

Vote 1

The Presidency

Adjusted budget summary

R thousand	2010/11			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	722 613	807 463	–	84 850
<i>of which:</i>				
Current payments	338 455	382 621	–	44 166
Transfers and subsidies	371 943	401 057	–	29 114
Payments for capital assets	12 215	23 785	–	11 570
Direct charge against the National Revenue Fund	4 550	4 550	–	–
Executive authority	Minister in the Presidency: Performance Monitoring and Evaluation as well as Administration			
Accounting officer	Chief Operations Officer in The Presidency			
Website address	www.thepresidency.gov.za			

Aim

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

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2010/11 as published in the 2010 ENE	Achieved in the first six months of 2010/11 (April to September)	Changed estimate for 2010/11
As published in the 2010 ENE	Programme linked to the indicator	Outcome the Indicator is linked to (if relevant)			
Number of households surveyed on income, consumption and expenditure in the national income dynamics study every two years	Executive Coordination	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	9 600	2 910	–

Mid-year progress

The number of households surveyed in the national income dynamics study is estimated at 9 600 for the financial year. The fieldwork started in May 2010 and thus far 2 901 households or 30.3 per cent of households have been surveyed. This contributes to the improvement of service delivery and access by households (output 1) which relates to an empowered, fair and inclusive citizenship (outcome 12).

Adjusted Estimates of National Expenditure 2010

Programme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
1. Administration	227 506	–	18 869	20 641	3 863	43 373	270 879	
2. Communications	30 036	1 281	–	(11 260)	399	(9 580)	20 456	
3. Executive Coordination	465 071	–	59 000	(9 381)	1 438	51 057	516 128	
Total	722 613	1 281	77 869	–	5 700	84 850	807 463	
Direct charge against the National Revenue Fund	4 550	–	–	–	–	–	4 550	
Salary of the President	2 394	–	–	–	–	–	2 394	
Salary of the Deputy President	2 156	–	–	–	–	–	2 156	
Total	727 163	1 281	77 869	–	5 700	84 850	812 013	

2010 Adjusted Estimates of National Expenditure

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Economic classification							
Current payments	343 005	1 281	37 299	(114)	5 700	44 166	387 171
Compensation of employees	218 135	–	10 150	(5 250)	5 700	10 600	228 735
Goods and services	124 870	1 281	27 149	5 136	–	33 566	158 436
Transfers and subsidies	371 943	–	29 000	114	–	29 114	401 057
Departmental agencies and accounts	371 943	–	29 000	–	–	29 000	400 943
Households	–	–	–	114	–	114	114
Payments for capital assets	12 215	–	11 570	–	–	11 570	23 785
Machinery and equipment	12 215	–	11 570	–	–	11 570	23 785
Total	727 163	1 281	77 869	–	5 700	84 850	812 013

Programme 1: Administration

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Subprogramme							
Minister	3 423	–	–	209	–	209	3 632
Management	159 975	–	15 469	425	2 495	18 389	178 364
Support Services to President	49 572	–	1 700	14 599	1 008	17 307	66 879
Support Services to Deputy President	14 536	–	1 700	5 408	360	7 468	22 004
Total	227 506	–	18 869	20 641	3 863	43 373	270 879
Economic classification							
Current payments	213 649	–	14 369	20 534	3 863	38 766	252 415
Compensation of employees	136 037	–	–	9 300	3 863	13 163	149 200
Goods and services	77 612	–	14 369	11 234	–	25 603	103 215
Transfers and subsidies	1 970	–	–	107	–	107	2 077
Departmental agencies and accounts	1 970	–	–	–	–	–	1 970
Households	–	–	–	107	–	107	107
Payments for capital assets	11 887	–	4 500	–	–	4 500	16 387
Machinery and equipment	11 887	–	4 500	–	–	4 500	16 387
Total	227 506	–	18 869	20 641	3 863	43 373	270 879

Programme 2: Communications

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Subprogramme							
Communications	30 036	1 281	–	(11 260)	399	(9 580)	20 456
Total	30 036	1 281	–	(11 260)	399	(9 580)	20 456
Economic classification							
Current payments	29 976	1 281	–	(11 260)	399	(9 580)	20 396
Compensation of employees	21 527	–	–	(6 765)	399	(6 366)	15 161
Goods and services	8 449	1 281	–	(4 495)	–	(3 214)	5 235
Payments for capital assets	60	–	–	–	–	–	60
Machinery and equipment	60	–	–	–	–	–	60
Total	30 036	1 281	–	(11 260)	399	(9 580)	20 456

Programme 3: Executive Coordination

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Policy Coordination	82 803	–	30 000	(15 252)	1 116	15 864	98 667	
Cabinet Office	12 295	–	–	5 871	322	6 193	18 488	
National Youth Development Agency	369 973	–	29 000	–	–	29 000	398 973	
Total	465 071	–	59 000	(9 381)	1 438	51 057	516 128	
Economic classification								
Current payments	94 830	–	22 930	(9 388)	1 438	14 980	109 810	
Compensation of employees	56 021	–	10 150	(7 785)	1 438	3 803	59 824	
Goods and services	38 809	–	12 780	(1 603)	–	11 177	49 986	
Transfers and subsidies	369 973	–	29 000	7	–	29 007	398 980	
Departmental agencies and accounts	369 973	–	29 000	–	–	29 000	398 973	
Households	–	–	–	7	–	7	7	
Payments for capital assets	268	–	7 070	–	–	7 070	7 338	
Machinery and equipment	268	–	7 070	–	–	7 070	7 338	
Total	465 071	–	59 000	(9 381)	1 438	51 057	516 128	

Details of adjustments to Estimates of National Expenditure 2010**Roll-overs – R1.281 million**

Programme 2: Communications

R1.281 has been rolled over for State Information and Technology Agency costs for the establishment of the presidential hotline.

Unforeseeable and unavoidable expenditure – R77.869 million

Programme 1: Administration

An additional 18.869 million is allocated as follows:

R4.173 million for establishing the shared internal audit service unit for the Department of Performance Monitoring and Evaluation and The Presidency

R2.15 million for protocol and ceremonial services for minting the seventh national order, and for travelling costs

R7.632 million for IT

R1.7 million for establishing the special projects units in The Presidency

R3.214 million for additional capacity in the office of the Deputy President.

Programme 3: Executive Coordination

An additional R59 million is allocated as follows:

R29 million to the National Youth Development Agency

R20 million to the Department of Performance Monitoring and Evaluation for its expanded mandate

R10 million to the presidential state owned enterprises review committee.

Virements and shifts

Programmes

1. Administration
2. Communications
3. Executive Coordination

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by Economic classification	Motivation	R thousand
Programme 1		(1 957)	Programme 1		1 957
Compensation of employees	Vacant posts and personnel shifted to the appropriate subprogramme	(1 850)	Goods and services	For costs of shifted personnel	1 850
	Reduction on salaries and wages	(107)	Households	For a leave gratuity	107
Percentage of programme budget		1.4%			
Programme 2		(11 260)	Programme 1		11 260
Compensation of employees	Personnel shifted to the appropriate subprogramme	(6 765)	Compensation of employees	Personnel shifted to Support Services to the President	6 765
Goods and services	Reduction on goods and services	(4 495)	Goods and services	For costs of shifted personnel	4 495
Percentage of programme budget		37.5%¹			
Programme 3		(11 053)	Programme 1		6 113
Compensation of employees	Reduction on Policy Coordination wages and salaries	(4 492)	Compensation of employees	For correcting the allocation for the minister's salary	4 492
	Personnel shifted from Policy Coordination to the appropriate subprogramme	(1 621)	Goods and services	For costs of personnel shifted to Support Services to the President	1 621
	Personnel shifted from Policy Coordination to the appropriate subprogramme	(1 665)	Programme 3		1 672
	Reduction on Policy Coordination salaries and wages	(7)	Goods and services	For costs of personnel shifted to Cabinet Office	1 665
Goods and services	Personnel shifted from Policy Coordination to the appropriate subprogramme	(3 268)	Households	For a leave gratuity	7
			Programme 1		3 268
			Goods and services	For costs of personnel shifted to Support Services to the President and Support Services to the Deputy President	3 268
Percentage of programme budget		2.4%			
Total		(24 270)			24 270

1. In terms of the PFMA, only the legislature may approve this virement

Other adjustments – R5.7 million

Adjustments due to significant and unforeseeable economic and financial events

An additional R5.7 million has been allocated for higher personnel remuneration increases than the main budget provided for, including the increased housing allowance, as follows:

Programme 1: Administration

R3.863 million

Programme 2: Communications

R399 000

Programme 3: Executive Coordination

R1.438 million

Expenditure for 2009/10 and preliminary expenditure for 2010/11

Programme	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 09 - Sep 09	% of adjusted appropriation	Apr 09 - Mar 10	% of adjusted appropriation	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation
1. Administration	240 728	115 628	48.0	244 107	101.4	270 879	159 952	59.0
2. Communications	35 630	11 680	32.8	26 523	74.4	20 456	13 583	66.4
3. Executive Coordination	418 438	50 154	12.0	398 906	95.3	516 128	237 299	46.0
Subtotal	694 796	177 462	25.5	669 536	96.4	807 463	410 834	50.9
Direct charge against the National Revenue Fund	4 284	2 921	68.2	3 830	89.4	4 550	1 954	42.9
Salary of the President	2 254	1 046	46.4	3 830	169.9	2 394	1 053	44.0
Salary of the Deputy President	2 030	1 875	92.4	–	0.0	2 156	901	41.8
Total	699 080	180 383	25.8	673 366	96.3	812 013	412 788	50.8
Economic classification								
Current payments	353 975	160 670	45.4	330 080	93.2	387 171	199 932	51.6
Compensation of employees	187 448	90 437	48.2	185 359	98.9	228 735	111 898	48.9
Goods and services	166 527	70 233	42.2	144 721	86.9	158 436	88 034	55.6
Transfers and subsidies	334 377	14 234	4.3	333 517	99.7	401 057	200 184	49.9
Provinces and municipalities	–	2	0.0	3	0.0	–	2	0.0
Departmental agencies and accounts	331 904	12 500	3.8	328 925	99.1	400 943	200 000	49.9
Public corporations and private enterprises	–	327	0.0	352	0.0	–	–	0.0
Households	2 473	1 405	56.8	4 237	171.3	114	182	159.6
Payments for capital assets	10 728	5 479	51.1	9 769	91.1	23 785	12 672	53.3
Machinery and equipment	10 728	5 479	51.1	9 769	91.1	23 785	12 672	53.3
Total	699 080	180 383	25.8	673 366	96.3	812 013	412 788	50.8

Main expenditure trends for the first half of 2010/11

Total expenditure for 2009/10 was 96.3 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 was R412.8 million, or 50.8 per cent of the adjusted appropriation of R812 million for the year as a whole. In comparison, mid-year expenditure in 2009/10 was R180.4 million, or 25.8 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 increased by R232.4 million or 128.8 per cent, compared to expenditure in the first six months of 2009/10.

The main expenditure increase compared to 2009/10 is due to inflationary salary and baseline adjustments.

Departmental receipts

R thousand	2009/10					2010/11			
	Adjusted estimate	Audited outcome				Actual receipts			
		Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate	Apr 09 - Mar 09	Apr 09 - Mar 09 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts	502	499	99.4	625	124.5	311	451	322	71.4
Sales of goods and services produced by department	102	102	100.0	128	125.5	252	252	71	28.2
Interest, dividends and rent on land	10	7	70.0	14	140.0	16	16	7	43.8
Sales of capital assets	240	240	100.0	306	127.5	-	140	140	100.0
Transactions in financial assets and liabilities	150	150	100.0	177	118.0	43	43	104	241.9
Total	502	499	99.4	625	124.5	311	451	322	71.4

Main departmental revenue trends for the first half of 2010/11

Departmental revenue collection in the first six months of 2010/11 was R322 000, or 71.4 per cent of the adjusted revenue estimate of R451 000 for the year as a whole. In comparison, mid-year revenue collection in 2009/10 was R499 000, or 99.4 per cent of the 2009/10 adjusted estimate. Departmental revenue collection in the first six months of 2010/11 decreased by R177 000 or 35.5 per cent, compared to revenue in the first six months of 2009/10.

The main revenue decrease compared to 2009/10 is due to the reduction in the sale of redundant furniture.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
1. Administration								
Households								
Social benefits								
Current	-	-	-	107	-	107	107	
Leave gratuity	-	-	-	107	-	107	107	
3. Executive								
Coordination								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	369 973	-	29 000	-	-	29 000	398 973	
National Youth Development Agency	369 973	-	29 000	-	-	29 000	398 973	
Households								
Social benefits								
Current	-	-	-	7	-	7	7	
Leave Gratuity	-	-	-	7	-	7	7	