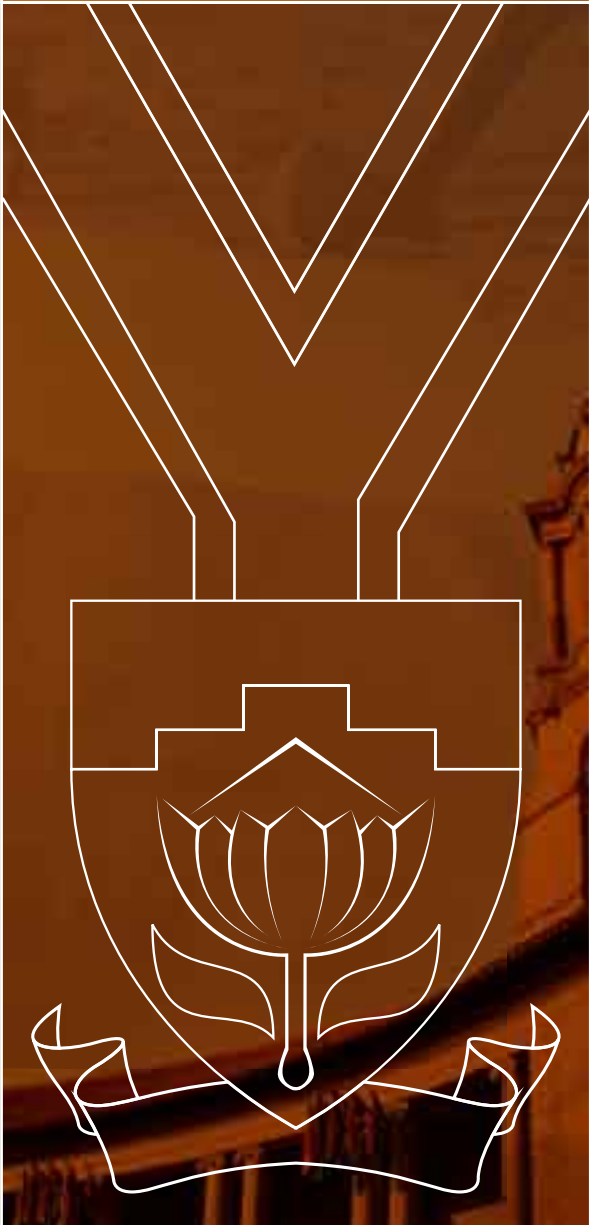




# THE PRESIDENCY

ANNUAL REPORT 2009 - 2010



THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA



#### **Acknowledgements**

All photographs provided by Government Communication and Information System - Elmond, Jiyane

Design and Layout by Profit Creative.

**ISBN: 978-0-621-39399-6**  
**RP: 86/2010**



#### **Submission of the Annual Report to the Executive Authority**

To the President of the Republic of South Africa, Mr. Jacob Zuma, I have the honour to submit to you, in terms of the Public Finance Management Act (1999) the annual report of The Presidency for the period 1 April 2009 to 31 March 2010.

A handwritten signature in black ink that reads "Duarte".

**Jessie Duarte**

**Chief Operations Officer and Accounting Officer**

# VISION AND MISSION



## OUR VISION

Excellence in governance for a better life for all.

## OUR MISSION

- To realise the strategic agenda of government and the enhanced integrity of the state by:
- Ensuring coherence in planning, co-ordination, policy development and implementation
- Performance monitoring and evaluation to promote a culture of accountability across the spheres of government
- Communicating progress against the priorities of government
- Mobilising the nation towards a common vision



# CULTURE

## CULTURE

The government's Batho Pele ('People First') initiative aims to get public servants to be service-orientated, to strive for excellence in service delivery, to commit to continuous service delivery improvement. As a way of delivering services and to place citizens at the centre of public service planning, the organisational culture of The Presidency strives to encompass both the ethos of Batho Pele, as well as the ideals and prescripts enunciated in the Constitution.

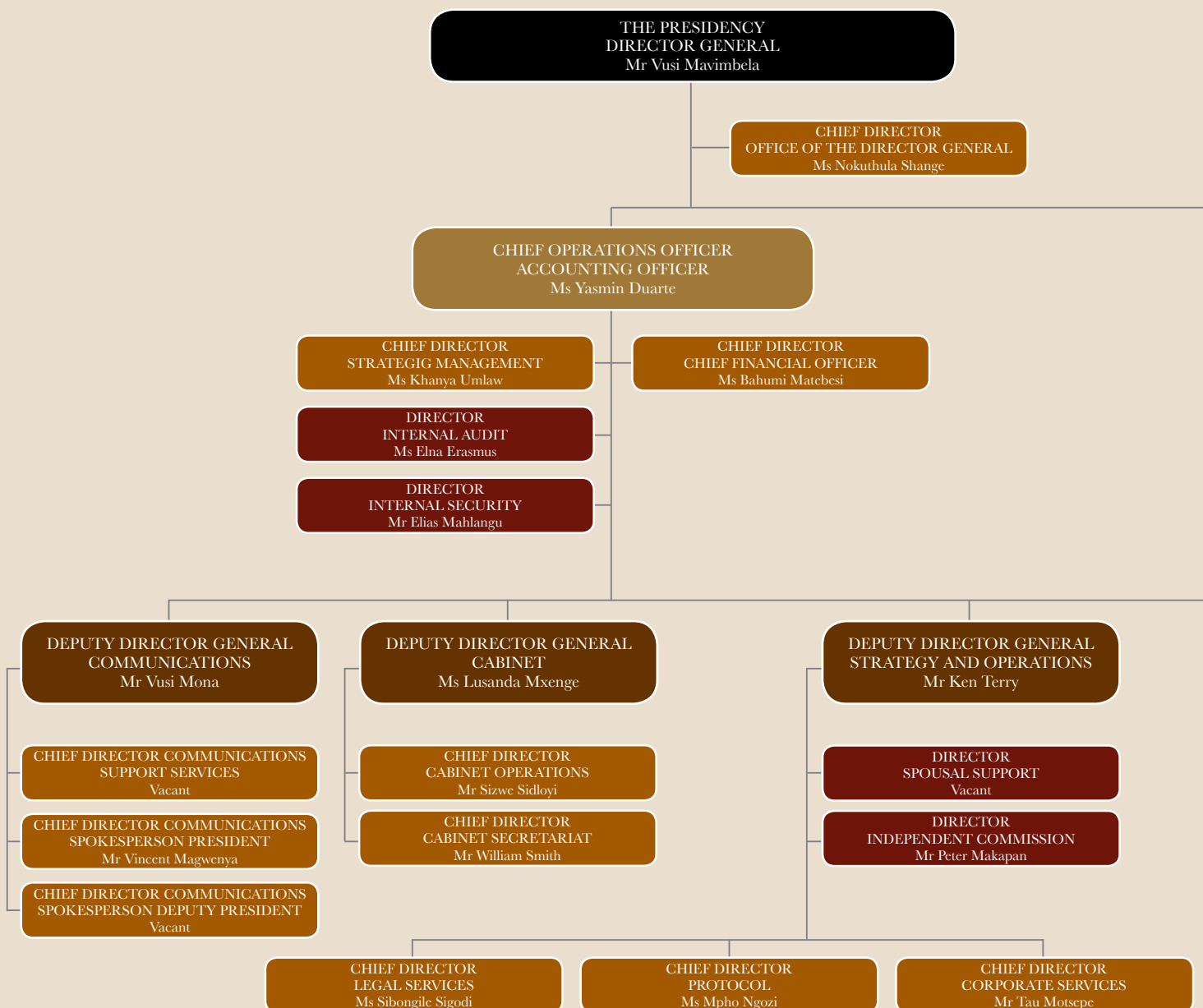
The Presidency further commits itself to the following specific value framework, in line with the President's personal commitment:

- Dedication – to be resolute, selfless, purposeful and steadfast in all we do.
- Commitment – to persevere as we seek to fulfil our duties and responsibilities.
- Discipline – to exercise self-control and to work with decorum.
- Integrity – professionalism, a commitment to ethics, and focus on justice and fairness and accountability.
- Passion - personal growth, energy and purpose.
- Service excellence - results orientation, cost effectiveness, superior performance, customer satisfaction.



**Kgalema Motlanthe**  
Deputy President of the  
Republic of South Africa

# ORGANOGRAM







LEGEND



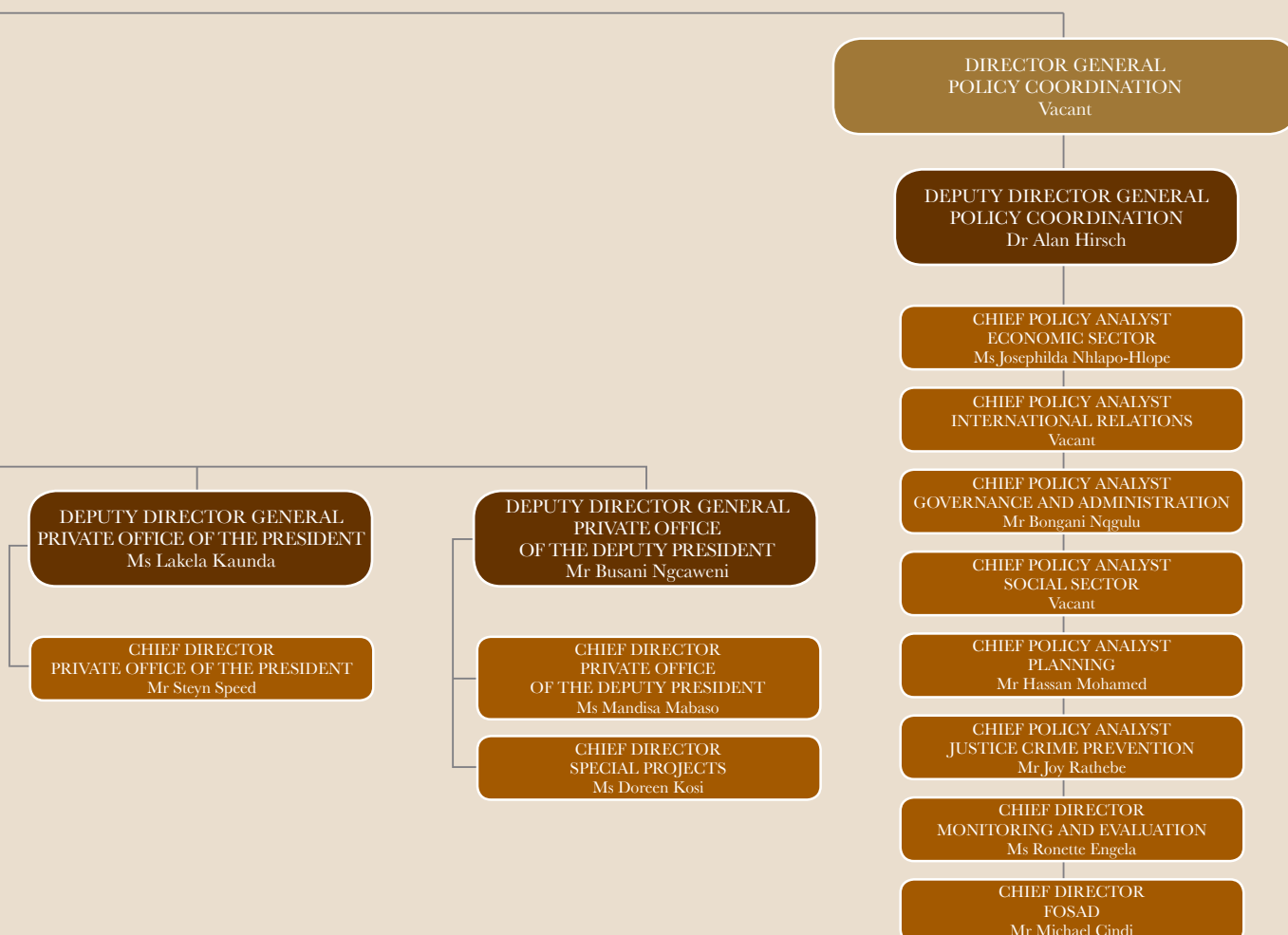
BRANCHES



CHIEF DIRECTORATES



DIRECTORATES



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# FOREWORD

DIRECTOR GENERAL



## PUTTING CITIZENS FIRST - DOING THINGS DIFFERENTLY, FASTER, MORE EFFECTIVELY AND IN A CARING MANNER

The period covered by this annual report (1 April 2009 – 31 March 2010) has indeed been an exciting time for South Africa.

On 22 April 2009, millions of citizens spurred on by the desire to change their lives for the better, cast their votes for the ruling party in South Africa's fourth national and provincial elections.

In his first State of the Nation Address to a joint sitting of Parliament in Cape Town on 3 June 2009, the new President of the Republic of South Africa, his Excellency J G Zuma, said that, in voting, South Africans "were encouraged by the vision of an inclusive society, a South Africa that belonged to all, a nation united in its diversity, a people working together for the greater good". In line with the electoral mandate received by the ruling party, the President outlined the orientation of his government as being boldly inclined towards people-centred rule for the common good.

This was done with the recognition of the then environment of a global economic crisis affecting every region of the world, including our own country. Indeed the President recognised that our economic

growth would be dampened with the concomitant negative implications for investment, employment, incomes and government revenue, and that this would require that we work in partnership in response.

This was the context in which the President, in his address, re-emphasized the 10 priorities of government's Medium Term Strategic Framework (MTSF), which is the short term planning framework on which the priorities of government departments are based. These priorities collectively constituted government's *Programme of Action* (POA). In drafting the MTSF, government was mindful of the danger that the economic crisis may have added to the burden of deepening poverty and inequality to the shoulders of the poor. Fundamentally, then, the success of the MTSF would to a large measure depend on the progress made in growing the economy in an equitable manner, underpinned by a widening skills base. The MTSF therefore emphasises the centrality of a growth path which addresses the economy's structural constraints, expands the industrial base and creates decent work opportunities on



a larger scale, but in the same breath also acknowledges that investment in quality education for young people and in skills development is critical to reducing poverty, eliminating structural unemployment, implementing a comprehensive social security system, building social cohesion and reducing crime in South Africa.

Given the enormous challenges faced by government, it was understandable that an election year returning a new President would see changes across the three spheres of government better to address the challenges still faced. The President is on record as saying that the defining feature of his administration would be “doing things differently, faster and in a more effective and caring manner which puts citizens first”. Accordingly, government has introduced a new outcomes approach to governance – a hallmark of which has been the signing of performance agreements with all Ministers based on the agreed outcomes. The outcomes approach narrows down the central focus areas of government work, which, through tracking, will yield noticeable results.

The Presidency itself has over the past year undergone significant change. Two

new ministries were established within The Presidency, i.e. the Ministry for National Planning and the National Planning Commission and the Ministry for Performance Monitoring and Evaluation and the Department of Performance Monitoring and Evaluation, while other changes were brought about in the structure of The Presidency.

This Annual Report provides an overview of how far government has gone in achieving its aims, from the perspective of The Presidency as the apex of government, as well as in its functions.

**Vusi Mavimbela**  
Director General  
The Presidency  
March 2010





# PREFACE

## CHIEF OPERATIONS OFFICER

### PLANNING, CO-ORDINATION, OVERSIGHT, MOBILISATION AND SUPPORT

The Constitution requires that all spheres of government work together and participate in the development of programmes to redress poverty, underdevelopment, marginalisation of people and communities, and other legacies of *apartheid* and discrimination.

The implementation of the strategic agenda of government and national priorities requires an effective national government, as well as the smooth functioning and careful synchronisation of the three spheres of government.

The President is elected by Parliament immediately after a national election to form such a government. In turn, the government's strategic agenda is derived from the electoral mandate of the ruling party. It is the implementation and achievement of this strategic agenda which then forms the substance and focus of The Presidency.

The Presidency, in ensuring that the President is able to exercise both his executive and head of state authority, plays a key role in the achievement of the above, and it is this task which informs The Presidency's mandate.

In this light, The Presidency exists to "ensure that the President is able to execute his/her constitutional obligation to promote unity and to do that which will enhance the Republic".

As the apex institution in government, the aim of The Presidency is "to facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the state through considered planning, co-ordination, oversight, mobilisation and support to this end".

The work of The Presidency for the period under review overlapped with the political transition leading up to the National elections of 22 April 2009. From September 2008 up to the meeting of the Cabinet Lekgotla held in May 2009 and the State of the Nation Address (SONA) to Parliament, The Presidency undertook not to undergo further planning initiatives to ensure that the future strategies and plans of The Presidency were guided by the vision and direction of the incoming leadership and the new mandate of the ruling party. In the meantime, and by agreement with Parliament, the





2008-2011 Presidency Strategic Plan and 2008-2009 Presidency Operational Plan remained operational.

Indeed, and in line with the President's directive to reconfigure National government, The Presidency saw major changes, some anticipated, others not, but nevertheless, changes which resulted in substantial structural reorganisation, operational disruptions and even delays in several areas of work in The Presidency. Yet, The Presidency was substantially a sound organisation, able to adapt rapidly to the changing needs of a new political administration. Within a short time, the organization was doing substantially what was expected of it.

This report provides an overview of the work of The Presidency over the past year.

**Yasmin Duarte**  
Chief Operations Officer  
The Presidency  
March 2010





# SECTION A

GOVERNMENT'S PROGRAMME OF ACTION







# 1

**SPEED UP ECONOMIC GROWTH & TRANSFORM THE ECONOMY  
TO CREATE DECENT WORK & SUSTAINABLE LIVELIHOODS**







*Government's Programme of Action is derived from various processes of government. In the period under review, these processes include an electoral mandate derived from National and Provincial elections, and the priorities of a new political administration as enunciated in the inaugural State of the Nation Address (SONA) of the new President of the Republic of South Africa, President Jacob Zuma, on 3 June 2009, based on the new five-year, revisable Medium Term Strategic Framework (MTSF) of government.*

*In his address to the joint sitting of Parliament in Cape Town on 3 June 2009, the President spelt out the 10 strategic objectives of government's Medium Term Strategic Framework (MTSF), which is the medium-term planning framework on which the priorities of government departments are based. The ten strategic objectives were based on the five priorities of the election manifesto. Deputy President Kgalema Motlanthe and Minister of Performance Monitoring and Evaluation, Collins Chabane, further elaborated on the strategic priorities of government. These strategic objectives and priorities collectively constitute government's Programme of Action (POA). For the purpose of this report, we shall report in terms of the overarching framework of the MTSF.*

In the context of the Global recession and the recession in South Africa, the main objective of government has been to respond appropriately, promptly and effectively. This is to ensure that growth in decent employment and improvements in income security are reinforced while investment levels to build up national economic capability are sustained, and industrial competitiveness improved. A requirement has been the environment of a stable macro-economy.

Although the economy has lost close to a million jobs due to the impact of the global economic recession, government responded swiftly to the recession with its *Framework for South Africa's Response to the International Economic Crisis*.

Under President Zuma, The Presidency and government's social partners continued to implement the Framework Agreement on a Response to the Financial

Crisis which was launched under former President Motlanthe. Under the framework agreement, the range of interventions launched included business rescue packages, a training lay-off programme to avoid retrenchments, an early increase in social transfers, and other measures to support threatened jobs.

If the core challenge is to grow the economy and create jobs, government recognises that there are structural constraints which have skewed the development trajectory of the country. These include:

- Persistent high levels of unemployment, inequality and poverty
- Insufficient finance for investment in productive sectors and job creation
- Low investment in research and development (R&D) and limited contribution by technology-based or knowledge sectors
- Uncompetitive and volatile exchange rate

- Low savings rate
- Long-term decline in agricultural and mining employment
- Lack of economic diversification, by sector and by location
- Limited progress in broadening economic participation
- Abuse of dominance and uncompetitive behaviour in key input industries
- Bottlenecks in logistics and energy infrastructure with often high and rising costs
- Skills shortages to support growth.

While attending to these structural constraints government has identified areas in which to stimulate real growth to ensure job creation in what will constitute a new growth path.

During the year, government began to implement Phase II of the Framework Response to the International Economic crisis targeted at accelerating the recovery

## SPEED UP ECONOMIC GROWTH & TRANSFORM THE ECONOMY TO CREATE DECENT WORK & SUSTAINABLE LIVELIHOODS



of jobs and of economic growth. The following priority steps are being taken:

- Accelerating the implementation of the Training Lay-off Scheme with Government in collaboration with the social partners. The scheme is intended to minimise job losses and facilitate re-training of workers to improve their skills and employability.
- Disbursement of funds annually through the Industrial Development Corporation (IDC) to companies in distress as loans or working capital. These funds will be subject to strict conditions such as limits on executive or management remuneration, payment of dividends and job losses.
- Intensification of the campaign to clamp down on illegal imports and under-invoicing (by importers) in order to protect local industries and consumers.

The Industrial Policy Action Plan 2 (IPAP2) that sees manufacturing, services and other productive sectors as the engine of sustainable growth was launched in February 2010. The IPAP2 is a concrete plan to scale up industrialisation interventions significantly to expand South African industrial capacity and grow industrial sectors to retain existing jobs and to create new jobs.

Government believes that science and innovation are critical for South Africa's long-term competitiveness in a knowledge-intensive global economy and that the country needs to build on its historical strength in scientific research, to exploit new technologies, and to discover new knowledge. South Africa's investment in the Square Kilometre Array (SKA) and SumbandilaSat reflect government's commitment to large-scale projects that promise social and economic rewards in future. Government will in 2010 intensify the emphasis on innovation in five identified areas of

research and other long-term R&D-led industrial development opportunities in biotechnology, information and communications technology (ICT) and electronics, bio composite materials, renewable energy, titanium beneficiation, high-value chemicals, advanced batteries, agro-processing, and high-value agricultural products.

To improve exploitation of large-scale science-based initiatives to support local manufacturing and skills development the Department of Science and Technology (DST) launched its Technology Assistance Packages to manufacturing companies successfully benchmarked in the foundry industry for participation in the Competitive Supplier Development Programmes of both Eskom and Transnet. DST will also develop a bio-economy strategy to build capacity in the areas of bio-pharmaceuticals, recombinant vaccines, new plant varieties and industrial enzymes.

Government will continue to implement initiatives to reduce the cost of retail communication services by 30% to enhance ICT application in business development and domestic use. Both the Electronics Communications and Independent Communications Authority of South Africa (ICASA) Act will be amended to support this objective. Government intends to take advantage of the opportunities of the "green economy" to create jobs, both directly and indirectly, especially in the transport, energy, building, manufacturing, agriculture and forestry sectors. Later this year the Cluster will finalise a "green economy" plan to be presented to Cabinet. (More details are provided later in this report).

In the coming period, government will leverage the public sector for employment and creation of employment opportunities.





The Expanded Public Works Programme [EPWP] II will be implemented. This is targeted to provide employment and income generation opportunities for those who are unemployed. It is estimated that two million job opportunities will be created through this programme by 2014. Government will also increase the number of people with disabilities in Sheltered Employment Factories.

Government regards enterprise development, especially in the Small, Medium and Micro Enterprise (SMME) sectors, as critical for the creation of jobs and will thus continue to provide innovation and support for their development. Funds will be set aside for lending by Khula to small enterprises. Further work will be undertaken to redirect financial and non-financial support to improve income generation and quality of production of enterprises in the informal economy. A new co-operatives model will be developed to strengthen support given to co-operatives, both financial and non-financial. This will include the establishment of the Cooperatives Development Agency.

Government has identified the tourism sector is an essential contributor to gross domestic product (GDP) growth, and the creation of decent work and job opportunities. Government will thus take further steps to increase the number of domestic and international tourists and diversify the sector to realise new niche and, especially, rural-based tourist products by 2014 /15. The World Cup will be a test for the country's organising ability and tourism infrastructure.



# 2

## MASSIVE PROGRAMMES TO BUILD ECONOMIC & SOCIAL INFRASTRUCTURE







*In line with previous government plans, in the period ahead government is endeavouring to continue with the infrastructure investment programme aimed at expanding and improving social and economic infrastructure to increase access, quality and reliability of public services and to support economic activities while also considering environmental sustainability and pursuing maximum employment impact. The medium-term aim is to ensure sustained investment growth over the medium term so as to achieve the target of a fixed investment ratio above 25% of GDP by 2014. The short-term objective is to counteract the effects of the worldwide recession on investment and employment in South Africa by catalysing economic growth and development. Government is investing in the building of water infrastructure, power stations and electricity distribution infrastructure, telecommunications and developing a transport system that ensures effective and efficient ports, roads, rail, aviation and maritime facilities. Indeed, it has embarked on the largest infrastructure investment programme the country has ever seen, towards a new developmental growth path in which job creation is a priority. Government's infrastructure budget will be increased from R784 to R846 billion over the medium term expenditure period. The accelerated infrastructure programme will allow us to deliver, among other things, a successful 2010 FIFA World Cup and set our country firmly on a higher and more inclusive growth path.*

In addition, government has committed itself to continue with programmes to provide and maintain health, education, library, sporting, recreation and other social infrastructure. Water - a scarce resource in South Africa - remains a key requirement in the country's growth and development path. In this regard government is currently implementing the following key projects;

- Construction of water distribution systems from Nandoni dam in Limpopo and Inyoka dam in Mpumalanga;
- The Vaal Eastern Sub-system to augment water supply to the Duvha, Matla and Kusile power stations;
- The Mooi-Mngeni Transfer Scheme in KwaZulu-Natal involving the construction of the Spring Grove Dam for domestic water supply in Ethekekwini and Umgungundlovu and the creation of between 400-500 job opportunities over the next five years;
- The Olifants River Water Resource Development Project in Limpopo

involving the construction of the De Hoop Dam (which commenced in 2007) which currently employs 752 people; and

Plans to raise the Clanwilliam Dam wall in the Western Cape and Hazelmer Dam wall in KwaZulu-Natal are at advanced stages. It is anticipated that 500 jobs will be created.

Government has recognised that the country is reaching the limit of its fresh water resources and therefore a concerted effort towards water conservation is needed urgently.

With regard to the development of an efficient transport system, government has the following objectives:

- reduction in transport costs;
- improvement in safety;
- reduction in the backlog of road and rail infrastructure;

- accessibility to and affordability of quality public transport in both rural and urban areas; and
- optimisation in freight logistics and improving energy efficiency.

A key player in the sector has been Transnet which spent R53,4 billion between 2005/06 and 2008/09. Transnet's R93.4 billion investment in ports, rail and pipelines infrastructure aims to improve efficiencies in these sectors, thereby lowering the cost of doing business. Major projects to be completed in the current financial year include the widening and deepening of the Durban entrance channel as well as the Port of Ngqura. Transnet Freight Rail received the first six 19E dual-voltage locomotives as well as 18 EMD diesel locomotives as part of a major replacement programme (172 locomotives over the next two years). It is estimated that Transnet's five-year capital investment programme will add over R115,4 billion to the



## MASSIVE PROGRAMMES TO BUILD ECONOMIC & SOCIAL INFRASTRUCTURE



national economy by 2018 and amount to just over 4.8% of national GDP by 2018. The Department of Transport (DOT) has worked closely with all World Cup host cities to ensure the rollout of infrastructure and preparation for the operationalisation of integrated public transport networks. In Johannesburg, Cape Town and Nelson Mandela Bay, the Bus Rapid Transit (BRT) system forms a core part of the public transport system. In Johannesburg the first-ever BRT in Africa commenced its phase 1A in August last year with the expansion of feeder systems due soon. In Cape Town and Nelson Mandela Bay, BRT infrastructure construction is well under way. In addition, other cities including Ethekwini, Mbombela etc, have invested in public transport infrastructure. Overall the commitment has been R4 billion up to 2010/11.

Under the auspices of the Airport Company South Africa (ACSA), government's R20 billion airports development programme has been completed. This included major projects at OR Tambo Airport, Cape Town International Airport terminal, Bloemfontein Airport, and Durban La Mercy Airport Development. More than 3 000 jobs were created as a result of these projects.

To improve the road infrastructure network, government invested R70 billion in a three-year funding period. Projects include the R23 billion Gauteng Freeway Improvement Project, and rural development by way of the Expanded Public Works Programme on roads throughout the country has a R3 billion budget allocated to it. While there is no maintenance backlog on the national network, government has recognised the need to replicate at provincial level the maintenance and construction programme which is world-class. Strides

have been made towards improved funding of roads through the user-pays principle. This has resulted in the road sector spending R9,7 billion without relying on the fiscus. Other interventions to protect the road network include the overload control strategy. This has seen an increase in the number and operations of weighbridges on the country's busy corridors and the establishment of industry self-regulation in the form of the Road Traffic Management System. The system targets freight that moves mainly on the secondary road network.

Government is gathering information on the extent, condition and investment requirements of all roads authorities in the country so that a composite picture can be drawn and effective plans and strategies implemented. Additional allocations of R3 billion (2007/08 MTEF) and a portion of R4 billion (2009/10 MTEF) for the roads sector in the Expanded Public Works Programme (EPWP) and the implementation of a rural transport strategy, will go some way towards improving access and mobility in rural areas.

Government is investing R25 billion over the Medium Term Expenditure Framework (MTEF) period to stabilise and upgrade rail passenger transport services in our country. Of this, R14 billion is being spent to upgrade rail passenger infrastructure and rolling stock while the balance will be funding for rail operations. South Africa has come a long way in arresting the decline in commuter rail services over the past few years. The Passenger Rail Agency of South Africa (PRASA) has since the 2006/07 financial year accelerated the rolling stock investment programme. This has resulted in over 1 500 coaches being refurbished to the tune of R5 billion. An additional 700 coaches will go through this



programme this year at an estimated R2 billion. PRASA is on course to eliminate the historical backlogs in the categories of General Overhaul (GO) and Upgrades for Rolling stock.

Freight logistics is the backbone of the country's economic development and to that end government is busy developing interventions to bring about the necessary efficiencies in the freight system to enhance the role that freight logistics plays. Currently the country's freight system is seriously underperforming due to many reasons, key among which is the historical under- investment in infrastructure, rolling stock and operating equipment.

These historical under-investments have resulted in serious system unreliability and underperformance. As a result, the system is unable to meet current freight demand. To deal with this, Transnet has embarked on a massive infrastructure and operational investment programme to improve service levels and reliability as well as to increase capacity across the freight system.

Some of the immediate interventions that government, along with Transnet, are implementing include the revitalisation of the railway branch lines by introducing private-sector players to operate and invest in them while Transnet focuses on investing in the main railway lines, ports and pipelines. In addition to the R75,3 billion that Transnet has invested in five years, it will in the next five years invest a further R93,4 billion in ports, rail and pipelines infrastructure and operations to improve efficiencies in these areas of the freight logistics sector. The coming on-stream of the newly-constructed Port of Ngqura, which is 84% complete, will make a significant contribution to this. The widening of the entrance channel of

Durban Port, which is 87% complete, the expansion of the Cape Town container terminal and other port expansion programmes underway, will help increase the volume throughput of our major ports and will improve flexibility and capacity of the national ports system.

The construction of New Multi-Product Pipeline (NMPP) Transnet Pipelines will increase fuel-carrying capacity by 8,7 billion litres per annum in 2011 and by 12,2 billion litres per annum in phase 2 of the project and by 26,2 billion litres in the ultimate phase 5 of the project. This investment is to ensure the security of supply of energy for the future.

Eskom has electrified more than 3,7 million households since 1991. About 99% of the municipalities participate in the Free Basic Electricity programme. Eskom's electrification projection for the financial year 2009/10 is 90 000 households. Despite significant successes over the last decade or so, it is recognised that there was a significant under-investment in electricity generation capacity in the period between 1991 and 2004/5 by Eskom (the 10th largest utility in the world). This resulted in the current critical shortage of generation capacity.

Due to the lack of an enabling environment, Independent Power Producers (IPPs) did not take up the gap as had been anticipated. The country now faces a potential 40 000 MW shortfall in future energy demand. To deal with the electricity supply challenges The Presidency co-ordinates the National Stakeholder Advisory Council on Energy (NSACE) comprising social partners and NEDLAC. The Council is supported by an Inter-Ministerial Committee chaired by the Public Enterprises Minister, as well as a technical response team led by senior managers from the Departments



## MASSIVE PROGRAMMES TO BUILD ECONOMIC & SOCIAL INFRASTRUCTURE



of Energy, Public Enterprises, Economic Development and The Presidency. The advice of NSACE has contributed significantly to the stabilisation of electricity supply.

The Department of Energy is developing a second long-term Integrated Resource Plan (IRP2) which will look at securing sufficient generation capacity to meet demand, options for IPPs, the implementation of demand-side management and energy efficiency measures, and, protecting the poor from higher electricity prices.

In 2004/5, Eskom embarked on a massive build programme, the fifth largest in the world, which will provide the huge and much-needed transmission and generation capacity for the country. Eskom has a capacity expansion budget, covering the years of the Multi-Year Price Determination (MYPD) applications of R385 billion for 2008 to 2013. Out of the capital budget, 73% will be spent on generation, 13% on transmission and the remainder used to strengthen the distribution networks.

Since its expansion programme started in 2005, an additional 4 653 MW has already been commissioned. The plan is to deliver an additional 16 304 MW in power station capacity by 2017. Of that, 7,776 MW is already under construction (mainly Medupi and the Ingula power station).

Over R48 billion was spent in 2008/09 and R65 billion is planned to be spent in 2009/10 and R96 billion in 2010/11. As a result of Eskom's build programme it is estimated that 40 000 direct construction jobs will be created. Overall the build programme will create approximately 160 000 new jobs (direct and indirect)

which may be sustained over the duration (5 years) of the build programme.

To date, Eskom has already expanded capacity of energy supply by: returning to service (RTS) of the previously "mothballed" units of Camden, Grootvlei and Komati power plants (totalling 2 370 MW); the construction and commissioning of two open-cycle gas turbines, Ankerlig (5x148.3 MW) and Gourikwa (2x149.2 MW), totalling 2 084 MW; and increasing the output capacity of Arnot power station (totalling 200 MW). Further capacity will also come from other RTS projects; new projects: Medupi (4 764 MW), Kusile, with the private sector, (4 800 MW), and the Ingula pump storage scheme (1 352 MW); further increase in output capacity of existing plants; and a new wind energy facility (50 turbines) with total output of 100 MW. South Africa's energy country plan envisages a progressive introduction of renewable energy capacity towards a target of 1 445 MW by 2013 of which 343 MW capacity is planned for 2010 through several major projects in renewable energy such as wind power and concentrated solar power. A pilot household solar energy project was launched in Winterveldt in Pretoria and this project will be rolled out nationally.

Government will in 2010 adopt a Broadband Policy to strengthen government's capacity around infrastructure expansion, enhance facilities leasing and also facilitate the sharing of infrastructure. This policy will contribute progressively to reducing the cost in the country of communicating via broadband and telephony (both mobile and fixed line) over the next few years, and create employment and employment opportunities through the construction, operation and maintenance of the network. The uptake and usage





of broadband will contribute to making South Africa globally competitive.

The international move to digital migration holds great promise not only for the picture quality of television, but more importantly for its potential to create jobs. Thus government's Broadcasting Digital Migration policy will contribute to industrial growth and the creation of jobs through the implementation of the set-top boxes (STBs) Manufacturing Sector Development Strategy this year. The intention is to manufacture 8 million set-top boxes commencing with 500 000 in the 2010/11 financial year. Poorer TV-owning households will be subsidized to enable them to buy STBs.

This strategy will also contribute to job creation and job opportunities, with specific reference to the STB value chain, from manufacturing, assembling to installation, repairs and maintenance.

Government has established Broadband Infraco as a new state-owned enterprise (SOE) which has invested in infrastructure to enable it to sell high capacity long-distance transmission services to licensed fixed and mobile network operators, internet service providers and other value-added network service providers. At the end of 2009 Infraco's network assets consisted of 11 800 kilometres of fibre optic cable routes. This provided connectivity from Gauteng to the major metropolitan centres of Bloemfontein, Kimberley, Cape Town, Port Elizabeth, East London, Durban, Nelspruit and Polokwane. Interconnections to Botswana and Mozambique were also successfully completed, while interconnections to Namibia and Zimbabwe are nearing completion. Furthermore, to enhance South Africa's international connectivity and the speed

of broadband, Infraco is co-investing with the private sector in the deployment of the West African Cable System (WACS) project. WACS is a 14 000km international marine cable network from South Africa to the United Kingdom and Portugal with landing stations in 12 West Coast African countries. The system comprises four fibre optic pairs with a maximum capacity of 5.12 Terabits per second (Tb/s). Recent indications are that Infraco's national network has already had a significant impact on wholesale prices of communication and it is anticipated that the marine cable will further continue this positive trend.

The preparations for the 2010 FIFA World Cup Soccer provided government with the impetus to accelerate infrastructure development in the country. At the time of writing, 100 days before kick off, it is all systems go for the World Cup. Upgrades at OR Tambo airport, Cape Town international (as already mentioned) and Mangaung have been completed to world-class standards. On 1 May 2010 the first plane will land at the new King Shaka airport. The Passenger Rail Agency of South Africa (PRASA) has ordered 570 additional buses and driver training is underway. Public transport will become one of the sectors to benefit from investments induced by the 2010 World Cup. Government is currently contracting services and ordering fleet services as well as processing the provision of overlay services including domestic flights, intercity travelling, fan parks and similar services. We are confident that Phase 1 of the Gautrain Rapid Rail Link - between OR Tambo Airport and Sandton will be ready for the FIFA World Cup. All of these milestones will be part of the lasting legacy that will be enjoyed by generations of South Africans for many decades, long after the World Cup has come and gone.

A Presidential State Owned Enterprises (SOE) Review Committee will shortly be appointed to review State Owned Enterprises as part of government's economic transformation agenda to ensure that they respond to a public mandate, towards building a developmental state.

To speed up, transform and broaden benefits of broad-based black economic empowerment, a Broad-Based Black Economic Empowerment Advisory Council, chaired by the President, was established to investigate critical issues such as; ownership and deals in the marketplace, the alleged abuse of black empowerment through fronting, as well as the promotion of instruments such as preferential procurement legislation, industry charters and the verification agencies to advance BEE.

# 3

A COMPREHENSIVE RURAL DEVELOPMENT STRATEGY LINKED TO  
LAND & AGRARIAN REFORM & FOOD SECURITY







*Between 10 and 15 million South Africans live in areas that are characterised by extreme poverty and underdevelopment. Recognising the diversity of our rural areas, government's overall objective is to develop and implement a comprehensive strategy of rural development that will be aimed at improving the quality of life of rural households, enhancing the country's food security through a broader base of agricultural production, and exploiting the varied economic potential that each region of the country enjoys.*

Without any concerted effort and targeted intervention, the rapid increase in food prices is likely to have adverse impacts on poverty, and threatens many poor households' access to food. As is common knowledge, poor households spend a higher percentage of their household income on food. Therefore the immediate challenge is to get food to those most in need. To cushion the burden of rising food prices on poor households, government has implemented the Household Food Production Programme. To date, 30 024 households have been reached through this programme. As part of the programme, about 60 vegi-tunnels were established in three learning sites in the Eastern Cape, Limpopo and North West province respectively. In support of this programme, the Department of Agriculture, Forestry and Fisheries in collaboration with the Food and Agriculture Organisation (FAO), will implement telefood projects, which are small-scale farming projects designed to provide vulnerable households and communities with the tools necessary to increase the quantity and variety of their production. Project categories range from crop production to fish and animal production, including support to school

food garden initiatives. Some of the telefood projects also generate income, since excess crops can be sold in local markets. Government is of the view that small-scale farmers can contribute significantly to the reduction of food insecurity and our country's massive food import.

Rural development includes agriculture and agro-processing that is integrated and supports mainstream economic activities. The Department of Rural Development and Land Reform is currently implementing the Comprehensive Rural Development Strategy on a pilot basis in 21 wards. The pilot programme has notched up significant successes with the potential to transform rural economies and livelihoods. Government will scale up the Comprehensive Rural Development Programme to cover 160 wards by 2014, to impact positively on at least 1.9 million people in rural areas.

The Department of Rural Development and Land Reform will oversee the management and implementation of the Integrated Sustainable Rural Development Programme which was previously under the Department of Co-operative Governance and Traditional Affairs. The

Department is finalising a Comprehensive Rural Development Strategy Green Paper. The strategy will include a "Job Creation Model" and the fostering of an enabling environment through construction and rehabilitation of economic infrastructure such as agriparks, road networks and access to ICT, the organising of communities into co-operatives and the establishment of small enterprises. Resuscitation plans will be developed for farms under distress which government has acquired through land distribution and restitution since 1994. The plans will include on-off farm infrastructure, mechanisation, skills training and extension support and other much-needed operational inputs, through various strategies such as mentoring, co-management and share equity. This investment is vital in ensuring that these farms produce much-needed food and incomes for land reform beneficiaries, their families and society as a whole.

Support will also be provided to black farmers who are indebted to the Land Bank and face the prospect of losing their farms. A review of the Land Tenure Systems Reform, to bring about a more effective system of land tenure, will be undertaken.



# 4

## STRENGTHENING THE SKILLS & HUMAN RESOURCE BASE





*Education has enjoyed the largest proportion of the national budget throughout most of the past 15 years. While this constituted a significant investment in building human capital and capabilities and has resulted in a gradually improving human resource and skills base, it is the view of government that progress has not been optimal and the achievements have not taken place on the required scale. Government's approach will henceforth be on focusing the system towards the delivery of quality outcomes including, inter alia, learner outcomes, early childhood development (ECD), improving schools management and Monitoring and Evaluation systems and supporting and developing a high quality teaching profession.*

Nearly 70% of all South Africans are under the age of 35 and in this context the imperative to invest in the youth, the future of our country, is recognised.

Progress has been made in revitalising the country's education system. A new Department of Basic Education (DBE) has been set up. This department, together with the Department of Higher Education and Training (DHET), has been mandated to direct attention to improving performance in schools and the training of a skilled workforce. They have been tasked with two key outcomes: to improve the quality of basic education, and provide a skilled and capable workforce to support an inclusive growth path.

Improving the quality of basic education remains an enduring challenge. The downward trend in the matric pass rate over the last few years is cause for concern. Many learners exit the foundation phase without the basic literacy and numeracy skills required to succeed later on. Many of our schools are dysfunctional. Many district officials and principals are not providing adequate leadership or managing schools effectively.

The majority of teachers lack the required subject knowledge, they are not teaching what they are trained to teach, and too often also they lack the commitment to teach for six and a half hours every day. Time-use during school time also means that the curriculum is often not covered as it should be. Homework is not given or marked, and teachers seldom provide meaningful feedback to learners on their work. Teachers have the duty to give learners opportunity to learn and develop. There is a need for a culture and sense of accountability among all participants in education. Learners have a right to education, a right to leave school both literate and numerate, while government's responsibility is to ensure that this actually happens.

The Department of Basic Education will henceforth not only focus on policy, but also take on oversight and monitoring responsibilities. During 2009, government established a Ministerial Committee on Curriculum Review. The committee has now made recommendations.

At the heart of government's Quality Learning and Teaching campaign is getting

schools to work, i.e. developing schools that are characterised by capable leaders and managers, committed teachers, supportive parents, disciplined learners, with a safe environment free of drugs and crime. A key to this campaign is to involve all the social players involved in education. Accordingly DBE has overseen the appointment of new school governing bodies (SGBs) comprising 150 000 parents in 2009, and training of SGBs will take place in the new financial year. Government has also agreed on a social compact with the unions and is currently working with all the unions on implementation of the goals of the Campaign in a programmatic manner.

In order to deal with curriculum implementation changes recommended by the IMC, government has acted on the main recommendations. While some recommendations are being implemented immediately, others will require further research and planning before implementation.

As government continues the work of improving the curriculum, the national department in partnership with provincial departments is providing structured, systemic support to teachers who require



## STRENGTHENING THE SKILLS AND HUMAN RESOURCE BASE



greater guidance than the curriculum is currently providing. As planned and reported before, the distribution of learning and teaching support materials and workbooks as well as lesson plans in literacy and numeracy for grades one to six, to all 13 900 schoolteachers in the primary schools as part of the Foundations for Learning Campaign, are now complete. This will enrich the Grade R classroom and consolidate the learning experience of grade R learners.

The DBE has also introduced the annual national assessment for grades three, six, and nine to measure the success of interventions in literacy and numeracy. In response to the poor matric results, government undertook a rapid assessment and remediation initiative that targeted schools which performed below 20 percent in 2009. It has distributed additional study materials to grade 12s through the provincial education departments. The DBE is monitoring these schools on a monthly basis.

Education depends very much on the quality of teachers. In mid-2009 the DBE held a very successful National Teacher Development summit with all the key stakeholders in education. Government intends to make further decisions on an integrated national teacher development plan in April 2010. The DBE has established a National Education Evaluation and Development Unit (NEEDU) to oversee its monitoring, evaluation and development strategy.

Schools infrastructure backlog remains a challenge for government and is estimated at R140 billion. In some provinces, the backlog is growing rather than being eliminated. To address our infrastructural needs, we are planning improvements through the use of the school building facility. The Department of Basic Education is in discussion with the Presidency, Development Bank of Southern Africa (DBSA) and Treasury





regarding increased finance and capacity for school infrastructure.

The DBE has leveraged the focus on the FIFA World Cup Soccer to encourage young South Africans to participate in some form of sporting activity and thus ensure that young people adopt healthy lifestyles. The Department of Basic Education, in partnership with Sport and Recreation South Africa, the Department of Arts and Culture, the 2010 FIFA Local Organising Committee (LOC) and Adidas, has initiated the “My 2010 School Adventure”. The South African Schools’ Confederation Cup, which was the first phase of this campaign, was successfully hosted in May 2009 which will culminate in the South African Schools’ World Cup in 2010. Other ancillary activities are a soccer tournament with learners from the other participating African countries, and an Art and Creative Writing competition. In addition, a draft school sport policy is nearing finalisation and has been discussed with the South African Sport Confederation and Olympic Committee (SASCOC), sports federations, and the National Co-ordinating Body for School Sport (NACBOSS) and will be published for comment in the near future.

The Kha Ri Gude Adult Literacy campaign concluded its second year of the implementation of adult literacy classes in January 2010. The campaign enrolled 613 638 adults during this second year. These learners, with the 360 000 adults reached by the campaign in 2008, cumulatively mean that South Africa has approximately 1 million newly literate adults.

Government, through the Department of Higher Education and Training, has set out a strategy to increase the number of young people that are in education, employment or training by 2014/15. It should be noted that 2.8 million of

18 to 24 year olds are not in employment, education or training.

The aim of this strategy is to strengthen the capacity of the education and training system to provide pivotal programmes to a growing number of young post-school learners as well as adults at turning points in their careers. Pivotal programmes are those “professional, vocational, technical and academic learning” programmes which meet critical needs for economic growth and social development, especially in the critical areas of engineering, life and physical sciences, teacher education and health sciences.

To remedy under-enrollment, government aims to strengthen the schooling system and by giving “second chance” basic entry learning opportunities, including Adult Basic Education and Training (ABET) programmes and foundational entry-level learning opportunities. Other programmes will involve universities, universities of technology or colleges with structured learning at work, professional placements, work integrated learning, apprenticeships, learnerships, internships and the like.

Government intends to improve access to and success at post-school learning sites such as universities and colleges which ideally should provide structured bridges to the world of work and quality learning. The Further Education and Training sector with its 50 colleges and 263 campuses nationally will be the primary site for skills development training. They will also provide second chance education opportunities for those who do not qualify for university entrance.

Universities and colleges are the key providers of the education and training needs identified in the economic sectoral fora of the Sector Education and Training Authorities (SETAs). These institutions are expected to produce the

knowledge and skills that South Africa needs. In order further to expand access to higher education, work towards the establishment of centres of higher learning in Mpumalanga and the Northern Cape is continuing. A total of R3,2 billion was allocated for the infrastructure needs of universities over the next two financial years. The department is working closely with provinces to put in place a comprehensive suite of programmes and measures to make college learning more attractive. The Minister of Higher Education will together with the National Student Financial Aid Scheme (NSFAS) and other stakeholders in the higher education sector take steps to minimise disruptions arising from student funding in the 2011 academic year.

The Presidency is providing leadership in the development and finalisation of the Human Resource Development Strategy of South Africa (HRDSA). The strategy has been canvassed widely among practitioners and stakeholders and has been welcomed as a critical mechanism to address the country’s skills shortages. The HRDSA will be managed in the Department of Higher Education and Training where a secretariat is being established. The strategy is being revised and will be ready for publication by August 2010.

To champion and oversee this strategy, a Human Resource Development Council (HRD Council) comprising representatives from social partners, research agencies, education and training bodies as well as experts in the field of human capital development, was established and launched in March 2010. The HRD Council, chaired by the Deputy President, will co-ordinate the alignment of strategies that are subordinate to the HRDSA, such as the National Skills Development Strategy (NSDS) which directs the spending of the one percent employer payroll levy.

# 5

IMPROVING THE HEALTH PROFILE OF SOCIETY





*In 2009 President Zuma pointed out the degenerating level of healthcare within our healthcare institutions, and, on another occasion, he underlined the drop in life expectancy at birth from 60 years in 1994 to below 50 years today. These are serious and inter-related challenges requiring government to lower the maternal mortality rate, reduce infant and under-five mortality rates, prevent new HIV infections, expand HIV/AIDS treatment, reduce the unacceptably high incidence of tuberculosis (TB), dramatically reduce the incidence of malaria and reduce incidences of chronic diseases and non-communicable diseases. All these interventions have to be premised on a public health care system which is world- class.*

In the current MTSF period, government aims to reduce inequalities in the public health system, improve the quality of care and public facilities, boost human resources and step up the fight against HIV and AIDS, TB and other communicable diseases as well as lifestyle and other causes of ill-health and mortality. Key elements of government's strategy include the phasing in of a National Health Insurance system over the next 5 years and increasing institutional capacities to deliver health-system functions; and initiating major structural reforms to improve the management of health services at all levels of healthcare delivery, including particularly hospitals; and major health infrastructure development.

In the year under review, government has channelled more resources and energy towards prevention and treatment of preventable diseases and the revitalisation of the public healthcare system.

Government has made a great effort to strengthen the South African National AIDS Council (SANAC), the multi-sectoral structure responsible for policy advice, co-ordination and management of our national response to HIV, Aids and TB. SANAC now has a permanent secretariat

with full-time capacity. Massive campaigns on HIV and TB prevention and treatment have been launched under the auspices of the South African National Aids Council which is led by Deputy President Kgalema Motlanthe. Cabinet announced that 15 April 2010 will see the start of a massive counselling and testing campaign, while on 1 April 2010 new treatment modalities will be implemented in all government health institutions.

A mid-term review on progress made in achieving the targets of our 2007-2011 HIV and AIDS National Strategic Plan (NSP) was conducted and its results will be released in May 2010. The review provides an independent assessment of how the country has performed at the local, provincial and national levels across the four NSP key priority areas.

During the year, the Minister of Finance announced an additional R5,4 billion to improve the effectiveness of our treatment programmes. The public health system now provides antiretroviral treatment to a globally unprecedented 1 million people. With the additional funds made available, government will double this number over the next three years and make serious inroads into its aim of meeting the NSP

target of providing treatment, care and support to 80% of those people in need. To meet the challenge of supporting non-governmental organisations and of improving the response capacity of the Department of Health, government successfully applied for funding - amounting to approximately \$100 million over 5 years - from Round 9 of the Global Fund for AIDS, TB and Malaria. To reach the second target of the NSP, which is to halve the rate of new HIV infections, a national HIV Counselling and Testing (HCT) campaign will be launched by President Zuma before June 2010. It will be rolled out in all provinces by the Premiers, MECs, Mayors and social partners. SANAC has also worked with traditional leaders to promote HIV and AIDS awareness. Thus, His Majesty King Zwelithini has partnered with the government of KwaZulu-Natal to roll out the biggest medical male circumcision project in the country's history. While the circumcision drive does not replace the core messages of "abstain", "be faithful" and "condomise", i.e. the ABC, it recognises that circumcision significantly reduces the chances of infection by between 50 and 60%.



## IMPROVING THE HEALTH PROFILE OF SOCIETY



Significantly, our fight against HIV and Aids has received support from the Champions for an HIV-Free Generation led by former presidents Festus Mogae of Botswana and Joaquim Chissano of Mozambique, who have interacted with SANAC and provincial structures and have also visited projects to share lessons and experiences.

Government continues to support the Department of Health's 10 point programme to turn the health system around. Various aspects of the Programme have been at different stages of implementation.

In this battle to lower the unacceptably high levels of maternal mortality and infant mortality, primary healthcare shall be the central weapon in our arsenal. Government is of the view that greater emphasis should be on a preventive rather than curative model in respect to all diseases, especially communicable ones.

Hence primary healthcare programmes like mass immunisation campaigns will be primary. Between April and May 2010, government will embark on a mass campaign to inoculate more than 95 percent of all children between six months and 14 years against measles and more than 90 percent of all children between birth and five years against polio. Similarly a campaign to provide 95 percent of children with vitamin A supplementation and de-worming tablets will also be undertaken.

Government will also undertake a mass immunisation campaign against H1N1 influenza from April 2010 and strengthen the existing routine immunisation campaign against other diseases such as rotavirus and pneumococcal in all its healthcare institutions.

Furthermore, the Departments of Health and of Education will launch a

School Health campaign in 2010 to take primary healthcare to our schools. Work has begun on legislation to establish an Office of Standard Compliance to enforce acceptable standards in our healthcare institutions. The Department of Health has appointed a team led by the Development Bank of South Africa (DBSA), to assess management, functionality and effectiveness of each and every institution in the public health system.

Government has chosen five major tertiary and referral hospitals as flagship institutions for major infrastructural improvement. These are: the Chris Hani Baragwanath hospital in Soweto; the George Mukhari hospital in Ga-Rankuwa; the King Edward VIII hospital in Durban; the Walter Sisulu hospital in Limpopo; and the Polokwane tertiary complex in Polokwane.





# 6

## INTENSIFYING THE FIGHT AGAINST CRIME & CORRUPTION







*There is recognition by government that levels of crime and corruption need to be curbed. Specifically, government has identified contact crime, crimes against women and children and organised crime, and the combating of corruption as priorities. Government intends to undertake a comprehensive revamp of the criminal justice system (CJS), including the strengthening of accountability systems and enhancement of citizen involvement and community mobilisation in the fight against crime.*

Cabinet has identified the following outputs with concomitant activities and key performance indicators within specific timeframes:

- Addressing the overall levels of crime
- Improving effectiveness and ensuring integration of the CJS
- Combat Corruption within the realm covered by the CJS cluster to enhance its effectiveness and its ability to serve as deterrent against crime
- Manage perception of crime among the population
- Combating of cyber crime
- Effectiveness and integration of border management
- Secure the identity and status of citizens.

Offences relating to contact crimes, including the so called trio crimes (murder, rape and assault with intent to cause Grievous Bodily Harm (GBH), will be prioritised. The State's intelligence-gathering capacity, forensic services and fingerprinting will be called on to support crime prevention and combating activities. Government will improve police visibility to deter crime especially in crime hotspots where integrated government

department interventions (of the Justice, Crime Prevention and Security cabinet cluster) will be implemented. Proliferation of firearms in circulation and control over firearms will be a specific focus area. The JCPS cluster will embark on an anti-crime awareness programme and the use of community safety forums to foster partnerships with the community and deter crime in general. In particular, the incidents of domestic violence and crimes against women and children will be prioritised by strengthening awareness programmes in communities and through the implementation of family preservation programmes. Government will also promote the development of a one-stop centre model and establish three one-stop centres for victims of crime and violence. Government intends to tighten the regulations governing the licensing of trading liquor outlets to reduce alcohol abuse which, it has been proved, is a serious contributing factor to the violent nature of crime in South Africa.

The Sexual Offences and Community Affairs (SOCA) unit will strengthen its programme and focus on training and policy development in these areas:

domestic violence, sexual offences, child justice, children in conflict with the law and human trafficking. Five Thuthuzela Care Centres (TCCs) will be added to the existing 17 such institutions during the 2010-2011 financial year.

Effectiveness and integration of the criminal justice system

Government will endeavour to improve the efficiency of the criminal justice system by improving co-ordination between police, prosecutors, forensic science laboratories, legal aid and the courts. Specifically, the capacity of the detective services and forensic science laboratories will be increased to improve the detection of rate of crimes and the finalisation of court-ready cases, leading to a reduction in case cycle times. Specific attention will be given to operational alignment, management (including capacity and performance management), case flow management, information technology systems to provide integrated management information, rollout of video remands to various courts and correctional facilities in the various aspects of the CJS. It is expected that the special courts being prepared in anticipation of the 2010

## INTENSIFYING THE FIGHT AGAINST CRIME & CORRUPTION



FIFA World Cup Soccer will serve as useful pointers to how an efficient system might be achieved. Government will also give attention to humane incarceration and overcrowding in prisons, effective correctional supervision and rehabilitation intervention for offenders.

The previous administration's case backlog reduction project, aimed at reducing the backlog of cases in the regional courts, is continuing and in total 18 271 cases were finalised and removed from the regional court rolls between November 2006 till the end of December 2009. There are currently 45 regional backlog courts countrywide, and in 2010 the project will be rolled out to more regional courts as well as a number of district courts in all provinces. Government will also during 2010 implement the Child Justice Act, consider responsive secure care models for children in conflict with the law and develop and implement a regulatory framework for restorative justice and diversion programmes.

Given the enormous impact of crime in South Africa, government intends to perform a victim survey and develop and implement a register/database for victims of crime and violence. It intends to improve the quality of victim support services and continue with the protection of witnesses.

Government will step up anti-corruption measures and ensure that offenders are brought to book. Through the strengthening of internal risk management systems, government intends to combat and ultimately extinguish corruption within the CJS relating to dockets being lost, bail payments, identity documentation, court cases and the illegal release of detainees. Incidents of corruption and organised crime within the CJS will continue to be targeted through various interventions including activities

of the Special Investigating Unit (SIU) and Asset Forfeiture Unit (AFU).

Government will establish a new border management agency during 2010 to improve the security of our borders and ports of entry and promote co-operation among security agencies in the region. In 2009 government took a decision that the South African National Defence Force (SANDF) should take over responsibility for borderline security from the South African Police. The SANDF will commence with the deployment of four companies on the South African side of the Zimbabwe and Mozambique borders in April 2010.

Government has put in place effective plans to ensure a safe and secure 2010 FIFA World Cup.







# 7

BUILDING COHESIVE, CARING AND SUSTAINABLE COMMUNITIES





*Government is of the view that gross inequalities of social conditions and opportunity, and weak social identification with the democratic project is undermining social cohesion, which is a requirement for developmental success. Government has thus placed much emphasis in this MTSF period to meet the target of halving poverty and unemployment by 2014 and, in conjunction with other priorities, to strengthen human capabilities, promote shared values and social solidarity and strive to reduce overall inequality.*

Government has embarked on a number of activities to respond to communities in distress and to assist vulnerable workers and troubled enterprises and sectors of the economy. It has also worked with the CCMA to strengthen efforts to avoid retrenchments.

To protect the poor and jobless from inflated food prices, government directed the Competition authorities to speed up their investigations into price-fixing and cartels in the food supply chain. As a result, a number of implicated companies have been prosecuted.

In order to engender constructive national debate on issues of national interest, government is promoting relationships with political parties represented in Parliament. In recognition of the need to celebrate our Constitution and its provisions, especially the declaration that this country belongs to all who live in it and is united in its diversity, preparations have begun to launch a *national dialogue* on contentious matters such as transformation in the workplace, sports representation, songs and symbols, language policy and certain cultural practices, so that citizens may better

understand the nuances of these debates and the imperatives of the country.

The 2010 FIFA World Cup to be held in June/July this year will hold unprecedented benefits for the country and will leave a lasting legacy for future generations. It has contributed significantly to the vibrant national mood and to a sense of national pride and nationhood. The Deputy President chairs an Inter-Ministerial Committee which co-ordinates the implementation of government guarantees to FIFA.

The government-supported Moral Regeneration Movement (MRM) continues to implement the Charter of Positive Values and a range of other community-based campaigns aimed at promoting solidarity, respect for public property and, more importantly, the strengthening of the family as a basic unit of production of social values. The MRM, a section 21 entity, has mobilised civic organisations, NGOs, faith-based organisations and activists in pursuit of its strategic goals. Currently, the organisation is undergoing a review by the Arts and Culture Department so as

objectively to determine its effectiveness, successes and challenges.

Government is committed to the Millennium Development Goal of halving poverty by 2014 and is closely monitoring trends, especially the growing phenomenon of urban poverty alongside persisting rural poverty. Accordingly, with its social partners at NEDLAC, it will finalise by the second half of this year a comprehensive Anti-Poverty Strategy which will give impetus to government's anti-poverty measures in accordance with the five (5) priorities of government. Among other things, the draft strategy recognises that education and skills development are the most effective tools in fighting poverty.

Concomitantly, government's War on Poverty campaign was implemented to accelerate access to basic social services to identified households in the most deprived wards of the country such as the communities of Jacobsdal, Lubala, Ga-Kgatla, uMsinga, Taung, Kagiso and Sikwahlane. To further the fight against poverty, the provision of grants to needy children was increased to the age of 18.

## BUILDING COHESIVE, CARING AND SUSTAINABLE COMMUNITIES



In the course of the War on Poverty campaign a number of issues emerged, including the slow response to complaints and challenges, need for co-ordination of interventions, poor administration and absence of leadership; and ignorance of citizens about information and access to services.

Government will place more emphasis on the role of Community Development Workers to act as a point of reference for those most deprived or in need of government intervention. The Inter-Ministerial Committee chaired by the Deputy President oversees this work.

The notion of sustainable communities also implies sustainable human settlements and an improved quality of household life. Government thus places much emphasis on: access to adequate accommodation that is suitable, relevant, appropriately located, affordable and fiscally sustainable; access to basic services; security of tenure for house-owners or renters, whether in formal or informal structures; access to social services and economic opportunities within a reasonable distance.

Government is also mindful that while the requirement for decent housing is a Constitutional requirement, it is also core to human dignity and social stability and is a key enabler of other priorities such as health, education and social cohesion. With good planning, human settlements could also serve as a catalyst for economic development and job creation.

Government priorities in relation to human settlement relates to accelerated delivery of housing opportunities that includes greater emphasis on informal

settlement upgrading and affordable rental opportunities, developing a funding mechanism for infrastructure funding aligned to human settlement plans, improved access to basic services, more efficient utilization of land through densification, planning interventions and the release of well-located, non-core public sector land as well as addressing key challenges around the functionality of the property market.





# 8

PURSUING REGIONAL DEVELOPMENT, AFRICAN  
ADVANCEMENT & ENHANCED INTERNATIONAL CO-OPERATION







*Over the medium term, government's main goal with respect to this priority is to ensure that the country's foreign relations contribute to the creation of an environment conducive to economic growth and development domestically, within Africa and in other developing countries. Key aspects of this are: implementing NEPAD, promoting SADC regional integration and the further economic integration of Africa, strengthening South-South relations and pursuing a developmental and investment-orientated approach to engagements with the North.*

Government's foreign policy is informed both by a desire to contribute to the betterment of humanity, and the pursuit of our national development priorities guided by domestic imperatives. It continues to be involved in negotiations towards a more equitable trade regime because reducing trade barriers for the developing world will contribute to economic growth and job creation in South Africa. Similarly, strong emphasis has been placed on deepening economic diplomacy in our relations with other countries. Thus both incoming and outgoing State Visits have had strong business participation to advance our economic agenda.

Government remains committed to the African Agenda and focuses on SADC regional integration, peace, security, stability and economic development on the continent.

At the same time, government continues to strengthen South-South co-operation, both politically and economically, through platforms such as IBSA and the China-Africa forum.

A new world order is rapidly taking shape, and it is important that South Africa makes

a useful contribution to this process. In this regard, government is an active member of the G20 and the G20 leaders' summit, which is now the premier institution formulating collective global economic policy. The G20 is an important forum within which to mobilise support for the strengthening of multilateral institutions, improving global governance, and the reforming of international financial institutions so as better to reflect the voice and interests of developing countries. The value of the G20 was evident in the co-ordination of responses to the recent international financial crisis.

Government continues to deepen its contribution to the advancement of peace, security and stability, and prosperity on the continent. From 1 April 2010, South Africa will become a member of the African Union Peace and Security Council for a two year period. This is the African Union's Year of Peace, which culminates on Peace Day, 21 September 2010. This is an opportunity for Africa to demonstrate a collective commitment to peace on our continent. Government continues to be deeply involved in the efforts to resolve political challenges in Zimbabwe. The

Zimbabwean negotiations process is well underway and significant achievements have been registered as a result of South African assistance.





## SUSTAINABLE RESOURCE MANAGEMENT & USE





*Like the rest of the world, South Africa is vulnerable to the impact of climate change, biodiversity loss and diminishing water resources. Government's interventions to mediate these will include, inter alia, diversification of the energy mix in pursuit of renewable energy alternatives and the promotion of energy efficiency, enforcing a zero tolerance approach to illegal and unsustainable exploitation of resources, supporting local and sustainable food production, and promoting sustainable water use and preserving the quality of drinking water.*

Increasing concerns in relation to carbon emissions and climate change will have a profound impact on the number of green jobs in a South African "green economy". Green jobs will grow both directly and indirectly in the transport, energy, building, manufacturing, agriculture and forestry sectors. Directly, there will be jobs in producing specific greener goods and services.

There will be employment in the manufacture, installation and operation of clean energy for people like wind turbine engineers, insulation installers, recycling sorters and photovoltaic cell salespeople. Indirectly, there will be jobs in the greener-goods supply chain from solar cell manufacturers to green building materials retailers, to wind farm maintenance firms, to recycling haulers, to energy auditors. And most importantly there will be battery manufacturers with distribution centres at home and on the road.

Government is investing in the building of bulk water pipelines and dams, power stations and electricity distribution

infrastructure. It is also working on several major projects in renewable energy such as wind power and concentrated solar power to ensure a prosperous and sustainable future. The Department of Energy's second long-term Integrated Resource Plan (IRP2) will also include the development of renewable energy.

A pilot household solar energy project was launched in Winterveldt in Pretoria and this project will be rolled out nationally. Government is working towards a national target of one million solar water heaters by 2014, and to date more than 1 500 plumbers have been trained and a further 10 000 plumbers will be up-skilled, re-skilled and certified. By July 2010 government will finalise a 'green economy' plan to be presented to Cabinet.

Already government is supporting clean energy research at a number of universities, has invested in the development of an electric car, and is soon to launch the prototype of an e-bike. Last December, Pierre Terblanche, the world famous South African-born designer of leading motorbikes, began to design a South

African hybrid electric bike. The Systems Integration Centre of Competence from the DST's Hydrogen Programme is currently - together with the Tshwane University of Technology-based Institute for Advanced Tooling - working on the power system for the bike.

In addition to Eskom's introduction of renewable energy and its demand-side management initiatives which include its solar water heating programme, its carbon emission mitigation is further enhanced through carbon capture ready new coal power stations fitted with flue-gas desulphurization. Meanwhile, existing coal-fired power stations have been fitted with electrostatic precipitators and bag filters to reduce particulate emissions.

The South African government is of the view that it is imperative that an international agreement on climate change be concluded as soon as possible. It is thus contributing to ensure that the Climate Change Conference of Parties (COP) to be held in Mexico (COP 16) in December 2010 is a success. South Africa will host COP 17 in 2011.



# 10

BUILDING A DEVELOPMENTAL STATE, INCLUDING IMPROVING  
PUBLIC SERVICES & STRENGTHENING DEMOCRATIC INSTITUTIONS







*The Presidency sees its role within the context of government's policy of building a democratic developmental state through defined interventions. The commitment by the previous administration to improve the capacity of the state for growth and development remains a priority for government. While progress has been made, government continues to face significant challenges in transforming the system of governance. Challenges include capacity gaps in local government; poor quality of some public services; declining trust and confidence in public institutions such as the judiciary, legislatures and the executive branch of government; and weak planning capacity across the three spheres of government. As government strives to overcome these hurdles, its long term goal remains the building of an effective and accountable state as well as fostering active citizenship.*

To ensure that The Presidency, as the apex of government, is effective and efficient in its work and able to respond to the current challenges faced, it has undergone significant restructuring. Two new ministries were established within the Presidency, i.e. The Ministry for the National Planning Commission and the Ministry for Monitoring and Evaluation. With the establishment of the national planning and the performance monitoring and evaluation functions, the Policy Co-ordination and Advisory Service was disestablished. However all PCAS functions were retained in The Presidency. The planning function now falls under the National Planning Commission, while the monitoring and evaluation function falls under the Department of Performance Monitoring and Evaluation. The policy support, analysis and advisory capacity of the PCAS has been moved to strengthen the Cabinet Office.

The Minister for the National Planning Commission tabled a draft Green Paper on National Strategic Planning in August 2009, and following an extensive debate and public consultation process, a revised

Green Paper was released in January 2010.

Through these processes a consensus was reached on the nature and type of planning commission required by the country, on the role of the commission, on the type of commissioners and broadly on the areas that the planning commission would cover.

The National Planning Commission has been tasked to produce a unifying vision and strategic plan for the country that has broad buy-in across all sectors of society and yet retains the ability to confront the critical trade-offs and challenges we face over the next twenty years.

The work of the planning commission is meant to sharpen the focus of government, by ensuring greater policy coherence in government, and independently and critically to appraise government policies and conduct in-depth research on how best government can achieve its objectives.

In January 2010 in response to the Presidential invitation to the public to

nominate people to the National Planning Commission, The Presidency received an overwhelming 1 280 nominees, mostly of exceptionally high calibre. The external commissioners selected and announced on 30 March 2010 are mostly experts in their fields. The Commission is expected to put forward solid research, sound evidence and clear recommendations for government in a draft vision and a national plan for Cabinet within 18 months. It will also, on an ongoing basis, produce reports on cross-cutting issues that have an impact on our long-term development and respond to specific requests from Cabinet from time to time. The Commission is also expected to support the work of the Ministry and Department of Performance Monitoring and Evaluation in shaping priorities, in developing indicators and in producing evidence of what is working and what is not working. The Ministry and Department of Performance Monitoring and Evaluation will in turn support the work of the Commission through their work of developing outcomes, performance agreements and delivery agreements.

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The Presidency is currently developing the capacity to support the work of the Commission through the establishment of a small, professional and capable secretariat that would add value to both the work of the Commission and to the Office of the Presidency in general.

Notwithstanding significant successes since 1994, there is a recognition that the state has not performed as optimally as desired. Service delivery protests in some parts of the country have been a reminder that a lot of work still needs to be done. To this end government has stressed the need to improving service delivery by working to correct the systemic problems and address negative attitudes of public servants which impede delivery.

Through interaction with the citizenry, direct visits to communities and investigating grievances, government is best able to assess delivery shortcomings directly and thus be placed in a position to address them. Accordingly, the President has visited informal settlements such as Madelakufa in Kempton Park and Siyathemba Balfour in Mpumalanga and the Hermanstadt settlement in Pretoria. He has also visited rural villages such as Libode in the Eastern Cape and Giyani in Limpopo. The Deputy President has conducted visits to the Eastern Cape, Free State and other areas to assess progress in implementing service delivery and the anti-poverty programme and also to check the effectiveness of schools in the Tshwane and O R Tambo districts.

The President has embarked on a programme to meet with various categories of senior civil servants to ensure that the civil service begin to do things differently. On 23 April 2010 the President met with Directors-General and their deputies, from national and provincial departments, to discuss

changing the way government works. Government is embarking on a public participation campaign, co-ordinated by the Government Communication and Information System (GCIS) to report to citizens on what plans they have for development in their respective areas.

The Presidency established the Presidential Hotline during the year in an effort to make government and The Presidency more accessible to the public, and to help deal with service delivery blockages. The Hotline has experienced a high volume of calls from citizens whose concerns are taken seriously by The Presidency. Similar Hotlines are expected to be established in the offices of the Premiers in Provinces under the responsibility of the Directors-General. The data collected by the Presidency Hotline provides The Presidency with useful information on service delivery and government efficiency. For this reason, the President decided to shift responsibility for the Hotline to the Minister of Performance Monitoring and Evaluation as a performance-monitoring and evaluation tool to assess the performance of government against citizens' needs. Already, in some instances information gleaned has fed into government plans.

The Presidency has worked hard to bring about changes in how government works and give effect to a new way of doing things, which will in the long term help build and deliver a better life for all people. As previously indicated, much effort has gone into setting up the Department of Performance Monitoring and Evaluation in The Presidency so that government has the capacity to improve performance and monitor and evaluate progress made. The Director-General of this department, Dr Sean Phillips, was appointed to oversee the establishment of the department.



It has successfully set up and developed a monitoring and evaluation system for the executive and the public service. In September 2009 the Minister of Performance Monitoring and Evaluation tabled a position paper in Parliament titled “Improving Government Performance: Our Approach”. It has developed 12 politically-determined outcome indicators based on the five priorities of government, namely: Rural Development, Basic Education, Health, Safety and Job Creation, while additional emphasis has been placed on Human Settlements and Local Government.

These outcomes were developed and negotiated with the relevant departments and discussed by the Cabinet Lekgotla held in February 2010. Based on these, the President will in April 2010 sign with his ministers performance agreements which will serve as a management tool to enable the President to provide ministers with an indication of the key issues that he would want them to focus on and his expectations of their performance. The performance agreements commit ministers to work together with all spheres of government, the better to achieve the outcomes expected. For each of these outcomes, relevant outputs required have been identified, and targets have been set for measurable indicators.

Together with their provincial and local government counterparts, departments are now engaged in developing detailed Delivery Agreements for each outcome.

The Delivery Agreements will refine the outputs and targets and include action plans with clear roles and responsibilities of all the stakeholders for the outcomes to be achieved. The Presidency has produced and distributed guidelines to drive the development of the agreements.

The development of the Delivery Agreements is being co-ordinated by existing government structures such as the Cabinet Committees, Ministers’ meetings with provincial MECs and the clusters, as well as, where relevant, inter-governmental implementation protocols in terms of the Inter-governmental Relations Framework Act.

The President will also request Premiers to enter into inter-governmental protocols with him which will focus on outcome areas that have major inter-governmental implications, for example health, basic education, local government and human settlements. These protocols will also provide a useful basis for the work of the President’s Co-ordinating Council (PCC) with Premiers.

Delivery Agreements are expected to be ready for presentation to the July 2010 Cabinet Lekgotla. Once the Delivery Agreements have been finalised, the co-ordinating structures of government will then focus on a monitoring and evaluating progress against the outcomes, outputs, and targets. The Minister and Department of Performance Monitoring and Evaluation will play a supporting role in all the co-ordinating structures to ensure that the agenda remains focused on the Delivery Agreement and facilitates integration and links across the outcomes and with monitoring and evaluation. This work will be done by the team of outcome specialists which the Department of Performance Monitoring and Evaluation is in the process of recruiting. Reports on the contributory activities and the targets achieved in Delivery Agreements will be provided by Cabinet Committee to Cabinet every two months, while administrative and expenditure information will be corroborated by information from various surveys, specialised studies and independent sources. The main purpose of these reports will be to provide Cabinet





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with an indication of the degree to which the outcomes are being achieved, based on objective analysis of evidence. Subsequent to Cabinet discussion, progress on government's Programme of Action will be updated and made public.

Government will also institutionalise formal evaluation processes. These are the longer term and in-depth studies that probe deeper into policy and delivery successes and failures. It is envisaged that this work will be done in conjunction with National Treasury and sector departments. The Department of Performance Monitoring and Evaluation will issue a policy guideline in this regard in the next month or two.

As a key part of the reconstruction and development efforts in the country, local government is responsible for the provision of basic services, household infrastructure and the creation of working, inclusive local economies. To this end, the definition of the ideal municipality as outlined in the White paper for local government of 1998 remains relevant.

An ideal municipality provides democratic and accountable government for local communities, is responsive to the needs of the local community, ensures the provision of services to communities in a sustainable manner, promotes social and economic development, promotes a safe and healthy environment, encourages the involvement of communities and community organizations in the matters of local government, facilitates a culture of public service accountability among its staff and assigns clear responsibilities for the management and co-ordination of administrative units and mechanisms. Failures at local government level have a negative impact on the aspirations of South Africa to become a developmental state. The recent rise in service delivery protests in several municipal areas is a

worrying sign that service delivery is failing in parts of the country.

Key priorities to address at local government level include meeting basic needs of communities, improving the overall number of municipalities that receive clean audits, improving functionality, performance and professionalism by ensuring that key posts are filled by suitably qualified persons by 2011 and improving national policy, oversight and support. Introduction of a differentiated approach to municipal compliance and support is a critical element in improving overall functionality of Local Government.





# SECTION B

THE WORK OF THE PRESIDENCY







## PRESIDENCY BRANCHES



# 1

## STRATEGIC ACHIEVEMENTS



### 1. STRATEGIC OBJECTIVES OF THE PRESIDENCY

While the reconfiguration of national government resulted in major changes in organization and work processes of The Presidency, by and large the transition and re-organisation was a seamless and uneventful progression.

Given that The Presidency is at the apex of government it is understandable that much of its work relates to macro-level planning, the organisation and co-ordination of government, together with other limited areas of work within its scope of duties - such as managing the diaries and offices of the Principals and other functions relating to the leveraging of the Office of the President for nation-building and other symbolic purposes. Accordingly, while certain existing functions were migrated out of the Presidency during the latter part of the year, and other functions were taken on, these did not fundamentally alter the strategic objectives of The Presidency. The new functions were inserted into existing processes of work in The Presidency, albeit within re-directed political and policy frameworks.

Thus the experience has been that the essential planning framework of the core Presidency documents which remained operational during the reporting period

from which the seven Strategic Objectives of The Presidency are derived (i.e. the Presidency Strategic Plan, 2008-2011, and the Presidency Operational Plan, 2008-2009), proved more than adequate to address the new government's focuses and emphases, as this report will confirm.

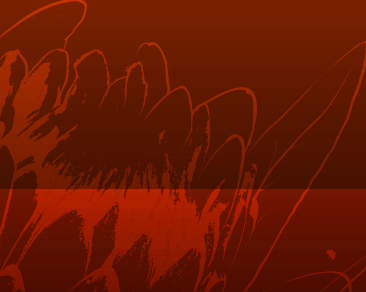
In this report, where activities of The Presidency apply to more than one strategic objective, they are reported on under the first applicable objective in full and only mentioned in passing in the subsequent objectives.



## Relationship between government's Medium Term Strategic Framework (MTSF) and the Strategic Objectives of The Presidency

| Government's MTSF                                                                                                  | Strategic Objectives of The Presidency                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods            | 7. To promote accelerated and shared economic growth and development with emphasis on the Second Economy and social inclusion.                                                                                                                                                                                                                                                                            |
| 2. Massive programmes to build economic and social infrastructure                                                  |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 3. A comprehensive rural development strategy linked to land and agrarian reform and food security                 |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 4. Strengthen the skills and human resource base                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 5. Improve the health profile of society                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 6. Intensify the fight against crime and corruption                                                                |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 7. Build cohesive, caring and sustainable communities                                                              | 4. To foster nation-building and social cohesion to give effect to the People's Contract.                                                                                                                                                                                                                                                                                                                 |
| 8. Pursue regional development, African advancement and enhanced international co-operation                        | 6. To support, develop and consolidate initiatives for building a better Africa and a better world.                                                                                                                                                                                                                                                                                                       |
| 9. Sustainable resource management and use                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                           |
| 10. Build a developmental state, including improving of public services and strengthening democratic institutions. | 1. To strengthen strategic and leadership capability to achieve greater organisational cohesion.<br>2. To improve information management, access and sharing information.<br>3. To co-ordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery.<br>5. To promote the integrated approach to governance for accelerated service delivery. |





## STRATEGIC ACHIEVEMENTS

### **2. TO STRENGTHEN STRATEGIC AND LEADERSHIP CAPABILITY TO ACHIEVE GREATER ORGANISATIONAL COHESION**



The Presidency successfully implemented the National Macro Reorganisation of National Government Project announced after the first Cabinet Lekgotla in May 2009. For The Presidency itself, changes brought about by the reorganisation included the establishment in The Presidency of the Ministry for National Planning and the National Planning Commission and the establishment of the Ministry for Performance Monitoring and Evaluation and the Department of Performance Monitoring and Evaluation (DPME). The Presidency's Policy Co-ordination and Advisory Services (PCAS) body was disestablished and some of its policy support, analysis and advice functions and capacities were taken up by the Cabinet Office to ensure effective decision-making and better co-ordination and oversight of government policies. The Youth Desk was migrated from PCAS to report to the Minister of Performance Monitoring and Evaluation. Other changes involved the migration of the Office on the Status of Women, the Office on Status of Disabled Persons, and the Office on the Rights of the Child to the newly-established Ministry of Women, Children and People with Disabilities. Yet other capacities were taken up by the newly-established Ministries in The Presidency.

The Presidency launched the new National Youth Development Agency - which comprised the merger of the National Youth Commission and the Umsobomvu Youth Fund - assigned to the DPME. Relevant legislative amendments

giving effect to this were approved by Parliament.

The Presidency established the National Planning Commission. This Commission will be responsible for developing the National Vision and Long-term Strategic Plan for RSA. The Presidency was instrumental in the publication of the Green Paper for National Strategic Planning and arranging for the public to call for nominations for the posts of National Planning Commissioners.

The President's State of the Nation Address (SONA) to Parliament is the primary vehicle for communicating government's planned agenda. It sets out the short-term goals and the attendant actions to be taken for the coming year. The Presidency leads on the preparations and delivery of the SONA of which there were two, on 3 June 2009 and 11 February 2010, in the period under review.

The new administration approved five new Cabinet Committees and seven new Ministerial and DG Clusters, all of which were serviced from existing strategic and functional support processes within The Presidency. An adjusted Cabinet Programme for 2009/10 and for 2010/11 was implemented by The Presidency which took into account of the revised Cabinet/Committee structures. These new structures were launched successfully and met in accordance with the approved plan. Orientation sessions were arranged for new Ministers/Deputy Ministers/DGs/ Ministerial staff and members of Senior Management of all Ministries/Departments regarding the adjusted Cabinet committee structure and Programme.

The Presidency finalized a report on the extent to which Provincial Growth



and Development Strategies provide strategic leadership to Provincial sector departments and whether they could be considered as instruments for regional development embraced by all. Work on contextualising and applying the National Spatial Development Perspective (NSDP) at a district level continued, specifically with regard to co-ordination and alignment aspects.

An inter-departmental meeting on the Urban Development Framework took place, highlighting key aspects for discussion by an Inter-Ministerial Committee on urban development.

Through careful planning and management of diaries of the Principals, The Presidency ensured that the President and Deputy President led the planning cycle, which is co-ordinated with that of the planning structures.

The Presidency played a leading role in the operation of the *Forum of South African Directors General* (FOSAD) which is the structure comprising the heads of all government departments. The Presidency prepared the Operational Plan and Road Map discussed at FOSAD in preparation for the May 2009 and January 2010 Cabinet Makgotla. It also approved and communicated the framework and agenda for the May 2009 and the January 2010 Makgotla.

The Presidency implemented the annual Presidency planning and budgeting processes. These processes include: developing the agenda and producing reports for The Presidency's Annual Strategic Review workshop held at Mount Grace from 26-28 July 2009; revising and approving the The Presidency's Strategic Framework for the period 2010-2013 tabled in Parliament (Announcements,

Tabling and Committee Report, Wednesday 3 March 2010, page 314); the drafting of Branch Strategic Planning Guidelines; and the development of Branch Strategic Plans for 2010-2013.

The Presidency's planning processes also involved the development of a 3-year rolling plan and an annual operational internal audit plan (TR 3.2) - which was approved by the The Presidency's Audit Committee and management on 22 May 2009 – as well as quarterly reporting to the Audit Committee on achievement of the operational plan;

Medium Term Expenditure Framework (MTEF) proposals were consolidated according to the set priorities of The Presidency. The MTEF inputs were submitted to Treasury within the prescribed timeframes. The Presidency produced monthly Budget reports monitoring the budget against projections and the Consolidated Inputs for the Adjustment estimates process were submitted within prescribed timeframes.

The Presidency produced and submitted to Parliament its Annual Report while the Mid-Year and Year-end Organisational Performance reporting were produced and submitted to the Executive Authority. The Presidency implements a performance management process.

A major project to review and update Presidency policies and procedures was undertaken. All approved policies were posted on The Presidency's intranet service for personnel, the I-notice. A revised Asset Management Policy was developed and approved by management while a revised Supply Chain Management (SCM) policy and a revised Cell phone policy were approved by the Chief Operations Officer (COO).





## STRATEGIC ACHIEVEMENTS



The Performance Information Policy and the Transport policy were revised while a new Dress Code Policy, and a Reasonable Accommodation Policy were drafted. SCM procedures have been implemented. New Warehouse procedures were developed and all Financial Delegations were updated and signed by the COO.

To ensure compliance with MISS protocols and Promotion of Access to Information Act requirements a new security and access system was installed in Presidency offices and Residences of the Principals. A new Presidency Facilities Management plan and strategy was implemented

The secretariat of the Commission for the Remuneration of Political Office-bearers developed a programme to monitor pay adjustments, inflationary movements and other related remuneration trends on a monthly basis. This assists the Commission in making annual recommendation for cost-of-living remuneration adjustments.

The Presidency also implemented a new Presidency Framework on Good Governance. This framework identifies areas where there is compliance risk and controls are devised to mitigate these risks. A risk-based internal audit plan as required by PFMA/TR/ IIA was approved by the Audit Committee. According to the plan The Presidency now reports quarterly to the Audit Committee on the achievement of the approved internal audit plan. The Contingency Plans for Genadendal, Mahlamba-Ndlopfu and O R Tambo House were updated. Internal Security Policy amendments were made and presented to the Internal Security Committee and Joint Planning Committee.

An Enterprise Risk Management Framework and Policy was approved which saw the further development of policies and governance structures. Accordingly, additional Risk Management Committee members were appointed by the Accounting Officer and a workshop was held for Risk Committee members to familiarize them with their roles and responsibilities. The Risk Management Committee approved the Risk Management Implementation Plan that provides reasonable assurance of the completeness and accuracy of the risk profile for approval by the Accounting Officer. A Risk Management Committee Charter was developed and a Fraud Implementation Plan and a Whistle Blowing Policy were developed and approved.

In terms of the Enterprise Risk Management Framework and Policy, a Presidency HR Plan and Framework was submitted to DPSA for approval while Contingency Plans in IT, Internal Security, Presidential Protection Unit and the VIP Protection Service for the Presidency were developed. The Presidency's file server room was enhanced to comply with requirements from state security organizations (NIA, NCC, and COMSEC). Simultaneously, the file server environment was virtualized to achieve best practices and the reduced Power requirements of green IT. Selected personnel and principals will soon be able to have secure remote access as per the ICT strategic plan. The Plan also ensures that the network infrastructure and storage network is adequate and establishes benchmarks for current and future ICT requirements in The Presidency. A process was undertaken to ensure that all Presidency software licences (Anti-virus; Microsoft; IDMS) were current. The Presidency has a fully





functional Registry Office which logs all correspondence and operates a filing and paper trail/ document management system for the Presidency.

Mindful of the potential negative impact of major organizational changes in The Presidency, arising from the National Reorganisation project, on the morale and sense of purpose of staff, The Presidency placed much emphasis on change management, both to brief internal staff on changeover and re-organisation as well as to maintain the morale of staff during the transition process. Exit and handover reports were prepared by the former Secretary of Cabinet, Accounting Officer and Heads of Office and meetings were held between incoming and outgoing senior officials to share information. As far as possible, members of staff were kept informed on developments as they occurred. The Human Resources Intranet site was redeveloped to ensure internal Presidency staff had access to required and up-to-date HR information while an audio web podcast was developed as a further channel to communicate with staff. A daily *I-notice* is published to keep staff informed of unfolding developments. Regular information sharing sessions – the *I-share* sessions - were held by senior management and their staff. A *Presidency Seminar Series* was arranged for staff to engage with key social and political questions. Needless to say, the transition process was undertaken successfully and without major upheaval.

In order to boost the sense of purpose of staff and the experiences of visitors to The Presidency, various initiatives in respect of the Corporate Identity and branding of the Presidency have been undertaken. New frontline staff have been employed and stationed at reception points in all Presidency buildings.

### **3. TO IMPROVE INFORMATION MANAGEMENT, ACCESS AND SHARING OF INFORMATION**

This objective has two aspects. Internally it reflects efforts to improve information flow and communication within the organization. Much of these internal aspects have been dealt with in this report under the previous objective. The second aspect – reported under this objective - deals with the efforts of The Presidency to execute an accountable and transparent administration in respect of citizens of the country, i.e. its efforts to communicate externally.

To improve interaction with the public and accountability in the public service, The Presidency, as mentioned earlier, established the Presidential Hotline – essentially a call centre - which opened up a channel of communication between citizens and the highest political office in the land. Citizens are now able to register a question/complaint/problem for which they can expect an answer or resolution.

The Hotline is fully operational and dealt with more than 45 000 calls since being established, with more than 22 000 matters successfully dealt with. Reports on the nature of issues from the call centre are produced regularly and are used to alert the President and Principals of emerging clusters of issues. These are in turn used directly to determine further government interventions. The Presidency organized a successful visit to the Presidency Hotline for Members of Parliament and the Media.

The Presidency ensures availability of information from internal Branches in line with the Promotion of Access to Information Act and undertook the



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training of officials on the prescripts of the Act. The Presidency Manual on the Promotion of Access to Information Act was reviewed and updated in November 2009. Over and above the manual has been translated into three additional official languages.

Other general practices include the maintenance of a comprehensive and redesigned Presidency Website [www.presidency.gov.za](http://www.presidency.gov.za) publishing the comprehensive Presidency Annual Report, answering all Parliamentary questions on time and making available the public diaries of principals as well as records of meetings, except where classified. All Internal audit requests and external Auditor's requests for information were dealt with successfully.

The Presidency encourages active communication with the public. In this regard, it planned a year-long calendar of public events and sector engagements for the President, Deputy President, and Ministers in the Presidency. For all these as well as for other *ad-hoc* events, The Presidency provided a full range of communications support, including, speech-drafting, media planning, media liaison and, where required, event management.

Highlights of communications events for the year include the two State of the Nation Addresses to Parliament (June 2009 and February 2010), outgoing and incoming official/working visits by foreign Presidents and other dignitaries, reception of diplomatic credentials, sectoral engagements, the 100 days Countdown to the FIFA World Cup Soccer, the SANAC Plenary, the 2010 Inter-Ministerial Council, Presidential Co-ordinating Council meetings, the meeting of the President with Directors-General and Deputy Directors-General,

the launch of the BBBEE Council, the HRD Council meeting, the launch of the Presidential Hotline, the Moral Regeneration Movement Plenary meetings, the War On Poverty, incoming visits by foreign dignitaries, Parliamentary activities and organised media briefings such as the media briefing by the DG in the Presidency on the National Orders Ceremony in 2009 and the briefing on the Presidency Restructuring Process.

Further to improve relations with the media - a key channel for communicating with the public - the Communications Branch organised, in co-ordination with the Private Office of the President, visits to three major newspaper groups in the country, i.e. AVUSA, Media24, and Independent Newspapers, between May and July 2009. In addition, two briefings with editors, political editors and political analysts were held. The Communications Branch also maintains an online media database on which is registered more than 200 journalists, both local and foreign, further to broaden the reach of Presidency media statements, speeches and media advisories. The Communications Branch received more than 50 media enquiries during the year, all of which were documented and processed. In co-operation with the GCIS audio-visual unit, the Presidency ensured that photos and video footage of most of the events attended by the principals were syndicated.

The Presidency has also begun to utilize new media platforms such as Facebook and Twitter to communicate what the principals are doing and also to disseminate key messages from their speeches.

Specific effort went into communicating media coverage for Presidency projects such as SANAC, 2010 FIFA World Cup



events, the Anti-Poverty Strategy, the Moral Regeneration Movement, the HRD Council and social cohesion. In this regard, the Unit facilitated media interviews with the SABC, Etv, CNBC, CNN, TIMES Magazine, Metro FM, Ukhozi FM, Umhlobo Wenene FM, Independent Newspapers, the Mail & Guardian, the Sunday Times, City Press and Business Day.

The President also recorded targeted messages for the UN Campaign on Climate Change, the FIFA One Goal Education Campaign, and Christmas and New Year's messages.

As part of a new media strategy for The Presidency, the Communications Branch has begun to develop new systems and methods of work such as the use of workflow templates to guide and ensure consistency in communication work.

The Communications Branch also provides a full writing-research and drafting service to the principals. During the President or Deputy President's engagements with the public, the Branch also serves as scribe for events which yields Reports on matters to be followed up by The Presidency and relevant Government Departments.

#### **4. TO CO-ORDINATE, MONITOR, EVALUATE AND COMMUNICATE GOVERNMENT POLICIES AND PROGRAMMES AND ACCELERATE INTEGRATED SERVICE DELIVERY**

On the basis of the electoral mandate received by the ruling party, The Presidency updated and published government's Medium Term Strategic Framework (MTSF) for 2009 – 2014. The MTSF was further elaborated in

an updated and published Government Programme of Action (POA) for the 2009/10 financial year. The POA is the programme of government deliverables disaggregated into responsibilities of government departments.

In line with the National Macro Reorganisation of National Government Project, the Performance Monitoring and Evaluation (PME) function of The Presidency has become a key focus of Presidency work. Thus much work went into defining the PME mandate and the setting up of systems to execute this. Accordingly a Green Paper on Performance Monitoring and Evaluation was drafted which received Parliamentary approval. In terms of the Green Paper, twelve performance outcomes were developed for seven priority areas, namely: Health, Education, Fighting Crime, Rural Development, Job creation, Human Settlements, and Local government. Between four and nine specific performance outputs were developed for each of the twelve performance outcomes.

To better manage the accountability of government departments and agencies responsible for service and delivery, the concept of Delivery Forums was developed whereby all affected departments and stakeholders contributing toward the achievement of approved outcomes as set per priority area will develop a delivery plan and sign delivery agreements with Ministers.

Cabinet now reports bi-monthly on the implementation of the Programme of Action (POA) in government, especially the priority areas, and Cabinet media briefings are held on the implementation of the POA. Cabinet Clusters report on progress with the implementation





## STRATEGIC ACHIEVEMENTS



of the POA and the Work in Progress (WIP) Annexure is updated regularly in accordance with the bi-monthly cycle. The WIP Annexures are attached to each of the Cabinet Committee agendas. These annexures reflect where ongoing work is required by Cabinet on a matter. An item is removed from the WIP Annexure when it is discussed and finalised by the relevant Cabinet Committee. The WIP Annexures are managed by the Cabinet Secretariat as a monitoring system to ensure the resolution of matters on the Cabinet agenda. The Cabinet Secretariat requests Ministries on at least a quarterly basis to submit progress reports on items as they appear in the WIP Annexures.

To lend a further sense of urgency to service delivery and the POA, the President has himself initiated a programme of unscheduled visits to local communities in stress.

Arising from the emerging experience of the Presidential Hotline as a tool to monitor government performance and service delivery, the Hotline was migrated from the Communications Branch to the Department of PME. Regular reports from the Hotline produce information on the implementation experiences of government programmes and policies.

Further co-ordinating mechanisms in which The Presidency plays or played a leading role include: a more inclusive HRD Council (which replaced JIPSA) and its activities; the revived Energy Council; the South African National Aids Council; the FIFA World Cup 2010 Inter-Ministerial Committee; and co-ordinating the development of the anti-poverty strategy and the War on Poverty campaign.

### **5. TO FOSTER NATION-BUILDING AND SOCIAL COHESION TO GIVE EFFECT TO THE PEOPLE'S CONTRACT**

The Presidency views the fostering of nation-building and social cohesion as a multi-dimensional challenge which includes symbolic actions, campaigns and those specific aspects of service delivery which promote a sense of well-being and belonging. Accordingly, The Presidency provided operational support for the implementation of a programme for nation-building and social cohesion, in which the President himself led the national agenda and discourse. It co-ordinated various engagements of all the political principals.

Among the symbolic aspects of this function, The Presidency was integrally involved in the Presidential Inauguration Ceremony which is seen as a significant occasion in our national life, the identification with which lends itself to a sense of national pride and social belonging. Accordingly, much thought went into the planning of the event, including the open public aspects and the drafting of representative official guest lists. Needless to say, the Presidential Inauguration Ceremony was a great success.

Similarly, the President and Deputy President officiated at high-profile events on national and international commemorative days. These included Human Rights Day, Freedom Day, Youth Day, Nelson Mandela Day (on 18 July 2009), Women's Day, Heritage Day and the National Day of Reconciliation, all of which were intended to signal our collective desire to build an inclusive society in which all citizens can feel a sense of belonging.



The South African National Orders are the official recognition accorded by government to selected individuals who have contributed significantly to South African society. Again The Presidency places much store in the role that national honours can play in furthering both, individual aspiration as well as an inclusive society, one in which any individual or member of any community may feel recognized and acknowledged through identification with achievers or elders elevated to national distinction.

The process of selection for National Orders starts with a public call by the Chancellor of National Orders, Mr Vusi Mavimbela (who is the Director-General in The Presidency), for nominations and a follow-up process of evaluation and research, after which a consolidated draft list of nominees is submitted to the President, who is the Grand Patron of National Orders, for final selection. In this past year, two National Orders ceremonies were held (April and December 2009) in which a number of South Africans and some foreign nationals were recipients of awards.

The passing on of our elders provide moments for profound reflection and thought. Our society would be the poorer were there a lack of recognition, on death, for those who are in the ranks of the esteemed in different walks of South African life. In the past year, the Presidency finalised the Policy on State Funerals to make manifest the manner in which individuals may receive the various forms of state funeral. The policy authorises The Presidency to declare different categories of state funerals.

This past year saw the passing away of former Minister Manto Tshabalala-Msimang who was accorded a Special Official funeral. The Presidency also

attended the special provincial funeral of Inkosi Nyanga Ngubane and the reburial of ANC stalwart Johnny Makhathini.

The Presidency was involved in campaigns and projects to promote social cohesion and nation-building through its involvement in the Programme of Action of the Moral Regeneration Movement, its engagement with traditional, cultural, linguistic, religious communities, and its engagement with Freedom Park.

Certain aspects of service delivery – or the lack thereof - hold important consequences for social cohesion and nation-building. Thus special attention is given to the building of a caring society in which all citizens, but especially the weak and the poor, feel fully included.

Thus, The Presidency has carefully monitored reports on the development of the Comprehensive Social Security system, including the debate on the National Health Insurance (NHI) project. It was involved in nine provincial workshops and the national colloquium convened on the draft anti-poverty strategy. The Presidency was instrumental in establishing an Anti-Poverty Civil Society Task Team to co-ordinate civil society consultations.

The Deputy President also undertook a follow-up visit to the distressed town of Jacobsdal in the Free State Province specifically to lend support to the campaign to fight poverty. Plans have been developed for the rollout of the war on poverty campaign to other provinces.





## STRATEGIC ACHIEVEMENTS

### 6. TO PROMOTE THE INTEGRATED APPROACH TO GOVERNANCE FOR ACCELERATED SERVICE DELIVERY.

A hallmark of the new approach which gave rise to the National Macro Reorganisation of National Government Project, is the emphasis on integrated approaches to governance and the specific focus on **delivery outcomes**. What this implies is the careful and efficient co-ordination in Delivery Forums of all the role-players and stakeholders in addressing delivery challenges to speed up delivery of outputs and measures within each priority area. The outcomes and outputs and measures are being developed and will be published and made publicly available on the Presidency Website.

On the basis of relevant outputs and measures for each expected outcome, senior civil servants will sign delivery performance agreements with their Ministers. Ministers will in turn take personal responsibility for this delivery by themselves signing performance agreements with the Minister for PME in The Presidency.

The Presidency took a leading role in co-ordinating the implementation of service delivery programmes of government. A revised Committee/Cluster System for Cabinet was successfully implemented. The Presidency oversees the FOSAD Management Committee (MANCO) processes so as pro-actively to identify and recommend solutions to bottlenecks. The Presidency is involved in the Presidential Co-ordinating Committee meetings, which is the meeting of all ministers and DGs. The outcomes of these meetings are fed back into Cabinet processes via the Secretary of Cabinet

who is also the DG of The Presidency. Issues are further refined by the Cabinet Secretariat for further engagement with the Provincial Secretariat Forum. While the Secretariat Forum meets once a year, the work of the Forum is driven by its Steering Committee that meets on a more regular basis. Quarterly Inter-Ministerial Committees (IMCs) are chaired by the President or the Deputy President. In some cases bilateral meetings are held between principals and relevant stakeholders. The Presidency also monitors the implementation of other *ad hoc* processes such as the Asmal Committee Recommendations.

The Presidency established and co-ordinated the Human Resources Development (HRD) Council and its activities and developed government's HRD strategy. It has also revived the Energy Council, with a clear Programme of Action to promote energy efficiency initiatives. Through SANAC, The Presidency has enhanced co-ordination in government around HIV/AIDS.

The Legislative Programme was streamlined and reprioritized as requested by Parliament to give it sufficient time for the processing and passing of urgent bills before the 2009 National Elections. Quarterly Reports for monitoring compliance by departments were submitted to Cabinet. The departments adhered to the submission deadlines as outlined in the revised Legislative Programme. A list of bills that could not be finalized by Parliament was resubmitted by the new administration after the elections. The list formed the basis for the Legislative Programme for the new legislative cycle. The Cabinet approved a diagnostic report on the workflow analysis of the Legislative Programme and Process Map for implementation by the departments.





The aim of the report is to improve the co-ordination and flow of legislation from Cabinet to Parliament.

In terms of Cabinet decision, priority draft regulations in the Legislative Programme should include a Regulatory Impact Assessment (RIA). This is an analysis of the likely effects of government regulations on the state, regulated entities, the economy and society as a whole. The application of RIA as a tool increases the move towards evidence-based policy making, which improves accountability and transparency in policy making. The Presidency drafted the approved strategy and Cabinet memoranda offering guidelines for Regulatory Impact Assessments to improve regulatory co-ordination. The RIA process is integrated and aligned with legislation and policy priorities of government. The Presidency convened a high level workshop of Directors-General and Deputy Directors-General of all government departments to clarify the purpose, scope and potential pitfalls of Regulatory Impact Assessment. To date RIA has been conducted on five regulations.

#### **7. TO SUPPORT, DEVELOP AND CONSOLIDATE INITIATIVES FOR BUILDING A BETTER AFRICA AND A BETTER WORLD.**

The Presidency views the successful execution of government's foreign policy as vital to the success of government's development goals. Thus it is fully engaged with the Department of International Relations and Co-operation and other departments with regard to all major initiatives. Accordingly, it implemented an annual international programme for the principals aligned closely to the foreign

policy goals of the country and aimed at strengthening the country's role in international initiatives.

During the year the President hosted heads of states from a range of African countries. In terms of SADC mandates, the President plays a role in the negotiation process aimed at bringing about enhanced governance, reduction in conflict and enhanced post-conflict reconstruction in Zimbabwe. To this end, The Presidency fully supports the work of the President's envoys and negotiators.

During the year under review, the 10<sup>th</sup> Anniversary Celebration of the SA-Nigeria Bi-National Commission (BNC) was held, in which the Presidency played a role. In addition, it also played an oversight role in the establishment of a 5-year programme of action for the SA-Nigeria BNC.

#### **8. TO PROMOTE ACCELERATED AND SHARED ECONOMIC GROWTH AND DEVELOPMENT WITH EMPHASIS ON THE SECOND ECONOMY AND SOCIAL INCLUSION**

As a key player in government's accelerated growth initiative, The Presidency oversaw the achievement of milestones in accordance with its implementation plan. These were *inter alia*, the successful joint - i.e. government, business and labour - response to the economic crisis which supports the development of a new growth path to ensure sustainable absorption of the unemployed into economic activity; the Framework for second economy interventions, namely,

the Expanded Public Works Programme, HCBC & ECD; the drawing up of draft interventions to reduce regulatory burdens and municipal by-laws that impact negatively on small businesses; the development of a draft Framework for Economic Regulation; and the monitoring of the Mafutha and Mthombo infrastructure development projects.

The ASGISA final report was published in 2009 and the initiative was wound up and its components absorbed and adapted by various economic sector ministries.

The JIPSA final report was tabled, thus paving the way for the establishment of the HRD Council and the transferring of all JIPSA work to the Department of Higher Education and Training.

# 2

## SUMMARY: DESCRIPTION OF



### 1. STRATEGY AND OPERATIONS

The Strategy and Operations branch is responsible for the overall management and administration of The Presidency. It is divided into four units:

- Financial Management
- Corporate services
- Protocol and ceremonial services
- Legal and Executive services

The branch also provides administrative management for the Office of the Director-General and the Office of the Chief Operations Officer. The strategic management to the units is provided by the Director-General and the Chief Operations Officer respectively.

#### Office of the Director-General

The Director-General is the strategic head of The Presidency and has specific delegated responsibilities and functions in terms of the Public Service Administration Act. The Director-General's role is to support the President in his leadership of society, his executive management of government to ensure implementation of its mandate and to fulfil his Constitutional responsibility. As Secretary to Cabinet, the Director-General facilitates the alignment of policy in departments with government's priorities contained in key documents such as the MTSE, the State of the Nation Address, The Presidency's budget vote speech and the Programme

of Action. The Director-General, supported by the head of PCAS and the Chief Operations Officer, assists the President through oversight reports on the implementation of government's programmers; gives advice concerning interventions to facilitate the achievement of government's strategic agenda, and co-ordination of government through FOSAD, the National Security Council and sector clusters of Directors-General

#### Office of the Chief Operations Officer

The Chief Operations Officer (COO), who is the appointed accounting officer in terms of the PFMA and the operational head, provides strategic oversight to ensure the efficient and effective operations of all branches in meeting objectives as set out in the Strategic Plan. All heads of branches, the Chief Financial Officer, the heads of risk managements, internal audit and internal security report to the COO. The COO is the deputy head of The Presidency and acts as head of The Presidency in the Director-General's absence. The head of the Office of the COO is also the Chief Risk Officer.

#### Chief Financial Officer

The Chief Financial Officer renders supply chain management, internal control and financial support to The Presidency. This Officer's unit is also responsible for maintaining sound financial management



# PRESIDENCY BRANCHES

and administration in line with the PFMA and treasury regulation

## **Internal audit**

*Internal audit* has primary responsibility to provide objective oversight of The Presidency's operations for economic, effective and efficient management of resources as required by the PFMA, Treasury regulation and professional internal auditing standards. The unit assesses, evaluates and provides advice to improve risk management, internal control and governance process.

## **Chief Risk Officer**

The Chief Risk Officer is responsible for assessing the risks in achieving the strategic objectives of The Presidency as well as the facilitation of the development and implementation of risk mitigation measures by management. A risk assessment is performed annually and is used as input for the annual audit plan. The risk management committee, comprising risk officers from each branch, meets regularly to monitor the risk environment and mitigation of risks.

## **2. CORPORATE SERVICES**

### **Human Resource Management**

The human resource management unit ensures that The Presidency

has the necessary human capital to implement its strategic mandate

### **Information technology knowledge management**

IT and knowledge management is responsible for implementing, maintaining and upgrading computer equipment and systems

### **Household and accommodation**

Household and accommodation ensures that facilities are cared for. These include office space at the Union Buildings, Tuynhuys and official residences

### **Protocol and ceremonies services**

Protocol and ceremonies services ensures that domestic and international functions and public engagements hosted by or attended by the President and/or Deputy President are properly managed and coordinated

### **Legal and executive services**

The legal and executive services unit derives its mandate from the need to ensure that the constitutional and other legal obligations of The Presidency are met and that political powers are exercised within the ambit of the law. The unit provides administrative support to the Independent Commission for the Remuneration of Public Office Bearers.



**Lakela Kaunda**

Deputy Director General  
Private Office Of The President



## SUMMARY: DESCRIPTION OF PRESIDENCY BRANCHES



**Busani Ngcaweni**

Deputy Director General  
Private Office Of The Deputy President



**Alan Hirsh**

62 Deputy Director General  
Policy Co-Ordination and Advisory Services

### 3. PRIVATE OFFICE OF THE PRESIDENT

The Private Office of the President is responsible for providing effective and efficient strategic executive and personal support services to the President in the execution of his Constitutional responsibilities.

The branch is responsible for co-ordination with Cabinet, Departments, Parliament, and other statutory bodies to support the President in fulfilling the responsibilities of policy-making, oversight and general leadership and management of government.

The branch is headed by a Deputy Director-General and has two chief directorates: Presidential Support Services, and Special Projects.

The Presidential Support Services Chief Directorate provides private secretarial and administrative support to the President, co-ordinates his domestic and international programme, and manages the flow of correspondence and enquiries.

The branch also provides content and administrative support to the President's advisers and Parliamentary Counsellor.

The Special Projects Chief Directorate provides technical and expert support to the President on governance and service delivery, and co-ordinates the intergovernmental and stakeholder interface work of the President. This includes support to the President on the Black Economic Empowerment Advisory Council and the President's Co-ordinating Council, among other things.

### 4. PRIVATE OFFICE OF THE DEPUTY PRESIDENT

The Private Office of the Deputy President is responsible for planning administering, and co-ordinating strategic support services to the Deputy President to assist in the fulfilment of his constitutional, executive and political responsibilities. The branch is composed of the Office of the Deputy Director-General, personal support services and special projects.

Efforts of the Private Office of the Deputy President are focused on institutionalising systems, processes, formalising the structure and sharpening the focus on oversight responsibilities, improving effectiveness of the Leaders of Government Business function as well as strengthening initiatives to bridge the second and first economy.

### 5. COMMUNICATIONS

The Communications branch is responsible for providing communications, research and information services to enable The Presidency to communicate effectively within government and with the South African and international public. To fulfil this function, the branch is required to keep up to date with political developments, debates, policy changes, enactment of laws and current affairs.

#### **The branch is composed for four units.**

- *Medial liaison* functions as the interface between The Presidency and the mass media, is responsible for cultivating and maintaining good relations with editors and reporters, and helps to monitor and evaluate the media environment. This unit also provides logistical and strategic media support for all public engagements by the



President, Deputy President and Ministers in The Presidency.

- *Public participation* is responsible for public relations and outreach services, including Izimbizo and events management.
- *Research, drafting and speechwriting* is responsible for drafting speeches, the annual report of the Presidency, National Orders citations, opinion articles, letters to editors and other written material. It also monitors the media environment on a daily basis.
- *Internal communications and publications* runs The Presidency's library, and maintains and updates the comprehensive website housing archival and current information. It manages The Presidency extensive intranet and e-Notice system.

## 6. CABINET OFFICE

The Cabinet Office supports the National Executive in its strategic management of government business. The key functions of Cabinet for which the branch provides support include: giving strategic direction to government, ensuring effective decision-making and better co-ordination, oversight, monitoring and implementation of government policy and decisions, and maintaining the effectiveness and integrity of government systems.

In line with the above, the Cabinet Office provides strategic and administrative support to Cabinet and to the Deputy President in his role as the Leader of Government Business in Parliament.

The Cabinet office consists of three units: The office of the Deputy Director-General, the Cabinet Secretariat and Cabinet Operations.

## 7. POLICY CO-ORDINATION AND ADVISORY SERVICES

The core mandate of PCAS is to facilitate integrated strategic policy formulation and implementation across government. PCAS monitors and evaluates the interpretation of policies and implementation of programmes. It advises the President, Deputy President and Ministers on any interventions necessary to ensure more effective and efficient service delivery. The mandate of PCAS is carried forward through collaboration with Cabinet and Cabinet Committees, and Directors-General clusters and national departments.

PCAS consist of nine units.

In the area of policy, they are:

- Economic sector
- Social sector
- International relations and trade
- Justice, crime prevention and security
- Government and administration

The other units are:

- Programmes, which covers the Office on the Status of Women, the Office on the Rights of the Child, the Office on the Status of Disabled Persons and the Youth Desk.
- Planning
- Government-wide monitoring and evaluation
- FOSAD secretariat and corporate support services

Note: PCAS was de-established towards the latter part of the year under review and its functions were separated out into the new departments established as described above.



**Vusi Mona**  
Deputy Director General  
Communications



**Lusanda Mxenge**  
Deputy Director General  
Cabinet Office

# 3

## TABLES



**TABLE 1: CABINET & CABINET COMMITTEE MEETINGS:**

|                                                                                                          |    |
|----------------------------------------------------------------------------------------------------------|----|
| Justice Crime Prevention and Security:                                                                   | 9  |
| Governance and Administration:                                                                           | 11 |
| Economic Sectors and Employment and for Infrastructure Development:                                      | 13 |
| Social Protection, Community and Human Development:                                                      | 8  |
| International Cooperation, Trade and Security:                                                           | 13 |
| Cabinet (including two extended planning meetings: Makgotla):                                            | 26 |
| Some meeting cycles were cancelled during April- May 2009 to allow the pre- and post Election processes. |    |

**TABLE 2: EXECUTIVE ACTS OF THE PRESIDENT**

Presidential Acts Processed By Legal And Executive Services Unit

| Type                                | Number     |
|-------------------------------------|------------|
| Assent of acts of Parliament        | 17         |
| Foreign visits by Ministers         | 402        |
| Foreign visit by Deputy Ministers   | 183        |
| Leave of absence – Ministers        | 24         |
| Leave of absence – Deputy Ministers | 83         |
| <b>TOTAL:</b>                       | <b>709</b> |

Presidential Minutes Processed By Legal And Executive Services Unit

| Type                                                                                                         | Number      |
|--------------------------------------------------------------------------------------------------------------|-------------|
| Proclamations                                                                                                | 52          |
| Pardons                                                                                                      | 98          |
| International Agreements                                                                                     | 77          |
| Appointment of Ambassadors, Consuls-Generals, Judges and other persons to hold office in public institutions | 131         |
| <b>TOTAL:</b>                                                                                                | <b>358</b>  |
| <b>EXECUTIVE ACTS OF THE PRESIDENT PROCESSED</b>                                                             | <b>1067</b> |

**TABLE 3: ADVISERS TO THE PRESIDENT**

|                                |
|--------------------------------|
| Mr. SR Maharaj (Special Envoy) |
| Ms LD Zulu                     |
| Ms B Makhene                   |
| Ms A Dlodlo                    |





|               |
|---------------|
| Mr. C Nqakula |
| Mr. M Mpahlwa |
| Mr. NG Kodwa  |

**TABLE 4: ADVISERS TO THE DEPUTY PRESIDENT**

|               |
|---------------|
| Mr. KZ Mbatha |
|---------------|

**TABLE 5: ADVISERS TO MINISTER CHABANE**

|                 |
|-----------------|
| Mr. KM Gordham  |
| Mr. R Shingange |

**TABLE 6: ADVISER TO MINISTER MANUEL**

|                |
|----------------|
| Mr. CM Dugmore |
|----------------|

\* For financial year 2009/2010 there were no special expert.

#### **THE PRESIDENCY: PERSONAL SUPPORT SERVICES TO THE PRESIDENT**

**TABLE 7: INCOMING AND OUTGOING INTERNATIONAL VISITS OF THE PRESIDENT**

APRIL 2009 – MARCH 2010

| Date              | Type Of Visits                   | Place                    |
|-------------------|----------------------------------|--------------------------|
| 30 June 2009      | NEPAD Summit                     | Sirte, Libya             |
| 01-03 July 2009   | AU Summit                        | Sirte, Libya             |
| 08-09 July 2009   | G8 Summit                        | Italy                    |
| 14-16 July 2009   | XV Summit of the NAM             | Egypt                    |
| 24 July 2009      | Visit of President of Mozambique | Presidential Guest House |
| 24 July 2009      | Visit of President of Mozambique | Presidential Guest House |
| 19-21 August 2009 | State Visit                      | SADC                     |



## TABLES



|                      |                                              |                          |
|----------------------|----------------------------------------------|--------------------------|
| 27-28 August 2009    | Working visit                                | Harare, Zimbabwe         |
| 07-08 September 2009 | SADC Summit                                  | DRC                      |
| 10 September 2009    | Meeting with Swedish Prime Minister          | Cape Town                |
| 11 September 2009    | SA/EU Summit                                 | Western Cape             |
| 22 September 2009    | Working visit                                | USA                      |
| 23 September 2009    | UNGA 64                                      | USA                      |
| 24-25 September 2009 | G20 Summit                                   | USA                      |
| 07-09 October 2009   | IBSA Summit                                  | Brasil                   |
| 30 October 2009      | SA/DRC Bi-national Commission                | Presidential Guest House |
| 03 November 2009     | SA/Namibia Heads of State Economic Bilateral | Mahlamba Ndlopfu         |
| 04 November 2009     | Working visit                                | Equatorial Guinea        |
| 05 November 2009     | Troika Summit of the SADC organ              | Mozambique               |
| 24 November 2009     | State visit by King Harald of Norway         | Union Buildings          |
| 27-29 November 2009  | CHOGM                                        | Trinidad & Tobago        |
| 08-09 December 2009  | State visit                                  | Zambia                   |
| 17-18 December 2009  | Climate Change Summit                        | Copenhagen, Denmark      |
| <b>2010</b>          |                                              |                          |
| 27-30 January 2010   | World Economic Forum                         | Davos, Switzerland       |
| 31-02 February 2010  | SADC summit                                  | Ethopia, Addis Ababa     |
| 02-05 March 2010     | State visit                                  | United Kingdom           |
| 17-18 March 2010     | Working visit                                | Zimbabwe                 |
| 19 March 2010        | Meeting with Foreign Minister of Egypt       | Mahlamba Ndlopfu         |
| 20-21 March 2010     | Inauguration of Namibian President           | Namibia                  |
| 25-26 March 2010     | State visit                                  | Uganda                   |



**TABLE 8: INCOMING AND OUTGOING INTERNATIONAL VISITS OF THE DEPUTY PRESIDENT**

APRIL 2009 – MARCH 2010

| Date                | Type Of Visits                                                                                                                      | Place                                                        |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| 11-12 June 2009     | WEF AFRICA: Interactive session entitled: FIFA WORLD CUP 2010: Building a Legacy for Africa                                         | Cape Town International Convention Center                    |
| 13-17 June 2009     | ILO International Conference                                                                                                        | Geneva                                                       |
| 07 August 2009      | Courtesy call by Ms R Hillary Clinton US Secretary of State                                                                         | Union Buildings, Pretoria                                    |
| 14 August 2009      | Attending Inauguration of the President Elect: Congo-Brazaville                                                                     | Brazaville, Congo                                            |
| 21 August 2009      | 1. Courtesy call by Commerce and Industry Minister of India, Mr. Anand Sharma                                                       | Union Buildings, Pretoria                                    |
|                     | 2. Courtesy call by the Foreign Minister of the Democratic Republic of Timor Leste, Dr Zacarias Albano-da-Costa                     | Union Buildings, Pretoria                                    |
| 10 September 2009   | 1. Attending the welcoming ceremony State Visit of H.E Mr Fredrik Reinfeldt of the Kingdom of Sweden                                | Tuynhuys, Cape Town                                          |
|                     | 2. Meeting with Mr Habayeb, President and CEO of General Electric: Middle East and Africa                                           | Tuynhuys, Cape Town                                          |
| 09-11 October 2009  | Outgoing Visit to Sweden                                                                                                            | Stockholm, Sweden                                            |
| 22-24 October 2009  | Outgoing visit to Sudan                                                                                                             | Sudan                                                        |
| 29 October 2009     | Courtesy call by the Vice President of Nigeria                                                                                      | Tuynhuys, Capetown                                           |
| 13-15 November 2009 | Outgoing visit to Nigeria                                                                                                           | Nigeria                                                      |
| 16-18 November 2009 | Outgoing visit to Italy                                                                                                             | Italy                                                        |
| 24 November 2009    | Courtesy call by the Deputy President on HM King Herald V of Norway                                                                 | Sheraton Hotel, Pretoria                                     |
| 01 December 2009    | Courtesy call by Vice President Mujuru of Zimbabwe                                                                                  | Union Buildings, Pretoria                                    |
| 02 December 2009    | Meeting with Mr Bill Gates                                                                                                          | Union Buildings, Pretoria                                    |
| <b>2010</b>         |                                                                                                                                     |                                                              |
| 26 January 2010     | Courtesy meeting with Mr Stephen Smith, Foreign Minister of Australia                                                               | Union Buildings, Pretoria                                    |
| 29 January 2010     | Meeting with Former President Mogae and Champions for an HIV-Free Generation                                                        | Union Buildings, Pretoria                                    |
| 12 February 2010    | Meeting with the International Jewish Delegation                                                                                    | (Jewish Community Centre) The Albow Brothers Centre, Gardens |
| 04 March 2010       | Courtesy meeting with Former President Mogae, Former President Chissano, Ms. Joyce Mhaviile, Dr Nono Simelela and Dr Catherine Sozi | Tuynhuys, Cape Town                                          |





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|                  |                                                                                                                                        |                       |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 05 March 2010    | Country Visit by Former President Mogae and Champions for an HIV Free nation                                                           | Pietermaritzburg      |
| 15 March 2010    | Courtesy meeting with the Deputy Prime Minister of Sweden                                                                              | Highstead             |
| 16-17 March 2010 | Incoming working Visit of Deputy Prime Minister of Sweden BNC                                                                          | Tuynhuys, Cape Town   |
| 18 March 2010    | Official visit by Mr Matti Vanhanen, Prime Minister of the Republic of Finland                                                         | Tuynhuys, Capetown    |
| 19 March 2010    | Meeting with H.E. Mr Esteban Lazo, Vice President of the Council of State of the Republic of Cuba in attendance: H.E. Mr Jorge Risquet | Tambo House, Pretoria |

**TABLE 9: LETTERS OF CREDENCE/COMMISSION PRESENTED**

| 14 April 2009                                        |                                                                                       |
|------------------------------------------------------|---------------------------------------------------------------------------------------|
| Republic of Kazakhstan                               | Ambassador HE Mr Askar MUSSINOV (non-resident: resident in Abu Dhabi)                 |
| Republic of Sierra Leone                             | High Commissioner HE Mr Andrew Gbebay BANGALI (non-resident: resident in Addis Ababa) |
| 1 October 2009                                       |                                                                                       |
| Union of Myanmar                                     | Ambassador HE Mr U Tin Oo Lwin                                                        |
| Republic of Romania                                  | Ambassador HE Mr Radu Gabriel SAFTA                                                   |
| United Kingdom of Great Britain and Northern Ireland | High Commissioner HE Dr Nicola BREWER                                                 |
| Kingdom of Thailand                                  | Ambassador HE Mr Tharit CHARUNGVAT                                                    |
| United States of America                             | Ambassador HE Mr Donald Henry GIPS                                                    |
| Canada                                               | High Commissioner HE Mrs Adélé DION                                                   |
| Republic of Rwanda                                   | Ambassador HE Mr Ignatius KAMALI KAREGESA                                             |
| Republic of Finland                                  | Ambassador HE Mrs Tiina MYLLYNTAUSTA                                                  |
| Hellenic Republic                                    | Ambassador HE Mr Spyridon THEOCHAROPOULOS                                             |
| 1 December 2009                                      |                                                                                       |
| Republic of Chile                                    | Ambassador HE Mr Francisco Javier MARAMBIO                                            |
| Republic of the Sudan                                | Ambassador HE Dr Ali Yousif AHMED                                                     |
| Republic of Serbia                                   | Ambassador HE Mr Goran VUJIOVIĆ                                                       |
| Republic of Panama                                   | Ambassador HE Mr Rodrigo Guillermo CHIARI                                             |
| Republic of France                                   | Ambassador HE Mr Jacques LAPOUGE                                                      |
| 9 February 2010                                      |                                                                                       |
| Republic of Ghana                                    | High Commissioner HE Mr Lee OCRAN                                                     |
| Republic of Côte d'Ivoire                            | Ambassador HE Mr Zogoé Hervé-Brice ABIE                                               |
| Democratic Socialist Republic of Sri Lanka           | High Commissioner HE Mr Dharmasena WJESINGHE                                          |
| Republic of Seychelles                               | High Commissioner HE Mr Joseph Andre NOURRICE                                         |
| Republic of Ecuador                                  | Ambassador HE Dr José VALENCIA                                                        |
| Republic of Latvia                                   | Ambassador HE Mr Raimonds JANSONS (non-resident: resident in Brussels)                |
| Mongolia                                             | Ambassador HE Mr Bulgaa ALTANGEREL (non-resident: resident in London)                 |



**TABLE 10: CATEGORIES OF NATIONAL ORDERS**

|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Order of Mapungubwe                                                                                                                                                                                                                                                                                                                      | The Order of Mapungubwe is awarded to South African citizens who have accomplished excellence and exceptional achievements to the benefit of the Republic of South Africa and beyond                                                                                                                                                    |
| The Order of the Baobab                                                                                                                                                                                                                                                                                                                      | The Baobab Order is awarded to South African citizens who have made exceptional and distinguished contributions in community service, business and the economy, science, medicine and technological innovation.                                                                                                                         |
| The Order of Luthuli                                                                                                                                                                                                                                                                                                                         | The Order of Luthuli is awarded to South African citizens in recognition of outstanding contribution in the struggle for democracy, nation building, building democracy and human rights, justice and peace as well as for the resolution of conflict.                                                                                  |
| The Order of Ikhamanga                                                                                                                                                                                                                                                                                                                       | The Order of Ikhamanga is awarded to South African citizens who have excelled in the field of arts, culture, literature, music, journalism and sport.                                                                                                                                                                                   |
| The Order of Mendi for Bravery                                                                                                                                                                                                                                                                                                               | The Order is awarded to South African citizens who have distinguished themselves by displaying extraordinary acts of bravery through which their lives were placed in great danger or who have lost their lives, including trying to save the life of another person or by saving property, in or outside the Republic of South Africa. |
| The Order of the Companions of O R Tambo                                                                                                                                                                                                                                                                                                     | The Order of the Companions of O R Tambo is awarded to eminent foreign nationals and those who have actively promoted the interests and aspirations of South Africa through excellent cooperation and active expression of solidarity and support.                                                                                      |
| The Order of South Africa                                                                                                                                                                                                                                                                                                                    | The Cabinet approved the Order of South Africa in March 2010. This seventh Order will be awarded to foreign Heads of State by the President of the Republic of South Africa as a reciprocal order.                                                                                                                                      |
| President JG Zuma, in his capacity as Grand Patron of National Orders, awards all National Orders and officiates at all National Orders ceremonies. The Chancellor of National Orders is Mr Vusi Mavimbela, the Director General of The Presidency. Recommendations for National Orders are made by the Advisory Council on National Orders. |                                                                                                                                                                                                                                                                                                                                         |

**TABLE 11: NATIONAL ORDERS RECIPIENTS**

The following National Orders were awarded on the 11 December 2009

| The Order Of Mendi For Bravery |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Category III: BRONZE</b>    | <b>Phindile Ndlovu (Posthumous)</b><br>For her selfless sacrifice and fearless actions as she tried to save the lives of children in her family, in a tragic fire.                                                                                                                                                                                                                                                                                 |
| <b>Category I: GOLD</b>        | <b>Michael Festus Boikhutso (Posthumous)</b><br>For his bravery and valour in the face of overwhelming odds, and for sacrificing his life in the cause of justice, freedom and democracy.<br><b>Shimankana Tabane: aka Cassius Maahe (Posthumous)</b><br>For his exceptional contribution to the struggle for freedom, displaying extreme courage against all odds and ultimately sacrificing his life in the quest for a democratic South Africa. |



## TABLES



| The Order Of The Baobab |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Category III: BRONZE    | <p><b>Elizabeth Georgina Firmstone</b><br/>For her outstanding and tireless contribution in the field of education and humanitarian support.</p> <p><b>Victor John Ritchie</b><br/>For his outstanding visionary leadership in education and the upliftment of the youth in his community.</p>                                                                                                                                                                                                                                                                                                                 |
| Category II: SILVER     | <p><b>Thudiso Virginia Gcabashe</b><br/>For her exemplary contribution to women's empowerment and commitment to the development of education for the rural and disadvantaged communities.</p> <p><b>Mangena Maahe Mokone (Posthumous)</b><br/>For his exceptional contribution and pioneering spirit in the formation of the African Ethiopian Movement, and as a champion of African and liberation theology.</p>                                                                                                                                                                                             |
| The Order Of Ikhamanga  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Category III: BRONZE    | <p><b>Khotso Mokoena</b><br/>For his outstanding achievement in athletics</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Category II: SILVER     | <p><b>Abdullah Ibrahim (formerly known as Dollar Brand)</b><br/>For his outstanding contribution in putting South Africa on the international music map, and for his fight against racism, oppression and apartheid.</p> <p><b>Letta Mbulu</b><br/>For her excellent contribution in the field of music, and her struggle for a just and democratic society.</p> <p><b>Caiphus Semenya</b><br/>For his excellent contribution to the field of music and valiant struggle against apartheid.</p> <p><b>Jan Sebastian Rabie (Posthumous)</b><br/>For his excellent contribution to South African literature.</p> |
| Category I: GOLD        | <p><b>Miriam Zenzi Makeba (Posthumous)</b><br/>For her exceptional contribution to the field of music and the struggle for a free and democratic South Africa</p> <p><b>Lewis Gordon Pugh</b><br/>For his exceptional sporting triumphs, humanitarian feats, and raising consciousness about the negative effects of global warming.</p> <p><b>Natalie du Toit</b><br/>For her exceptional achievements and her unparalleled merit in the South African sporting arena.</p>                                                                                                                                    |
| The Order Of Luthuli    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Category III: BRONZE    | <p><b>Sina Keitsing</b><br/>For her outstanding contribution to the struggle for liberation, and for providing safe passage to many exiled cadres in Botswana during the struggle against apartheid.</p> <p><b>Nokuhamba Nyawo</b><br/>For her outstanding contribution to the liberation struggle.</p>                                                                                                                                                                                                                                                                                                        |
| Category II: Silver     | <p><b>David Rabkin (Posthumous)</b><br/>For his selfless contribution to the achievement of a non-racial, non-sexist, just and democratic South Africa.</p> <p><b>Dulcie Evon September (Posthumous)</b><br/>For her courageous contribution to the struggle for a non-racial, non-sexist, just and democratic South Africa.</p> <p><b>Simon Senna</b><br/>For his contribution to the struggle against apartheid and service to the people of South Africa</p> <p><b>Ahmed Timol (Posthumous)</b><br/>For his excellent contribution and selfless sacrifice in the struggle against apartheid.</p>            |





|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Category I: GOLD</b>           | <p><b>James “Sofasonke” Mpanza (Posthumous)</b><br/>For his exceptional contribution to the struggle for socio-economic rights, and his fight for justice and restoration of the dignity of blacks in urban settlements.</p> <p><b>Peter Nchabeleng (Posthumous)</b><br/>For his exceptional contribution to the fight against the apartheid system in South Africa.</p> <p><b>Johannes Phumani Phungula (Posthumous)</b><br/>For his exceptional contribution to the trade unions and political struggle against apartheid.</p> |
| <b>The Companions Of Or Tambo</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Category II: SILVER</b>        | <p><b>Anna Abdallah</b><br/>For her excellent contribution in facilitating land and developmental projects for South African exiles in Tanzania.</p> <p><b>Rev. William Cullen Wilcox and Mrs Ida Belle Wilcox (Posthumous)</b><br/>For their contribution to the fight against colonialism policies and struggle for liberation of South Africans.</p>                                                                                                                                                                          |
| <b>The Order Of Mapungubwe</b>    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Category II: SILVER</b>        | <p><b>Prof. Hendrik J Koornhof</b><br/>For his excellent contribution to biomedical science in South Africa.</p> <p><b>Johann Lutjeharms</b><br/>For his excellent contribution and achievements in oceanographic science.</p> <p><b>Bongani Mayosi</b><br/>For his excellent contribution and achievement in the field of medical science.</p>                                                                                                                                                                                  |



# SECTION C

PROGRAMME PERFORMANCE









# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## 1. EXECUTIVE SUMMARY

- 1.1 This Year-end report reviews the performance of The Presidency over the past financial year; covering the period commencing from the 01st April 2009-31st March 2010.
- 1.2 Notably, The Presidency has undergone substantial reorganisation in the period under review, in line with the President's directive to reconfigure National government, which also included changes to the structural organisation of The Presidency. This has resulted in major unplanned and unanticipated operational disruptions and delays in several areas of work in The Presidency; which has resulted in a slower than envisaged pace of delivery in the first three (3) to six (6) months of the financial year.
- 1.3 Nevertheless we are pleased to record that there has been encouraging progress in the second half of the financial year in meeting set targets contained in the "plan" for delivery of The Presidency for the financial year 2009/10.
- 1.4 However, looking ahead, it remains essential to prepare for the events that cause major unplanned and unanticipated operational disruption and delays.
- 1.5 The Presidency is more resilient and better prepared to manage deviations, than it was a year ago. There are initiatives under way to improve systems even further.
- 1.6 The objective of this report is therefore threefold. It is:
  - 1.6.1 Firstly to explain the process used to identify performance targets for the 2009/10 financial year, given that target setting was not done in the conventional way, as done in previous financial years.
  - 1.6.2 To provide an account of the performance of the organisation over the financial year under review.
  - 1.6.3 Consequently, to indicate baseline information, that will be used as a starting point to monitor future performance of the organisation.
- 1.7 The financial year 2009/10 marked a significant milestone, not only in the history of the organisation, but for the country as a whole.
- 1.8 South Africa held its 4th general election, and President Jacob Zuma was elected as the 4th democratic President of the Republic of South Africa.
- 1.9 Following the elections, the President announced the new Cabinet in terms of sections 91(2) and 93(1) of the Constitution of the Republic of South Africa on the 10th of May 2009.
  - 1.10 During the Cabinet announcement a number of changes to the previous configuration of Cabinet and national government, including changes to the structural organisation of The Presidency, were declared and later proclaimed.
  - 1.11 The rationale for the reorganisation of the macro-structure of national government was mainly aimed at improving the efficiency and the effectiveness of government, by aligning like functions with like, so as to enhance government's service delivery.
  - 1.12 On the 07th of July 2009, the Ministry of Women, Children and People with Disabilities took over the following functions from The Presidency:
    - 1.12.1 Office on the Status of Women
    - 1.12.2 Office on the Status of Disabled Persons
    - 1.12.3 Office on the Rights of the Child
  - 1.13 As you will note in the progress report, performance targets previously set for the work done by The Presidency to mainstream gender, children and disabled persons into government programmes was transferred to the new Ministry of Women, Children and People with Disabilities, in the financial year under review.
  - 1.14 In the year under review also, the work done by the Youth Desk primarily focussed on the launching of the new National Youth Development Agency; which came about through the merger of the National Youth Commission and Umsobomvu Youth Fund.
  - 1.15 In addition, the President proclaimed the creation of two new Ministries within The Presidency, namely: the Ministry of Performance Monitoring and Evaluation and the Ministry for National Planning.
  - 1.16 A significant amount of work has gone into the establishment of these two new ministries, including an extensive consultation process with stakeholders and securing the approval of Cabinet for the two sets of Green papers for National Planning and Performance Monitoring and Evaluation.
  - 1.17 The Green Papers on National Strategic Planning and Performance Monitoring and Evaluation set out the approach that government will take on these two matters.
  - 1.18 On the other hand, though work continued in the broad areas of operation in the organisation, the transition period had a significant impact in the completion and full achievement of set targets of the organisation. Progress was especially slowest in those areas that depended heavily on the outcome of the restructuring



## FOR THE YEAR ENDED 31 MARCH 2010

process. This is because these areas needed to define clearly their new mandate and subsequently define the required future performance of the new or realigned functions.

- 1.19 More so, in the period between September 2008 and June 2009, the planning activity of The Presidency was temporarily suspended, pending the finalisation of the political transition that was taking place at the time. This also included awaiting the finalisation of the elections and inauguration of the President, and essentially, the May 2009 Cabinet Lekgotla and the June 2009 State of the Nation Address. This decision ensured that the future strategies and plans of The Presidency were guided by the vision and direction of the incoming leadership and the new mandate of the ruling party.
- 1.20 The development of the 2009-12 strategy and 2009/10 operational plan were therefore not finalised as their development coincided with this period. It was thus agreed that the 2008-11 Presidency strategy would be used to outline the performance targets for the organisation for the financial year 2009/10. A letter was sent to the Executive Authority and to Parliament in this regard.
- 1.21 At the Branch level, a decision was made, as a way of reconciling the absence of performance targets for the financial year under review, that the 2009/10 Branch targets would be concurrently constructed through the same process used to identify and approve the performance targets for the medium term 2010-13. The baseline performance information identified for the 2010-13 strategies, would therefore serve as the performance targets for 2009/10 financial year.
- 1.22 This is not the conventional manner The Presidency determines performance targets. However this was the process agreed and followed in the previous financial year, to breach the then existing gap.
- 1.23 Therefore the performance targets for 2009/10 were determined using the following process:
- 1.23.1 The organisational performance targets for 2009/10 were taken from The Presidency strategy for 2008-11.
- 1.23.2 The Branch performance targets for 2009/10 were taken from the Branch strategies for the period 2010-13; using the Baseline information (denoted as “baseline 2009/10 actual performance” in strategies).
- 1.24 The planning process to outline and agree performance targets for the Branches and aggregately for the organisation, was finalised in November with the

culmination of the process marked by the presentations made by Branches to the COO.

- 1.25 The 2009/10 performance targets (baseline information for 2010/11), was required by Branches to use to report against for the Mid-term and Year end Performance reports.
- 1.26 Therefore since performance targets were retrospectively set in September 2009, only two performance reports were generated for the financial year under review, namely the Mid-term and the Year end performance reports.
- 1.27 The Executive Authority has been informed of this deviation in the reporting process and has subsequently approved the deviation.
- 1.28 To address the question of different Presidency-level objectives, targets and outcomes in the 2008/09 – 2010/11 Presidency Strategic Plan to the 2010-13 Branch plans, a simple alignment exercise was applied.
- 1.29 With the exercise applied, the 7 strategic objectives and related strategies for the period 2008-11, were aligned to the current 6 strategic objectives and related strategies as outlined in the 2010-13 strategies, with the exception of one strategic objective for the past medium term. The previous set of strategic objectives was, without difficulty, aligned to the current set, merely focussing on the essence/spirit captured in both sets of strategic objectives, which to a large extent remained the same.
- 1.30 Subsequently, the baseline information for 2010-13 (which is the 2009/10 performance targets) was checked to ensure that it effectively contributes to the achievement of the strategic objectives of the organisation as outlined in the 2008/11 strategy.
- 1.31 This exercise was applied to all 7 objectives of The Presidency for the period 2008-11, with the exception of one, Strategic Objective 7: **“To promote accelerated and shared economic growth and development with emphasis on the Second Economy and social inclusion.”**
- 1.32 With regards to Strategic objective 7, the Branches previously contributing to the achievement of this strategic objective continued to perform the activities and projects, from the previous financial year, contributing to the achievement of this strategic objective. These Branches also continued to provide the necessary progress reports on the implementation of those activities.

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

1.33 Below please find the alignment exercise applied:

| Alignment of Presidency Strategic Objectives for 2008-11 & Strategic Objectives 2010-13                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategic Plan 2008-11                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Strategic Objective No:                                                                                                             | Presidency Strategies per Objective:                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 1. To strengthen strategic management and leadership capability to achieve greater organisational cohesion.                         | 1.1. Strategies and plans of action for all three spheres of government and organs of state aligned with government priorities and geared towards the achievement of the electoral mandate.<br>1.2. Co-ordinate and facilitate the development of strategic management and leadership capacity and capability of government.<br>1.3. Strengthened strategic management and leadership capability and greater organisational cohesion in The Presidency. |
| 2. To improve information management, access and sharing information.                                                               | 2.1. Ensure improved information management, access and sharing.<br>2.2. Ensure effective communication by The Presidency with internal and external stakeholders.                                                                                                                                                                                                                                                                                      |
| 3. To co-ordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery. | 3.1. Lead and ensure the development and maintenance of a co-ordinated government-wide monitoring and evaluation system.<br>3.2. Leadership and facilitation of effective communication of government policies and programmes.                                                                                                                                                                                                                          |
| 4. To foster nation-building and social cohesion to give effect to the People's Contract.                                           | 4.1. Provide leadership and facilitate participatory and democratic governance systems that contribute to the mobilisation of society to engage in collective action with the State towards the achievement of its goals.                                                                                                                                                                                                                               |
| 5. To promote the integrated approach to governance for accelerated service delivery.                                               | 5.1. Promote co-ordination in the implementation of integrated programmes across government that result in accelerated service delivery and sustainable development.<br>5.2. Deepen governance and accountability through the application of principles and practices of good governance.                                                                                                                                                               |
| 6. To support, develop and consolidate initiatives for building a better Africa and a better world.                                 | 6.1. Facilitate and lead a progressive role in Africa and the world, resulting in improved conditions of peace, stability, security, democracy and good governance for sustainable development.<br>6.2. Provision of leadership for compliance with the regional and international obligations regarding gender, disability, children and youth programmes.                                                                                             |
| 7. To promote accelerated and shared economic growth and development with emphasis on the Second Economy and social inclusion.      | 7.1. Facilitation of co-ordinated interventions and macro-economic approaches towards broad socio-economic development, social inclusion and a reduction in inequalities - interventions towards the integration of the Second Economy into the First Economy.                                                                                                                                                                                          |
|                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |





## FOR THE YEAR ENDED 31 MARCH 2010

### Strategic Plan 2010-13

#### Strategic Objective No:

#### Presidency Strategies per Objective:

1. To enhance policy development, co-ordination and integrated strategic planning across all spheres of government.

- 1.1 Ensure that strategies and plans of action for all spheres of government are aligned with government priorities towards the achievement of the electoral mandate.
- 1.2 Enhance policy co-ordination in government.
- 1.3 Enhance the quality of governance systems and structures.

2. To facilitate effective communication between The Presidency and its stakeholders.

- 2.1 Improve the management and access of information.
- 2.2 Enhance channels for interactive communication.
- 2.3 Enhance relations with media.
- 2.4 Enhance Internal communication.
- 2.5 Enhance systems for The Presidency to communicate with the people.

3. To monitor and evaluate the implementation of government policies and programmes.

- 3.1 Build the GWME system by providing leadership on co-ordination and M&E policies and the creation of functional data architecture for government.
- 3.2 Support the President in the Performance Management process by providing appropriate information.
- 3.3 Delivery Unit to work in 3 areas, in partnership with line function departments to unblock service delivery and demonstrate how service delivery can be improved.

4. To promote nation building and social cohesion and a partnership with the people towards the collective achievement of a common identity and caring society.

- 4.1 Facilitate interventions towards enhanced social inclusion.
- 4.2 Mobilise society towards the achievement of national goals.
- 4.3 Lead and support the establishment of partnerships between government and society.
- 4.4 Enhance the sense of national identity.

5. To continue to facilitate initiatives for building a better Africa and a better world.

- 5.1 Promote economic and cultural diplomacy.
- 5.2 Ensure strengthened regional integration and enhanced peace and security.
- 5.3 Strengthen the country's role in international initiatives.

NEW

6. To ensure the effective and efficient management of The Presidency and its programmes.

- 6.1 Enhance internal governance structures.
- 6.2 Enhance efficiency and effectiveness of systems and processes within The Presidency.
- 6.3 Strengthen The Presidency as a professional organisation with high standards and ethics.
- 6.4 Enhance capabilities within The Presidency.

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

- 1.34 Most of the interventions, previously performed under strategic objective 7, were transferred to other Line departments during the financial year. The Presidency was, for example, tasked with the responsibility of ensuring the successful migration of the JIPSA programme to the Department of Education.
- 1.35 Similarly, regarding Jobs for Growth and Second Economy Programmes, The Presidency, in its oversight role, no longer played the lead role as in the previous financial years on these programmes, as some of these programmes, mainly incubated within The Presidency to ensure accelerated service delivery and co-ordination of the efforts of contributors, were integrated into the broader job creation and job preservation programme of Line departments.
- 1.36. Therefore, in the 2009/10 financial year The Presidency set out to deliver significant gains and make real progress in:
- 1.36.1 strengthening strategic management and leadership capability to achieve greater organisational cohesion.
- 1.36.2 improving information management, access and sharing information.
- 1.36.3 co-ordinating, monitoring, evaluating and communicating government policies and programmes and accelerate integrated service delivery.
- 1.36.4 fostering nation-building and social cohesion to give effect to the People's Contract.
- 1.36.5 promoting the integrated approach to governance for accelerated service delivery.
- 1.36.6 supporting, developing and consolidating initiatives for building a better Africa and a better world.
- 1.36.7 promoting accelerated and shared economic growth and development with emphasis on the Second Economy and social inclusion.
- 1.37 Over the past financial year, The Presidency has committed significant new resources to this end. Some of these include, amongst others, the:
- 1.37.1 establishment of the Ministry for National Planning and the National Planning Commission that is tasked with developing a long term vision for South Africa.
- 1.37.2 establishment of the Ministry and the Department for Performance Monitoring and Evaluation, as well as the development of 9 performance outcomes for the seven priorities of government.
- 1.37.3 establishment and rolling out the Presidential Hotline, which has from inception to 31 March 2010 logged 44 000 queries, of which 20 000 have been resolved.
- 1.37.4 successful implementation of the National Macro Reorganisation Project of government. The Presidency, with the assistance from DPSA, DPW, National Treasury, spearheaded the project to completion.
- 1.38 The Presidency also continued to play a critical role in the efforts to:
- 1.38.1 co-ordinate joint government, business and labour responses to the economic crisis.
- 1.38.2 promote social cohesion and Nation Building campaigns, such as the Moral Regeneration Movement; developing a programme of action for supporting the developmental efforts of traditional authorities and religious communities; and finalising the Anti-poverty strategy, as well as visiting poor communities as part of the War on Poverty Campaign.
- 1.38.3 promote a multi-sectoral approach to accelerating service delivery, in areas such as the 2010 FIFA World Cup. The Presidency played an oversight role regarding the 2010 FIFA World Cup, to ensure completion of outstanding projects related to telecoms, water, roads and sanitation, as well as to promote the 2010 Dividend, in the form of opportunities that will accrue to small enterprises, community infrastructure, and other legacy projects.
- 1.38.4 enhance the capacity of the South African National AIDS Council (SANAC), launch the Human Resource Development Council and facilitate the development of the HRD strategy; as well as support Energy Efficiency Campaigns.
- 1.38.5 promote economic and cultural diplomacy, so as to ensure strengthened regional integration, as well as strengthen the country's role in international initiatives through the implementation of an extensive international programme. In the year under review, The Presidency led the 10th Anniversary Celebration of the SA-Nigeria Bi-National Commission (BNC) and also played an oversight role in the establishment of a 5-year programme of action for the SA-Nigeria BNC.
- 1.38.6 implement the Regulatory Impact Assessment (RIA) Framework to ensure improved regulatory co-ordination.
- 1.39 Looking ahead there is further work needed to:



- 1.39.1 finalise the restructuring of The Presidency ;
- 1.39.2 establish an effective National Planning Commission to support the executive and provide guidance for effective national planning; and the development of the National Vision and Long-term Strategic Plan.
- 1.39.3 finalise the establishment of the appropriate forums, clusters or committee in each sector to provide guidance on implementation processes and improve service delivery. To this end, Ministers need to convene delivery forums with all affected stakeholders to develop a detailed delivery plan in key performance areas.
- 1.40 The second section of the performance report provides a more detailed account of work done by The Presidency under each focus area and sets out the results from the 2009/10 financial year.



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## 2. ORGANISATIONAL PERFORMANCE MATRIX

Strategic Objective No 1: To strengthen strategic management and leadership capability to achieve greater organisational cohesion

| S/I No | Presidency Strategy                                                                                                                                                              | Outcome No | Presidency Outcome                                                                    | Indicator No | Presidency Indicator                                                                                               |  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------|--------------|--------------------------------------------------------------------------------------------------------------------|--|
| 1.1    | Strategies and plans of action for all spheres of government and organs of state aligned with government priorities and geared towards the achievement of the electoral mandate. | 1.1.1      | Strategies, programmes and plans aligned and co-ordinated across the organs of state. | 1.1.1.1      | Annually updated Medium Term Strategic Framework (MTSF), aligned to the government priorities.                     |  |
|        |                                                                                                                                                                                  |            |                                                                                       | 1.1.1.2      | Facilitation of coherent and integrated Government strategic planning processes and sessions.                      |  |
|        |                                                                                                                                                                                  |            |                                                                                       | 1.1.1.3      | Facilitation of aligned and co-ordinated strategies, programmes and plans in remaining 29 district municipalities. |  |
|        |                                                                                                                                                                                  |            |                                                                                       |              |                                                                                                                    |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                                                                                                                                                   | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 1.1.1.1.1 | Review and revise MTSF in alignment with the new electoral mandate update and publish the Government Programme of Action (POA).                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Medium Term Strategic Framework (MTSF) for 2009 – 2014, aligned to the electoral mandate.</li> <li>• Updated and published Government Programme of Action (POA) for the financial year 2009/10.</li> <li>• Approved Presidency Budget Vote for 2009/10.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|  | 1.1.1.2.1 | <p>Review of the efficacy of interventions towards coherent and integrated Government strategic planning processes.</p> <p>Implementation of the Operational Plan for the National Strategic Planning.</p>                                                                                     | <ul style="list-style-type: none"> <li>• Approved Green Paper on National Strategic Planning, including the process to develop a National Vision and Long-term Strategic Plan as a co-ordinating mechanism.</li> <li>• Establishment of the National Planning Commission.</li> <li>• Space secured in the diary of the Principals to lead the planning cycle.</li> <li>• Speaking/critical notes, content briefs and reports (restricted) prepared for bilaterals organised to facilitate and co-ordinate the interface between the Principals and the various planning structures, for them to lead the planning cycle.</li> <li>• Operational Plan and Road Map discussed at FOSAD in preparation for the May 2009 and January 2010 Cabinet Makgotla.</li> <li>• Approved and communicated Makgotla framework and agenda- Frameworks for the May Lekgotla was approved by Cabinet on 20 May 2009 and for the January 2010 Lekgotla on 18 November 2009.</li> <li>• SONA (03 June 2009 &amp; 11 February 2010) and responses to the SONA debates.</li> <li>• Implemented the adjusted Cabinet Programme for 2009/10, which has 5 New Cabinet Committees and 7 new Ministerial and DG Clusters with existing strategic and functional support processes. After the 2009 elections in April 2009 the New Administration on 5 June 2009 approved a new Programme for the remainder of 2009, in accordance with revised Cabinet/Committee structures. These new structures were introduced successfully and they met in accordance with the approved plan. On 18 November 2009 Cabinet approved a Programme for 2010.</li> </ul> |
|  | 1.1.1.3.1 | <p>Re- alignment of the reviewed MTSF and NSDP with the Provincial Growth and Development Strategies (PGDS) and District Integrated Development Plans (IDP's) in remaining 14 district Municipalities.</p> <p>Consolidation of systems to achieve ongoing alignment of all District IDP's.</p> | Report on the improved alignment and co-ordination between the MTSF, NSDP, Provincial Growth and Development Strategies (PGDS), and District Integrated Development Plans (IDP's) successfully concluded.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|  |           | Facilitate the development of Urban and Rural Development Strategies.                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>• Draft the Rural Development Strategy.</li> <li>• Held the IMC on Urban Development.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy                                                                                                             | Outcome No | Presidency Outcome                                                                                                                                                                                     | Indicator No | Presidency Indicator                                                                                                                           |  |
|--------|---------------------------------------------------------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1.2.   | Co-ordination and facilitation of the development of strategic management and leadership capacity and capability of government. | 1.2.1      | Support the efforts of government to assess the strategic and leadership capacity of government departments to implement development programmes, and where capacity gaps exist, intervene as required. | 1.2.1.1      | Report on the provision of strategic support to government programmes aimed at strengthening capacity and the macro-organisation of the State. |  |
|        |                                                                                                                                 |            |                                                                                                                                                                                                        | 1.2.1.2      | Capacity built or strengthened in all spheres of government to achieve the mainstreaming of GDCY programmes in government and civil society.   |  |
|        |                                                                                                                                 |            |                                                                                                                                                                                                        | 1.2.1.3      | Status in the development and implementation of the framework for intergovernmental cohesion against defined milestones.                       |  |
| 1.3.   | Strengthened strategic management and leadership capability and greater organisational cohesion in The Presidency.              | 1.3.1      | Strategic management and leadership capacity and capability and greater cohesion in The Presidency.                                                                                                    | 1.3.1.1      | Co-ordination and alignment in processes and systems of The Presidency.                                                                        |  |





## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                                                    | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 1.2.1.1.1 | Enhanced strategic management processes across government achieved through a review of the success of the strategic support.                                                                    | <ul style="list-style-type: none"> <li>Implementation of the National Macro Reorganisation Project of government which included: <ul style="list-style-type: none"> <li>Establishment of the National Planning Commission.</li> <li>Establishment of the Performance Monitoring and Evaluation Branch.</li> <li>Process to develop a National Vision and Long-term Strategic Plan as a co-ordinating mechanism.</li> <li>Migration of GDC to Ministry of WCPD.</li> <li>Expansion of the Cabinet Office.</li> </ul> </li> <li>Implemented the adjusted Cabinet Programme for 2009/10, which has 5 New Cabinet Committees and 7 new Ministerial and DG Clusters with existing strategic and functional support processes.</li> <li>Orientation sessions with new Ministers/Deputy Ministers/DGs/ Ministerial staff and members of Senior Management of all Ministries/Departments regarding the adjusted Cabinet committee structure and Programme.</li> </ul> |
|  | 1.2.1.2.1 | Gender, Disability, Children Youth mainstreaming conceptualised and advocated in 80% of the Districts, Municipalities.                                                                          | <p>Migration of GDC functions from The Presidency to the Ministry for Women, Children and People with Disabilities.</p> <p>Successful migration of the Youth Desk from PCAS to report to the Minister in The Presidency charged with PME.</p> <p>Launched the new National Youth Development Agency, which came about through the merger of the National Youth Commission and Umsobomvu Youth Fund.</p> <p>Legislative amendments giving effect to the assignment and transfer of powers and the administration of legislation to the Minister: PME - National Youth Commission Act, No.19 of 1996 and the National Youth Development Agency Act No.54 of 2008 to be the responsibility of the Minister in The Presidency responsible for Performance Monitoring and Evaluation. (The National Youth Commission Act, No.19 of 1996 has not been wholly repealed by the National Youth Development Agency Act No.54 of 2008).</p>                              |
|  | 1.2.1.3.1 | Annual review and evaluation of the implementation of the framework for intergovernmental cohesion and identify and address gaps.                                                               | <ul style="list-style-type: none"> <li>Cabinet Memo and concept paper on the Macro reorganisation of National Government, which aimed at strengthening National government.</li> <li>Adjusted Cabinet Programme for 2009/10, which has 5 New Cabinet Committees and 7 new Ministerial and DG Clusters with existing strategic and functional support processes.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|  | 1.3.1.1.1 | Review Presidency strategic plan in light of new electoral mandate and ensure ongoing alignment and implementation of strategy, operational plans, budgets, performance agreements and reports. | <ul style="list-style-type: none"> <li>Agenda and report for the Annual Strategic Review workshop held in Mount Grace from the 26-28 July 2009 produced.</li> <li>Revised and approved Strategic Framework for the 2010-2013.</li> <li>Presidency Strategy for 2010-2013 (proof of tabling in parliament obtained in Parliament of the Republic Of South Africa: Announcements, Tabling and Committee Report- Wednesday, 3 March 2010- page 314).</li> <li>Branch strategic planning guidelines.</li> <li>Branch strategic plans for 2010-2013.</li> <li>The annual Presidency planning processes is implemented.</li> <li>3 year rolling plan and annual operational internal audit plan (TR 3.2) approved by the Audit Committee and management on 22 May 2009.</li> <li>Quarterly reporting to Audit Committee on achievement of operational plan.</li> <li>MTEF inputs submitted within the prescribed timeframes.</li> </ul>                             |



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy | Outcome No | Presidency Outcome | Indicator No | Presidency Indicator |  |
|--------|---------------------|------------|--------------------|--------------|----------------------|--|
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                                      | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |           | Review Presidency strategic plan in light of new electoral mandate and ensure ongoing alignment between strategy, operational plans, budgets, performance agreements and reports. | <ul style="list-style-type: none"> <li>Monthly Budget reports monitoring the budget against projections.</li> <li>Inputs for the Adjustment estimates process submitted within the prescribed timeframes.</li> <li>The Annual Report produced and tabled to parliament.</li> <li>Performance management of all senior management aligned to Presidency strategy.</li> <li>SCM reports submitted to treasury on procurement statistics.</li> </ul> <p>Mid-Year and Year end Organisational Performance reporting.</p>                                                                                                                                                                                                                                                                                                                                                                                        |
|  | 1.3.1.1.2 | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced.                                                         | <ul style="list-style-type: none"> <li>A major exercise on reviewing and updating of policies and procedures undertaken.</li> <li>Implementation of operational processes and systems.</li> <li>Report identifying areas where there is compliance risk; and outlining controls devised to mitigate risks.</li> <li>Letter appointing Minister Chabane as the relevant Appeal Authority.</li> <li>Updated the database of recording Executive Acts of the President (Presidents' Minutes and Presidents' Acts) is up to date.</li> <li>The secretariat developed a programme to monitor pay adjustments, inflationary movements and other related remuneration trends on a monthly basis. This assists the Commission in making annual recommendation for cost-of-living remuneration adjustments.</li> <li>Correspondence management reviewed and evaluated. Monthly reporting tool introduced.</li> </ul> |
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced.                                                         | <ul style="list-style-type: none"> <li>The Revised Asset management policy developed and submitted for discussion and approval at the SMS and branch heads meetings.</li> <li>Installation of security system completed to ensure compliance with MISS protocols and Access to Information Act requirements (secure security equipment installed in offices and Residences of the Principals).</li> <li>Draft Revised Performance Information Policy.</li> <li>Revised supply Management policy approved by the COO.</li> <li>Revised Cell phone policy approved by the COO.</li> <li>SCM procedures implemented.</li> <li>Draft Transport policy drafted.</li> <li>Draft Dress Code Policy drafted.</li> <li>Draft Reasonable accommodation Policy drafted.</li> <li>Warehouse procedures developed.</li> <li>Financial Delegations updated and signed by COO</li> </ul>                                   |
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced.                                                         | <ul style="list-style-type: none"> <li>Interface between SCM and Finance enhanced in order to deal with the 30 day turnaround time for suppliers.</li> <li>Facilities Management plan and strategy implemented which includes : <ul style="list-style-type: none"> <li>Space Planning for Planning Commission and PME Ministries.</li> <li>refurbishments and renovations of the following:</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy | Outcome No | Presidency Outcome | Indicator No | Presidency Indicator                                |  |
|--------|---------------------|------------|--------------------|--------------|-----------------------------------------------------|--|
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    |              |                                                     |  |
|        |                     |            |                    | 1.3.1.2      | Enhanced organisational cohesion in The Presidency. |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                              | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--|-----------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced. | <ol style="list-style-type: none"> <li>1. A new HOT DESKING / auditorium to accommodate 20 staff members with docking facilities.</li> <li>2. The office on Min Chabane as well as support staff to the President and DP.</li> <li>3. New entrance to Tuynhuys – accommodating contractors and staff.</li> <li>4. Moving Corporate Services staff to Proes Street.</li> <li>5. All DPW refurbishments and renovation projects are on track – Tuynhuys, Genadendal &amp; Highstead, Kingshouse.</li> <li>6. Construction of new Presidential residence completed.</li> </ol>                                                                                                                                         |
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced. | <p>Implemented Framework on good governance, which includes:</p> <ul style="list-style-type: none"> <li>• Risk-based internal audit plan as required by PFMA/TR/ IIA approved by the Audit Committee with the commencement of every financial year.</li> <li>• Quarterly reporting to the Audit Committee on the achievement of the approved internal audit plan.</li> <li>• Contingency Plans for Genadendal, Mahlamba Ndlopfu, OR. Tambo House updated.</li> <li>• Internal Security Policy amendments presented to the Internal Security Committee and Joint Planning Committee.</li> <li>• Consulted with the ISC and JPC.</li> <li>• Enterprise Risk Management Framework and policy were approved.</li> </ul> |
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced. | <ul style="list-style-type: none"> <li>• Development of policies and governance structures: <ul style="list-style-type: none"> <li>- Additional Risk Management Committee members were appointed by the Accounting Officer.</li> <li>- A workshop was held for Risk Committee members with regards to their roles and responsibilities.</li> <li>- Risk Management Committee approved the Risk Management Implementation Plan that provides reasonable assurance of the completeness and accuracy of the risk profile for approval by the Accounting Officer.</li> <li>- Risk Management Committee Charter developed.</li> </ul> </li> </ul>                                                                        |
|  |           | Ongoing review and consolidation of operational processes and systems-framework on good governance reviewed and enhanced. | <ul style="list-style-type: none"> <li>• Fraud Implementation Plan developed and approved.</li> <li>• Whistle Blowing Policy developed and approved.</li> <li>• Risk Management Policy reviewed amended and approved.</li> <li>• Gifts, Donations and Sponsorship Policy reviewed, updated and approved.</li> <li>• Gift Register established and communicated.</li> </ul>                                                                                                                                                                                                                                                                                                                                          |
|  | 1.3.1.2.1 | Strategy, process and programme of organisational cohesion implemented, reviewed and evaluated.                           | <ul style="list-style-type: none"> <li>• Redrafted change management methodology and concept documents.</li> <li>• Change Management &amp; Communication Strategy developed to manage the transition process.</li> <li>• Change Management workshops conducted with employees affected by the transition.</li> <li>• Batho Pele values and principles pillar displays at strategic high traffic volume areas within the Union Building.</li> </ul>                                                                                                                                                                                                                                                                  |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy | Outcome No | Presidency Outcome | Indicator No | Presidency Indicator                                                                                                                                                    |  |
|--------|---------------------|------------|--------------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|        |                     |            |                    | 1.3.1.3      | Status in the implementation of an aligned Human Resources Management and Development strategy, Business Continuity strategy and Master Systems plan in The Presidency. |  |
|        |                     |            |                    |              |                                                                                                                                                                         |  |
|        |                     |            |                    |              |                                                                                                                                                                         |  |
|        |                     |            |                    |              |                                                                                                                                                                         |  |





## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                        | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--|-----------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 1.3.1.3.1 | Human resource management and development strategy refined and reviewed and implemented.                                            | <ul style="list-style-type: none"> <li>• HR Plan submitted to DPSA.</li> <li>• Training plan formulated to respond to the organisation's training needs.</li> <li>• HR Service Delivery model piloted- due for full implementation in April 2010.</li> <li>• Induction Programme for Independent Commissioners for the Remuneration of Public Office Bearers.</li> <li>• Induction programme conducted for all newly appointed staff members.</li> <li>• Drafted Policy on recruitment and selection and sent this for consultation to the Bargaining chamber.</li> <li>• The Annual Employment Equity Report was approved - and will be submitted to DoL in January 2010.</li> <li>• Processes and systems in the Conditions of Service section implemented in relation to the segregation of duties matter raised by the AG.</li> <li>• The review of all HR policies.</li> <li>• Transition plan for staff migrating to the new Ministry.</li> </ul>                                                                                                                                                                                                         |
|  | 1.3.1.3.2 | Continuing interventions.<br><br>Review of experiences of interventions to strengthen strategic management capacity and capability. | No, target delayed to 2010/11 due to lack of capacity in HR. Positions have been advertised and will be filled at the beginning of the new financial year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|  | 1.3.1.3.3 | Finalise, approve, implement the business continuity strategy and master systems plan.                                              | <ul style="list-style-type: none"> <li>• Partly, contingency plans that are not yet integrated exist in the IT and Internal Security Units PPU and VIP Protection service for The Presidency.</li> <li>• The Presidency has sourced quotations from service providers to assist The Presidency in consolidating the plans that exists in the IT and Internal Security Units.</li> <li>• Project Plan on business continuity management developed.</li> <li>• Co-ordination meeting with PPU, Private Offices of the Principals, PMT, SASS, SAAF and NIA took place to address issues related to BCP related to Security.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|  |           | Implement and institutionalize the annual milestones in the master systems plan.                                                    | <ul style="list-style-type: none"> <li>• Enhanced file server room to comply with requirement from State security organisations (NIA, NCC, and COMSEC).</li> <li>• File server environment virtualized. Part of best practices and green IT (reduced Power requirements).</li> <li>• Implemented System Centre Operations Manager and Configurations Manager.</li> <li>• Deployed Secure remote access as per the ICT strategic plan - Remote user support available as part of best practice. Security of the solution has been addressed by the NCC. The new solution available in April/May 2010.</li> <li>• Established benchmark for current and future ICT requirements.</li> <li>• Ensured licensing is adequate (Anti-virus; Microsoft; IDMS) for Presidency. Completion of licensing is dependent on final number of users in newly established Presidency.</li> <li>• Ensured network infrastructure and storage network is adequate.</li> <li>• Benchmarked current infrastructure and identify gaps.</li> <li>• Implemented changes in terms of cabling exercise: (Data and Cabling at VIP residence, Kingshouse, Mahlamba Ndlopfu, etc.</li> </ul> |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 2: TO IMPROVE MANAGEMENT, ACCESS AND SHARING OF INFORMATION

| S/I No | Presidency Strategy                                                                       | Outcome No | Presidency Outcome                                                                 | Indicator No | Presidency Indicator                                                                                |  |
|--------|-------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------|--|
| 2.1.   | Ensure improvement of management, access and sharing of information.                      | 2.1.1      | Secure information, continuity and Institutional Memory.                           | 2.1.1.1      | Integration and co-ordination of information flow and institutional memory.                         |  |
|        |                                                                                           |            |                                                                                    |              |                                                                                                     |  |
| 2.2.   | Ensure effective communication by The Presidency with internal and external stakeholders. | 2.2.1      | Effective communication by The Presidency with internal and external stakeholders. | 2.2.1.1      | Development and implementation of an annual Presidency Communication and Public Relations strategy. |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                                         | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-13)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 2.1.1.1.1 | <p>Review and enhance institutional memory and access to information.</p> <p>Seamless handover on information in 2009/10 (continuity and institutional memory).</p>                  | <ul style="list-style-type: none"> <li>• Ongoing monitoring of the management of access to information.</li> <li>• Compliance with the MISS Protocols and Promotion of access to Information Act.</li> <li>• Ensure availability of information from the branch.</li> <li>• Registry and log reflecting a proper filling and paper trail/ document management system for the branch.</li> <li>• Registry business process mapped and recommendations made for improvements.</li> <li>• Training of officials on the prescripts of the Promotion of Access to Information Act.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  |           | <p>Review and enhance institutional memory and access to information.</p> <p>Seamless handover on information in 2009/10 (continuity and institutional memory).</p>                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|  | 2.2.1.1.1 | <p>Update and implementation of an annual integrated Presidency Communications and Public Relations strategy, aligned to the annual National Government Communications Strategy.</p> | <ul style="list-style-type: none"> <li>• An interactive and informative Human Resources Intranet site was developed to ensure internal Presidency staff (clients) has access to required HR information.</li> <li>• Daily E-notice published.</li> <li>• Ongoing building of staff morale and information sharing sessions- I-share sessions held.</li> <li>• Ongoing Intranet and website content updates.</li> <li>• Revitalised website and intranet.</li> <li>• Quarterly book talk series.</li> <li>• Launch of an audio web podcast as yet another channel to communicate with internal staff.</li> <li>• Carried out initiatives in respect of the Corporate Identity and branding of The Presidency.</li> <li>• Introduced Frontline staff.</li> <li>• A developed annual calendar for public and sector engagement, by the President, Deputy President, Ministers in The Presidency.</li> <li>• Provided media liaison support to the Principals in all conferences, Business/Gala Dinners/ sporting/official funerals/unveiling/launch events that they have been invited to.</li> <li>• Drafted and implemented media plans for: SONA, Outgoing and Incoming official/working visits, Credentials, Sectoral engagements, 100 days Countdown, SANAC Plenary, 2010 IMC, Presidential Co-ordinating Council, launch of the BBBEE Council, HRD Council, Presidential Hotline and Moral Regeneration Movement Plenary meetings, War On Poverty visits/ courtesy calls/Parliamentary activities and organised media briefings for the President.</li> </ul> |



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy | Outcome No | Presidency Outcome | Indicator No | Presidency Indicator |  |
|--------|---------------------|------------|--------------------|--------------|----------------------|--|
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |
|        |                     |            |                    |              |                      |  |



## FOR THE YEAR ENDED 31 MARCH 2010

| Target No | Presidency Target<br>2009/10                                                                                                                                                  | Achieved 2009/10<br>(Baseline for revised Strategic Plan 2010-13)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|           | Update and implementation of an annual integrated Presidency Communications and Public Relations strategy, aligned to the annual National Government Communications Strategy. | <ul style="list-style-type: none"> <li>Utilised new media platform like Facebook and Twitter to communicate what the principals are doing and also to distribute key messages out of their speeches.</li> <li>Received and responded to more than 50 media enquiries and processed, and kept a record of them.</li> <li>Co-ordinated with the GCIS audio-visual unit the unit for syndication of photos and video footage of most of the events attended by the Principals to media to provide to media that could not attend to ensure that they run news stories of the events.</li> <li>Organised in co-ordination with the Private Office of the President visits to three major newspaper groups in the country; AVUSA, Media24, Independent Newspapers (May-July 2009).</li> </ul>                                                                                                                                                                                                   |
|           | Update and implementation of an annual integrated Presidency Communications and Public Relations strategy, aligned to the annual National Government Communications Strategy. | <ul style="list-style-type: none"> <li>Two briefings with Political editors, editors and political analysts were organised.</li> <li>Through the online media database the Unit has registered more than 200 journalists both nationally and international. This has further broadened the reach of The Presidency media statements, speeches and media advisories.</li> <li>Media Monitoring and Analysis.</li> <li>Developed the draft media strategy of The Presidency.</li> <li>Developed and used workflow templates that seek to guide and ensure consistency in Communication work.</li> <li>Media coverage of SANAC, 2010 FIFA World Cup, Anti-Poverty Strategy, MRM, HRD Council and Social cohesion.</li> </ul>                                                                                                                                                                                                                                                                  |
|           | Update and implementation of an annual integrated Presidency Communications and Public Relations strategy, aligned to the annual National Government Communications Strategy. | <ul style="list-style-type: none"> <li>Facilitated media interviews with the SABC, ETV, CNBC, CNN, TIMES Magazine, Metrofm, Ukhozifim, Umhlobo Wenene fm, Independent newspapers, Mail&amp;Guardian, Sunday Times, Business Day.</li> <li>Organised the recording of targeted messages for Climate Change, the FIEA One Goal Education Campaign, Christmas and New Year's messages.</li> <li>Parliamentary/media tour of the Presidential Hotline.</li> <li>Press briefing by the DG in The Presidency for the National orders 2009 and briefing on The Presidency Restructuring.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                               |
|           | Update and implementation of an annual integrated Presidency Communications and Public Relations strategy, aligned to the annual National Government Communications Strategy. | <ul style="list-style-type: none"> <li>Provided Research Drafting and Speechwriting support to the Principals, which includes scribing during the President or Deputy President's engagement with the public, yielding Reports to be taken up and followed up by The Presidency and relevant Government Departments, letters to different stakeholders including Heads of States, newspaper editors, leaders of political parties and ordinary citizens; produced messages of support and congratulation, condolences, preface or forewords to books.</li> <li>Event management of all Presidency functions and functions hosted by the Principals including sector engagements of the Principals, etc.</li> <li>Setting up the Presidential Hotline and getting it to be fully operational. The Hotline is The Presidency's mechanism to advance accessibility, interaction, accountability in public service. A channel of communication between government and the citizens.</li> </ul> |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 3: TO CO-ORDINATE, MONITOR, EVALUATE AND COMMUNICATE GOVERNMENT POLICIES AND PROGRAMMES AND ACCELERATE INTEGRATED SERVICE DELIVERY

| S/I No | Presidency Strategy                                                                                                 | Outcome No | Presidency Outcome                                                                                                                     | Indicator No | Presidency Indicator                                                                                                  |  |
|--------|---------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------|--|
| 3.1    | Lead and ensure the development and maintenance of a co-ordinated government wide monitoring and evaluation system. | 3..1.1     | Government wide monitoring and evaluation systems enabling the tracking of the implementation of government's policies and programmes. | 3.1.1.1      | Status in implementation of a standardised, institutionalised and effective M&E Framework and policy platform.        |  |
|        |                                                                                                                     |            |                                                                                                                                        | 3.1.1.2      | Enhancement in the co-ordination and tracking of in-cabinet decisions, policies and work-in-progress.                 |  |
|        |                                                                                                                     |            |                                                                                                                                        | 3.1.1.3      | Monitoring system for government priorities through the Programme of Action (POA) evident through bi-monthly reports. |  |
|        |                                                                                                                     |            |                                                                                                                                        | 3.1.1.4      | Enhancement in Executive oversight.                                                                                   |  |





## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                           | Achieved 2009/10 (Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 3.1.1.1.1 | Standardised National M&E Framework and policy platform enhanced.                                                                                                      | <ul style="list-style-type: none"> <li>Established Performance Monitoring and Evaluation function - setting up systems and defining mandate.</li> <li>12 performance outcomes developed for 7 priority areas namely: Health, Education, Fighting Crime, Rural Development, Job creation, Human Settlements, and Local government.</li> <li>9 performance outcomes for priority areas approved by Cabinet.</li> <li>Migrating the Presidential Hotline from the Communications Branch to the Department of Performance Monitoring and Evaluation to serve as government's tool to monitor and evaluate service delivery.</li> <li>Concept/Approach of Delivery forums developed whereby all affected departments and stakeholders contributing towards the achievement of approved outcomes set per priority area, to develop a delivery plan and sign delivery agreements with Ministers.</li> </ul>                                                                                                                          |
|  | 3.1.1.2.1 | Evaluation and enhancement of systems to ensure co-ordination and tracking of in cabinet decisions, policies and work in progress.                                     | <ul style="list-style-type: none"> <li>Enhanced role of the Cabinet Office to include policy support, analysis and advice so as to ensure enhanced capability is provided to Cabinet for effective decision-making, better co-ordination, oversight, and monitoring of government policy.</li> <li>The WIP Annexure was updated regularly as per two weekly cycle. Clusters reported on progress with the implementation of the POA/WIP.</li> <li>Approved User requirements for a functional secure electronic Cabinet system linking all Ministries to The Presidency - approved user requirements by The Presidency, approved security requirements by the Security Agencies and approved tender process by DPSA (SITA).</li> </ul>                                                                                                                                                                                                                                                                                        |
|  | 3.1.1.3.1 | Bi-monthly POA reports to Cabinet and incorporation of new priorities from the electoral mandate.                                                                      | <ul style="list-style-type: none"> <li>Bi-monthly cabinet reports on the implementation of Programme of Action in government, especially the priority areas.</li> <li>Cabinet media briefings on the implementation of Programme of Action in government.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|  | 3.1.1.4.1 | Ongoing interventions to enhance Executive oversight defined and implemented through the Functionality & Development Indicators and aligned to post electoral changes. | <ul style="list-style-type: none"> <li>Bi-monthly cabinet reports with identified areas where Principals can intervene to ensure progress in relation to priority areas- for example sector engagement programme.</li> <li>Hotline and Presidential Public Liaison Service reports generated as a service delivery improvement intervention, assisting in providing information regarding the delivery of government services- Hotline reports are a standing item on Cabinet agenda,</li> <li>Setting up Delivery forums to develop delivery plans and signing of delivery agreements.</li> <li>Unscheduled visits - towards enhanced service delivery (PME).</li> <li>Co-ordinating mechanisms include: <ul style="list-style-type: none"> <li>President's Co-ordinating Council.</li> <li>Establishment and co-ordination of the HRD council and its activities and development of HRD strategy.</li> <li>Reviving the Energy Council with a clear PoA and promoting energy efficiency initiatives.</li> </ul> </li> </ul> |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy                                                                           | Outcome No | Presidency Outcome                                                                                                                         | Indicator No | Presidency Indicator                                                                                                                                |  |
|--------|-----------------------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--|
|        |                                                                                               |            |                                                                                                                                            | 3.1.1.4      | Enhancement in Executive oversight.                                                                                                                 |  |
|        |                                                                                               | 3.1.2      | Availability of information on the implementation experiences of programmes and policies.<br><br>Review of Government Performance.         | 3.1.2.1      | Database on the implementation experiences of programmes and policies.<br><br>Fifteen Year Review Report published and recommendations implemented. |  |
| 3.2    | Leadership and facilitation of effective communication of government policies and programmes. | 3.2.1      | Information on government monitoring and evaluation policies and programmes readily available and widely communicated to all stakeholders. | 3.2.1.1      | Enhanced and effective strategy and mechanism for the pro-active communication of Government policies and programmes.                               |  |



## FOR THE YEAR ENDED 31 MARCH 2010

| Target No | Presidency Target<br>2009/10                                                                                                                                                                                                      | Achieved 2009/10 (Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1.1.4.1 | Ongoing interventions to enhance Executive oversight defined and implemented through the Functionality & Development Indicators and aligned to post electoral changes.                                                            | <ul style="list-style-type: none"> <li>- co-ordination in government around HIV/AIDS- SANAC.</li> <li>- JIPSA Council.</li> <li>• Co-ordination of the FIFA World Cup 2010 IMC meetings - 2010 activities and government interventions (e.g. Football Friday and mass mobilisation activities.)</li> <li>• Plans developed for 2010 project visits to North West and Limpopo provinces.</li> <li>• Migration of JIPSA into the Department of Higher Education - Reports of engagements and consultations on the migration with relevant Ministers and with Cabinet.</li> <li>• Co-ordinated initiatives for the War on Poverty campaign/programme.</li> </ul> |
| 3.1.2.1.1 | <p>Availability of updated and accurate information on the implementation experiences of programmes and policies.</p> <p>15 year review report published and widely disseminated.</p>                                             | <ul style="list-style-type: none"> <li>• Hotline reports produce information on service delivery in government outlining the implementation experiences of government programmes and policies.</li> <li>• 15 year review report approved by the Cabinet Lekgotla.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                  |
| 3.2.1.1.1 | <p>Strategy and Implementation of a strategy and mechanism for pro-active communication of government policies and programmes enhanced.</p> <p>Reporting of monitoring results on a nationwide and provincial level enhanced.</p> | Primarily a GCIS target with support from The Presidency.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 4: TO FOSTER NATION-BUILDING AND SOCIAL COHESION TO GIVE EFFECT TO THE PEOPLE'S CONTRACT

| S/I No | Presidency Strategy                                                                                                                                                                                              | Outcome No | Presidency Outcome                                                                                            | Indicator No | Presidency Indicator                                                                                     |  |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------|--|
| 4.1    | Provide Leadership and facilitate participatory and democratic governance systems that contribute to the mobilisation of society to engage in collective action with the state towards achievement of its goals. | 4.1.1      | Increased awareness and culture of Social Cohesion and transformation.                                        | 4.1.1.1      | Achievement of milestones in the implementation of cohesive and co-ordinated agenda for Nation Building. |  |
|        |                                                                                                                                                                                                                  | 4.1.2      | Increased participatory democracy.                                                                            | 4.1.2.1      | Achievement of milestones in the implementation of co-ordinated Public Participation strategy and plan.  |  |
|        |                                                                                                                                                                                                                  | 4.1.3      | Leadership in the development of the anti-poverty framework and operationalise War against Poverty programme. | 4.1.3.1      | Anti-poverty Framework completed and capacity for War against Poverty programme put in place.            |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                                                                                            | Achieved 2009/10 (Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 4.1.1.1.1 | Evaluation of pilots and full implementation of the cohesive and co-ordinated agenda for Nation Building.                                                                                               | <ul style="list-style-type: none"> <li>• President led the national agenda and discourse for nation building - President and Deputy President officiated commemorative days: Human Rights Day, Freedom Day, Youth Day, Nelson Mandela Day on 18 July, Women's Day, Heritage Day and National Day of Reconciliation events.</li> <li>• Promoted social cohesion and Nation Building campaigns, programmes, and projects through MRM programme and engagement with traditional, cultural, linguistic, religious communities.</li> <li>• Provided oversight over the development of the Comprehensive Social Security, including National Health Insurance (NHI).</li> <li>• Participated in Financial Task Team that was responsible for the Presidential Inauguration Ceremony.</li> <li>• Hosted the National Orders Award in April 2009 with the Secretary of Cabinet as Chancellor of National Orders.</li> <li>• Finalised Policy on State Funerals.</li> <li>• Participated in the compilation of the Category List for the inauguration of the President.</li> <li>• Hosted a successful Inauguration ceremony.</li> <li>• Co-ordinated the Special official funerals.</li> <li>• Co-ordinated various engagements of the Political Principals and provided Protocol Services.</li> </ul> |
|  | 4.1.2.1.1 | Achievement of milestones in the implementation of co-ordinated Public Participation strategy and plan- This was modified in the FY from Izimbizo strategy to multi-sectoral engagements by Principals. | Sectoral engagements by Principals.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|  | 4.1.3.1.1 | Improved implementation of the War against Poverty programme.                                                                                                                                           | <ul style="list-style-type: none"> <li>• Draft Anti-Poverty strategy revised to include Cabinet input.</li> <li>• Quarterly reports on anti-poverty provincial visits and interventions.</li> <li>• Progress reports on the development of the Anti-Poverty Strategy (APS).</li> <li>• Anti Poverty Civil Society Task Team appointed to co-ordinate civil society consultations.</li> <li>• Anti-Poverty follow-up visit to Jacobsdal (Free State Province).</li> <li>• Plans developed for the rollout of Anti-Poverty visits to other provinces.</li> <li>• Anti Poverty Strategy tabled at NEDLAC for further consultations and Management Committee (NEDLAC) Task Team established to review APS.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 5: TO PROMOTE THE INTEGRATED APPROACH TO GOVERNANCE FOR ACCELERATED SERVICE DELIVERY

| S/I No | Presidency Strategy                                                                                                                                                 | Outcome No | Presidency Outcome                                                                             | Indicator No | Presidency Indicator                                                                                       |  |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------|--|
| 5.1.   | Promote the co-ordination of the implementation of integrated programmes across government that result in accelerated service delivery and sustainable development. | 5.1.1      | Improved co-ordination of programmes across Government to achieve integrated service delivery. | 5.1.1.1      | Enhanced level of co-ordination of government service delivery.                                            |  |
|        |                                                                                                                                                                     | 5.1.2      | Improved Government wide programme and policy formulation and implementation.                  | 5.1.2.1      | Interventions to address the bottlenecks in the formulation and implementation of programmes and policies. |  |





## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No | Presidency Target<br>2009/10                                                                                                     | Achieved 2009/10 (Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--|-----------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 5.1.1.1.1 | Review the co-ordination of programmes across government towards integrated service delivery and plan for continuity and change. | <ul style="list-style-type: none"> <li>Quarterly IMC's chaired by the Principal.</li> <li>Legislative process map drafted and approved by Cabinet.</li> <li>The Framework on protocols, mechanisms and systems on the management of legislation completed and approved by the LOGB. The framework/concept document sets out systems and mechanisms on collaboration with respect to the co-ordination and managements of legislation between Cabinet Operations and the Office of the Leader of Government Business.</li> <li>Co-ordinated Legislative Programme developed in consultation with institutional role-players.</li> <li>Revised Committee/Cluster System successfully implemented.</li> <li>Participation of DG in FOSAD MANCO processes to pro-actively identify and recommend solutions to bottlenecks.</li> <li>Involvement in PCC meetings and feedback into cabinet processes via Secretary of Cabinet and distilling issues for the Cabinet Secretariat to engage with Provincial Secretariat Forum.</li> <li>Co-ordination on implementation of service delivery programmes of government:               <ul style="list-style-type: none"> <li>Leader of Government Business responsibility to lead and champion the fight against poverty by co-ordinating the country's comprehensive anti-poverty programme;</li> <li>promoted a multi-sectoral approach to tackling the challenges of scarce and priority skills for the economy by establishing a Human Development Resource Council;</li> <li>led and chaired SANAC, which oversees government implementation of the National Strategic Plan (NSP) on HIV, Aids and TB and deals with policy matters that are related;</li> <li>provided leadership of Eskom's recovery programme;</li> <li>participated in efforts towards making the 2010 FIFA World Cup initiative a success.</li> </ul> </li> </ul> |
|  | 5.1.2.1.1 | Enhanced co-ordination of the formulation and implementation of government policies and programmes.                              | <ul style="list-style-type: none"> <li>Principals' interface and liaison with Parliament and Presiding Officers.</li> <li>Planned schedule of meetings with political parties.</li> <li>Legislative process map drafted and approved by Cabinet.</li> <li>Co-ordinated and Legislative Programme developed and implemented</li> <li>Legislative management committee facilitates the processing of legislative matters.</li> <li>LOGB report compiled and submitted to Cabinet.</li> <li>Jacobdsal Inter-Governmental Relations IGR) meeting with extended Free State Executive Committee and Executive Mayoral delegation.</li> <li>Northern Cape IGR to address governance issues.</li> <li>Workshop with MP's to discuss the participation of Ministers in Parliamentary Committees as well as to discuss the relationship between Parliament and the Executive.</li> <li>Participation on Taking Parliament to the People (Limpopo).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| S/I No | Presidency Strategy                                                                                          | Outcome No | Presidency Outcome                                                              | Indicator No | Presidency Indicator                                                                      |  |
|--------|--------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------|--|
| 5.2    | Deepen governance and accountability through the application of principles and practices of good governance. | 5.2.1      | Improved governance practices in The Presidency.                                | 5.2.1.1      | Enhanced governance practices in The Presidency.                                          |  |
|        |                                                                                                              |            |                                                                                 |              |                                                                                           |  |
|        |                                                                                                              | 5.2.2      | Enhanced Legislative environment and role of the Leader of Government Business. | 5.2.2.1      | Enhancement in the Legislative environment and the role of Leader of Government Business. |  |



## FOR THE YEAR ENDED 31 MARCH 2010

|  | Target No  | Presidency Target<br>2009/10                                                                                                        | Achieved 2009/10 (Baseline for revised Strategic Plan 2010-2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--|------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 5..2.1.1.1 | Presidency wide adherence to principles of good governance monitored and evaluated.                                                 | <ul style="list-style-type: none"> <li>• Development of policies and governance structures:</li> <li>• Additional Risk Management Committee members were appointed by the Accounting Officer.</li> <li>• A workshop was held for Risk Committee members with regards to their roles and responsibilities.</li> <li>• Risk Management Committee approves the Risk Management Implementation Plan and provides reasonable assurance of the completeness and accuracy of the risk profile for approval by the Accounting Officer. In the absence of a functional committee, the risk assessment could not be undertaken.</li> <li>• Risk Management Committee Charter developed .</li> <li>• Risk Management Committee fully functional.</li> <li>• Fraud Implementation Plan developed.</li> <li>• Whistle Blowing Policy developed.</li> <li>• Risk Management Policy reviewed.</li> <li>• Gifts, Donations and Sponsorship Policy reviewed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|  |            |                                                                                                                                     | <ul style="list-style-type: none"> <li>• Gift Register established and communicated.</li> <li>• Risk-based internal audit plan as required by PFMA/TR/IIA approved by the Audit Committee with the commencement of every financial year.</li> </ul> <p>Implementation of governance practices:</p> <ul style="list-style-type: none"> <li>• Quarterly reporting to the Audit Committee on the achievement of the approved internal audit plan.</li> <li>• Audit reports reflects that Internal Audit complies with governance principles.</li> <li>• Audit reports reflects that the Audit Committee complies with governance principles.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|  | 5.2.2.1.1  | Regulatory Impact Assessment aligned to Legislative Programme- conclude pilot programme and begin cascading to whole of government. | <ul style="list-style-type: none"> <li>• Approved strategy and cabinet memoranda offering guidelines for Regulatory Impact Assessments to improve regulatory co-ordination.</li> <li>• The framework/concept document and the legislative process map to contain the plan for RIA process integration and alignment with legislation and policy priorities.</li> <li>• RIA conducted on 5 regulations.</li> <li>• Monitor the implementation of the Asmal Committee Recommendations.</li> <li>• Participated in a high level workshop (DG's and DDG's) of all government departments held on 22 September to unpack the Regulatory Impact Assessment as a forward looking methodology for improving the quality of legislation through a process of reviewing the potential impacts thereof.</li> <li>• Participated in Regulatory Impact Assessment Workshop which was aimed at demonstrating the experience of the OECD from a theoretical perspective and to draw on the practical experience to assist South African government officials to conduct RIA. It was held from 26 to 29 May. The programme aimed to build on the RIA training conducted in 2008 in South Africa and learn further from countries with established RIA processes to support the regulatory process.</li> <li>• Participated in a planning workshop to ensure co-ordination in going forward with RIA. It was held on 7 October and attended by RIA Steering Committee (PCAS, NT and Cabinet Office).</li> <li>• Participated in a workshop run by SBP which explained and unpacked the process of conducting the Intellectual Property Laws Amendment Bill, 2009 RIA exercise - including the costs involved - as a basis for knowledge transfer.</li> </ul> |



# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 6: TO SUPPORT, DEVELOP AND CONSOLIDATE INITIATIVES FOR BUILDING A BET

| S/I No | Presidency Strategy                                                                                                                                                                       | Outcome No | Presidency Outcome                                                                                                                                         | Indicator No | Presidency Indicator                                                                                                                                     |  |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 6.1    | Facilitate and lead a progressive role in Africa and the world resulting in improved conditions of peace, stability, security, democracy and good governance for sustainable development. | 6.1.1      | Enhanced governance, conditions of peace, stability and security in Africa and the world promoted, through The Presidency's leadership and oversight role. | 6.1.1.1      | Enhanced governance, reduction in conflict and enhanced post-conflict reconstruction through just and equitable multi-lateral and bi-lateral agreements. |  |
|        |                                                                                                                                                                                           | 6.1.2      | Effective contribution to good governance on a sustainable basis.                                                                                          | 6.1.2.1      | Continuity of the International programme.                                                                                                               |  |
| 6.2    | Provision of leadership for compliance with the regional and international obligations regarding gender, disability, children and youth programmes (GDCY).                                | 6.2.1      | Compliance with the regional and international obligations regarding gender, disability, children and youth programmes.                                    | 6.2.1.1      | Compliance with the regional and international obligations regarding gender, disability, children and youth programmes.                                  |  |



FOR THE YEAR ENDED 31 MARCH 2010

## TER AFRICA AND A BETTER WORLD

|  | Target No | Presidency Target<br>2009/10                                                                                                                             | Achieved 2009/10 (Baseline in revised Strategic Plan 2010-13)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 6.1.1.1.1 | Enhanced governance, reduction in conflict and enhanced post-conflict reconstruction through just and equitable multi-lateral and bi-lateral agreements. | <ul style="list-style-type: none"> <li>A developed annual international programme for the President and Deputy President aligned to the foreign policy goals of the country.</li> <li>President hosted heads of states from a range of African countries.</li> <li>Implementation of a co-ordinated regional integration programme outlining the facilitation results negotiation process aimed at bringing about enhanced governance, reduction in conflict and enhanced post-conflict reconstruction, i.e. Zimbabwe.</li> <li>Register reflecting the briefing and content notes produced.</li> <li>Quarterly reports reflecting implementation of the annual regional integration programme for the President and Deputy President.</li> <li>10th Anniversary Celebration of the SA-Nigeria BNC and also played an oversight role in the establishment of a 5-year programme of action for the SA-Nigeria BNC.</li> </ul> |
|  | 6.1.2.1.1 | Continuity of the International programme, post the 2009 elections.                                                                                      | <ul style="list-style-type: none"> <li>A developed annual international programme for the President and Deputy President, aligned to the foreign policy goals of the country.</li> <li>Quarterly reports reflecting implementation of the annual international programme for the President and Deputy President.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|  | 6.2.1.1.1 | Monitoring of the Ratification implementation of international conventions on GDCY issues by the SA Government.                                          | <i>This target was migrated to the Ministry of Women, Children, and Persons with Disabilities.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

# PROGRAMME PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

## STRATEGIC OBJECTIVE NO 7: TO PROMOTE ACCELERATED AND SHARED ECONOMIC GROWTH AND DEVELOPMENT

| S/I No | Presidency Strategy                                                                                                                                                                                                                                        | Outcome No | Presidency Outcome                                                                                       | Indicator No | Presidency Indicator                                                         |  |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------|--|
| 7.1    | Facilitation of co-ordinated interventions and Macro-Economic approaches towards broad socio-economic development, social inclusion and a reduction in inequalities<br>Interventions towards the integration of the second economy into the first economy. | 7.1.1      | Co-ordinated interventions and Macro- Economic approaches resulting in broad socio-economic development. | 7.1.1.1      | Implementation of interventions to achieve broad socio-economic development. |  |





FOR THE YEAR ENDED 31 MARCH 2010

**DEVELOPMENT WITH EMPHASIS ON THE SECOND ECONOMY AND SOCIAL INCLUSION**

|  | Target No | Presidency Target<br>2009/10                                                                       | Achieved 2009/10 (Baseline in revised Strategic Plan 2010-13)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--|-----------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 7.1.1.1.1 | Achievement of milestones in ASGISA, JIPSA, Macro-economic stability, ICT, PPP intervention plans. | <ul style="list-style-type: none"> <li>• Achievement of ASGISA milestones as per implementation plan which includes:</li> <li>• Joint government, business and labour response to the economic crisis that supports the development of a new growth path that ensures sustainable absorption of the unemployed into economic activity.</li> <li>• Framework for second economy interventions: EPWP, HCBC &amp; ECD.</li> <li>• Draft interventions to reduce regulatory burdens and municipal by-laws that impact negatively on small businesses.</li> <li>• Developed Draft Framework for Economic Regulation.</li> <li>• Monitored infrastructure development projects: Mafutha &amp; Mthombo.</li> <li>• Ensured successful migration of the JIPSA programme to the Department of Education by following the following steps:</li> <li>• Established the HRD Council and development of the HRD Strategy.</li> <li>• Cluster and political principals agreed on nature of HRDS-SA institutional structures, including the Council.</li> <li>• Consultations held with Cabinet, social partners, provinces and relevant departments regarding the need for the Council and nominations.</li> <li>• Facilitated the process of nomination of Council members.</li> <li>• Appointment of HRD Council members.</li> <li>• Launch of the Council and the induction of its members.</li> <li>• Engagement with Media.</li> <li>• JIPSA Final Report published.</li> <li>• Consultations with various Foreign missions and relevant departments and agencies in support of skills development.</li> </ul> |

# SECTION D

## HUMAN RESOURCES OVERSIGHT







# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

## ANNUAL REPORT 2009/2010- NARRATIVES

Our total staff headcount increased from 510 (2008/2009) to 589 as at the 31 March 2010 (2009/2010) financial year. In the 2009/2010 reporting year, the total number of approved posts on the establishment came to 735 with a total number of 589 posts of those, being filled. Our vacancy rate came to 19.9% (Table 3.1). On 31 March 2010 The Presidency had a total of 41 posts additional to the establishment (excluded) from the 589 filled posts. It is to be noted that the staff vacancy rate has improved from 25.4% (2008/2009) to 19.9% (2009/2010). The dramatic change has been through the prioritization and aggressive recruitment processes employed to ensure the filling of those positions.

The Presidency staff turnover has moved from 15.7 (2008/2009) to 15.9 (2009/2010). Various staff retention strategies and interventions envisaged have as yet not been realized through changes in our numbers. Mention should be made that most of the recruitment during the reporting period was significantly weighed from level 6 to 12 (Table 5.1).

The Presidency, like all other Departments and organisations struggled with funding constraints thus a total of twenty unfunded, critical and approved posts were abolished during the last financial year. The majority of those abolished posts were in operations thus creating undue stress in the day to day support to the establishment.

Table 3.3 indicates that a total of 41 employees were appointed additional to the establishment at 31 March 2010. The approved positions additional to the approved establishment were mainly attributable to the required specific skills in administration and executive coordination's services.

These appointments consisted of short-term appointments such as experts, donor funded contract employees, etc. due to the nature of these positions, and the trend is that when such services have been rendered, the total numbers will also reduce. Once more with the configuration of the structure, some of those positions

will be reevaluated and perhaps terminated upon the expiry of those contracts.

Of the total 81 terminations (Table 5.3) 28.4 percent was as a result of resignations, 30.9% as a result of the expiry of contracts whilst 27.2% was as a consequence of transfers to other government departments. The administrative transition during the period can also be attributed to the staff movements and increases during the reporting period. Levels 6-16 are the most affected by the terminations due primarily to the transition and re-configuration of the branches and the establishment. The establishment will have stabilised during the new financial year thus it is envisaged that the trend will reverse.

For the period January 2009 to December 2009, a total of 2254 days were utilised for sick leave and 87.1% of these had medical certification. The numbers of staff members that used sick leave came to 403 (Table 9.1). The increase has been marginal in comparison to the same period last year. Mention has to be made that during the preparation of this report, The Presidency was in the process of establishing an Employee Health and Wellness Directorate. Our expectation is that through such interventions, some ailments will be curtailed which will lead to a reduction in sick leave to be taken. It needs to be mentioned that although many staff members applied for incapacity leave, it was not approved as recommended by the Health Risk Manager, due to various reasons. During the same period, a total of 11347 days were taken for annual leave by all employees- with each employee averaging 20 days (Table 9.3).

A total of 14 cases were dealt with, relating to discipline. Three of the cases were severe, leading to a dismissal (Table 11.2). The labour relations unit of The Presidency has been capacitated with additional staff members whose charge is to ensure expedient finalisation of cases referred to them but equally they have started a process of educating staff members on the policies of The Presidency and acquainting them in the knowledge of fair and equitable labour practices.





# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

Of the total 44 employees promoted within the department during the reporting period, 38.6% were black males and 59% black females whilst the rest (2.2%) were white females (Table 6.4). Table 7.1 shows that a large percentage of African males and females received performance rewards as compared to other race groups. A significant portion of the performance awards, R409,000 was paid to the levels 6-8 and R709,000 to levels 9-12.

During the preparation of this report, The Presidency was concluding its restructuring process based on the change in administration thus the challenge going forward is to design and implement processes that will ensure that changes in administration have minimal impact on the operations of the establishment. The Presidency continues to align its policies to the National Legislative Framework and other directives.

Table 4.1 shows that out of a total of 735 posts in The Presidency, 31 were job evaluated during the period; 5.2% of the jobs on levels 6-8 were evaluated and 8.6% of the jobs on levels 9-12. During the evaluations, 8.3% and 26.3% posts on levels 6-8 and levels 9-12 were upgraded respectively. The volume and magnitude of the requirements from the Department of Performance, Monitoring and Evaluation as well as the Department for Women, Children and People with Disabilities required that most of the job evaluations work was outsourced to external companies.

The Supply Chain Management and Human Resource Management structures were reviewed to meet the legislative and service delivery requirements. A number of posts within these units were evaluated and graded accordingly in line with the new models of service delivery adopted.

Table 3.3 points to the top five Critical Occupations with high turnover rate. These are: other administrative policy and related officers, financial clerks and credit controllers, secretaries, administration related and communication. Mention needs to be made that those positions have been prioritised for recruitment during the new financial year.

The Presidency, in keeping with one of its key priorities of upgrading its staff complement, convened a bursary and training approval committee where a total of twenty applications for studies towards university degrees were approved, seven applications of studies towards technikon national diplomas were approved and ten applications towards short-term courses were also approved. The approvals are over and above the current continuing degrees and diplomas that were approved during the previous years. It is worth noting that a total of 127 staff members attended training during the reporting period. Table 12.2.

Table 2.4 shows that a large percentage of employees within the 6-8 salary levels were paid more for overtime than any other level. Most of these employees are employed in the Households, working with the Principals. It is a known fact that the Principals work irregular hours and support is always expected to be around whenever needed. Drivers are at times called at around 3h00 am to attend to the Principals' needs. This has, for years, become an Achilles heel for the department as we have been struggling to regulate overtime in the Household unit. Consultations have been taking place to review The Presidency's overtime policy and also to introduce a time management system in the households.

Staff retention policy has been designed and is shortly to be implemented and salient features of the document are the absolute measurement of the turnover rate and the periodic benchmarking with other similar organisations to ensure that we do not exceed the normal attrition rate as experienced in the public sector.

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

TABLE No. 1.1 - Signing of Performance Agreements by SMS Members as on 31 JULY 2009

| SMS Level                              | Total Number of Funded SMS Posts Per Level | Total Number of SMS Members Per Level | Total Number of Signed Performance Agreements Per Level | Signed Performance Agreements as % of Total Number of SMS Members Per Level |
|----------------------------------------|--------------------------------------------|---------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------------|
| Director- General / Head of Department | 1                                          | 1                                     | 0                                                       | 0                                                                           |
| Salary Level 16, but not HOD           | 4                                          | 2                                     | 0                                                       | 0                                                                           |
| Salary Level 15                        | 10                                         | 9                                     | 3                                                       | 33                                                                          |
| Salary Level 14                        | 28                                         | 22                                    | 6                                                       | 28                                                                          |
| Salary Level 13                        | 47                                         | 39                                    | 15                                                      | 39                                                                          |
|                                        |                                            | Calculation Example: 90               | Calculation Example: 80                                 | Calculation Example: 80/90 = 89                                             |
| <b>TOTAL</b>                           | <b>90</b>                                  | <b>73</b>                             | <b>24</b>                                               | <b>33</b>                                                                   |

TABLE No. 1.2 - SMS posts information as on 30 SEPTEMBER 2009 (mid year information)

| SMS Level                              | Total Number of Funded SMS Posts Per Level | Total Number of SMS posts Filled Per Level | % of SMS Posts Filled Per Level | Total Number of SMS posts Vacant Per Level | % of SMS Posts Vacant Per Level |
|----------------------------------------|--------------------------------------------|--------------------------------------------|---------------------------------|--------------------------------------------|---------------------------------|
| Director- General / Head of Department | 1                                          | 1                                          | 100                             | 0                                          | 0                               |
| Salary Level 16, but not HOD           | 4                                          | 2                                          | 50                              | 2                                          | 50                              |
| Salary Level 15                        | 11                                         | 10                                         | 91                              | 1                                          | 9                               |
| Salary Level 14                        | 31                                         | 21                                         | 68                              | 10                                         | 33                              |
| Salary Level 13                        | 54                                         | 43                                         | 80                              | 11                                         | 21                              |
|                                        | Calculation Example: 120                   | Calculation Example: 100                   | 100/120 = 0.833<br>83           | Calculation Example: 20                    | 20/120 = 0.166<br>17            |
| <b>TOTAL</b>                           | <b>101</b>                                 | <b>77</b>                                  | <b>76</b>                       | <b>24</b>                                  | <b>24</b>                       |

TABLE No. 1.3 – Advertising and Filling of SMS posts as on 31 March 2010 (31 March of each financial year end. Information supplied is for the financial year)

| SMS Level                              | Advertising                                                             | Filling of Posts                                                       |                                                                              |
|----------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------|
|                                        | Number of Vacancies Per Level Advertised in 6 Months of Becoming Vacant | Number of Vacancies Per Level Filled in 6 Months After Becoming Vacant | Number of Vacancies Per Level not Filled in 6 Months but Filled in 12 Months |
| Director- General / Head of Department | 1                                                                       | 1                                                                      | 0                                                                            |
| Salary Level 16, but not HOD           | 1                                                                       | 6                                                                      | 0                                                                            |
| Salary Level 15                        | 3                                                                       | 4                                                                      | 0                                                                            |
| Salary Level 14                        | 3                                                                       | 5                                                                      | 4                                                                            |
| Salary Level 13                        | 10                                                                      | 14                                                                     | 8                                                                            |
| <b>TOTAL</b>                           | <b>18</b>                                                               | <b>30</b>                                                              | <b>12</b>                                                                    |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

|                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>TABLE 1.4 Disciplinary Action taken in event of non-compliance</b>                                                                                      |
| <b>Reasons for not having concluded Performance Agreements for all SMS members as on 30 September 2009</b>                                                 |
| Reorganising in the department                                                                                                                             |
| Non-compliance                                                                                                                                             |
| <b>Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 30 September 2009</b>                                |
| None                                                                                                                                                       |
| <b>Reasons for not having complied with the filling of funded vacant SMS –Advertised within 6 months and filled within 12 months after becoming vacant</b> |
| <b>Reasons for vacancies not advertised within six months:</b>                                                                                             |
| Reorganising in the department                                                                                                                             |
| <b>Reasons for vacancies not filled within 12 months:</b>                                                                                                  |
| Reorganising in the department                                                                                                                             |
| Suitable candidate not found through advertising                                                                                                           |
| <b>Candidate declined offer of employment</b>                                                                                                              |
| <b>Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months</b>                                    |
| None                                                                                                                                                       |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

| TABLE 2.1 - Personnel costs by Programme     |                                 |                                               |                              |  |
|----------------------------------------------|---------------------------------|-----------------------------------------------|------------------------------|--|
| Programme                                    | Total Voted Expenditure (R'000) | Compensation of Employees Expenditure (R'000) | Training Expenditure (R'000) |  |
| Dop:administration                           | 240,728                         | 126,272                                       | 0                            |  |
| Dop:communication                            | 35,630                          | 18,193                                        | 0                            |  |
| Dop:executive co-ordination                  | 217,943                         | 51,477                                        | 0                            |  |
| <b>Z=TOTAL AS ON FINANCIAL SYSTEMS (BAS)</b> | <b>494,301</b>                  | <b>195,942</b>                                | <b>0</b>                     |  |

| TABLE 2.2 - Personnel costs by Salary band |                                        |                                          |                                            |  |
|--------------------------------------------|----------------------------------------|------------------------------------------|--------------------------------------------|--|
| Salary Bands                               | Compensation of Employees Cost (R'000) | % of Total Personnel Cost for Department | Average Compensation Cost per Employee (R) |  |
| Lower skilled (Levels 1-2)                 | 17,964                                 | 3.6                                      | 333                                        |  |
| Skilled (Levels 3-5)                       | 37,924                                 | 7.7                                      | 333                                        |  |
| Highly skilled production (Levels 6-8)     | 57,219                                 | 11.6                                     | 333                                        |  |
| Highly skilled supervision (Levels 9-12)   | 55,888                                 | 11.3                                     | 333                                        |  |
| Senior management (Levels 13-16)           | 26,946                                 | 5.5                                      | 333                                        |  |
| <b>TOTAL</b>                               | <b>195,941</b>                         | <b>39.7</b>                              | <b>333</b>                                 |  |

| TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme |                  |                                 |                  |  |
|------------------------------------------------------------------------------------|------------------|---------------------------------|------------------|--|
| Programme                                                                          | Salaries (R'000) | Salaries as % of Personnel Cost | Overtime (R'000) |  |
| Administration                                                                     | 75,744           | 15.3                            | 6,557            |  |
| Communications                                                                     | 12,064           | 2.4                             | 226              |  |
| Executive co-ordination                                                            | 32,619           | 6.6                             | 10,144           |  |
| <b>TOTAL</b>                                                                       | <b>120,427</b>   | <b>24.3</b>                     | <b>16,927</b>    |  |

| TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band |                  |                                 |                  |  |
|--------------------------------------------------------------------------------------|------------------|---------------------------------|------------------|--|
| Salary bands                                                                         | Salaries (R'000) | Salaries as % of Personnel Cost | Overtime (R'000) |  |
| Lower skilled (Levels 1-2)                                                           | 11,041           | 2.2                             | 1,799            |  |
| Skilled (Levels 3-5)                                                                 | 23,308           | 4.7                             | 3,799            |  |
| Highly skilled production (Levels 6-8)                                               | 35,167           | 7.1                             | 5,731            |  |
| Highly skilled supervision (Levels 9-12)                                             | 34,349           | 6.9                             | 5,598            |  |
| Senior management (Levels 13-16)                                                     | 16,561           | 3.4                             | 0                |  |
| <b>TOTAL</b>                                                                         | <b>120,426</b>   | <b>24.3</b>                     | <b>16,927</b>    |  |

| TABLE 3.1 - Employment and Vacancies by Programme at end of period |                               |                                      |                |                                                        |
|--------------------------------------------------------------------|-------------------------------|--------------------------------------|----------------|--------------------------------------------------------|
| Programme                                                          | Number of Posts 31 March 2010 | Number of Posts Filled 31 March 2010 | Vacancy Rate % | Number of Posts Filled Additional to the Establishment |
| Administration                                                     | 504                           | 413                                  | 18.1           | 25                                                     |
| Communications                                                     | 98                            | 76                                   | 23.4           | 0                                                      |
| Executive co-ordination                                            | 133                           | 100                                  | 24.8           | 16                                                     |
| <b>TOTAL</b>                                                       | <b>735</b>                    | <b>589</b>                           | <b>20</b>      | <b>41</b>                                              |



# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

|  | Professional and Special Services (R'000) | Compensation of Employees as percent of Total Expenditure | Average Compensation of Employees Cost per Employee (R'000) | Employment 31 March 2010 |
|--|-------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|--------------------------|
|  | 0                                         | 52.5                                                      | 306                                                         | 413                      |
|  | 0                                         | 51.1                                                      | 239                                                         | 76                       |
|  | 0                                         | 23.6                                                      | 515                                                         | 100                      |
|  | <b>0</b>                                  | <b>39.6</b>                                               | <b>333</b>                                                  | <b>589</b>               |

|  | Total Personnel Cost for Department including Goods and Transfers (R'000) | Number of Employees 31 March 2010 |
|--|---------------------------------------------------------------------------|-----------------------------------|
|  | 494,301                                                                   | 54                                |
|  | 494,301                                                                   | 114                               |
|  | 494,301                                                                   | 172                               |
|  | 494,301                                                                   | 168                               |
|  | 494,301                                                                   | 81                                |
|  | <b>494,301</b>                                                            | <b>589</b>                        |

|  | Overtime as % of Personnel Cost | HOA (R'000)  | HOA as % of Personnel Cost | Medical Ass. (R'000) | Medical Ass. as % of Personnel Cost | Total Personnel Cost per Programme (R'000) |
|--|---------------------------------|--------------|----------------------------|----------------------|-------------------------------------|--------------------------------------------|
|  | 1.3                             | 1,862        | 0.38                       | 4,686                | 0.95                                | 88,849                                     |
|  | 0.1                             | 209          | 0.04                       | 385                  | 0.08                                | 12,884                                     |
|  | 2.1                             | 565          | 0.11                       | 983                  | 0.20                                | 44,311                                     |
|  | <b>3.5</b>                      | <b>2,636</b> | <b>0.53</b>                | <b>6,054</b>         | <b>1.23</b>                         | <b>146,044</b>                             |

|  | Overtime as % of Personnel Cost | HOA (R'000)  | HOA as % of Personnel Cost | Medical Ass. (R'000) | Medical Ass. as % of Personnel Cost | Total Personnel Cost per Salary Band (R'000) |
|--|---------------------------------|--------------|----------------------------|----------------------|-------------------------------------|----------------------------------------------|
|  | 0.4                             | 242          | 0.1                        | 555                  | 0.1                                 | 13,637                                       |
|  | 0.8                             | 510          | 0.1                        | 1,172                | 0.2                                 | 28,789                                       |
|  | 1.2                             | 770          | 0.2                        | 1,768                | 0.4                                 | 43,436                                       |
|  | 1.1                             | 752          | 0.2                        | 1,727                | 0.3                                 | 42,426                                       |
|  | 0.0                             | 363          | 0.1                        | 833                  | 0.2                                 | 17,756                                       |
|  | <b>3.5</b>                      | <b>2,637</b> | <b>0.7</b>                 | <b>6,055</b>         | <b>1.2</b>                          | <b>146,044</b>                               |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 3.2 - Employment and Vacancies by Salary Band at end of period**

| Salary Band                              | Number of Posts<br>31 March 2010 | Number of Posts<br>Filled 31 March<br>2010 | Vacancy Rate % | Number of Posts<br>Filled Additional<br>to the Establish-<br>ment |
|------------------------------------------|----------------------------------|--------------------------------------------|----------------|-------------------------------------------------------------------|
| Lower skilled (Levels 1-2)               | 61                               | 54                                         | 12             | 0                                                                 |
| Skilled (Levels 3-5)                     | 133                              | 117                                        | 12.5           | 4                                                                 |
| Highly skilled production (Levels 6-8)   | 231                              | 173                                        | 25.1           | 10                                                                |
| Highly skilled supervision (Levels 9-12) | 221                              | 171                                        | 22.7           | 9                                                                 |
| Senior management (Levels 13-16)         | 89                               | 74                                         | 16.9           | 18                                                                |
| <b>TOTAL</b>                             | <b>735</b>                       | <b>589</b>                                 | <b>19.9</b>    | <b>41</b>                                                         |

**TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period**

| Critical Occupations                                               | Number of Posts<br>31 March 2010 | Number of Posts<br>Filled 31 March<br>2010 | Vacancy Rate % | Number of Posts<br>Filled Additional<br>to the<br>Establishment |
|--------------------------------------------------------------------|----------------------------------|--------------------------------------------|----------------|-----------------------------------------------------------------|
| Administrative related                                             | 158                              | 119                                        | 24.7           | 7                                                               |
| Cleaners in offices workshops hospitals etc.                       | 52                               | 46                                         | 11.5           | 0                                                               |
| Client inform clerks/switchboard reception clerks                  | 21                               | 17                                         | 19.0           | 1                                                               |
| Communication and information related                              | 26                               | 20                                         | 23.1           | 0                                                               |
| Finance and economics related                                      | 5                                | 4                                          | 20.0           | 0                                                               |
| Financial and related professionals                                | 21                               | 17                                         | 19.0           | 0                                                               |
| Financial clerks and credit controllers                            | 13                               | 9                                          | 30.8           | 0                                                               |
| Food services aids and waiters                                     | 56                               | 47                                         | 16.1           | 1                                                               |
| Head of department/chief executive officer                         | 1                                | 1                                          | 0.0            | 0                                                               |
| Household food and laundry services related                        | 52                               | 43                                         | 17.3           | 4                                                               |
| Human resources & organisational development & related professions | 21                               | 18                                         | 14.3           | 0                                                               |
| Human resources clerks                                             | 7                                | 6                                          | 14.3           | 0                                                               |
| Human resources related                                            | 5                                | 5                                          | 0.0            | 0                                                               |
| Information technology related                                     | 15                               | 12                                         | 20.0           | 0                                                               |
| Legal related                                                      | 9                                | 8                                          | 11.1           | 0                                                               |
| Librarians and related professionals                               | 3                                | 3                                          | 0.0            | 0                                                               |
| Library mail and related clerks                                    | 11                               | 9                                          | 18.2           | 0                                                               |
| Logistical support personnel                                       | 20                               | 18                                         | 10.0           | 0                                                               |
| Material-recording and transport clerks                            | 8                                | 7                                          | 12.5           | 0                                                               |
| Messengers porters and deliverers                                  | 5                                | 5                                          | 0.0            | 0                                                               |
| Motor vehicle drivers                                              | 25                               | 21                                         | 16.0           | 2                                                               |
| Other administrative policy and related officers                   | 12                               | 6                                          | 50.0           | 0                                                               |
| Other occupations/Special Advisers                                 | 0                                | 0                                          | 0.0            | 10                                                              |
| Protection services                                                | 3                                | 3                                          | 0.0            | 0                                                               |
| Secretaries & other keyboard operating clerks                      | 101                              | 75                                         | 25.7           | 8                                                               |
| Senior managers                                                    | 85                               | 70                                         | 17.6           | 8                                                               |
| <b>TOTAL</b>                                                       | <b>735</b>                       | <b>589</b>                                 | <b>19.9</b>    | <b>41</b>                                                       |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

| TABLE 4.1 - Job Evaluation                   |                                     |                                |                         |                                |                        |                                       |                               |
|----------------------------------------------|-------------------------------------|--------------------------------|-------------------------|--------------------------------|------------------------|---------------------------------------|-------------------------------|
| Salary Band                                  | Number of Posts<br>31 March<br>2010 | Number of<br>Jobs<br>Evaluated | % of Posts<br>Evaluated | Number<br>of Posts<br>Upgraded | % of Posts<br>Upgraded | Number<br>of Posts<br>Down-<br>graded | % of Posts<br>Down-<br>graded |
| Lower skilled (Levels 1-2)                   | 61                                  | 0                              | 0                       | 0                              | 0                      | 0                                     | 0                             |
| Skilled (Levels 3-5)                         | 133                                 | 0                              | 0                       | 0                              | 0                      | 0                                     | 0                             |
| Highly skilled production<br>(Levels 6-8)    | 231                                 | 12                             | 5.2                     | 1                              | 8.3                    | 0                                     | 0                             |
| Highly skilled supervision<br>(Levels 9-12)  | 221                                 | 19                             | 8.6                     | 5                              | 26.3                   | 0                                     | 0                             |
| Highly skilled supervision<br>(Levels 13-16) | 89                                  | 0                              | 0                       | 0                              | 0                      | 0                                     | 0                             |
| <b>TOTAL</b>                                 | <b>735</b>                          | <b>31</b>                      | <b>4.2</b>              | <b>6</b>                       | <b>19.4</b>            | <b>0</b>                              | <b>0</b>                      |

| TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded |          |          |          |          |          |
|--------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
| Beneficiaries                                                                                    | African  | Asian    | Coloured | White    | Total    |
| Female                                                                                           | 4        | 0        | 1        | 0        | 5        |
| Male                                                                                             | 1        | 0        | 0        | 0        | 1        |
| <b>TOTAL</b>                                                                                     | <b>5</b> | <b>0</b> | <b>1</b> | <b>0</b> | <b>6</b> |
| Employees with a disability                                                                      | 0        | 0        | 0        | 0        | 0        |

| TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3] |                        |                           |                         |                         |                                                   |
|------------------------------------------------------------------------------------------------------------|------------------------|---------------------------|-------------------------|-------------------------|---------------------------------------------------|
| Occupation                                                                                                 | Number of<br>Employees | Job Evalu-<br>ation Level | Remunera-<br>tion Level | Reason for<br>Deviation | No of<br>Employees<br>in Dept<br>31 March<br>2010 |
| Administrative related                                                                                     | 1                      | 8                         | 8                       | Attraction              | 119                                               |
| Administrative related                                                                                     | 1                      | 11                        | 11                      | Retention               | 119                                               |
| Administrative related                                                                                     | 1                      | 11                        | 11                      | Attraction              | 119                                               |
| Administrative related                                                                                     | 1                      | 11                        | 12                      | Attraction              | 119                                               |
| Administrative related                                                                                     | 1                      | 11                        | 13                      | Attraction              | 119                                               |
| Administrative related                                                                                     | 1                      | 12                        | 12                      | Attraction              | 119                                               |
| Information technology<br>related                                                                          | 2                      | 7                         | 7                       | Retention               | 12                                                |
| Messengers porters and<br>deliverers                                                                       | 1                      | 4                         | 5                       | Attraction              | 5                                                 |
| Secretaries & other keyboard<br>operating clerks                                                           | 1                      | 6                         | 6                       | Attraction              | 75                                                |
| Senior managers                                                                                            | 1                      | 13                        | 13                      | Attraction              | 70                                                |
| Senior managers                                                                                            | 1                      | 13                        | 13                      | Retention               | 70                                                |
| Senior managers                                                                                            | 1                      | 13                        | 14                      | Retention               | 70                                                |
| Senior managers                                                                                            | 2                      | 14                        | 14                      | Attraction              | 70                                                |
| Senior managers                                                                                            | 4                      | 14                        | 14                      | Retention               | 70                                                |
| Senior managers                                                                                            | 1                      | 15                        | 15                      | Attraction              | 70                                                |
| Senior managers                                                                                            | 1                      | 15                        | 15                      | Retention               | 70                                                |
| <b>TOTAL</b>                                                                                               | <b>21</b>              |                           |                         |                         |                                                   |
| Percentage of total<br>employment                                                                          | 3.57%                  |                           |                         |                         | 589                                               |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]**

| Beneficiaries               | African   | Indian   | Coloured | White    | Total     |
|-----------------------------|-----------|----------|----------|----------|-----------|
| Female                      | 8         | 1        | 0        | 2        | 11        |
| Male                        | 10        | 0        | 0        | 0        | 10        |
| <b>TOTAL</b>                | <b>18</b> | <b>1</b> | <b>0</b> | <b>2</b> | <b>21</b> |
| Employees with a Disability | 0         | 0        | 0        | 0        | 0         |

**TABLE 5.1 - Annual Turnover Rates by Salary Band**

| Salary Band                              | Employment at Beginning of Period (April 2009) | Appoint-ments | Terminations | Turnover Rate |
|------------------------------------------|------------------------------------------------|---------------|--------------|---------------|
| Lower skilled (Levels 1-2)               | 57                                             | 5             | 1            | 2             |
| Skilled (Levels 3-5)                     | 109                                            | 11            | 8            | 7.3           |
| Highly skilled production (Levels 6-8)   | 157                                            | 52            | 27           | 18            |
| Highly skilled supervision (Levels 9-12) | 125                                            | 57            | 24           | 19.2          |
| Senior management (level 13-16)          | 62                                             | 37            | 21           | 33.9          |
| <b>TOTAL</b>                             | <b>510</b>                                     | <b>162</b>    | <b>81</b>    | <b>15.9</b>   |

**TABLE 5.2 - Annual Turnover Rates by Critical Occupation**

| Occupation                                          | Employment at Beginning of Period (April 2009) | Appoint-ments | Terminations | Turnover Rate |
|-----------------------------------------------------|------------------------------------------------|---------------|--------------|---------------|
| Administrative                                      | 82                                             | 42            | 29           | 35.4          |
| Cleaners in offices workshops hospitals etc.        | 46                                             | 5             | 3            | 6.5           |
| Client inform clerks (switchb recept inform clerks) | 12                                             | 5             | 0            | 0.0           |
| Communication and information related               | 19                                             | 1             | 1            | 5.3           |
| Finance and economics related                       | 1                                              | 0             | 0            | 0.0           |
| Financial and related professionals                 | 13                                             | 1             | 0            | 0.0           |
| Financial clerks and credit controllers             | 8                                              | 2             | 4            | 50.0          |
| Food services aids and waiters                      | 50                                             | 1             | 0            | 0.0           |
| Head of department/chief executive officer          | 1                                              | 1             | 0            | 0.0           |
| Household food and laundry services related         | 49                                             | 7             | 1            | 2.0           |
| Human resources & organisat developm & relate prof  | 8                                              | 3             | 3            | 37.5          |
| Human resources clerks                              | 4                                              | 5             | 1            | 25.0          |
| Human resources related                             | 3                                              | 1             | 0            | 0.0           |
| Information technology related                      | 12                                             | 1             | 0            | 0.0           |
| Legal related                                       | 1                                              | 0             | 0            | 0.0           |
| Librarians and related professionals                | 3                                              | 0             | 1            | 33.3          |
| Library mail and related clerks                     | 7                                              | 2             | 1            | 14.3          |
| Logistical support personnel                        | 16                                             | 0             | 0            | 0.0           |
| Material-recording and transport clerks             | 8                                              | 1             | 1            | 12.5          |
| Messengers porters and deliverers                   | 5                                              | 0             | 1            | 20.0          |
| Motor vehicle drivers                               | 19                                             | 5             | 0            | 0.0           |
| Other administrative policy and related officers    | 9                                              | 2             | 4            | 44.4          |
| Other occupations                                   | 2                                              | 7             | 3            | 150.0         |
| Protection service                                  | 0                                              | 0             | 0            | 0.0           |
| Secretaries & other keyboard operating clerks,      | 72                                             | 34            | 10           | 13.9          |
| Senior managers                                     | 60                                             | 36            | 18           | 30.0          |
| <b>TOTAL</b>                                        | <b>510</b>                                     | <b>162</b>    | <b>81</b>    | <b>15.9</b>   |



# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 5.3 - Reasons why staff are leaving the department**

| Termination Type                | Number    | % of Total Resignations | % of Total Employment | Total     | Total Employment 1 Apr 2009 |
|---------------------------------|-----------|-------------------------|-----------------------|-----------|-----------------------------|
| Death                           | 3         | 3.7                     | 0.6                   | 81        | 510                         |
| Resignation                     | 23        | 28.4                    | 4.5                   | 81        | 510                         |
| Expiry of contract              | 25        | 30.9                    | 4.9                   | 81        | 510                         |
| Dismissal-misconduct            | 4         | 4.9                     | 0.8                   | 81        | 510                         |
| Retirement                      | 4         | 4.9                     | 0.8                   | 81        | 510                         |
| Transfers                       | 22        | 27.2                    | 4.3                   | 81        | 510                         |
| <b>TOTAL</b>                    | <b>81</b> | <b>100.0</b>            | <b>15.9</b>           | <b>81</b> | <b>510</b>                  |
| Resignations as % of Employment |           |                         |                       |           |                             |
| 4.51%                           |           |                         |                       |           |                             |

**TABLE 5.4 - Promotions by Critical Occupation**

| Occupation                                          | Employment at Beginning of Period (April 2009) | Promotions to another Salary Level | Salary Level Promotions as a % of Employment | Progressions to another Notch within Salary Level | Notch progressions as a % of Employment |
|-----------------------------------------------------|------------------------------------------------|------------------------------------|----------------------------------------------|---------------------------------------------------|-----------------------------------------|
| Administrative related                              | 82                                             | 16                                 | 19.5                                         | 39                                                | 47.6                                    |
| Cleaners in offices workshops hospitals etc.        | 46                                             | 0                                  | 0.0                                          | 33                                                | 71.7                                    |
| Client inform clerks(switchb receipt inform clerks) | 12                                             | 0                                  | 0.0                                          | 9                                                 | 75.0                                    |
| Communication and information related               | 19                                             | 0                                  | 0.0                                          | 9                                                 | 47.4                                    |
| Finance and economics related                       | 1                                              | 0                                  | 0.0                                          | 0                                                 | 0.0                                     |
| Financial and related professionals                 | 13                                             | 1                                  | 7.7                                          | 3                                                 | 23.1                                    |
| Financial clerks and credit controllers             | 8                                              | 1                                  | 12.5                                         | 3                                                 | 37.5                                    |
| Food services aids and waiters                      | 50                                             | 0                                  | 0.0                                          | 36                                                | 72.0                                    |
| Head of department/chief executive officer          | 0                                              | 0                                  | 0.0                                          | 0                                                 | 0.0                                     |
| Household food and laundry services related         | 49                                             | 0                                  | 0.0                                          | 9                                                 | 18.4                                    |
| Human resources & organisat developm & relate prof  | 8                                              | 5                                  | 62.5                                         | 0                                                 | 0.0                                     |
| Human resources clerks                              | 4                                              | 0                                  | 0.0                                          | 3                                                 | 75.0                                    |
| Human resources related                             | 3                                              | 4                                  | 133.3                                        | 0                                                 | 0.0                                     |
| Information technology related                      | 12                                             | 1                                  | 8.3                                          | 9                                                 | 75.0                                    |
| Legal related                                       | 1                                              | 0                                  | 1.0                                          | 0                                                 | 0.0                                     |
| Librarians and related professionals                | 3                                              | 0                                  | 0.0                                          | 2                                                 | 66.7                                    |
| Library mail and related clerks                     | 7                                              | 3                                  | 42.9                                         | 4                                                 | 57.1                                    |
| Logistical support personnel                        | 16                                             | 2                                  | 12.5                                         | 9                                                 | 56.3                                    |
| Material-recording and transport clerks             | 8                                              | 0                                  | 0.0                                          | 5                                                 | 62.5                                    |
| Messengers porters and deliverers                   | 5                                              | 0                                  | 0.0                                          | 2                                                 | 40.0                                    |
| Motor vehicle drivers                               | 20                                             | 0                                  | 0.0                                          | 10                                                | 50.0                                    |
| Other administrative policy and related officers    | 9                                              | 0                                  | 0.0                                          | 3                                                 | 33.3                                    |
| Other occupations                                   | 2                                              | 0                                  | 0.0                                          | 0                                                 | 0.0                                     |
| Protection services                                 | 0                                              | 0                                  | 0.0                                          | 0                                                 | 0.0                                     |
| Secretaries & other keyboard operating clerks       | 72                                             | 3                                  | 4.2                                          | 28                                                | 38.9                                    |
| Senior managers                                     | 60                                             | 8                                  | 13.3                                         | 40                                                | 66.7                                    |
| <b>TOTAL</b>                                        | <b>510</b>                                     | <b>44</b>                          | <b>8.6</b>                                   | <b>256</b>                                        | <b>50.2</b>                             |

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**TABLE 5.5 - Promotions by Salary Band**

| Salary Band                              | Employment at Beginning of Period (April 2009) | Promotions to another Salary Level | Salary Level Promotions as a % of Employment | Progressions to another Notch within Salary Level | Notch progressions as a % of Employment |
|------------------------------------------|------------------------------------------------|------------------------------------|----------------------------------------------|---------------------------------------------------|-----------------------------------------|
| Lower skilled (Levels 1-2)               | 57                                             | 1                                  | 1.8                                          | 26                                                | 45.6                                    |
| Skilled (Levels 3-5)                     | 109                                            | 7                                  | 6.4                                          | 23                                                | 21.1                                    |
| Highly skilled production (Levels 6-8)   | 157                                            | 23                                 | 14.6                                         | 138                                               | 87.9                                    |
| Highly skilled supervision (Levels 9-12) | 125                                            | 10                                 | 8.0                                          | 29                                                | 23.2                                    |
| Senior management (Levels 13-16)         | 62                                             | 3                                  | 4.8                                          | 40                                                | 64.5                                    |
| <b>TOTAL</b>                             | <b>510</b>                                     | <b>44</b>                          | <b>8.6</b>                                   | <b>256</b>                                        | <b>50.2</b>                             |

**TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO), 31 March 2010**

| Occupational Categories                    | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|--------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Legislators, senior officials and managers | 27            | 3              | 2            | 32                 |  |
| Professionals                              | 49            | 4              | 5            | 58                 |  |
| Clerks                                     | 41            | 3              | 1            | 45                 |  |
| Service and sales workers                  | 50            | 4              | 0            | 54                 |  |
| Elementary occupations                     | 19            | 1              | 0            | 20                 |  |
| <b>TOTAL</b>                               | <b>186</b>    | <b>15</b>      | <b>8</b>     | <b>209</b>         |  |
|                                            | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
| Employees with disabilities                | 4             | 1              | 1            |                    |  |

**TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands 31 March 2010**

| Occupational Bands                                                                            | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|-----------------------------------------------------------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Top Management                                                                                | 4             | 0              | 1            | 5                  |  |
| Senior Management                                                                             | 23            | 3              | 1            | 27                 |  |
| Professionally qualified and experienced specialists and mid-management                       | 49            | 4              | 5            | 58                 |  |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 41            | 3              | 1            | 45                 |  |
| Semi-skilled and discretionary decision making                                                | 50            | 4              | 0            | 54                 |  |
| Unskilled and defined decision making                                                         | 19            | 1              | 0            | 20                 |  |
| <b>TOTAL</b>                                                                                  | <b>186</b>    | <b>15</b>      | <b>8</b>     | <b>209</b>         |  |

**TABLE 6.3 - Recruitment**

| Occupational Bands                                                                            | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|-----------------------------------------------------------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Top Management                                                                                | 5             | 0              | 1            | 6                  |  |
| Senior Management                                                                             | 10            | 1              | 1            | 12                 |  |
| Professionally qualified and experienced specialists and mid-management                       | 10            | 0              | 2            | 12                 |  |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 18            | 0              | 0            | 18                 |  |
| Semi-skilled and discretionary decision making                                                | 8             | 0              | 0            | 8                  |  |
| Unskilled and defined decision making                                                         | 3             | 0              | 0            | 3                  |  |
| <b>TOTAL</b>                                                                                  | <b>54</b>     | <b>1</b>       | <b>4</b>     | <b>59</b>          |  |

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|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total      |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|------------|
|  | 5           | 24              | 4                | 4              | 32                   | 5             | 74         |
|  | 3           | 87              | 5                | 8              | 100                  | 10            | 171        |
|  | 0           | 104             | 12               | 4              | 120                  | 8             | 173        |
|  | 0           | 55              | 8                | 0              | 63                   | 0             | 117        |
|  | 0           | 32              | 2                | 0              | 34                   | 0             | 54         |
|  | <b>8</b>    | <b>302</b>      | <b>31</b>        | <b>16</b>      | <b>349</b>           | <b>23</b>     | <b>589</b> |
|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total      |
|  | 0           | 6               | 0                | 0              |                      | 0             | 12         |

|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total      |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|------------|
|  | 2           | 1               | 1                | 0              | 2                    | 0             | 9          |
|  | 3           | 23              | 3                | 4              | 30                   | 5             | 65         |
|  | 3           | 87              | 5                | 8              | 100                  | 10            | 171        |
|  | 0           | 104             | 12               | 4              | 120                  | 8             | 173        |
|  | 0           | 55              | 8                | 0              | 63                   | 0             | 117        |
|  | 0           | 32              | 2                | 0              | 34                   | 0             | 54         |
|  | <b>8</b>    | <b>302</b>      | <b>31</b>        | <b>16</b>      | <b>349</b>           | <b>23</b>     | <b>589</b> |

|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total      |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|------------|
|  | 0           | 4               | 1                | 0              | 5                    | 0             | 11         |
|  | 1           | 8               | 2                | 2              | 12                   | 1             | 26         |
|  | 0           | 40              | 1                | 2              | 43                   | 2             | 57         |
|  | 0           | 27              | 4                | 1              | 32                   | 2             | 52         |
|  | 0           | 3               | 0                | 0              | 3                    | 0             | 11         |
|  | 0           | 2               | 0                | 0              | 2                    | 0             | 5          |
|  | <b>1</b>    | <b>84</b>       | <b>8</b>         | <b>5</b>       | <b>97</b>            | <b>5</b>      | <b>162</b> |

# HUMAN RESOURCES OVERSIGHT

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**TABLE 6.4 - Promotions**

| Occupational Bands                                                                            | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|-----------------------------------------------------------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Top Management                                                                                | 0             | 0              | 0            | 0                  |  |
| Senior Management                                                                             | 2             | 0              | 1            | 3                  |  |
| Professionally qualified and experienced specialists and mid-management                       | 2             | 0              | 0            | 2                  |  |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 7             | 0              | 0            | 7                  |  |
| Semi-skilled and discretionary decision making                                                | 5             | 0              | 0            | 5                  |  |
| Unskilled and defined decision making                                                         | 0             | 0              | 0            | 0                  |  |
| <b>TOTAL</b>                                                                                  | <b>16</b>     | <b>0</b>       | <b>1</b>     | <b>17</b>          |  |
|                                                                                               | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
| Employees with disabilities                                                                   | 0             | 0              | 0            | 0                  |  |

**TABLE 6.5 - Terminations**

| Occupational Bands                                                                            | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|-----------------------------------------------------------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Top Management                                                                                | 5             | 1              | 0            | 6                  |  |
| Senior Management                                                                             | 3             | 1              | 0            | 4                  |  |
| Professionally qualified and experienced specialists and mid-management                       | 11            | 0              | 0            | 11                 |  |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 12            | 0              | 0            | 12                 |  |
| Semi-skilled and discretionary decision making                                                | 0             | 0              | 0            | 0                  |  |
| Unskilled and defined decision making                                                         | 2             | 0              | 0            | 2                  |  |
| <b>TOTAL</b>                                                                                  | <b>33</b>     | <b>2</b>       | <b>0</b>     | <b>35</b>          |  |
|                                                                                               | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
| No data                                                                                       | 0             | 0              | 0            | 0                  |  |

**TABLE 6.6 - Disciplinary Action**

| Disciplinary action | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|---------------------|---------------|----------------|--------------|--------------------|--|
| <b>TOTAL</b>        | <b>5</b>      | <b>1</b>       | <b>0</b>     | <b>6</b>           |  |

**TABLE 6.7 - Skills Development**

| Occupational Categories                    | Male, African | Male, Coloured | Male, Indian | Male, Total Blacks |  |
|--------------------------------------------|---------------|----------------|--------------|--------------------|--|
| Legislators, Senior Officials and Managers | 8             | 2              | 0            | 10                 |  |
| Professionals                              | 6             | 1              | 1            | 8                  |  |
| Technicians and Associate Professionals    | 17            | 3              | 0            | 20                 |  |
| Clerks                                     | 5             | 1              | 0            | 6                  |  |
| Service and Sales Workers                  | 0             | 0              | 0            | 0                  |  |
| Skilled Agriculture and Fishery Workers    | 0             | 0              | 0            | 0                  |  |
| Craft and related Trades Workers           | 0             | 0              | 0            | 0                  |  |
| Plant and Machine Operators and Assemblers | 0             | 0              | 0            | 0                  |  |
| Elementary Occupations                     | 2             | 0              | 0            | 2                  |  |
| <b>TOTAL</b>                               | <b>38</b>     | <b>7</b>       | <b>1</b>     | <b>46</b>          |  |
| Employees with disabilities                | 1             | 0              | 0            | 1                  |  |



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|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total     |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|-----------|
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0         |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 3         |
|  | 0           | 6               | 0                | 1              | 7                    | 1             | 10        |
|  | 0           | 13              | 3                | 0              | 16                   | 0             | 23        |
|  | 0           | 2               | 0                | 0              | 2                    | 0             | 7         |
|  | 0           | 1               | 0                | 0              | 1                    | 0             | 1         |
|  | <b>0</b>    | <b>22</b>       | <b>3</b>         | <b>1</b>       | <b>26</b>            | <b>1</b>      | <b>44</b> |
|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total     |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0         |

|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total     |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|-----------|
|  | 2           | 5               | 0                | 0              | 5                    | 0             | 13        |
|  | 0           | 2               | 0                | 1              | 3                    | 1             | 8         |
|  | 0           | 12              | 1                | 0              | 13                   | 1             | 25        |
|  | 0           | 14              | 2                | 1              | 17                   | 2             | 31        |
|  | 0           | 1               | 0                | 0              | 1                    | 0             | 1         |
|  | 0           | 0               | 1                | 0              | 1                    | 0             | 3         |
|  | <b>2</b>    | <b>34</b>       | <b>4</b>         | <b>2</b>       | <b>40</b>            | <b>4</b>      | <b>81</b> |
|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total     |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0         |

|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total     | Not Available |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|-----------|---------------|
|  | <b>0</b>    | <b>2</b>        | <b>4</b>         | <b>1</b>       | <b>7</b>             | <b>1</b>      | <b>14</b> | <b>0</b>      |

|  | Male, White | Female, African | Female, Coloured | Female, Indian | Female, Total Blacks | Female, White | Total      |
|--|-------------|-----------------|------------------|----------------|----------------------|---------------|------------|
|  | 4           | 5               | 2                | 1              | 8                    | 0             | 22         |
|  | 3           | 9               | 1                | 1              | 11                   | 2             | 24         |
|  | 0           | 5               | 0                | 0              | 5                    | 0             | 25         |
|  | 0           | 29              | 3                | 2              | 34                   | 6             | 46         |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0          |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0          |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0          |
|  | 0           | 0               | 0                | 0              | 0                    | 0             | 0          |
|  | 0           | 5               | 3                | 0              | 8                    | 0             | 10         |
|  | <b>7</b>    | <b>53</b>       | <b>9</b>         | <b>4</b>       | <b>66</b>            | <b>8</b>      | <b>127</b> |
|  | 0           | 3               | 0                | 0              | 3                    | 0             | 4          |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 7.1 - Performance Rewards by Race, Gender and Disability**

| Demographics                  | Number of Beneficiaries (08/09 cycle) | Total Employment 1 Apr 2009 | % of Total Employment | Cost (R'000)     | Average Cost per Beneficiary (R) |
|-------------------------------|---------------------------------------|-----------------------------|-----------------------|------------------|----------------------------------|
| African, Female               | 128                                   | 242                         | 52.9                  | 905,055          | 7,071                            |
| African, Male                 | 86                                    | 166                         | 51.8                  | 669,789          | 7,788                            |
| Asian, Female                 | 6                                     | 12                          | 50.0                  | 43,460           | 7,243                            |
| Asian, Male                   | 3                                     | 7                           | 42.9                  | 21,033           | 7,011                            |
| Coloured, Female              | 12                                    | 14                          | 85.7                  | 88,668           | 7,389                            |
| Coloured, Male                | 10                                    | 35                          | 28.6                  | 55,688           | 5,569                            |
| Total Black, Female           | 146                                   | 268                         | 54.5                  | 1,037,183        | 7,104                            |
| Total Black, Male             | 99                                    | 208                         | 47.6                  | 746,510          | 7,541                            |
| White, Female                 | 11                                    | 25                          | 44.0                  | 102,377          | 9,307                            |
| White, Male                   | 5                                     | 9                           | 55.6                  | 93,184           | 18,637                           |
| * Employees with a disability | 5                                     | 10                          | 50.0                  | 52,806           | 10,561                           |
| <b>TOTAL</b>                  | <b>261</b>                            | <b>510</b>                  | <b>51.2</b>           | <b>1,979,254</b> | <b>7,583</b>                     |

\* Not included in total

**TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service**

| Salary Band                              | Number of Beneficiaries (08/09 cycle) | Total Employment 1 Apr 2009 | % of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R'000) |
|------------------------------------------|---------------------------------------|-----------------------------|-----------------------|--------------|--------------------------------------|
| Lower skilled (Levels 1-2)               | 21                                    | 57                          | 36.8                  | 23           | 1                                    |
| Skilled (Levels 3-5)                     | 74                                    | 109                         | 67.9                  | 202          | 3                                    |
| Highly skilled production (Levels 6-8)   | 88                                    | 157                         | 56.1                  | 409          | 5                                    |
| Highly skilled supervision (Levels 9-12) | 44                                    | 125                         | 35.2                  | 709          | 16                                   |
| <b>TOTAL</b>                             | <b>227</b>                            | <b>448</b>                  | <b>50.7</b>           | <b>1,343</b> | <b>6</b>                             |

**TABLE 7.3 - Performance Rewards by Critical Occupation**

| Critical Occupations                                               | Number of Beneficiaries (08/09 cycle) | Total Employment 1 Apr 2009 | % of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R) |
|--------------------------------------------------------------------|---------------------------------------|-----------------------------|-----------------------|--------------|----------------------------------|
| Administrative related                                             | 45                                    | 82                          | 54.9                  | 221          | 4,911                            |
| Cleaners in offices workshops hospitals etc.                       | 18                                    | 46                          | 39.1                  | 37           | 2,028                            |
| Client inform clerks(switchboard reception inform clerks)          | 5                                     | 12                          | 41.7                  | 23           | 4,600                            |
| Communication and information related                              | 8                                     | 19                          | 42.1                  | 123          | 15,375                           |
| Finance and economics related                                      | 0                                     | 1                           | 0                     | 0            | 0                                |
| Financial and related professionals                                | 5                                     | 13                          | 38.5                  | 37           | 7,340                            |
| Financial clerks and credit controllers                            | 6                                     | 8                           | 75                    | 31           | 5,233                            |
| Food services aids and waiters                                     | 22                                    | 50                          | 44                    | 65           | 2,955                            |
| Head of department/chief executive officer                         | 0                                     | 1                           | 0                     | 0            | 0                                |
| Household food and laundry services related                        | 30                                    | 49                          | 61.2                  | 185          | 6,167                            |
| Human resources & organisational development & related professions | 3                                     | 8                           | 37.5                  | 28           | 9,400                            |
| Human resources clerks                                             | 4                                     | 7                           | 57.1                  | 28           | 6,950                            |
| Information technology related                                     | 7                                     | 12                          | 58.3                  | 72           | 10,286                           |
| Legal related                                                      | 2                                     | 3                           | 66.7                  | 69           | 34,300                           |

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|                                                  |            |            |             |              |              |
|--------------------------------------------------|------------|------------|-------------|--------------|--------------|
| Library mail and related clerks                  | 4          | 10         | 40          | 9            | 2,250        |
| Logistical support personnel                     | 10         | 16         | 62.5        | 68           | 6,800        |
| Material-recording and transport clerks          | 5          | 8          | 62.5        | 17           | 3,400        |
| Messengers porters and deliverers                | 2          | 5          | 40          | 5            | 4,845        |
| Motor vehicle drivers                            | 15         | 19         | 78.9        | 52           | 3,467        |
| Other administrative policy and related officers | 4          | 9          | 44.4        | 48           | 12,000       |
| Other occupations                                | 0          | 2          | 0           | 0            | 0            |
| Secretaries & other keyboard operating clerks    | 32         | 72         | 44.4        | 227          | 7,094        |
| Senior managers                                  | 34         | 58         | 58.6        | 635          | 18,676       |
| <b>TOTAL</b>                                     | <b>261</b> | <b>510</b> | <b>51.2</b> | <b>1,979</b> | <b>7,583</b> |

**TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service**

| SMS Band     | Number of Beneficiaries (08/09 cycle) | Total Employment 1 Apr 2009 | % of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R'000) | % of SMS Wage Bill | Personnel Cost SMS (R'000) |
|--------------|---------------------------------------|-----------------------------|-----------------------|--------------|--------------------------------------|--------------------|----------------------------|
| Band A       | 20                                    | 37                          | 54.1                  | 318          | 16                                   | 1                  | 30,653                     |
| Band B       | 7                                     | 14                          | 50                    | 179          | 26                                   | 1                  | 18,764                     |
| Band C       | 5                                     | 7                           | 71.4                  | 74           | 15                                   | 0.5                | 13,733                     |
| Band D       | 2                                     | 4                           | 50                    | 62           | 31                                   | 0.3                | 21,433                     |
| <b>TOTAL</b> | <b>34</b>                             | <b>62</b>                   | <b>54.8</b>           | <b>633</b>   | <b>19</b>                            | <b>0.7</b>         | <b>84,583</b>              |

**TABLE 8.1 - Foreign Workers by Salary Band**

| Salary Band             | Employment at Beginning Period | % of Total | Employment at End of Period | % of Total | Change in Employment | % of Total | Total Employment at Beginning of Period | Total Employment at End of Period | Total Change in Employment |
|-------------------------|--------------------------------|------------|-----------------------------|------------|----------------------|------------|-----------------------------------------|-----------------------------------|----------------------------|
| Contract (Levels 13-16) | 0                              | 0          | 1                           | 100        | 1                    | 100        | 0                                       | 1                                 | 1                          |
| <b>TOTAL</b>            | <b>0</b>                       | <b>0</b>   | <b>1</b>                    | <b>100</b> | <b>1</b>             | <b>100</b> | <b>0</b>                                | <b>1</b>                          | <b>1</b>                   |

**TABLE 8.2 - Foreign Workers by Major Occupation**

| Major Occupation           | Employment at Beginning Period | % of Total | Employment at End of Period | % of Total | Change in Employment | % of Total | Total Employment at Beginning of Period | Total Employment at End of Period | Total Change in Employment |
|----------------------------|--------------------------------|------------|-----------------------------|------------|----------------------|------------|-----------------------------------------|-----------------------------------|----------------------------|
| Professionals and managers | 0                              | 0          | 1                           | 100        | 1                    | 100        | 0                                       | 1                                 | 1                          |
| <b>TOTAL</b>               | <b>0</b>                       | <b>0</b>   | <b>1</b>                    | <b>100</b> | <b>1</b>             | <b>100</b> | <b>0</b>                                | <b>1</b>                          | <b>1</b>                   |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 9.1 - Sick Leave for Jan 2009 to Dec 2009**

| Salary Band                              | Total Days  | % Days with Medical Certification | Number of Employees using Sick Leave | % of Total Employees using Sick Leave | Average Days per Employee | Estimated Cost (R'000) | Total number of Employees using Sick Leave | Total number of days with Medical Certification |
|------------------------------------------|-------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|--------------------------------------------|-------------------------------------------------|
| Lower skilled (Levels 1-2)               | 218         | 87.2                              | 34                                   | 8.4                                   | 6                         | 45                     | 403                                        | 190                                             |
| Skilled (Levels 3-5)                     | 602         | 98.3                              | 99                                   | 24.6                                  | 6                         | 171                    | 403                                        | 592                                             |
| Highly skilled production (Levels 6-8)   | 821         | 84.0                              | 144                                  | 35.7                                  | 6                         | 396                    | 403                                        | 690                                             |
| Highly skilled supervision (Levels 9-12) | 411         | 77.6                              | 87                                   | 21.6                                  | 5                         | 397                    | 403                                        | 319                                             |
| Senior management (Levels 13-16)         | 202         | 85.6                              | 39                                   | 9.7                                   | 5                         | 311                    | 403                                        | 173                                             |
| <b>TOTAL</b>                             | <b>2254</b> | <b>87.1</b>                       | <b>403</b>                           | <b>100.0</b>                          | <b>6</b>                  | <b>1,320</b>           | <b>403</b>                                 | <b>1964</b>                                     |

**TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2009 to Dec 2009**

| Salary Band                              | Total Days | % Days with Medical Certification | Number of Employees using disability Leave | % of Total Employees using disability Leave | Average days per employee | Estimated Cost (R'000) | Total number of days with Medical Certification | Total number of Employees using Disability Leave |
|------------------------------------------|------------|-----------------------------------|--------------------------------------------|---------------------------------------------|---------------------------|------------------------|-------------------------------------------------|--------------------------------------------------|
| Lower skilled (Levels 1-2)               | 0          | 0                                 | 0                                          | 0                                           | 0                         | 0                      | 0                                               | 0                                                |
| Skilled (Levels 3-5)                     | 0          | 0                                 | 0                                          | 0                                           | 0                         | 0                      | 0                                               | 0                                                |
| Highly skilled production (Levels 6-8)   | 0          | 0                                 | 0                                          | 0                                           | 0                         | 0                      | 0                                               | 0                                                |
| Highly skilled supervision (Levels 9-12) | 0          | 0                                 | 0                                          | 0                                           | 0                         | 0                      | 0                                               | 0                                                |
| <b>TOTAL</b>                             | <b>0</b>   | <b>0</b>                          | <b>0</b>                                   | <b>0</b>                                    | <b>0</b>                  | <b>0</b>               | <b>0</b>                                        | <b>0</b>                                         |

**TABLE 9.3 - Annual Leave for Jan 2009 to Dec 2009**

| Salary Band                              | Total Days Taken | Average days per Employee | Number of Employees who took leave |
|------------------------------------------|------------------|---------------------------|------------------------------------|
| Lower skilled (Levels 1-2)               | 872              | 21                        | 41                                 |
| Skilled (Levels 3-5)                     | 2678             | 22                        | 122                                |
| Highly skilled production (Levels 6-8)   | 3251             | 20                        | 162                                |
| Highly skilled supervision (Levels 9-12) | 2861             | 18                        | 156                                |
| Senior management (Levels 13-16)         | 1685             | 17                        | 97                                 |
| <b>TOTAL</b>                             | <b>11347</b>     | <b>20</b>                 | <b>578</b>                         |



# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 9.4 - Capped Leave for Jan 2009 to Dec 2009**

|                                          | Total days of capped leave taken | Average number of days taken per employee | Average capped leave per employee as at 31 December 2009 | Number of Employees who took Capped leave | Total number of capped leave available at 31 December 2009 | Number of employees with capped leave, as at 31 December 2009 |
|------------------------------------------|----------------------------------|-------------------------------------------|----------------------------------------------------------|-------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------|
| Lower skilled (Levels 1-2)               | 0.3                              | 0                                         | 11                                                       | 1                                         | 197                                                        | 18                                                            |
| Skilled (Levels 3-5)                     | 65.0                             | 7                                         | 67                                                       | 9                                         | 3463                                                       | 52                                                            |
| Highly skilled production (Levels 6-8)   | 9.0                              | 2                                         | 11                                                       | 5                                         | 516                                                        | 47                                                            |
| Highly skilled supervision (Levels 9-12) | 15.6                             | 5                                         | 32                                                       | 3                                         | 1693                                                       | 53                                                            |
| Senior management (Levels 13-16)         | 4.3                              | 2                                         | 32                                                       | 2                                         | 1098                                                       | 34                                                            |
| <b>TOTAL</b>                             | <b>94.3</b>                      | <b>5</b>                                  | <b>34</b>                                                | <b>20</b>                                 | <b>6967</b>                                                | <b>204</b>                                                    |

**TABLE 9.5 - Leave Payouts**

| Reason                                                                          | Total Amount (R'000) | Number of Employees | Average Payment per Employee (R) |
|---------------------------------------------------------------------------------|----------------------|---------------------|----------------------------------|
| Leave payout for 2009/10 due to non-utilisation of leave for the previous cycle | 22                   | 2                   | 11,000                           |
| Capped leave payouts on termination of service for 2009/10                      | 59                   | 6                   | 9,833                            |
| Current leave payout on termination of service for 2009/10                      | 278                  | 20                  | 13,900                           |
| <b>TOTAL</b>                                                                    | <b>359</b>           | <b>28</b>           | <b>12,821</b>                    |

**TABLE 10.1 - Steps taken to reduce the risk of occupational exposure**

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk                                                       |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| ALL                                                                                                        | Male condoms available in bathrooms and female condoms available from the Nurse's office |

**TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]**

| Question                                                                                                                                                                                                                                                                       | Yes | No | Details, if yes                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.                                                                        | X   |    | As of 1 January 2010 filled post of Director on contract. Full time post to be advertised in new financial year.                                                                                                                                                                                                                                                                                                                      |
| 2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | X   |    | 1 Director and 1 Secretary but not an operational budget.                                                                                                                                                                                                                                                                                                                                                                             |
| 3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.                                                                                                          | X   |    | Aims to align itself with the Strategic Framework from DPSA:<br>- seeks to approach wellness within the Department in a holistic manner,<br>- facilitates the development of strategies, mechanisms and intervention by government for the implementation of HIV&AIDS and TB Management, Health and Productivity Management, Safety, Health, Risk and Quality Management, and Wellness Management, including organisational wellness. |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]**

| Question                                                                                                                                                                                                                                                 | Yes | No | Details, if yes                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (c) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.  |     | X  | However stakeholder engagements have taken place within the Department, with DPSA, Union representatives and a Psychological Service Provider |
| 5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed. |     | X  |                                                                                                                                               |
| 6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.                                                                   |     | X  |                                                                                                                                               |
| 7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.                                                                                                             | X   |    | Only started - results found that two out of twelve were positive.                                                                            |
| 8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators                                                                                           |     | X  |                                                                                                                                               |

**TABLE 11.1 - Collective Agreements**

| Subject Matter | Date |
|----------------|------|
| N/A            | N/A  |

**TABLE 11.2 - Misconduct and Discipline Hearings Finalised**

| Outcomes of disciplinary hearings              | Number    | % of Total | Only started - results found that two out of twelve were positive. |
|------------------------------------------------|-----------|------------|--------------------------------------------------------------------|
| Dismissal                                      | 3         | 21         | 0                                                                  |
| 2 Months suspension without pay                | 1         | 7          | 14                                                                 |
| 2 Weeks Suspension & Final Written Warning     | 2         | 14         | 14                                                                 |
| Counselling & Final Written Warning            | 1         | 7          | 14                                                                 |
| Consultation & Final Written Warning           | 2         | 14         | 14                                                                 |
| Final Written Warning                          | 4         | 29         | 14                                                                 |
| Resignation before implementation of Dismissal | 1         | 7          | 14                                                                 |
| <b>TOTAL</b>                                   | <b>14</b> | <b>100</b> | <b>14</b>                                                          |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings**

| Type of misconduct                       | Number    | % of Total | Total     |
|------------------------------------------|-----------|------------|-----------|
| Insurbordination                         | 3         | 21         | 14        |
| Insurbordination & Insolence             | 1         | 7          | 14        |
| Fraud                                    | 1         | 7          | 14        |
| Theft                                    | 1         | 7          | 14        |
| Dishonesty                               | 1         | 7          | 14        |
| Negligent                                | 1         | 7          | 14        |
| Poor Time Keeping & Unauthorised Absence | 2         | 14         | 14        |
| Poor Time Keeping                        | 3         | 21         | 14        |
| Insolence                                | 1         | 7          | 14        |
| <b>TOTAL</b>                             | <b>14</b> | <b>100</b> | <b>14</b> |

**TABLE 11.4 - Grievances Lodged**

| Number of grievances addressed            | Number   | % of Total | Total    |
|-------------------------------------------|----------|------------|----------|
| Not shortlisted for the post              | 2        | 40         | 5        |
| Transferred without consultation          | 1        | 20         | 5        |
| Application for incapacity leave declined | 1        | 20         | 5        |
| Assessment changed without consultation   | 1        | 20         | 5        |
| <b>TOTAL</b>                              | <b>5</b> | <b>100</b> | <b>5</b> |

**TABLE 11.5 - Disputes Lodged**

| Number of disputes addressed | Number   | % of Total |
|------------------------------|----------|------------|
| Upheld                       | 0        | 0          |
| Dismissed                    | 1        | 33         |
| Pending                      | 2        | 67         |
| <b>TOTAL</b>                 | <b>3</b> | <b>100</b> |

**TABLE 11.6 - Strike Actions**

|                                                        |   |
|--------------------------------------------------------|---|
| <b>Strike Actions</b>                                  | 0 |
| Total number of person working days lost               | 0 |
| Total cost(R'000) of working days lost                 | 0 |
| Amount (R'000) recovered as a result of no work no pay | 0 |

**TABLE 11.7 - Precautionary Suspensions**

|                                                    |             |
|----------------------------------------------------|-------------|
| Precautionary Suspensions                          | 0           |
| Number of people suspended                         | 3           |
| Number of people whose suspension exceeded 30 days | 1           |
| Average number of days suspended                   | 88 / 3 = 29 |
| Cost (R'000) of suspensions                        | R 68 096-00 |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 12.1 - Training Needs identified

| Occupational Categories                       | Gender        | Employment<br>1 Apr 2009 | Learnerships | Skills Pro-<br>grammes &<br>other short<br>courses | Other forms<br>of training | Total      |
|-----------------------------------------------|---------------|--------------------------|--------------|----------------------------------------------------|----------------------------|------------|
| Legislators, senior officials and managers    | Female        | 38                       | 0            | 20                                                 | 4                          | 24         |
|                                               | Male          | 49                       | 0            | 15                                                 | 7                          | 22         |
| Professionals                                 | Female        | 55                       | 0            | 35                                                 | 9                          | 44         |
|                                               | Male          | 38                       | 0            | 25                                                 | 8                          | 33         |
| Technicians and associate professionals       | Female        | 56                       | 0            | 36                                                 | 5                          | 41         |
|                                               | Male          | 37                       | 0            | 21                                                 | 10                         | 31         |
| Clerks                                        | Female        | 99                       | 0            | 46                                                 | 21                         | 67         |
|                                               | Male          | 18                       | 0            | 16                                                 | 6                          | 22         |
| Service and sales workers                     | Female        | 35                       | 0            | 21                                                 | 0                          | 21         |
|                                               | Male          | 11                       | 0            | 3                                                  | 0                          | 3          |
| Skilled agriculture and fishery workers       | Female        | 0                        | 0            | 0                                                  | 0                          | 0          |
|                                               | Male          | 0                        | 0            | 0                                                  | 0                          | 0          |
| Craft and related trades workers              | Female        | 0                        | 0            | 0                                                  | 0                          | 0          |
|                                               | Male          | 0                        | 0            | 0                                                  | 0                          | 0          |
| Plant and machine operators and<br>assemblers | Female        | 0                        | 0            | 0                                                  | 0                          | 0          |
|                                               | Male          | 0                        | 0            | 11                                                 | 3                          | 14         |
| Elementary occupations                        | Female        | 40                       | 0            | 27                                                 | 8                          | 35         |
|                                               | Male          | 34                       | 0            | 18                                                 | 11                         | 29         |
| <b>Gender sub totals</b>                      | <b>Female</b> | <b>323</b>               | <b>0</b>     | <b>185</b>                                         | <b>47</b>                  | <b>232</b> |
|                                               | <b>Male</b>   | <b>187</b>               | <b>0</b>     | <b>109</b>                                         | <b>45</b>                  | <b>154</b> |
| <b>TOTAL</b>                                  |               | <b>510</b>               | <b>0</b>     | <b>294</b>                                         | <b>92</b>                  | <b>386</b> |

TABLE 12.2 - Training Provided

| Occupational Categories                    | Gender | Employment<br>31 March 2010 | Learnerships | Skills<br>Programmes<br>& other short<br>courses | Other forms<br>of training | Total      |
|--------------------------------------------|--------|-----------------------------|--------------|--------------------------------------------------|----------------------------|------------|
| Legislators, senior officials and managers | Female | 10                          | 0            | 4                                                | 4                          | 8          |
|                                            | Male   | 20                          | 0            | 7                                                | 7                          | 14         |
| Professionals                              | Female | 37                          | 0            | 4                                                | 9                          | 13         |
|                                            | Male   | 30                          | 0            | 3                                                | 8                          | 11         |
| Technicians and associate professionals    | Female | 106                         | 0            | 0                                                | 5                          | 5          |
|                                            | Male   | 62                          | 0            | 10                                               | 10                         | 20         |
| Clerks                                     | Female | 122                         | 0            | 19                                               | 21                         | 40         |
|                                            | Male   | 43                          | 0            | 0                                                | 6                          | 6          |
| Service and sales workers                  | Female | 59                          | 0            | 0                                                | 0                          | 0          |
|                                            | Male   | 46                          | 0            | 0                                                | 0                          | 0          |
| Elementary occupations                     | Female | 35                          | 0            | 0                                                | 8                          | 8          |
|                                            | Male   | 19                          | 0            | 0                                                | 2                          | 2          |
| Gender sub totals                          | Female | 369                         | 0            | 27                                               | 47                         | 74         |
|                                            | Male   | 220                         | 0            | 20                                               | 33                         | 53         |
| <b>TOTAL</b>                               |        | <b>589</b>                  | <b>0</b>     | <b>47</b>                                        | <b>80</b>                  | <b>127</b> |



# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

| TABLE 13.1 - Injury on Duty           |          |            |
|---------------------------------------|----------|------------|
| Nature of injury on duty              | Number   | % of total |
| Required basic medical attention only | 2        | 100        |
| Temporary Total Disablement           | 0        | 0          |
| Permanent Disablement                 | 0        | 0          |
| Fatal                                 | 0        | 0          |
| <b>TOTAL</b>                          | <b>2</b> | <b>100</b> |

| TABLE 14.1 - Report on consultant appointments using appropriated funds                                                                                           |                                                        |                                  |                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------|-------------------------------------|
| Project Title                                                                                                                                                     | Total number of consultants that worked on the project | Duration: Work days              | Contract value in Rand              |
| Benchmarking of performance measures and research on the reliability of the output targets                                                                        | unknown                                                | 52                               | 2 800 001                           |
| National Income Dynamic Study                                                                                                                                     | unknown                                                | 80                               | 16 400 000                          |
| Analysis strategies and policies to facilitate the alignment of district and metro integrated development plans with the national spatial development perspective | unknown                                                | unknown                          | 1 197 583                           |
| Data collection for outcome indicators for municipalities                                                                                                         | unknown                                                | Subscription on an annual basis  | 209 000                             |
| Territorial Review                                                                                                                                                | unknown                                                | 115                              | 652 349                             |
| Regularity impact assessment on the intellectual property laws amendment bill                                                                                     | unknown                                                | 1                                | 300 000                             |
| Protocol for spouses                                                                                                                                              | unknown                                                | 9                                | 61 560                              |
| Poverty and iniquity analysis for development indicators                                                                                                          | 1                                                      | unknown                          | 9 498                               |
| Anti poverty strategy for women                                                                                                                                   | 1                                                      | 8                                | 28 250                              |
| NSDP/IDP alignment project deliverables                                                                                                                           | unknown                                                | unknown                          | 2 416 668                           |
| Secretariat for OSW Stakeholder meeting                                                                                                                           | 1                                                      | 1                                | 18 625                              |
| Audit Committee Meetings                                                                                                                                          | not applicable                                         | not applicable                   | 107 664                             |
| Management of supplier database for the year 2009/2010                                                                                                            | not applicable                                         | not applicable                   | 304 765                             |
| Commission Meetings                                                                                                                                               | not applicable                                         | not applicable                   | 71 987                              |
| Interim Financial Statements                                                                                                                                      | 4                                                      | 37                               | 330 652                             |
| Facilitation of Strategic Planning Workshop                                                                                                                       | 1                                                      | unknown                          | 46 626                              |
| Rental of equipment and recording of conference                                                                                                                   | not applicable                                         | 3                                | 20 041                              |
| Transcription and translation services                                                                                                                            | not applicable                                         | ad-hoc                           | 328 728                             |
| <b>TOTAL NUMBER OF PROJECTS</b>                                                                                                                                   | <b>TOTAL INDIVIDUAL CONSULTANTS</b>                    | <b>TOTAL DURATION: WORK DAYS</b> | <b>TOTAL CONTRACT VALUE IN RAND</b> |
| 18                                                                                                                                                                | unknown                                                | more than 306                    | 25 303 997                          |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

| Project Title                                                                                                                                                     | % ownership by HDI groups          | % management by HDI groups | Number of Consultants from HDI groups that work on the project |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------|----------------------------------------------------------------|
| National Income Dynamic Study                                                                                                                                     | -                                  | -                          | -                                                              |
| Analysis strategies and policies to facilitate the alignment of district and metro integrated development plans with the national spatial development perspective | Non HDI<br>HDI<br>Women            | 14.29%<br>14.29%<br>14.29% | -                                                              |
| Data collection for outcome indicators for municipalities                                                                                                         | -                                  | -                          | -                                                              |
| Territorial Review                                                                                                                                                | -                                  | -                          | -                                                              |
| Regularity impact assessment on the intellectual property laws amendment bill                                                                                     | -                                  | -                          | -                                                              |
| Protocol for spouses                                                                                                                                              | -                                  | -                          | -                                                              |
| Poverty and inequality analysis for development indicators                                                                                                        | -                                  | -                          | -                                                              |
| Anti poverty strategy for women                                                                                                                                   | -                                  | -                          | -                                                              |
| NSDP/IDP alignment project deliverables                                                                                                                           | BEE                                | 100%                       | -                                                              |
| Secretariat for OSW Stakeholder meeting                                                                                                                           | -                                  | -                          | -                                                              |
| Audit Committee Meetings                                                                                                                                          | -                                  | -                          | -                                                              |
| Management of supplier database for the year 2009/2010                                                                                                            | HDI                                | 100%                       | -                                                              |
| Commission Meetings                                                                                                                                               | -                                  | -                          | -                                                              |
| Interim Financial Statements                                                                                                                                      | Black<br>Women                     | 92%<br>45%                 | -                                                              |
| Facilitation of Strategic Planning Workshop                                                                                                                       | -                                  | -                          | -                                                              |
| Rental of equipment and recording of conference                                                                                                                   | BEE status<br>Black<br>Black Women | Level 3<br>51%<br>51%      | -                                                              |
| Transcription and translation services                                                                                                                            | -                                  | -                          | -                                                              |

# HUMAN RESOURCES OVERSIGHT

FOR THE YEAR ENDED 31 MARCH 2010

**TABLE 14.3 - Report on consultant appointments using Donor funds**

| Project Title                                                                                                                                                | Total number of consultants that worked on the project | Duration: Work days              | Donor and Contract value in Rand    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------|-------------------------------------|
| Governing Migration and Urbanisation to counter poverty and social fragmentation                                                                             | unknown                                                | unknown                          | 561 578                             |
| A study into the main factors contributing to under performance at secondary schools in the Western Cape Province                                            | unknown                                                | unknown                          | 573 704                             |
| Understanding informal self employment: a qualitative -quantitative integrated study                                                                         | unknown                                                | unknown                          | 638 897                             |
| Evaluation of funded income generating community projects in Limpopo                                                                                         | unknown                                                | unknown                          | 443 886                             |
| Using NIDS as the base micro dataset for the tax transfer South African Micro stimulation Model (SAMOD)                                                      | unknown                                                | unknown                          | 537 424                             |
| A multi dimensional social cohesion for South Africa (The Action)                                                                                            | unknown                                                | unknown                          | 573 609                             |
| Using NIDS as the base micro dataset for the tax transfer South African Micro stimulation Model (SAMOD)                                                      | unknown                                                | unknown                          | 537 424                             |
| Determinants of child welfare outcomes in SA: a comparative analysis of cross-sectional and panel data (The Action)                                          | unknown                                                | unknown                          | 580 800                             |
| Public Sector antiretroviral treatment as pro-poor development strategy (The Action)                                                                         | unknown                                                | unknown                          | 573 709                             |
| Managing agricultural biodiversity for better nutrition and health, improved livelihoods and more sustainable production systems in Sub-Saharan Africa       | unknown                                                | unknown                          | 573 709                             |
| National Child Poverty Monitor                                                                                                                               | unknown                                                | unknown                          | 560 866                             |
| A Random experiment investigating the impact and implementation of a wage subsidy for South Africa's youth                                                   | unknown                                                | unknown                          | 573 709                             |
| Low quality education as a poverty trap: Considering how schooling in poor neighbourhoods can contribute to low social mobility amongst deprived households. | unknown                                                | unknown                          | 564 797                             |
| <b>TOTAL NUMBER OF PROJECTS</b>                                                                                                                              | <b>TOTAL INDIVIDUAL CONSULTANTS</b>                    | <b>TOTAL DURATION: WORK DAYS</b> | <b>TOTAL CONTRACT VALUE IN RAND</b> |
| 13                                                                                                                                                           | unknown                                                | unknown                          | 7 294 112                           |

**TABLE 14.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs**

| Project Title  | % ownership by HDI groups | % management by HDI groups | Number of Consultants from HDI groups that work on the project |
|----------------|---------------------------|----------------------------|----------------------------------------------------------------|
| European Union | -                         | -                          | -                                                              |

**TABLE 15.1 - Employee Initiated Severance Packages**

| Category                           | No of applications received | No of applications referred to the MPSA | No of applications supported by MPSA | No of packages approved by department |
|------------------------------------|-----------------------------|-----------------------------------------|--------------------------------------|---------------------------------------|
| Lower Skilled (L.1-2)              | 0                           | 0                                       | 0                                    | 0                                     |
| Skilled (L3-5)                     | 0                           | 0                                       | 0                                    | 0                                     |
| Highly Skilled production (L 6-8)  | 0                           | 0                                       | 0                                    | 0                                     |
| Highly Skilled production (L 9-12) | 0                           | 0                                       | 0                                    | 0                                     |
| Senior Management (L 13 - 16)      | 0                           | 0                                       | 0                                    | 0                                     |
| <b>TOTAL</b>                       | <b>0</b>                    | <b>0</b>                                | <b>0</b>                             | <b>0</b>                              |

# SECTION E

## ANNUAL FINANCIAL STATEMENTS







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# REPORT OF THE AUDIT COMMITTEE

TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

FOR THE YEAR ENDED 31 MARCH 2010

*We are pleased to present our report for the financial year ended 31 March 2010*

## **Audit Committee Members and Attendance:**

The audit committee consists of the members listed hereunder and should meet at least four times per annum as per its approved terms of reference. During the current year six meetings, including meetings for specific purposes, were held.

| Name of Member                 | Number of Meetings Attended |
|--------------------------------|-----------------------------|
| Mr George Negota (Chairperson) | 6                           |
| Ms Nopasika Lila               | 3                           |
| Mr Stewart Patterson           | 6                           |
| Ms Lorraine François           | 5                           |

## **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

## **The effectiveness of internal control**

The system of internal control was not entirely effective for the year under review. During the year under review, several deficiencies in the system of internal control and/or deviations were reported by the internal auditors and the Auditor-General of South Africa. In certain instances, the matters reported previously have not been fully and satisfactorily addressed.

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA.

The Audit Committee was unable to satisfy itself as

to the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review as they were either not prepared or not submitted to the Audit Committee for review.

## **Evaluation of Financial Statements**

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General of South Africa and the Accounting Officer.
- reviewed the Auditor-General of South Africa's management report and management's response thereto;
- reviewed the department's compliance with legal and regulatory provisions
- reviewed significant adjustments resulting from the audit.

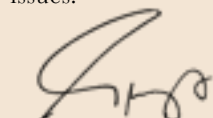
The Audit Committee concurs with and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements should be accepted read together with the report of the Auditor-General of South Africa.

## **Internal audit**

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to The Presidency in its audits.

## **Auditor-General of South Africa**

The Audit Committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues.



**Mr George Negota**

**Chairperson of the Audit Committee**

**Date: 23 July 2010**



# REPORT OF THE ACCOUNTING OFFICER

## TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

### FOR THE YEAR ENDED 31 MARCH 2010

#### 1. GENERAL REVIEW OF STATE OF FINANCIAL AFFAIRS

The Presidency has undergone a process of restructuring its activities in response to the electoral mandate which defines the strategic direction of government. The main changes came about in the form of the creation of a new ministry for National Planning. The Minister in The Presidency was reconfigured to make provision for the new Department for Performance Monitoring and Evaluation and the transfer of the programmes that dealt with the Status of Women, Children and People with Disabilities to the newly created Department of Women, Children and People with Disabilities. These Ministries will ensure that The Presidency plays a better role in long term planning and the monitoring of the implementation of government programmes. A Presidential hotline, which is a President led project, has been set up to deal with the public concerns and enquiries on the services rendered by the state.

Since the restructuring process took place during the financial year, the baseline amounts allocated during the previous Medium Term Expenditure Framework were not sufficient to fund the activities involved. It was therefore inevitable that the budget allocation was increased with R181,850 million, to cover expenditure relating to these new functions.

The under spending in the 2009/10 financial year amounts to R15,900 million which represents 3,2 per cent of the total allocation. The main reason for the under spending under administration is due to earmarked funds that were not transferred in the financial year to the Isigodlo Trust. The reason for the transfer not taking place is that the funding arrangement which was agreed between the Isigodlo Trust and The Presidency had come to an end in 2008/09. The reason for the under-spending under Communications is that the process to fill the vacant posts could not be concluded in the 2009/10 financial year. It is anticipated that these posts will be filled in the 2010/11 financial year. There is under-spending under Executive Coordination which is as a result of late delivery of computer equipment that was procured for the new Department for Monitoring and Evaluation. These payments will take place in the 2010/11 financial year.

The table below depicts the allocations made in 2009/10 in comparison to the 2008/09 financial year.

| Budget Allocation for the 2009/2010 Fiscal Year |                |                |                       |
|-------------------------------------------------|----------------|----------------|-----------------------|
|                                                 | R'000          | R'000          | R'000                 |
| Description                                     | 2009/2010      | 2008/2009      | Increase/<br>Decrease |
| Budget Allocation                               | 494 301        | 311 735        | 182 566               |
| Statutory Allocation                            | 4 284          | 5 000          | (716)                 |
| <b>Total Budgeted Allocation</b>                | <b>498 585</b> | <b>316 735</b> | <b>181 850</b>        |

The Presidency received a total adjustment allocation of R169,464 million during the adjustment budget process in order to support the transition phase and this amount is made up as follows:

- An amount of R75,770 million was shifted from the Department of Labour to the Presidency for the National Youth Development Agency transfer funds.
- Strategy and Operations including the ministries was allocated R24,015 million.
- Private Office of the President was allocated R12,177 million.
- Private Office of the Deputy President was allocated R5,526 million.
- Communications received was allocated R2,764 million.
- Policy Coordination and Advisory services was allocated R7,163 million.
- Presidential hotline was allocated R8,101 million.
- Department for Women Children and People with Disabilities was allocated R4,018 million.
- National Planning Commission was allocated R6 million.
- Department of Performance Monitoring and Evaluation was allocated R 20 million for compensation of employees and operational expenditure.
- General salary adjustments amounted to R3,930 million.

# REPORT OF THE ACCOUNTING OFFICER

TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

FOR THE YEAR ENDED 31 MARCH 2010

Funds were transferred between the following main divisions of the Vote

| Virement between main divisions in Vote 1. |              |                |              |                |     |
|--------------------------------------------|--------------|----------------|--------------|----------------|-----|
|                                            | R'000        |                | R'000        | R'000          |     |
| To Programme                               | Amount       | From Programme | Amount       | Appropriation  | %   |
| Programme 1                                | 2 850        | Programme 2    | 2 850        | 35 630         | 7.9 |
| Programme 1                                | 3 712        | Programme 3    | 3 712        | 217 943        | 1.7 |
| <b>TOTAL</b>                               | <b>6 562</b> |                | <b>6 562</b> | <b>253 573</b> |     |

The Presidency had reported unauthorized expenditure of R17,078 million in the 2008/09 financial statements and the approval process is in progress.

The irregular expenditure of R24,520 million, as transfer payment to the National Youth Commission, which was reported in the 2008/09 financial year was subsequently submitted to the National Treasury for condonation. The National Treasury indicated that the expenditure is not irregular but non-compliance with the PFMA.

## Expenditure on the 2010 Soccer World Cup

The Presidency spent R85 344.00 on branding related material for the 2010 FIFA World Cup™.

## 2. SERVICES RENDERED BY THE DEPARTMENT

The Presidency does not render any direct services to the public. Its reason for existence is to “ensure that the President is able to execute his / her constitutional obligation to promote unity and to do that which will enhance the Republic. The Presidency therefore, provides the necessary support to the President in order for the President to be able to play his key role of achievement of the strategic agenda of government.

### Inventories

The inventories on hand at year end were as follows:

|                    |               |
|--------------------|---------------|
| Stationery         | R1 520 506.70 |
| Cleaning materials | R 86 240.74   |

## 3. CAPACITY CONSTRAINTS

As mentioned in the accounting officer's report of 2008/09, the Presidency continues to face an acute shortage of sufficient office accommodation, especially with the creation of the new Department of Performance Monitoring and Evaluation and the Planning Commission. This has also resulted in the enhancement of the capacity within the ministries.

Due to the limited funding in 2009/10 under the administration compensation budget, delays in the filling of critical vacant posts within the support function resulted in increased pressure on this function with its limited resources.

## 4. UTILISATION OF DONOR FUNDS

There are currently two donor funded projects namely the Strategy for Economic Development and Empowerment of Disabled People, funded by the Government of Denmark, and the Programme to Support Pro Poor Policy Development, funded by the European Union.

The Presidency spent R345 000 and R11,5 million on the Denmark and European Union projects, respectively. This brings the total spent on Donor Funding to R11, 850 million in the 2009/10 financial year.

The balance of the donor funds was surrendered to the Reconstruction and Development Programme Fund at the end of March 2010.

## 5. PUBLIC ENTITIES

The National Youth Commission was merged with the Umsobomvu Youth Fund in the 2009/10 financial year to form the National Youth Development Agency (NYDA) . The NYDA was established in terms of the NYDA Act, Act no. 54 of 2008 from the merger of the two youth formations. The NYDA's focus was predominantly to implement the national youth policy together with other key government programmes. In addition the NYDA renders services such as the provision of counseling and advice for entrepreneurship, market access, provision of funding for business and skills development. The total funding transferred to the NYDA and the then National Youth Commission is R101,675 million for the period under review.



# REPORT OF THE ACCOUNTING OFFICER

TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

FOR THE YEAR ENDED 31 MARCH 2010

## 6. ORGANISATIONS TO WHICH TRANSFER PAYMENTS HAVE BEEN MADE

The transfer funds allocation made in the Presidency budget for the 2009/10 related to the Isigodlo Trust. No transfer was made because the agreement to fund the Trust had come to an end. The funding will be surrendered to the national revenue fund. The funding will however be accessed during the roll over process to be used for other spousal projects that will be implemented in 2010/11.

## 7. PUBLIC/PRIVATE PARTNERSHIPS (PPP)

The Presidency is participating in a public/private partnership (PPP), as a user department, arranged for national government by the National Department of Transport. This Agreement is a (Transport) Full Maintenance Lease Transversal contract regulated by the National Treasury's PPP and Supply Chain Management Regulations. The Presidency leases short term, long term and chauffeur-driven vehicles.

## 8. CORPORATE GOVERNANCE ARRANGEMENTS

### Leadership arrangement- ethics, values, code of conduct

The Presidency officials are compelled to disclose any business interests outside the working environment as well as the disclosure of any conflict of interest in their decisions on various procurement committees. Annually officials are, in terms of the SMS Handbook, also compelled to disclose gifts, donations and sponsorships granted or received by individuals and on behalf of The Presidency whether in cash or in kind.

### Governance of Risk

The Presidency has a Risk Management Unit which functions under the control and direction of the Risk Management Committee (Committee). Committee members attended a workshop on their roles and responsibilities to enable them to assist the COO in the discharge of risk management responsibilities. During the year under review, the Risk

Management Unit developed the Fraud Prevention Policy and Response Plan; Fraud Implementation Plan and Whistle Blowing Policy. The Unit also reviewed the Risk Management and Gifts, Donations and Sponsorships Policies.

### Governing Stakeholder relationships

The Chief Operations Officer has been delegated as the Deputy Information Officer for The Presidency. Promotion of Access to Information Act (PAIA) Administrators within Branches have been appointed and trained by the South African Human Rights Commission (SAHRC) to handle PAIA requests. The Presidency's Manual for Access to Information has been updated and translated into eleven official languages in line with the Promotion of Access to Information Act 2 of 2000. A Section 32 Report has been submitted to SAHRC in compliance with PAIA

### Effectiveness of internal audit and audit committee

The Presidency has an Internal Audit Unit which functions under the control and direction of an Audit Committee. During the year under review, internal audit functioned according to an approved charter and performed audits which were approved in the annual operational plan. The Internal Audit Unit is independent and no limitation is placed on the access to information. The accountability and reporting structure of the unit is properly established and regular feedback is provided to the Audit Committee.

## 9. DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

The National Youth Commission has been dissolved and the NYDA has been established as mentioned above under the note for public entities.

The Policy Coordination and Advisory unit has been discontinued with the formation of the Planning Commission and the Department of Performance Monitoring and Evaluation. The activities and functions that were residing under this unit have been relocated to the Planning Commission and the Department of Performance Monitoring and Evaluation as well as the enhanced Cabinet Office.



# REPORT OF THE ACCOUNTING OFFICER

TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

FOR THE YEAR ENDED 31 MARCH 2010

As a result of the establishment of the new Department for Women, Children and People with Disabilities, the Chief Directorate dealing with the status of Women, Children and Persons with Disabilities has been relocated to the new department.

## 10. NEW / PROPOSED ACTIVITIES

The department for Performance Monitoring and Evaluation has been promulgated and will be a department on its own outside The Presidency, while the Minister responsible for this function will still be part of The Presidency. The Cabinet Office has been expanded to cater for the policy advisory services, the secretarial services for the Forum of South African Directors General (FOSAD) in addition to the secretarial services that it has been offering to Cabinet.

## 11. ASSET MANAGEMENT

The asset management unit is not operating at full capacity due to lack of funding to fill vacant posts within the unit. Although, the basic requirements in terms of the PFMA and the Treasury Regulations relating to asset management reforms have been met, the overall capacity within the Supply Chain section is limited. All the assets within The Presidency were physically verified through a stock take exercise. The disposal process was dealt with in accordance with the prescripts. The asset management policy has been revised to re-emphasize the role that responsibility managers need to play in ensuring the safe keep of state assets under their custody. There has been awareness creation through the use of internal circulars and electronic media to the staff in general within The Presidency. The Presidency has acquired an asset management system which will be utilised to assist in the effective management of assets.

Assets to the total value of R5,822 million were written off in 2009/10 financial year. This amount is a cumulative figure relating to assets that could not be verified in prior years' verification exercises.

## 12. EVENTS AFTER REPORTING DATE

None.

## 13. PERFORMANCE INFORMATION

- The Presidency supports the President, Deputy President and Ministers in The Presidency to perform their executive responsibilities. The Presidency provides the structure and systems for the organizational coherence and functioning of government as reflected in its Strategic Plan.
- The setting of the targets for The Presidency was done amid the substantial reorganisation of The Presidency during the period under review, inline with the President's directive to reconfigure national government. This resulted in major unplanned and unanticipated operational challenges. Nevertheless, we are pleased to record that The Presidency has worked hard at meeting its set targets as contained in the Strategic Plan 2008 – 2011. A significant amount of work went into the establishment of the Planning Commission and the Department of Performance Monitoring and Evaluation as well as the Presidential Hotline, including an extensive consultation process with key stakeholders, and securing the approval of Cabinet for the two sets of Green Papers for National Planning and Performance Monitoring and Evaluation.
- More detailed reporting on the performance of The Presidency for each strategic objective in the Strategic Plan 2009/10 is done under the programme performance chapter in this report.

## 14. SCOPA RESOLUTIONS

A SCOPA hearing was attended on the 23rd of March 2010. The formal resolutions by SCOPA have not yet been received by the department.

## 15. PRIOR MODIFICATIONS OF THE AUDIT REPORT

The Presidency employed its resources to give a more focused attention to the issue of asset management which led to a qualified report by the Auditor General in the previous financial year. There was a concerted effort to ensure that the disposal process takes place within the financial year. Through the verification process, all the assets under the custody of The Presidency have been recorded in the asset register.



# REPORT OF THE ACCOUNTING OFFICER

## TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

FOR THE YEAR ENDED 31 MARCH 2010

### **16. EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY**

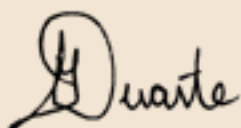
The National Treasury granted the Presidency an approval in terms of section 12.1.2 of the Treasury Regulations for The Presidency to exceed the annual limit of R250 000 for insurance costs. This is due to the increased risk exposure in The Presidency.

### **17. OTHER**

None

### **18. APPROVAL**

The Annual Financial Statements set out on pages 146 to 183 have been approved by the Accounting Officer.



**Ms Yasmin Duarte**  
Chief Operations Officer



# REPORT OF THE AUDITOR-GENERAL

TO PARLIAMENT ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## **REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE NO. 1: THE PRESIDENCY FOR THE YEAR ENDED 31 MARCH 2010**

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Introduction**

I have audited the accompanying financial statements of The Presidency, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 146 to 177.

#### **Accounting officer's responsibility for the financial statements**

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor-General's responsibility**

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. Those standards require that I comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Presidency as at 31 March 2010, and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the PFMA.

#### **Emphasis of matters**

I draw attention to the matters below. My opinion is not modified in respect of these matters:

#### **Basis of accounting**

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, described in accounting policy note 1.1.



# REPORT OF THE AUDITOR-GENERAL

TO PARLIAMENT ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## Irregular expenditure

As disclosed in note 27.1 to the financial statements, irregular expenditure of R939 000 was incurred in the current year, as a result of deviations from supply chain management prescripts as determined by the National Treasury.

## Material losses

As disclosed in note 7.2 to the financial statements, material write-offs to the amount of R5,822 million were incurred, as management could not physically verify tangible assets acquired in prior years as a result of the asset verification process.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009, I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

- Findings
- Predetermined objectives
- Non-compliance with regulatory and reporting requirements
- Public Finance Management Act
- Inadequate quarterly reporting on performance information

The Presidency did not prepare all quarterly reports on the progress in achieving measurable objectives and targets, to facilitate effective performance monitoring, evaluation and corrective action as required by Treasury Regulation 5.3.1.

## Inadequate content of strategic plan

The strategic plan of The Presidency did not include the measurable objectives, expected outcomes, programme outputs, indicators (measures) and targets for all of the department's programmes as required by Treasury Regulation 5.2.3(d).

## Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the department reported on its performance with regard to its objectives, indicators and targets in its approved strategic plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable and time bound?

The following audit findings relate to the above criteria:

Planned and reported performance targets not specific, measureable and time bound

For the selected objectives (namely to strengthen strategic management and leadership capability to achieve greater organisational cohesion; to coordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery; and to promote the integrated approach to governance for accelerated service delivery), all of the planned and reported targets were not:

- specific in clearly identifying the nature and the required level of performance
- measurable in identifying the required performance
- time bound in specifying the time period or deadline delivery.

## Planned and reported indicators not well defined

For the selected objectives (namely to strengthen strategic management and leadership capability to achieve greater organisational cohesion; to coordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery; and to promote

# REPORT OF THE AUDITOR-GENERAL

TO PARLIAMENT ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

the integrated approach to governance for accelerated service delivery), all of the planned and reported indicators were not clear, with an unambiguous definition to allow for data to be collected consistently.

## **Planned and reported indicators not verifiable**

For the selected objectives (namely to strengthen strategic management and leadership capability to achieve greater organisational cohesion; to coordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery; and to promote the integrated approach to governance for accelerated service delivery), all of the planned and reported indicators were not verifiable, as it was not possible to adequately validate the processes and systems that produced the indicator.

## **Compliance with laws and regulations**

No other matters to report.

## **INTERNAL CONTROL**

I considered internal controls relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matter reported below is limited to the deficiencies identified during the audit.

## **Leadership**

The internal policies and procedures pertaining to the planning, monitoring, managing and reporting of performance against predetermined objectives were not aligned to the applicable laws and regulations.

## **OTHER REPORTS**

Agreed upon procedures engagement

As requested by the department, an engagement was conducted during the year under review concerning donor funding from the Danish Government for the Office on the Status of Disabled Persons (OSDP): Economic Empowerment of Persons with Disabilities. The report

covered the period 1 April 2007 to 31 March 2009, which was also the date on which the project closed out, and was issued on 16 October 2009.

*Auditor-General*

Pretoria

31 July 2010



AUDITOR-GENERAL





# APPROPRIATION STATEMENT

DETAIL PER PROGRAMME 1 - ADMINISTRATION

FOR THE YEAR ENDED 31 MARCH 2010

| APPROPRIATION PER PROGRAMME      |                        |                   |          |                     |                    |               |                                         |                     |                    |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|---------------|-----------------------------------------|---------------------|--------------------|
| 2009/10                          |                        |                   |          |                     |                    |               |                                         | 2008/09             |                    |
| APPROPRIATION STATEMENT          | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance      | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
|                                  | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000         | %                                       | R'000               | R'000              |
| <b>1. Administration</b>         |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Current payment                  | 224 680                | -                 | 7 502    | 232 182             | 232 093            | 89            | 100.0%                                  | 184 828             | 200 379            |
| Transfers and subsidies          | 5 754                  | -                 | 169      | 5 923               | 2 841              | 3 082         | 48.0%                                   | 5 111               | 5 231              |
| Payment for capital assets       | 10 294                 | -                 | (1 109)  | 9 185               | 9 173              | 12            | 99.9%                                   | 8 109               | 6 402              |
| <b>2. Communications</b>         |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Current payment                  | 35 560                 | -                 | (3 047)  | 32 513              | 26 256             | 6 257         | 80.8%                                   | 21 228              | 20 422             |
| Transfers and subsidies          | 13                     | -                 | 80       | 93                  | 93                 | -             | 100.0%                                  | -                   | -                  |
| Payment for capital assets       | 57                     | -                 | 117      | 174                 | 174                | -             | 100.0%                                  | 100                 | 100                |
| <b>3. Executive Coordination</b> |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Current payment                  | 115 758                | -                 | (13 137) | 102 621             | 102 614            | 7             | 100.0%                                  | 67 658              | 69 000             |
| Transfers and subsidies          | 101 808                | -                 | 1 534    | 103 342             | 103 334            | 8             | 100.0%                                  | 24 333              | 24 344             |
| Payment for capital assets       | 377                    | -                 | 7 891    | 8 268               | 1 823              | 6 445         | 22.0%                                   | 368                 | 368                |
| <b>Subtotal</b>                  | <b>494 301</b>         | <b>-</b>          | <b>-</b> | <b>494 301</b>      | <b>478 401</b>     | <b>15 900</b> | <b>96.8%</b>                            | <b>311 735</b>      | <b>326 246</b>     |
| <b>Statutory Appropriation</b>   |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Current payment                  | 4 284                  | -                 | -        | 4 284               | 3 830              | 454           | 89.4%                                   | 3 999               | 3 999              |
| Transfers and subsidies          | -                      | -                 | -        | -                   | -                  | -             | -                                       | 1 001               | 1 001              |
| <b>TOTAL</b>                     | <b>498 585</b>         | <b>-</b>          | <b>-</b> | <b>498 585</b>      | <b>482 231</b>     | <b>16 354</b> | <b>96.7%</b>                            | <b>316 735</b>      | <b>331 246</b>     |

|                                                                                  | 2009/10             |                    |  | 2008/09             |                    |
|----------------------------------------------------------------------------------|---------------------|--------------------|--|---------------------|--------------------|
|                                                                                  | Final Appropriation | Actual Expenditure |  | Final Appropriation | Actual Expenditure |
| <b>TOTAL (brought forward)</b>                                                   |                     |                    |  |                     |                    |
| <b>Reconciliation with statement of financial performance</b>                    |                     |                    |  |                     |                    |
| <b>ADD</b>                                                                       |                     |                    |  |                     |                    |
| Departmental receipts                                                            | 625                 |                    |  | 233                 |                    |
| Aid assistance                                                                   | 11 850              |                    |  | 4 342               |                    |
| <b>Actual amounts per statement of financial performance (total revenue)</b>     | <b>511 060</b>      |                    |  | <b>321 310</b>      |                    |
| <b>ADD</b>                                                                       |                     |                    |  |                     |                    |
| Aid assistance                                                                   |                     | 11 850             |  |                     | 8 207              |
| <b>Actual amounts per statement of financial performance (total expenditure)</b> |                     | <b>494 081</b>     |  |                     | <b>339 453</b>     |

# APPROPRIATION STATEMENT

## DETAIL PER PROGRAMME 2 - COMMUNICATIONS

FOR THE YEAR ENDED 31 MARCH 2010

| APPROPRIATION PER ECONOMIC CLASSIFICATION        |                        |                   |          |                     |                    |               |                                         |                     |                    |
|--------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|---------------|-----------------------------------------|---------------------|--------------------|
| 2009/10                                          |                        |                   |          |                     |                    |               |                                         | 2008/09             |                    |
|                                                  | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance      | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                  | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000         | %                                       | R'000               | R'000              |
| <b>Current payments</b>                          |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Compensation of employees                        | 193 207                | -                 | 7 170    | 200 377             | 195 942            | 4 435         | 97.8%                                   | 147 385             | 146 579            |
| Goods and services                               | 182 791                | -                 | (15 934) | 166 857             | 164 940            | 1 917         | 98.9%                                   | 126 329             | 143 222            |
| Financial transactions in assets and liabilities | -                      | -                 | 82       | 82                  | 82                 | -             | 100.0%                                  | -                   | -                  |
| <b>Transfers and subsidies</b>                   |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Provinces and municipalities                     | -                      | -                 | 3        | 3                   | 3                  | -             | 100.0%                                  | 2                   | 2                  |
| Departmental agencies and accounts               | 104 654                | -                 | -        | 104 654             | 101 675            | 2 979         | 97.2%                                   | 28 333              | 28 333             |
| Public corporations and private enterprises      | 448                    | -                 | -        | 448                 | 352                | 96            | 78.6%                                   | 105                 | 11                 |
| Households                                       | 2 473                  | -                 | 1 780    | 4 253               | 4 237              | 16            | 99.6%                                   | 1 004               | 1 229              |
| <b>Payments for capital assets</b>               |                        |                   |          |                     |                    |               |                                         |                     |                    |
| Machinery and equipment                          | 10 728                 | -                 | 6 899    | 17 627              | 11 170             | 6 457         | 63.4%                                   | 8 577               | 6 870              |
| <b>Total</b>                                     | <b>494 301</b>         | <b>-</b>          | <b>-</b> | <b>494 301</b>      | <b>478 401</b>     | <b>15 900</b> | <b>96.8%</b>                            | <b>311 735</b>      | <b>326 246</b>     |

| STATUTORY APPROPRIATION                                     |                        |                   |          |                     |                    |            |                                         |                     |                    |
|-------------------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|-----------------------------------------|---------------------|--------------------|
| 2009/10                                                     |                        |                   |          |                     |                    |            |                                         | 2008/09             |                    |
| Direct changes against the National/Provincial Revenue Fund | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance   | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                             | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000      | %                                       | R'000               | R'000              |
| President and Deputy President salaries                     | 4 284                  | -                 | -        | 4 284               | 3 830              | 454        | 89.4%                                   | 5 000               | 5 000              |
| <b>Total</b>                                                | <b>4 284</b>           | <b>-</b>          | <b>-</b> | <b>4 284</b>        | <b>3 830</b>       | <b>454</b> | <b>89.4%</b>                            | <b>5 000</b>        | <b>5 000</b>       |

| STATUTORY APPROPRIATION PER ECONOMIC CLASSIFICATION |                        |                   |          |                     |                    |            |                                         |                     |                    |
|-----------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|-----------------------------------------|---------------------|--------------------|
| 2009/10                                             |                        |                   |          |                     |                    |            |                                         | 2008/09             |                    |
|                                                     | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance   | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                     | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000      | %                                       | R'000               | R'000              |
| <b>Current payments</b>                             |                        |                   |          |                     |                    |            |                                         |                     |                    |
| Compensation of employees                           | 4 284                  | -                 | -        | 4 284               | 3 830              | 454        | 89.4%                                   | 3 999               | 3 999              |
| Transfers and subsidies                             |                        |                   |          |                     |                    |            |                                         |                     |                    |
| Households                                          | -                      | -                 | -        | -                   | -                  | -          | -                                       | 1 001               | 1 001              |
| <b>Total</b>                                        | <b>4 284</b>           | <b>-</b>          | <b>-</b> | <b>4 284</b>        | <b>3 830</b>       | <b>454</b> | <b>89.4%</b>                            | <b>5 000</b>        | <b>5 000</b>       |

# APPROPRIATION STATEMENT

DETAIL PER PROGRAMME 3 - EXECUTIVE COORDINATION

FOR THE YEAR ENDED 31 MARCH 2010

| 2009/10                                         |                        |                   |              |                     |                    |              |                                         | 2008/09             |                    |
|-------------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| Detail per sub-programme                        | Adjusted Appropriation | Shifting of Funds | Virement     | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                 | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| <b>1.1 Minister</b>                             |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Current payment                                 | 3 321                  | -                 | (279)        | 3 042               | 3 042              | -            | 100.0%                                  | 1 909               | 1 909              |
| Transfers and subsidies                         | -                      | -                 | -            | -                   | -                  | -            | -                                       | 855                 | 855                |
| <b>1.2 Management</b>                           |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Current payment                                 | 152 463                | -                 | 16 591       | 169 054             | 169 054            | -            | 100.0%                                  | 130 686             | 139 398            |
| Transfers and subsidies                         | 1 683                  | -                 | 72           | 1 755               | 1 659              | 96           | 94.5%                                   | 256                 | 245                |
| Payment for capital assets                      | 10 124                 | -                 | (1 996)      | 8 128               | 8 116              | 12           | 99.9%                                   | 7 906               | 6 232              |
| <b>1.3 Support Services to President</b>        |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Current payment                                 | 48 041                 | -                 | (5 069)      | 42 972              | 42 963             | 9            | 100.0%                                  | 32 934              | 39 773             |
| Transfers and subsidies                         | 2 979                  | -                 | 90           | 3 069               | 90                 | 2 979        | 2.9%                                    | 4 000               | 4 009              |
| Payment for capital assets                      | 170                    | -                 | 870          | 1 040               | 1 040              | -            | 100.0%                                  | 75                  | 42                 |
| <b>1.4 Support Services to Deputy President</b> |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Current payment                                 | 20 855                 | -                 | (3 741)      | 17 114              | 17 034             | 80           | 99.5%                                   | 19 299              | 19 299             |
| Transfers and subsidies                         | 1 092                  | -                 | 7            | 1 099               | 1 092              | 7            | 99.4%                                   | -                   | 122                |
| Payment for capital assets                      | -                      | -                 | 17           | 17                  | 17                 | -            | 100.0%                                  | 128                 | 128                |
| <b>Total</b>                                    | <b>240 728</b>         | <b>-</b>          | <b>6 562</b> | <b>247 290</b>      | <b>244 107</b>     | <b>3 183</b> | <b>98.7%</b>                            | <b>198 048</b>      | <b>212 012</b>     |

| 2009/10                                          |                        |                   |              |                     |                    |              |                                         | 2008/09             |                    |
|--------------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| Economic classification                          | Adjusted Appropriation | Shifting of Funds | Virement     | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                  | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| <b>Current payments</b>                          |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Compensation of employees                        | 123 073                | -                 | 3 199        | 126 272             | 126 272            | -            | 100.0%                                  | 98 280              | 98 280             |
| Goods and services                               | 101 607                | -                 | 4 242        | 105 849             | 105 760            | 89           | 99.9%                                   | 86 548              | 102 099            |
| Financial transactions in assets and liabilities | -                      | -                 | 61           | 61                  | 61                 | -            | 100.0%                                  | -                   | -                  |
| <b>Transfers and subsidies to:</b>               |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Provinces and municipalities                     | -                      | -                 | 3            | 3                   | 3                  | -            | 100.0%                                  | 2                   | 2                  |
| Departmental agencies and accounts               | 2 979                  | -                 | -            | 2 979               | -                  | 2 979        | 0%                                      | 4 000               | 4 000              |
| Public corporations and private enterprises      | 448                    | -                 | -            | 448                 | 352                | 96           | 78.6%                                   | 105                 | 11                 |
| Households                                       | 2 327                  | -                 | 166          | 2 493               | 2 486              | 7            | 99.7%                                   | 1 004               | 1 218              |
| <b>Payment for capital assets</b>                |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Machinery and equipment                          | 10 294                 | -                 | (1 109)      | 9 185               | 9 173              | 12           | 99.9%                                   | 8 109               | 6 402              |
| <b>Total</b>                                     | <b>240 728</b>         | <b>-</b>          | <b>6 562</b> | <b>247 290</b>      | <b>244 107</b>     | <b>3 183</b> | <b>98.7%</b>                            | <b>198 048</b>      | <b>212 012</b>     |



# APPROPRIATION STATEMENT

## DETAIL PER PROGRAMME 3 - EXECUTIVE COORDINATION

FOR THE YEAR ENDED 31 MARCH 2010

| 2009/10                    |                        |                   |                |                     |                    |              |                                         | 2008/09             |                    |
|----------------------------|------------------------|-------------------|----------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| Detail per sub-programme   | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                            | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| <b>2.1 Communication</b>   |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Current payment            | 35 560                 | -                 | (3 047)        | 32 513              | 26 256             | 6 257        | 80.8%                                   | 21 228              | 20 422             |
| Transfers and subsidies    | 13                     | -                 | 80             | 93                  | 93                 | -            | 100.0%                                  | -                   | -                  |
| Payment for capital assets | 57                     | -                 | 117            | 174                 | 174                | -            | 100.0%                                  | 100                 | 100                |
| <b>TOTAL</b>               | <b>35 630</b>          | <b>-</b>          | <b>(2 850)</b> | <b>32 780</b>       | <b>26 523</b>      | <b>6 257</b> | <b>80.9%</b>                            | <b>21 328</b>       | <b>20 522</b>      |

| 2009/10                                          |                        |                   |                |                     |                    |              |                                         | 2008/09             |                    |
|--------------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| Economic classification                          | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                  | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| <b>Current payments</b>                          |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Compensation of employees                        | 22 708                 | -                 | (80)           | 22 628              | 18 193             | 4 435        | 80.4%                                   | 12 750              | 11 944             |
| Goods and services                               | 12 852                 | -                 | (2 974)        | 9 878               | 8 056              | 1 822        | 81.6%                                   | 8 478               | 8 478              |
| Financial transactions in assets and liabilities | -                      | -                 | 7              | 7                   | 7                  | -            | 100.0%                                  | -                   | -                  |
| <b>Transfers and subsidies to:</b>               |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Households                                       | 13                     | -                 | 80             | 93                  | 93                 | -            | 100.0%                                  | -                   | -                  |
| <b>Payment for capital assets</b>                |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Machinery and equipment                          | 57                     | -                 | 117            | 174                 | 174                | -            | 100.0%                                  | 100                 | 100                |
| <b>Total</b>                                     | <b>35 630</b>          | <b>-</b>          | <b>(2 850)</b> | <b>32 780</b>       | <b>26 523</b>      | <b>6 257</b> | <b>80.9%</b>                            | <b>21 328</b>       | <b>20 522</b>      |

| 2009/10                                    |                        |                   |          |                     |                    |          |                                         | 2008/09             |                    |
|--------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|-----------------------------------------|---------------------|--------------------|
| Detail per sub-programme                   | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                            | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000    | %                                       | R'000               | R'000              |
| <b>3.1 Policy Coordination</b>             |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Current payment                            | 84 046                 | -                 | (21 176) | 62 870              | 62 870             | -        | 100.0%                                  | 40 294              | 40 294             |
| Transfers and subsidies                    | 5                      | -                 | 254      | 259                 | 254                | 5        | 98.1%                                   | -                   | -                  |
| Payment for capital assets                 | 262                    | -                 | 7 754    | 8 016               | 1 680              | 6 336    | 21.0%                                   | 187                 | 187                |
| <b>3.2 Gender, disability and children</b> |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Current payment                            | 19 070                 | -                 | 7 976    | 27 046              | 27 043             | 3        | 100.0%                                  | 14 332              | 15 674             |
| Transfers and subsidies                    | -                      | -                 | 1 250    | 1 250               | 1 250              | -        | 100.0%                                  | -                   | 11                 |
| Payment for capital assets                 | -                      | -                 | 137      | 137                 | 137                | -        | 100.0%                                  | 55                  | 55                 |
| <b>3.3 Cabinet Office</b>                  |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Current payment                            | 12 642                 | -                 | 63       | 12 705              | 12 701             | 4        | 100.0%                                  | 13 032              | 13 032             |
| Transfers and subsidies                    | 128                    | -                 | 30       | 158                 | 155                | 3        | 98.1%                                   | -                   | -                  |

# APPROPRIATION STATEMENT

DETAIL PER PROGRAMME 3 - EXECUTIVE COORDINATION

FOR THE YEAR ENDED 31 MARCH 2010

| 2009/10                                      |                        |                   |                |                     |                    |              |                                         | 2008/09             |                    |
|----------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| Detail per sub-programme                     | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                              | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| Payment for capital assets                   | 115                    | -                 | -              | 115                 | 6                  | 109          | 5.2%                                    | 126                 | 126                |
| <b>3.4 National Youth Development Agency</b> |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Transfers and subsidies                      | 89 175                 | -                 | -              | 89 175              | 89 175             | -            | 100.0%                                  | -                   | -                  |
| <b>National Youth Commission</b>             |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Transfers and subsidies                      | 12 500                 | -                 | -              | 12 500              | 12 500             | -            | 100.0%                                  | 24 333              | 24 333             |
| <b>Total</b>                                 | <b>217 943</b>         | <b>-</b>          | <b>(3 712)</b> | <b>214 231</b>      | <b>207 771</b>     | <b>6 460</b> | <b>97.0%</b>                            | <b>92 359</b>       | <b>93 712</b>      |

| 2009/10                                          |                        |                   |                |                     |                    |              |                                         | 2008/09             |                    |
|--------------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
| ECONOMIC CLASSIFICATION                          | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|                                                  | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000        | %                                       | R'000               | R'000              |
| <b>Current payments</b>                          |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Compensation of employees                        | 47 426                 | -                 | 4 051          | 51 477              | 51 477             | -            | 100.0%                                  | 36 355              | 36 355             |
| Goods and services                               | 68 332                 | -                 | (17 202)       | 51 130              | 51 124             | 6            | 100.0%                                  | 31 303              | 32 645             |
| Financial transactions in assets and liabilities | -                      | -                 | 14             | 14                  | 14                 | -            | 100.0%                                  | -                   | -                  |
| <b>Transfers and subsidies to:</b>               |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Departmental agencies and accounts               | 101 675                | -                 | -              | 101 675             | 101 675            | -            | 100.0%                                  | 24 333              | 24 333             |
| Households                                       | 133                    | -                 | 1 534          | 1 667               | 1 658              | 9            | 99.5%                                   | -                   | 11                 |
| <b>Payment for capital assets</b>                |                        |                   |                |                     |                    |              |                                         |                     |                    |
| Machinery and equipment                          | 377                    | -                 | 7 891          | 8 268               | 1 823              | 6 445        | 22.0%                                   | 368                 | 368                |
| <b>Total</b>                                     | <b>217 943</b>         | <b>-</b>          | <b>(3 712)</b> | <b>214 231</b>      | <b>207 771</b>     | <b>6 460</b> | <b>97.0%</b>                            | <b>92 359</b>       | <b>93 712</b>      |

# NOTES TO THE APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2010

## 1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-D) to the Annual Financial Statements.

## 2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

## 3. DETAIL ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Detail of these transactions per programme can be viewed in the note on Financial transactions in assets and liabilities to the Annual Financial Statements.

## 4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

| 4.1                                                                                                                                                                                          | Per Programme          | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------|--------------------|----------------|----------------------------------------|
|                                                                                                                                                                                              | Administration         | 247 290             | 244 107            | 3 183          | 1.3%                                   |
|                                                                                                                                                                                              | Communications         | 32 780              | 26 523             | 6 257          | 19.1%                                  |
|                                                                                                                                                                                              | Executive Coordination | 214 231             | 207 771            | 6 460          | 3%                                     |
| <b>ADMINISTRATION:</b>                                                                                                                                                                       |                        |                     |                    |                |                                        |
| The saving is due to the agreement between The Presidency and the Isigodlo Trust coming to an end. The Presidency is currently investigating options as a replacement to the Isigodlo Trust. |                        |                     |                    |                |                                        |
| <b>COMMUNICATIONS:</b>                                                                                                                                                                       |                        |                     |                    |                |                                        |
| The saving is due to the non-filling of posts and administrative expenditure on the hotline that will take place in the new financial year.                                                  |                        |                     |                    |                |                                        |
| <b>EXECUTIVE COORDINATION:</b>                                                                                                                                                               |                        |                     |                    |                |                                        |
| The savings are due to the late delivery of office equipment.                                                                                                                                |                        |                     |                    |                |                                        |

| 4.2                                | Per Economic classification                      | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|------------------------------------|--------------------------------------------------|---------------------|--------------------|----------|----------------------------------------|
|                                    |                                                  | R'000               | R'000              | R'000    | R'000                                  |
| <b>Current payments</b>            |                                                  |                     |                    |          |                                        |
|                                    | Compensation of employees                        | 200 377             | 195 942            | 4 435    | 2.2%                                   |
|                                    | Goods and services                               | 166 857             | 164 940            | 1 917    | 1.1%                                   |
|                                    | Financial transactions in assets and liabilities | 82                  | 82                 | -        | 0.0%                                   |
| <b>Transfers and subsidies</b>     |                                                  |                     |                    |          |                                        |
|                                    | Provinces and municipalities                     | 3                   | 3                  | -        | 0.0%                                   |
|                                    | Departmental agencies and accounts               | 104 654             | 101 675            | 2 979    | 2.8%                                   |
|                                    | Public corporations and private enterprises      | 448                 | 352                | 96       | 21.4%                                  |
|                                    | Households                                       | 4 253               | 4 237              | 16       | 0.4%                                   |
| <b>Payments for capital assets</b> |                                                  |                     |                    |          |                                        |
|                                    | Machinery and equipment                          | 17 627              | 11 170             | 6 457    | 36.6%                                  |

# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

| PERFORMANCE                                                 | NOTE | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------------------------------|------|------------------|------------------|
| <b>REVENUE</b>                                              |      |                  |                  |
| Annual appropriation                                        | 1    | 494 301          | 311 735          |
| Statutory appropriation                                     | 2    | 4 284            | 5 000            |
| Departmental revenue                                        | 3    | 625              | 233              |
| Aid assistance                                              | 4    | 11 850           | 4 342            |
| <b>TOTAL REVENUE</b>                                        |      | <b>511 060</b>   | <b>321 310</b>   |
| <b>EXPENDITURE</b>                                          |      |                  |                  |
| <b>Current expenditure</b>                                  |      |                  |                  |
| Compensation of employees                                   | 5    | 199 772          | 150 578          |
| Goods and services                                          | 6    | 164 940          | 143 222          |
| Financial transactions in assets and liabilities            | 7    | 82               | -                |
| Aid assistance                                              | 4    | 11 632           | 8 207            |
| <b>Total current expenditure</b>                            |      | <b>376 426</b>   | <b>302 007</b>   |
| <b>Transfers and subsidies</b>                              |      | <b>106 267</b>   | <b>30 576</b>    |
| Transfers and subsidies                                     | 8    | 106 267          | 30 576           |
| <b>Expenditure for capital assets</b>                       |      |                  |                  |
| Tangible capital assets                                     | 9    | 11 388           | 6 870            |
| <b>Total expenditure for capital assets</b>                 |      | <b>11 388</b>    | <b>6 870</b>     |
| <b>TOTAL EXPENDITURE</b>                                    |      | <b>494 081</b>   | <b>339 453</b>   |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>                       |      | <b>16 979</b>    | <b>(18 143)</b>  |
| <b>Reconciliation of Net Surplus/(Deficit) for the year</b> |      |                  |                  |
| Voted funds                                                 |      | 16 354           | (14 511)         |
| Annual appropriation                                        |      | 16 354           | (14 511)         |
| Departmental revenue                                        | 16   | 625              | 233              |
| Aid assistance                                              | 4    | -                | (3 865)          |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>                       |      | <b>16 979</b>    | <b>(18 143)</b>  |



# STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2010



| POSITION                                                   | NOTE | 2009/10<br>R'000 | 2008/09<br>R'000 |
|------------------------------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                                              |      |                  |                  |
| <b>Current assets</b>                                      |      | <b>28 888</b>    | <b>42 773</b>    |
| Unauthorised expenditure                                   | 10   | 17 078           | 17 078           |
| Cash and cash equivalents                                  | 11   | 75               | 58               |
| Prepayments and advances                                   | 13   | 1 973            | 2 331            |
| Receivables                                                | 14   | 9 762            | 23 306           |
| <b>Non-current assets</b>                                  |      | <b>20</b>        | <b>17</b>        |
| Other financial assets                                     | 12   | 20               | 17               |
| <b>TOTAL ASSETS</b>                                        |      | <b>28 908</b>    | <b>42 790</b>    |
| <b>LIABILITIES</b>                                         |      |                  |                  |
| <b>Current liabilities</b>                                 |      | <b>28 836</b>    | <b>42 723</b>    |
| Voted funds to be surrendered to the Revenue Fund          | 15   | 12 227           | (2 545)          |
| Departmental revenue to be surrendered to the Revenue Fund | 16   | 138              | 15               |
| Bank overdraft                                             | 17   | 11 034           | 43 059           |
| Payables                                                   | 18   | 5 437            | 2 194            |
| <b>TOTAL LIABILITIES</b>                                   |      | <b>28 836</b>    | <b>42 723</b>    |
| <b>NET ASSETS</b>                                          |      | <b>72</b>        | <b>67</b>        |
| <b>Represented by:</b>                                     |      |                  |                  |
| Recoverable revenue                                        |      | 72               | 67               |
| <b>TOTAL</b>                                               |      | <b>72</b>        | <b>67</b>        |

# STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2010

| NET ASSETS                                          | NOTE | 2009/10   | 2008/09   |
|-----------------------------------------------------|------|-----------|-----------|
|                                                     |      | R'000     | R'000     |
| <b>Recoverable revenue</b>                          |      |           |           |
| Opening balance                                     |      | 67        | 23        |
| Transfers:                                          |      | 5         | 44        |
| Debts recovered (included in departmental receipts) |      | 5         | 44        |
| Closing balance                                     |      | 72        | 67        |
| <b>TOTAL</b>                                        |      | <b>72</b> | <b>67</b> |

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2010

| CASH FLOW                                                | NOTE      | 2009/10<br>R'000 | 2008/09<br>R'000 |
|----------------------------------------------------------|-----------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |           |                  |                  |
| Receipts                                                 |           | <b>506 622</b>   | <b>318 765</b>   |
| Annual appropriated funds received                       | 1.1       | 490 170          | 311 735          |
| Statutory appropriated funds received                    | 2         | 4 283            | 2 455            |
| Departmental revenue received                            | 3         | 319              | 233              |
| Aid assistance received                                  | 4         | 11 850           | 4 342            |
| Net (increase)/decrease in working capital               |           | 17 145           | (29 076)         |
| Surrendered to Revenue Fund                              |           | 2 048            | (8 045)          |
| Current payments                                         |           | (376 426)        | (287 496)        |
| Transfers and subsidies paid                             |           | (106 267)        | (30 576)         |
| <b>Net cash flow available from operating activities</b> | <b>19</b> | <b>43 122</b>    | <b>(36 428)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |           |                  |                  |
| Payments for capital assets                              | 9         | (11 388)         | (6 870)          |
| Proceeds from sale of capital assets                     | 3         | 306              | -                |
| (Increase)/decrease in other financial assets            |           | (3)              | 8                |
| <b>Net cash flows from investing activities</b>          |           | <b>(11 085)</b>  | <b>(6 862)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>              |           |                  |                  |
| Increase/(decrease) in net assets                        |           | 5                | 44               |
| <b>Net cash flows from financing activities</b>          |           | <b>5</b>         | <b>44</b>        |
| Net increase/(decrease) in cash and cash equivalents     |           | 32 042           | (43 246)         |
| Cash and cash equivalents at beginning of period         |           | (43 001)         | 245              |
| <b>Cash and cash equivalents at end of period</b>        | <b>20</b> | <b>(10 959)</b>  | <b>(43 001)</b>  |



# ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2010

*The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act.*

## **1. PRESENTATION OF THE FINANCIAL STATEMENTS**

### **1.1 Basis of preparation**

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

### **1.2 Presentation currency**

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

### **1.3 Rounding**

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

### **1.4 Comparative figures**

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

### **1.5 Comparative figures - Appropriation Statement**

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

## **2. REVENUE**

### **2.1 Appropriated funds**

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of Financial Position.

### **2.2 Departmental revenue**

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.





# ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2010

## 2.3 Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the National/Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

## 2.4 Aid assistance

Aid assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

## 3. EXPENDITURE

### 3.1 Compensation of employees

#### 3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year)

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

#### 3.1.2 Post retirement benefits

Employer contributions (i.e. social contributions) are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

#### 3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

#### 3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.



# ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2010

## 3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

## 3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

## 3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

## 3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

## 3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person

or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

## 3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

## 3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

## 4. ASSETS

### 4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### 4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.



# ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2010

## 4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

## 4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

## 4.5 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

## 4.6 Capital assets

### 4.6.1 Movable assets

#### Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

#### Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

### 4.6.2 Immovable assets

#### Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

#### Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset”. On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

## 5. LIABILITIES

### 5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

### 5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.



# ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2010

## 5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

## 5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

## 5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

## 5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

## 5.7 Lease commitments

### Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

### Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

## 5.8 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result

of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

## 6. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

## 7. NET ASSETS

### 7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

### 7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

## 8. RELATED PARTY TRANSACTIONS

Specific information with regards to related party transactions is included in the disclosure notes.

## 9. KEY MANAGEMENT PERSONNEL

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

## 10. PUBLIC PRIVATE PARTNERSHIPS

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 1. ANNUAL APPROPRIATION

### 1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

|                        | Final<br>Appropriation | Actual Funds<br>Received | Funds not<br>requested/<br>not received | Appropriation<br>received<br>2008/09 |
|------------------------|------------------------|--------------------------|-----------------------------------------|--------------------------------------|
|                        | R'000                  | R'000                    | R'000                                   | R'000                                |
| Administration         | 247 290                | 246 727                  | 563                                     | 198 048                              |
| Communication          | 32 780                 | 32 780                   | -                                       | 21 328                               |
| Executive Coordination | 214 231                | 210 663                  | 3 568                                   | 92 359                               |
| <b>Total</b>           | <b>494 301</b>         | <b>490 170</b>           | <b>4 131</b>                            | <b>311 735</b>                       |

Funds not requested in March 2010 due to the anticipated saving.

## 2. STATUTORY APPROPRIATION

|                                         | 2009/10      | 2008/09      |
|-----------------------------------------|--------------|--------------|
|                                         | R'000        | R'000        |
| President and Deputy President salaries | 4 284        | 5 000        |
| <b>Total</b>                            | <b>4 284</b> | <b>5 000</b> |
| Actual Statutory Appropriation received | 4 283        | 2 455        |

## 3. DEPARTMENTAL REVENUE

|                                                       | Note | 2009/10    | 2008/09    |
|-------------------------------------------------------|------|------------|------------|
|                                                       |      | R'000      | R'000      |
| Tax revenue                                           |      |            |            |
| Sales of goods and services other than capital assets | 3.1  | 128        | 132        |
| Interest, dividends and rent on land                  | 3.2  | 14         | 4          |
| Sales of capital assets                               | 3.3  | 306        | -          |
| Financial transactions in assets and liabilities      | 3.4  | 177        | 97         |
| <b>Departmental revenue collected</b>                 |      | <b>625</b> | <b>233</b> |

### 3.1 Sales of goods and services other than capital assets

|                                                        | Note | 2009/10    | 2008/09    |
|--------------------------------------------------------|------|------------|------------|
|                                                        |      | R'000      | R'000      |
| Sales of goods and services produced by the department | 3    | 128        | 131        |
| Sales by market establishment                          |      | 71         | 78         |
| Other sales                                            |      | 57         | 53         |
| Sales of scrap, waste and other used current goods     |      | -          | 1          |
| <b>Total</b>                                           |      | <b>128</b> | <b>132</b> |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 3.2 Interest, dividends and rent on land

|              | Note | 2009/10   | 2008/09  |
|--------------|------|-----------|----------|
|              | 3    | R'000     | R'000    |
| Interest     |      | 14        | 4        |
| <b>Total</b> |      | <b>14</b> | <b>4</b> |

## 3.3 Sale of capital assets

|                                | Note | 2009/10    | 2008/09  |
|--------------------------------|------|------------|----------|
|                                | 3    | R'000      | R'000    |
| <b>Tangible capital assets</b> |      |            |          |
| Machinery and equipment        | 31   | 306        | -        |
| <b>Total</b>                   |      | <b>306</b> | <b>-</b> |

## 3.4 Financial transactions in assets and liabilities

|                                              | Note | 2009/10    | 2008/09   |
|----------------------------------------------|------|------------|-----------|
|                                              | 3    | R'000      | R'000     |
| Receivables                                  |      | 56         | 40        |
| Forex gain                                   |      | -          | 1         |
| Other Receipts including Recoverable Revenue |      | 121        | 56        |
| <b>Total</b>                                 |      | <b>177</b> | <b>97</b> |

## 4. AID ASSISTANCE

### 4.1 Aid assistance received in cash from RDP

|                        | Note | 2009/10  | 2008/09  |
|------------------------|------|----------|----------|
|                        |      | R'000    | R'000    |
| Foreign                |      |          |          |
| Opening Balance        |      | -        | 3 865    |
| Revenue                |      | 11 850   | 4 342    |
| Expenditure            |      | (11 850) | (8 207)  |
| Current                |      | (11 632) | (8 207)  |
| Capital                |      | (218)    | -        |
| <b>Closing Balance</b> |      | <b>-</b> | <b>-</b> |

### 4.2 Total assistance

|                        | 2009/10  | 2008/09  |
|------------------------|----------|----------|
|                        | R'000    | R'000    |
| Opening Balance        | -        | 3 865    |
| Revenue                | 11 850   | 4 342    |
| Expenditure            | (11 850) | (8 207)  |
| Current                | (11 632) | (8 207)  |
| Capital                | (218)    | -        |
| <b>Closing Balance</b> | <b>-</b> | <b>-</b> |



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 5. COMPENSATION OF EMPLOYEES

### 5.1 Salaries and Wages

|                                  | Note | 2009/10        | 2008/09        |
|----------------------------------|------|----------------|----------------|
|                                  |      | R'000          | R'000          |
| Basic salary                     |      | 125 059        | 95 954         |
| Performance award                |      | 2 441          | 2 532          |
| Service Based                    |      | 111            | 519            |
| Compensative/circumstantial      |      | 11 996         | 9 348          |
| Periodic payments                |      | 155            | 371            |
| Other non-pensionable allowances |      | 39 245         | 25 846         |
| <b>Total</b>                     |      | <b>179 007</b> | <b>134 570</b> |

### 5.2 Social contributions

|                                            | Note | 2009/10            | 2008/09            |
|--------------------------------------------|------|--------------------|--------------------|
|                                            |      | R'000              | R'000              |
| <b>Employer contributions</b>              |      |                    |                    |
| Pension                                    |      | 14 696             | 11 049             |
| Medical                                    |      | 6 052              | 4 943              |
| Bargaining council                         |      | 17                 | 16                 |
| <b>Total</b>                               |      | <b>20 765</b>      | <b>16 008</b>      |
| <br><b>Total compensation of employees</b> |      | <br><b>199 772</b> | <br><b>150 578</b> |
| <br>Average number of employees            |      | <br>596            | <br>510            |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 6. GOODS AND SERVICES

|                                                         | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|---------------------------------------------------------|------|------------------|------------------|
| Administrative fees                                     |      | 148              | 93               |
| Advertising                                             |      | 2 159            | 1 979            |
| Assets less than R5,000                                 | 6.1  | 2 394            | 4 110            |
| Bursaries (employees)                                   |      | 820              | 1 333            |
| Catering                                                |      | 4 087            | 3 574            |
| Communication                                           |      | 15 466           | 12 250           |
| Computer services                                       | 6.2  | 3 994            | 4 891            |
| Consultants, contractors and agency/outsourced services | 6.3  | 58 305           | 38 411           |
| Entertainment                                           |      | 203              | 51               |
| Audit cost – external                                   | 6.4  | 2 169            | 1 616            |
| Inventory                                               | 6.5  | 6 468            | 6 275            |
| Operating leases                                        |      | 5 150            | 4 118            |
| Travel and subsistence                                  |      | 57 576           | 52 598           |
| Venues and facilities                                   | 6.6  | 2 809            | 9 057            |
| Training and staff Development                          |      | 351              | -                |
| Other operating expenditure                             | 6.7  | 2 841            | 2 866            |
| <b>Total</b>                                            |      | <b>164 940</b>   | <b>143 222</b>   |

### 6.1 Assets less than R5,000

|                         | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------|------|------------------|------------------|
| Tangible assets         | 6    |                  |                  |
| Machinery and equipment |      | 2 394            | 4 110            |
| <b>Total</b>            |      | <b>2 394</b>     | <b>4 110</b>     |

### 6.2 Computer services

|                                     | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------|------|------------------|------------------|
| SITA computer services              | 6    | 1 308            | 1 891            |
| External computer service providers |      | 2 686            | 3 000            |
| <b>Total</b>                        |      | <b>3 994</b>     | <b>4 891</b>     |

### 6.3 Consultants, contractors and agency/outsourced services

|                                        | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|----------------------------------------|------|------------------|------------------|
| Business and advisory services         | 6    | 25 305           | 10 600           |
| Legal costs                            |      | 13 581           | 10 130           |
| Contractors                            |      | 2 720            | 1 989            |
| Agency and support/outsourced services |      | 16 699           | 15 692           |
| <b>Total</b>                           |      | <b>58 305</b>    | <b>38 411</b>    |





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 6.4 Audit cost – External

|                   | Note | 2009/10      | 2008/09      |
|-------------------|------|--------------|--------------|
|                   | 6    | R'000        | R'000        |
| Regularity audits |      | 2 169        | 1 475        |
| Other audits      |      | -            | 141          |
| <b>Total</b>      |      | <b>2 169</b> | <b>1 616</b> |

## 6.5 Inventory

|                            | Note | 2009/10      | 2008/09      |
|----------------------------|------|--------------|--------------|
|                            | 6    | R'000        | R'000        |
| Food and food supplies     |      | 1 077        | 1 060        |
| Other consumable materials |      | 1 117        | 1 416        |
| Maintenance material       |      | 136          | -            |
| Stationery and printing    |      | 4 138        | 3 799        |
| <b>Total</b>               |      | <b>6 468</b> | <b>6 275</b> |

## 6.6 Travel and subsistence

|              | Note | 2009/10       | 2008/09       |
|--------------|------|---------------|---------------|
|              | 6    |               |               |
| Local        |      | 41 265        | 32 255        |
| Foreign      |      | 16 311        | 20 343        |
| <b>Total</b> |      | <b>57 576</b> | <b>52 598</b> |

## 6.7 Other operating expenditure

|                                                       | Note | 2009/10      | 2008/09      |
|-------------------------------------------------------|------|--------------|--------------|
|                                                       | 6    | R'000        | R'000        |
| Professional bodies, membership and subscription fees |      | 1 789        | 1 736        |
| Resettlement costs                                    |      | 523          | 674          |
| Other                                                 |      | 529          | 456          |
| <b>Total</b>                                          |      | <b>2 841</b> | <b>2 866</b> |

## 7. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

|                   | Note | 2009/10   | 2008/09  |
|-------------------|------|-----------|----------|
|                   |      | R'000     | R'000    |
| Debts written off | 7.1  | 82        | -        |
| <b>Total</b>      |      | <b>82</b> | <b>-</b> |

### 7.1 Debts written off

|                                    | Note | 2009/10   | 2008/09  |
|------------------------------------|------|-----------|----------|
|                                    | 7    | R'000     | R'000    |
| <b>Nature of debts written off</b> |      |           |          |
| Prescribed debts written off       |      | 82        | -        |
| <b>Total</b>                       |      | <b>82</b> | <b>-</b> |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 7.2 Assets written off

|                                     | Note<br>31 | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------|------------|------------------|------------------|
| <b>Nature of assets written off</b> |            |                  |                  |
| Computer Equipment                  |            | 3 320            | -                |
| Office Furniture and Equipment      |            | 1 703            | -                |
| Other Machinery                     |            | 799              | -                |
| <b>Total</b>                        |            | <b>5 822</b>     | <b>-</b>         |

## 8. TRANSFERS AND SUBSIDIES

|                                             | Note            | 2009/10<br>R'000 | 2008/09<br>R'000 |
|---------------------------------------------|-----------------|------------------|------------------|
| Provinces and municipalities                | <i>Annex 1A</i> | 3                | 2                |
| Departmental agencies and accounts          | <i>Annex 1B</i> | 101 675          | 28 333           |
| Public corporations and private enterprises | <i>Annex 1C</i> | 352              | 11               |
| Households                                  | <i>Annex 1D</i> | 4 237            | 2 230            |
| <b>Total</b>                                |                 | <b>106 267</b>   | <b>30 576</b>    |

Unspent funds transferred to the above beneficiaries

## 9. EXPENDITURE FOR CAPITAL ASSETS

|                         | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------|------|------------------|------------------|
| <b>Tangible assets</b>  |      | <b>11 388</b>    | <b>6 870</b>     |
| Machinery and equipment | 31   | 11 388           | 6 870            |
| <b>Total</b>            |      | <b>11 388</b>    | <b>6 870</b>     |

### 9.1 Analysis of funds utilised to acquire capital assets – 2009/10

|                         | Voted funds<br>R'000 | Aid assistance<br>R'000 | Total<br>R'000 |
|-------------------------|----------------------|-------------------------|----------------|
| <b>Tangible assets</b>  |                      |                         |                |
| Machinery and equipment | 11 170               | 218                     | 11 388         |
| <b>Total</b>            | <b>11 170</b>        | <b>218</b>              | <b>11 388</b>  |

### 9.2 Analysis of funds utilised to acquire capital assets – 2008/09

|                         | Voted funds<br>R'000 | Aid assistance<br>R'000 | Total<br>R'000 |
|-------------------------|----------------------|-------------------------|----------------|
| <b>Tangible assets</b>  |                      |                         |                |
| Machinery and equipment | 6 870                | -                       | 6 870          |
| <b>Total</b>            | <b>6 870</b>         | <b>-</b>                | <b>6 870</b>   |



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 10. UNAUTHORISED EXPENDITURE

### 10.1 Reconciliation of unauthorised expenditure

|                                                                       | Note | 2009/10       | 2008/09       |
|-----------------------------------------------------------------------|------|---------------|---------------|
|                                                                       |      | R'000         | R'000         |
| Opening balance                                                       |      | 17 078        | 2 567         |
| Unauthorised expenditure – discovered in current year                 | 10   | -             | 14 511        |
| Current                                                               |      | 17 078        | 17 078        |
| <b>Unauthorised expenditure awaiting authorisation / written off</b>  |      | <b>17 078</b> | <b>17 078</b> |
| <b>Analysis of awaiting authorisation per economic classification</b> |      |               |               |
| Current                                                               |      | 17 078        | 17 078        |
| <b>Total</b>                                                          |      | <b>17 078</b> | <b>17 078</b> |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 11. CASH AND CASH EQUIVALENTS

|                                    | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|------------------------------------|------|------------------|------------------|
| Cash on hand                       |      | 72               | 54               |
| Cash with commercial banks (Local) |      | 3                | 4                |
| <b>Total</b>                       |      | <b>75</b>        | <b>58</b>        |

## 12. OTHER FINANCIAL ASSETS

|                                                 | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------------------|------|------------------|------------------|
| <b>Non-current</b>                              |      |                  |                  |
| <b>Local</b>                                    |      |                  |                  |
| Staff debts                                     |      | 20               | 17               |
| <b>Total Non-current other financial assets</b> |      | <b>20</b>        | <b>17</b>        |

## 13. PREPAYMENTS AND ADVANCES

|                                 | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|---------------------------------|------|------------------|------------------|
| Travel and subsistence          |      | 341              | 49               |
| Advances paid to other entities |      | 1 632            | 2 282            |
| <b>Total</b>                    |      | <b>1 973</b>     | <b>2 331</b>     |

## 14. RECEIVABLES

|                    | Note           | R'000<br>Less than one<br>year | R'000<br>One to three<br>years | R'000<br>Older than<br>three years | 2009/10<br>R'000<br>Total | 2008/09<br>R'000<br>Total |
|--------------------|----------------|--------------------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|
| Claims recoverable | 14.1<br>Annex3 | 1 260                          | 135                            | 558                                | 1 953                     | 14 765                    |
| Staff debt         | 14.2           | 1 049                          | 94                             | 1 116                              | 2 259                     | 3 059                     |
| Other debtors      | 14.3           | 238                            | 3 421                          | 1 891                              | 5 550                     | 5 482                     |
| <b>Total</b>       |                | <b>2 547</b>                   | <b>3 650</b>                   | <b>3 565</b>                       | <b>9 762</b>              | <b>23 306</b>             |

### 14.1 Claims recoverable

|                             | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-----------------------------|------|------------------|------------------|
| National departments        | 14   | 1 931            | 14 365           |
| Universities and technikons |      | -                | 400              |
| Public Entities             |      | 22               | -                |
| <b>Total</b>                |      | <b>1 953</b>     | <b>14 765</b>    |





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 14.2 Staff debt

|                 | Note | 2009/10      | 2008/09      |
|-----------------|------|--------------|--------------|
|                 | 14   | R'000        | R'000        |
| Debt account    |      | 734          | 1 256        |
| Salary accounts |      | 587          | 580          |
| Travel          |      | 938          | 1 223        |
| <b>Total</b>    |      | <b>2 259</b> | <b>3 059</b> |

## 14.3 Other debtors

|                  | Note | 2009/10      | 2008/09      |
|------------------|------|--------------|--------------|
|                  | 14   | R'000        | R'000        |
| Theft and losses |      | 5 550        | 5 482        |
| <b>Total</b>     |      | <b>5 550</b> | <b>5 482</b> |

## 15. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

|                                                  | Note | 2009/10       | 2008/09        |
|--------------------------------------------------|------|---------------|----------------|
|                                                  |      | R'000         | R'000          |
| Opening balance                                  |      | (2 545)       | 7 804          |
| Transfer from statement of financial performance |      | 16 354        | (14 511)       |
| Add: Unauthorised expenditure for current year   | 10   | -             | 14 511         |
| Voted funds not requested/not received           | 1.1  | (4 131)       | (2 545)        |
| Statutory Funds not requested/not received       | 2    | (1)           | -              |
| Paid during the year                             |      | 2 550         | (7 804)        |
| <b>Closing balance</b>                           |      | <b>12 227</b> | <b>(2 545)</b> |

## 16. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

|                                                  | Note | 2009/10    | 2008/09   |
|--------------------------------------------------|------|------------|-----------|
|                                                  |      | R'000      | R'000     |
| Opening balance                                  |      | 15         | 23        |
| Transfer from Statement of Financial Performance |      | 625        | 233       |
| Paid during the year                             |      | (502)      | (241)     |
| <b>Closing balance</b>                           |      | <b>138</b> | <b>15</b> |

## 17. BANK OVERDRAFT

|                                        | Note | 2009/10       | 2008/09       |
|----------------------------------------|------|---------------|---------------|
|                                        |      | R'000         | R'000         |
| Consolidated Paymaster General Account |      | 11 034        | 43 059        |
| <b>Total</b>                           |      | <b>11 034</b> | <b>43 059</b> |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 18. PAYABLES – CURRENT

|                   | Note | 2009/10<br>Total | 2008/09<br>Total |
|-------------------|------|------------------|------------------|
| Clearing accounts | 18.1 | 4 513            | 2 001            |
| Other payables    | 18.2 | 924              | 193              |
| <b>Total</b>      |      | <b>5 437</b>     | <b>2 194</b>     |

### 18.1 Clearing accounts

|                   | Note<br>18 | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------|------------|------------------|------------------|
| Description       |            |                  |                  |
| Salary deduction  |            | 459              | 77               |
| Various creditors |            | 4 054            | 1 924            |
| <b>Total</b>      |            | <b>4 513</b>     | <b>2 001</b>     |

### 18.2 Other payables

|                                | Note<br>18 | 2009/10<br>R'000 | 2008/09<br>R'000 |
|--------------------------------|------------|------------------|------------------|
| Description                    |            |                  |                  |
| Outstanding payments           |            | 27               | 119              |
| Persal EBT                     |            | 643              | 13               |
| Third party transport cont acc |            | 254              | 61               |
| <b>Total</b>                   |            | <b>924</b>       | <b>193</b>       |

## 19. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

|                                                                  | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|------------------------------------------------------------------|------|------------------|------------------|
| Net surplus/(deficit) as per Statement of Financial Performance  |      | 16 979           | (18 143)         |
| Add back non cash/cash movements not deemed operating activities |      | 26 143           | (18 285)         |
| (Increase)/decrease in receivables – current                     |      | 13 544           | (14 573)         |
| (Increase)/decrease in prepayments and advances                  |      | 358              | (916)            |
| Increase/(decrease) in payables – current                        |      | 3 243            | 924              |
| Proceeds from sale of capital assets                             |      | (306)            | -                |
| Expenditure on capital assets                                    |      | 11 388           | 6 870            |
| Surrenders to Revenue Fund                                       |      | 2 048            | (8 045)          |
| Voted funds not requested/not received                           |      | (4 132)          | (2 545)          |
| <b>Net cash flow generated by operating activities</b>           |      | <b>43 122</b>    | <b>(36 428)</b>  |



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 20. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

| Note                                   | 2009/10         | 2008/09         |
|----------------------------------------|-----------------|-----------------|
|                                        | R'000           | R'000           |
| Consolidated Paymaster General account | (11 034)        | (43 059)        |
| Cash on hand                           | 72              | 54              |
| Cash with commercial banks (Local)     | 3               | 4               |
| <b>Total</b>                           | <b>(10 959)</b> | <b>(43 001)</b> |

# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

## 21. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### 21.1 Contingent liabilities

|                                                            |               | Note           | 2009/10<br>R'000 | 2008/09<br>R'000 |
|------------------------------------------------------------|---------------|----------------|------------------|------------------|
| <b>Liable to</b>                                           | <b>Nature</b> |                |                  |                  |
| Motor vehicle guarantees                                   | Employees     | <i>Annex2A</i> | -                | 98               |
| Housing loan guarantees                                    | Employees     | <i>Annex2A</i> | 206              | 309              |
| Claims against the department                              |               | <i>Annex2B</i> | 1 300            | 3 250            |
| Other departments (interdepartmental unconfirmed balances) |               | <i>Annex 4</i> | 3 722            | 3 031            |
| Other                                                      |               | <i>Annex2B</i> | -                | 9 240            |
| <b>Total</b>                                               |               |                | <b>5 228</b>     | <b>15 928</b>    |

## 22. COMMITMENTS

|                            | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|----------------------------|------|------------------|------------------|
| <b>Current expenditure</b> |      |                  |                  |
| Approved and contracted    |      | 13 122           | 15 849           |
| <b>Capital expenditure</b> |      |                  |                  |
| Approved and contracted    |      | 2 067            | 95               |
| <b>Total Commitments</b>   |      | <b>15 189</b>    | <b>15 944</b>    |

## 23. ACCRUALS

|                                   |               |              | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-----------------------------------|---------------|--------------|------------------|------------------|
| Listed by economic classification | 30 Days       | 30+ Days     | Total            | Total            |
| Goods and services                | 7 664         | 511          | 8 175            | 930              |
| Machinery and equipment           | 6 900         | 669          | 7 569            | 667              |
| <b>Total</b>                      | <b>14 564</b> | <b>1 180</b> | <b>15 744</b>    | <b>1 597</b>     |

|                                  | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|----------------------------------|------|------------------|------------------|
| <b>Listed by programme level</b> |      |                  |                  |
| Administration                   |      | 15 099           | 1 343            |
| Communications                   |      | 148              | 45               |
| Executive Coordination           |      | 497              | 209              |
| <b>Total</b>                     |      | <b>15 744</b>    | <b>1 597</b>     |



# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

|                                           | Note           | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------------|----------------|------------------|------------------|
| Confirmed balances with other departments | <i>Annex 5</i> | 3 045            | 1 573            |
| <b>Total</b>                              |                | <b>3 045</b>     | <b>1 573</b>     |

## 24. EMPLOYEE BENEFITS

|                                   | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-----------------------------------|------|------------------|------------------|
| Leave entitlement                 |      | 7 469            | 5 773            |
| Service bonus (Thirteenth cheque) |      | 4 627            | 3 599            |
| Performance awards                |      | 3 272            | 2 405            |
| Capped leave commitments          |      | 5 839            | 4 869            |
| <b>Total</b>                      |      | <b>21 207</b>    | <b>16 646</b>    |

## 25. LEASE COMMITMENTS

### 25.1 Finance leases expenditure\*\*

| 2009/10                                         | Land | Buildings and other<br>fixed structures | Machinery and<br>equipment | Total        |
|-------------------------------------------------|------|-----------------------------------------|----------------------------|--------------|
| Not later than 1 year                           | -    | -                                       | 2 133                      | 2 133        |
| Later than 1 year and not later than 5 years    | -    | -                                       | 1 909                      | 1 909        |
| <b>Total lease commitments</b>                  |      |                                         | <b>4 042</b>               | <b>4 042</b> |
| LESS: finance costs                             | -    | -                                       | 290                        | 290          |
| <b>Total present value of lease liabilities</b> | -    | -                                       | <b>3 752</b>               | <b>3 752</b> |

| 2008/09                                         | Land | Buildings and other<br>fixed structures | Machinery and<br>equipment | Total        |
|-------------------------------------------------|------|-----------------------------------------|----------------------------|--------------|
| Not later than 1 year                           | -    | -                                       | 2 153                      | 2 153        |
| Later than 1 year and not later than 5 years    | -    | -                                       | 2 405                      | 2 405        |
| <b>Total lease commitments</b>                  | -    | -                                       | <b>4 558</b>               | <b>4 558</b> |
| LESS: finance costs                             | -    | -                                       | 883                        | 883          |
| <b>Total present value of lease liabilities</b> | -    | -                                       | <b>3 675</b>               | <b>3 675</b> |

\*\* This note excludes leases relating to public private partnership as they are separately disclosed to note no.29.

# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 26. RECEIVABLES FOR DEPARTMENTAL REVENUE

|                         | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------|------|------------------|------------------|
| Sales of capital assets |      | 70               | 70               |
| <b>Total</b>            |      | <b>70</b>        | <b>70</b>        |

### 26.1 Analysis of receivables for departmental revenue

|                        | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|------------------------|------|------------------|------------------|
| Opening balance        |      | 70               | 70               |
| Less: Amounts received |      | (70)             | -                |
| <b>Closing balance</b> |      | <b>-</b>         | <b>70</b>        |

## 27. IRREGULAR EXPENDITURE

### 27.1 Reconciliation of irregular expenditure

|                                                       | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------------------------|------|------------------|------------------|
| Opening balance                                       |      | 27 179           | 2 659            |
| Add: Irregular expenditure – relating to prior year   |      | -                | -                |
| Add: Irregular expenditure – relating to current year |      | 939              | *24 520          |
| Less: Expenditure declared non-compliance             |      | (24 333)         | -                |
| <b>Irregular expenditure awaiting condonation</b>     |      | <b>3 785</b>     | <b>27 179</b>    |

\*Included in this is an amount of R24 333 000 that was a payment to the National Youth Commission. National Treasury subsequently declared the amount as non-compliance and not irregular expenditure.

#### Analysis of awaiting condonation per age classification

|              |              |               |
|--------------|--------------|---------------|
| Current year | 939          | 24 520        |
| Prior years  | 2 846        | 2 659         |
| <b>Total</b> | <b>3 785</b> | <b>27 179</b> |

### 27.2 Details of irregular expenditure – current year

| INCIDENT     | DISCIPLINARY STEPS TAKEN/CRIMINAL PROCEEDINGS | 2009/10<br>R'000 |
|--------------|-----------------------------------------------|------------------|
| Current year | Awaiting condonation                          | 939              |
| <b>Total</b> |                                               | <b>939</b>       |

### 27.3 Details of irregular expenditure condoned

| INCIDENT        | CONDONED BY (CONDONING AUTHORITY) | 2009/10<br>R'000 |
|-----------------|-----------------------------------|------------------|
| Non- Compliance | Investigations in process         | 939              |
| <b>Total</b>    |                                   | <b>939</b>       |

# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 28. KEY MANAGEMENT PERSONNEL

|                                                 | NO. OF<br>INDIVIDUALS | 2009/10<br>R'000 | 2008/09<br>R'000 |
|-------------------------------------------------|-----------------------|------------------|------------------|
| Political office bearers (provide detail below) | 6                     | 6 872            | 6 909            |
| Officials:                                      |                       |                  |                  |
| Level 15 to 16                                  | 12                    | 12 587           | 5 070            |
| Level 14 (incl. CFO if at a lower level)        | 7                     | 3 581            | 2 427            |
| <b>Total</b>                                    |                       | <b>23 040</b>    | <b>14 406</b>    |

## 29. PUBLIC PRIVATE PARTNERSHIP

- This agreement is a full maintenance lease transversal contract regulated by the national Treasury PPP and supply chain management regulations. The Presidency leases short-term, long term and chauffeur and point-to-point driven services. The service level agreement signed with the service provider clearly stipulates the service levels that must be adhered to and the time frame within which such service is to be booked by the department. The contract term is five years. At the end of the five years the only thing that reverts to government is the information relating to the fleet service. Assets will not be transferred to Government. The following services are provided in the contract:
- Long term fleet rental (five years),
- Short-term fleet rental (day to day),
- Short-medium term fleet rental (more than a month but less than a year),
- 24/7 call centre, internet based system with an electronic log book,
- Chauffeur and point-to-point driven services,
- Fuel management services, Fuel management system,
- Vehicle tracking device for long-term and short-medium term rental,
- Classroom-based driver training and
- Fleet consultancy services

|                                      | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|--------------------------------------|------|------------------|------------------|
| <b>Analysis of indexed component</b> |      | <b>14 450</b>    | <b>6 827</b>     |
| Operating leases                     |      | 14 450           | 6 827            |

## 30. PROVISIONS

|                                      | Note | 2009/10<br>R'000 | 2008/09<br>R'000 |
|--------------------------------------|------|------------------|------------------|
| <b>Potential irrecoverable debts</b> |      |                  |                  |
| Staff debtors                        |      | -                | 84               |
| Other debtors                        |      | -                | 3 021            |
| <b>Total</b>                         |      | <b>-</b>         | <b>3 105</b>     |

# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 31. MOVABLE TANGIBLE CAPITAL ASSETS

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

|                                              | Opening<br>balance | Curr Year<br>Adjust-ments<br>to prior year<br>balances | Additions     | Disposals    | Closing<br>Balance |
|----------------------------------------------|--------------------|--------------------------------------------------------|---------------|--------------|--------------------|
|                                              | R'000              | R'000                                                  | R'000         | R'000        | R'000              |
| <b>MACHINERY AND EQUIPMENT</b>               | <b>22 432</b>      | <b>(1 499)</b>                                         | <b>12 408</b> | <b>1 838</b> | <b>31 503</b>      |
| Transport assets                             | 1 944              | -                                                      | 3 679         | -            | 5 623              |
| Computer equipment                           | 15 130             | (1 431)                                                | 6 004         | 1 728        | 17 975             |
| Furniture and office equipment               | 4 662              | 579                                                    | 2 396         | 100          | 7 537              |
| Other machinery and equipment                | 696                | (647)                                                  | 329           | 10           | 368                |
| <b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b> | <b>22 432</b>      | <b>(1 499)</b>                                         | <b>12 408</b> | <b>1 838</b> | <b>31 503</b>      |

#### 31.1 Additions

### ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

|                                                               | Cash          | Non-cash   | (Capital Work<br>in Progress<br>current<br>costs and<br>finance lease<br>payments) | Received<br>current, not<br>paid<br>(Paid current<br>year, received<br>prior year) | Total         |
|---------------------------------------------------------------|---------------|------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------|
|                                                               | R'000         | R'000      | R'000                                                                              | R'000                                                                              | R'000         |
| <b>MACHINERY AND EQUIPMENT</b>                                | <b>11 170</b> | <b>998</b> | <b>-</b>                                                                           | <b>240</b>                                                                         | <b>12 408</b> |
| Transport assets                                              | 2 352         | 665        | -                                                                                  | 662                                                                                | 3 679         |
| Computer equipment                                            | 6 332         | 122        | -                                                                                  | (450)                                                                              | 6 004         |
| Furniture and office equipment                                | 2 172         | 196        | -                                                                                  | 28                                                                                 | 2 396         |
| Other machinery and equipment                                 | 314           | 15         | -                                                                                  | -                                                                                  | 329           |
| <b>TOTAL ADDITIONS TO MOVABLE TANGIBLE<br/>CAPITAL ASSETS</b> | <b>11 170</b> | <b>998</b> | <b>-</b>                                                                           | <b>240</b>                                                                         | <b>12 408</b> |

#### 31.2 Disposals

### DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

|                                                              | Sold for cash | Transfer out or<br>destroyed or<br>scrapped | Total disposals | Cash Received<br>Actual |
|--------------------------------------------------------------|---------------|---------------------------------------------|-----------------|-------------------------|
|                                                              | R'000         | R'000                                       | R'000           | R'000                   |
| <b>MACHINERY AND EQUIPMENT</b>                               | <b>1 838</b>  | <b>-</b>                                    | <b>1 838</b>    | <b>38</b>               |
| Computer equipment                                           | 1 728         | -                                           | 1 728           | 35                      |
| Furniture and office equipment                               | 100           | -                                           | 100             | 3                       |
| Other machinery and equipment                                | 10            | -                                           | 10              | -                       |
| <b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL<br/>ASSETS</b> | <b>1 838</b>  | <b>-</b>                                    | <b>1 838</b>    | <b>38</b>               |

# DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## 31.3 Movement for 2008/09

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

|                                      | Opening<br>balance | Additions    | Disposals | Closing<br>balance |
|--------------------------------------|--------------------|--------------|-----------|--------------------|
|                                      | R'000              | R'000        | R'000     | R'000              |
| <b>MACHINERY AND EQUIPMENT</b>       | <b>15 292</b>      | <b>7 140</b> | <b>-</b>  | <b>22 432</b>      |
| Transport assets                     | 1 944              | -            | -         | 1 944              |
| Computer equipment                   | 9 070              | 6 060        | -         | 15 130             |
| Furniture and office equipment       | 3 427              | 1 235        | -         | 4 662              |
| Other machinery and equipment        | 851                | (155)        | -         | 696                |
| <b>TOTAL MOVABLE TANGIBLE ASSETS</b> | <b>15 292</b>      | <b>7 140</b> | <b>-</b>  | <b>22 432</b>      |

## 31.4 Minor assets

### MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010

|              | Intangible<br>assets | Heritage assets | Machinery and<br>equipment | Biological<br>assets | Total         |
|--------------|----------------------|-----------------|----------------------------|----------------------|---------------|
|              | R'000                | R'000           | R'000                      | R'000                | R'000         |
| Minor assets | -                    | -               | 11 298                     | -                    | 11 298        |
| <b>TOTAL</b> | <b>-</b>             | <b>-</b>        | <b>11 298</b>              | <b>-</b>             | <b>11 298</b> |

|                                         | Intangible<br>assets | Heritage assets | Machinery and<br>equipment | Biological<br>assets | Total         |
|-----------------------------------------|----------------------|-----------------|----------------------------|----------------------|---------------|
| Number of R1 minor assets               | -                    | -               | 4 943                      | -                    | 4 943         |
| Number of minor assets at cost          | -                    | -               | 9 790                      | -                    | 9 790         |
| <b>TOTAL NUMBER OF MINOR<br/>ASSETS</b> | <b>-</b>             | <b>-</b>        | <b>14 733</b>              | <b>-</b>             | <b>14 733</b> |

### MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2009

|              | Intangible<br>assets | Heritage assets | Machinery and<br>equipment | Biological<br>assets | Total |
|--------------|----------------------|-----------------|----------------------------|----------------------|-------|
|              | R'000                | R'000           | R'000                      | R'000                | R'000 |
| Minor assets | -                    | -               | 9 714                      | -                    | 9 714 |



# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## ANNEXURE 1A

### STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

| Name of Municipality | GRANT ALLOCATION |            |             |                 | TRANSFER        |                                  | SPENT                           |                              |                                            | 2008/09         |
|----------------------|------------------|------------|-------------|-----------------|-----------------|----------------------------------|---------------------------------|------------------------------|--------------------------------------------|-----------------|
|                      | Amount           | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | Amount received by municipality | Amount spent by municipality | % of available funds spent by municipality | Total Available |
|                      | R'000            | R'000      | R'000       | R'000           | R'000           | %                                | R'000                           | R'000                        | %                                          | R'000           |
| Cape Town            | -                | -          | -           | -               | -               | -                                | -                               | -                            | -                                          | 1               |
| Tshwane              | 3                | -          | -           | 3               | 3               | 100%                             | 3                               | -                            | -                                          | 1               |
| <b>TOTAL</b>         | <b>3</b>         | <b>-</b>   | <b>-</b>    | <b>3</b>        | <b>3</b>        | <b>100%</b>                      | <b>3</b>                        | <b>-</b>                     | <b>-</b>                                   | <b>2</b>        |

## ANNEXURE 1B

### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/<br>AGENCY/<br>ACCOUNT | TRANSFER ALLOCATION    |            |             |                 | TRANSFER        |                                  | 2008/09           |
|-----------------------------------|------------------------|------------|-------------|-----------------|-----------------|----------------------------------|-------------------|
|                                   | Adjusted Appropriation | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | Appropriation Act |
|                                   | R'000                  | R'000      | R'000       | R'000           | R'000           | %                                | R'000             |
| National Youth Commission         | 12 500                 | -          | -           | 12 500          | 12 500          | 100%                             | 24 333            |
| National Youth Development Agency | 89 175                 | -          | -           | 89 175          | 89 175          | 100%                             | -                 |
| Isigodlo Trust                    | 2 979                  | -          | -           | 2 979           | -               | 0%                               | 3 000             |
| SACAR                             | -                      | -          | -           | -               | -               | -                                | 1 000             |
| <b>TOTAL</b>                      | <b>104 654</b>         | <b>-</b>   | <b>-</b>    | <b>104 654</b>  | <b>101 675</b>  | <b>97%</b>                       | <b>28 333</b>     |

## ANNEXURE 1C

### STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| NAME OF PUBLIC CORPORATION/<br>PRIVATE ENTERPRISE | TRANSFER ALLOCATION        |            |             |                 | EXPENDITURE     |                                  |          |            | 2008/09           |
|---------------------------------------------------|----------------------------|------------|-------------|-----------------|-----------------|----------------------------------|----------|------------|-------------------|
|                                                   | Adjusted Appropriation Act | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | Capital  | Current    | Appropriation Act |
|                                                   | R'000                      | R'000      | R'000       | R'000           | R'000           | %                                | R'000    | R'000      | R'000             |
| Public Corporations                               |                            |            |             |                 |                 |                                  |          |            |                   |
| Transfers                                         |                            |            |             |                 |                 |                                  |          |            |                   |
| Non-life insurance Premiums                       | 448                        | -          | -           | 448             | 352             | 79%                              | -        | 352        | 105               |
| <b>TOTAL</b>                                      | <b>448</b>                 | <b>-</b>   | <b>-</b>    | <b>448</b>      | <b>352</b>      | <b>79%</b>                       | <b>-</b> | <b>352</b> | <b>105</b>        |

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## ANNEXURE 1D

### STATEMENT OF TRANSFERS TO HOUSEHOLDS

| HOUSEHOLDS                              | TRANSFER ALLOCATION        |            |              |                 | EXPENDITURE     |                                  | 2008/09           |
|-----------------------------------------|----------------------------|------------|--------------|-----------------|-----------------|----------------------------------|-------------------|
|                                         | Adjusted Appropriation Act | Roll Overs | Adjustments  | Total Available | Actual Transfer | % of Available funds Transferred | Appropriation Act |
|                                         | R'000                      | R'000      | R'000        | R'000           | R'000           | %                                | R'000             |
| Transfers                               |                            |            |              |                 |                 |                                  |                   |
| Employee Social Benefit: Leave Gratuity | 2 473                      | -          | 1 780        | 4 253           | 4 237           | 100%                             | 1 004             |
| <b>TOTAL</b>                            | <b>2 473</b>               | <b>-</b>   | <b>1 780</b> | <b>4 253</b>    | <b>4 237</b>    | <b>100%</b>                      | <b>1 004</b>      |

## ANNEXURE 1E

### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

| NAME OF ORGANISATION | NATURE OF GIFT, DONATION OR SPONSORSHIP            | 2009/10 | 2008/09 |
|----------------------|----------------------------------------------------|---------|---------|
|                      |                                                    | R'000   | R'000   |
| Received in cash     |                                                    |         |         |
| Transnet             | Contribution Towards National Youth Indaba         | -       | 113     |
| RMB                  | Contribution Towards National Youth Indaba         | -       | 100     |
| TOTAL                |                                                    | -       | 213     |
| Received in kind     |                                                    |         |         |
| Marena Naledi        | Year End Function for cleaning and household staff | 6       | -       |
| Superfecta Trading   | Year End Function for cleaning and household staff | 5       | -       |
| UNICEF               | Situation analysis of Children Study               | -       | 686     |
| UNICEF               | T-Shirts-Children's Day                            | -       | 40      |
| EDCON                | T-Shirts-Children's Day                            | -       | 50      |
| UNICEF               | UN Country Report                                  | -       | 50      |
| ADB                  | Research Report                                    | -       | 750     |
| AU & Commonwealth    | Travel Tickets                                     | -       | 26      |
| IDC                  | Sponsored Trips                                    | -       | 281     |
| Subtotal             |                                                    | 11      | 1,883   |
| TOTAL                |                                                    | 11      | 2,096   |

## ANNEXURE 1F

### STATEMENT OF AID ASSISTANCE RECEIVED

| NAME OF DONOR    | PURPOSE | OPENING |         |             | CLOSING |
|------------------|---------|---------|---------|-------------|---------|
|                  |         | BALANCE | REVENUE | EXPENDITURE | BALANCE |
|                  |         | R'000   | R'000   | R'000       | R'000   |
| Received in cash |         |         |         |             |         |
| Denmark          |         | -       | 345     | 345         | -       |
| European Union   |         | -       | 11 505  | 11 505      | -       |
| TOTAL            |         | -       | 11 850  | 11 850      |         |

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## ANNEXURE 1G

### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

| NATURE OF GIFT, DONATION OR SPONSORSHIP<br>(Group major categories but list material items including name of organisation) | 2009/10      | 2008/09    |
|----------------------------------------------------------------------------------------------------------------------------|--------------|------------|
|                                                                                                                            | R'000        | R'000      |
| <b>Paid in cash</b>                                                                                                        |              |            |
| Donation Pre-primary School                                                                                                | -            | 100        |
| <b>Subtotal</b>                                                                                                            | -            | <b>100</b> |
| Remissions, refunds, and payments made as an act of grace                                                                  | -            | -          |
| Settlement                                                                                                                 | 1 250        | -          |
| <b>Subtotal</b>                                                                                                            | <b>1 250</b> | -          |
| <b>TOTAL</b>                                                                                                               | <b>1 250</b> | <b>100</b> |

## ANNEXURE 2A

### STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – LOCAL

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2009 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced/ released during the year | Revaluations | Closing balance 31 March 2010 | Guaranteed interest for year ended 31 March 2010 | Realised losses not recoverable i.e. claims paid out |
|-----------------------|-------------------------|------------------------------------|------------------------------|---------------------------------------|---------------------------------------------------------------------|--------------|-------------------------------|--------------------------------------------------|------------------------------------------------------|
|                       |                         | R'000                              | R'000                        | R'000                                 | R'000                                                               | R'000        | R'000                         | R'000                                            | R'000                                                |
| Stannic               | Motor vehicles          | 296                                | 98                           | -                                     | 98                                                                  | -            | -                             | -                                                | -                                                    |
| <b>Subtotal</b>       |                         | <b>296</b>                         | <b>98</b>                    | -                                     | <b>98</b>                                                           | -            | -                             | -                                                | -                                                    |
|                       | Housing                 |                                    |                              |                                       |                                                                     |              |                               |                                                  |                                                      |
| ABSA                  |                         | 323                                | 47                           | -                                     | 47                                                                  | -            | -                             | -                                                | -                                                    |
| Nedbank               |                         | 293                                | 79                           | -                                     | 20                                                                  | -            | 59                            | -                                                | -                                                    |
| Old Mutual Bank       |                         | 360                                | 96                           | -                                     | 36                                                                  | -            | 60                            | -                                                | -                                                    |
| People's Bank         |                         | 61                                 | 12                           | -                                     | -                                                                   | -            | 12                            | -                                                | -                                                    |
| Standard Bank         |                         | 221                                | 75                           | -                                     | -                                                                   | -            | 75                            | -                                                | -                                                    |
| <b>Subtotal</b>       |                         | <b>1 258</b>                       | <b>309</b>                   | -                                     | <b>103</b>                                                          | -            | <b>206</b>                    | -                                                | -                                                    |
| <b>TOTAL</b>          |                         | <b>1 554</b>                       | <b>407</b>                   | -                                     | <b>201</b>                                                          | -            | <b>206</b>                    | -                                                | -                                                    |

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## ANNEXURE 2B

### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010

| Nature of Liability           | Opening Balance 1<br>April 2009 | Liabilities incurred<br>during the year | Liabilities paid/<br>cancelled/reduced<br>during the year | Liabilities<br>recoverable<br>(Provide details<br>hereunder) | Closing Balance<br>31 March 2010 |
|-------------------------------|---------------------------------|-----------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|----------------------------------|
|                               | R'000                           | R'000                                   | R'000                                                     | R'000                                                        | R'000                            |
| Claims against the department |                                 |                                         |                                                           |                                                              |                                  |
| Pending Cases                 | 3 250                           | -                                       | 2 650                                                     | -                                                            | 600                              |
| New Cases                     | 9 240                           | 700                                     | 9 240                                                     | -                                                            | 700                              |
| <b>TOTAL</b>                  | <b>12 490</b>                   | <b>700</b>                              | <b>11 890</b>                                             | <b>-</b>                                                     | <b>1 300</b>                     |

## ANNEXURE 3

### CLAIMS RECOVERABLE

| Government Entity                              | Confirmed balance outstanding |            | Unconfirmed balance outstanding |               | Total        |               |
|------------------------------------------------|-------------------------------|------------|---------------------------------|---------------|--------------|---------------|
|                                                | 31/03/2010                    | 31/03/2009 | 31/03/2010                      | 31/03/2009    | 31/03/2010   | 31/03/2009    |
|                                                | R'000                         | R'000      | R'000                           | R'000         | R'000        | R'000         |
| <b>Department</b>                              |                               |            |                                 |               |              |               |
| International Relations and Cooperation        | -                             | -          | 558                             | 556           | 558          | 556           |
| Agriculture                                    | -                             | -          | 5                               | -             | 5            | -             |
| National Treasury                              | -                             | -          | 285                             | 13 665        | 285          | 13 665        |
| Public Service and Administration              | -                             | -          | 2                               | 2             | 2            | 2             |
| Transport and Public Works                     | -                             | -          | 1                               | 29            | 1            | 29            |
| Justice and Constitutional Development         | -                             | -          | 29                              | -             | 29           | -             |
| SARS                                           | -                             | -          | 101                             | 101           | 101          | 101           |
| Social Development                             | -                             | -          | 13                              | 12            | 13           | 12            |
| Health                                         | -                             | -          | 5                               | -             | 5            | -             |
| Arts and Culture                               | -                             | -          | 15                              | -             | 15           | -             |
| Environmental Affairs                          | -                             | -          | 8                               | -             | 8            | -             |
| Gauteng Shared Services                        | -                             | -          | 2                               | -             | 2            | -             |
| Minerals and Energy                            | -                             | -          | 24                              | -             | 24           | -             |
| Office of the Premier: Limpopo                 | -                             | -          | 2                               | -             | 2            | -             |
| Housing                                        | -                             | -          | 14                              | -             | 14           | -             |
| SAPS                                           | -                             | -          | 6                               | -             | 6            | -             |
| Cooperative Government and Traditional Affairs | -                             | -          | 3                               | -             | 3            | -             |
| Public Service Commission                      | -                             | -          | 2                               | -             | 2            | -             |
| Women, Children and People with disabilities   | -                             | -          | 853                             | -             | 853          | -             |
| Defence                                        | -                             | -          | 1                               | -             | 1            | -             |
| Water Affairs                                  | -                             | -          | 1                               | -             | 1            | -             |
| Trade and Industry                             | -                             | -          | 1                               | -             | 1            | -             |
| <b>Subtotal</b>                                | <b>-</b>                      | <b>-</b>   | <b>1 931</b>                    | <b>14 365</b> | <b>1 931</b> | <b>14 365</b> |

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

| Government Entity                | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | Total      |            |
|----------------------------------|-------------------------------|------------|---------------------------------|------------|------------|------------|
|                                  | 31/03/2010                    | 31/03/2009 | 31/03/2010                      | 31/03/2009 | 31/03/2010 | 31/03/2009 |
|                                  | R'000                         | R'000      | R'000                           | R'000      | R'000      | R'000      |
| <b>Other Government Entities</b> |                               |            |                                 |            |            |            |
| University of Cape Town          | -                             | -          | -                               | 400        | -          | 400        |
| National Youth Commission        | -                             | -          | 21                              | -          | 21         | -          |
| CIPRO                            | -                             | -          | 1                               | -          | 1          | -          |
| <b>Subtotal</b>                  | -                             | -          | 22                              | 400        | 22         | 400        |
| <b>TOTAL</b>                     | -                             | -          | 1 953                           | 14 765     | 1 953      | 14 765     |

## ANNEXURE 4

### INTER-GOVERNMENT PAYABLES

| GOVERNMENT ENTITY                      | Confirmed balance outstanding |              | Unconfirmed balance outstanding |              | TOTAL        |              |
|----------------------------------------|-------------------------------|--------------|---------------------------------|--------------|--------------|--------------|
|                                        | 31/03/2010                    | 31/03/2009   | 31/03/2010                      | 31/03/2009   | 31/03/2010   | 31/03/2009   |
|                                        | R'000                         | R'000        | R'000                           | R'000        | R'000        | R'000        |
| <b>DEPARTMENTS</b>                     |                               |              |                                 |              |              |              |
| <b>Current</b>                         |                               |              |                                 |              |              |              |
| International Relations                | -                             | -            | 1 617                           | 1 697        | 1 617        | 1 697        |
| Parliament                             | 81                            | -            | -                               | 43           | 81           | 43           |
| Justice and Constitutional Development | 2 709                         | 475          | -                               | 533          | 2 709        | 1 008        |
| Transport and Public Works             | -                             | -            | 43                              | 538          | 43           | 538          |
| Province of the Eastern Cape           | -                             | 14           | -                               | -            | -            | 14           |
| Office of the Premier: Northern Cape   | -                             | 700          | -                               | -            | -            | 700          |
| Health                                 | 146                           | 331          | -                               | -            | 146          | 331          |
| Labour                                 | -                             | 39           | -                               | -            | -            | 39           |
| PALAMA                                 | -                             | -            | -                               | 220          | -            | 220          |
| Science and Technology                 | 44                            | -            | -                               | -            | 44           | -            |
| Limpopo Province                       | 65                            | -            | 15                              | -            | 80           | -            |
| NIA                                    | -                             | -            | 153                             | -            | 153          | -            |
| Eastern Cape                           | -                             | 14           | -                               | -            | -            | 14           |
| Public Service and Administration      | -                             | -            | 1 894                           | -            | 1 894        | -            |
| <b>TOTAL</b>                           | <b>3 045</b>                  | <b>1 573</b> | <b>3 722</b>                    | <b>3 031</b> | <b>6 767</b> | <b>4 604</b> |



# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

## ANNEXURE 5

### INVENTORY

| Inventory                                     | Note | 2009/10      |
|-----------------------------------------------|------|--------------|
|                                               |      | R'000        |
| Opening balance                               |      | 2 836        |
| Add/(Less): Adjustments to prior year balance |      | -            |
| Add: Additions/Purchases - Cash               |      | 2 824        |
| Add: Additions - Non-cash                     |      | -            |
| (Less): Disposals                             |      | -            |
| (Less): Issues                                |      | (4 053)      |
| Add/(Less): Adjustments                       |      | -            |
| <b>Closing balance</b>                        |      | <b>1 607</b> |



# ACRONYMS

|                  |                                                             |
|------------------|-------------------------------------------------------------|
| <b>APRM</b>      | African Peer Review Mechanism                               |
| <b>AsgiSA</b>    | Accelerated and Shared Growth Initiative of South Africa    |
| <b>AU</b>        | African Union                                               |
| <b>BBBEE</b>     | Broad-Based Black Economic Empowerment                      |
| <b>COO</b>       | Chief Operations Officer                                    |
| <b>DPLG</b>      | Department of Provincial and Local Government               |
| <b>EU</b>        | European Union                                              |
| <b>GCIS</b>      | Government Communication and Information System             |
| <b>GDP</b>       | Gross domestic product                                      |
| <b>GWM&amp;E</b> | Government-wide monitoring and evaluation                   |
| <b>FOSAD</b>     | Forum of South African Directors General                    |
| <b>IBSA</b>      | India-Brazil-South Africa initiative                        |
| <b>IDP</b>       | Integrated development plan                                 |
| <b>JIPSA</b>     | Joint Initiative on Priority Skills Acquisition             |
| <b>MERCOSUR</b>  | Common Market of the South                                  |
| <b>M&amp;E</b>   | Monitoring and evaluation                                   |
| <b>MTEF</b>      | Medium Term Expenditure Framework                           |
| <b>MTSF</b>      | Medium Term Strategic Framework                             |
| <b>NEPAD</b>     | New Partnership for Africa's Development                    |
| <b>NSDP</b>      | National Spatial Development Perspective                    |
| <b>OECD</b>      | Organisation for Economic Cooperation and Development       |
| <b>PALAMA</b>    | The Public Administration Leadership and Management Academy |
| <b>PCAS</b>      | Policy Coordination and Advisory Services                   |
| <b>PFMA</b>      | Public Finance Management Act                               |
| <b>RIA</b>       | Regulatory impact assessment                                |
| <b>SACU</b>      | Southern African Customs Union                              |
| <b>SADC</b>      | Southern African Development Community                      |
| <b>SANAC</b>     | South African National AIDS Council                         |
| <b>SETA</b>      | Sector education and training authority                     |
| <b>SMME</b>      | Small, medium and micro enterprise                          |
| <b>SONA</b>      | State of the Nation Address                                 |
| <b>UN</b>        | United Nations                                              |





THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2009 - 2010

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