, from R11.3 million in 2007/08 to R20.2 million in 2008/09, mainly due to additional allocations for the single public service project. Additional funding in the *Special Projects and Job Evaluation* subprogramme is received from 2008/09 on for the licence fees for the Equate job evaluation system.

Expenditure is expected to decrease over the MTEF period from R117.4 million in 2009/10 to R58.1 million in 2012/13, at an average annual rate of 20.9 per cent. This is as a result of decentralising the policy on incapacity leave and ill-health retirement to departments and provinces by the end of 2009/10.

The spending focus over the medium term is to strengthen labour relations, the integrated management of conditions of services, and other benefits in the public services.

Programme 4: Information and Technology Management in Government

- *Management.*
- *E-Government* provides support and leadership to national and provincial departments and the State Information Technology Agency to develop a government wide architecture and system integration plan.
- *Information and Communication Technology Governance* develops policies, strategies and regulations on ICT across the public service, oversees the State Information Technology Agency, provides secretarial services to the Government Information Technology Officers' Council, and oversees all ICT initiatives in the public service.
- *Information and Communication Technology Infrastructure* supports all national and provincial departments on significant transversal projects and e-government projects.
- *Community Development and Access* facilitates community development through access to ICT services.

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

Objectives and measures

- Implement a next generation e-government platform by developing a functional catalytic prototype that automates 6 pro-poor services by the end of March 2011.
- Improve frontline service delivery by completing a connectivity blueprint and bandwidth strategy for connecting schools, libraries, clinics and municipalities by September 2010.
- Reduce government ICT costs through printer consolidation, telecommunications (voice and data) and the way software is managed by March 2011.
- Support e-government initiatives to all citizens accessing government services online by developing an online identity and access management strategy by March 2011.
- Ensure a configured and structured government IT environment by developing a consultative, government wide IT plan to assist departments by March 2011.

Service delivery focus

The department visited 8 of the 9 provinces to understand the challenges they experience in relation to the State Information Technology Agency and other IT matters. Profiles for each of the 8 provinces are being developed and will be completed by the end of November 2010. The Government Information Technology Officers' Council has adopted a methodology for developing government wide enterprise architectures. The next steps involve designing a shared services infrastructure pilot that can be deployed to at least 1 province by March 2011. Public service ICT expenditure was reviewed in 2009. A final draft report was tabled for comment to the Government Information Technology Officers' Council and the Minister for Public Service and Administration, and will be submitted to Cabinet for approval by February 2010.

In September 2009, a team consisting of the State Information Technology Agency, the National Intelligence Agency, Electronic Communications Security and the Special Investigation Unit, and project managed by the Department of Public Service and Administration, was created to assess security gaps in departments. A vulnerability assessment methodology was developed in October 2009.

The original programme scope of providing general service counters to Thusong service centres was revised in March 2009 to include centralised infrastructure and local area network requirements. The Thusong ICT architecture was signed off in June 2008 by all participating departments and thus far 44 of 120 centres have been connected. In 2009, a prototype general service counter was developed and deployed to the Inhlazuka Thusong service centre in KwaZulu-Natal. The design of the counters was revised, and deployed to 11 Thusong service centres in Mpumalanga. By March 2010, these counters will be deployed to 30 centres.

The e-enabling of 6 pro-poor services was delayed due to a tender cancellation after an investigation by the auditor-general. The tender has been reissued and is currently in the State Information Technology Agency's procurement processes.

Expenditure estimates

Table 11.7 Information and Technology Management in Government

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Management	1 977	1 391	4 553	3 095	3 541	3 649	3 841
E-Government	1 819	1 577	2 338	2 318	2 824	2 950	3 134
Information and Communication Technology Governance	4 941	6 232	6 040	5 302	6 086	6 270	6 472
Information and Communication Technology Infrastructure	24 338	29 069	19 339	27 347	29 560	28 941	30 447
Community Development and Access	-	-	1 058	2 085	3 346	3 392	3 426
Total	33 075	38 269	33 328	40 147	45 357	45 202	47 320
Change to 2009 Budget estimate				(1 384)	(4 331)	(7 683)	(3 820)
Economic classification							
Current payments	32 367	37 833	31 224	40 077	45 255	45 155	47 271
Compensation of employees	8 074	8 741	9 074	12 001	12 442	13 144	14 005
Goods and services	24 293	29 092	22 146	28 076	32 813	32 011	33 266
<i>of which:</i>							
<i>Administrative fees</i>	8	28	102	227	23	23	23
<i>Advertising</i>	123	-	167	-	102	52	2
<i>Assets less than the capitalisation threshold</i>	139	-	9	53	4 738	3 970	3 994
<i>Audit cost: External</i>	119	96	105	138	158	166	174
<i>Catering: Departmental activities</i>	22	56	78	25	158	157	170
<i>Communication</i>	251	256	255	304	260	151	138
<i>Computer services</i>	9 154	25 724	16 612	23 669	21 916	22 001	23 342
<i>Consultants and professional services: Business and advisory services</i>	36	427	724	580	1 874	1 780	1 543
<i>Consultants and professional services: Legal costs</i>	-	-	-	5	-	-	-
<i>Contractors</i>	30	228	8	4	-	-	-
<i>Agency and support / outsourced services</i>	12 830	-	-	-	-	-	-
<i>Entertainment</i>	9	11	52	24	18	16	16
<i>Inventory: Learner and teacher support material</i>	-	-	-	12	2	2	2
<i>Inventory: Materials and supplies</i>	-	-	46	-	1	1	1
<i>Inventory: Other consumables</i>	3	6	4	5	3	3	3
<i>Inventory: Stationery and printing</i>	188	230	130	187	69	82	93
<i>Lease payments</i>	51	161	56	68	140	147	154
<i>Property payments</i>	56	-	-	-	-	-	-
<i>Transport provided: Departmental activity</i>	-	17	-	2	-	-	-
<i>Travel and subsistence</i>	634	1 240	2 134	836	2 437	2 532	2 663
<i>Training and development</i>	325	221	378	387	410	422	434
<i>Operating expenditure</i>	119	142	680	467	37	39	41
<i>Venues and facilities</i>	194	249	606	1 083	467	467	473
Interest and rent on land	-	-	4	-	-	-	-
Transfers and subsidies	521	436	-	-	-	-	-
Provinces and municipalities	5	-	-	-	-	-	-
Public corporations and private enterprises	-	436	-	-	-	-	-
Households	516	-	-	-	-	-	-
Payments for capital assets	182	-	2 104	70	102	47	49
Machinery and equipment	182	-	2 104	70	90	47	49
Software and other intangible assets	-	-	-	-	12	-	-
Payments for financial assets	5	-	-	-	-	-	-
Total	33 075	38 269	33 328	40 147	45 357	45 202	47 320

Table 11.7 Information and Technology Management in Government (continued)

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	5	-	-	-	-	-	-
Regional Services Council levies	5	-	-	-	-	-	-
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	-	436	-	-	-	-	-
Nelson Borman and Partners	-	436	-	-	-	-	-
Households							
Other transfers to households							
Current	516	-	-	-	-	-	-
Claims against the state	516	-	-	-	-	-	-

Expenditure trends

Expenditure increased from R33.1 million in 2006/07 to R40.1 million in 2009/10 at an average annual rate of 6.7 per cent, and is expected to rise to R47.3 million over the medium term at an average annual rate of 5.6 per cent. These increases are mainly due to inflation related adjustments. Spending in the *Management* subprogramme grew by 228.6 per cent in 2008/09 due to audit costs.

A new subprogramme, *Community Development Access*, was established from 2009/10 to facilitate access to ICT services in response to community development. This subprogramme's baseline is expected to grow from R2.1 million in 2009/10 to R3.4 million in 2012/13, at an average annual rate of 17.4 per cent.

Programme 5: Service Delivery Improvement throughout Government

- *Management*.
- *Batho Pele* promotes culture change in the public service, and coordinates the dissemination of lessons in order to improve service delivery.
- *Service Delivery Mechanisms* engages in supportive interventions and partnerships which improve efficiency and effectiveness.
- *Service Delivery Facilitation* coordinates and facilitates short term service delivery improvement initiatives.
- *Community Development Workers* ensures the smooth coordination and implementation of the community development workers project in the public service and local government.
- *Public Administration Leadership and Management Academy* transfers funds to the academy, which aims to enhance the quality, extent and impact of public sector management and leadership development through collaboration with other training service providers, compulsory training programmes, and the facilitation of training for all spheres of government.
- *Centre for Public Service Innovation* unlocks innovation in the public sector and creates an enabling environment for improved and innovative service delivery through capacity development activities.
- *Public Service Education and Training Authority* transfers funds to the authority, which develops a coordinated framework for providing public service education and training.

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

Objectives and measures

- Implement service delivery improvement plans throughout the public sector by training 500 trainers in 2010/11 on the rollout of service delivery improvement plans through the Batho Pele change management engagement programme.
- Increase departments' compliance with submitting annual service delivery improvement plans (from 50 per cent in 2008/09 to 90 per cent in 2012/13) by giving departments content comments and reporting to Cabinet and through the auditor-general on departments' submissions.
- Improve the rollout of the community development workers programme by implementing a policy on the programme by March 2013.
- Improve service delivery by researching and developing at least 2 sustainable models and solutions per year for innovative service delivery.
- Establish collaborative innovative platforms and products by:
 - hosting an annual public sector innovation conference
 - rewarding innovative service delivery projects in 6 categories annually
 - publishing 2 editions of the innovation journal per year.

Service delivery focus

By mid-2009, 500 trainers across the public sector had been through the train-the-trainer programme and were able to develop service delivery improvement plans. In November 2009, the department hosted the Batho Pele learning network, 3 Batho Pele forums and a community development workers' summit as part of mainstreaming and institutionalising Batho Pele.

In June 2009, the annual public service week was hosted in Northern Cape. Project Khaedu focused on municipalities in line with government's resolve to pay attention to improving efficiencies in local government.

The May 2009 deadline for service delivery improvement plans developed by 20 individual independent contractors was moved to October 2009, due to government restructuring. To date, 50 per cent of service delivery improvement plans have been received, and the department is currently evaluating the content. The remainder are expected in 2010/11.

From April 2009 to November 2009, 60 000 Know Your Service Rights booklets were distributed for the justice cluster to the general public through imbizos, public participation events, schools, and community development workers. Another 140 000 booklets are being printed and will have been distributed early in 2010.

Policy for the community development worker's programme is at an advanced stage, with consultations finalised in 8 provinces. The policy development process is expected to be complete by April 2010.

In 2009, the Centre for Public Service Innovation identified and tested solutions for addressing the needs of visually impaired teachers. In close cooperation with the departments of basic and higher education, final adaptation and refinement will take place in the first quarter of 2010. After that, the solutions will be available to all visually impaired teachers in close cooperation with the departments. The Multimedia Innovation Centre will have been established and launched by the end of 2009/10. The delay in establishing the centre was due to a delay in securing suitable accommodation for the Centre for Public Service Innovation. This was supposed to have been launched in October 2009. The new launch date is planned for March 2010.

The chief executive of the Centre for Public Service Innovation served on the National Advisory Council on Innovation's board for 2008/09 to ensure that national innovation related developments are also benefiting the public sector.

In June 2009, the Centre for Public Service Innovation received a special award from the United Nations (UN) secretary-general for its contribution to global knowledge management by uploading content on the global online network portal on behalf of SADC.

The third public sector innovation conference was held in August 2009. Case studies, discussion papers and conference presentations were published and disseminated through the journal, Ideas that Work, which was launched at the conference.

The seventh Innovation Awards ceremony was held in November 2009 and rewarded 15 finalists and winners in 5 categories, such as innovative partnerships in service delivery and innovative use of ICTs for effective service delivery. Two 2008 finalists' projects, Men on the Side of the Road and auxiliary nursing training, were selected for replication. A feasibility study for the auxiliary nursing training project has been concluded, and discussions with other provinces have been initiated to replicate the project there. Consultation with the Department of Labour on the replication of the Men on the Side of the Road project has also been concluded

Expenditure estimates

Table 11.8 Service Delivery Improvement throughout Government

Subprogramme	Audited outcome			Adjusted appropriation 2009/10	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R thousand							
Management	2 340	2 598	3 048	1 759	2 088	2 108	2 228
Batho Pele	28 290	17 248	11 992	13 989	13 615	13 804	14 028
Service Delivery Mechanisms	17 627	9 474	11 644	9 761	9 111	9 257	9 554
Service Delivery Facilitation	2 003	1 077	5 914	2 356	3 391	3 256	3 311
Community Development Workers	1 210	8 277	3 014	6 510	6 757	6 833	7 082
Centre for Public Service Innovation	6 550	10 978	18 724	14 247	14 238	14 492	15 167
Public Service Education and Training Authority	9 196	11 312	14 748	21 842	19 993	20 997	22 026
Public Administration Leadership and Management Academy	58 268	131 113	105 365	121 115	117 470	117 567	121 722
Total	125 484	192 077	174 449	191 579	186 663	188 314	195 118
Change to 2009 Budget estimate				5 987	(13 145)	(22 344)	(19 173)

Economic classification

Current payments	66 429	60 876	64 702	48 621	49 172	49 721	51 340
Compensation of employees	22 016	24 355	21 508	22 234	24 369	25 726	27 027
Goods and services	44 413	36 521	43 189	26 387	24 803	23 995	24 313
<i>of which:</i>							
<i>Administrative fees</i>	32	208	595	77	124	136	143
<i>Advertising</i>	1 965	3 776	6 734	2 069	1 900	1 698	1 580
<i>Assets less than the capitalisation threshold</i>	338	62	70	151	81	85	90
<i>Audit cost: External</i>	225	356	283	429	306	322	339
<i>Catering: Departmental activities</i>	367	177	345	156	85	87	116
<i>Communication</i>	3 145	693	662	486	460	352	345
<i>Computer services</i>	13 106	3 276	1 816	975	1 513	1 588	1 666
<i>Consultants and professional services: Business and advisory services</i>	363	6 762	7 360	6 739	3 229	2 922	2 562
<i>Contractors</i>	171	460	319	2 188	3 447	3 234	3 257
<i>Agency and support / outsourced services</i>	10 128	-	3	-	20	21	22
<i>Entertainment</i>	241	108	269	76	58	59	60
<i>Inventory: Learner and teacher support material</i>	-	-	-	19	232	233	234
<i>Inventory: Materials and supplies</i>	39	34	2	-	40	42	44
<i>Inventory: Other consumables</i>	176	9	7	5	35	37	39
<i>Inventory: Stationery and printing</i>	2 994	3 787	988	6 362	2 062	2 604	2 473
<i>Lease payments</i>	162	2 457	1 848	2 800	1 586	1 528	1 417
<i>Property payments</i>	124	-	3 798	-	58	61	64
<i>Transport provided: Departmental activity</i>	10	4 430	61	110	230	155	170
<i>Travel and subsistence</i>	7 916	4 877	7 990	2 200	4 502	4 284	4 568
<i>Training and development</i>	573	726	1 815	403	446	467	489
<i>Operating expenditure</i>	148	672	4 448	107	765	714	676
<i>Venues and facilities</i>	2 190	3 651	3 776	1 035	3 624	3 366	3 957
Interest and rent on land	-	-	5	-	-	-	-

Table 11.8 Service Delivery Improvement throughout Government (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfers and subsidies	58 317	131 117	106 984	142 958	137 481	138 582	143 766
Provinces and municipalities	15	-	-	-	-	-	-
Departmental agencies and accounts	58 268	131 113	105 365	142 957	137 463	138 564	143 748
Foreign governments and international organisations	-	-	3	-	18	18	18
Public corporations and private enterprises	33	-	-	-	-	-	-
Households	1	4	1 616	1	-	-	-
Payments for capital assets	738	82	2 740	-	10	11	12
Machinery and equipment	738	82	2 680	-	-	-	-
Software and other intangible assets	-	-	60	-	10	11	12
Payments for financial assets	-	2	23	-	-	-	-
Total	125 484	192 077	174 449	191 579	186 663	188 314	195 118
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	15	-	-	-	-	-	-
Regional Services Council levies	15	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	58 268	131 113	105 365	142 957	137 463	138 564	143 748
Public Sector Education Training Authority	-	-	-	21 842	19 993	20 997	22 026
Public Administration Leadership and Management Academy	58 268	131 113	105 365	121 115	117 470	117 567	121 722
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	33	-	-	-	-	-	-
Gifts and donations	33	-	-	-	-	-	-
Foreign governments and international organisations							
Current	-	-	3	-	18	18	18
Gifts and donations	-	-	3	-	18	18	18
Households							
Other transfers to households							
Current	1	4	1 616	1	-	-	-
Claims against the State	-	-	642	-	-	-	-
Gifts and donations	1	1	-	-	-	-	-
Households	-	3	974	1	-	-	-

Expenditure trends

Expenditure increased from R125.5 million in 2006/07 to R191.6 million in 2009/10 at an average annual rate of 15.1 per cent. This was largely as a result of additional funding in the *Batho Pele* subprogramme in 2006/07 for technical assistance to provinces and post-conflict support to the Democratic Republic of the Congo. In addition, the budgets for PALAMA, the Public Sector Education and Training Authority and the Centre for Public Service Innovation were shifted to this subprogramme.

Expenditure in the *Community Development Workers* subprogramme increased by 591.7 per cent from R1.2 million in 2006/07 to R8.3 million in 2007/08, due to the community development indaba in 2007/08. Expenditure is expected to increase marginally over the MTEF period, from R191.6 million to R195.1 million, at an average annual rate of 0.6 per cent, which is inflation related. This is mainly driven by Batho Pele change management and service delivery initiatives.

The *Public Service Education and Training Authority* subprogramme is included in this programme for the first time from April 2010. Historical information for the subprogramme was adjusted in the *Human Resource Management and Development in Government* programme where it was previously a subprogramme.

The Centre for Public Service Innovation was established as a government component in 2008 in terms of the Public Service Act (1994). Spending in the subprogramme grew at an average annual rate of 29.6 per cent from R6.6 million in 2006/07 to R14.2 million in 2009/10, due to a once-off additional allocation in 2009/10 for securing alternative accommodation and establishing the centre.

In the *Public Administration and Leadership Management Academy* subprogramme, total expenditure grew from R58.3 million in 2006/07 to R121.1 million in 2009/10. In the 2007 adjustments budget, the academy received R60 million as once-off support for equipping its new premises and start-up funding for mass induction training.

Programme 6: Governance for Public Service and Administration

- *Management*.
- *Public Sector Anti-Corruption* establishes and implements strategies to fight corruption and improve ethical conduct in the public service.
- *International and African Affairs* establishes and maintains bilateral and multilateral relations on governance and public administration by implementing global and continental programmes and projects for improving governance and public administration.
- *Monitoring and Evaluation* manages a system for planning, monitoring and evaluating the programmes that enable the transformation of the public sector.
- *African Peer Review Mechanism* ensures the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing experiences and reinforcing best practices, including identifying deficiencies and assessing capacity building needs.
- *Research* facilitates and coordinates research within the department.
- *Public Service Commission* transfers funds to the commission which oversees and evaluates the functioning of the public service with a view to establishing good governance and best practice principles.

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

Objectives and measures

- Ensure that South Africa contributes to the African Agenda and benefits from continental best practices in governance and public administration by actively participating in the seventh Pan African conference of African ministers of public service in October 2010.
- Promote national anti-corruption values and interests at regional and international levels by participating in the quarterly Organisation for Economic Cooperation and Development working group on bribery in international business transactions, the United Nations Convention against Corruption intergovernmental working group, and the biannual United Nations Convention against Corruption conference of state.
- Assess the performance of departments' human resource policies through the public management watch system by providing ongoing analytical and evaluation reports on the implementation of the Department of Public Service and Administration's policies.

Service delivery focus

To enhance the fight against corruption and improve ethical conduct, the anti-corruption learning network and the second anti-corruption learning network were held in July 2009. The department is currently developing a corruption management information system to promote national anti-corruption values and interests at regional and international levels and is participating quarterly in the Organisation for Economic Cooperation and Development working group on bribery in international business transactions.

The public service's monitoring and evaluation framework, guidelines and capacity building plans have been developed and will be approved by March 2010. All departments were assessed on a quarterly basis in terms of

the public management watch system in 2009/10, and its findings will have been disseminated to departments before the end of 2009/10. Departmental analysis will also be performed on the information as at 31 December.

A continental capacity development framework within the sixth conference of African ministers for public services was approved in August 2009 and will be rolled out in 2010/11. Bilateral relations with South Sudan were given a major boost by the meeting of ministers to agree on priority areas of collaboration, such as job evaluation and the computerisation of the personnel system.

5 provincial councils were re-launched in December 2009 to promote the implementation of the African peer review mechanism's programme of action, and the report was submitted to the African Union heads of state and governments in January 2010.

Debates and dialogues planned for 2009/10 on public administration and governance were not achieved because the research unit was under-capacitated.

Expenditure estimates

Table 11.9 Governance for Public Service and 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 thousand							
Management	1 170	2 161	4 066	2 767	4 350	4 396	4 646
Public Sector Anti-Corruption	35 818	11 475	7 214	7 203	7 558	7 695	8 124
International and African Affairs	9 809	10 680	21 850	11 316	10 809	11 038	11 664
Monitoring and Evaluation	2 287	4 444	5 752	8 350	8 590	8 718	9 173
African Peer Review Mechanism	17 496	2 375	3 904	7 629	8 825	8 758	9 230
Research	-	-	296	1 227	656	612	663
Public Service Commission	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Total	162 648	139 269	156 738	170 333	174 554	186 729	194 732
Change to 2009 Budget estimate				8 059	(3 380)	(7 419)	(9 123)

Economic classification

Current payments	65 851	30 882	41 778	38 054	40 335	40 864	43 129
Compensation of employees	6 571	7 959	12 131	17 825	19 907	21 028	22 494
Goods and services	59 280	22 923	29 642	20 229	20 428	19 836	20 635
<i>of which:</i>							
Administrative fees	27	55	455	22	166	168	176
Advertising	2 431	6 206	513	1 263	4 207	4 207	4 418
Assets less than the capitalisation threshold	150	1	3	328	26	26	28
Audit cost: External	109	98	143	129	260	260	276
Bursaries: Employees	-	-	-	70	-	-	-
Catering: Departmental activities	541	73	476	419	235	226	241
Communication	1 157	362	313	4 321	383	213	199
Computer services	656	173	591	866	1 509	1 509	1 585
Consultants and professional services: Business and advisory services	118	7 769	5 300	5 089	1 516	1 405	1 336
Consultants and professional services: Legal costs	-	39	-	31	-	-	-
Contractors	478	80	3 219	97	40	40	42
Agency and support / outsourced services	16 681	-	666	-	50	50	53
Entertainment	660	97	15	131	89	89	94
Inventory: Fuel, oil and gas	-	-	19	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	22	-	-	-
Inventory: Materials and supplies	1	11	-	-	-	-	-
Inventory: Other consumables	20	1	86	7	-	-	-
Inventory: Stationery and printing	3 015	1 036	386	1 721	177	213	233
Lease payments	308	539	330	214	232	232	244
Property payments	86	-	-	-	-	-	-
Transport provided: Departmental activity	77	1 136	9 328	-	20	20	21

Table 11.9 Governance for Public Service and Administration (continued)

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	appropriation	2010/11	2011/12	2012/13
R thousand				2009/10			
Economic classification							
Current payments	65 851	30 882	41 778	38 054	40 335	40 864	43 129
<i>Travel and subsistence</i>	16 992	3 042	3 647	4 270	9 475	9 211	9 687
<i>Training and development</i>	122	77	137	205	343	343	362
<i>Operating expenditure</i>	83	333	2 171	179	61	61	61
<i>Venues and facilities</i>	15 568	1 795	1 844	845	1 637	1 563	1 579
Interest and rent on land	-	-	5	-	-	-	-
Transfers and subsidies	96 461	108 371	114 312	132 217	134 119	145 865	151 603
Provinces and municipalities	4	-	-	-	-	-	-
Departmental agencies and accounts	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Foreign governments and international organisations	388	237	656	375	353	353	371
Households	1	-	-	1	-	-	-
Payments for capital assets	336	16	515	62	100	-	-
Machinery and equipment	336	16	175	62	-	-	-
Software and other intangible assets	-	-	340	-	100	-	-
Payments for financial assets	-	-	133	-	-	-	-
Total	162 648	139 269	156 738	170 333	174 554	186 729	194 732

Details of transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	4	-	-	-	-	-	-
Regional Services Council levies	4	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Public Service Commission	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Foreign governments and international organisations							
Current	388	237	656	375	353	353	371
African Association for Public Administration and Management	47	50	113	54	58	58	61
Centre for Training and Research in Administration for Development	289	-	332	101	109	109	114
Commonwealth Association for Public Administration and Management	-	30	-	35	36	36	38
International Institute of Administrative Services	-	-	32	-	-	-	-
Organisational Economic Cooperation and Development	-	144	179	140	150	150	158
Gifts and donations	52	13	-	45	-	-	-
Households							
Other transfers to households							
Current	1	-	-	1	-	-	-
Gifts and donations	1	-	-	1	-	-	-

Expenditure trends

Expenditure increased from R162.6 million in 2006/07 to R170.3 million in 2009/10 at an average annual rate of 1.5 per cent. This was due to additional allocations in 2006/07 in the *African Peer Review Mechanism* and *Public Sector Anti-Corruption* subprogrammes for concluding the African peer review mechanism country assessment report and for the once-off hosting of the Global Forum V on fighting corruption and safeguarding integrity. In addition, the Public Service Commission's budget has been included in this programme.

The *Monitoring and Evaluation* subprogramme increased from R2.3 million in 2006/7 to R8.4 million in 2009/10 at an average annual rate of 54 per cent. This increase was directly linked to performance assessments through the public management watch system.

Expenditure over the MTEF period is expected to increase at an average annual rate of 4.6 per cent from R170.3 million in 2009/10 to R194.7 million in 2012/13, mainly due to inflation related adjustments.

In the *Public Service Commission* subprogramme, expenditure increased at an average annual rate of 11.1 per cent, from R96.1 million in 2006/07 to R131.8 million 2009/10. This is as a result of additional funds received for the revision of the complaints and grievance rules, the establishment of the national anti-corruption hotline, the creation of the integrity and anti-corruption branch, management of conflicts of interest, the evaluation of poverty reduction programmes, and the devolution of funds for accommodation from the Department of Public Works. Expenditure will increase marginally at an average annual rate of 4.6 per cent over the MTEF period, from R131.8 million to R151.2 million, due to additional funds received for salary adjustments.

Public entities

Public Administration Leadership and Management Academy (PALAMA)

Strategic overview: 2006/07 – 2012/13

The mandate of the PALAMA is outlined in the Public Service Amendment Act (2007). The draft Public Administration Management Bill reinforces this mandate, which is to enhance the quality, extent and impact of public sector management and leadership development. The bill provides for collaboration with other training service providers, compulsory training programmes, and the facilitation of training for all spheres of government.

The academy's strategy, objectives and operations support the capacity building requirements of government's programme of action. Its main challenge is to rapidly expand its leadership and management development activities across the public service in provinces and local government. To do this, the academy will collaborate and forge partnerships with organisations that are aligned to government's vision and mission.

Savings and cost effective service delivery

The academy has identified efficiency savings of R12.2 million in 2010/11, R18.7 million in 2011/12 and R21.4 million in 2012/13 in the following programmes and economic classification items:

Administration: R2.1 million in 2010/11, R3.7 million in 2011/12 and R5.4 million in 2012/13 in computer services, consultants, inventory, and travel and subsistence.

Public Sector Organisational and Staff Development: R10 million in 2010/11, R15 million in 2011/12 and R16 million in 2012/13 in transfers and subsidies.

Selected performance indicators

Table 11.10 Public Administration Leadership and Management Academy

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of new training courses accredited per year	Public sector organisational and staff development	4	5	11	6	6	6	6
Number of Actual Person training days per year	Public sector organisational and staff development	98 450	104 292	134 375	185 000	280 000	425 000	500 000
Number of Certificates Of Competency issued	Public sector organisational and staff development	655	1 932	2 000	2 600	3 500	5 000	6 000
Revenue from course fees per year	Public sector organisational and staff development	R42m	R53m	R95m	R110m	R130m	R140m	R150m
Average number of days to collect debt	Public sector organisational and staff development	208	189	192	175	160	145	145
Senior Management System Employment equity composition - percentage female	Public sector organisational and staff development			49%	50%	51%	52%	52%
- percentage black				69%	71%	73%	75%	75%

Service delivery focus

One of the organisation's key performance indicators is the number of person training days achieved. In 2008/09, the actual person training days achieved were 134 375 against a targeted of 120 000. While emphasis is placed on achieving this output, it is equally critical to measure the impact of the training on the delivery of public services. The organisation noted that more women attended junior and middle manager training than men in 2009/10. The organisation has made advances in capacity building on government's monitoring and evaluation system, financial management and project management, and will focus on completing the internal transformation process, guided by the minister and led by the director-general, by the end of March 2010.

Expenditure estimates

Table 11.11 Public Administration Leadership and Management Academy: Programme information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Administration	52 039	86 497	108 683	94 960	100 332	105 812	110 943
Public sector organisational and staff development	39 257	65 252	81 989	71 636	75 689	79 823	83 694
Total expense	91 296	151 749	190 672	166 596	176 021	185 635	194 637

Table 11.12 Public Administration Leadership and Management Academy: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Revenue							
Non-tax revenue	47 662	60 957	96 344	48 500	61 620	71 368	76 404
Sale of goods and services other than capital assets	42 374	53 393	82 260	48 300	61 420	71 168	76 204
<i>of which:</i>							
<i>Sales by market establishments</i>	42 374	53 393	82 260	48 300	61 420	71 168	76 204
<i>Other non-tax revenue</i>	5 288	7 564	14 084	200	200	200	200
Transfers received	58 268	131 113	105 365	121 115	117 470	117 567	121 722
Total revenue	105 930	192 070	201 709	169 615	179 090	188 935	198 126
Expenses							
Current expense	91 280	151 749	190 672	166 596	176 021	185 635	194 637
Compensation of employees	34 885	39 752	44 743	77 051	83 516	88 513	93 252
Goods and services	55 581	111 103	145 049	88 630	91 555	96 136	100 361
Depreciation	814	894	880	915	950	986	1 024
Transfers and subsidies	16	–	–	–	–	–	–
Total expenses	91 296	151 749	190 672	166 596	176 021	185 635	194 637
Surplus / (Deficit)	14 634	40 321	11 037	3 019	3 069	3 300	3 489
Statement of financial position							
Carrying value of assets	1 344	1 633	2 153	2 738	3 388	4 102	4 878
<i>of which: Acquisition of assets</i>	3 519	8 827	7 873	3 229	3 491	3 734	3 935
Receivables and prepayments	24 170	28 729	45 925	25 047	27 300	30 030	32 732
Cash and cash equivalents	31 638	79 931	59 333	28 642	29 821	32 809	35 271
Total assets	57 152	110 293	107 411	56 427	60 509	66 941	72 881
Accumulated surplus/deficit	51 201	88 858	93 081	50 027	53 509	59 341	64 681
Trade and other payables	4 022	19 207	11 474	4 500	5 000	5 500	6 000
Provisions	1 929	2 228	2 856	1 900	2 000	2 100	2 200
Total equity and liabilities	57 152	110 293	107 411	56 427	60 509	66 941	72 881
Contingent liabilities	89	89	1 765	–	–	–	–

Expenditure trends

Main contributors to revenue are a transfer from the department and course fees. Total revenue increased from R105.9 million in 2006/07 to R169.6 million in 2012/13 at an average annual rate of 17 per cent, based on additional management revenue arising from the annually increasing number of public sector trainees.

Total expenditure grew from R91.3 million in 2006/07 to R166.6 million in 2009/10, at an average annual rate of 22.2 per cent. In 2007/08, the budget for the academy was supplemented by R60 million in the 2007 adjustments budget. This was a once-off payment for equipping the new academy premises and start-up funding for mass induction training. Over the medium term, expenditure is expected to grow to R194.6 million, at an average annual rate of 5.3 per cent. This is mainly as a result of inflation related adjustments.

Public Service Commission

Strategic overview: 2006/07 – 2012/13

The Public Service Commission is the only government body empowered and mandated to oversee and evaluate the functioning of the public service, with a view to establishing good governance and best practice principles. The commission plays a leading role in public service leadership and human resource research, and in

implementing the framework for evaluating heads of department. In 2008/09, the Public Service Commission revised its approach to this framework.

The commission plays a central role in promoting labour peace in the public service. Through its consideration of grievances and departments' monthly grievances reports, the commission generates trends on grievance management. The commission has proposed amendments to the grievance rules and will continue to support departments in managing grievances. Research is also conducted in areas where departments experience challenges.

The commission conducts investigations into complaints about maladministration and corruption, the standard of service provided, dishonesty or improper dealings with regard to public money, unethical behaviour, and any form of discrimination. The national anti-corruption hotline is an important public participation mechanism to report cases of alleged corruption.

The commission has introduced measures to inculcate a culture of integrity in the public service. Key to its work in this area is the management of potential conflicts between the private interests of senior managers and their official responsibilities. The commission has conducted comprehensive research, recommending the development of a comprehensive policy on the management of conflicts of interest. These recommendations have been adopted by the Department of Public Service and Administration for inclusion in a conflicts of interest policy framework which is being reviewed following Cabinet's input. The commission will conduct a study on possibly performing lifestyle audits in the future.

Savings and cost effective service delivery

The commission has implemented savings of R11 million over the MTEF period in terms of baseline adjustments. The following cost effectiveness measures have been identified: use officials to collect data instead of contracting consultants; limit and prioritise local and international travel; reduce the use of couriers and telephones; prioritise the number of reports to be printed and reduce the number of pages; conduct workshops and meetings in-house where practical; minimise entertainment.

The Public Service Commission will conduct regular awareness campaigns on cost saving measures, and stricter monitoring of expenditure will be applied on an ongoing basis.

Selected performance indicators

Table 11.13 Public Service Commission

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Total number of grievances investigated and concluded	Leadership and management practices	641	597	654	152	680	750	800
Number of new reports on the management of grievances in the public service	Leadership and management practices	2	3	1	1	1	1	1
Increase in the number of strategic human resource reviews	Leadership and management practices	1	2	2	2	1	1	1
Number of new research reports on labour relations	Leadership and management practices	2	3	1	1	1	1	1
Percentage of 146 heads of department whose performance is evaluated	Leadership and management practices	25% (36)	56% (73)	8% (12)	52% (76)	100% (146)	100% (146)	100% (146)
Percentage of 146 heads of department whose performance agreements have been quality assured	Leadership and management practices	59% (86)	82% (119)	73% (106)	59% (86)	100% (146)	100% (146)	100% (146)
Number of reports on public service leadership per year	Leadership and management practices	1	5	2	3	2	2	2
Number of reports on monitoring and evaluation per year	Monitoring and evaluation	12	22	27	32	23	23	23
Number of reports on service delivery per year	Monitoring and evaluation	3	9	8	4	6	6	6
Percentage of financial disclosure forms received and scrutinised	Integrity and anti-corruption	79% (7 877)	77% (6 558)	100% (8 700)	78% (7 099)	100% (8 900)	100% (9000)	100% (9 100)

Table 11.13 Public Service Commission (continued)

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of public administration investigations successfully concluded per year	Integrity and anti-corruption	17	10	4	11	10	10	10
Number of public administration research projects finalised and reports published per year	Integrity and anti-corruption	2	5	4	2	1	1	1
National anti-corruption hotline reported cases per year	Integrity and anti-corruption	1 596	1 624	1 348	1 800	2 000	2 000	2 000
Number of hotline research reports produced per year	Integrity and anti-corruption	2	1	1	1	1	1	1

Service delivery focus

By the end of November 2009, 75 complaints on matters such as human resource related issues, unethical behaviour and corruption or maladministration, lodged in terms of the complaints rules, had been finalised. Of the 75 cases, 11 were investigated by the commission and the remaining 64 were referred to relevant institutions. 260 non-corruption related complaints lodged with the hotline were finalised in the same period.

In 2009/10, the commission conducted research to evaluate supply chain management practices in procuring goods and services in selected departments, focusing on general payments within the R200 000 threshold. The research report notes, among others, that some of these transactions are characterised by malpractices such as cover quoting and inflated billing. By the end of November 2009, 7 099 financial disclosure forms were submitted, resulting in a compliance rate of 78 per cent, and 1 900 financial disclosure forms were scrutinised, with the balance to be scrutinised by March 2010. A report on the management of conflicts of interests will be produced from this information.

The commission produces an annual state of the public service report. The theme for the 2010 report is integration, coordination and effective public service delivery, and the theme for 2011 is innovating for effective public service delivery.

The number of grievances received and considered by the commission has fluctuated over the years since promulgating the grievance rules, from 641 in 2006/07, 597 in 2007/08, to 654 in 2008/09. Monthly reports on the management of grievances and complaints were compiled and approved by the commission.

The commission continued conducting research on strengthening the role of public service leadership, with a view to providing information for improving the management of government departments. In 2009/10, a report on the appointment and management of heads of department and an assessment of the effectiveness of public service leadership in intergovernmental relations were completed. In 2008/09 and 2009/10 (as at 30 October 2009), 82 per cent of performance agreements were quality checked and 59 per cent filed. A fact sheet for filing performance agreements for 2009/10 was completed. 102 out of 146 heads of department qualified to be evaluated in 2007/08, and 52 per cent of these were evaluated. Progress on evaluating heads of department in 2008/09 was slow, due to the many administrative and leadership changes.

Expenditure estimates

Table 11.14 Public Service Commission: Programme information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Administration	50 974	58 927	59 352	71 231	67 878	73 899	76 684
Leadership and Management Practices	13 800	15 669	17 039	19 298	21 150	22 825	23 755
Monitoring and Evaluation	16 375	17 531	18 960	19 803	21 805	23 424	24 309
Integrity and Anti-Corruption	14 919	16 007	18 305	21 509	22 933	25 364	26 484
Total expense	96 068	108 134	113 656	131 841	133 766	145 512	151 232

Table 11.15 Public Service Commission: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Transfers received	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Total revenue	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Expenses							
Current expense	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Compensation of employees	61 487	70 163	77 226	88 763	102 584	113 455	118 483
Goods and services	34 581	37 971	36 430	43 078	31 182	32 057	32 749
Total expenses	96 068	108 134	113 656	131 841	133 766	145 512	151 232
Surplus / (Deficit)	-	-	-	-	-	-	-

Expenditure trends

Expenditure increased at an average annual rate of 11.1 per cent, from R96.1 million in 2006/07 to R131.8 million 2009/10. This is as a result of additional funds received for the revision of the complaints and grievance rules, the establishment of the national anti-corruption hotline, the creation of the integrity and anti-corruption branch, the management of conflicts of interest, the evaluation of poverty reduction programmes, and the devolution of funds for accommodation from the Department of Public Works. Expenditure is expected to increase at an average annual rate of 4.7 per cent over the MTEF period, from R131.8 million to R151.2 million, due to additional funds received for salary adjustments.

Public Services Sector and Education Training Authority

Strategic overview

The Public Services Sector Education and Training Authority's objectives and measures are informed by the national skills development strategy. They are: prioritising and communicating critical skills for sustainable growth, development and equity; promoting and accelerating equitable quality training in the workplace; promoting employability and sustainable livelihoods through skills development; assisting designated groups, including new entrants, to participate in accredited work, integrated learning and work based programmes to acquire marketable skills; and improving the quality and relevance of provision.

Service delivery focus

In 2009/10, the organisation developed the sector skills plan for 2010, which was submitted to the Department of Labour, and the consultative annual sector guide with a scarce and critical skills list. The organisation supported 2 small levy paying firms to promote skills development, and has been supporting national and provincial government departments to spend 1 per cent of their personnel budget on skills development.

The organisation assisted 2 578 learners to enter adult basic education and training programmes against a target of 2 500, and has helped 2 091 learners to enter learning programmes, 573 unemployed learners to enter learning programmes, and 1 110 learners to enter critical skills programmes.

The organisation supported 4 institutes against a total of 5, with 2 others to be supported by March 2010. Measures are being implemented to comply with the South African Qualification Authority's requirement for the organisation to remain an education and training qualifications authority body. The organisation is also developing standards and qualifications and a qualifications framework for the public service.

Funding for the Public Service Education and Training Authority has historically not been based on the authority's needs in terms of its mandate. Current legislation does not compel government departments to pay their 1 per cent of personnel budget as levies, and the authority has operated from funds transferred by the Department of Public Service and Administration.

State Information Technology Agency

Strategic overview: 2006/07 – 2012/13

The State Information Technology Agency was established in 1999 to consolidate and coordinate the state's IT resources, save costs through economies of scale, increase delivery capabilities and improve interoperability. The agency was established in terms of the State Information Technology Agency Act (1998), and is funded through the provision of services stipulated in the service level agreements referred to in the legislation. The agency continues to provide a broad spectrum of IT services that relate to infrastructure, hosting and data centres, and procurement.

The agency is committed to leveraging economies of scale, enhancing the interoperability of government systems, ensuring system security, eliminating duplication and advancing broad based black economic empowerment.

The agencies strategic priorities from 2008 to 2012 are: continually improving financial sustainability, optimising infrastructure, extending the service footprint in government, modernising public service operations, reducing operational costs, and achieving operational excellence. The agency is also focusing on personnel development, aiming to attract and retain critical skills and best performers, develop and implement an integrated talent management strategy and meet employment equity targets.

Key policy developments and activities that impact on departmental spending plans over the medium term are: providing ICT connectivity and remote support to Dinaledi schools, community libraries and Thusong service centres; creating an ICT blueprint that governs the deployment of ICTs to Thusong service centres, and that can be used as a model to roll out ICT to clinics, schools, and community radio stations; deploying a shared services platform to support ICTs deployed within these communities; establishing an open source programme office that will create an open source laboratory, and an implementation roadmap for open source deployment throughout government; contributing to the development of a catalytic next generation e-government prototype; developing the framework for a new enterprise resource planning system in government's integrated financial management systems; developing a government wide enterprise architecture framework; and developing a framework for adopting a service orientated architecture within government.

Savings and cost effective service delivery

The agency's contributions to reducing the cost of conducting business are based on, among others, the following key initiatives: creating a shared services model to centralise, standardise and consolidate the delivery of all service offerings; adopting a standard operating environment that can aid in reducing the total cost of ownership; developing and implementing an IT asset management strategy; providing a syndicated disaster recovery capacity for government; developing options to minimise duplication by consolidating and standardising non-core business infrastructure and applications; ensuring preferential procurement pricing from original equipment manufacturers; ensuring preferential procurement on the bandwidth costs to government from telecommunications service providers; participating in the development of a local government ICT framework; entering into single or multi-year government wide contracts with major software suppliers and single enterprise licences for vendors that dominate the space; extending hardware and software procurement models to incorporate mass storage, backup, telecommunications and other IT devices and peripherals; making software and hardware renewal a government wide initiative as opposed to a departmental function; establishing a streamlined procurement process and using volume purchasing and site licences to establish attractive prices on standardised hardware and software; and developing cost effective and flexible procurement practices, such as strategic sourcing and performance based contracts that will allow government to obtain greater value for its ICT expenditure.

Selected performance indicators

Table 11.16 State Information Technology Agency

Indicator	2006/07	Past			Current	Projections	
		2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of operating profit margin	6.1%	6%	6%	6%	6%	6%	6%
Value of debtors balances per year	R665m	R618.2m	R692.4m	R775.5m	R868.5m	R950m	R973.8m
Percentage of external customer satisfaction according to the satisfaction index	63%	61%	70%	70%	79%	79%	79%
Percentage turnover rate of personnel with critical skills	7.6%	8%	7%	6%	6%	7%	7%
Average employee satisfaction according to the satisfaction index (1 to 5, 1=poor and 5=excellent)	2.6	2.5	2.8	3	3.5	3.7	3.9
Percentage of tenders awarded to previously disadvantaged groups	0%	58%	60%	65%	70%	75%	80%

Service delivery focus

The agency challenged in 2008/09 due to the late finalisation and sign off of the corporate strategy, which delayed the operational plan and the corporate balanced scorecard, due in March 2009. However, once the objectives were finalised, the agency took ownership of contracted objectives, which are strategic objectives on the corporate scorecard, and delivered under challenging organisational conditions, which included a leadership change in 2008/09.

Key objectives achieved in 2008/09 include developing the detailed service catalogue and service metrics for the agency, and work performed on the integrated financial management services programme. Another target achieved was the government wide architecture framework.

Table 11.17 State Information Technology Agency: Project information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Integrated Financial Management Services	1 189 065	1 240 878	1 315 331	1 394 251	1 477 906	1 566 580	1 723 238
Supply chain Management solution	1 931 455	1 932 429	2 426 908	2 617 180	2 978 810	2 929 517	3 100 000
Business Intelligence and Technology Architect solution	116 176	24 583	196 700	194 866	193 771	193 771	213 148
Functional Architecture	24 583	47 776	30 000	53 681	56 902	60 316	66 348
Change Management	60 645	228 615	82 423	314 542	175 467	620 332	760 835
Total expense	3 321 924	3 474 281	4 051 362	4 574 520	4 882 856	5 370 516	5 863 569

Table 11.18 State Information Technology Agency: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	3 465 418	3 773 481	4 205 068	4 813 500	5 163 359	5 677 460	6 245 206
Sale of goods and services other than capital assets <i>of which:</i>	3 363 206	3 614 374	3 983 020	4 551 000	5 051 610	5 556 771	6 112 448
<i>IT services revenue</i>	3 363 206	3 614 374	3 983 020	4 551 000	5 051 610	5 556 771	6 112 448
<i>Infrastructure</i>	102 212	159 107	222 048	262 500	111 749	120 689	132 758
Total revenue	3 465 418	3 773 481	4 205 068	4 813 500	5 163 359	5 677 460	6 245 206

Table 11.18 State Information Technology Agency: Financial information (continued)

Statement of financial performance R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Expenses							
Current expense	3 321 924	3 474 281	4 051 362	4 574 520	4 882 856	5 370 516	5 863 569
Compensation of employees	1 189 065	1 240 878	1 432 387	772 775	613 627	691 887	761 076
Goods and services	1 931 455	1 932 429	2 310 527	3 498 080	3 940 256	4 334 281	4 767 709
Depreciation	116 176	124 424	172 412	194 866	219 888	224 981	203 480
Interest, dividends and rent on land	24 583	47 776	73 684	15 862	–	–	–
Total expenses	3 321 924	3 474 281	4 051 362	4 574 520	4 882 856	5 370 516	5 863 569
Surplus / (Deficit)	143 494	299 200	153 706	238 980	280 504	306 944	381 637
Statement of financial position							
Carrying value of assets	474 622	594 135	615 991	1 244 825	1 524 937	1 824 956	1 871 476
<i>of which: Acquisition of assets</i>	149 451	261 825	198 506	772 000	500 000	525 000	250 000
Inventory	52 648	15 852	19 584	19 182	21 100	23 210	25 531
Receivables and prepayments	721 460	809 561	914 685	835 452	926 603	1 016 562	1 118 218
Cash and cash equivalents	1 096 728	1 101 256	984 717	891 958	893 234	905 579	996 137
Assets not classified elsewhere	–	39 763	66 123	38 000	36 000	32 000	35 200
Total assets	2 345 458	2 560 567	2 601 100	3 029 417	3 401 874	3 802 307	4 046 562
Accumulated surplus/deficit	1 066 765	740 629	894 334	1 786 119	2 066 622	2 373 566	2 610 923
Capital and reserves	–	625 335	625 334	–	–	–	–
Borrowings	26 000	20 800	15 600	10 400	5 200	–	–
Post-retirement benefits	85 540	93 213	102 382	85 000	87 500	87 500	96 250
Trade and other payables	1 107 153	625 664	669 878	715 461	786 807	867 481	954 229
Provisions	60 000	73 500	66 943	89 500	96 660	104 393	106 000
Liabilities not classified elsewhere	–	381 426	226 629	342 937	359 085	369 367	279 160
Total equity and liabilities	2 345 458	2 560 567	2 601 100	3 029 417	3 401 874	3 802 307	4 046 562

Expenditure trends

Revenue over the 7-year period grows at an average annual rate of 10.3 per cent. The main contributor to revenue is from IT services, which grows from R3.4 billion in 2006/07 to R6.1 billion in 2012/13. Cash of R87 million generated from operations was less than the budgeted R163 million due to: the challenges experienced in timely debt collection, which impacted negatively on working capital; the early payment of suppliers during the reporting period; and the lower than expected operating surplus. This limited the agency's ability to execute its capital expenditure programme.

The solvency ratio at the end of 2009/10 was 2.41:1 and the liquidity ratio 1.98:1, leaving the State Information Technology Agency healthy and with a sound financial structure.

Operating expenditure grew from R592 million in 2007/08 to R709 million in 2009/10, at an average annual rate of 9.4 per cent. The agency documented processes and established the associated costs in 2008/09 to improve the efficiency and effectiveness of infrastructure. The agency also piloted a performance management tool on its enterprise resource planning system and concluded training in this regard. Most of these costs were borne in 2008/09. The agency developed a public sector technology conference called Govtech in 2006 to develop the critical skills shortage in the ICT industry.

Additional tables

Table 11.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 thousand	2008/09		2008/09	2009/10			2009/10
1. Administration	96 386	90 998	95 414	108 793	6 512	115 305	115 305
2. Human Resource Management and Development in Government	32 569	35 498	35 943	46 904	1 167	48 071	46 271
3. Labour Relations and Compensation Management in Government	144 104	143 127	134 738	51 230	66 124	117 354	117 354
4. Information and Technology Management in Government	38 747	35 090	33 328	41 531	(1 384)	40 147	40 147
5. Service Delivery Improvement throughout Government	174 476	176 972	174 449	185 592	5 987	191 579	191 579
6. Governance for Public Service and Administration	142 723	157 722	156 738	162 274	8 059	170 333	170 333
Total	629 005	639 407	630 610	596 324	86 465	682 789	680 989

Economic classification

Current payments	388 429	416 638	396 834	331 884	74 029	405 913	404 113
Compensation of employees	125 215	133 085	129 111	137 871	15 516	153 387	153 387
Goods and services	263 214	283 553	267 661	194 013	58 513	252 526	250 726
Interest and rent on land	–	–	62	–	–	–	–
Transfers and subsidies	238 430	220 623	223 020	262 791	12 436	275 227	275 227
Provinces and municipalities	–	1	1	1	–	1	1
Departmental agencies and accounts	238 074	219 199	219 021	262 365	12 433	274 798	274 798
Foreign governments and international organisations	356	633	671	400	–	400	400
Public corporations and private enterprises	–	85	–	–	–	–	–
Households	–	705	3 327	25	3	28	28
Payments for capital assets	2 146	2 146	10 584	1 649	–	1 649	1 649
Machinery and equipment	2 036	2 036	10 068	1 539	–	1 539	1 539
Software and other intangible assets	110	110	516	110	–	110	110
Payments for financial assets	–	–	172	–	–	–	–
Total	629 005	639 407	630 610	596 324	86 465	682 789	680 989

Table 11.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
Permanent and full time contract employees							
Compensation (R thousand)	91 628	114 956	127 911	152 187	173 230	182 169	192 226
Unit cost (R thousand)	286	311	341	327	416	440	464
<i>Administration</i>	<i>219</i>	<i>215</i>	<i>249</i>	<i>260</i>	<i>322</i>	<i>339</i>	<i>357</i>
<i>Human Resource Management and Development in Government</i>	<i>301</i>	<i>382</i>	<i>385</i>	<i>387</i>	<i>465</i>	<i>490</i>	<i>522</i>
<i>Labour Relations and Compensation Management in Government</i>	<i>279</i>	<i>313</i>	<i>390</i>	<i>416</i>	<i>449</i>	<i>474</i>	<i>492</i>
<i>Information and Technology Management in Government</i>	<i>384</i>	<i>380</i>	<i>432</i>	<i>522</i>	<i>541</i>	<i>571</i>	<i>609</i>
<i>Service Delivery Improvement throughout Government</i>	<i>319</i>	<i>406</i>	<i>353</i>	<i>383</i>	<i>451</i>	<i>476</i>	<i>501</i>
<i>Governance for Public Service and Administration</i>	<i>299</i>	<i>332</i>	<i>426</i>	<i>371</i>	<i>474</i>	<i>501</i>	<i>536</i>
Personnel numbers (head count)	320	370	375	466	416	414	414
Total for department							
Compensation (R thousand)	92 528	115 820	129 111	153 387	174 430	183 369	193 426
Unit cost (R thousand)	268	294	323	312	396	418	441
Personnel numbers (head count)	345	394	400	491	441	439	439

Table 11.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 thousand)	92 528	115 820	129 111	153 387	174 430	183 369	193 426
Training expenditure (R thousand)	1 974	2 186	3 701	2 634	3 596	3 462	3 678
Training as percentage of compensation	2.1%	1.9%	2.9%	1.7%	2.1%	1.9%	1.9%
Total number trained in department (head count)	173	200	202	211			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	13	47	45	42			
<i>Learnerships trained (head count)</i>	-	-	-	5			
<i>Internships trained (head count)</i>	25	24	25	25			

Project description: R thousand	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2009/10	2010/11	2011/12	2012/13
Projects signed in terms of Treasury Regulation 16	1 541	1 046	1 635	1 733	1 837
PPP unitary charge	1 541	1 046	1 635	1 733	1 837
Total	1 541	1 046	1 635	1 733	1 837

1. Only projects that have received Treasury Approval: 1

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	National Fleet Contract - RTG 718 PPP
Brief description	Fleet Solutions for Department of Transport and User Departments
Date PPP agreement was signed	39967
Duration of PPP agreement	Five Years
Escalation index for unitary fee	CPIX
Net Present Value of all payment obligations discounted at appropriate duration government bond yield	N/A
Variations / amendments to PPP agreement	CPIX increase of 6.1% effected 14 November 2009
Cost implications of variations/amendments	R94 015.89 based on current CPIX increase
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	N/A

Table 11.E Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
United Kingdom	Integrated Provincial Support	Service Delivery Improvement throughout Government	9 036	Goods and services	Programme and project management, improved transparency and accountability, enhanced accessibility of basic service to the poor, strengthening the centre of government in Limpopo, Free State, Mpumalanga, KwaZulu-Natal and the Eastern Cape	7 355	1 681	-	-	-	-	-
Sweden	Public support in the Democratic Republic of the Congo	Governance for Public Service and Administration	5 784	Goods and services	Regional support to the Democratic Republic of the Congo, stabilisation of the country, building confidence in the state and developing a new governance framework through a census project. Census project in Kinshasa completed	5 251	533	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Public service Aids Indaba III	Human Resource Management and Development in Government	200	Goods and services	Contribution towards the public service reform project which is intended exclusively for costs incurred during the Learning session on the third public service AIDS indaba. The project was not completed and funding was refunded to donor	-	200	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	South African public management conversation conference and the fourth pan African conference of ministers of public service	Governance for Public Service and Administration	179	Goods and services	Contribution to the Minister for Public Service and Administration Africa programme commitments by paying for the publication cost emanating from South African public management conversation conference and the 4th pan African conference of ministers of public service	-	179	-	-	-	-	-

Table 11.E Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
Commonwealth Secretariat	Provincial learning and knowledge management workshop	Service Delivery Improvement throughout Government	37	Goods and services	Contribution to the provincial learning and knowledge management workshop hosted	-	37	-	-	-	-	-
Commonwealth Secretariat	Sponsored a study tour to Canada	Human Resource Management and Development in Government	7	Goods and services	To gain insight in terms of best practices from the Canadian federal government system to relate their experiences to current issues faced by the South African government such as the macro-organisation of the state and centralisation versus decentralisation	-	7	-	-	-	-	-
Commonwealth Secretariat	Fourth Pan African meeting of ministers of public service	Governance for Public Service and Administration	297	Goods and services	Successfully hosting of the Pan African meeting of ministers of public service	-	297	-	-	-	-	-
Canadian International Development Agency	Anti-corruption capacity building programme	Governance for Public Service and Administration	21 287	Goods and services	Strengthening competencies to prevent, detect, investigate, prosecute and monitor corruption by law enforcement officials, as well as to increase the understanding of corruption. Training material developed, officials trained	-	-	-	10 734	3 827	3 299	3 427
Royal Danish Embassy	Business anti-corruption training programme	Governance for Public Service and Administration	3 600	Goods and services	Increased capacity to fight corruption in the public sector. Report on the business survey against corruption	-	-	-	3 600	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Senior management service competency assessment	Human Resource Management and Development in Government	1 080	Goods and services	Compulsory competency assessment instruments for senior management service members finalised	-	-	225	855	-	-	-

Table 11.E Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign												
In cash												
Gesellschaft Technische Zusammenarbeit (GTZ)	HR Connect	Human Resource Management and Development in Government	2 049	Goods and services	Implementation of phases 2 and 3 of HR Connect. Organisational structure changed on Persal, Job title changed on Persal, posts updated with new job titles on Persal, department unique job profiles defined, distribution and capturing of survey forms	-	-	527	1 522	-	-	-
African Renaissance Fund	Democratic Republic of the Congo census project	Governance for Public Service and Administration	30 044	Goods and services	Regional support to the Democratic Republic of the Congo, stabilisation of the country, building confidence in the state and developing new governance framework through a census project. The public service census has been completed in Kinshasa and Bas Con	-	-	16 729	13 675	-	-	-
United Nations Development Programme	Ministers' programme	Governance for Public Service and Administration	2 566	Goods and services	To successfully convene the sixth Pan African conference of ministers for public service	-	-	-	2 566	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Public service conversations	Service Delivery Improvement throughout Government	100	Goods and services	Increased awareness and communication of anti-corruption issues in the South African business sector	-	-	-	100	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Awards sponsor	Service Delivery Improvement throughout Government	583	Goods and services	Hosting the annual Innovation conference and Innovation awards	-	-	-	583	-	-	-
In kind												
Commonwealth Secretariat	Air ticket	Service Delivery Improvement throughout Government	57	Goods and services	Air tickets upgrade for 3 international delegates attending learning organisation conference	57	-	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Review of the remuneration framework	Labour Relations and Compensation Management in Government	15	Goods and services	Developed terms of reference to appoint service providers to review remuneration framework	15	-	-	-	-	-	-

Table 11.E Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
In kind												
Department for International Development(United Kingdom)	Travel allowance	Service Delivery Improvement throughout Government	13	Goods and services	Payment of travel allowance	-	-	13	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Procurement of a research specialist	Governance for Public Service and Administration	400	Goods and services	Procurement of a research specialist	-	-	400	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Payment for all assessments	Human Resource Management and Development in Government	2 100	Goods and services	Completion of competency assessments	-	-	2 100	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Operational costs	Human Resource Management and Development in Government	500	Goods and services	Contribution towards human resource management and development operational cost	-	-	500	-	-	-	-
United Nations	Flight and accommodation	Governance for Public Service and Administration	16	Goods and services	Payment for flight ticket and accommodation cost	-	-	16	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Conference sponsor	Human Resource Management and Development in Government	500	Goods and services	Successful hosting of the senior management service conference	-	-	500	-	-	-	-
Local												
In cash												
South African Airways	Travel rands	Administration	474	Goods and services	Travelling expenditure allocated according to generated travel rands	100	400	-	-	-	-	-
IBM	Government Information Technology Officers Council meetings	Information and Technology Management in Government	100	Goods and services	Sponsorship to Government Information Technology Officers Council meetings and workshops	100	-	-	-	-	-	-
Sportsman's Warehouse	Indaba Project	Human Resource Management and Development in Government	100	Goods and services	Successful completion of the indaba project	-	100	-	-	-	-	-
Government Employees Medical Scheme	Employee health and wellness day	Human Resource Management and Development in Government	110	Goods and services	Hosted the employee health and wellness day	-	110	-	-	-	-	-

Table 11.E Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Local												
In cash												
Bytes Harges	Global forum V	Governance for Public Service and Administration	223	Goods and services	Hosted the global forum V	-	223	-	-	-	-	-
Gauteng Provincial Government	Global forum V	Governance for Public Service and Administration	470	Goods and services	Hosted the global forum V	-	470	-	-	-	-	-
In kind												
Sanlam	Senior management services conference	Human Resource Management and Development in Government	1 200	Goods and services	Successful hosting of the annual senior management service conference	600	600	-	-	-	-	-
State Information Technology Agency	Senior management services conference	Human Resource Management and Development in Government	100	Goods and services	Successful hosting of the annual senior management services conference	100	-	-	-	-	-	-
Metropolitan	Employee health and wellness indaba	Human Resource Management and Development in Government	250	Goods and services	Hosting of the employee health and wellness indaba	250	-	-	-	-	-	-
Internet Café (Cape Town)	Senior management services conference	Human Resource Management and Development in Government	35	Goods and services	Successful hosting of the annual senior management services conference	-	35	-	-	-	-	-
South African Airways	Travel rands	Administration	78	Goods and services	Usage of South African Airways travel rands provided to the department	-	-	78	-	-	-	-
Business Connexion	Offer to attend training at Linux professional institute	Administration	21	Goods and services	Attendance of a Linux professional institute training	-	-	21	-	-	-	-
South African Bureau of Standards	Air ticket	Human Resource Management and Development in Government	9	Goods and services	Payment for an air ticket	-	-	9	-	-	-	-
Microsoft	Awards sponsor	Service Delivery Improvement throughout Government	300	Goods and services	Contribution towards the hosting of the Centre for Public Service Innovation awards	-	-	300	-	-	-	-
Total			84 280			13 828	4 872	21 418	33 635	3 827	3 299	3 427

