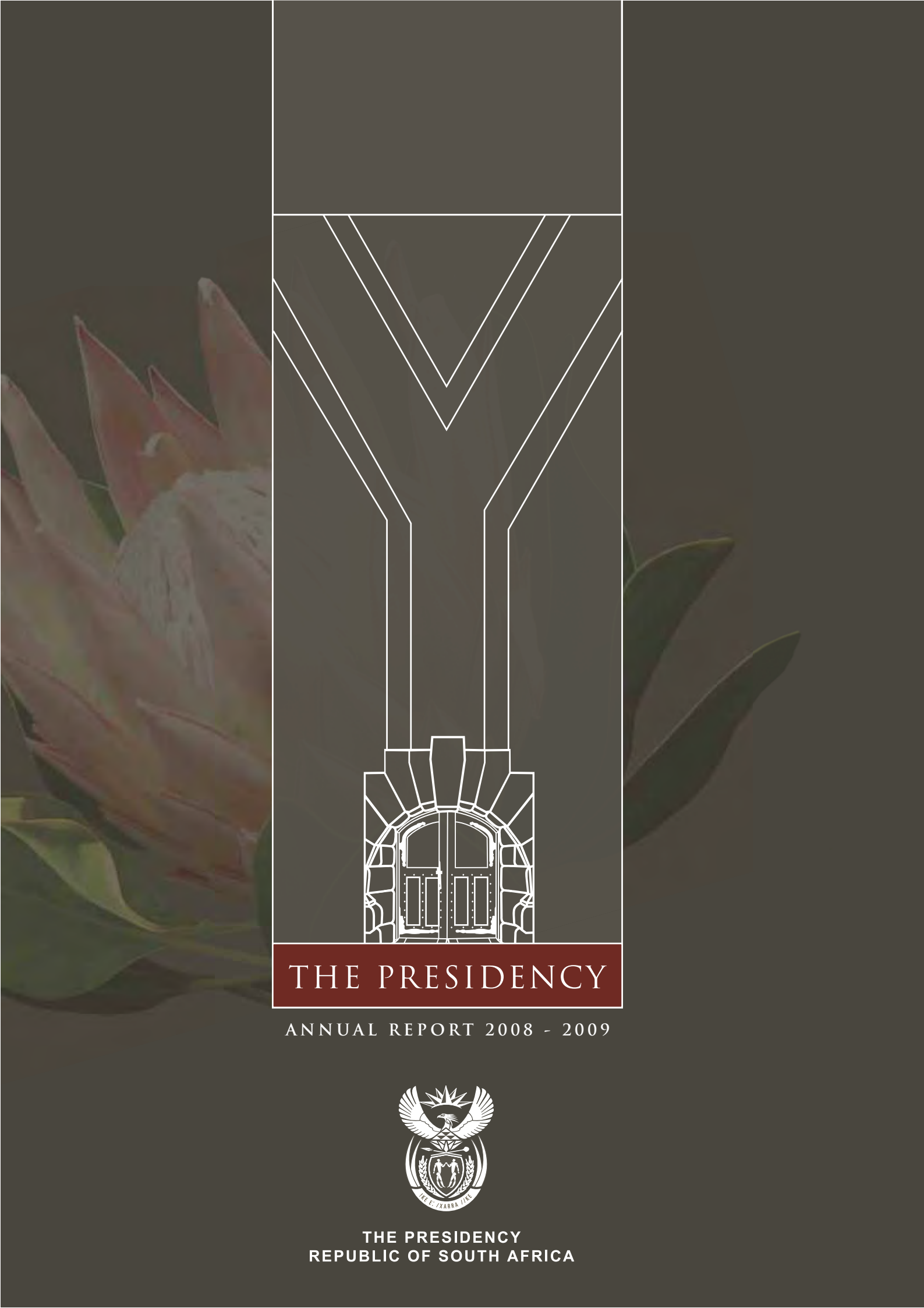


# THE PRESIDENCY

ANNUAL REPORT 2008 - 2009

THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

**Acknowledgements**
All photographs provided by Government Communication and Information System - Elmond Jiyane and Department of International Relations and Co-operation - Jacoline Prinsloo

Design and Layout by Profit Creative

**ISBN: 978-0-9584786-5-6**
**RP: 175/2009**

# Hope and Resilience

The image of the protea is used to illustrate this year's annual report. The protea is a survivor flower, one that has thrived for some 300 million years in often harsh conditions. The giant or king protea is South Africa's national flower.

The protea derives its beauty and grace from its steady stalk and strong, radiant flower. Proteas are social plants, growing in close proximity to one another and forming communities: individual plants protect one another from prevailing winds, creating a dense cover that keeps the soil cool and reduces the rate of evaporation.

This unique and strikingly beautiful flower is an important symbol of our national heritage. It is also synonymous with the theme of this annual report: hope and resilience.

The protea is hardy and adaptable. It evokes a sense of pride and endurance in difficult times. Like the protea, South Africa's democracy and its people strive, adapt and survive.

During 2008/09, South Africa faced a stern test as the global financial system convulsed and much of the world went into recession. It is therefore appropriate that we use a national symbol with qualities that reflect the nation's courage and tenacity. In addition, during the reporting period, government successfully carried the initiative to unify all of our national sporting teams under the emblem of the protea.

**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 2008 to 31 March 2009.**

**Trevor Fowler**

**Chief Operations Officer and Accounting Officer**

# PREAMBLE

## TO THE CONSTITUTION

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

We, the people of South Africa,

Recognise the injustices of our past;

Honour those who suffered for justice and freedom in our land;

Respect those who have worked to build and develop our country; and

Believe that South Africa belongs to all who live in it, united in our diversity.

We therefore, through our freely elected representatives, adopt this Constitution as the supreme law of the Republic so as to

- Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;
- Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;
- Improve the quality of life of all citizens and free the potential of each person; and
- Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

May God protect our people.

Nkosi Sikelel' iAfrika. Morena boloka setjhaba sa heso.

God seën Suid-Afrika. God bless South Africa.

Mudzimu fhatutshedza Afurika. Hosi katekisa Afrika.

# VISION AND MISSION

## VALUES AND PRINCIPLES

### OUR VISION

Excellence in governance for a better life for all

### OUR MISSION

Leadership , management and development of the strategic agenda of government.

### OUR VALUES

The Presidency's values are based on the Constitution and aligned to the principles of Batho Pele (People First).

The Constitution sets out the need for South Africa's public administration to be governed by:

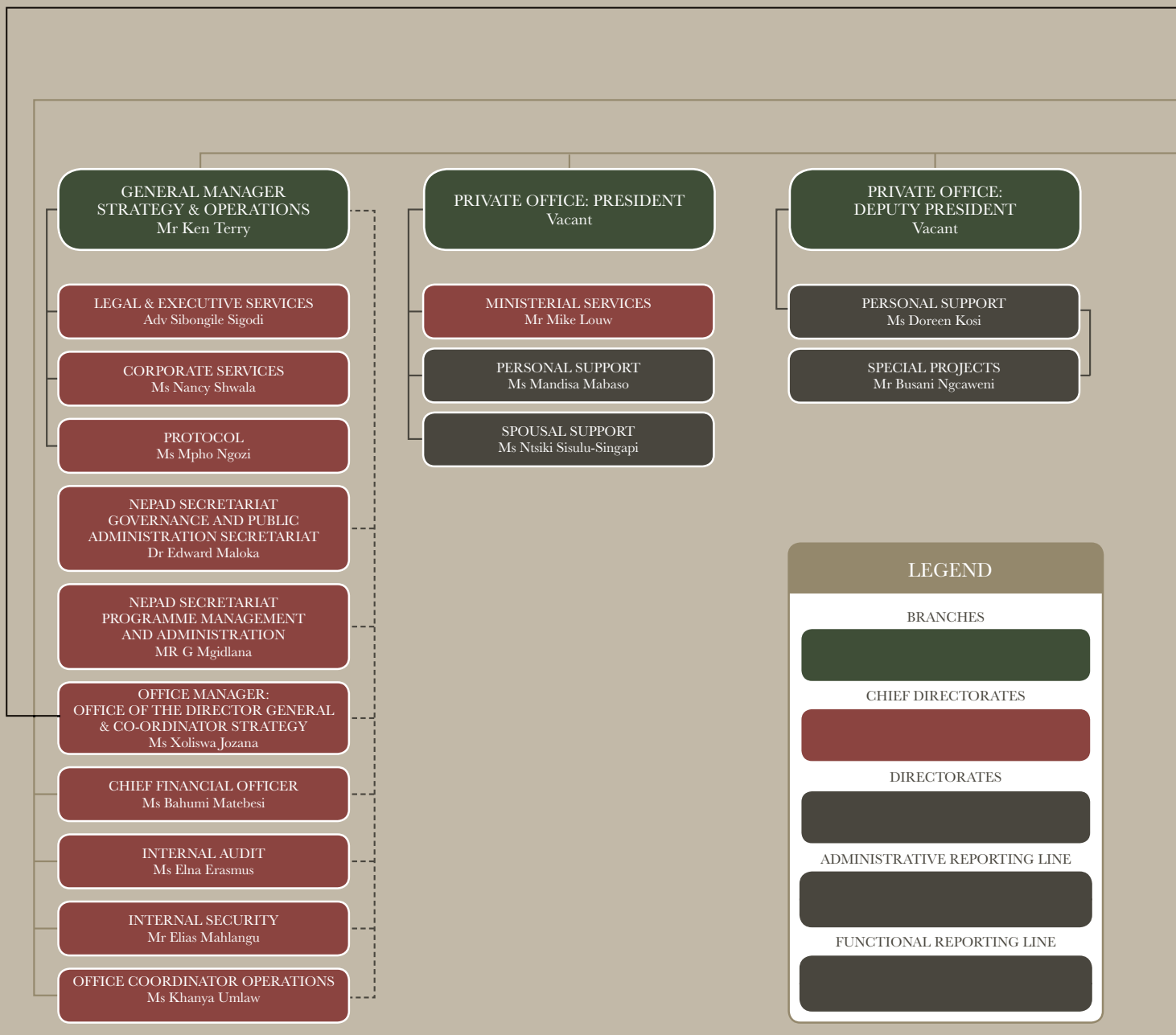
- A high standard of professional ethics
- Efficient, economic and effective use of resources
- Development-orientated public administration
- Impartial, fair and equitable provision of services
- Responsiveness to people's needs and public participation in policy-making
- Accountability
- Transparency and provision of timely, accessible and accurate information
- Human-resource management that maximises human potential
- Representativeness based on ability, objectivity, fairness and the need to redress the imbalances of the past.

Batho Pele is founded on the principles of:

- Consultation
- Setting service standards
- Increasing access
- Ensuring courtesy
- Providing information
- Openness and transparency
- Redress
- Value for money.

**Baleka Mbete**
Deputy President of the
Republic of South Africa

# Organogram


GENERAL MANAGER
STRATEGY & OPERATIONS
Mr Ken Terry
LEGAL & EXECUTIVE SERVICES
Adv Sibongile Sigodi
CORPORATE SERVICES
Ms Nancy Shwala
PROTOCOL
Ms Mpho Ngozi
NEPAD SECRETARIAT
GOVERNANCE AND PUBLIC
ADMINISTRATION SECRETARIAT
Dr Edward Maloka
NEPAD SECRETARIAT
PROGRAMME MANAGEMENT
AND ADMINISTRATION
MR G Mgidlana
OFFICE MANAGER:
OFFICE OF THE DIRECTOR GENERAL
& CO-ORDINATOR STRATEGY
Ms Xoliswa Jozana
CHIEF FINANCIAL OFFICER
Ms Bahumi Matebesi
INTERNAL AUDIT
Ms Elna Erasmus
INTERNAL SECURITY
Mr Elias Mahlangu
OFFICE COORDINATOR OPERATIONS
Ms Khanya Umlaw
PRIVATE OFFICE: PRESIDENT
Vacant
MINISTERIAL SERVICES
Mr Mike Louw
PERSONAL SUPPORT
Ms Mandisa Mabaso
SPOUSAL SUPPORT
Ms Ntsiki Sisulu-Singapi
PRIVATE OFFICE:
DEPUTY PRESIDENT
Vacant
PERSONAL SUPPORT
Ms Doreen Kosi
SPECIAL PROJECTS
Mr Busani Ngcaweni
LEGEND
BRANCHES
CHIEF DIRECTORATES
DIRECTORATES
ADMINISTRATIVE REPORTING LINE
FUNCTIONAL REPORTING LINE

DIRECTOR GENERAL IN
THE PRESIDENCY AND SECRETARY TO CABINET
Rev. Frank Chikane

CHIEF OPERATIONS OFFICER OF THE PRESIDENCY
Mr Trevor Fowler

HEAD: POLICY COORDINATION & ADVISORY SERVICES
Mr Joel Netshitenzhe

CABINET OFFICE
Dr Anne Letsebe

- CABINET SECRETARIAT
  Mr William Smith
- CABINET OPERATIONS
  Mr Sizwe Sidloyi

COMMUNICATION & INFORMATION ANALYSIS
Mr Thabo Masebe

- SPOKESPERSON TO THE PRESIDENT
  Vacant
- SPOKESPERSON TO THE DEPUTY PRESIDENT
  Mr Denzel Taylor
- COMMUNICATION RESEARCH SERVICES
  Vacant

DEPUTY HEAD: POLICY COORDINATION & ADVISORY SERVICES
Dr Alan Hirsch

- JUSTICE CRIME PREVENTION & SECURITY
  Vacant
- SOCIAL SECTOR
  Dr Vusi Gumede
- ECONOMIC SECTOR
  Ms Josephilda Nhlapo-Hlope
- INTERNATIONAL RELATIONS & TRADE
  Mr Daniel Rathebe
- GOVERNANCE & ADMINISTRATION
  Vacant
- PLANNING
  Mr Hassen Mohamed
- GOVERNMENT WIDE MONITORING & EVALUATION
  Ms Ronette Engela
- FOSAD SECRETARIAT
  Mr Michael Cindi
- PROGRAMMES
  Ms Mbangiseni Dzivhani
- OFFICE ON THE RIGHTS OF THE CHILD
  Vacant
- OFFICE ON THE STATUS OF DISABLED PERSONS
  Mr Benny Palime
- OFFICE ON THE STATUS OF WOMEN
  Ms Ranji Reddy

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**Manto Tshabalala Msimang**
Minister in The Presidency


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# FOREWORD

## DIRECTOR GENERAL: NOV 1996 - OCT 2008
## SECRETARY TO CABINET: APR 1999 -APRIL 2009

**Rev. Frank Chikane**
Secretary to Cabinet

The period covered by this annual report marked the end of the 2004-2009 electoral mandate.

During the State of the Nation Address in January 2008, then-President Thabo Mbeki outlined a series of initiatives to step up the pace of delivery and demonstrate a greater sense of urgency to achieve government's goals, including the "apex" priorities further to boost growth and eradicate poverty. These initiatives formed a major part of government's work during 2008/09.

The past five years were characterised mainly by sustained economic expansion and more rapid job creation. Better revenue collection further strengthened government's ability to increase social spending, with the result that more than 13 million South Africans now receive support in the form of social grants.

Government's public sector investment programme resulted in the construction of more housing units, improved transport systems, and expanded access to electricity, water and sanitation. All of this has contributed to improved living conditions for millions of our compatriots.

Despite these achievements, however, government remains deeply concerned with the stubborn persistence of poverty and rising inequality. The demand for efficient services continues to increase, and improvements in the quality of education and health care are urgently required. The poor are most affected by the rising food and fuel prices.

Moreover, government can no longer count on largely favourable global economic conditions to support South Africa's path of growth and development. The global financial and economic environment deteriorated sharply in the closing months of 2008. Although the domestic economy has been resilient and better prepared to deal with the crisis, it was nevertheless, affected in an indirect way by the world economic crisis and its subsequent effects on trade, investment and employment. These developments threaten to curtail some of the gains made by South Africa over the past five years.

Government is working to address these challenges in a period characterised by tight lending conditions and greater international volatility. While sound macroeconomic and fiscal policies have helped to stabilise our economy in the face of this global storm, the economy entered a recession during the latter part of the reporting period.

Government has remained committed to partnerships with business and labour to anchor economic growth and protect our economy from the worst effects of the crisis. Our



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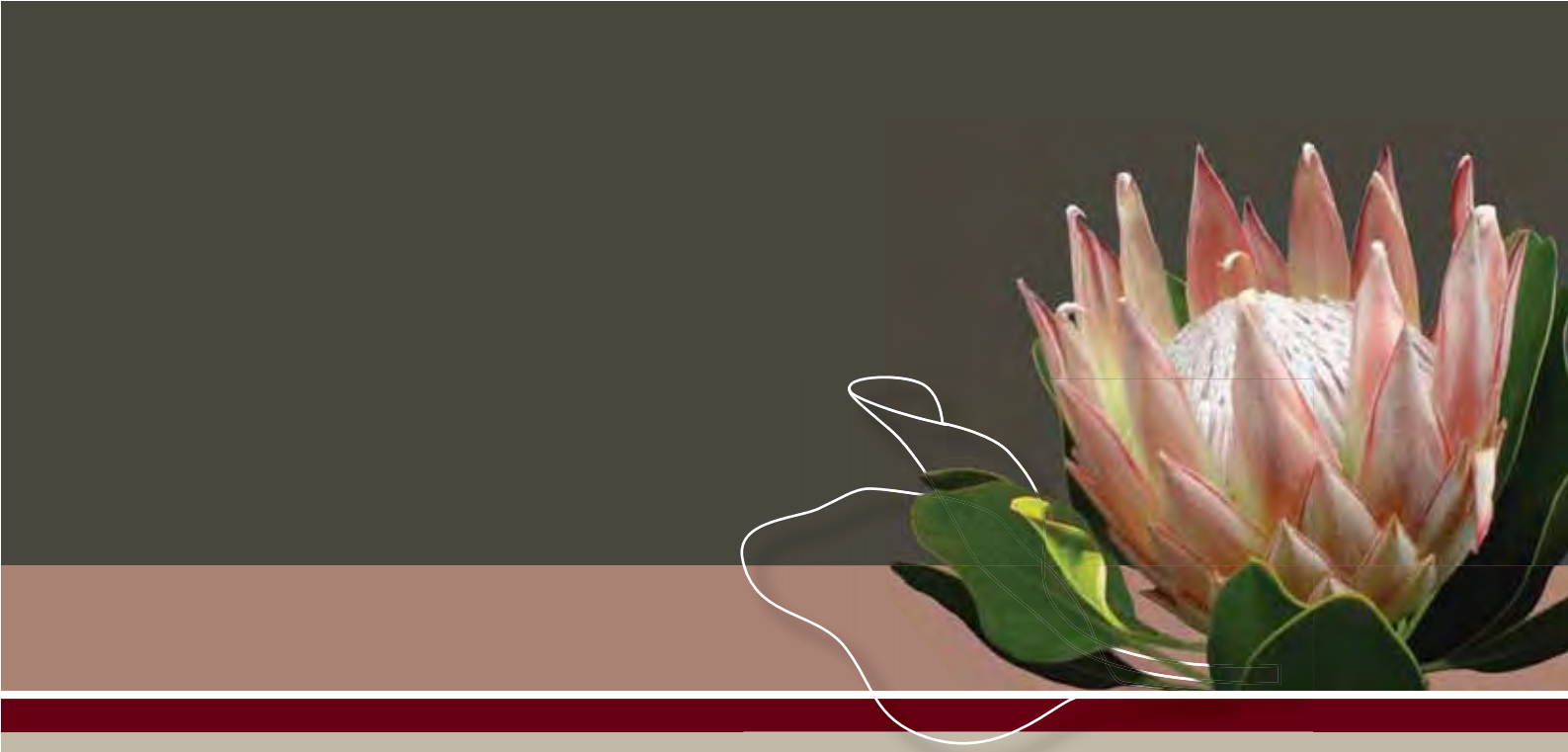

countercyclical fiscal approach prioritises public-sector investment, which is helping to provide a medium term stimulus while developing the long-term infrastructure investments needed for our economy to grow more rapidly in future. Government is also extending its skills development programmes to address constraints.

The presidential economic working group, which brings together organised labour, business and government, developed a framework to address the crisis. The framework prioritises protection of the poor with an emphasis on mitigating job losses.

During the reporting period government finalised its anti-poverty strategy. The War on Poverty campaign was designed to raise the profile of anti-poverty initiatives across various departments and spheres of government. The campaign includes identifying specific households and individuals in dire need to alleviate their plight.

Interventions continue to address the economic dimensions of the anti-poverty strategy. These initiatives are creating more employment, improving the way people participate in the economy, increasing their ability to gain and secure assets, and improving the distribution of returns from economic activity.

The countdown to the FIFA World Cup continues to motivate South Africans and the world. Preparatory work remains on track for South Africa to showcase the country's abilities in this massive sporting event. It is hard to believe, but by the time that The Presidency's next annual report appears, the first World Cup on African soil will be a matter of history! South Africa is gearing to maximise the economic benefits of this event, while recognising that it can also boost nation-building and social cohesion.

We have made important strides in advancing the African agenda. South Africa, mandated by the Southern African Development Community (SADC), facilitated dialogue that led to the formation of an inclusive government in Zimbabwe. South Africa assumed the chair of SADC and is committed to strengthening regional political unity and cohesion. We have remained actively engaged with the African Union (AU) and the New Partnership for Africa's Development (NEPAD).

South Africa has continued working towards restructuring multilateral institutions such as the United Nations (UN). Our two-year term as a non-permanent member of the UN Security Council came to an end in January 2009. The impact of South Africa's participation went far beyond anyone's imagination. South Africa has also promoted dialogue between developed and developing nations through participation in the Group of 20 (G20).

As we tackle the challenges of the future, we would like to acknowledge the commitment and hard work of Presidents Nelson Mandela, Thabo Mbeki and Kgalema Motlanthe, as well as their former deputies and the former ministers in The Presidency. We commend the executive, the legislature and the judiciary for their continuing commitment to transform our country over the past 15 years.

In light of the current economic turbulence, we recall the spirit of hope and resilience that infused the struggle for democracy, and call on all South Africans to work in partnership for a better life for all.

**Frank Chikane**
Secretary to Cabinet*

*Rev. Chikane's contract as Director General in The Presidency ended on 31 October 2008, following which Mr Trevor Fowler became acting Director General Rev. Chikane continued his duties as Secretary to Cabinet until the end of the reporting period.



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# PREFACE

## CHIEF OPERATIONS OFFICER: JUL 2004 - AUG 2009
## ACTING DIRECTOR-GENERAL: NOV 2008 - JUN 2009

**Trevor Fowler**
Chief Operations Officer and
Acting Director-General in The Presidency

The Presidency is guided at the broadest level by the Constitution, and more specifically by government's Medium Term Strategic Framework (MTSF) and the Programme of Action.

The role of The Presidency is to lead, plan, coordinate and communicate the strategic agenda of government. The Presidency contributes to the creation of a better life for all by strengthening the developmental state, enhancing South Africa's role internationally, and facilitating partnerships in this regard.

This annual report accounts for the work of The Presidency in the final year of the 2004-2009 electoral mandate, as articulated in the strategic plan 2008/09-2010/11. The report emphasises achievements against measurable objectives.

Key areas of progress during 2008/09 included:

- Updating the MTSF to take account of adjustments in policy implementation
- Improving coordination and planning between national, provincial and local government
- Developing and enhancing institutional planning systems ahead of the change of government to ensure continuity in the work of The Presidency and other national departments.

During the reporting period, The Presidency produced the MTSF Annexure 2008 which reflected the necessary adjustments for the remainder of the electoral period that ended in 2009. Policy priorities during this period remained unchanged. The Presidency worked to implement the 24 apex priorities set out in the 2008 State of the Nation Address. These acted as catalysts in government's development agenda and added momentum to realising the Programme of Action.

The Presidency improved coordination, planning and alignment between national, provincial and local government in 2008/09. The National Spatial Development Perspective (NSDP) provides a framework and mechanisms to harmonise national priorities, provincial growth and development strategies and integrated development plans (IDPs). The Batho Pele (people first) campaign works to enhance the quality of service delivery and the commitment of public employees to their responsibilities. The need for strong strategic development planning capacity at the centre of government was identified and an operational plan to implement this was developed.



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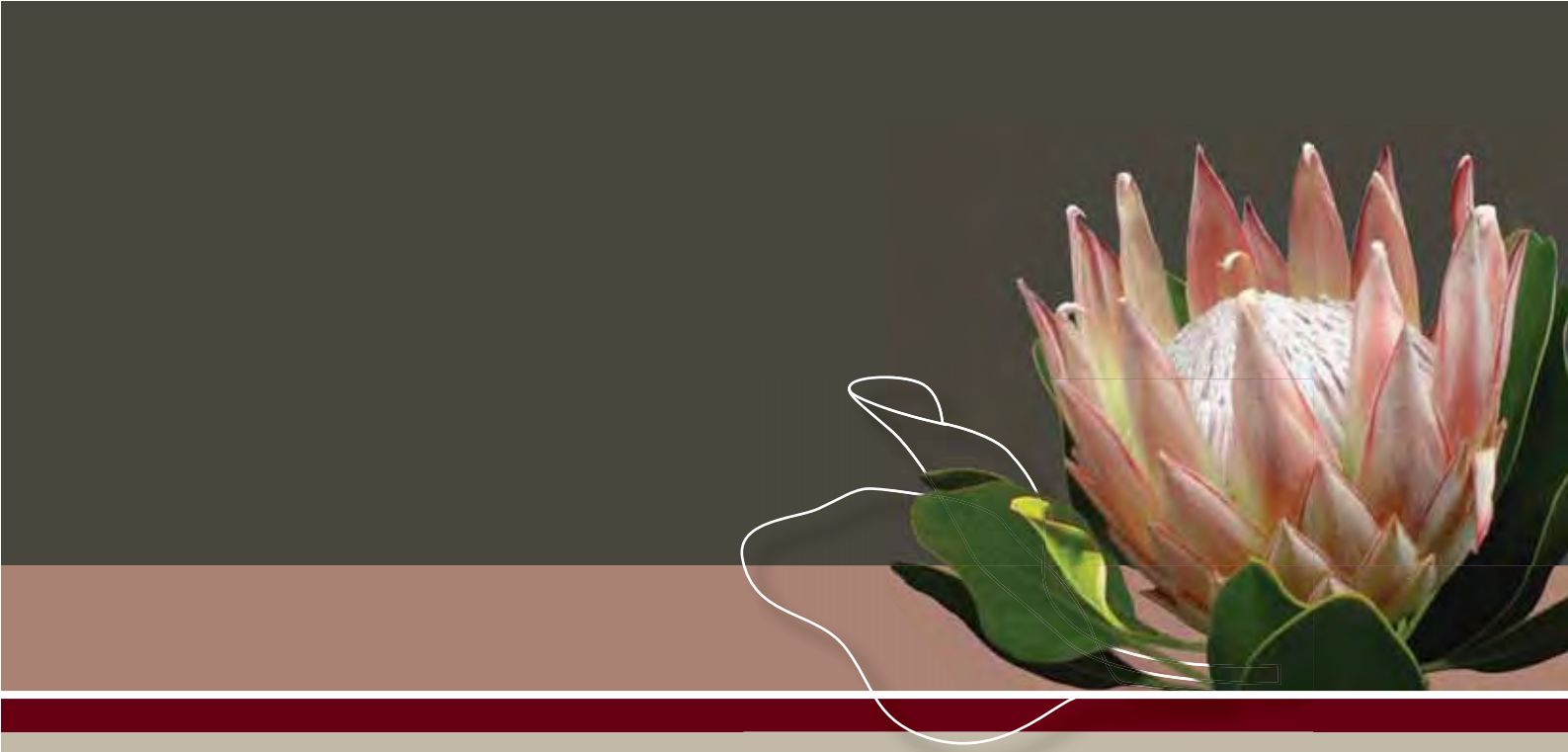


The Presidency continued to improve government-wide monitoring and evaluation (GWM&E). The Presidency published its second set of functional indicators, the *2008 Development Indicators*, in July. Monitoring of implementation is managed through regular reports from directors general clusters to Cabinet committees and in turn to Cabinet. The Presidency provides support to the five clusters of the Forum of South African Directors General (FOSAD), which is chaired by the Director General in The Presidency.

The Presidency worked to streamline and prioritise the legislative programme to allow Parliament to pass urgent bills before the 2009 election. Systems development for the efficient management of the legislative programme was advanced with the adoption of a process map that improved the quality of legislation.

The Presidency continued to promote public participation through the *izimbizo* programme, which facilitates direct communication with communities and enhances monitoring of service delivery. The Deputy President conducted provincial visits as part of her oversight role on governance.

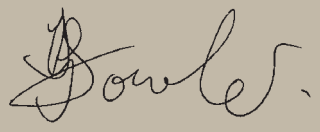
During the reporting period, the majority party in government decided to replace President Thabo Mbeki with President Kgalema Motlanthe. The Presidency demonstrated flexibility and resilience in the light of this special circumstance, ensuring a seamless transition and continuity in government's work.

Ahead of the change of government brought about by the April 2009 elections, The Presidency implemented institutional memory systems and a business continuity plan to ensure a smooth transition to the new administration.

The new administration inherits an efficient, effective and transparent Presidency, with institutional systems in place. This will provide a firm foundation to navigate the global economic storm and other challenges over the next five years.

Despite a more difficult global environment, The Presidency remains determined to forge ahead and demonstrate our resilience and commitment to the people of South Africa.

I would like to thank the senior management and all of the staff of The Presidency for their commitment and contribution to meeting the responsibilities of The Presidency during these challenging times.



**Trevor Fowler**
**Chief Operations Officer**



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# SECTION A

## THE STRATEGIC AGENDA OF GOVERNMENT

# 1

# PROMOTING ECONOMIC GROWTH AND DEVELOPMENT

The Presidency aims to accelerate progress towards a South African developmental state in which partnerships support a better life for all. Government's strategic objectives have been to enhance social, cultural and economic welfare by:

- Accelerating the pace of growth and the rate of investment in productive capacity
- Supporting interventions to speed up the pace of job creation
- Investing in community services and human development, and providing a progressive social security net
- Improving the capacity and effectiveness of the state, including combating crime and promoting service-orientated public administration
- Building regional and international partnerships for growth and development.

These broad objectives formed the foundation of the 2004-2009 electoral mandate, which came to a close with South Africa's fourth national and provincial democratic election on 22 April 2009.

In addition to continuing work to realise the broad medium-term objectives outlined above, government identified a number of priorities for the reporting period, including the 24 "apex" priorities set out in the 2008 State of the Nation Address. In summary, these priorities covered:

- Supporting interventions to speed up infrastructure development
- Improving interventions directed at poverty eradication and economic inclusion of those on the margins
- Enhancing education and training
- Accelerating the advance towards the achievement of health for all
- Revamping the criminal justice system
- Strengthening institutional support for gender equality, youth development, the rights of people with disabilities and children's rights
- Enhancing the focus on key areas in international relations, with emphasis on African issues and south-south relations.

The key themes for the 2008/09 reporting period were set out in The Presidency's *Strategic Plan: 2008/09-2010/11*. This report, noting that 2009 marks 15 years since the birth of South Africa's constitutional democracy, is further informed by the findings of *Towards a Fifteen Year Review: Synthesis Report* (October 2008).



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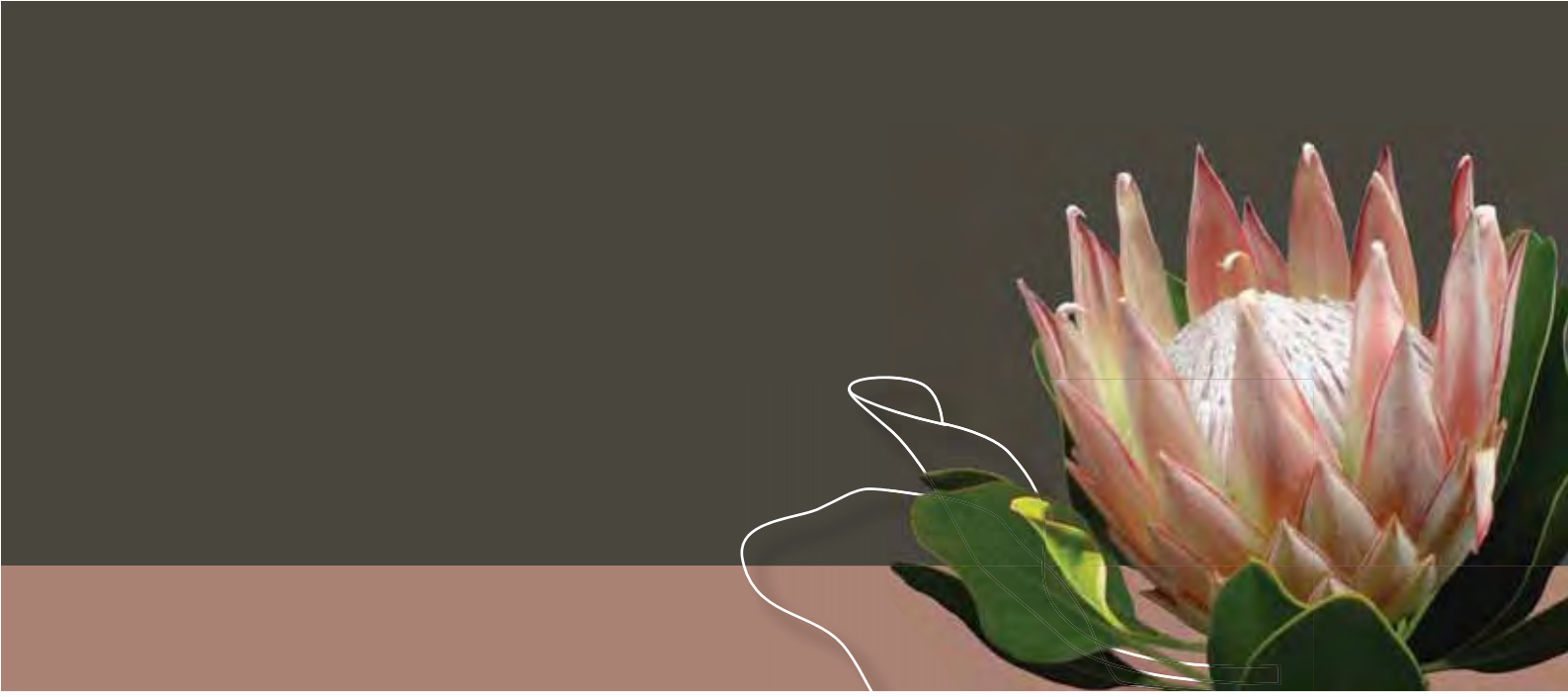

Special circumstances during the reporting period included the following developments:

- The global economic crisis intensified. In response, government took a number of decisive steps to maintain macroeconomic stability, and to strengthen domestic and international partnerships. However, the serious damage done to the global financial system, world trade and investment will have long-term consequences for domestic growth prospects and, consequently, government's ability to meet its objectives.
- The majority party in government decided to recall President Thabo Mbeki and replace him with President Kgalema Motlanthe. Government and The Presidency were required to demonstrate flexibility and resilience in light of this decision. The transition took place in a seamless fashion, ensuring continuity in the systems of government, and underlining the maturity of democratic institutions.
- To meet its end-of-term obligations, The Presidency finalised its business continuity plan to ensure a stable platform for the government taking office in May 2009.

## MACROECONOMIC ISSUES

Government seeks to reduce poverty, create jobs and expand opportunity for millions of disadvantaged South Africans. Accelerating the pace of economic growth has been one key objective to promote employment creation and social development.

The South African economy grew by 5.4 percent in 2006 and 5.1 percent in 2007. During 2008, however, economic growth slowed to 3.1 percent – despite positive growth in agriculture, finance and construction – as the country's mining and manufacturing sectors came under increasing pressure from the electricity emergency in the first quarter and the deepening global economic recession.

For most of the past five years, government's prudent macroeconomic fiscal policies dovetailed with strong growth in the world economy. Fiscal policy continued to support economic growth and development while reducing South Africa's vulnerability to external factors. These policies have led to a substantial reduction in public-sector debt, which fell from 44 percent of gross domestic product (GDP) in 1994 to 20 percent by 2008; by 2006 government was running a fiscal surplus. Inflation declined from 18.9 percent in 1991 to 11.3 percent in 2008. The Reserve Bank continued to build foreign reserves to over $34 billion over the past five years.

The rise in tax revenues resulting from strong corporate profits, improved collection and increased compliance enabled government to increase spending

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on priority areas such as health, education and improved public services.

Government adopted inflation targeting in 2000. During 2008/09, inflation was largely imported through global fuel and food price increases, and the weakening exchange rate. Inflation peaked at 13.6 percent in August 2008, well above the 3 to 6 percent target, before decelerating to 8.6 percent in March 2009.

## RESPONSE TO THE GLOBAL ECONOMIC CRISIS

The global financial crisis, which accelerated rapidly in September 2008, has had severe consequences for the banking systems of developed countries, and international production and trade. While prudent macroeconomic and fiscal policies have helped to cushion South Africa from the effects of the downturn, the economy has nevertheless been affected, and during the first quarter of 2009 South Africa slipped into recession.

Export demand has fallen, access to finance has become more restricted and capital inflows have declined. Lower demand has precipitated a scaling down of production and in many sectors companies are retrenching workers.

In this context, government's policy response is guided by five objectives:

- Protect the poor

- Build capacity for long-term growth

- Sustain employment growth

- Maintain a sustainable debt level

- Address barriers to growth and investment.

In December 2008, the presidential economic working group, composed of organised labour, business and government, met to consider a collective response. The working group prepared a framework to address the crisis and to prioritise protection of the poor and vulnerable.

Government continues to pursue a countercyclical fiscal policy. Broad stimulus measures include continuing the public-sector capital investment programme to the value of R787 billion over the next three years. To address job losses, public-sector employment programmes will be stepped up.

Government intends to sustain and expand social expenditure through the social grants system, which supports more than 13 million South Africans.

The private sector has agreed to explore alternatives to job losses and to reskill employees in anticipation of economic recovery.

A robust regulatory framework, which has helped to shield domestic banks from the worst effects of the global crisis, is being enhanced. The new Companies Act (2008) strengthens corporate governance. The Competition Amendment Bill (2008) empowers the authorities to ensure competitiveness and market transparency.

Various measures have been discussed to enhance supportive fiscal and monetary policies. Government may consider targeted support in some sectors.

At an international level, South Africa continues to engage in forums such as the G20 in support of a more equitable global financial system.



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Government remains committed to a sound macroeconomic and fiscal stance. In addition to addressing the acute challenges associated with the global economic crisis, South Africa needs to reduce its relatively large current account deficit, and to increase the savings rate. The low rate of savings has meant reliance on short-term capital flows to finance the current account deficit and investment programmes.

To emerge from the global crisis on a sounder footing, government intends to take measures to sustain investment in productive capacity, expand employment in public works, continue regulatory reforms, strengthen agricultural production and raise export performance.

## ACCELERATED AND SHARED GROWTH INITIATIVE

Government launched the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) to reduce unemployment and poverty by increasing the country's growth rate to 6 percent by 2010. AsgiSA marshals public and private resources to address critical constraints to faster growth. The constraints include:

- Currency volatility
- Infrastructure bottlenecks
- A lack of integrated industrial policy and programmes
- The skills deficit
- Regulatory burdens on small and medium businesses
- Inefficiency in government services

Despite the uncertain economic context, which will impact on realising the growth rate targets, AsgiSA aims to transform South Africa's productive capacity over the long term. The infrastructure development plan was in place prior to the slowdown. This investment also provides a countercyclical boost to economic activity. Government's growth objectives are further supported by the National Industrial Policy Framework, adopted by Cabinet in 2008, and an associated action plan. AsgiSA's achievements have been integrated into the sections below.

## INFRASTRUCTURE PROGRAMMES

Government plans to spend R787 billion on capital investment over the next three years. These investments are being made to strengthen network industries (rail, electricity, ports and communications), to upgrade and expand the road system and the availability of public transport, to extend provision of housing and water to the entire population, and to upgrade the built environment through provision of new schools, hospitals and so on.

Gross fixed capital formation as a percentage of GDP rose from 17.5 percent in 2006 to about 22 percent in 2008, bringing the country closer to government's target of investment as 25 percent of GDP by 2014. Government has also set ambitious targets to eradicate backlogs in access to sanitation, electricity, housing and water by 2014. Financing for this will mostly be provided through the *municipal infrastructure grant* – the primary vehicle through which national government augments local resources for infrastructure.

From 2002 to 2008, 4.8 million households obtained access to electricity through the integrated national electricity programme. There are, however, a number of constraints that may inhibit reaching the target of universal access to electricity by 2014. These include the lack of bulk infrastructure to support household connections, poor integration of housing and electrification by municipalities, and

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inadequate municipal capacity to execute bulk infrastructure projects.

During the previous reporting period, electricity supply failures arising from a shortfall in generation capacity severely disrupted the country. In 2008, the President announced a national planning response to this crisis involving all social partners, as well as a national energy-efficiency campaign. The President convened the National Stakeholder Advisory Council on Electricity in June 2008 to examine approaches to saving energy and increasing power generation. The council works closely with the National Electricity Response Team, the Inter-ministerial Committee on Energy and the National Economic Development and Labour Council. During 2008/09, the National Treasury provided Eskom with a R60 billion loan and debt guarantees totalling R176 billion to support the utility's infrastructure investments.

To strengthen alignment between infrastructure plans and budgets, the National Treasury implemented the infrastructure development and improvement programme.

Investment in transport infrastructure has gained momentum. Transnet will invest R81 billion in rail infrastructure over the next five years. Shifting the proportion of freight transported from road to rail will reduce strain on the national road network.

Investment in modern urban transport systems continues. It is anticipated that the Gautrain Rapid Rail Link will be completed by 2010. Other investments include the Gauteng freeway improvement project, the national taxi recapitalisation programme and bus rapid transport networks. The *public transport and infrastructure systems grant* supports municipalities and 2010 FIFA World Cup host cities to accelerate transport-related infrastructure projects. These investments will lead to safer, more efficient and shorter commuting for millions of South Africans.

Government continued investment in information and communications technology, and works with other African states and the private sector to support the construction of undersea cables that will expand broadband capacity on the continent.

## SECTOR INVESTMENT STRATEGIES

Government has implemented a range of interventions to diversify the economic base. The National Industrial Policy Framework identifies economic sectors that have the potential to stimulate growth. These include tourism, business process outsourcing, biofuels, agriculture and agro-processing.

Achievements in sector investment strategies include drafting the tourism charter; attracting investments of over R900 million and creating 9 000 jobs in business process outsourcing; establishing two biofuels plants; and Cabinet approval of a beneficiation strategy for minerals in 2009. Government also supported the local pharmaceutical industry by procuring the bulk of the country's antiretrovirals from domestic manufacturers.

The Competition Commission has rigorously enforced policies on pricing and concentration. During 2008/09 it conducted investigations of the food, banking, steel and other industries.

Government has begun implementing the industrial policy action plan, with R2.3 billion budgeted for industrial policy initiatives and R5 billion in tax incentives over the MTEF.



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Government remains committed to redressing inequalities in the participation of black people in the economy. The Codes of Good Practice on Broad-based Black Economic Empowerment (BBBEE), published in 2007, provide standards for the development of BBBEE throughout the economy, focusing on ownership, management control, employment equity, skills development, preferential procurement, enterprise development and socioeconomic development. Accelerated implementation of affirmative action and BBBEE remained a government priority in the period under review.

## SECOND ECONOMY INTERVENTIONS

Government aims to help overcome the sharp divisions that exist between the formal and informal sectors in the economy. Without interventions to reduce South Africa's structural economic fault line – what has been characterised as the "first" and "second" economies – economic growth will have limited practical benefit for the marginalised poor. The 'second economy' strategy was initiated to address this and is overseen by the AsgiSA high-level task team in The Presidency.

The strategy addressed the economic dimensions of the anti-poverty strategy and contributed to the following goals:

- Creating employment
- Improving the terms in which people participate in the economy
- Increasing the ability to gain and secure assets
- Ensuring basic needs are accessible and affordable
- Improving equitable distribution of returns from economic activity.

The Jobs for Growth programme, initiated in 2006 and headed by the Deputy President, targets women, youth and people with disabilities in rural and peri-urban areas. An extension of this programme – the Mzansi collection stores concept – was launched in November 2008. It is a market-access programme for rural and peri-urban enterprises.

A number of programmes promote small, medium and micro enterprises (SMMEs) and cooperatives. Preferential procurement aims to ensure that smaller enterprises obtain a larger share of government work, including in the provinces. Khula Enterprise Finance and the Small Enterprise Development Agency have extended loans to smaller enterprises.

The national youth service programme is a second-economy initiative led by the National Youth Commission, The Presidency's youth desk and the Umsobomvu Youth Fund. It addresses youth unemployment by creating opportunities for voluntary service and skills development. The programme reached about 48 000 youths by 2008/09, and over 413 000 youths were assisted at 121 youths advisory centres. The Umsobomvu Youth Fund assisted more than 1 million youths.

The second phase of the expanded public works programme, which begins in 2009/10, will build on the community work programme, in which public employment becomes a catalyst for community development.

In addition the second economy strategy calls for investment in the transformation of informal settlements into sustainable, serviced neighbourhoods. Incentives for home-based food production will contribute to alleviating hunger.

## SUSTAINABLE DEVELOPMENT

In recent years sustainable development – including protecting the environment, reducing climate change and mitigating its effects – has become a central priority in government policy. Government has taken steps to reduce the country's environmental footprint. These include efforts to improve energy efficiency, to lower carbon emissions and to support more environmentally advanced technologies in power generation. Initiatives include programmes to reduce electricity demand at residential and municipal level.

In 2009 government will host a policy summit on climate change, initiating the period of formal consultation on this subject.



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# 2

# IMPROVING THE QUALITY OF LIFE

## ERADICATING POVERTY

Studies show that, since 1994, government expenditure has become significantly more pro-poor. Yet while a period of strong economic growth has contributed to reduced unemployment, and government programmes have raised living standards for millions of South Africans, the levels of poverty and unemployment remain very high.

Government's multipronged approach to poverty includes:

- Social grants, which provide a safety net for the most vulnerable
- Basic services and other non-financial transfers, including provision of free basic municipal services such as water, electricity, refuse removal, education and primary health care for the poor
- Addressing asset poverty by accelerating delivery of houses and land reform
- Human resource development initiatives, focused on raising skills levels among poor South Africans to improve their employment prospects
- Broad policy approaches such as AsgiSA, the expanded public works programme and other interventions.

Between 1995 and 2003, the economy created about 1.5 million net new jobs. Between 2004 and 2007, the pace of employment creation grew to about 500 000 jobs a year, reducing unemployment from 31 percent in 2003 to 23.5 percent in 2008.

The expanded public works programme created 1 million short- and medium-term jobs by 2008. The second phase of the programme is being launched during 2009/10.

Research has found that poverty has been reduced, particularly among the worst-off sections of the population. The prevalence of hunger among children, for example, has nearly halved over the past four years. This is attributed to both job creation and social grants.

The integrated rural development programme and the urban renewal programme have contributed to improving the built environment through infrastructure investment in these areas.

## PROVIDING UNIVERSAL ACCESS TO BASIC SERVICES

Providing basic services to all communities is a top priority and key to the Millennium Development Goals, which South Africa is committed to achieving.

Government has registered considerable progress in this area. Access to potable



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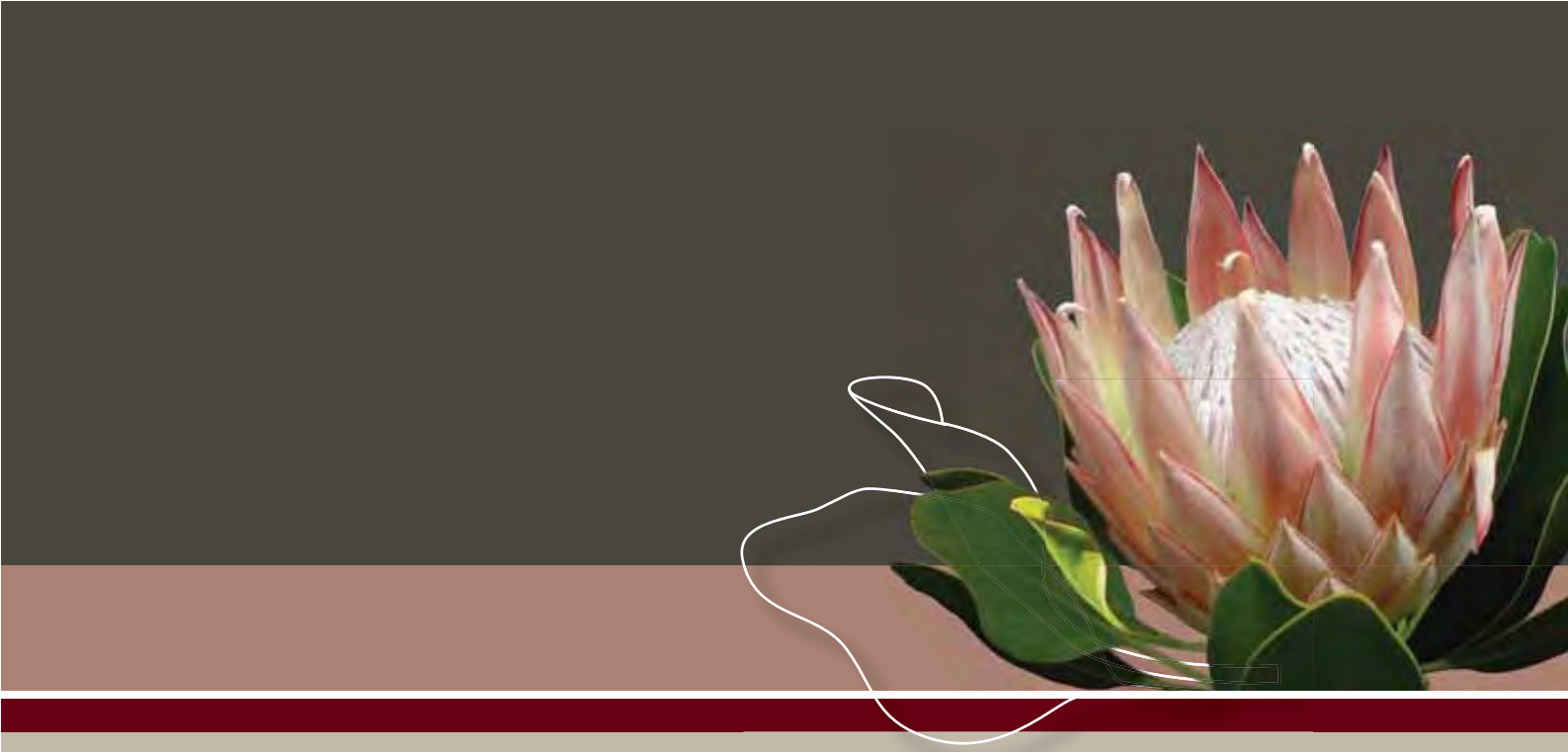

## THE WAR ON POVERTY

The War on Poverty brings together a range of national, provincial and local actors. The campaign is designed to raise the profile and expand the reach of existing anti-poverty initiatives throughout government.

The campaign includes identifying specific households and individuals in dire need to alleviate their plight. Community development workers and practitioners conduct household visits to identify needs. After profiling households' requirements, each department is tasked with fulfilling these needs in accordance with currently available government services.

"War rooms" at national and provincial level use both community and household profiles to develop community action plans. The data and plans are captured for systematic monitoring and evaluation (M&E).

The War on Poverty was launched in eight provinces during 2008. Wards were targeted based on the 2001 provincial index of multiple deprivation study conducted by Stats SA and the Human Sciences Research Council.

Government has established a War on Poverty website that includes secure access for service providers to obtain household information, allowing for up-to-date M&E.

water improved from 59 percent in 1994 to 88 percent in 2008. The number of households with access to clean water increased from 6.2 million in 1994 to 11.9 million in the first quarter of 2009. Access to electricity increased from 30 percent to 72 percent during the same period; and sanitation from 48 percent to 73 percent. Government provides 6 000 litres of water and electricity worth 50 kWh per month free to poor households where infrastructure permits.

Although the December 2007 target for eradicating the bucket sanitation system in established settlements was not reached, there was remarkable progress. Between 1994 and 2007, households in all areas using the bucket system decreased from 609 675 to 113 085; and in established settlements to 14 812 by June 2008.

Many initiatives to increase access to basic services have taken place through the expanded public works programme, with the added benefit of job creation for young people and in rural communities.

The poor delivery capacity of many municipalities remains a serious obstacle to efficient service provision. Local capacity constraints frequently lead to underspending of the *municipal infrastructure grant*. In June 2008, municipalities reported an average 22 percent vacancy rate. Skills levels are often inadequate.

Government launched Project Consolidate in 2004 to support municipalities' service delivery programmes. By August 2008, 1 283 experts had been deployed to 268 municipalities. Experts provided technical assistance in engineering, finance, town planning, project management and human resource development.

Since 2006, the Siyenza Manje programme has deployed 190 civil engineers to 154 municipalities to build capacity. The initiative aims to improve the disbursement of the *municipal infrastructure grant* by boosting capacity.

### IMPROVING SOCIAL SECURITY

Government's social assistance programme has played a key role in poverty alleviation. Social grants are provided to the most vulnerable through the *child support grant, foster care grant, disability grant* and old age pension.

Social grants expanded from 2.5 million beneficiaries in 1999 to 13 million in 2008. The *child support grant* increased from 34 000 beneficiaries in 1999 to 8.1 million in 2008. The threshold for men receiving pensions is being progressively reduced to age 60 – the same as for women – by 2010.

Through social insurance, government provides income support or compensation for those facing unemployment or incapacity, and to prevent destitution in



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old age. Social insurance comprises the Unemployment Insurance Fund (UIF), the Compensation Funds and the Road Accident Fund. Long-term reforms to the current provision of social grants are under consideration to expand the reach and coverage of social security and protection. A government task team continues to prepare proposals for comprehensive social security and reform of the retirement industry.

## ENHANCING THE QUALITY OF EDUCATION

Quality education is essential to break the cycle of poverty and disadvantage. Education is the single largest item on the national budget. Expenditure for education has grown by an annual average of 14 percent over the last three years. In the most recent period government has also prioritised spending on early childhood development and further education and training.

Achievements in education include near-universal access to enrolment at primary schools, strengthened by the declaration of no-fee schools in poor communities. In early 2009, 60 percent of both primary and secondary schools were declared no-fee schools. The country is on track to meet the target of universal access for all 1 million grade R learners (preschool) by 2010.

Government launched the *Kha Ri Gude* (let us learn) mass literacy campaign during the reporting period. This initiative aimed to provide literacy classes to 300 000 adults and youth in 2008, and exceeded targets with enrolment of 360 000 learners.

The upgrading and construction of school infrastructure has received priority. During the review period, 66 new schools, 3 899 additional classrooms, 36 libraries and 55 computer rooms were built.

The Dinaledi Schools Initiative has improved mathematics, science and language competence in public schools. The Department of Education expanded the initiative from 102 schools to 500 schools by 2008. Of the 63 038 learners who passed mathematics in 2008, 15 038 (24 percent) were learners from Dinaledi schools.

The quality of public school education, however, remains a challenge. The high dropout rate, particularly at secondary and tertiary levels, is a serious concern. The education system is not yet producing the skills required by the economy and society. Trends in performance show a worrying persistence of the social divisions of the past.

To help address these challenges, government has taken new steps to recruit and retain teachers. The initiatives include government-provided bursaries directed at young people who want to enter teacher training. An improved remuneration structure that incorporates performance-related salary progression has been put in place. Career-pathing has also been strengthened. Government has also upgraded 50 further education and training colleges.

## GROWING THE SKILLS BASE

South Africa's chronic skills shortage continues to hinder growth and effective service delivery. Government has taken a number of steps to reduce this skills deficit.

The Joint Initiative on Priority Skills Acquisition (JIPSA), launched in 2006, is a partnership between government, business and organised labour to accelerate the acquisition of priority skills.

JIPSA has ensured that more resources were made available for engineering graduates, increased registration of artisans, targeted training in business process outsourcing, and the placement of over 15 000 unemployed graduates



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in companies in South Africa and internationally.

Achievements during the reporting period include:

- Reaching service-level agreements with sector education and training authorities (SETAs) to train 20 000 artisans by 2012
- Inaugurating the E-skills Institute to increase the supply of ICT skills
- Developing a concept paper on establishing a placement agency
- Cabinet approving the revised national human resource development strategy for South Africa.

Notable gains have been made through the skills development learnership programme. The numbers produced through the system, however, are small compared with the unemployment and skills challenges facing the country. To address the skills development challenges, in August 2008 Cabinet approved the extension of JIPSA to December 2010. Over time, JIPSA will be incorporated into the country's national human resource development strategy.

Government launched a ten-year innovation plan for science and technology in 2007 to support research and development. Areas targeted for enhanced innovation and support include biotechnology and pharmaceuticals, space science and technology, energy security, climate change, and enhancing the understanding of human and social dynamics.

## PROVIDING HOUSING AND HUMAN SETTLEMENT

Government's social programmes have improved the asset base of the poor in the form of housing and land.

From 1994 to 2008, government expenditure of R48.5 billion supported 3.1 million approved housing subsidies and the completion of 2.6 million housing units. This brought housing to 13 million people, of which 53 percent went to women-headed households. By 2008, for the first time, there were more African homeowners than white homeowners in South Africa.

Yet while this pace of housing delivery has few parallels internationally, demographic and internal migration trends are continually raising demand in these areas. Demographic shifts show a trend towards smaller household sizes. From 1996 to 2007, according to Statistics SA surveys, the country's population grew by 20 percent, but the number of households grew at double that rate. Migration in search of economic opportunity has led to large population increases in the Western Cape and Gauteng. These shifts have made planning difficult. Countrywide, an estimated 1.8 million families live in informal settlements.

Challenges in housing delivery include access to strategically located land. Many new housing settlements are located far from work opportunities. Insufficient spatial concentration in urban areas brings added costs. The Land Use Management Bill will address some of these shortcomings.

In the period ahead provision of water and sanitation services will be integrated with the national housing programme, with a particular focus on informal settlements. The policy objective of upgrading informal settlements by 2014 will be achieved through a number of initiatives, including:

- Increasing the *integrated housing and human settlement development grant* from R12 billion in 2009/10 to R17 billion in 2011/12

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- Improving coordination and integration between provinces and municipalities
- Creating a Housing Development Agency to access land for residential development and use.

## FAST-TRACKING LAND REFORM AND RESTITUTION

Land restitution and land reform are crucial elements in redressing apartheid dispossession, ensuring transformation and addressing asset poverty.

Through the land restitution programme, government transferred assets worth R12.5 billion to 1.4 million beneficiaries between 1994 and 2007. An amount of R3.1 billion was budgeted for the reporting period. About 5.2 million hectares of land have been redistributed to land reform beneficiaries.

Shortcomings in the land programme include inadequate post-settlement support and the failure of many transfers to result in sustainable land use, which affects the country's agricultural productive capacity. The economic impact of land and agrarian reform is mixed, highlighting the need for stronger post-settlement support.

During the review period government reinforced its commitment to successful land and agrarian reform, and to a productive agricultural sector, with the implementation of the Provision of Land and Assistance Amendment Act, enacted in 2008.

## IMPROVING THE HEALTH PROFILE OF THE NATION

Government has continued to work towards the provision of quality health care for all. This has included major improvements in access to primary health facilities. Some 95 percent of South Africans now live within 5km of a health facility, and most clinics have access to potable water. Child immunisation coverage has increased to about 88 percent and malaria cases have declined due to government's prevention measures, such as spraying ahead of the rainy season.

During the reporting period government took steps to strengthen the comprehensive plan for the treatment, management and care of HIV and AIDS. South Africa's antiretroviral treatment programme is the largest in the world, and as of February 2009, more than 720 000 patients had been initiated into the programme. Some 93 percent of primary health facilities provide HIV and AIDS counselling and testing. Research points to stabilisation in the spread of the pandemic and a slight reduction in the rate of HIV infection from 11.4 percent in 2002 to 10.9 percent in 2008. A Human Sciences Research Council study found HIV prevalence in children aged between 2 and 14 had declined from 5.6% in 2002 to 2.5% in 2008.

Government has declared tuberculosis a top national health priority. Co-infection with HIV compounds the severity of TB, and the emergence of multidrug-resistant and extreme drug-resistant strains of this disease has made treatment more costly. The Department of Health has stepped up the treatment and support programme which has seen the cure rate improve from 58 percent in 2005 to 64 percent in 2008. Additional resources have been made available to hospitals for patients with the drug-resistant strains of TB, who require extended isolated hospitalisation.

Progress in expanding access to health care, however, has not always been accompanied by the provision of quality care. Some facilities lack required medicines and are inadequately staffed. In some hospitals and clinics, management is poor and staff attitudes need improvement.



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Average life expectancy has been declining, from about 56 years in 1996 to about 50 in 2007.

To address some of these challenges, government has continued to invest in health care infrastructure. The *hospital revitalisation grant* has resulted in physical improvements and the construction of new hospitals. The grant supports medical equipment purchases, hospital management and quality improvement. Since 1994 more than 1 600 public health care facilities have been constructed or refurbished, including 300 new clinics and eight new hospitals.

To increase the number of suitably qualified health workers, the department has established a strategy to create mid-level workers in a range of categories. One example that is already implemented is that of the pharmacy assistant. In addition, the Walter Sisulu University has enrolled the first cohort of students in the clinical assistant category (mid-level doctor).

## REDUCING VULNERABILITY

The quality of a democracy is also measured by the extent to which attention is paid to society's most vulnerable groups. Through legislation, international conventions, regulations and campaigns, government has targeted its efforts to improve the conditions of children, women, people with disabilities and the elderly. There has been important progress, but substantial challenges remain.

Social and economic inequalities are felt more intensely in vulnerable sections of the population. For example, unemployment is particularly high among rural women, youth and people with disabilities. HIV affects young women most severely. Maternal mortality has risen due to HIV and complications with hypertension. Violence against women and children is high.

Government has stepped up programmes to improve children's nutrition. In 2008 over 6 million primary school learners in 17 899 schools were fed through the national school nutrition programme. Over 6 226 food gardens were established at schools.

Targeted programmes have ensured that female-headed households receive a larger share of the social wage, including housing and health care. Easier access to clean running water, proper sanitation and electricity eases the burden on women in rural areas to fetch water and carry firewood.

Women, youth and persons with disabilities have been primary beneficiaries of internships, learnerships, youth-service programmes, the expanded public works programme, entrepreneurship and small business initiatives.

While women constitute about 34 percent of all senior positions in the public service, this falls short of the parity target. Government has made some progress in employing people with disabilities, but has yet to reach the 2 percent target. In November 2008, Cabinet adopted a strategy to promote employment and retention of persons with disabilities in the public sector.

Government has been actively involved in the annual 16 Days of Activism for No Violence Against Women and Children campaign, which has over nine years focused on the mobilisation of communities.

Within The Presidency, a series of institutional arrangements support programmes to improve the lives of the targeted groups. These include the Office on the Status of Women, the Office on the Status of Disabled People, the Office on the Rights of the Child and a Youth desk.

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# 3

# IMPROVING GOVERNANCE AND CAPACITY

Government seeks to develop the capacity of the state at all levels to improve service delivery, and to increase the efficiency and efficacy of the public service.

Over the years the structures of governance have improved. The first decade of democracy unified and rationalised the fragmented public service left by apartheid. The government developed a cluster system to improve coordination and integration. Today the demographic composition of the public service approximates that of South African society.

Coordination of implementation is managed through the annual Programme of Action, which sets out priorities and targets for each cluster to implement in the context of the five-year MTSF. Monitoring of implementation is managed through bimonthly reports from directors general clusters to Cabinet committees, and in turn to Cabinet.

The NSDP provides a framework and mechanisms to harmonise national priorities, provincial growth and development strategies, and municipal IDPs. By end-2008, the rollout of the NSDP was completed or in progress in 38 district municipalities

The institutions of representative democracy include Parliament, provincial legislatures and municipal councils, as well as independent institutions established in Chapter Nine of the Constitution, such as the Human Rights Commission, the Public Protector, Auditor-General and the Commission on Gender Equality.

Various forums and processes support participatory democracy, including community consultations to formulate municipal IDPs and provincial growth and development strategies, and functioning ward committees. Adoption of IDPs has improved markedly, from 52 percent in 2005 to 100 percent in 2008/09.

In cooperation with the National Treasury, The Presidency has continued the regulatory impact assessment (RIA) pilot programme. RIA is a methodology for improving the quality of regulation by analysing the potential effects of proposed legislation and regulations. The insights gained from the two-year pilot phase, which draws to an end in 2009, will be incorporated into an RIA framework.

Government completed a review of development finance institutions during the reporting period. In particular, it assessed whether the mandates and operations of these institutions were coordinated, and whether their use of resources had supported policy objectives. The review recommended that the mandates of these institutions be more clearly defined.

Government's Thusong service centres are designed as one-stop, integrated



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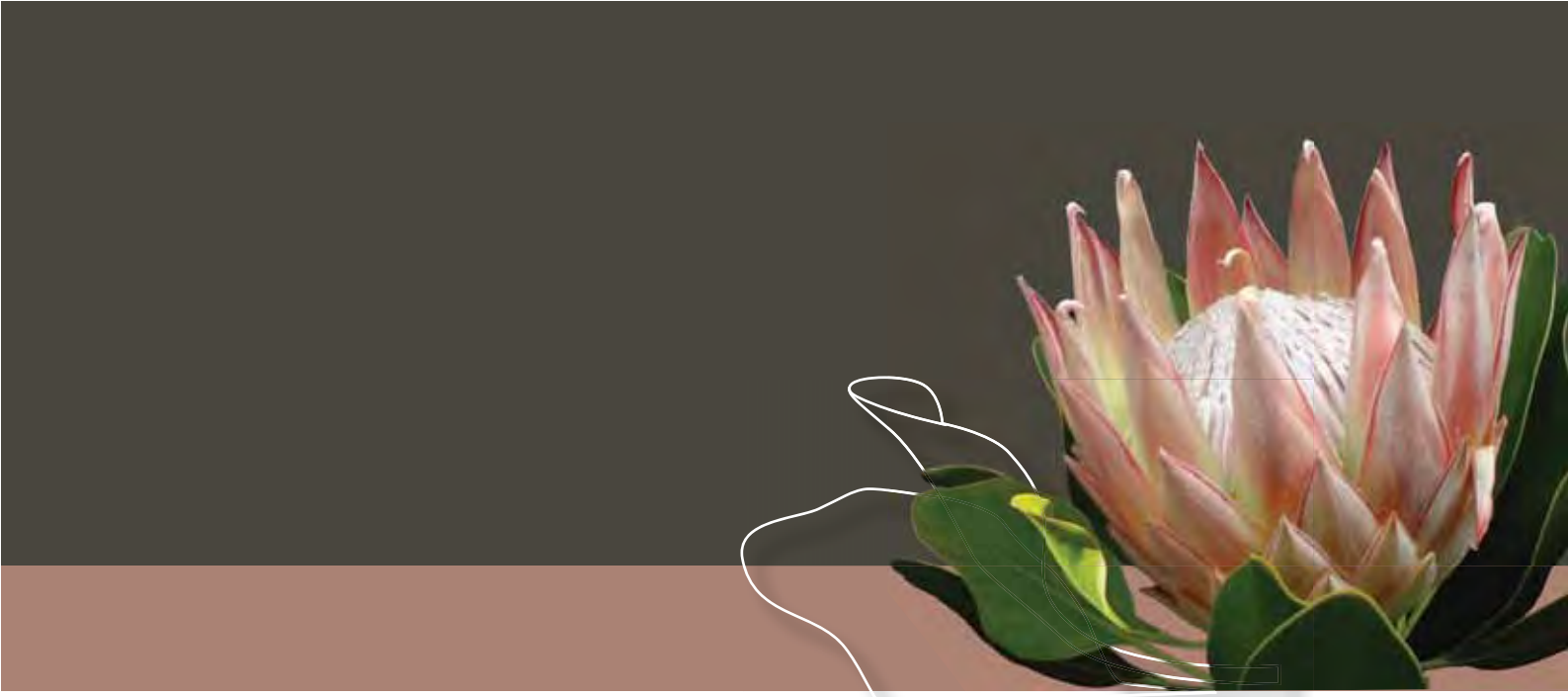

community development centres. They provide services relevant to people's needs near where they live, and offer access to information and resources. By the end of the reporting period, 137 centres were in operation across the country. Government's vision is for every citizen to have access to information and services near their place of residence, and in each local municipality, by 2014.

*Izimbizo* have been held regularly since 2001. Presidential *Izimbizo* involve the President or Deputy President; and national *Izimbizo* weeks, held twice a year, involve the executive and representatives from national, provincial and local government.

While these measures have been successful, government recognises a need to strengthen both the effective accountability of public representatives and citizen participation in public affairs, especially between elections. More needs to be done to improve the service culture and orientation of some public servants, especially those who interact with the public on a daily basis.

Government launched the Know Your Rights campaign in May 2008 to educate citizens about their rights when accessing government services. In 2008, 1 530 officials from 274 municipalities, or 95 percent of all municipalities, were trained on the Batho Pele change management programme. A summit will be convened in 2009 to promote the spirit of Batho Pele and enhance the commitment of employees to their duties.

In August 2008 government inaugurated the Public Administration Leadership and Management Academy to improve public service training.

The Public Finance Management Act (1999) (PFMA) and the Municipal Finance Management Act (2003) are two key laws governing public finances. While there has been an improvement in financial management, the record is uneven. During 2008, of the 34 national departments analysed, none received an adverse opinion; only (Home Affairs) one had a disclaimer of opinion; 11 were financially qualified; 15 were unqualified but had areas of concern in financial controls, governance and legislative noncompliance; and seven were financially qualified with no other matters. Only 25 percent of municipalities received unqualified audits.

In the first quarter of 2009, the Treasury introduced the *financial management grant* and the *municipal systems improvement grant* to modernise local government budgeting and financial management systems.

In *Towards a Fifteen Year Review: Synthesis Report* questions arose about the role, functions and powers of the provinces and about the two-tier system of local government. The cluster system requires a shift from joint planning to joint implementation and various proposals are being considered in this regard.

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## IMPROVING SOUTH AFRICA'S PLANNING PROCESSES

South Africa needs strong medium- to long-term national development planning. Recognising that many of its weaknesses were related to planning, government began a process to put in place realistic and integrated plans. These processes included aligning the NSDP, provincial growth and development strategies and municipal IDPs.

In addition, Cabinet mandated the Policy Coordination and Advisory Services (PCAS) unit in The Presidency to investigate options for strengthening planning capacity at the centre of government.

After extensive research that reviewed both domestic and international practice, PCAS recommended developing a *Vision* 2025. This would cover a 15-year period and provide a story-line of the South Africa we would like to see in the future. Themes for such a vision could include the structure of the economy, levels of technical development, quality of life as measured in socioeconomic terms, the legitimacy and efficiency of the state, and social cohesion.

The unit proposed the establishment of a national planning entity at the centre of government to manage and coordinate the determination of strategic priorities, alignment of policy planning and resource mobilisation. In January 2009, PCAS presented Cabinet with the operational plan to establish planning capacity at the apex of government.

The plan considers how existing approaches can be improved to ensure that coordination and integration extend beyond joint planning to implementation and M&E. The plan would also strengthen alignment between strategy and resource allocation.

### MONITORING AND EVALUATION

M&E is central to the concept of a developmental state. The government-wide M&E system was developed and a programme introduced to strengthen the capacity of M&E units in departments.

The Presidency monitors government's Programme of Action on a bimonthly basis.

In July 2008, for the second year in a row, The Presidency published the *Development Indicators*, which track 76 social and economic categories to chart the progress of South Africa's transformation. The broad themes covered by this publication are: economic growth and transformation; employment; poverty and inequality; household and community assets; health; education; social cohesion; safety and security; international relations; and good governance.

By producing these indicators, South Africa has become one of a select group of countries that publish annual information on outcomes-based M&E of changes in society's quality of life.

### FIGHTING CORRUPTION

Government is determined to root out corruption, as evidenced in a range of legislation, rules and regulations as well as an anti-corruption hotline. Government hosted the Third National Anti-corruption Summit in 2008, and its resolutions will form the basis for the second national anti-corruption programme.



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## ELECTIONS

South Africa has a well-functioning democratic system with high levels of electoral participation and robust debate. The fourth national democratic elections took place in April 2009. The polls were organised under the oversight of the Independent Electoral Commission, which oversaw a well-run, peaceful and orderly election in which 77 percent of registered voters participated.

## BUILDING SAFER COMMUNITIES

Crime rates peaked in 2003, and since then most categories of crime have begun to stabilise or decline. These trends are consistent with victim surveys done by the Institute of Security Studies, which point to crime decreasing overall by 12% since 1998 and 4% since 2003. The surveys showed decreases in housebreaking, corruption, theft out of vehicles and stock theft, but notable increases in household and business robbery, and car theft.

Government recognises that the scourge of crime, particularly serious and violent crime, remains a major source of insecurity for South Africans. Much more work remains to be done to provide safety and security.

The comprehensive revamp of the criminal justice system seeks to address weaknesses in the system. From 2002/03 to 2008/09 the number of enlisted South African Police Service (SAPS) personnel grew from 131 483 to some 182 754. The number of police personnel is expected to reach 192 240 by 2010.

The comprehensive review of the criminal justice system focuses on the need to build capacity, modernise technology and enhance the integrated, effective and efficient functioning of the criminal justice system.

Government has established 63 specialised courts dedicated to sexual offences trials. Thuthuzela care centres operate in public hospitals in communities where the incidence of rape is particularly high. They are linked to the sexual offences courts and have improved conviction rates through better investigations and victim support.

Other initiatives that have had an impact on crime are the specialised courts for commercial crimes, the community policing policy, partnerships with Business Against Crime and the initiatives of The Presidency's big business working group to support the revamp of the criminal justice system. Specialised task teams have been established to deal with organised crime in areas such as bank robberies, vehicle hijacking and cash-in-transit heists.

Amendments to the Sexual Offences Act in 2007 and the Children's Act in 2008 strengthened the legal arsenal for combating crimes against women and children. During the review period the President signed four acts dealing with the transformation of the judiciary.

## PROMOTING SOCIAL COHESION, NATIONAL IDENTITY AND COMMON VALUES

The constitutional aspiration to build a united, non-racial, non-sexist and prosperous society requires increasing social cohesion. *Towards a Fifteen Year Review* defines social cohesion broadly as that which gives a society the capacity to cooperate in a way that creates the possibility for positive change.

The indicators of social cohesion paint a complex and changing landscape.

One of the consistently positive indicators of social cohesion has been widespread support for the national sports teams. It

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is expected that the 2010 FIFA World Cup will provide additional impetus in this area. As at 31 March 2009, nearly all the projects and plans for the World Cup were completed or near completion. By hosting the Confederations Cup in 2009 and the global event in 2010, South Africa will help to boost social cohesion, showcase the country and make Africa proud.

South Africa maintains a high level of citizen participation in civil society and voluntary organisations, one of the world's highest levels of women in the legislatures and, as noted earlier, very high levels of electoral participation.

Efforts continue to promote South African art, film, music, fashion, literature and poetry in recognition of the contribution that arts and culture can play in the creation of a national identity and strengthening a sense of belonging.

Other indicators of social cohesion, however, have declined in recent years, including confidence in the country's future.

Since 2004 there have been changes in family size and structure, migration and other social trends, contributing to a growing number of people living in substandard socioeconomic environments. This is affected by the persistence of income inequality and has the potential to foster social tension. Since 2006, protests related to the pace and quality of service delivery have spread. It is a concern that a number of these protests and some strikes have been marred by violence.

During the review period, violent xenophobic attacks aided by a strong criminal element flared up on an unprecedented scale in a number of provinces. Dozens of people were killed and tens of thousands fled their homes. This was a significant setback on the path to social cohesion.

The attacks were widely condemned and government worked to assist those who were displaced to reintegrate into communities. Parliament established a task team to probe the attacks and establish the root causes. The findings indicate that the violence was fuelled by socioeconomic inequalities, competition for scarce resources, poor living conditions and a high rate of unemployment.

In August 2008 government held a Social Dialogue on Xenophobia. It involved NGOs, religious organisations, government departments, affected communities and organisations representing foreign nationals. The summit agreed to a declaration to work against all forms of xenophobia. Summits will be held in each of the nine provinces to popularise the declaration



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# 4

# A BETTER AFRICA AND A BETTER WORLD

As part of its policy commitment to contribute to the creation of a better Africa and a better world, South Africa has continued to advance the interests of developing countries, with a particular focus on the African continent

The priorities for the 2004-2009 MTSF period included a focus on the SADC, consolidating the African Agenda, strengthening and deepening relations with countries of the south, transforming relations with developed countries, pursuing economic diplomacy and participating in the global system of governance.

South Africa and its African partners engaged with the Group of Eight (G8) to ensure the adoption of an action plan for Africa, in which the G8 member states committed themselves to promote peace and security on the continent, to boost expertise and capacity, to encourage trade and direct growth-orientated investment, and to provide more effective official development assistance.

By June 2008, a total of 29 countries had signed up for comprehensive scrutiny under the African Peer Review Mechanism (APRM). The APRM report on South Africa raised a number of challenges that are the subject of government's ongoing policy priorities, such as poverty eradication, unemployment and corruption. The review also commended South Africa for a number of best practices. South Africa subsequently developed a comprehensive APRM programme of action and reported on progress in its implementation in January 2009.

South Africa, as part of efforts to advance the vision and mission of the AU, has continued to play an active role in peacekeeping, diplomacy and post-conflict reconstruction and development in the Democratic Republic of Congo, Burundi and Sudan.

South Africa and Mali completed part of the archives to preserve the ancient manuscripts in Timbuktu, which help to document Africa's early contributions to science, literature, philosophy and commerce.

In August 2008, South Africa began a one-year term as chair of the SADC, with a commitment to focus on restoring and strengthening SADC political unity and cohesion while intensifying regional infrastructure development and deepening regional economic integration.

The SADC gave further impetus to trade integration at the August 2008 summit when the SADC launched the free-trade area endorsed by 11 of the 14 member states.



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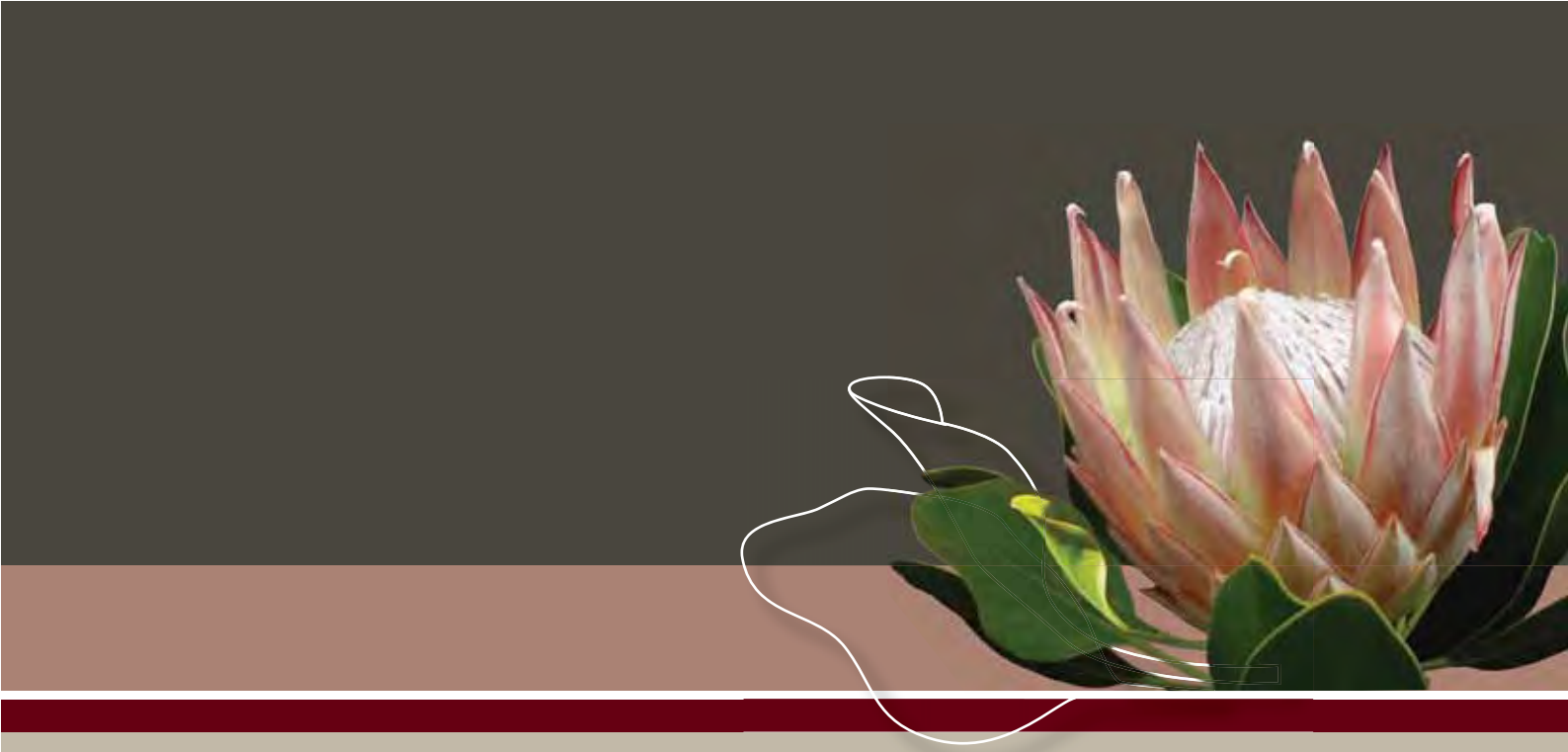

## TOWARDS PEACE AND RECONSTRUCTION IN ZIMBABWE

For a number of years government has worked to help Zimbabwe to find a lasting solution to its political, economic and social crisis.

The SADC mandated South Africa to facilitate dialogue, which led to the March 2008 election that was recognised as a credible expression of the will of the people of Zimbabwe. The election was followed, however, by increased violence and a presidential run-off involving only the incumbent, and the credibility of the latter poll was called into question.

South African mediation, under the facilitation of former President Thabo Mbeki, continued and Zimbabwe concluded negotiations on forming a stable and legitimate government during the reporting period. In December 2008, the Zimbabwean Parliament passed Amendment 19 of the Constitution, laying the basis for the installation of an inclusive government and preparing the ground for the creation of conditions for holding free and fair elections. Morgan Tsvangirai, the leader of the Movement for Democratic Change, was sworn in as Prime Minister of Zimbabwe, along with two deputy prime ministers.

The AU and the SADC have called on the international community to end sanctions against Zimbabwe. The government of Zimbabwe launched a Humanitarian and Development Assistance Framework in December 2008. It aims to mobilise resources to address pressing challenges in the areas of food supply, water, health, agricultural inputs and other social needs. Over the longer term, the framework is designed to guide the country's actions toward economic and social recovery.

Further afield, South Africa concluded a decade of strengthening diplomatic relations with the People's Republic of China. Relations have been forged with Brazil and India through the India-Brazil-South Africa (IBSA) partnership. Similarly, South Africa participated in the first high-level Africa-India summit in April 2008. Bonds have been reinforced with countries around the world.

The review of trade relations with the European Union (EU) through the trade and development cooperation agreement has been concluded, with the exception of the trade chapter. South Africa and the EU consolidated their relationship with the signing of the South Africa-EU strategic partnership agreement. Multilateral negotiations on the SADC-EU economic partnership agreements have extended beyond the reporting period so that outstanding matters raised by South Africa and its SADC partners can be resolved. Negotiations relevant to the SACU-Mercosur trade agreement have been concluded.

Other partnerships expected to be strengthened over the period ahead include the New Africa-Asia strategic partnership, and relations with the Non-Aligned Movement and the Group of 77.

South Africa has sought to transform north-south relations through active participation in the G8, the Organisation for Economic Cooperation and Development (OECD) and the G20.

South Africa continues to work towards restructuring the UN, the International Monetary Fund and other multilateral institutions. South Africa's two-year term as a non-permanent member of the UN Security Council came to an end in January 2009. During its tenure on the Security Council, South Africa achieved one of its primary objectives by helping to revitalise the debate on the relationship between the UN and regional organisations, and enhancing coordination between the UN and the AU.

South Africa is an active participant in the G20, working to reform global socioeconomic governance and promote



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dialogue between developed and developing countries.

South Africa is committed to the objectives of international agreements such as the Kyoto Protocol and finalisation of the development agenda of the negotiations on the World Trade Organisation's Doha round of talks, with the aim of rebalancing the global trading system so that it no longer favours the most developed countries.

> *"I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are more hills to climb. I have taken a moment here to rest, to steal a view of the glorious vista that surrounds me, to look back on the distance I have come. But I can rest only for a moment, for with freedom comes responsibilities, and I dare not linger, for my long walk is not yet ended."*

## CONCLUSION

This annual report accounts for the work of The Presidency during 2008/09. It also takes note of government's ongoing work over two other periods: the first 15 years of democracy, which South Africa celebrates in 2009, and the five-year electoral mandate – summarised in the MTSF – which ended in April 2009.

Despite the tangible achievements of the past 15 years – and, over the past five years in particular, the benefits of more rapid economic growth and the expansion of social welfare – South Africa faces massive challenges in reducing poverty, uprooting economic exclusion and marginalisation, and providing a better life for all.

In the context of the global economic crisis, high world prices for food and fuel, and limits in domestic energy supply, reaching the growth objectives required for greater labour absorption and extension of social services will be even more challenging.

Recognising these challenges, President Kgalema Motlanthe emphasised during the February 2009 State of the Nation Address that "ours is a journey of hope and resilience". He invoked this spirit when quoting former President Nelson Mandela in his autobiography, *Long Walk to Freedom*:

It is in this spirit that the outgoing administration passed the baton to the new government elected in April 2009.

The next section of the report focuses on the work done by The Presidency to meet its strategic objectives during the reporting period, and describes the core functions of component branches. Section C assesses programme performance and achievements against measurable objectives. Section D provides an overview of the human resource base in The Presidency. Section E presents the annual financial statements.



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MOLDOVA
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# Section B

## The Work of the Presidency

# 1

# STRATEGIC ACHIEVEMENTS

This section provides an overview of the work of The Presidency to achieve government's agenda during the review period. It emphasises progress in realising strategic objectives outlined in the 2008/09-2010/11 Strategic Plan.

The Presidency has a mandate to lead, manage, plan, coordinate, facilitate, oversee and communicate the strategic agenda of government, and is structured to serve its purpose as effectively and efficiently as possible. During 2008/09 this work was organised and carried out through six branches:

- Strategy and Operations, which includes the offices of the Director General and the Chief Operations Officer (COO)
- The Private Office of the President
- The Private Office of the Deputy President
- Communications
- The Cabinet Office
- PCAS.

Descriptions of the core objectives of each branch and their component units (italicised below) are provided in subsection 3.

### THE PRESIDENCY'S STRATEGIC OBJECTIVES

- To strengthen strategic management and leadership capability to achieve greater organisational cohesion
- To improve management, access and sharing of information
- To coordinate, monitor, evaluate and communicate government policies and programmes, and accelerate integrated service delivery
- To foster nation-building and social cohesion to give effect to the People's Contract
- To promote the integrated approach to governance for accelerated service delivery
- To support, develop and consolidate initiatives for building a better Africa and a better world
- To promote accelerated and shared economic growth and development with emphasis on the second economy and social inclusion.



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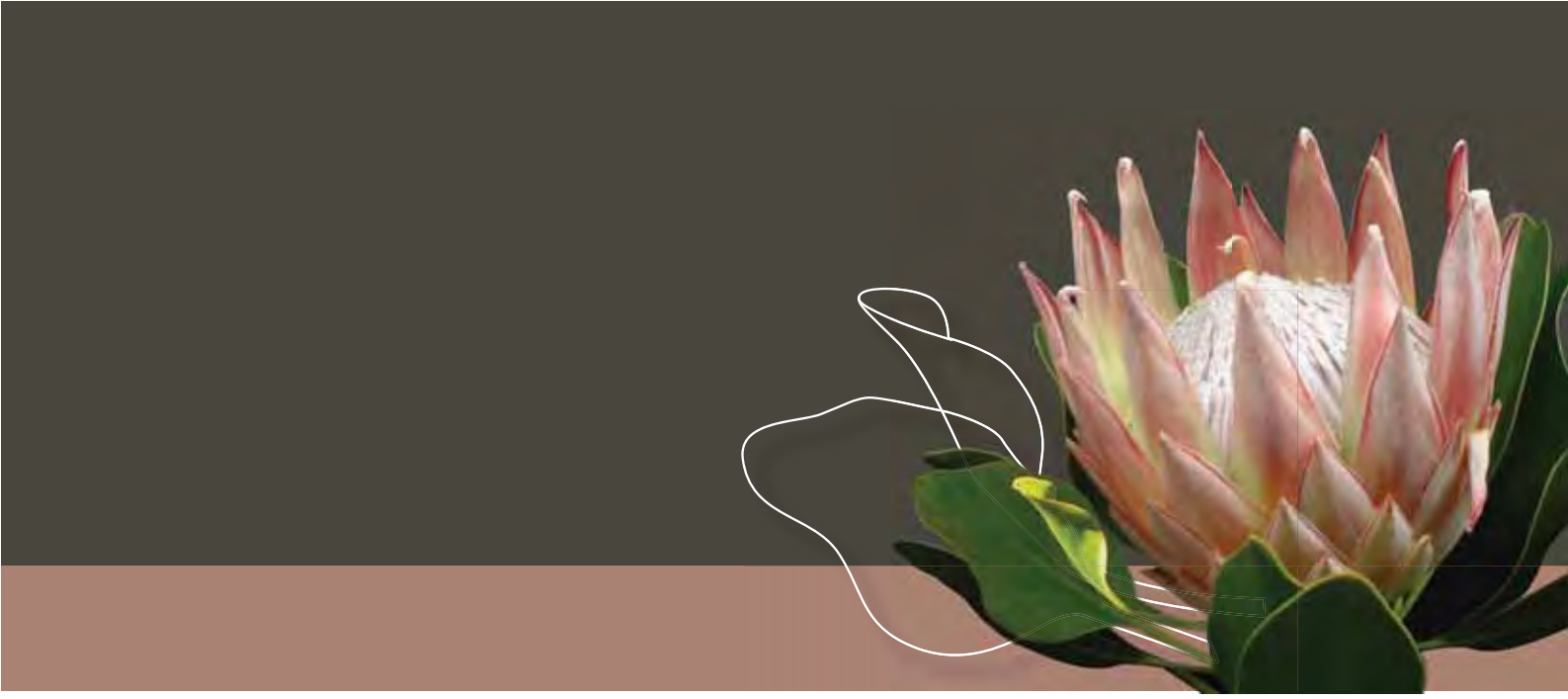

## STRENGTHENING STRATEGIC MANAGEMENT AND LEADERSHIP CAPABILITY

During the reporting period, which coincided with the final year of the 2004-2009 electoral mandate, The Presidency stepped up its work to ensure alignment between policy priorities and the strategies and action plans of national, provincial and local government, and organs of state. It also coordinated and facilitated the development of strategic management and leadership capacity in government and The Presidency.

Government annually reviews the MTSF, which articulates its strategic agenda for the electoral mandate period. The MTSF serves as a guide to budgetary priorities and the Medium Term Expenditure Framework (MTEF) – the three-year spending plans of national and provincial government, published each year at the time of the national budget.

During 2008/09, the *PCAS planning unit* supported the preparation and development of the MTSF. The MTSF update was informed by the outcomes of the July Cabinet *Lekgotla*. The Presidency produced the MTSF Annexure 2008, which reflected government priorities for the remainder of the electoral period ending in 2009. Some of the priorities in the 2008 annexure extend over a period of years to 2011/12.

The Presidency continued working to align provincial growth and development strategies, municipal IDPs and the NSDP. This included evaluation of the degree to which provincial growth and development strategies are supported by various role players, and the extent to which provinces have the capacity to implement these strategies. The evaluation indicated that there were improvements in the planning system. The factors necessary for successful implementation – such as technical capacity, institutional capacity, and administrative and political leadership – vary by province.

The *planning unit* continued work on the NSDP district application project, which began during 2006/07 with 13 pilot sites. This project also works to align district IDPs with the NSDP. During the reporting period this initiative was concluded in five district municipalities and is under way in 20 others. During 2009/10 this initiative will cover the remaining 14 districts and metros. The project has highlighted coordination and integration challenges facing municipalities, as well as structural challenges to be addressed in the overall governance system. To this end, government has launched a five-year programme to improve municipal capacity.

The Presidency worked to streamline and prioritise the legislative programme to allow Parliament to pass urgent bills before the 2009 election. The *Cabinet Office* supported the Leader of Government Business in ensuring that departments prioritised the preparation of bills through joint meetings with Cabinet ministers and their heads of departments. The *Cabinet Office* managed this process closely to ensure adherence to deadlines. Systems development for the efficient management of the legislative programme was taken further in this financial year, with the adoption of a process map that improved the quality of legislation. A total of 88 bills were introduced in the reporting period.

The Presidency refined an electronic template for Cabinet memoranda and distributed this to departments and ministries.

The Presidency commissioned a comparative study on medium-term to long-term planning in six developing countries. The goal was to learn about other experiences with national development planning, and to determine whether these could be of benefit in strengthening South Africa's planning capacity, which is currently based on the five-year MTSF. The research highlighted two key lessons: first, the importance of a coherent long-term vision, and second, the need for strong institutional arrangements and implementation plans. During the January 2009 *Lekgotla*, PCAS presented



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# 1. STRATEGIC ACHIEVEMENTS

an operational plan for strategic development planning capacity at the centre of government.

The *planning unit* led a review of previous scenario exercises, and conducted workshops on the variables and key forces driving South Africa towards 2025. This process informed three possible futures, published under the title *South Africa Scenarios 2025: The future we chose?* The scenarios were officially launched in September 2008. A process of strategic engagement with government departments on the content and implications of the scenarios for their sectors also began during 2008/09, with sessions held with several national departments (Government Communication and Information System, Foreign Affairs, Department of Trade and Industry, the South African Police Service) and two provinces (Gauteng and Limpopo).

Within The Presidency, the *Office of the Director General* supported the Director General in his role as chair of the FOSAD and its management committee. The Presidency provided strategic leadership to ensure continuity in the administration and management of the public service during the transition to the new government in 2009.

The *Office of the Director General* coordinated meetings of top management and the Advisers' Forum, both of which are chaired by the Director General, and which discuss cross-cutting issues that affect the strategic management of The Presidency.

*Legal and executive services* within the Strategy and Operations branch ensured that the constitutional and legal obligations of The Presidency were adhered to and that political powers were exercised within the law. The unit ensured compliance with the Promotion of Access to Information Act (2000), drafted an internal manual of executive acts and a concept paper on handling public files.

The *Office on the Status of Women, Office on the Status of the Disabled, Office on the Rights of the Child* and the youth desk worked to build capacity to bring gender, disability, youth and children's programmes into the mainstream of government and civil society.

The Presidency faced challenges in securing and retaining the requisite skills, particularly in the area of financial controls and supply chain management. The 25 percent vacancy rate within The Presidency during the reporting period had an impact on control functions and the ability of some branches to meet their obligations. The *human resource management* unit works to ensure that The Presidency has the necessary human capital to implement its strategic mandate. The human resource service delivery model identified positions required in The Presidency and will be implemented during 2009/10.

The President endorsed the recommendations of the Independent Commission for Remuneration of Public Office Bearers which led to a change in the remuneration of public office bearers.

During 2008/09 the *information technology and knowledge management systems* unit in the Strategy and Operations branch drafted and approved a strategic information systems plan to guide The Presidency's information technology services for the next three years.

The *Office of the COO* in the Strategy and Operations branch approved the policy on risk management and developed a fraud prevention plan.

The *risk management* unit is located in *Office of the COO*. Branch heads approved the policy on risk management in December 2008. The fraud prevention plan was



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developed during the review period. Upgrading of the security system of the Union Buildings is in progress and expected to be completed in September 2009.

The Leader of Government Business is the Deputy President. *The Office of the Leader of Government Business* commissioned and oversaw a strategic review of bills during the reporting period. The review enabled the quality of a number of bills to be enhanced.

## IMPROVING MANAGEMENT ACCESS AND SHARING OF INFORMATION

The Presidency worked to improve management, access and sharing of information with internal and external stakeholders, and to facilitate effective communication of government policies and programmes.

The Communications branch plays a key role in realising this strategic objective by providing comprehensive communication, research, knowledge and information-management services. The branch developed a 2008/09 communications strategy and conducted a review at the end of the reporting period. It completed a comprehensive online media database to improve communication between The Presidency and local and international journalists.

Internal communications increased access and sharing of information by introducing a daily electronic newsletter (called i-notice), electronic bulletin boards ("i-stations") and static information stations with posters that are updated every two weeks ("i-spots"). It also redesigned The Presidency's intranet site. The two electronic bulletin boards are located in the Union Buildings and provide staff with daily updates.

A selection and acquisitions committee was established to ensure that information resource collection is consultative and relevant to The Presidency. Improvements in the service included converting the publications lending system from manual to electronic, creating topical electronic dossiers, and sharing resources with other institutions.

The Communications branch regularly updated The Presidency's website with content relevant to government and the public. Existing elements were revised and new features, such as audio and video capabilities, were added. The *internal communications and publications* unit also developed and maintained the website for the Commission for the Remuneration of Public Office Bearers.

Communications implemented the use of online platforms that appeal to younger people, such as the Facebook and YouTube social networking sites. The internal communications and publications unit also developed and launched a children's website (www.thepresidency.gov.za/kids/) during the reporting period, which met with critical acclaim.

The National Intelligence Agency, National Communications Centre and National Archives held a workshop with The Presidency staff on dealing with classified information. The Presidency met with the National Archives to ensure efficient archiving, safe storage and retrieval of documents generated during the outgoing administration.

## COORDINATION, MONITORING AND EVALUATION FOR ACCELERATED SERVICE DELIVERY

The Presidency has prioritised the development and maintenance of a coordinated M&E system to track

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Joel Netshitenzhe
Head
Policy Coordination and Advisory Services

outcomes necessary for planning and assessment.

Developing a government wide M&E system entails two simultaneous steps:

- Enhancing or creating functional M&E systems in departments
- Creating strategic M&E systems that draw data from contributory systems.

During 2008/09, The Presidency focused on refining the policy environment for M&E and simultaneously producing strategically placed M&E products for use by the executive.

The *GWM&E unit* in PCAS developed a guideline for M&E in the offices of provincial premiers, and a guideline on how to develop an M&E framework. The latter document presents a 10-step modular approach to develop a functional M&E system. This document will form the basis of a large-scale project on data forums that will allow government to understand the existing administrative data systems, data sets and indicators used according to sector.

The Presidency has undertaken extensive work to strengthen the measurement of government's progress in achieving a better life for all. The Presidency published the *2008 Development Indicators* in July 2008, covering 76 indicators grouped in 10 broad socioeconomic and governance categories. A similar set of indicators was first published in 2007.

Twice a year, The Presidency produces a functionality report assessing 32 indicators that serve as early warning tools for the President and Deputy President on the functioning of government departments.

The Presidency monitors government's Programme of Action, with updates every two months. An information management system acts as a central repository for updated information on the implementation of priority programmes announced in the President's annual State of the Nation Address. The *Cabinet Office* works with Cabinet to monitor progress in the implementation of these priorities through reports received on a bimonthly basis and publicised on the website. In 2008/09 *GWM&E unit* monitored 309 activities in the Programme of Action.

In addition to the regular progress reports, follow-ups were scheduled to expedite and finalise matters prior to the incoming administration.

The Deputy President visited all provinces during 2007 and 2008 to strengthen intergovernmental planning and M&E.

PCAS coordinated the production of *Towards a Fifteen Year Review: Synthesis Report*. The process included commissioning 54 research papers on various topics and synthesising the research into a single discussion document. The process was overseen by a reference group chaired by the Minister in the Presidency.

The President launched the 100th Thusong Service Centre in rural KwaZulu-Natal as part of monitoring and promoting service delivery. Community members access information on government programmes and services at these multipurpose centres.

## FOSTERING NATION-BUILDING AND SOCIAL COHESION

The Presidency provided leadership and facilitated participatory governance to support nation-building and strengthen social cohesion.

Following widespread attacks on foreign nationals during the reporting period, the President officiated at the national memorial tribute for the victims of xenophobia. The Deputy President

visited a number of areas affected by the attacks. Government cooperated with communities, civil society and business to lead efforts to reintegrate foreign nationals into communities from which they had fled.

The President officiated at commemorative and celebratory events on public holidays such as Human Rights Day, Freedom Day, Youth Day, Women's Day and the Day of Reconciliation. He attended the closing ceremony of the 16 Days of Activism for No Violence Against Women and Children, which was held in Queenstown, Eastern Cape.

The Presidency strengthened public participation through the *Izimbizo* programme (see Table 9a), which facilitates direct communication with communities. The President attended four *Izimbizo* in 2008/09. The Presidency continued to enhance monitoring, reporting and evaluation systems to track progress on issues raised at these forums. PCAS led a process to review the *Izimbizo* programme; its recommendations will be presented to the incoming government.

The National Orders (see Table 10) play an important role in nation-building by acknowledging outstanding achievements and contributions to South Africa. The Presidency held three successful National Orders award ceremonies. The *protocol and ceremonial services* unit in the Strategy and Operations branch coordinated these ceremonies, along with the President's participation in the opening of Parliament, state banquets, official funerals and conferences. The unit facilitated the official funeral of former Minister of Intelligence, Joe Nhlanhla, and the condolence books for the late Miriam Makeba.

Traditional leadership is recognised as an important repository of South Africa's cultural heritage. The Deputy President executed her political oversight over selected traditional leaders' affairs in collaboration with the Department of Provincial and Local Government and the National House of Traditional Leaders.

The Deputy President promotes cooperation and public support for the National Strategic Plan on HIV and AIDS by chairing the South African National AIDS Council. Government has stepped up its treatment and support programme, which is the largest in the world. The Deputy President led a delegation to the XVII International AIDS conference in Mexico in August 2008.

The Deputy President supported the Moral Regeneration Movement in its preparations for the adoption of the Charter on Positive Values in July 2008.

Other projects contributing to social cohesion and nation-building included the launch of the War on Poverty campaign at national and provincial level. This comprehensive campaign aims to reduce household poverty and to provide a basket of services available to families in dire need. The Deputy President hosted a media event at the outset of the initiative and launched the campaign in the North West and KwaZulu-Natal provinces. The Presidency established the national war room on poverty, which has been replicated in the provinces to coordinate local efforts.

Sport plays an important role in strengthening social cohesion and nation-building. The Presidency continued to support and monitor the vast array of construction and other projects associated with the 2010 FIFA World Cup, which remain largely on track.

The Spousal Office, in Partnership with the South African Human Rights Commission, launched a programme

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called Ambassadors for Human Rights in eight provinces. This programme was championed and initiated by the spouse of the Deputy President.

## PROMOTING INTEGRATED GOVERNANCE FOR ACCELERATED SERVICE DELIVERY

The Presidency provides leadership to improve the capacity and organisation of the state. These efforts promote integrated governance for accelerated service delivery, sustainable development and accountability.

Effective and efficient service delivery hinges in large measure on how government synchronises its activities. The Presidency has consistently worked towards the goal of integrated governance. During the review period, the *Cabinet Office* conducted briefing sessions with the newly appointed President, Deputy President and ministers to facilitate a seamless transition in the management of Cabinet business.

The FOSAD fosters an integrated approach to governance with a view to improve government planning, decision-making and service delivery. The FOSAD *Secretariat* coordinated meetings of the forum's management committee and a wide range of other meetings. These included the fortnightly and monthly meetings of the FOSAD clusters to deal with the planning and implementation of policies and programmes in an integrated, coordinated and cooperative manner.

The secretariat also coordinated FOSAD's policy support to ministerial Cabinet committees and the Cabinet *Makgotla*. Clusters deliberated on government's Programme of Action and prepared bimonthly reports to Cabinet and for publication on the government website. Clusters also prepared, reviewed and commented on documents dealing with policy matters emanating from the departments before they were tabled in Cabinet for approval.

The *governance and administration* unit in PCAS undertook a review of the government cluster system. The review recommended improving horizontal coordination at national government level.

*Governance and administration* worked on implementation of the occupation-specific dispensations for professionals in the health, education and legal fields. The unit supported implementation of the five-year local government strategic agenda to improve capacity in municipalities, and conducted a policy review of provincial and local government. Progress was made in moving towards a single public service – an initiative to harmonise conditions of service throughout government departments at national, provincial and local level.

To ensure coordination across the tiers of government, the President convened four Presidential Coordinating Committee meetings. This committee, chaired by the President, includes the Deputy President, Cabinet ministers, provincial premiers, provincial directors general and the South African Local Government Association.

To promote integrated governance and improve service delivery, The Presidency convened working groups on youth, religion, higher education, agriculture, commercial agriculture, business and women. To enhance integration, joint working groups, combining members from various working groups, were held to discuss cross-cutting issues.

The Presidency continued work on regulatory impact assessment. The RIA initiative aims to strengthen strategic



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management capacity and capability across government by assessing the anticipated impact of regulatory measures and identifying areas of policy overlap. During the review period, the *economic sector* unit in PCAS consolidated capacity for RIA through training, filling posts, institutionalising processes and systems, and reflecting on lessons learnt in the pilot phase.

The *justice, crime prevention and security* unit in PCAS participated in the corresponding Cabinet cluster to address issues such as the need to reduce contact crimes, crimes against women and children, the management of awaiting-trial detainees, rehabilitation of offenders and border control matters. The unit took part in research to assess the impact of crime on business, and on the efficiency of the criminal justice system.

A number of units in The Presidency contributed to the preparation of the framework for South Africa's response to the international economic crisis.

The President hosted a special joint working group to deal with the electricity crisis. A decision was taken to form the National Stakeholder Advisory Council on Electricity, made up of government, business, labour and civil society, and chaired by the President. The council developed an action plan to increase energy efficiency and savings, to increase supply of electricity, and to provide advice on pricing. It works closely with the National Electricity Response Team and feeds into the Inter-ministerial Committee on Energy.

The *Office on the Status of Women* coordinates the national gender machinery – a term that refers to structures in government, the legislature, Parliament and statutory bodies such as the Commission on Gender Equality. The office facilitated the work of the presidential working group on women and participated in a range of training, advocacy and awareness-raising activities throughout the year, with a particular focus on National Women's Month and the 16 Days of Activism.

The *Office on the Status of Disabled Persons* hosted the National Disability Summit on the UN Convention on the Rights of Persons with Disabilities. About 500 delegates from national and provincial departments, the business sector and organisations representing people with disability attended the summit. Workshops associated with the convention were held in 70 municipalities in six provinces. The national disability policy was finalised.

The *Office on the Rights of the Child* established children's rights desks in 60 percent of district and local municipalities. The office tracked progress on the delivery of children's rights over the past 15 years. A situation analysis report was released in the final quarter of 2008/09. The office conducted a study on child killings that will be released in 2009/10.

The Presidency worked to establish the National Youth Development Agency through the merger of the National Youth Commission and Umsobomvu Youth Fund.

## INITIATIVES FOR BUILDING A BETTER AFRICA AND A BETTER WORLD

The Presidency provided leadership in a range of international initiatives that contribute to peace, stability, security, democracy and good governance for sustainable development. This is in keeping with South Africa's continuing efforts to reduce conflict and to promote reconstruction of post-conflict societies, particularly on the African continent, as well as efforts to transform multilateral

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institutions, such as the UN and World Bank.

A number of branches and units oversee and implement interventions to achieve this strategic objective. The Director General played a key role in overseeing the international programme of the President, Deputy President and the Minister in The Presidency. *International relations and trade* within PCAS is responsible for facilitating the integrated coordination and implementation of government's international relations, trade, and peace and security priorities. *Protocol and ceremonial services* in the Strategy and Operations branch coordinated the international programmes of the President and Deputy President.

The Presidency supported the President's participation in a range of multilateral engagements with the UN, AU, SADC, IBSA, G8 and the G20 to build a better Africa and a better world.

The SADC appointed the President to facilitate negotiations to assist in the formation of a unity government in Zimbabwe. In addition, the Director General was appointed as a special envoy to the Zimbabwean negotiations and a member of the facilitation team. South African mediation helped the parties to reach an agreement to form an inclusive government.

Within The Presidency, *the Office of the Director General* coordinated four meetings of the NEPAD 6+2 – a forum of six directors general and two NEPAD representatives. The forum provides support to the NEPAD Steering Committee and the NEPAD Heads of State and Government Implementation Committee. NEPAD 6+2 also oversees the activities of the NEPAD Secretariat and the APRM Secretariat.

The *Office of the Director General* coordinated the third meeting of the Forum of the Secretaries of Cabinet and Permanent Secretaries/Directors General to Heads of State and Government in the SADC region in October 2008. The purpose of the forum is to strengthen the implementation of resolutions and decisions of the SADC, NEPAD and the AU. The forum is chaired on a rotational basis, and the meeting took place as South Africa began a one-year term as SADC chair in August 2008.

The *Office on the Status of Disabled Persons* participated in the first conference of state parties on the UN Convention on the Rights of Persons with Disabilities and was elected as vice-chair of the Africa bureau.

The *Office on the Status of Women* participated in the signing of the SADC Protocol on Gender and Development in August 2008. The office also participated in the development of the AU gender policy, which was adopted by the AU heads of state in January 2009.

In line with the SADC Protocol on Gender and Development, the *Office on the Status of Women* co-hosted a joint monitoring committee on improving the quality of life and status of women. The Presidency compiled and submitted a report on South Africa's progress in implementing the Convention on the Elimination of all Forms of Discrimination against Women for the period 1998 to 2008.

The *Office on the Rights of the Child* participated in the Africa Preparatory meeting for the III World Conference on Sexual Exploitation of Children and Adolescents in September 2008, and subsequently presented South Africa's progress report to the world conference, which took place in Brazil in November 2008.



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The *Office on the Rights of the Child* facilitated the process for South African children to participate at the Junior G8 Summit in Japan in July 2008. The office also participated in the SADC Forum on the Development of a Regional Strategy on Orphans, Vulnerable Children, and Youth in Gaborone, Botswana in July 2008.

In his capacity as chair of the SADC, the President met with former Nigerian President Olusegun Obasanjo, who serves as the AU-appointed facilitator in the Democratic Republic of Congo. The President paid a working visit to Sudan to meet with President Omar al-Bashir and the leadership of the Southern Sudan to facilitate implementation of the comprehensive peace agreement.

The President hosted a number of heads of state, including:

- President Laurent Gbagbo of Côte d'Ivoire
- President Susilo Bambang Yudhoyono of Indonesia
- President Umaru Yar'Adua of Nigeria
- President Hosni Mubarak of Egypt
- President Hugo Chavez of Venezuela.

The President attended various international meetings, including:

- The Africa-India summit, held in New Delhi, India, in April 2008.
- The South Africa-EU Summit, held in Bordeaux France, in July 2008. The annual meeting reinforced strong trade and political relations between South Africa and the EU.
- The July 2008 G8 summit, held in Japan. During this event, the President encouraged the G8 countries to fulfil the development commitments made at the Gleneagles summit in 2005, including the doubling of annual aid budgets to Africa to $50 billion by 2010.
- The October 2008 IBSA summit in New Delhi.
- The November 2008 G20 meeting, held in Washington, to address the global economic crisis.
- The World Economic Forum, held in Davos, Switzerland, in January 2009.
- The February 2009 AU summit in Addis Ababa, Ethiopia, which focused on infrastructure development on the continent.

## PROMOTING ACCELERATED AND SHARED ECONOMIC GROWTH

Promoting accelerated and shared economic growth is a key requirement for poverty alleviation and job creation.

In the 2008 State of the Nation Address, the President announced the War on Poverty campaign. The *social sector* unit in PCAS led the drafting of the anti-poverty strategy and the development of an implementation plan. The Presidency developed the infrastructure for the war room associated with this campaign. The *social sector* unit began implementing the programme to support pro-poor policy development and the national income dynamics study.

The AsgiSA initiatives play a central role in promoting economic growth. The *economic sector* unit of PCAS supported the Deputy President in her strategic leadership of AsgiSA.

The *economic sector* unit supported the President and Deputy President to develop and coordinate the response to the electricity emergency. This culminated in the formation of the

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National Electricity Response Task Team and a National Stakeholder Advisory Council on Electricity. The Deputy President appointed energy champions to promote government's energy-efficiency campaign.

The joint presidential economic working group led government's response to the global financial crisis, launching the framework for South Africa's response to these events in February 2009. The working group created five task teams to implement the framework. The teams cover leadership, investment and financing, social interventions, employment and distressed sectors.

The JIPSA programme is an AsgiSA intervention to address priority skills shortages holding back economic development. The *economic sector* unit worked to ensure a smooth transition of JIPSA to the National Human Resource Development Strategy.

Through extensive consultation, the *economic sector* unit developed a framework for regulators in "network" industries (energy, telecommunications, water and transport). The framework will be finalised in 2009/10.

The unit provided support for the development of industrial sector strategies. During the reporting period, Cabinet approved the mineral beneficiation strategy. The strategy identifies the scope of minerals refining and manufacturing, with the goal of increasing value added locally, technical capacity and employment.

The unit focused on sector strategies being developed for forestry, tourism and set-top box manufacturing, which will strengthen the local electronics manufacturing industry.

The *economic sector* unit provided support to initiatives to improve the local business environment, including a small, medium and micro enterprise review project initiated by the Department of Trade and Industry.

The *Office on the Status of Disabled Persons* worked on economic empowerment projects to promote inclusion of people with disabilities in economic activity. A web-based recruitment database for unemployed persons with disabilities was developed.

The *spousal office* worked collaboratively with the South African Women in Dialogue, a project initiated by the former First Lady in 2003 that brings participants together to promote women's empowerment and development.

The *Private Office of the President* and the *economic sector* unit supported the President in a number of meetings related to economic development:

- The President met twice with the International Investment Council. These meetings focused on the negative economic climate and discussed the 15-year review and scenario planning.
- The Presidential International Advisory Council on Information Society and Development met in September 2008 to assess progress on government's use of information and communication technology to assist in economic development and information dissemination.
- The President attended the World Economic Forum's Africa Summit in June 2008. The theme was "capitalising on opportunity" to support growth and innovation.



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The President hosted a number of meetings to discuss the promotion of accelerated and shared economic growth. These include the Panel of Economic Advisers, the special presidential joint working group, the joint economic working group, the National Stakeholder Advisory Council on Electricity, the big business working group, the commercial agriculture working group and the black business working group.

# 2

# SUMMARY DESCRIPTION OF PRESIDENCY BRANCHES

Ken Terry
Deputy Director General
Strategy and Operations

## 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:

- Corporate services
- Financial management
- Legal and executive services
- Protocol and ceremonial services.

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

### Office of the Director General

The Director General is the strategic head of The Presidency, and supports the President in the fulfilment of his leadership role and constitutional responsibilities. As Secretary to Cabinet, the Director General facilitates the alignment of departmental policies with government's priorities. The Director General, supported by the head of PCAS and the COO, assists the President through reports on oversight of the implementation of government's programmes; advice on interventions to facilitate the achievement of government's strategic agenda; and coordination of government through FOSAD, the National Security Council and sector clusters of directors general.

### Office of the Chief Operations Officer

The 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 operation of all branches in meeting the objectives as set out in the Strategic Plan of The Presidency. All heads of branches, the Chief Financial Officer, the heads of risk management, 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 unit is also responsible for maintaining sound financial management and administration in line with the PFMA and Treasury regulations.

### Internal audit

*Internal audit* has the primary responsibility to provide objective oversight of The



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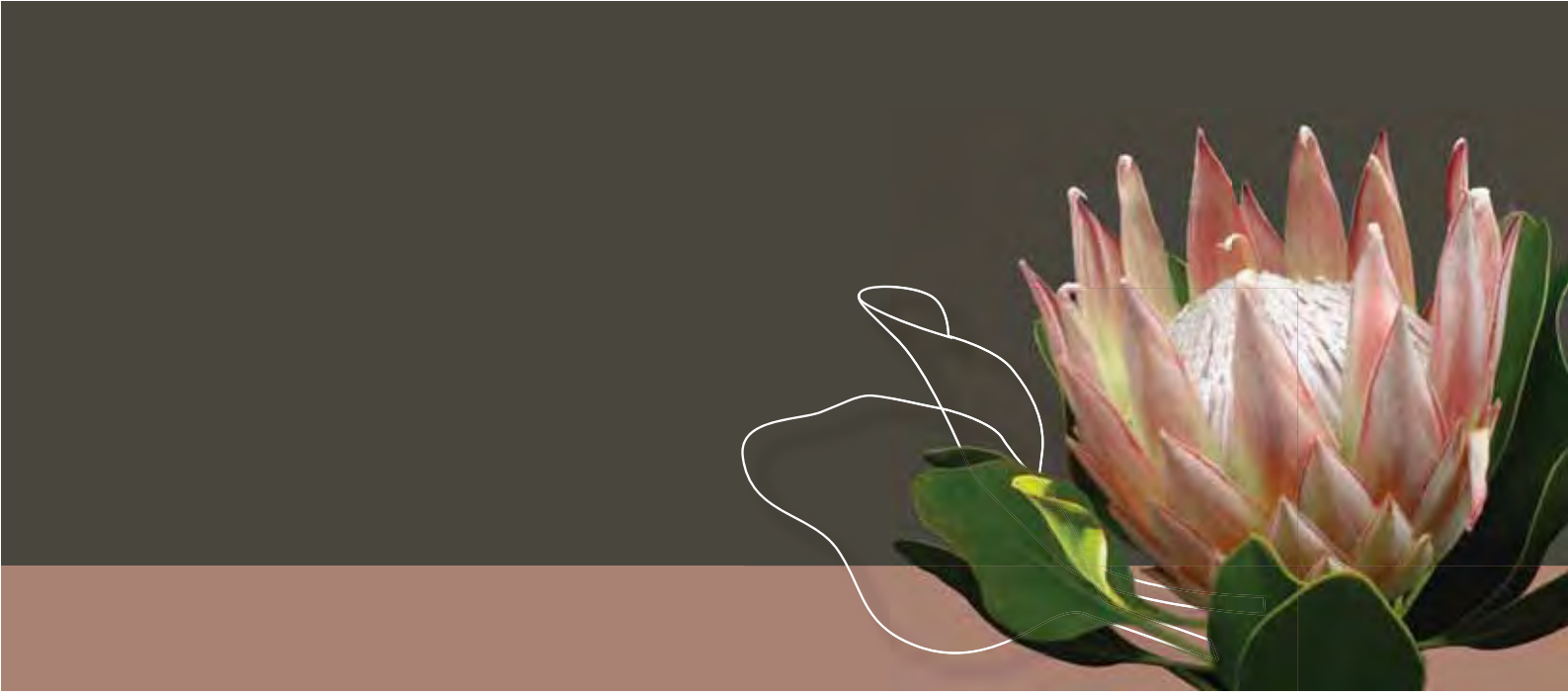

Presidency's operations for effective and efficient management of resources as required by the PFMA, Treasury regulations and professional auditing standards. The unit assesses, evaluates and provides advice to improve risk management, internal control and governance processes.

## Internal security

*Internal security* is responsible for ensuring a safe and secure environment in The Presidency and at the residences of the political principals, and liaises with other state agencies to enhance security. It is required to ensure the adherence of The Presidency staff to the minimum information security standards, occupational health and safety standards and other standards as required by security legislation.

## 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, composed of risk officers from each branch, meets regularly to monitor the risk environment and the mitigation of risks.

## 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 and knowledge management

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

### Household and accommodation

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

### Protocol and ceremonial services

*Protocol and ceremonial services unit* 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 law. The unit provides administrative support to the Independent Commission for the Remuneration of Public Office Bearers.

## PRIVATE OFFICE OF THE PRESIDENT

The Private Office of the President is responsible for planning, coordination and support to ensure that the President is able effectively to perform his responsibilities as head of state. The branch manages the President's diary and coordinates the domestic and international programme together with other stakeholders.

In addition, the branch provides professional support service to the Minister in The Presidency in the execution of his constitutional and legal obligations. The office also gives support to the spouses of the President and Deputy President in the execution of their functions.

The office consists of the following units:

- Office of the Deputy Director General
- Personal support and advisory services
- Spousal office
- Ministerial services.



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# 2. SUMMARY DESCRIPTION OF PRESIDENCY BRANCHES

Anne Letsebe
Deputy Director General
Cabinet Office

## PRIVATE OFFICE OF THE DEPUTY PRESIDENT

The Private Office of the Deputy President is responsible for planning, administering and coordinating strategic support services to the Deputy President. The branch is composed of the *Deputy Director General, personal support services,* and the *strategy and special projects* chief directorates.

The Private Office of the Deputy President focuses on formalising functions and responsibilities, improving coordinating and oversight mechanisms, institutionalising systems and processes, aligning and enhancing the structure of the office, and enhancing the effectiveness of the Leader of Government Business function.

*The strategy and special projects* chief directorate provides strategic support to the Deputy President in areas such as the comprehensive anti-poverty strategy, the South African National AIDS Council, AsgiSA, JIPSA, the 2010 FIFA World Cup, and programmes that promote social cohesion and economic inclusion. The office coordinates several inter-ministerial committees to manage these responsibilities.

*The personal support services* chief directorate is responsible for overall administrative support to the Deputy President.

## COMMUNICATIONS

The Communications branch is responsible for providing communication, 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 of four units:

- *Media liaison* functions as the interface between The Presidency and the mass media, is responsible for cultivating and maintaining good relations with reporters and editors, 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 Minister.
- *Public participation* supports 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, op-ed articles, letters to the editor 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's intranet.

## 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 coordination; oversight, monitoring and the implementation of government policy; and maintaining the effectiveness and integrity of government systems.



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

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

## POLICY COORDINATION 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 the implementation of programmes. It advises the President, Deputy President and Minister 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, the directors general clusters and national departments.

PCAS consists of nine units. In the area of policy these are:

- Economic sector
- Social sector
- International relations and trade
- Justice, crime prevention and security
- Governance 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
- GWM&E
- FOSAD secretariat and corporate support services.

Dr Alan Hirsch
Deputy Director General
Policy Coordination and Advisory Services



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# 3

# TABLES

## TABLE 1: CABINET AND CABINET COMMITTEE MEETINGS

| | |
|---|---|
| Cabinet Committee for Justice, Crime Prevention and Security | 12 |
| Cabinet Committee on Governance and Administration | 20 |
| Cabinet Committee for the Social Sector | 20 |
| Cabinet Committee on International Relations, Peace and Security | 9 |
| Cabinet Committee for the Economic Sector | 20 |
| Cabinet Committee on Investment and Employment | 4 |
| Cabinet, including two extended planning meetings (Makgotla) | 28 |

## TABLE 2: MEETINGS OF PRESIDENTIAL WORKING GROUPS

| | |
|---|---|
| Joint working group | 12 May 2008 |
| Higher education working group | 13 May 2008 |
| Agriculture working group | 20 May 2008 |
| Youth working group | 6 June 2008 |
| Women's working group | 24 June 2008 |
| Commercial agriculture working group | 11 August 2008 |
| Religious working group | 19 August 2008 |
| Special joint social sector working group | 25 November 2008 |
| Special joint economic sector working group | 4 December 2008 |
| Special joint economic sector working group | 24 February 2009 |
| Big business working group | 29 February 2008 |
| Black business working group | 4 March 2009 |



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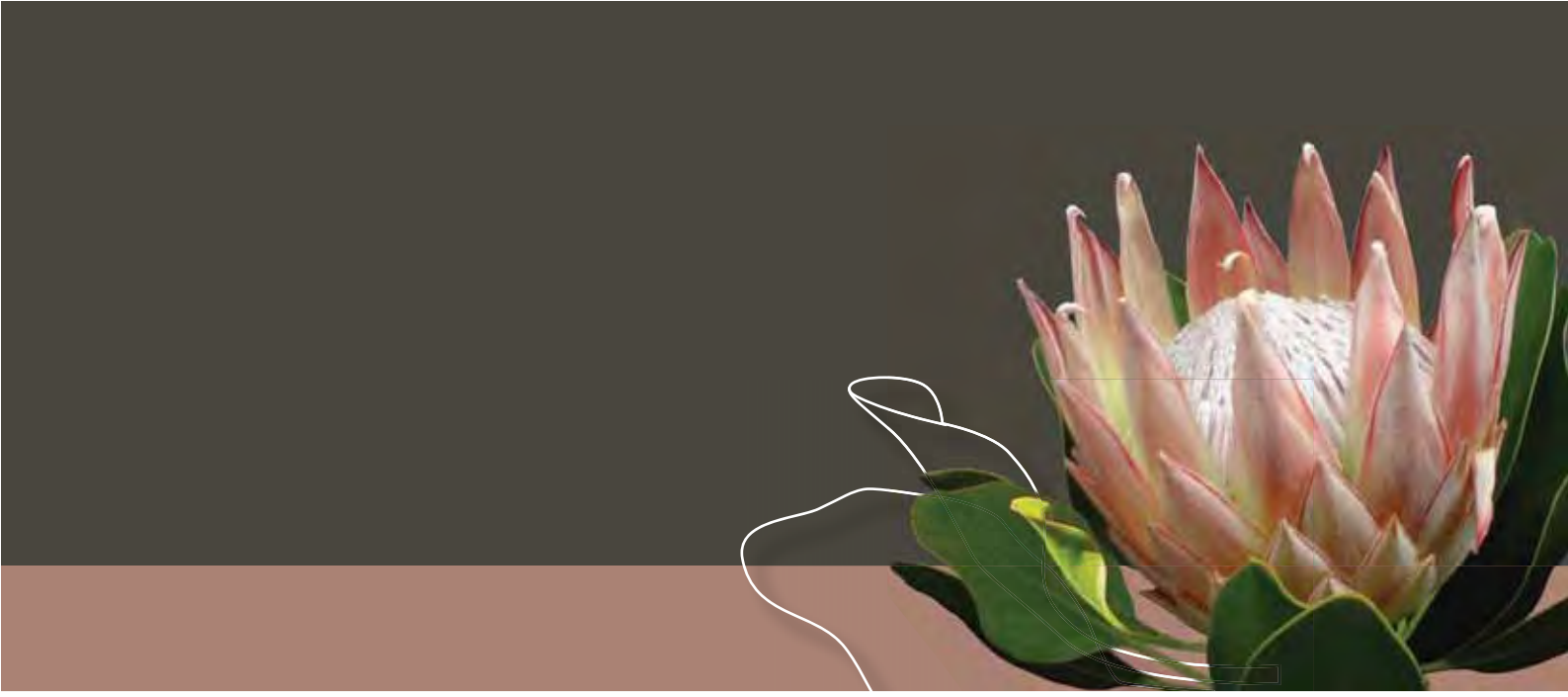

## TABLE 3: MEMBERS OF THE INTERNATIONAL INVESTMENT COUNCIL

| | |
|---|---|
| Mr Masaki Miyaji | Corporate Adviser Mitsubishi Corporation |
| Mr Niall Fitzgerald KBE | Chairman Reuters Group PLC |
| Dr Martin Kohlhaussen | Chairman of Supervisory Board of Commerzbank AG |
| Prof Dr H C Juergen Schrempp | Former Chairman of the Board of Management of DaimlerChrysler |
| Mr Ratan Tata | Chairman of Tata Sons Limited |
| Tan Sri Dató Mohd Hassan Marican | President and CEO of Petroliam Nasional Berhad (PETRONAS) |
| Mr Percy Barnevik | Chairman of the Board of AstraZeneca PLC |
| Sir Samuel Jonah | Non-executive Chairman Anglo Gold Ashanti |
| Mr Frank Savage | Chief Executive Officer of Savage Holdings |
| Ms Anne Lauvergeon | Chairman of the Executive Board of AREVA |
| Mr Lakshmi Mittal | Chairman and CEO, Mittal Steel Company |
| Mr William Rhodes | Senior Vice-Chairman, Citigroup, and Chairman, Citibank |
| Mr Viktor Vekselberg | Chairman Renova |
| Mr Roger Agnelli | CEO Companhia Vale do Rio Doce (CVRD) |
| Sir Anthony O'Reilly | Chairman Independent News & Media |

## TABLE 4: MEMBERS OF THE PANEL OF ECONOMIC ADVISERS

| |
|---|
| Dr Iraj Abedian |
| Dr Haroon Bhorat |
| Dr Ruel Khoza |
| Mr JP Landman |
| Ms Viv McMenamim |
| Mr Lumkile Mondi |
| Ms Gloria Serobe |
| Dr Rejoice Simelane |

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# 3. TABLES

## TABLE 5: MEMBERS OF THE ADVISORY COUNCIL ON NATIONAL ORDERS

| | |
|---|---|
| Ms Mary Burton | Dr John Kani |
| Mr Fred Brownwell | Mr Ahmed Kathrada |
| Ms Sophia Williams De Bruyn | Prof Christina Landman |
| Prof Brian Figaji | Ms Ruth Mompati |
| Bishop Malusi Mpumlwana | Dr Yvonne Muthien (Chairperson) |
| Mr Mendi Msimang | Lt-Gen Gilbert Ramano |

## TABLE 6: MEMBERS OF THE AUDIT COMMITTEE (AS ON 1 JANUARY 2009)

| |
|---|
| Mr George Negota (Chairperson) |
| Ms Nopasika Lila (Deputy Chairperson) |
| Ms Lorraine Francois |
| Mr Stewart Patterson |

## NAMES OF FORMER AC MEMBERS (UNTIL 31 DECEMBER 2008)

| |
|---|
| Ms Zodwa Manase (Chairperson) |
| Mr Ebie Seedat |
| Mr Ncedo Mlamla |

## TABLE 7: MEMBERS OF THE NATIONAL STAKEHOLDER COUNCIL ON ELECTRICITY

| |
|---|
| Mr Jerry Vilakazi |
| Prof Raymond Parsons |
| Dr Laurraine Lotter |
| Mr Roger Baxter |
| Ms Friede Dowie |
| Mr Hans van der Merwe |
| Ms Simi Siwisa |



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## TABLE 8: PRESIDENTIAL ADVISORY COUNCIL ON INFORMATION SOCIETY AND DEVELOPMENT

| | |
|---|---|
| Mr Sergio Giacoletto | Vice-President, Europe & Africa Oracle Corporation |
| Ms Esther Dyson | Chair, EDventure Holdings Inc. |
| Mr David Potter | Chair, Psion Plc |
| Dr. Henry Chasia | Executive Deputy Chairperson, Nepad eAfrica Commission |
| Mr Mark Shuttleworth | Director, HBD Venture Capital |
| Prof Seymour Papert | Founding Faculty Member, Media Laboratory |
| Mr Rudi Lamprecht | Board Member, Siemens AG |
| Mr Jacques Dunogue | President of Area 4, Alcatel |
| Mr Jorma Ollila | Chairman & CEO, Nokia |
| Mr Reza Madhavi | Vice President EMEA, Cisco Systems Europe |
| Prof Hasso Plattner | Chairman and CEO, SAP AG |
| Mr Jean-Phillipe Courtois | President of Microsoft Europe, Middle – East and Africa, Microsoft EMEA |
| Mr Hans Ulrich Maerki | Chairman of the Board, IBM, EMEA SAS |
| Mr Mark Hurd | CEO & President, HP |
| Prof Manuel Castells | Professor of Sociology, University of California, Berkley |
| Mr Thierry De Beaucé | Special Adviser to the Chairman for International Affairs, Vivendi |
| Mr Masood Jabbar | Executive Vice President, Global Sales Operations, Sun Microsystems Inc |
| Ms Carly Fiorina | Former CEO, HP |
| Mr Rajendra S Pawar | Chairman, NIIT |
| Mr Craig McCaw | Chairman & CEO, Eagle River |

## TABLE 9 A: IZIMBIZO OF THE PRESIDENT AND THE DEPUTY PRESIDENT

| Province | Date |
|---|---|
| Mpumalanga | June 21-22 |
| Free State | August 2-3 |
| North West | August 23-24 |
| Eastern Cape | September 13-14 |

## TABLE 9 B: DEPUTY PRESIDENT'S PROVINCIAL OVERSIGHT VISITS

| Province | Date |
|---|---|
| Limpopo | 21 April 2008 |
| Mpumalanga | 21 June 2008 |
| North West | 23 August 2008 |
| Eastern Cape | 20 February 2009 |
| Mpumalanga | 28 February 2009 |

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## TABLE 10: CATEGORIES OF NATIONAL ORDERS

| | |
|---|---|
| The Order of Mapungubwe | Awarded to South African citizens for achievements that have impacted internationally and served the interests of the Republic of South Africa. The first and highest category of this order is awarded in platinum for exceptional achievement, while the second-highest category is gold, awarded for excellent achievement. A third category in this order is bronze, awarded for outstanding achievement. |
| The Order of Ikhamanga | Awarded in recognition of excellence in the fields of sports, the arts, literature, culture, music and journalism. The order is awarded in gold for exceptional achievement, in silver for excellent achievement and also in bronze for outstanding achievement. |
| The Order of the Mendi Decoration for Bravery | Awarded to South Africans who have performed acts of bravery. The act of bravery may have occurred anywhere in the world. This order is awarded in gold for exceptional acts of bravery in which recipients would have placed their lives in great danger or may have lost their lives in their efforts to save lives or property, in silver for extraordinary acts of bravery through which recipients' lives were placed in great danger while saving or trying to rescue persons or property, and in bronze for outstanding acts of bravery through which their lives were endangered while saving or trying to rescue persons or property. |
| The Order of Luthuli | Awarded to South Africans who have served in the interests of South Africa and who have made important contributions in one or all of the following areas: peace and justice, conflict resolution, nation-building, human rights and the struggle for democracy. The order is awarded in gold for exceptional contribution in any of these fields, in silver for excellent contribution and in bronze for outstanding achievement. |
| The Order of the Baobab | Awarded to South African citizens for exemplary service in the fields of business and the economy, science, medicine, technological innovation and community service. The Supreme Counsellor of the Baobab is awarded in gold to people who have provided exceptional service; the Grand Counsellor of the Baobab is awarded in silver for excellent service; and the Counsellor of the Baobab is awarded for outstanding service. |
| Order of the Companions of OR Tambo | Awarded to foreign nationals and dignitaries for their friendship to South Africa. The order is awarded for matters pertaining to peace, cooperation, international solidarity and support. The Supreme Companion of OR Tambo in gold is awarded to those who have actively promoted the interests and aspirations of South Africa through excellent cooperation and active expression of solidarity and support; the Grand Companion of OR Tambo in silver is awarded to those who have actively promoted South Africa's interests and aspirations through outstanding cooperation; and the Companion of OR Tambo in bronze is awarded to those who have actively promoted the interests and aspirations of South Africa through cooperation, solidarity and support |

The President officiates at all National Orders ceremonies as Grand Patron. The ceremonies are attended by the Chancellor of the National Orders, (the Rev Frank Chikane during 2008/09), members of the Advisory Council on National Orders, recipients and family members, as well as several cabinet ministers

## TABLE 11: NATIONAL ORDER RECIPIENTS

| April 2008<br>The Order of the Companions of OR Tambo | |
|---|---|
| Category II: Silver | Jerry Dunfey<br>V.K Krishna Menon<br>Per Wästberg |
| Category III: Silver | Linda Biehl |



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| The Order of the Baobab | |
|---|---|
| Category I: Gold | Sydney Kentridge<br>Pius Langa |
| Category II: Silver | Raymond "Bill" Hoffenberg (Posthumous)<br>Theo Kotze (Posthumous)<br>Ruth Machobane<br>Winston Njongonkulu Ndungane<br>Wiseman Nkuhlu<br>Franklin Sonn |
| Category III: Bronze | Filippus Letladi Mminele (Posthumous)<br>Zodwa Mqadi<br>Rebecca Beka Ntsanwisi |
| The Order of Luthuli | |
| Category I: Gold | James Arthur Calata (Posthumous)<br>Robert Resha (Posthumous)<br>Walter Rubusana (Posthumous) |
| Category II: Silver | Himan Bernadt (Posthumous)<br>Jean Bernadt<br>Bertha Gxowa<br>Josiah Jele<br>Zolile Malindi<br>Barbara Masekela<br>Nana Henrietta Moabi<br>Billy Modise<br>Victoria and Griffiths Mxenge (Posthumous)<br>Maggie Resha (Posthumous)<br>Vesta Smith<br>Chanderdeo "George" Sewpershad (Posthumous) |
| October 2008<br>The Order of Mendi for Bravery | |
| Category I: Gold | Thamsanqa Blessing Fihlela "Hugo Nkabinde" (Posthumous)<br>Nomava Shangase (Posthumous) |
| The Order of Ikhamanga | |
| Category I: Gold | Richard Victor Selope Thema |
| Category II: Silver | Peter Henry Abrahams<br>Ronnie Govender<br>Bryan Habana<br>Alfred Hutchinson (Posthumous)<br>Barbara Jurgens<br>Keorapetse William Kgositsile<br>Sibongile Khumalo<br>Ladysmith Black Mambazo<br>Zakes Zulu Mokae<br>Percival Montgomery<br>Lionel Morrison<br>George Mxadana<br>Lauretta Ngcobo |
| | Lewis Nkosi<br>Makhaya Ntini<br>Patrick "Ace" Ntsoeleng<br>Shaun Maclean Pollock<br>Stanley Sono<br>Miriam Tlali |

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| The Order of Mapungubwe | |
|---|---|
| Category I: Gold | Doris Lessing |
| Category II: Silver | Douglas Butterworth<br>Wieland Gevers<br>Phuthi Ngoepe<br>Timothy David Noakes<br>Pragasen Pillay |
| March 2009<br>The Order of the Baobab | |
| Category II: Silver | Irene Menell<br>Roelf Petrus Meyer<br>Ethel Normoyle<br>Cyril Ramaphosa<br>Aanon Michael Rosholt |
| Category III: Bronze | Masenyeki Priscilla Mokone (Posthumous)<br>Khoza Elliot Mbuyisa Mgojo<br>Malethola Maggie Nkwe<br>Rashaka Frank Ratshitanga |
| The Order of Luthuli | |
| Category II: Silver | Kader Asmal<br>Brian Bunting (Posthumous)<br>Tlou Theophilus Cholo<br>Denis Theodore Goldberg<br>James Arnold la Guma (Posthumous)<br>Rebecca Masilela (Posthumous) |
| Category III : Bronze | Jacqueline Daane-van Rensburg<br>Ayesha "Bibi" Dawood (Yusuf Mukadam)<br>Maria Nothobile Hlazo<br>Nomhlangano Beauty Mkhize<br>Lydia Ngwenya |
| The Order of the Companions of OR Tambo | |
| Category I: Gold | Fidel Alejandro Castro Ruz |
| Category II:Silver | Christian Krause<br>Sadako Ogata<br>Marcelino dos Santos<br>Bengt Säve-Söderbergh<br>Andimba Toivo ya Toivo |
| Category III : Bronze | Jennifer Davis |

## TABLE 12: LETTERS OF CREDENCE/COMMISSION PRESENTED

| March 2008 | |
|---|---|
| Republic of Bangladesh | High Commissioner Shahidul Islam |
| Republic of Cameroon | High Commissioner Adrien Kouambo Jomague |
| June 2008 | |
| Union of Comoros | Ambassador Ahmed Mohamed Thabit |
| Republic of Turkey | Ambassador Can Altan |
| Republic of Trinidad and Tobago | High Commissioner Winston Mahabir |
| Federal Democratic Republic of Nepal | Ambassador Rambhakta PB Thakur (non-resident: resident in Cairo) |
| August 2008 | |
| Dominican Republic | Ambassador Raul F Barrientos-Lara |
| Republic of Korea | Ambassador Han-soo Kim |
| Saharawi Arab Democratic Republic | Ambassador Abd Mohamed Mohamed Yahia |
| Republic of Lebanon | Ambassador Michel Thomas Katra |



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| | |
|---|---|
| September 2008 | |
| Ukraine | Ambassador Valeriy Hrebenuik |
| Republic of Burundi | Ambassador Regine Rwamibango |
| Kingdom of Lesotho | High Commissioner Lineo Lydia Khechane-Ntoane |
| Slovak Republic | Ambassador Ladislav Straka |
| October 2008 | |
| Burkina Faso | Ambassador Moumouni Fabre |
| Republic of Iceland | Ambassador Gudmundur Eiriksson |
| Republic of Guinea | Ambassador Gaoussou Toure |
| Republic of Italy | Ambassador Elio Menzione |
| Republic of Cuba | Ambassador Angel Villa Hernández |
| Arab Republic of Egypt | Ambassador Mohamed Badr Eldin Mostafa Zayed |
| Kingdom of Sweden | Ambassador Peter Tejler |
| Federal Republic of Nigeria | High Commissioner Brig Gen (Rtd) Mohammed Buba Marwa |
| Republic of Austria | Ambassador Dr Otto Ditz |
| December 2008 | |
| Kingdom of Spain | Ambassador Pablo Benavides Orgaz |
| Swiss Confederation | Ambassador Rudolf Bärfuss |
| Japan | Ambassador Toshiro Ozawa |
| State of Israel | Ambassador Dov Segev-Steinberg |
| February 2009 | |
| Republic of Tunisia | Ambassador Dr Ahmed Mahjoub |
| Federation of Malaysia | High Commissioner Kennedy Jawan |
| Commonwealth of Australia | High Commissioner Ann Jacqueline Harrap |
| Republic of Colombia | Ambassador Edgar José Perea-Arias |
| Republic of Poland | Ambassador Marcin Kubiak |
| March 2009 | |
| New Zealand | High Commissioner Geoffrey John Randal |
| Jamaica | High Commissioner Audley Rodriques |
| Republic of Portugal | Ambassador João Nugent Ramos-Pinto |
| Socialist Republic of Vietnam | Ambassador Nguyen Manh Hung |
| Republic of Peru | Ambassador Daúl Matute-Mejía |
| Republic of Singapore | High Commissioner Bernard William Baker |

## TABLE 13: EXECUTIVE ACTS OF THE PRESIDENT, 1 APRIL 2008 TO 31 MARCH 2009

Presidential acts processed by legal and executive services unit

| Type | Number |
|---|---|
| Assent of acts of Parliament | 69 |
| Foreign visits by ministers | 474 |
| Foreign visits by deputy ministers | 169 |
| Leave of absence – ministers | 18 |
| Leave of absence – deputy ministers | 8 |
| Appointment of commissioners of inquiry | 0 |
| TOTAL: | 738 |

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# 3. TABLES

Presidential minutes processed by legal and executive services unit

| Type | Number |
|---|---|
| Proclamations | 49 |
| Pardons | 484 |
| International agreements | 121 |
| Appointment of ambassadors, consular generals, judges and other persons to hold office in public institutions | 49 |
| TOTAL | 703 |
| Executive acts of the President processed | 1441 |

Litigation and general files for the period 1 April 2008 to 31 March 2009

| | |
|---|---|
| Number of general files | 449 |
| Number of litigation files | 28 |
| TOTAL NUMBER OF FILES: | 477 |

TABLE 14: BILLS INTRODUCED, 1 APRIL 2008 TO 31 MARCH 2009

| Year / bill no. | Name of bill |
|---|---|
| 2008 | |
| 15 | Traditional Courts Bill |
| 16 | Expropriation Bill |
| 17 | Social Assistance Amendment Bill |
| 18 | Financial Intelligence Centre Amendment Bill |
| 19 | Consumer Protection Bill |
| 20 | South African National Space Agency Bill |
| 21 | Financial Services Laws General Amendment Bill |
| 22 | Liquor Products Amendment Bill |
| 23 | National Prosecuting Authority Amendment Bill |
| 24 | Agricultural Debt Management Repeal Bill |
| 25 | Air Services Licensing Amendment Bill |
| 26 | Insurance Laws Amendment Bill |
| 27 | Land Use Management Bill |
| 28 | Protection of Information Bill |
| 29 | Special Pensions Amendment Bill |
| 30 | South African Police Service Amendment Bill |
| 31 | Competition Amendment Bill |
| 32 | National Railway Safety Regulator Amendment Bill |
| 33 | National Qualifications Framework Bill |
| 34 | Higher Education Amendment Bill |
| 35 | General & Further Education & Training Quality Assurance Amendment Bill |
| 36 | South African National Water Resources Agency Limited Bill |
| 37 | Intelligence Services Amendment Bill |
| 38 | National Strategic Intelligence Amendment Bill |
| 39 | National Road Traffic Amendment Bill |
| 40 | Provision of Land and Assistance Amendment Bill |
| 41 | National Radioactive Waste Disposal Institute Bill |
| 42 | Criminal Procedure Amendment Bill |



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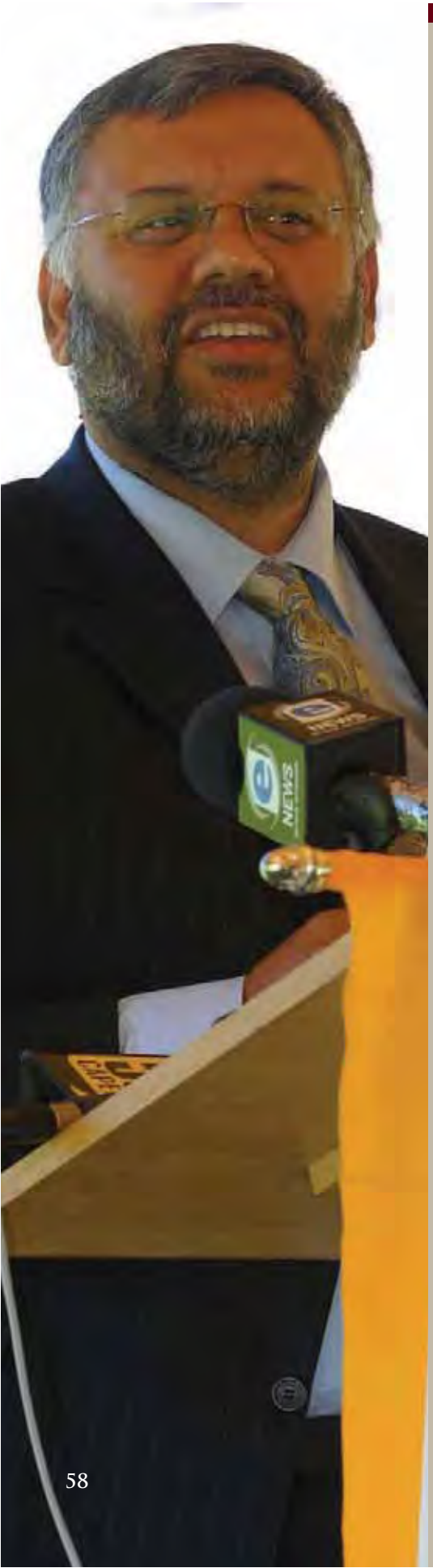
| Year / bill no. | Name of bill |
|---|---|
| 43 | Legal Succession to the South African Transport Services Amendment Bill |
| 44 | Medicines and Related Substances Amendment Bill |
| 45 | National Conventional Arms Control Amendment Bill |
| 46 | Intellectual Property Rights from Publicly Financed Research and Development Bill |
| 47 | Public Administration Management Bill |
| 48 | Judicial Matters Amendment Bill |
| 49 | Skills Development Amendment Bill |
| 50 | Repeal of the Black Administration Act and Amendment of Certain Laws Amendment Bill |
| 51 | National Land Transport Bill |
| 52 | National Energy Bill |
| 53 | Built Environment Professions Bill |
| 54 | Mine Health and Safety Amendment Bill |
| 55 | Diplomatic Immunities & Privileges Amendment Bill |
| 56 | National House of Traditional Leaders Bill |
| 57 | Traditional Leadership & Governance Framework Amendment Bill |
| 58 | Medical Schemes Amendment Bill |
| 59 | Mineral and Petroleum Resources Royalty Bill |
| 60 | Mineral and Petroleum Resources Royalty (Administration) Bill |
| 61 | Companies Bill |
| 62 | Constitution Fourteenth Amendment Bill |
| 63 | Constitution Fifteenth Amendment Bill |
| 64 | General Laws (Loss of Membership of National Assembly, Provincial Legislature or Municipal Council) Amendment Bill |
| 65 | National Health Amendment Bill |
| 66 | National Environment Laws Amendment Bill |
| 67 | National Environmental Management: Protected Areas Amendment Bill |
| 68 | Methodist Church of South Africa (Private) Act Repeal Bill |
| 69 | Dutch Reformed Churches Union Act Repeal Bill |
| 70 | Bible Society of Southern Africa Act Repeal Bill |
| 71 | The Apostolic Faith Mission of South Africa (Private) Act Repeal Bill |
| 72 | Broadcasting Amendment Bill |
| 73 | Civil Aviation Bill |
| 74 | Financial Management of Parliament Bill |
| 75 | Money Bills Amendment Procedure and Related Matters Bill |
| 76 | Adjustments Appropriation Bill |
| 77 | Eskom Subordinated Loan Special Appropriation Bill |
| 78 | Finance Bill |
| 79 | Government Employees Pension Fund (Condonation of Interrupted Service) Bill |
| 80 | Revenue Laws Amendment Bill |
| 81 | Revenue Laws Second Amendment Bill |
| 82 | National Youth Development Agency Bill |

# 3. TABLES



| Year / bill no. | Name of bill |
|---|---|
| 2009 | |
| 1 | Constitution Sixteenth Amendment Bill |
| 2 | Criminal Law (Forensic Procedures) Amendment Bill |
| 3 | Cross-Boundary Municipal Laws Repeal and Related Matters Amendment Bill |
| 4 | Division of Revenue Bill |
| 5 | Appropriation Bill |
| 6 | Western Cape Inherited Debt Bill |

Total number of bills introduced = 88

Note: Bills 1 to 14 for the year 2008 were introduced before 1 April 2008 (i.e. in the previous financial year).

## TABLE 15 A: ADVISERS TO THE PRESIDENT THABO MBEKI

| | |
|---|---|
| Advocate Mojanku Gumbi | Legal Adviser |
| Mr Titus Mofolo | Political Adviser |
| Mr John Jeffery | Parliamentary Counsellor |

## TABLE 15 B: ADVISERS TO THE PRESIDENT KGALEMA MOTLANTHE

| | |
|---|---|
| Dr Khulu Mbatha | Special Adviser |
| Mr Ebrahim Rasool | Political Adviser |

## TABLE 16 A: ADVISERS TO THE DEPUTY PRESIDENT PHUMZILE MLAMBO-NGCUKA

| | |
|---|---|
| Mr Ayanda Nkuhlu | Political Adviser |
| Amb Zolile Magugu | Special Adviser |
| Ms Raisibe Morathi | Economic Adviser |
| Ms Nonhlanhla Mjoli-Mncube | Economic Adviser |
| Ms Dorothy Motubatse | Parliamentary Counsellor |

## TABLE 16 B: ADVISERS TO THE DEPUTY PRESIDENT BALEKA MBETE

| | |
|---|---|
| Dr Edward Maloka | Political Adviser |
| Advocate Nonkosi Cetywayo | Legal Adviser |
| Mr Gregory Goeller | Economic Adviser |
| Mr John Jeffery | Parliamentary Counsellor |

## TABLE 17: SPECIAL EXPERTS ON ASGISA

| | |
|---|---|
| Dr Zavareh Rustomjee | Infrastructure |
| Ms Grace Mabumbulu | Skills development/JIPSA |
| Dr Neva Makgetla | Sector strategies |



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## TABLE 18 A: ADVISERS TO THE MINISTER ESSOP PAHAD

| | |
|---|---|
| Prof Anver Saloojee | Political and Governance |
| Mr Tony Heard | Communications |

## TABLE 18 B: ADVISER TO THE MINISTER TSHABALALA-MSIMANG

| | |
|---|---|
| Dr Phethile Dlamini | Political and Governance |

## TABLE 19: PUBLICATIONS OF THE PRESIDENCY

| |
|---|
| Annual Report 2007/08 |
| Strategic Plan 2008/09 – 2010/11 |
| 15-Year Review |
| 2008 Development Indicators |
| JIPSA Annual Report 2008 |
| AsgiSA Annual Report 2008 |

## TABLE 20:

a) Indicative list of approved agreements, 1 April 2008 and 31 March 2009

| Country | Title |
|---|---|
| Democratic Republic of Congo | Agreement on economic and technical cooperation in geology, mining and mineral beneficiation |
| Angola | Agreement on scientific and technological cooperation |
| Brazil | Agreement on mutual assistance between customs administrations |
| Kingdom of Saudi Arabia | Cooperation agreement in sport |
| Sudan | Agreement in health and medicine |
| Nigeria | Agreement on cooperation in tourism |
| Sudan | Exchange of notes to amend the agreement on the modalities for the establishment of a joint bilateral commission |
| International Telecommunication Union | Agreement relating to the holding, organisation and financing of the world telecommunication standardization |
| Republic of Burundi | Agreement on cooperation in health |
| Germany | Exchange of notes on an agreement on capacity and institution building for Southern Sudan: legal affairs and correctional services training programme |
| FAO | Agreement on sustainable food production and nutrition education in schools in support of the national school nutrition programme |
| Republic of Benin | Agreement on defence cooperation |
| United Nations | Summit on the arrangements for the 2008 International Youth Crime Prevention and Cities Summit |
| Sultanate of Oman | Supplementary protocol amending the agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income |
| Republic of Korea | Agreement on cooperation in the peaceful uses of nuclear energy |
| African Union | Agreement on the material and technical organization of the Summit on the African Diaspora |
| International Civil Aviation Organisation | Agreement on the special Africa-Indian Ocean regional air navigation meeting, November 2008, South Africa |
| Syria | Agreement on cooperation in education |
| Ireland | Agreement on funding for a water supply and sanitation sector support programme |
| Venezuela | Agreement on cooperation in energy |

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# 3. TABLES

| Country | Title |
|---|---|
| Republic of Guinea Bissau | Agreement on health |
| World Health Organisation | Agreement concerning the holding of the third session of the conference of the parties to the WHO framework convention on tobacco control |
| Republic of Namibia | Agreement on cooperation in the peaceful uses of nuclear energy |
| Republic of Korea | Agreement for regular diplomatic consultations |
| Namibia | Agreement on cooperation in health |
| Republic of Tunisia | Agreement on scientific and technological cooperation |
| Cyprus | Protocol amending the agreement on the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital with protocol |
| Germany | Agreement on the avoidance of double taxation with respect to taxes on income and on capital |
| African Union | Host agreement on an interim AU office for the NEPAD operating outside the AU headquarters |
| African Union | Host agreement on an interim AU office for the APRM operating outside the AU Headquarters |
| Ethiopia | Agreement on defence cooperation |
| Venezuela | Framework agreement on cooperation |
| United States of America | Amendment no. 3 to the strategic objective grant agreement for increased use of HIV/AIDS and other primary health care services |
| Mali | Agreement on cooperation in the field of health |
| Kenya | Bilateral trade cooperation agreement |
| United States of America | Amendment no. 3 to the strategic objective grant agreement for increased sustainable local government service delivery |
| Germany | Agreement concerning technical cooperation in 2004 |
| Germany | Agreement concerning technical cooperation in 2006 |
| United States of America | Amendment no. 3 to the strategic objective grant agreement for increased access to quality education and training |
| Germany | Agreement on cooperation in veterinary affairs |
| African Union | Host agreement on an interim AU office for the NEPAD operating outside the AU Headquarters |
| African Union | Host agreement on an interim AU office for the APRM operating outside the AU Headquarters |
| United States of America | Amendment no. 1 to strategic objective grant agreement on support for economic growth |
| Canada | Agreement on mutual assistance between customs administrations |
| Rwanda | Agreement on cooperation in arts and culture |
| India | Tripartite agreement on cooperation in tourism |
| India | Air services agreement |
| Mauritius | Agreement on the coordination of search and rescue services |
| United Nations | Agreement with the UN Population Fund on establishing a regional and subregional team office in the South Africa |
| Germany | Agreement concerning financial cooperation |
| Trinidad and Tobago | Agreement on the waiver of visa requirements for holders of diplomatic or official passports |
| Mozambique | Cooperation agreement in respect of fisheries and integrated marine and coastal management and development |
| United States of America | Agreement on cooperation in research and development of nuclear energy |
| Cuba | Amendment to agreement for promotion and reciprocal protection of investments |
| United States of America | Amendment no. 3 to strategic objective grant agreement for democratic consolidation |



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| Country | Title |
|---|---|
| Finland | Agreement concerning the Finnish-Southern African Partnership for Africa's Development |
| Swaziland | Agreement on cooperation in the field of agriculture |
| Nigeria | Signing of the bilateral agreement on the memorandum of understanding (MOU) on economic cooperation |
| Argentina | Agreement on cooperation in the peaceful use of nuclear energy |
| United Arab Emirates | Defence cooperation agreement |
| Malawi | Agreement in the field of health |
| France | Agreement on the fight against trans-national crime and terrorism in South Africa (Enhlangano Project) |
| Kazakhstan | Agreement concerning reciprocal exemption from visa requirements for holders of diplomatic, official/special and consular passports |
| United States of America | Amendment no. 3 to strategic objective grant agreement on increased sustainable local government service delivery |
| China | Agreement concerning mutual legal and executive services assistance in criminal matters |
| China | Agreement concerning surrender of fugitive offenders |
| United States of America | Information exchange annex to master information exchange agreement concerning military environmental cooperation |
| Mexico | Agreement on the avoidance of double taxation and the prevention of fiscal evasion |
| Saudi Arabia | Agreement on scientific and technological cooperation |
| Burkina Faso | Agreement on cooperation in the fields of arts and culture |
| Germany | Agreement concerning the introduction of a South African-German bilingual secondary school qualification (abitur/national senior certificate) |
| Germany | Agreement concerning financial cooperation in 2006 |
| Germany | Agreement concerning financial cooperation in 2008 |
| Germany | Agreement on technical cooperation in 2008 |
| Burundi | Agreement on cooperation in the field of education |
| Senegal | MOU on defence cooperation |
| Thailand | MOU on agriculture cooperation |
| Sultanate of Oman | MOU on cooperation in the legal and executive services field |
| Senegal | MOU on bilateral cooperation in the field of livestock |
| Senegal | MOU on bilateral cooperation in agriculture |
| Sri Lanka | MOU regarding cooperation on technical assistance in water sector |
| Central African Republic | MOU concerning the provision of military training and capacity building to the armed forces of the Central African Republic |
| India | MOU on agricultural cooperation |
| Sudan | MOU on cooperation in the field of agriculture |
| Lesotho | MOU in respect of the Maloti-Drakensberg transfrontier conservation and development area |
| Mozambique | MOU on cooperation in the management of wildfires and other forest management issues |
| UNDP | MOU for support of the MDG carbon facility |
| Namibia | MOU on cooperation in the field of labour |
| FAO | MOU on the application and use of integrated knowledge and information systems in the context of specific projects |
| Kenya | MOU on bilateral cooperation in the agricultural sector |
| Korea | MOU on cooperation in information and communication technology |
| Kenya | MOU on economic cooperation |
| Senegal | MOU on cooperation in the field of energy |
| Saharawi Arab | MOU on diplomatic consultations |

| Country | Title |
|---|---|
| India | MOU on agriculture cooperation |
| Egypt | MOU on cooperation in area of civil service |
| Egypt | MOU on economic cooperation |
| Madagascar | MOU on technical cooperation in agriculture |
| Zambia | MOU on cooperation in health |
| Mauritius | MOU on economic cooperation |
| Sudan | MOU on cooperation in agriculture |
| Namibia | MOU on agriculture |
| United Mexican States | MOU on the establishment of a binational commission |
| Austria | MOU on support for the area-based rollout of " OEZA-Project No. 2502-00/2007 |

b) Multilateral instruments signed, ratified or acceded to between 1 April 2008 and 31 March 2009

| Country | Title |
|---|---|
| Multilateral | Agreement between the United States of America and SACU to foster trade, investment and development |
| Multilateral | Agreement amending Article 20 of the SADC Protocol on Trade |
| Multilateral | SADC: agreement amending article 6 of the Protocol on the Tribunal |
| Multilateral | Trade agreement between SACU and the Common Market of the South (MERCOSUR) |
| Multilateral | MOU with the United Kingdom and Northern Ireland on bilateral cooperation in sport and recreation |
| Multilateral | Agreement amending the SADC Treaty |
| Multilateral | MOU between South Africa, India and Brazil on cooperation in environmental affairs |
| Multilateral | MOU between South Africa, India and Brazil on cooperation in human settlements development |
| Multilateral | MOU between South Africa, India and Brazil on trade facilitation for standards, technical regulation and conformity assessment |
| Multilateral | MOU between South Africa, India and Brazil on cooperation in women development and gender equality programmes |
| Multilateral | MOU between SACU and India on negotiating a preferential trade agreement |



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## TABLE 21: HOSTING AND VISITING HEADS OF STATE AND OTHERS

| Date | Hosting/Visiting | Place |
|---|---|---|
| 3 April | Working visit by President Kabila of DRC | Presidential Guesthouse |
| 6 – 7 May | Working visit | Qatar |
| 9 May | Working visit | Zimbabwe |
| 15 May | Working visit | Mozambique |
| 3 June | Incoming state visit, Nigeria | Pretoria |
| 17 – 18 June | Outgoing Sudan visit | Sudan |
| 5 July | Working visit | Harare |
| 21 July | Working visit | Harare |
| 30 July | Working visit | Harare |
| 10 August | Working visit | Harare |
| 13 August | Working visit | Angola |
| 2 September | State visit by Venezuelan President Hugo Chavez | Union Buildings |
| 8 September | Working visit | Harare |
| 9 – 10 September | Working visit | Harare |
| 15 – 16 September | Working visit | Sudan |
| 12 January | Courtesy call by UNICEF executive director Ann Veneman | Mahlamba Ndlopfu |
| 15 January | Courtesy call by EU commissioner Louis Michel | Union Buildings |
| 16 January | Courtesy call by Foreign Minister of the People's Republic of China Yang Jeichi | Union Buildings |
| 19 January | Working visit to Zimbabwe | |
| 21 January | Courtesy call by AU Commissioner Jean Ping | Presidential Guesthouse |
| 23 January | Working visit to Mali | Mali |
| 24 January | Working visit to Mali | Mali |
| 26 January | SADC extraordinary summit | Presidential Guesthouse |
| 27 January | Courtesy call by the Abu Dhabi investment delegation | Union Buildings |
| 28 January | Working visit to Davos: WEF | Davos |
| 29 January | Working visit to Davos: WEF | Davos |
| 30 January | Working visit to Davos: WEF | Davos |
| 31 January | Working visit to Davos: WEF | Davos |
| 1 February | AU summit | Addis Ababa |
| 2 February | AU summit | Addis Ababa |
| 3 February | AU summit | Addis Ababa |
| 12 February | Meeting with former Nigerian President Olusegun Obasanjo | Cape Town |
| 13 February | Working visit | Zimbabwe |
| 19 February | Courtesy call by the Mexican Secretary of Foreign Affairs Patricia Espinosa | Tuynhuys |
| 21 February | Incoming working visit by Zimbabwean Prime Minister Tsvangirai | Tuynhuys |
| 23 February | Courtesy call by Saudi Arabian Minister of Commerce and Industry Abdullah Zainal Alireza | Mahlamba Ndlopfu |
| 25 February | Official visit by UN Secretary General Ban Ki-Moon and Mrs Ban Soon-Taek | Presidential Guesthouse |
| 15 March | Meeting Chilean President Michelle Bachelet | President's Lounge, State Protocol Lounge |
| 25 March | Courtesy call by Rwandan Foreign Minister of Rwanda | Tuynhuys |

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# SECTION C

## PROGRAMME PERFORMANCE

# PROGRAMME PERFORMANCE

## FOR THE YEAR ENDED 31 MARCH 2009

This section provides an overview of The Presidency's programme performance in realising government's strategic agenda. It is guided by and structured according to the requirements issued by the National Treasury.

The President, together with Cabinet, is mandated to lead government in the development, management and execution of policy to the benefit of the people of South Africa. Consequently, The Presidency performs leadership, planning, policy coordination and executive management functions in support of the President to ensure harmonious and integrated service delivery throughout the state system.

There are three broad programmes within The Presidency: *Administration*, *Communications* and *Executive Coordination*. To serve these functions as efficiently and effectively as possible, The Presidency was structured into six branches during the review period: the Private Office of the President; the Private Office of the Deputy President; the Cabinet Office; PCAS; Communications; and Strategy and Operations (which includes the offices of the Director General and the COO).

### 1. VOTED FUNDS

| Appropriation ('000) | Main appropriation | Adjusted appropriation | Actual amount spent | Over/under expenditure |
|---|---|---|---|---|
| MTEF allocation | 290 040 | 311 735 | 326 246 | (14 511) |
| Statutory appropriation | 2 455 | 5 000 | 5 000 | - |
| Responsible minister | Minister in The Presidency | | | |
| Administering department | The Presidency | | | |
| Accounting officer | COO in The Presidency | | | |

### 2. AIM OF VOTE

The mission of The Presidency is to lead, develop and manage government's strategic agenda. The Presidency's overall mandate and core business is to provide high-quality, professional support to the President, Deputy President and Minister in the execution of their executive responsibilities.

### 3. KEY MEASURABLE OBJECTIVES, PROGRAMMES AND ACHIEVEMENTS

#### 3.1 Strategic objectives

- To strengthen strategic management and leadership capability to achieve greater organisational cohesion
- To improve management, access and sharing of information
- To coordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery
- To foster nation-building and social cohesion to give effect to the People's Contract
- To promote the integrated approach to governance for accelerated service delivery
- To support, develop and consolidate initiatives for building a better Africa and a better world
- To promote accelerated and shared economic growth and development with emphasis on the second economy and social inclusion.



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## 3.2 PROGRAMMES

### Programme 1: Administration

The programme is responsible for the overall administration and management of The Presidency as well as the planning and coordination of support services. The programme oversees the strategic agenda of government by maintaining high-level liaison and coordination with ministries and government departments. The programme is divided into four subprogrammes:

- Minister
- Management
- Support services to the President
- Support services to the Deputy President.

### Programme 2: Communications

The programme assists the President, Deputy President and the Minister in the execution of their constitutional and political functions by providing communications, research and information services to enable them to communicate effectively in government and with society. Communications is responsible for the effective management of media liaison, research and knowledge, speechwriting, and events and public participation.

### Programme 3: Executive Coordination

The programme provides policy advice, monitoring and evaluation services to enable The Presidency, Cabinet and government to plan, coordinate and implement government's programme. Executive Coordination provides for the strategic management of the business of Cabinet and its committees, as well as technical support to facilitate the operational and strategic content of the work of Cabinet. The programme is divided into four subprogrammes:

- PCAS
- Cabinet Office
- Gender, disability, children, and youth
- National Youth Commission.

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## 3.3 Strategic objectives, strategies, measurable objectives and achievements

| S/O No. | Presidency strategic objectives | S/I No. | Presidency strategies per objective | M/O No. |
|---|---|---|---|---|
| 1. | To strengthen strategic management and leadership capability to achieve greater organisational cohesion | 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 its electoral mandate | 1.1.1 |
| | | | | 1.1.2 |
| | | | | 1.1.3 |
| | | 1.2 | Coordinate and facilitate development of strategic management and leadership capacity and capability of government | 1.2.1 |
| | | | | 1.2.2 |
| | | | | 1.2.3 |
| | | 1.3 | Strengthen strategic management and leadership capability and promote greater organisational cohesion in The Presidency | 1.3.1 |
| | | | | 1.3.2 |



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| Presidency measurable objectives | Achievements per measurable objective |
|---|---|
| Annually updated Medium Term Strategic Framework (MFSF), aligned to government priorities | • MTSF Annexure 2008 produced, reflecting priorities for the period up to 2011/12<br>• Programme of Action updated and published<br>• Summary report on alignment of MTSF and MTEF prepared<br>• Briefing meetings for the principals in preparation for Makgotla and the MTSF process arranged<br>• Annual monitoring/assessment report on legislative programme compiled |
| Facilitation of coherent and integrated government strategic planning | • Recommendations, operational plan and road map on long-term strategic national planning approved by Cabinet in 2009<br>• Assessment of status of provincial growth and development strategies completed<br>• National planning framework now used as a management and planning tool in government<br>• Electronic template for Cabinet memoranda refined and distributed to departments and ministries |
| Facilitation of aligned and coordinated strategies, programmes and plans in the remaining 29 district municipalities | • 20 district IDPs were in process in 2008/09<br>• Interventions to improve alignment implemented<br>• The five-year strategic agenda to improve municipal capacity is being implemented<br>• Policy review of provincial and local government completed<br>• Steps taken towards a single public service |
| Report on provision of strategic support to government programmes aimed at strengthening capacity and macro-organisation of the state | • Alignment of work programme to The Presidency's Strategic Plan<br>• Legislative programme streamlined and prioritised to allow for Parliamentary processes to pass urgent bills before the 2009 national election<br>• Systems development enhanced with the adoption of a process map to improve the quality of legislation |
| Capacity built or strengthened in all spheres of government to achieve the mainstreaming of gender, disability, children and youth programmes in government and civil society | • SADC Protocol on Gender and Development signed<br>• Strategic partnerships initiated and strengthened between various stakeholders through the National Disability Summit on the UN Convention<br>• National Disability Policy finalised<br>• Developed concept paper: "Towards Strengthening the Institutional Mechanisms for Advancing Women's Empowerment and Gender Equality in South Africa"<br>• Meetings held with gender focal points in national departments, at provincial level, in civil society and the Commission on Gender Equality through the national gender machinery<br>• More than 47 000 youth participated in the National Youth Service Programme projects |
| Status in the development and implementation of the framework for intergovernmental cohesion against defined milestones | • Inputs and participation in various processes supporting intergovernmental cohesion took place<br>• Worked on the intergovernmental relations framework<br>• Concluded alignment of five district IDPs with NSDP<br>• During 2007 and 2008, the Deputy President visited all nine provinces to strengthen intergovernmental planning and M&E |
| Coordination and alignment in processes and systems of the Presidency | • Annual Presidency planning processes are implemented, fully aligned and institutionalised<br>• Strategic Plan aligned to Estimates of National Expenditure<br>• Review and update of policies and procedures undertaken, with policies enhanced |
| Status in the implementation of an aligned human resources management and development strategy, business continuity strategy and master systems plan implemented in The Presidency | • Integrated human resource management and development strategy developed<br>• HR delegations approved in line with the revised Public Service Act (1994) and Public Service Regulations (2001)<br>• Compensation budget decentralised to programme managers with effect from 1 April 2008<br>• Human resource service delivery model developed and aligned to strategy<br>• Master systems plan developed<br>• Existing business continuity strategy enhanced |



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### 3.3 Strategic objectives, strategies, measurable objectives and achievements

| S/O No. | Presidency strategic objectives | S/I No. | Presidency strategies per objective | M/O No. |
|---|---|---|---|---|
| 2 | To improve management, access and sharing of information | 2.1 | Ensure improvement of management, access and sharing of information | 2.1.1 |
| | | 2.2 | Ensure effective communication with internal and external stakeholders | 2.2.1 |
| 3. | Coordinate, monitor, evaluate and communicate government policies and programmes and accelerate integrated service delivery | 3.1 | Lead and ensure the development and maintenance of a coordinated GWM&E system | 3.1.1 |
| | | | | 3.1.2 |
| | | | | 3.1.3 |
| | | 3.2 | Availability of information on the implementation experience of programmes and policies<br>Review of government performance | 3.2.1 |
| 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 achievement of its goals | 4.1.1 |
| | | | | 4.1.2 |



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| Presidency measurable objectives | Achievements per measurable objective |
|---|---|
| Integration and coordination of information flow and institutional memory | • Enhancements to information management systems completed<br>• Report on workflow analysis of legislative process and process map finalised |
| Development and implementation of an annual Presidency communication and public relations strategy | • Review of communications performance conducted<br>• Draft communications strategy developed<br>• Draft public relations strategy developed<br>• Knowledge management policy developed<br>• Children's website to explain Presidency's work to 6-13 year-olds developed |
| Standardised, institutionalised and effective M&E framework and policy platform | • Comprehensive report with series of indicators that assess the functionality of all national departments developed<br>• Annual operational plan of all national M&E projects compiled<br>• Guideline for M&E for provincial premiers developed<br>• Guideline on how to develop an M&E framework developed |
| Enhancement in the coordination and tracking of in-Cabinet decisions, policies and work in progress | • Two additional Programme of Action cycles programmed and fully automated<br>• Comprehensive report with series of indicators that assess the functionality of all national departments developed<br>• 2008 Development Indicators report published |
| Monitoring system for government priorities through the Programme of Action evident through bimonthly reports | • Six provincial oversight visits by Deputy President conducted<br>• 2008 legislative programme agreed and oversight to ensure submission to Parliament commenced<br>• 309 activities in the Programme of Action regularly monitored |
| Databases on the implementation experiences of programmes and policies<br>*Fifteen-year Review* published and recommendations implemented | • *Fifteen-year Review* report published and widely disseminated<br>• 2008 *Development Indicators* published and disseminated |
| Achievement of milestones in refinement and implementation of a cohesive and coordinated agenda for nation-building<br>Draft anti-poverty framework developed | • Two International Investment Council meetings held<br>• International Advisory Council on Information Technology Society met<br>• War on Poverty campaign launched in eight provinces<br>• National war room on poverty established<br>• The President attended four *Izimbizo*<br>• Framework for coordinating special projects developed and implemented<br>• National Orders awarded to individuals who have contributed to SA's development and advancement<br>• The President officiated at Human Rights Day, Freedom Day, Youth Day, Women's Day, and National Day of Reconciliation events<br>• The President officiated at a national memorial tribute for victims of xenophobia<br>• 2010 FIFA World Cup plans are on track |
| Coordinated public participation strategy and plan implemented, resulting in social cohesion and engagement of society in government initiatives | • Draft public participation policy and plan approved<br>• Events management protocol approved<br>• *Izimbizo* reviewed; recommendations to be presented to incoming government |



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### 3.3 Strategic objectives, strategies, measurable objectives and achievements

| S/O No. | Presidency strategic objectives | S/I No. | Presidency strategies per objective | M/O No. |
|---|---|---|---|---|
| 5. | To promote an integrated approach to governance for accelerated service delivery | 5.1 | Promote coordination of implementation of integrated programmes across government that result in accelerated service delivery for sustainable development | 5.1.1 |
| | | | | 5.1.2 |
| | | 5.2 | Deepen governance and accountability through application of principles and practices of good governance | 5.2.1 |
| | | | | 5.2.2 |
| 6. | To support, develop and consolidate initiatives for building a better Africa and a better world | 6.1 | Facilitate and play 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 |



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| Presidency measurable objectives | Achievements per measurable objective |
|---|---|
| Enhanced level of coordination of government service delivery | • The President convened four Presidential Coordinating Committee meetings<br>• Successful planning, coordination and execution of 13 working group meetings<br>• Briefing sessions held with newly appointed President, Deputy President and Minister to ensure seamless transition in management of Cabinet business<br>• National cluster system reviewed<br>• Policy review of provincial and local government conducted<br>• Five-year local government strategic agenda supported |
| Interventions to address bottlenecks in formulation and implementation of programmes and policies | • The Presidency, National Treasury, Department of Public Service and Administration, Stats SA, DPLG and South African Management Development Institute now have M&E policy frameworks<br>• 13 meetings of presidential working groups and advisory committees were held and helped to identify bottlenecks and possible solutions<br>• Quarterly report on the achievement of milestones and issues requiring President's intervention identified, escalated and responded to<br>• Government's bimonthly reporting cycle automated<br>• Programme of Action standardised<br>• National Stakeholder Advisory Council on Electricity formed |
| Enhanced government processes | • Risk management policy approved by branch heads<br>• Fraud prevention plan developed<br>• Union Buildings security system upgrade in progress, expected to be completed in 2009/10 |
| Enhancement in the legislative environment and the role of Leader of Government Business | • RIA capacity consolidated through training, filling of vacant posts, institutionalising processes and systems, and infusing lessons learnt from RIA pilots |
| Enhanced governance, reduction in conflict and enhanced post-conflict reconstruction through just and equitable multilateral and bilateral agreements | • Zimbabwean unity government formed with facilitation by South Africa<br>• South Africa began chairing SADC in August 2008<br>• President hosted heads of state from a range of countries<br>• Preparatory meetings held on possible working visits of the Deputy President to Senegal, Nigeria, Egypt and Namibia<br>• President attended the World Economic Forum in Davos and the Africa forum in Cape Town<br>• President attended the South Africa-EU summit in Bordeaux, France<br>• President attended the India-Africa summit in New Delhi, India<br>• President attended the G20 meeting in Washington to address the global economic crisis<br>• President attended the G8 Summit in Japan<br>• Review of binational commissions in progress<br>• Courtesy calls and meetings with various visiting foreign ministers took place at the request of the Ministry of Foreign Affairs<br>• International programme scaled down before and after the transition<br>• Support meetings for the NEPAD 6+2 forum held<br>• Comprehensive APRM programme of action developed and progress report submitted in 2009 |



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### 3.3 Strategic objectives, strategies, measurable objectives and achievements

| S/O No. | Presidency strategic objectives | S/I No. | Presidency strategies per objective | M/O No. |
|---|---|---|---|---|
| | | 6.2 | Provision of leadership for compliance with regional and international obligations regarding gender, disability, children and youth programmes | 6.2.1 |
| | | | | 6.2.2 |
| 7. | To promote accelerated and shared economic growth and development with emphasis on the second economy and social inclusion | 7.1 | Facilitate coordinated interventions and macroeconomic approaches towards broad socioeconomic development, social inclusion and reduced inequality | 7.1.1 |

| Presidency measurable objectives | Achievements per measurable objective |
|---|---|
| Continuity of international programme | • International programmes of President and Deputy President developed and approved by the Director General<br>• Template designed to track international decisions and status by relevant stakeholders |
| Compliance with the regional and international obligations regarding gender, disability, children and youth programmes | • Several high-level national gender machinery meetings hosted to strengthen participation of NGOs and other stakeholders<br>• Strategic partnerships initiated or strengthened through National Disability Summit on the UN Convention<br>• Orientation workshops on UN Convention on Rights of Persons with Disabilities hosted in 70 municipalities in six provinces<br>• Deputy President's year-end children's event hosted in Pretoria |
| Implementation of interventions to achieve broad socioeconomic development | • AsgiSA, JIPSA and second economy interventions made; AsgiSA, JIPSA reports published<br>• Partnership with Department of Education on human resources development strategy for South Africa enhanced<br>• Response to global financial crisis developed through joint presidential economic working group<br>• National Electricity Response Task Team and National Stakeholder Advisory Council on Electricity formed to respond to electricity crisis and encourage energy efficiency<br>• New chairperson of JIPSA technical working group appointed<br>• War on Poverty launched and national war room established<br>• Governance framework for regulation of network industries being finalised<br>• International Investment Council met twice during reporting period<br>• International Advisory Council on Information Technology Society met during reporting period |



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## 3.4 Overview of the service delivery environment 2008/09

Reasons for virement between appropriation allocations

Virement took place mainly from compensation to transfers - households. This was necessitated by under estimation of leave gratuity payments at the time of the Adjustments Estimates for 2008. The bulk of the funds were shifted to Programme 3 from Programme 1 and 2.

### Report on rollovers

The Presidency received an additional R7.5 million through the 2008/09 Adjustments Estimate. This was used to fund:

- The relocation process to additional accommodation
- Outstanding commitments on administrative costs.

### Report on unforeseeable and unavoidable expenditure

An amount of R10.5 million was allocated for the unexpected increase in administrative capacity and for the 'war room' on poverty.

### Report on other adjustments

An amount of R3.9 million was allocated to cover costs related to the higher-than-budgeted wage increase.

## 3.5 Overview of the organisational environment for 2008/09

The Presidency experienced a high turnover rate in skilled, highly skilled and management staff. The vacancy rate increased from 16.4 percent to 25.4 percent.

The turnover rate (Tables 4.1 and 4.2) is 15.7 percent. Of the 84 employees who left the organisation, 22 transferred to other departments and 22 resigned, mostly because of better salary offers and career prospects.

The Presidency remains committed to appointing more employees with disabilities. The Presidency continues to strive to reach the target of employing 50 percent women in management positions by 2009.

## 3.6 Strategic overview and key policy developments for 2008/09

The Presidency coordinates policy and monitors its implementation in government. The President, in his capacity as the leader of government, assents to legislation.

# 4. DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

## 4.1 Collection of departmental revenue

The Presidency does not render services to the public and therefore has very low departmental revenue. It mainly consists of subsistence and travel refunds, staff debt and refunds due by other departments in the event that they had to pay initially for certain expenses – for example, the then Department of Foreign Affairs, which assists with overseas travel by the President, Deputy President and Minister.

| DEPARTMENTAL REVENUE (R'000) | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2008/09 | % DEVIATION |
|---|---|---|---|---|---|---|
| | Actual | Actual | Actual | Target | Actual | From target |
| Tax revenue | Nil | Nil | Nil | Nil | Nil | Nil |
| Non-tax revenue | 72 | 84 | 123 | 186 | 136 | -27% |
| Sales of goods and services produced | 69 | 80 | 104 | 175 | 132 | -25% |
| Transfers received | - | - | - | - | - | - |
| Interest, dividends and rent on land | 3 | 4 | 19 | 11 | 4 | -64% |
| Sales of capital assets (capital reserve) | - | 1 076 | 32 | - | - | - |
| Financial transactions (recovery of loans and advances) | 54 | 578 | 134 | 48 | 97 | 102% |
| **Total departmental receipts** | **126** | **1 738** | **289** | **234** | **233** | **0%** |



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## 4.2 DEPARTMENTAL EXPENDITURE (R'000)

| | Voted for 2008/09 | Rollovers and adjustments | Virement | Total voted | Actual expenditure | Variance |
|---|---|---|---|---|---|---|
| Programme 1 | 183 980 | 16 199 | (2 131) | 198 048 | 212 012 | (13 964) |
| Programme 2 | 22 812 | 320 | (1 804) | 21 328 | 20 522 | 806 |
| Programme 3 | 83 248 | 5 176 | 3 935 | 92 359 | 93 712 | (1 353) |
| Sub-total | 290 040 | 21 695 | - | 311 735 | 326 246 | (14 511) |
| Statutory appropriation | 2 455 | 2 545 | - | 5 000 | 5 000 | - |
| **Total** | **292 495** | **24 240** | **-** | **316 735** | **331 246** | **(14 511)** |

## 4.3 Transfer payments

### The National Youth Commission

The Minister in The Presidency serves as the Executing Authority of the National Youth Commission, which was established in terms of the National Youth Commission Act (1996). The powers and duties of the commission are conferred or assigned to it under the abovementioned act. It reports directly to the Minister in The Presidency. Funds are transferred to the entity on a quarterly basis.

### Isigodlo Trust

The Isigodlo Trust was initiated and championed by the spouse of the President for women's development issues in rural and semi-rural areas. Its programmes support government's strategic objectives. Funds are transferred to the trust based on claims submitted requesting reimbursements

### Transfer payments (R'000)

| Name of institution | Amount transferred | Estimate expenditure |
|---|---|---|
| Vehicle licence | 2 | 0 |
| National Youth Commission | 24 333 | 24 333 |
| South African Chapter of the African Renaissance | 1 000 | 1 000 |
| Isigodlo Trust | 3 000 | 3 000 |
| Non-life insurance premiums | 11 | 107 |
| Employee social benefits | 2 231 | 24 |
| **Total** | **30 577** | **28 464** |

## 4.4 Conditional grants and earmarked funds

The Presidency has not received or granted any conditional grants.



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### 4.5 Capital investment, maintenance and asset management plan

#### Capital investment

The Presidency did not engage in any capital investment project and there was no work in progress from the previous year.

#### Maintenance

The Presidency does not pay for the maintenance of fixed property, as this is the responsibility of the Department of Public Works.

#### Asset management

Asset holdings have changed by R6.9 million during the year.

The physical verification of all assets was undertaken and the asset register updated accordingly. Asset policies, procedures, guidelines and documentation were updated and enhanced. Skills transfer and training of staff, which are part of implementation plans, will complement the process.

No facilities were closed down or downgraded during the reporting period.

Refurbishment continued in the houses of the principals.

The Union Buildings, Tuynhuys and Kings House will be refurbished in 2009/10. This will include the erection of temporary parking bays and office structures for the Union Buildings and upgrading of the security system.

Processes are in place for the tendering of projects. Services rendered by the Department of Public Works will be dealt with according to the policies and guidelines applicable to the tendering process of the department. The Presidency's supply chain management unit will conduct the tender process according to relevant legislation and National Treasury guidelines. The bid committee ensures that the evaluation process is fair, equitable, transparent, competitive and cost-effective.

## 5. PROGRAMME PERFORMANCE INFORMATION: PROGRAMME PERFORMANCE AGAINST OPERATIONAL PLANS FOR 2008/09

Programme performance information per programme and subprogramme

The individual programme performance information per measurable objective indicated in the *Strategic Plan: 2008/09 -2010/11* is described in the annexures below:

**Annexure 1: Administration**

**Annexure 2: Communications**

**Annexure 3: Executive coordination**



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# ANNEXURE 1

## Administration

**Purpose:** To provide effective leadership, management and administrative support to the principals and branches of The Presidency.

### MEASURABLE OBJECTIVE 1

Oversight and facilitation to ensure the establishment and enhancement of coherent and integrated strategic planning processes and sessions.

### Service delivery objectives and indicators

Facilitate and coordinate the Deputy President's leadership role in updating and aligning the MTSF. Indicators include reports on provincial visits, quarterly progress reports for special projects and AsgiSA, and second economy progress reports.

### Service delivery achievements

- Enhanced alignment through provincial oversight visits
- Developed and implemented a framework for coordinating the Moral Regeneration Movement, SANAC, AsgiSA and ad hoc projects
- Led the War on Poverty campaign and developed the comprehensive anti-poverty strategy
- Enhanced coordinating mechanisms through fully functional inter-ministerial committees (such as 2010, SANAC and AsgiSA).

### MEASURABLE OBJECTIVE 2

Norms and standards ensuring organisational cohesion in The Presidency, including the annual coordination, alignment, review and definition of budgeting and planning processes and systems.

### Service delivery objectives and indicators

- Align Presidency planning and budgeting processes
- Align Presidency policies, processes and procedures
- Draft framework on good governance
- Improve organisational cohesion
- Revisit and review outcomes of process management intervention
- Research organisational cohesion models and find suitable approaches
- Draft framework for organisational cohesion.

### Service delivery achievements

- Implemented, aligned and institutionalised annual planning processes
- Aligned strategic plan to the *Estimates of National Expenditure*
- Reviewed and updated policies and procedures

### MEASURABLE OBJECTIVE 3

An aligned human resource management and development strategy, business continuity strategy and master systems plan implemented in The Presidency.

### Service delivery objectives and indicators

- Implement and institutionalise an integrated human resources management and development strategy
- Evaluate alignment between the two strategies
- Develop draft business continuity strategy and implement plan
- Implement and institutionalise the annual milestones in the master systems plan.

### Service delivery achievements

- Completed an integrated human resources management and development strategy
- Developed a human resource service delivery model aligned to the strategy



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- Developed a draft document on how to address the skills audit and areas of development for senior management
- Developed master systems plan
- Developed business continuity plan
- Completed preparatory work on business continuity strategy.

### MEASURABLE OBJECTIVE 4

A coordinated public participation strategy and plan implemented, resulting in social cohesion and engagement of society in government initiatives.

### Service delivery objectives and indicators

- Report on coordinated, monitored and actively supported *Izimbizo* and action on commitments made by the Deputy President emerging from the *Izimbizo*
- Strategic management of the principals' visibility and engagement with society
- Effective logistical support to the public participation, protocol and nation-building strategies.

### Service delivery achievements

- Reached a range of stakeholders in pursuit of social cohesion imperatives such as youth, labour, children, business and traditional leaders through public events
- Supported Director General's work on public participation programme
- Completed audit of National Orders policies and procedures
- Warrants for existing National Orders have been approved
- Allocated protocol support to all public events attended by political principals
- A chapter on *Izimbizo* outcomes is a permanent feature of provincial reports.

### MEASURABLE OBJECTIVE 5

Address bottlenecks in formulation and implementation of programmes and policies.

### Service delivery objectives and indicators

- Develop and monitor the implementation of adjustments to remove bottlenecks
- Identify and recommend solutions to bottlenecks.

### Service delivery achievements

- Coordinated interventions with other key departments to remove bottlenecks
- Conducted advance planning and provided timeous information to principals to alleviate bottlenecks, focusing on issues raised during State of the Nation Address
- Followed up on issues raised during provincial visits and special projects.

### MEASURABLE OBJECTIVE 6

Good governance measures implemented in all branches of The Presidency.

### Service delivery objectives and indicators

- Ensure good governance measures are consistently implemented in The Presidency.

### Service delivery achievements

- Completed budget control reviews; internal controls were adequate and effective
- Audited donor funding management, revenue and receivables, ledger maintenance, and purchases and payables
- The following areas were audited and are awaiting reports: human resource management, suspense accounts review, cash management and Paymaster General, transfer payments, IT general controls and corporate governance

- Reported loss of state assets to the police as required
- Complied with internal control requirements
- Complied with statutory requirements
- Completed MTEF and Estimates of National Expenditure budget documents on time
- Completed annual financial statements on time
- Developed the enterprise risk management framework and policy according to the National Treasury's guidelines
- Approved and implemented the risk management system across the organisation in compliance with the PFMA
- Developed and approved the risk register 2008/09 and risk mitigation action plans for all approved risks
- Developed and approved the fraud prevention plan.

### MEASURABLE OBJECTIVE 7

Legislation developed in accordance with policy, including accountability for its intended impact, to ensure enhancement in the legislative environment and the role of the Leader of Government Business.

### Service delivery objectives and indicators

- Synchronise and liaise with the Cabinet Office towards a seamless role for the Leader of Government Business
- Report on the work of the Leader of Government Business.

### Service delivery achievements

- Developed draft business process
- Finalised legislative programme for the year
- Improved efficiency, communication and synchronicity of the work of parliamentary officers, counsellors and advisers.

### MEASURABLE OBJECTIVE 8

Good governance, peace, stability and security in Africa and the world promoted through The Presidency's leadership and oversight role.

### Service delivery objectives and indicators

- Develop, approve and implement 2008/09 coordination plan for the international programme in line with foreign policy.

### Service delivery achievements

- Significantly improved planning of international engagements.

### MEASURABLE OBJECTIVE 9

Development of institutional memory systems for international engagements – including feedback, reporting and monitoring – to ensure continuity.

### Service delivery objectives and indicators

- Coordination of capturing, reporting and communication of decisions and commitments made by the principals.

### Service delivery achievements

- Defined coordination plan for capturing, reporting and communication of decisions and commitments made by the principals
- Developed process to formalise information flow from advisers for improved effectiveness, institutionalisation and knowledge management.

### MEASURABLE OBJECTIVE 10

Areas requiring oversight and leadership by The Presidency defined and implemented, resulting in broad socioeconomic development and social inclusion.

### Service delivery objectives and indicators

- Develop, approve and implement 2008/09 enhancement strategy for the coordination of administrative support to the Deputy President
- Report on issues requiring the Deputy President's intervention
- Report on a communications framework for second economy issues.



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### Service delivery achievements

- Conducted oversight visits to 2010 host cities
- Reviewed second economy programmes, sector strategies and infrastructure monitoring framework
- Developed comprehensive anti-poverty strategy
- Coordinated JIPSA joint task team, AsgiSA high-level task team, Jobs for Growth programme and inter-ministerial committees.

# ANNEXURE 2

## Communications

**Purpose:** To provide communications, research and information services to enable The Presidency to communicate effectively with the public and within government.

### MEASURABLE OBJECTIVE 1

Integration and coordination of information flow, institutional memory and information management systems within The Presidency.

### Service delivery objectives and indicators

- Develop and implement information management systems
- Greater integration and coordination of information flows and institutional memory.

### Service delivery achievements

- Complied with minimum information security standards protocols
- Fulfilled requirements of Access to Information Act.

### MEASURABLE OBJECTIVE 2

Institutionalisation of a comprehensive and cohesive communications and public relations strategy in The Presidency.

### Service delivery objectives and indicators

- Update and implement an annual integrated communications and public relations strategy for the Presidency aligned to government's national communications strategy
- Implement milestones in the 2008/09 internal communications strategy
- Report on evidence of monitoring of communications and media environment.

### Service delivery achievements

- Developed draft public relations strategy
- Reviewed 2008/09 communications performance
- Developed content approval policy
- Developed knowledge management policy
- Developed an internal communications strategy, which was approved.

### MEASURABLE OBJECTIVE 3

An effective strategy and mechanism for proactive communication of government policies and programmes.

### Service delivery objectives and indicators

- Accurate, effective coverage and discussion of government's agenda.

### Service delivery achievements

- Produced quarterly report on implementation of Presidency communications strategy
- Maintained website and launched a children's website
- Produced annual report and other publications, including quarterly internal newsletter
- Drafted press statements, media alerts, and other materials.

### MEASURABLE OBJECTIVE 4

A coordinated public participation strategy and plan implemented, resulting in social cohesion and engagement of society in government initiatives.

### Service delivery objectives and indicators

- Approval of public relations strategy, public participation policy and events management manual/protocol
- Approve *Izimbizo* protocol
- Draft public participation and events calendar for 2008/09.



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**Service delivery achievements**

- Public participation strategy approved
- Events management protocol approved
- *Izimbizo* protocol finalised
- Draft events manual developed.

# ANNEXURE 3

## Executive Coordination

**Purpose:** To provide policy advice, monitoring and evaluation services enabling The Presidency, Cabinet and government to plan, coordinate and ensure the implementation of government programmes. The programme also provides strategic and administrative services to enable the Cabinet to plan and ensure the implementation of the agenda of government, through the Cabinet Office subprogramme.

### MEASURABLE OBJECTIVE 1

Annually updated MTSF, with correlation of measured progress and mandated outcomes, aligned to the strategic agenda of government.

### Service delivery objectives and indicators

- Update MTSF for July *Lekgotla*
- Report on alignment between MTEF and MTSF
- Template for year-end reports aligned to MTSF objectives
- Align annual reports and strategy plans of departments with MTSF
- Quality quarterly reports promoting greater compliance with implementation deadlines.

### Service delivery achievements

- Updated and correlated MTSF to government priorities; MTSF adopted at *Lekgotla* and distributed
- Updated and published Programme of Action
- Prepared summary report on alignment of MTSF and MTEF
- Completed report on functionality project
- Compiled annual monitoring/assessment report on legislative programme.

### MEASURABLE OBJECTIVE 2

Oversight and facilitation to ensure establishment and enhancement of coherent and integrated government strategic planning processes and sessions.

### Service delivery objectives and indicators

- Improve coherence in planning of sector programmes
- Revise national planning framework and report on level of state institutions' compliance with revised framework
- Provide strategic support to departments and clusters to develop and implement programmes and monitor implementation
- Review, improve and communicate a framework for discussion of strategic issues
- Ensure oversight of enhanced management of *Makgotla*, Cabinet and committees
- Improve quality of Cabinet and committee minutes
- Report on improvements to preparation of committee meetings and related inputs
- Develop, approve and implement annual Cabinet programme
- Quarterly report to reflect on the quality and accuracy of Cabinet records
- Quarterly report on compliance with technical requirements.

### Service delivery achievements

- Presented final draft proposals and updated report to FOSAD and *Lekgotla* on the institutional machinery linking departmental budgeting and planning
- Completed assessment of provincial growth and development strategy process and prepared a report
- Used national planning framework as a management and planning tool
- Refined and distributed electronic template for Cabinet memoranda.



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### MEASURABLE OBJECTIVE 3

Oversight and facilitation of interventions to improve alignment and coordination of strategies, programmes and plans, and improve the level of alignment and coordination between the MTSF, NSDP, provincial growth and development strategies and IDPs.

#### Service delivery objectives and indicators

- Integrate and align national, provincial and local development plans
- Complete implementation work in pilot districts
- Facilitate alignment of activities of provincial executives and Cabinet
- Enhance the role of provincial secretariats.

#### Service delivery achievements

- Completed alignment and coordination of MTSF, NSDP, and provincial growth and development strategies. Five district IDPs were completed during the reporting period.
- Held steering committee meeting to facilitate alignment throughout government.

### MEASURABLE OBJECTIVE 4

The provision of strategic support to government programmes aimed at strengthening capacity and the macro-organisation of the state.

#### Service delivery objectives and indicators

- Report by governance and administration cluster to July Cabinet *Lekgotla*
- *Lekgotla* report on strengthening capacity and organisation of the state
- Enhance leadership of integrated strategic planning processes
- Strengthen strategic management capacity and capability across government
- Train officials who develop Cabinet memoranda
- Include approach to improving quality of legislative programme and RIA in briefing, induction and orientation of officials trained on Cabinet memoranda.

#### Service delivery achievements

- Held meetings to induct officials who develop Cabinet memoranda
- Finalised report on workflow analysis of the legislative process and process map.

### MEASURABLE OBJECTIVE 5

A framework for intergovernmental cohesion implemented, with particular reference to the escalation process for issues to The Presidency and the advisory process.

Service delivery objectives and indicators

- Report on implementation of framework for intergovernmental cohesion
- Report on extent of participation in intergovernmental cohesion processes.

#### Service delivery achievements

- Concluded alignment of five district IDPs with NSDP
- During 2007 and 2008 the Deputy President visited all nine provinces to strengthen intergovernmental planning and M&E.

### MEASURABLE OBJECTIVE 6

Integration and coordination of information flow, institutional memory and information management systems within The Presidency.

#### Service delivery objectives and indicators

- Respond effectively to political requests and topical issues
- Evaluate the Cabinet system and issue recommendations for improvements

- Document and archive all meetings of President, Deputy President and Minister
- Provide administrative and strategic support to The Presidency.

### Service delivery achievements

- Improved information management systems
- Published recommendations to improve Cabinet system
- Finalised process map and report on workflow analysis of legislative process
- Incorporated plans for institutional memory and information security into the business continuity plan.

### MEASURABLE OBJECTIVE 7

Implementation of a standardised, institutionalised and effective M&E framework and policy platform.

### Service delivery objectives and indicators

- Develop and publish a national M&E framework document
- Provide leadership and support to the development of a broader M&E policy platform
- Reconvene the M&E coordinating forum chaired by PCAS
- Compile annual operational plan of all national M&E projects.

### Service delivery achievements

- Developed and published a national M&E policy framework document
- Provided leadership and support to the development of the M&E policy platform, including programme performance information framework and statistical quality assurance framework
- PCAS chaired M&E coordinating forum
- Compiled annual operational plan of all national M&E projects.

### MEASURABLE OBJECTIVE 8

Interventions to enhance the level and quality of executive oversight.

### Service delivery objectives and indicators

- Stabilise IT platform for Programme of Action system
- Additional Programme of Action cycles programmed and automated
- Develop a functionality report and indicators assessing all national departments
- Design, source data and develop a set of uniquely South African development indicators for publication and distribution
- Develop draft concept note on coordinated geographic information system in government.

### Service delivery achievements

- Developed fully web-enabled Programme of Action system, including additional automated cycles
- Improved bimonthly cluster reports on Programme of Action guidelines
- Prepared comprehensive report on functionality of departments
- Initialised system automation.

### MEASURABLE OBJECTIVE 9

Availability and accuracy of information on the implementation of programmes and policies established. Database of policies and programmes developed and implemented.

### Service delivery objectives and indicators

- Develop database of policies on gender, disability, children and youth
- Maintain and enhance database
- Consolidate annual report on legislation.



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### Service delivery achievements

- Developed baseline data to disaggregate disability statistics and indicators
- Prepared input on the need for departments to streamline and prioritise the 2008 legislative programme before submission to Parliament
- Established baseline on legal compliance by The Presidency.

### MEASURABLE OBJECTIVE 10

A cohesive and coordinated agenda for nation-building refined and implemented.

### Service delivery objectives and indicators

- Finalise and implement macro-social strategic framework
- Finalise and implement an integrated anti-poverty framework.

### Service delivery achievements

- Refined and implemented a framework towards a cohesive and coordinated agenda for nation-building:
  - Revised and developed the macro-social strategic framework
  - Developed the anti-poverty strategy
  - Developed and implemented framework for coordinating special projects.

### MEASURABLE OBJECTIVE 11

Interventions and programmes supporting the macro-organisation of the state towards coordinated and integrated service delivery identified, consolidated and implemented. Cluster system cascaded to all spheres of government.

### Service delivery objectives and indicators

- Report on enhanced strategic support to be given to departments
- Facilitate implementation of Programme of Action
- Report on provincial cluster system and recommendations to strengthen it
- Early warning system to identify systemic problems emerging in departments
- Support to political principals
- Manage FOSAD effectively
- Integrate decision-making to enhance Cabinet systems.

### Service delivery achievements

- Produced reports on the functionality of the cluster system
- Planned and coordinated meetings of the presidential working group, inter-ministerial committees and the Presidential Advisory Council
- Provinces have begun organising themselves along the national cluster system.

### MEASURABLE OBJECTIVE 12

Address bottlenecks in formulation and implementation of programmes and policies.

### Service delivery objectives and indicators

- Propose and monitor corrective adjustments to identified bottlenecks
- Publish reporting schedule
- Support the review of directors general clusters as required
- Publish an annual schedule for *Makgotla* planning and reporting on clusters, and improve the strategic nature of *Makgotla* reports.

### Service delivery achievements

- The Presidency, National Treasury, DPSA, Stats SA, DPLG, and South African Management Development Institute formalised their contributions to the M&E terrain in a series of policy frameworks



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- Automated the bimonthly reporting cycle of government
- Standardised the Programme of Action.

### MEASURABLE OBJECTIVE 13

Legislation developed in accordance with policy, including accountability for its intended impact, to ensure enhancement in the legislative environment and the role of the Leader of Government Business.

### Service delivery objectives and indicators

- Establish RIA as a pilot programme in five national departments
- Manage and plan RIA process integration
- Support effective management of the legislative programme.

### Service delivery achievements

- Established a task team composed of PCAS, Cabinet Office and National Treasury to drive the RIA project
- Developed guidelines for development of RIA legislation
- Submitted RIA progress report to Cabinet, including departmental compliance
- Completed a draft political management guideline for legislation.

### MEASURABLE OBJECTIVE 14

Enhanced governance, and conditions of peace, stability and security in Africa and the world promoted through The Presidency's leadership and oversight role.

### Service delivery objectives and indicators

- Report on strengthened role of Presidency
- Coordinate annual international programme in line with foreign policy
- Attend relevant international forums on governance to share experiences.

### Service delivery achievements

- Zimbabwean unity government formed with facilitation by South Africa
- South Africa began chairing SADC in August 2008
- President hosted various heads of state
- Preparatory meetings held on possible working visits of the Deputy President to Senegal, Nigeria, Egypt and Namibia
- The President attended World Economic Forum in Davos and WEF's Africa forum in Cape Town
- The President attended the South Africa-EU summit in Bordeaux, France
- The President attended the India-Africa summit in New Delhi, India
- The President attended the G20 meeting in Washington to address the global economic crisis
- The President attended the G8 Summit in Japan
- Review of binational commissions in progress
- Courtesy calls and meetings with various visiting foreign ministers took place at the request of the Ministry of Foreign Affairs
- International programme scaled down before and after the transition
- Support meetings for the NEPAD 6+2 forum held
- The Deputy President secured cooperation arrangements for the JIPSA international placement programme with the Netherlands and Ireland
- Comprehensive APRM programme of action developed and progress report submitted in 2009.

### MEASURABLE OBJECTIVE 15

Development of institutional memory systems for international engagements – including feedback, reporting and monitoring – to ensure continuity.



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### Service delivery objectives and indicators

- Enhance Presidency role in coordinating development of guidelines for conduct of international relations by all tiers of government.

### Service delivery achievements

- Improved systems for institutional memory in international interventions, including feedback, reporting and monitoring systems
- Defined coordination plan for capturing, reporting and communicating decisions and commitments made by the principals.

### MEASURABLE OBJECTIVE 16

Coordinated interventions and macroeconomic approaches resulting in broad socioeconomic development and social inclusion.

### Service delivery objectives and indicators

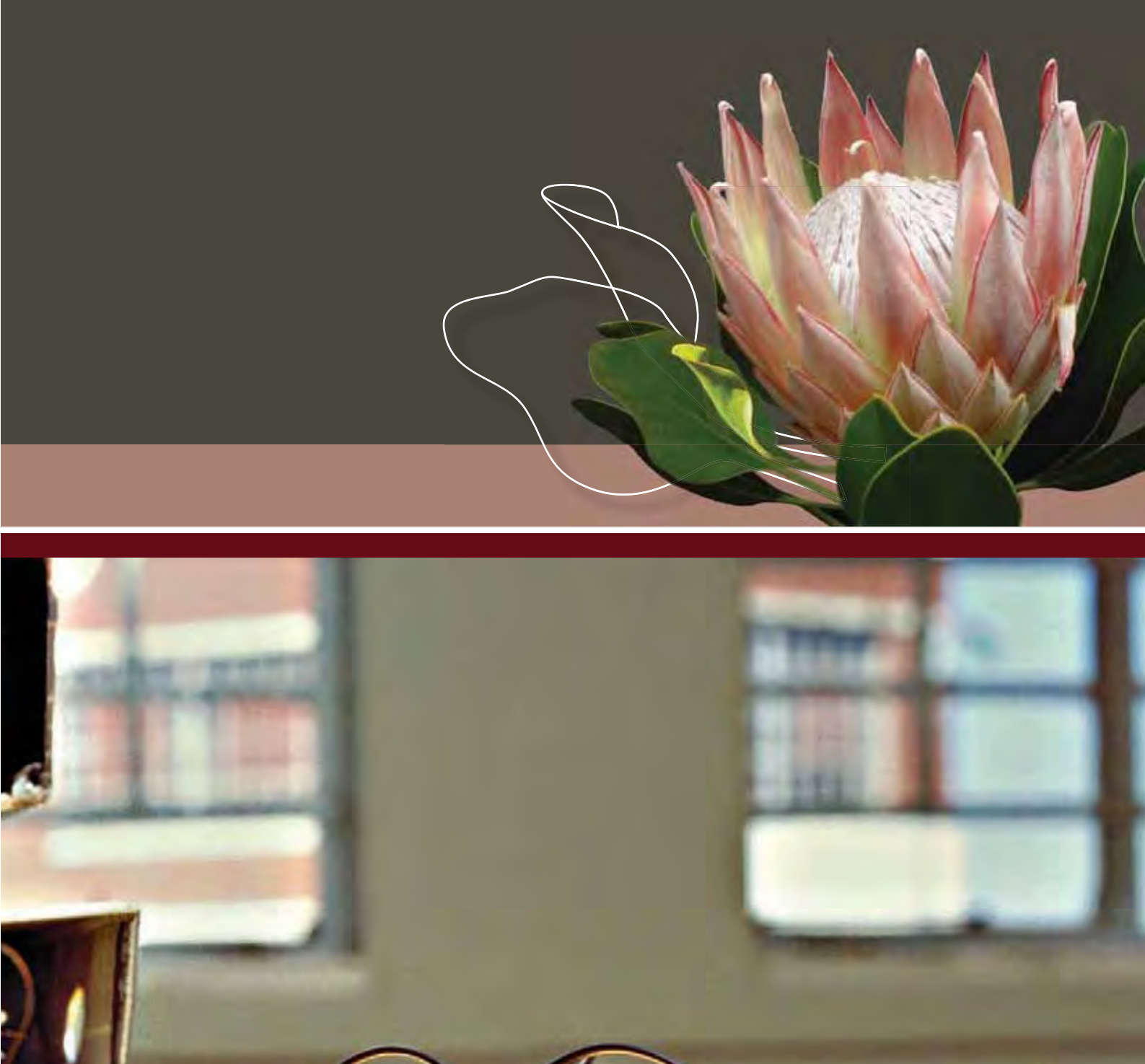
- Facilitation and coordination of initiatives supporting achievement of the goal.

### Service delivery achievements

- Led AsgiSA, JIPSA and second economy interventions
- Initiated regulatory reform for small businesses
- Launched the Mzansi shops, which promote South African products
- Developed framework for regulators in energy, telecoms and rail linked to AsgiSA
- Conducted oversight visits to 2010 FIFA World Cup host cities
- Completed report on jobs for growth initiative
- Coordinated learnerships for persons with disabilities in the private sector.

# Section D

## Human Resources Oversight



# HUMAN RESOURCES OVERSIGHT

## FOR THE YEAR ENDED 31 MARCH 2009

In the 2008/9 year a number of new appointments were made notably in administration related fields (Table 4.2). Out of the 84 employees who left the organisation, 22 left as a result of transfers to other departments and 22 resigned mostly because of better offers (Table 4.3). The levels 6-8 are the most affected and retention strategies need to be effected to counter this unsettling trend.

The analysis of the exit interview reports does not give a clear picture on the underlying issues that make people leave the organization. Perhaps a re-look at how we conduct exit interviews in The Presidency might be a good idea; you are likely to get more information when you conduct face-to-face interviews than giving out forms.

For the period January 2008 to December 2008 732 days were utilized for sick leave, and 73.8% of these had medical certification (Table 8.1). Between the same period about 9922 days were taken for annual leave by all employees- with each employee averaging 19 days (Table 8.3).

Only 8 disciplinary cases were heard during the year under review (Table 10.3). A total of 64 employees were promoted with black male and female employees accounting for a large percentage (Table 4.4). Table 6.1 shows that a large percentage of black females received performance rewards compared to white females. 79 black females out of a total of 268 received performance rewards.

Table 2.1 indicates that a total of 14 employees were appointed additional to the establishment for the period under review. These appointments consist of short-term appointments such as experts, donor funded contract employees, etc. The Presidency's vacancy rate stands at 25.4% (Table 2.2), a marked increase from the 16.4% the previous year. An analysis of this table shows a high turnover in skilled, highly skilled and management staff corresponding to the general high demand for skills. Expertise was sourced externally to provide mainly a response handling function in order to drive the rate of vacancies down; this was done parallel to capacitating HR personnel so that they match up to the demands and needs of the Branches. Units mostly affected were Finance, Supply Chain and Human Resource Management. An analysis of the exit interview reports do not give a clear picture of the underlying issues that cause people to leave the organisation. The Presidency will review how we conduct exit interviews to include face-to-face interviews as well as giving out forms to get more information.

The events of September 25 2008 had an impact on the increase in turnover in The Presidency; there was a lot of movement during that period than any in the entire financial year; the period before the elections was also characterized by uncertainty- with employees not sure whether they would retain their positions. As a way of countering this trend, The Presidency should document the a clear-cut and well thought-out strategy on dealing with transition. A representative task team should be informed to prepare for the eventual change in administration. Last minute changes are not good for morale within the organization.

Table 3.1 shows that out of a total of 684 posts in The Presidency, 75 were evaluated during the period; 15.7% of the jobs evaluated were in the 6-8 levels; these are the levels where the department is experiencing challenges in terms of staff retention.

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 in accordance in line with the new models of service delivery adopted.

Table 4.2 points to a high turnover rate, especially in the HR, Finance and IT units. The high turnover in HR is mostly within the Service Conditions section. Our staff in that section get exposed to all facets of Service Conditions, unlike in other departments where there is more emphasis on specialization rather than all-round exposure; which may explain the turnover within that section in HR.

Staff are leaving mostly for environments that promise better opportunities for growth rather than for a better pay. Employees are likely to stay if their jobs are enriched to become more challenging and interesting. Therefore, it is paramount that we afford our staff growth opportunities and an environment that is conducive to developing their leadership qualities. There is a high demand for personnel skilled in IT and Finance within government; employees in these fields are difficult to retain unless they are assured of a better pay and more influential positions. Times of uncertainty, which were experienced during the recent changes in The Presidency, created a push rather than a pull factor that exists because of The Presidency being the apex of government.



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A total of 198 employees attended training funded by The Presidency. Almost 60% of the beneficiaries were female (Table 11.1). The Presidency has achieved the target of employing 50 percent of women in management positions by 2009, despite the competition for staff with other departments.

Table 8.1 shows that a large percentage of employees within the 3-8 salary level 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. The trend in The Presidency over the years has been that the Principals and their Advisers do not utilize their leave days. The nature of their work sometimes makes it impossible for them to be off work.

**EXPENDITURE**

**Table 1.1 - Personnel costs by programme**

| Programme | Total Voted Expenditure (R'000) | Compensation of Employees Expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services (R'000) | Compensation of Employees as percent of Total Expenditure | Average Compensation of Employees Cost per Employee (R'000) | Employment |
|---|---|---|---|---|---|---|---|
| Pr1: Administration | 98,280 | 98,280 | 0 | 0 | 67.05 | 275 | 358 |
| Pr2: Communications | 11,944 | 11,944 | 0 | 0 | 8.15 | 332 | 36 |
| Pr3: Executive and Policy Coordination | 36,355 | 36,355 | 0 | 0 | 24.80 | 313 | 116 |
| **Z=Total as on Financial Systems (BAS)** | **146,579** | **146,579** | **0** | **0** | **100.00** | **287** | **510** |

**Table 1.2 - Personnel costs by salary band**

| Salary bands | Compensation of employees cost (R'000) | Percentage of total personnel cost for department | Average compensation cost per employee (R) | Number of employees |
|---|---|---|---|---|
| Lower skilled (Levels 1-2) | 16,382 | 11.18 | 287 | 57 |
| Skilled (Levels 3-5) | 31,328 | 21.37 | 287 | 109 |
| Highly skilled production (Levels 6-8) | 45,123 | 30.78 | 287 | 157 |
| Highly skilled supervision (Levels 9-12) | 35,926 | 24.51 | 287 | 125 |
| Senior management (Levels 13-16) | 17,819 | 12.16 | 287 | 62 |
| **Total** | **146,579** | **100.00** | **287** | **510** |

**Table 1.3 - Salaries, overtime, home owners allowance (HOA) and medical aid by programme**

| Programme | Salaries (R'000) | Salaries as % of personnel cost | Overtime (R'000) | 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) |
|---|---|---|---|---|---|---|---|---|---|
| Pr1: Administration | 61,150 | 62.22 | 5,576 | 5.67 | 1,669 | 1.70 | 3,834 | 3.90 | 98,280 |
| Pr2: Communications | 8,023 | 67.17 | 108 | 0.90 | 91 | 0.76 | 235 | 1.97 | 11,944 |
| Pr3: Executive and Policy Coordination | 23,019 | 63.32 | 4 | 0.01 | 647 | 1.78 | 874 | 2.40 | 36,355 |
| **Total** | **92,192** | **62.90** | **5,688** | **3.88** | **2,407** | **1.64** | **4,943** | **3.37** | **146,579** |

| Table 1.4 - Salaries, overtime, home owners allowance and medical aid by salary band | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Salary bands | Salaries (R'000) | Salaries as % of personnel cost | Overtime (R'000) | 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) |
| Lower skilled (Levels 1-2) | 10,304 | 62.90 | 636 | 3.88 | 269 | 1.64 | 552 | 3.37 | 16,382 |
| Skilled (Levels 3-5) | 19,704 | 62.90 | 1,216 | 3.88 | 514 | 1.64 | 1,056 | 3.37 | 31,328 |
| Highly skilled production (Levels 6-8) | 28,381 | 62.90 | 1,751 | 3.88 | 741 | 1.64 | 1,522 | 3.37 | 45,123 |
| Highly skilled supervision (Levels 9-12) | 22,596 | 62.90 | 1,394 | 3.88 | 590 | 1.64 | 1,212 | 3.37 | 35,926 |
| Senior management (Levels 13-16) | 11,208 | 62.90 | 691 | 3.88 | 293 | 1.64 | 601 | 3.37 | 17,819 |
| **Total** | **92,192** | **62.90** | **5,688** | **3.88** | **2,407** | **1.64** | **4,943** | **3.37** | **146,579** |

**EMPLOYMENT**

| Table 2.1 - Employment and vacancies by programme at end of period | | | | |
|---|---|---|---|---|
| Programme | Number of posts | Number of posts filled | Vacancy rate | Number of posts filled additional to the establishment |
| Administration, permanent | 474 | 358 | 24.5 | 4 |
| Communications, permanent | 54 | 36 | 33.3 | 2 |
| Executive coordination, permanent | 156 | 116 | 25.6 | 8 |
| Policy coordination, permanent | 81 | 64 | 21 | 4 |
| **Total** | **684** | **510** | **25.4** | **14** |

| Table 2.2 - Employment and vacancies by salary band at end of period | | | | |
|---|---|---|---|---|
| Salary band | Number of posts | Number of posts filled | Vacancy rate | Number of posts filled additional to the establishment |
| Lower skilled (levels 1-2), permanent | 62 | 57 | 8.1 | 1 |
| Skilled (levels 3-5), permanent | 132 | 109 | 17.4 | 2 |
| Highly skilled, production (levels 6-8), permanent | 217 | 157 | 27.6 | 1 |
| Highly skilled, supervision (levels 9-12), permanent | 196 | 125 | 5 | 6 |
| Senior management (levels 13-16), permanent | 77 | 62 | 19.5 | 8 |
| **Total** | **684** | **510** | **25.4** | **18** |

| Table 2.3 - Employment and vacancies by critical occupation at end of period | | | | |
|---|---|---|---|---|
| Critical occupations | Number of posts | Number of posts filled | Vacancy rate | Number of posts filled additional to the establishment |
| Administrative related, permanent | 116 | 82 | 29.3 | 6 |
| Cleaners in offices workshops hospitals etc., permanent | 51 | 46 | 9.8 | 0 |
| Client inform clerks (switchb recept inform clerks), permanent | 12 | 12 | 0 | 0 |
| Communication and information related, permanent | 29 | 19 | 34.5 | 0 |
| Finance and economics related, permanent | 7 | 1 | 85.7 | 0 |
| Financial and related professionals, permanent | 25 | 13 | 48 | 0 |
| Financial clerks and credit controllers, permanent | 16 | 8 | 50 | 1 |
| Food services aids and waiters, permanent | 55 | 50 | 9.1 | 0 |

| Table 2.3 - Employment and vacancies by critical occupation at end of period | | | | |
|---|---|---|---|---|
| Critical occupations | Number of posts | Number of posts filled | Vacancy rate | Number of posts filled additional to the establishment |
| Head of department/chief executive officer, permanent | 1 | 0 | 100 | 0 |
| Household food and laundry services related, permanent | 52 | 49 | 5.8 | 0 |
| Human resources and organisat developm & related prof, permanent | 21 | 8 | 61.9 | 0 |
| Human resources clerks, permanent | 8 | 4 | 50 | 0 |
| Human resources related, permanent | 10 | 3 | 70 | 0 |
| Information technology related, permanent | 17 | 12 | 29.4 | 0 |
| Legal related, permanent | 2 | 1 | 50 | 0 |
| Librarians and related professionals, permanent | 3 | 3 | 0 | 0 |
| Library, mail and related clerks, permanent | 7 | 7 | 0 | 0 |
| Light vehicle drivers, permanent | 1 | 1 | 0 | 0 |
| Logistical support personnel, permanent | 25 | 16 | 36 | 0 |
| Material-recording and transport clerks, permanent | 10 | 8 | 20 | 1 |
| Messengers, porters and deliverers, permanent | 5 | 5 | 0 | 0 |
| Motor vehicle drivers, permanent | 19 | 19 | 0 | 0 |
| Other administrative policy and related officers, permanent | 13 | 9 | 30.8 | 0 |
| Other occupations, permanent | 5 | 2 | 60 | 0 |
| Protection services, permanent | 3 | 0 | 100 | 0 |
| Secretaries and other keyboard operating clerks, permanent | 91 | 72 | 20.9 | 2 |
| Senior managers, permanent | 80 | 60 | 25 | 8 |
| **Total** | **684** | **510** | **25.4** | **18** |

| JOB EVALUATION<br>Table 3.1 - Job evaluation | | | | | | | |
|---|---|---|---|---|---|---|---|
| Salary band | Number of posts | Number of jobs evaluated | % of posts evaluated | Number of posts upgraded | % of upgraded posts evaluated | Number of posts downgraded | % of downgraded posts evaluated |
| Lower skilled (levels 1-2) | 62 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 3-5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 6-8) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 9-12) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band A) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band B) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band C) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band D) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (levels 3-5) | 132 | 1 | 0.8 | 0 | 0 | 0 | 0 |
| Highly skilled, production (levels 6-8) | 217 | 34 | 15.7 | 0 | 0 | 0 | 0 |
| Highly skilled, supervision (levels 9-12) | 196 | 33 | 16.8 | 0 | 0 | 0 | 0 |
| Senior management service band A | 38 | 6 | 15.8 | 1 | 16.7 | 0 | 0 |
| Senior management service band B | 22 | 1 | 4.5 | 0 | 0 | 0 | 0 |
| Senior management service band C | 10 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management service band D | 7 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **684** | **75** | **11** | **1** | **1.3** | **0** | **0** |

| Table 3.2 - Profile of employees whose positions were upgraded due to their posts being upgraded | | | | | |
|---|---|---|---|---|---|
| Beneficiaries | African | Asian | Coloured | White | Total |
| Female | 1 | 0 | 0 | 0 | 1 |
| Male | 1 | 0 | 0 | 0 | 1 |
| **Total** | **2** | **0** | **0** | **0** | **2** |
| Employees with a disability | 0 | 0 | 0 | 0 | 0 |

| Table 3.3 - Employees whose salary level exceed the grade determined by job evaluation [i.t.o PSR 1.V.C.3] | | | | | |
|---|---|---|---|---|---|
| Beneficiaries | African | Asian | Coloured | White | Total |
| xxx | 0 | | | | |
| xxx | 0 | | | | |
| **Total** | **0** | | | | |
| Percentage of total employment | 0 | | | | 0 |

| Table 3.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3] | | | | | |
|---|---|---|---|---|---|
| Beneficiaries | African | Asian | Coloured | White | Total |
| Female | 0 | 0 | 0 | 0 | 0 |
| Male | 0 | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** | **0** |
| Employees with a disability | 0 | 0 | 0 | 0 | 0 |

| EMPLOYMENT CHANGES<br>TABLE 4.1 - Annual Turnover Rates by Salary Band | | | | |
|---|---|---|---|---|
| Salary Band | Employment at Beginning of Period (April 2008) | Appointments | Terminations | Turnover Rate |
| Lower skilled (Levels 1-2), Permanent | 69 | 4 | 10 | 14.5 |
| Skilled (Levels 3-5), Permanent | 110 | 15 | 6 | 5.5 |
| Highly skilled production (Levels 6-8), Permanent | 129 | 28 | 25 | 19.4 |
| Highly skilled supervision (Levels 9-12), Permanent | 111 | 25 | 14 | 12.6 |
| Senior Management (Levels 13-16), Permanent | 60 | 10 | 10 | 16.7 |
| Contract (Levels 1-2), Permanent | 23 | 1 | 10 | 43.5 |
| Contract (Levels 3-5), Permanent | 9 | 4 | 1 | 11.1 |
| Contract (Levels 6-8), Permanent | 3 | 5 | 3 | 100 |
| Contract (Levels 9-12), Permanent | 14 | 5 | 1 | 7.1 |
| Contract (Levels (13-16), Permanent | 7 | 11 | 4 | 57.1 |
| **Total** | **535** | **108** | **84** | **15.7** |

**TABLE 4.2 - Annual Turnover Rates by Critical Occupation**

| Occupation | Employment at Beginning of Period (April 2008) | Appointments | Terminations | Turnover Rate |
|---|---|---|---|---|
| Administrative related, Permanent | 66 | 31 | 23 | 34.8 |
| Book binding and machine related, Permanent | 3 | 0 | 0 | 0 |
| Cleaners in offices workshops hospitals etc., Permanent | 57 | 3 | 10 | 17.5 |
| Client inform clerks(switchb recept inform clerks), Permanent | 6 | 0 | 0 | 0 |
| Communication and information related, Permanent | 25 | 6 | 2 | 8 |
| Computer programming, Permanent | 7 | 0 | 0 | 0 |
| Financial and related professionals, Permanent | 4 | 2 | 2 | 50 |
| Financial clerks and credit controllers, Permanent | 6 | 8 | 5 | 83.3 |
| Food services aids and waiters, Permanent | 29 | 9 | 0 | 0 |
| Head of department/chief executive officer, Permanent | 1 | 0 | 0 | 0 |
| Household food and laundry services related, Permanent | 92 | 6 | 3 | 3.3 |
| Human resources & organisat developm & relate prof, Permanent | 19 | 2 | 8 | 42.1 |
| Human resources clerks, Permanent | 13 | 1 | 2 | 15.4 |
| Human resources related, Permanent | 0 | 0 | 0 | 0 |
| Information technology related, Permanent | 10 | 3 | 3 | 30 |
| Legal related, Permanent | 5 | 3 | 1 | 20 |
| Library mail and related clerks, Permanent | 11 | 2 | 0 | 0 |
| Logistical support personnel, Permanent | 22 | 0 | 0 | 0 |
| Material-recording and transport clerks, Permanent | 2 | 0 | 1 | 50 |
| Messengers porters and deliverers, Permanent | 5 | 0 | 0 | 0 |
| Motor vehicle drivers, Permanent | 11 | 0 | 0 | 0 |
| Other administrative policy and related officers, Permanent | 7 | 1 | 0 | 0 |
| Policy analysis/ specialists | 19 | 1 | 2 | 10.5 |
| Risk Management and security related, Permanent | 4 | 0 | 0 | 0 |
| Secretaries & other keyboard operating clerks, Permanent | 61 | 9 | 8 | 13.1 |
| Senior managers, Permanent | 50 | 21 | 14 | 28 |
| **Total** | **535** | **108** | **84** | **15.7** |

**TABLE 4.3 - Reasons why staff are leaving the department**

| Termination Type | Number | Percentage of Total Resignations | Percentage of Total Employment | Total | Total Employment |
|---|---|---|---|---|---|
| Death | 1 | 1.2 | 0.2 | 84 | 535 |
| Resignation, Permanent | 22 | 26.2 | 4.1 | 84 | 535 |
| Expiry of contract, Permanent | 26 | 31 | 4.9 | 84 | 535 |
| Transfers, Permanent | 22 | 26.2 | 4.1 | 84 | 535 |
| Discharged due to ill health, Permanent | 1 | 1.2 | 0.2 | 84 | 535 |
| Retirement, Permanent | 5 | 6 | 0.9 | 84 | 535 |
| Other, Permanent | 7 | 8.3 | 1.3 | 84 | 535 |
| **Total** | **84** | **100** | **15.7** | **84** | **535** |

| Resignations as % of Employment |
|---|
| 4.11 |

| TABLE 4.4 - Promotions by Critical Occupation | | | | | |
|---|---|---|---|---|---|
| Occupation | Employment at Beginning of Period (April 2008) | 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 | 88 | 13 | 13 | 38 | 43.2 |
| Cleaners in offices workshops hospitals etc. | 54 | 0 | 0 | 21 | 38.9 |
| Client inform clerks(switchb recept inform clerks) | 6 | 0 | 0 | 6 | 100 |
| Communication and information related | 16 | 0 | 0 | 4 | 25 |
| Computer programming, Permanent | 7 | 0 | 0 | 0 | 0 |
| Financial and related professionals | 4 | 4 | 100 | 3 | 75 |
| Finance and Economics related | 3 | 0 | 0 | 1 | 33.3 |
| Financial clerks and credit controllers | 6 | 2 | 33.3 | 1 | 16.7 |
| Food services aids and waiters | 29 | 0 | 0 | 28 | 96.6 |
| Head of department/chief executive officer | 1 | 0 | 0 | 0 | 0 |
| Household food and laundry services related | 74 | 0 | 0 | 36 | 48.6 |
| Human resources & organisat developm & relate prof | 19 | 1 | 5.3 | 4 | 21.1 |
| Human resources clerks | 13 | 0 | 0 | 4 | 30.8 |
| Human resources related | 0 | 0 | 0 | 3 | 0 |
| Information technology related | 10 | 1 | 10 | 5 | 50 |
| Legal related | 5 | 1 | 20 | 0 | 0 |
| Librarians and related professionals | 3 | 0 | 0 | 1 | 33.3 |
| Library mail and related clerks | 11 | 0 | 0 | 5 | 45.5 |
| Light vehicle drivers | 1 | 0 | 0 | 1 | 100 |
| Logistical support personnel | 22 | 4 | 18.2 | 9 | 40.9 |
| Material-recording and transport clerks | 2 | 0 | 0 | 5 | 250 |
| Messengers porters and deliverers | 5 | 0 | 0 | 0 | 0 |
| Motor vehicle drivers | 11 | 0 | 0 | 11 | 100 |
| Other administrative policy and related officers | 7 | 0 | 0 | 5 | 71.4 |
| Policy analysis/ specialists | 0 | 0 | 0 | 0 | 0 |
| Policy analysis/ specialists | 19 | 0 | 0 | 18 | 94.7 |
| Risk management and security related | 4 | 0 | 0 | 3 | 75 |
| Secretaries & other keyboard operating clerks | 57 | 8 | 14 | 30 | 52.6 |
| **Total** | **535** | **64** | **12** | **261** | **48.8** |

| TABLE 4.5 - Promotions by Salary Band | | | | | |
|---|---|---|---|---|---|
| Salary Band | Employment at Beginning of Period (April 2008) | 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), Permanent | 69 | 0 | 0 | 35 | 50.7 |
| Skilled (Levels 3-5), Permanent | 110 | 4 | 3.6 | 80 | 72.7 |
| Highly skilled production (Levels 6-8), Permanent | 129 | 18 | 14 | 68 | 52.7 |
| Highly skilled supervision (Levels 9-12), Permanent | 111 | 30 | 27 | 50 | 45 |
| Senior Management (Levels 13-16), Permanent | 60 | 12 | 20 | 19 | 31.7 |
| Contract (Levels 1-2), Permanent | 23 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5), Permanent | 9 | 0 | 0 | 0 | 0 |
| Contract (Levels 6-8), Permanent | 3 | 0 | 0 | 1 | 33.3 |
| Contract (Levels 9-12), Permanent | 14 | 0 | 0 | 7 | 50 |
| Contract (Levels (13-16), Permanent | 7 | 0 | 0 | 1 | 14.3 |
| **Total** | **535** | **64** | **12** | **261** | **48.8** |

**EMPLOYEES WITH DISABILITIES**

**Table 5.1 - Total number of employees (incl. employees with disabilities) per occupational category (SASCO)**

| Occupational categories | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Legislators, senior officials and managers, permanent | 27 | 7 | 2 | 36 | 6 | 25 | 3 | 3 | 31 | 4 | 77 |
| Professionals, permanent | 20 | 0 | 2 | 22 | 3 | 29 | 2 | 2 | 33 | 6 | 64 |
| Clerks, permanent | 19 | 2 | 0 | 21 | 0 | 64 | 9 | 2 | 75 | 5 | 101 |
| Labourers and related workers | 29 | 3 | 0 | 32 | 0 | 29 | 8 | 0 | 37 | 0 | 69 |
| Service and sales workers, permanent | 46 | 6 | 1 | 53 | 0 | 70 | 2 | 0 | 72 | 2 | 127 |
| Plant and machine operators and assemblers, permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Technicians and associate professionals | 34 | 5 | 1 | 40 | 0 | 42 | 4 | 4 | 50 | 7 | 97 |
| **Total** | **175** | **23** | **6** | **203** | **9** | **259** | **28** | **11** | **298** | **24** | **535** |

| | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 3 | 1 | 1 | 5 | 0 | 4 | 0 | 0 | 4 | 0 | 9 |

**Table 5.2 - Total number of employees (incl. employees with disabilities) per occupational bands**

| Occupational bands | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Top management, permanent | 3 | 1 | 0 | 4 | 2 | 1 | 0 | 0 | 1 | 0 | 7 |
| Senior management, permanent | 20 | 6 | 2 | 28 | 3 | 20 | 3 | 2 | 25 | 4 | 60 |
| Professionally qualified and experienced specialists and mid-management, permanent | 15 | 0 | 1 | 16 | 3 | 22 | 2 | 2 | 26 | 5 | 50 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 32 | 5 | 1 | 38 | 0 | 41 | 4 | 4 | 49 | 7 | 97 |
| Semi-skilled and discretionary decision making, permanent | 62 | 7 | 1 | 70 | 0 | 130 | 10 | 2 | 142 | 7 | 219 |
| Unskilled and defined decision making, permanent | 20 | 3 | 0 | 23 | 0 | 18 | 5 | 0 | 23 | 0 | 46 |

| Table 5.2 - Total number of employees (incl. employees with disabilities) per occupational bands | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Occupational bands | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
| Contract (top management), permanent | 3 | 0 | 0 | 3 | 0 | 3 | 0 | 0 | 3 | 0 | 6 |
| Contract (senior management), permanent | 1 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 2 | 0 | 4 |
| Contract (professionally qualified), permanent | 5 | 0 | 1 | 6 | 0 | 7 | 0 | 0 | 7 | 1 | 14 |
| Contract (skilled technical), permanent | 2 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 3 |
| Contract (semi-skilled), permanent | 3 | 1 | 0 | 4 | 0 | 4 | 1 | 0 | 5 | 0 | 0 |
| Contract (unskilled), permanent | 9 | 0 | 0 | 9 | 0 | 11 | 3 | 0 | 14 | 0 | 23 |
| **Total** | **175** | **23** | **6** | **203** | **9** | **259** | **28** | **11** | **298** | **24** | **535** |

| Table 5.3 - Recruitment | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Occupational bands | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
| Senior management, permanent | 4 | 1 | 0 | 5 | 0 | 5 | 0 | 0 | 5 | 0 | 10 |
| Professionally qualified and experienced specialists and mid-management, permanent | 9 | 2 | 0 | 11 | 0 | 9 | 1 | 2 | 12 | 2 | 25 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 10 | 1 | 0 | 11 | 0 | 14 | 3 | 0 | 17 | 0 | 28 |
| Semi-skilled and discretionary decision making, permanent | 5 | 0 | 0 | 5 | 0 | 10 | 0 | 0 | 10 | 0 | 15 |
| Unskilled and defined decision making, permanent | 2 | 0 | 0 | 2 | 0 | 2 | 0 | 0 | 2 | 0 | 4 |
| Contract (top management), permanent | 6 | 0 | 0 | 6 | 0 | 4 | 0 | 0 | 4 | 0 | 10 |
| Contract (senior management), permanent | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (professionally qualified), permanent | 2 | 0 | 0 | 2 | 0 | 2 | 0 | 0 | 2 | 1 | 5 |
| Contract (skilled technical), permanent | 1 | 0 | 0 | 1 | 0 | 2 | 1 | 0 | 3 | 1 | 5 |
| Contract (semi-skilled), permanent | 1 | 0 | 0 | 1 | 0 | 3 | 0 | 0 | 3 | 0 | 4 |
| Contract (unskilled), permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| **Total** | **41** | **5** | **0** | **46** | **0** | **51** | **5** | **2** | **58** | **4** | **108** |

| | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Table 5.4 - Promotions**

| Occupational bands | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Top management, permanent | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| Senior management, permanent | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 1 | 4 |
| Professionally qualified and experienced specialists and mid-management, permanent | 6 | 2 | 0 | 8 | 0 | 5 | 1 | 0 | 6 | 1 | 15 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 8 | 2 | 0 | 10 | 0 | 7 | 1 | 0 | 8 | 0 | 18 |
| Semi-skilled and discretionary decision making, permanent | 1 | 0 | 0 | 1 | 0 | 2 | 0 | 0 | 2 | 0 | 3 |
| Unskilled and defined decision making, permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (top management), permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (senior management), permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Contract (professionally qualified), permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Contract (Semi-skilled), permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **16** | **4** | **0** | **18** | **0** | **18** | **2** | **0** | **20** | **2** | **42** |

| | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Table 5.5 - Terminations**

| Occupational bands | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Top management, permanent | 4 | 0 | 2 | 6 | 1 | 1 | 0 | 1 | 2 | 1 | 10 |
| Senior management, permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management, permanent | 5 | 0 | 0 | 5 | 0 | 9 | 0 | 0 | 9 | 0 | 14 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 9 | 0 | 0 | 9 | 1 | 9 | 3 | 0 | 13 | 2 | 25 |
| Semi-skilled and discretionary decision making, permanent | 3 | 0 | 0 | 3 | 0 | 2 | 0 | 0 | 2 | 1 | 6 |
| Unskilled and defined decision making, permanent | 3 | 0 | 0 | 3 | 0 | 7 | 0 | 0 | 7 | 0 | 10 |
| Contract (senior management), permanent | 2 | 0 | 0 | 2 | 0 | 2 | 0 | 0 | 2 | 0 | 4 |
| Contract (professionally qualified), permanent | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (skilled technical), permanent | 2 | 0 | 0 | 2 | 0 | 1 | 0 | 0 | 1 | 0 | 3 |
| Contract (semi-skilled), permanent | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1 |
| Contract (unskilled), permanent | 5 | 0 | 0 | 5 | 0 | 5 | 0 | 0 | 5 | 0 | 10 |
| **Total** | **34** | **0** | **2** | **36** | **2** | **37** | **3** | **1** | **39** | **5** | **84** |

| | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Table 5.6 - Disciplinary action**

| Disciplinary action | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Under the influence of alcohol | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

**Table 5.6 - Disciplinary action**

| Disciplinary action | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Unauthorised expenditure, insolence | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Negligence in the performance of duties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Refusal to execute duties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dereliction of duties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Unacceptable behaviour | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurbordination, insolence | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 1 |
| Fraud | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accident with state vehicle | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Theft | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| **Total** | **6** | **0** | **0** | **6** | **0** | **0** | **1** | **0** | **1** | **1** | **8** |

**Table 5.7 - Skills development**

| Occupational categories | Male, African | Male, Coloured | Male, Indian | Male, total Blacks | Male, White | Female, African | Female, Coloured | Female, Indian | Female, total Blacks | Female, White | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Legislators, senior officials and managers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Technicians and associate professionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clerks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Elementary occupations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| PERFORMANCE | | | | | |
|---|---|---|---|---|---|
| **Table 6.1 - Performance rewards by race, gender and disability** | | | | | |
| **Demographics** | **Number of Beneficiaries** | **Total Employment** | **Percentage of Total Employment** | **Cost (R'000)** | **Average Cost per Beneficiary (R'000)** |
| African, Female | 79 | 242 | 32.64 | 1001 | 13 |
| African, Male | 52 | 170 | 30.59 | 786 | 15 |
| Indian, Female | 4 | 12 | 33.33 | 55 | 14 |
| Indian, Male | 3 | 7 | 42.86 | 36 | 12 |
| Coloured, Female | 10 | 14 | 71.43 | 89 | 9 |
| Coloured, Male | 8 | 35 | 22.86 | 80 | 10 |
| Total Blacks, Female | 93 | 268 | 34.70 | 1,145 | 12 |
| Total Blacks, Male | 63 | 208 | 30.29 | 902 | 14 |
| White, Female | 7 | 25 | 28.00 | 113 | 16 |
| White, Male | 4 | 9 | 44.44 | 131 | 33 |
| Employees with a disability | 3 | 10 | 30.00 | 63 | 21 |
| **Total** | **170** | **510** | **33.33** | **2,354** | **14** |

| **Table 6.2 - Performance rewards by salary band for personnel below senior management service** | | | | | |
|---|---|---|---|---|---|
| **Salary Band** | **Number of Beneficiaries** | **Total Employment** | **Percentage of Total Employment** | **Cost (R'000)** | **Average Cost per Beneficiary (R'000)** |
| Lower skilled (Levels 1-2) | 14 | 57 | 24.6 | 58 | 4 |
| Skilled (Levels 3-5) | 37 | 109 | 33.9 | 196 | 5 |
| Highly skilled production (Levels 6-8) | 56 | 157 | 35.7 | 582 | 10 |
| Highly skilled supervision (Levels 9-12) | 49 | 125 | 39.2 | 1,040 | 21 |
| **Total** | **156** | **448** | **34.8** | **1,876** | **12** |

| **Table 6.3 - Performance rewards by critical occupation** | | | | | |
|---|---|---|---|---|---|
| **Critical Occupations** | **Number of Beneficiaries** | **Total Employment** | **Percentage of Total Employment** | **Cost (R'000)** | **Average Cost per Beneficiary (R'000)** |
| Administrative related | 42 | 112 | 37.50 | 629 | 15 |
| Cleaners in offices workshops hospitals etc. | 12 | 53 | 22.64 | 53 | 4 |
| Client inform clerks(switchb recept inform clerks) | 1 | 12 | 8.33 | 8 | 8 |
| Communication and information related | 4 | 17 | 23.53 | 88 | 22 |
| Finance and economics related | 1 | 1 | 100.00 | 37 | 37 |
| Financial and related professionals | 4 | 17 | 23.53 | 68 | 17 |
| Financial clerks and credit controllers | 1 | 8 | 12.50 | 3 | 3 |
| Food services aids and waiters | 16 | 47 | 34.04 | 88 | 6 |
| Head of department/chief executive officer | 0 | 1 | 0.00 | 109 | 0 |

**Table 6.3 - Performance rewards by critical occupation**

| Critical Occupations | Number of Beneficiaries | Total Employment | Percentage of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R'000) |
|---|---|---|---|---|---|
| Household food and laundry services related | 18 | 42 | 42.86 | 25 | 1 |
| Human resources & organisat developm & relate prof | 2 | 8 | 25.00 | 22 | 11 |
| Human resources clerks | 5 | 4 | 125.00 | 11 | 2 |
| Information technology related | 3 | 12 | 25.00 | 42 | 14 |
| Library Mail and related clerks | 4 | 10 | 40.00 | 10 | 3 |
| Logistical Support Personnel | 1 | 16 | 6.25 | 2 | 2 |
| Material -Recording and Transport Clerks | 1 | 10 | 10.00 | 2 | 2 |
| Other Administrative Policy and related offices | 2 | 13 | 15.38 | 3 | 2 |
| Secretaries and other keyboard operating clerks | 27 | 41 | 65.85 | 17 | 1 |
| Legal related | 0 | 3 | 0.00 | 32 | 0 |
| Messengers porters and deliverers | 8 | 5 | 160.00 | 9 | 1 |
| Motor vehicle drivers | 4 | 19 | 21.05 | 18 | 5 |
| Senior managers | 14 | 59 | 23.73 | 1,078 | 77 |
| **Total** | **170** | **510** | **33.33** | **2,354** | **14** |

**Table 6.4 - Performance related rewards (cash bonus) by salary band for senior management service**

| SMS Band | Number of Beneficiaries | Total Employment | Percentage of Total Employment | Cost (R'000) | Average Cost per Beneficiary (R'000) |
|---|---|---|---|---|---|
| Band A | 8 | 37 | 21.62 | 282 | 35 |
| Band B | 5 | 14 | 35.71 | 157 | 31 |
| Band C | 1 | 7 | 14.29 | 39 | 39 |
| Band D | 0 | 4 | 0.00 | 0 | 0 |
| **Total** | **14** | **62** | **22.58** | **478** | **34** |

**FOREIGN WORKERS**

**Table 7.1 - Foreign workers by salary band**

| Salary band | Employment at beginning of period | Percentage of total | Employment at end of period | Percentage of total | Change in employment | Percentage of total | Total employment at beginning of period | Total employment at end of period | Total change in employment |
|---|---|---|---|---|---|---|---|---|---|
| **Total** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |

**Table 7.1 - Foreign workers by salary band**

| Major occupation | Employment at beginning of period | Percentage of total | Employment at end of period | Percentage of total | Change in employment | Percentage of total | Total employment at beginning of period | Total employment at end of period | Total change in employment |
|---|---|---|---|---|---|---|---|---|---|
| **Total** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |

**LEAVE**

**Table 8.1 - Sick leave for Jan 2008 to Dec 2008**

| 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) | 94 | 31.9 | 25 | 11.7 | 4 | 18 | 213 | 30 |
| Skilled (levels 3-5) | 236 | 83.1 | 68 | 31.9 | 3 | 59 | 213 | 196 |
| Highly skilled, production (levels 6-8) | 263 | 76.4 | 69 | 32.4 | 4 | 120 | 213 | 201 |
| Highly skilled, supervision (levels 9-12) | 107 | 82.2 | 38 | 17.8 | 3 | 93 | 213 | 88 |
| Senior management (levels 13-16) | 32 | 78.1 | 13 | 6.1 | 2 | 5 | 213 | 25 |
| **Total** | **732** | **73.8** | **213** | **100** | **3** | **295** | **213** | **540** |

**Table 8.2 - Disability leave (temporary and permanent) for Jan 2008 to Dec 2008**

| 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) | 18 | 100 | 1 | 33.3 | 18 | 3 | 18 | 3 |
| Highly skilled supervision (levels 9-12) | 20 | 100 | 2 | 66.7 | 10 | 23 | 20 | 3 |
| **Total** | **38** | **100** | **3** | **100** | **13** | **26** | **38** | **3** |

**Table 8.3 - Annual leave for Jan 2008 to Dec 2008**

| Salary band | Total days taken | Average days per employee | Number of employees who took leave |
|---|---|---|---|
| Lower skilled (levels 1-2) | 1019 | 20 | 52 |
| Skilled (levels 3-5) | 2445 | 21 | 117 |
| Highly skilled, production (levels 6-8) | 3040 | 19 | 156 |
| Highly skilled, supervision (levels 9-12) | 2238 | 18 | 121 |
| Senior management (levels 13-16) | 1180 | 17 | 71 |
| **Total** | **9922** | **19** | **517** |

**Table 8.4 - Capped leave for Jan 2008 to Dec 2008**

| Salary band | Total days of capped leave taken | Average number of days taken per employee | Average capped leave per employee as at 31 December 2008 | Number of employees who took capped leave | Total number of capped leave available at 31 December 2008 | Number of employees as at 31 December 2008 |
|---|---|---|---|---|---|---|
| Lower skilled (levels 1-2) | 2 | 2 | 36 | 1 | 785 | 22 |
| Skilled (levels 3-5) | 56 | 7 | 61 | 8 | 3268 | 54 |
| Highly skilled, production (levels 6-8) | 9 | 2 | 22 | 6 | 1034 | 47 |
| Highly skilled, supervision (levels 9-12) | 8 | 3 | 34 | 3 | 1471 | 43 |
| Senior management (levels 13-16) | 5 | 3 | 29 | 2 | 775 | 27 |
| **Total** | **80** | **4** | **38** | **20** | **7333** | **193** |

**Table 8.5 - Leave payouts**

| Reason | Total amount (R'000) | Number of employees | Average payment per employee (R) |
|---|---|---|---|
| Leave payout for 2008/09 due to non-utilisation of leave for the previous cycle | 108 | 3 | 36,000 |
| Capped leave payouts on termination of service for 2008/09 | 489 | 38 | 12,868 |
| Current leave payout on termination of service for 2008/09 | 229 | 20 | 11,450 |
| **Total** | **826** | **61** | **13,541** |

**OCCUPATIONAL RISK**

**Table 9.1 - Steps taken to reduce the risk of occupational exposure**

| Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any) | Key steps taken to reduce the risk |
|---|---|

**Table 9.2 - Details of health promotion and HIV and 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 | | *No. Key deliverable for 2009. | |
| 2. Does the department have a dedicated unit or have you designated specific staff members to promote the 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. | | *The post of EAP officer is vacant - to be filled in 2009. | |
| 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. | | *Counselling & support Service provided by an external source. | |
| 4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) 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. | | *Key deliverable for 2009. | |
| 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 | **Yes** | | *Policies & Procedures of The Presidency do not discriminate against HIV and Aids infected and affected people. |
| 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. | **Yes** | | *Awareness campaigns are held to educate & sensitise staff around HIV and AIDS issues. |
| 7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved. | **Yes** | | *Voluntary counselling & testing was done. |
| 8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators. | | No. We have not been effective when it comes to this deliverable, however, it is a priority for 2009/10 financial year. | |

| LABOUR RELATIONS<br>Table 10.1 - Collective agreements | |
|---|---|
| Subject matter | Date |
| None | N/A |

| Table 10.2 - Misconduct and discipline hearings finalised | | | |
|---|---|---|---|
| Outcomes of disciplinary hearings | Number | Percentage of total | Total |
| **Total** | **4** | **100** | **4** |

| Table 10.3 - Types of misconduct addressed and disciplinary hearings | | | |
|---|---|---|---|
| Type of misconduct | Number | Percentage of Total by type of misconduct | Total |
| Breach of security regulations | 0 | 0.0 | 0 |
| False disclosure of financial status | 0 | 0.0 | 0 |
| Negligence in the performance of duties | 0 | 0.0 | 0 |
| Dereliction of duties | 1 | 5.3 | 1 |
| Under the influence of alcohol | 1 | 5.3 | 1 |
| Unacceptable behaviour | 0 | 0.0 | 0 |
| Insurbodination, insolence | 1 | 5.3 | 1 |
| Unauthorised expenditure, insolence | 1 | 5.3 | 1 |
| Accident with state vehicle | 0 | 0.0 | 0 |
| Theft | 4 | 21.4 | 4 |
| **Total** | **8** | **42.72** | **8** |

| Table 10.4 - Grievances lodged | | | |
|---|---|---|---|
| Number of grievances addressed | Number | Percentage of total | Total |
| Not resolved | 5 | 26.7 | 5 |
| **Total** | **9** | **48.05** | **9** |

| Table 10.5 - Disputes lodged | | |
|---|---|---|
| Number of disputes addressed | Number | % of total |
| Upheld | 0 | 0 |
| **Dismissed** | **3** | **16.02** |
| **Total** | **3** | **16.02** |

| Table 10.6 - Strike actions | |
|---|---|
| **Strike actions** | _ |
| Total number of person working days lost | 3 |
| **Total cost(R'000) of working days lost** | **18** |
| **Amount (R'000) recovered as a result of no work no pay** | **18** |

| Table 10.7 - Precautionary suspensions | |
|---|---|
| **Precautionary suspensions** | _ |
| Number of people suspended | 2 |
| Number of people whose suspension exceeded 30 days | 2 |
| Average number of days suspended | 672 |
| Cost (R'000) of suspensions | 329 |

**SKILLS DEVELOPMENT**

**Table 11.1 - Training needs identified**

| Occupational categories | Gender | Employment | Learnerships | Skills programmes and other short courses | Other forms of training | Total |
|---|---|---|---|---|---|---|
| Legislators, senior officials and managers | Female | 5 | | 6 | | 11 |
| | Male | 5 | | 9 | | 14 |
| Professionals | Female | 11 | | 18 | | 29 |
| | Male | 9 | | 15 | | 24 |
| Technicians and associate professionals | Female | 17 | | 6 | | 23 |
| | Male | 8 | | 6 | | 14 |
| Clerks | Female | 21 | | 20 | | 41 |
| | Male | 9 | | 3 | | 12 |
| Service and sales workers | Female | 6 | | 0 | | 6 |
| | Male | 4 | | 1 | | 5 |
| Plant and machine operators and assemblers | Female | 0 | | 1 | | 1 |
| | Male | 5 | | 2 | | 7 |
| Labour and related workers | Female | 12 | | 1 | | 13 |
| | Male | 8 | | 5 | | 13 |
| | | 120 | | 93 | | 213 |
| Gender subtotals | Female | 72 | | 52 | | 124 |
| | Male | 48 | | 41 | | 89 |
| | | 120 | | 93 | | 213 |

| Table 11.2 - Training provided | | | | | | |
|---|---|---|---|---|---|---|
| Occupational categories | Gender | Employment | Learnerships | Skills programmes and other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 6 | | 6 | | 12 |
| | Male | 9 | | 9 | | 18 |
| Professionals | Female | 18 | | 18 | | 36 |
| | Male | 16 | | 16 | | 32 |
| Technicians and associate professionals | Female | 6 | | 6 | | 12 |
| | Male | 5 | | 5 | | 10 |
| Clerks | Female | 20 | | 20 | | 40 |
| | Male | 3 | | 3 | | 6 |
| Service and sales workers | Female | 0 | | 0 | | 0 |
| | Male | 1 | | 1 | | 2 |
| Plant and machine operators and assemblers | Female | 1 | | 1 | | 2 |
| | Male | 2 | | 2 | | 4 |
| Labour and related workers | Female | 1 | | 1 | | 2 |
| | Male | 5 | | 5 | | 10 |
| Other | Females | 4 | | 4 | | 8 |
| | Males | 2 | | 2 | | 4 |
| Gender subtotals | Female | 56 | | 56 | | 112 |
| | Male | 43 | | 43 | | 86 |
| **Total** | | **99** | | **99** | | **198** |

| Table 12.1 - Injury on duty | | |
|---|---|---|
| Nature of injury on duty | Number | % of total |
| Required basic medical attention only | 0 | 0 |
| Temporary total disablement | 0 | 0 |
| Permanent disablement | 0 | 0 |
| Fatal | 0 | 0 |
| **Total** | **0** | **0** |

| CONSULTANTS | | | |
|---|---|---|---|
| Table 13.1 - 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 |
| HR service delivery model | 7 | 5 months | 1 335 445.37 |
| Total number of projects | Total individual consultants | Total duration: work days | Total contract value in Rand |
| 1 | 7 | 5 months | 1 335 445.37 |

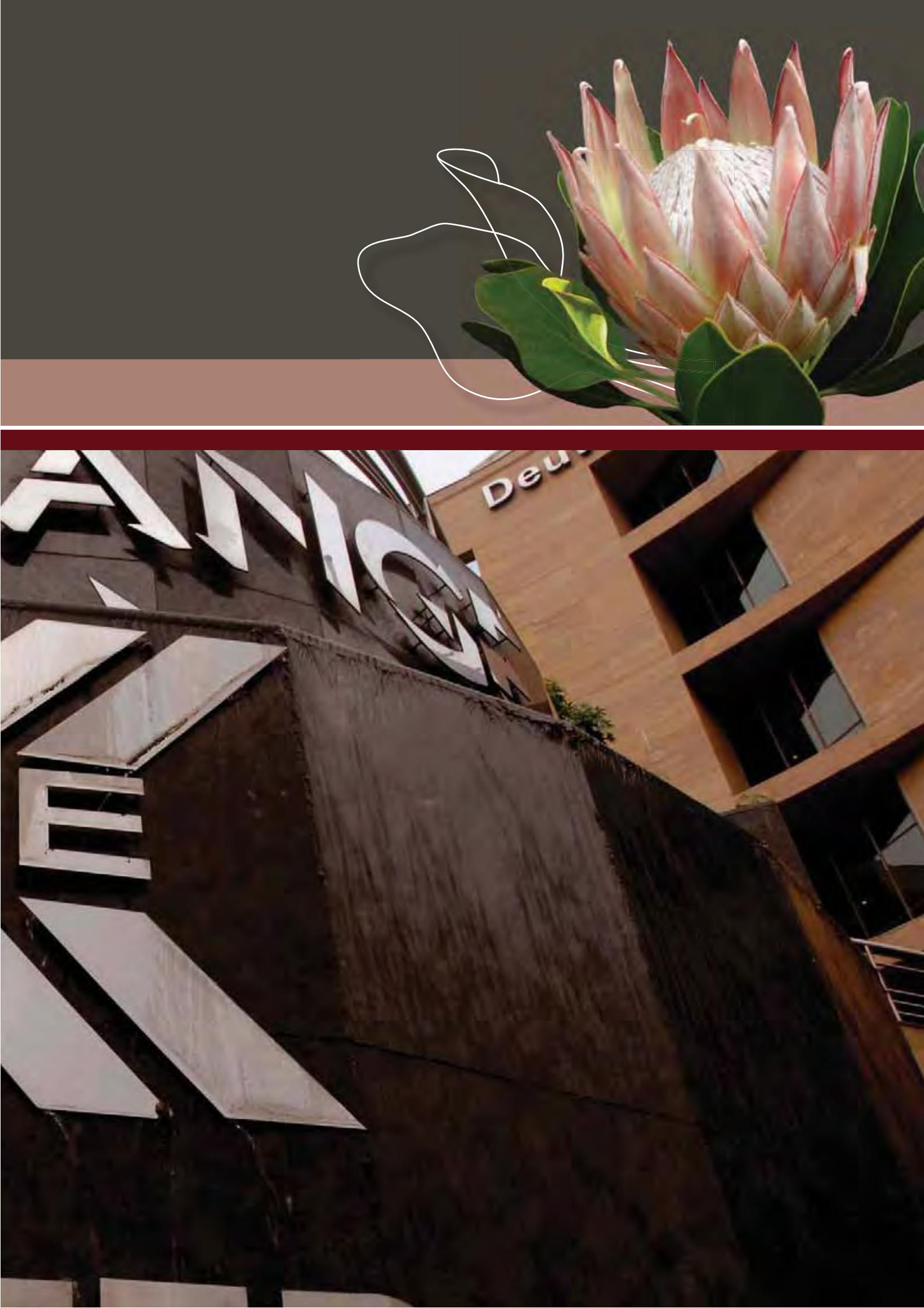
| Table 13.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs | | | |
|---|---|---|---|
| **Project title** | **Percentage ownership by HDI groups** | **Percentage management by HDI groups** | **Number of consultants from HDI groups that work on the project** |
| HR service delivery model | 100 | 100% Black female | 6 |

| Table 13.3 - 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** |
| Nil | N/A | N/A | N/A |
| **Total number of projects** | **Total individual consultants** | **Total duration: work days** | **Total contract value in Rand** |
| Nil | N/A | N/A | N/A |

| Table 13.4 - Analysis of consultant appointments using donor funds, i.t.o. HDIs | | | |
|---|---|---|---|
| **Project title** | **Percentage ownership by HDI groups** | **Percentage management by HDI groups** | **Number of consultants from HDI groups that work on the project** |
| Nil | N/A | N/A | |

# Section E

## Annual Financial Statements



## 1. GENERAL REVIEW OF STATE OF FINANCIAL AFFAIRS

The financial management of the Presidency has been under tremendous pressure in the reporting period due to unforeseeable events of change of leadership. This resulted in additional expenditure which was not provided for resulting in the inevitable spending beyond what was appropriated. It has become apparent that the role of coordination of policy initiatives and nation building that the Presidency plays calls for a different model for funding its activities in order to ensure minimized impact of unforeseen events on the financial resources.

During 2008/09 financial year, The Presidency incurred unauthorized expenditure of R14, 511 million. This was mainly due to unforeseen expenditure relating to the following:

- Resultant costs due to the change of Political Principals and additional costs relating to having an additional Minister in the Presidency and his ministerial support staff;
- leave gratuity payments incurred as a result of the change of political principals in September 2008.
- Shortfall on the budget for the National Income Dynamic Survey
- Unforeseen salary increase for the Minister in the Presidency.
- Costs relating to unavoidable legal fees and additional capacity needs within the asset management unit.

Further pressure on The Presidency budget, in addition to factors already mentioned, was exacerbated by the National Awards Ceremony being moved forward from May 2009 to March 2009 due to the Elections and the Inauguration Ceremony; Unforeseen administrative costs relating to mediation in Zimbabwe by the President and participating in international events.

The budgetary pressures within The Presidency on the compensation budget are mainly attributed to the fact that The Presidency, in its quest to attract and retain highly skilled personnel, does so at a remuneration higher than the norm.

**BUDGET ALLOCATION FOR THE 2008/2009 FISCAL YEAR**

| | R'000 | R'000 | R'000 |
|---|---|---|---|
| Description | 2008/2009 | 2007/2008 | Increase/ Decrease |
| Budget allocation | 311,735 | 272,101 | 39,634 |
| Statutory allocation | 5,000 | 2,219 | 2,781 |
| **Total budgeted allocation** | **316,735** | **274,320** | **42,415** |

During the 2008/09 Adjustments Estimate process The Presidency received:

- R7.471 million through roll-overs, which was used to fund the relocation of offices to additional accommodation, and outstanding commitments relating to administrative costs;
- R10.531 million which was additionally allocated for the unexpected increase in administrative capacity and for the war room on poverty;
- R3.873 million as an adjustment allocation covering the costs relating to the higher than budgeted wage increase.

The Statement of Financial Performance indicates actual appropriation, actual expenditure and is detailed in the Notes to the Financial Statement.

Funds were transferred between the main divisions of the Vote and approved by the Accounting Officer through the virement process, according to the table below.

**VIREMENT BETWEEN MAIN DIVISIONS IN VOTE 1.**

| | R'000 | | R'000 | R'000 | |
|---|---|---|---|---|---|
| To programme | Amount | From programme | Amount | Appropriation | % |
| Programme 2 | 2,131 | Programme 1 | 2,131 | 200,179 | 1.1 |
| Programme 3 | 1,804 | Programme 2 | 1,804 | 23,132 | 8.0 |
| **Total** | **3,935** | | **3,935** | | |

## 2. SERVICES RENDERED BY THE DEPARTMENT

Services are not rendered directly to the public. The Presidency's overall Mandate and Core Business is to provide high-quality, professional support to the President, Deputy President and Minister in the execution of their executive responsibilities, namely the executive management of government.

### Inventories

The inventories on hand at year end were as follows:

| | |
|---|---|
| Stationery | R2 752 839 |
| Cleaning materials | R 83 627 |

## 3. CAPACITY CONSTRAINTS

The establishment of the war room on poverty in The Presidency added an additional burden to the already strained resources in The Presidency. This, plus the unexpected change in the administration that occurred in government resulted in the use of pre-programmed funds being diverted to support the administrative requirements of the new Principals, including the appointment of a new Minister.

Measures were also put in place to retain highly skilled and sought after personnel at a premium. This was done to ensure that The Presidency's coordinating and monitoring functions are not adversely affected and compromised by the transition. The attrition rate as well as the requirement to ensure that officials that are employed within The Presidency are security cleared, impacts on the turnaround time of placement of staff. There is lack of office space which will become further pronounced with the expansion of The Presidency in the 2009/10 financial year, despite the additional office accommodation that was sourced in the last financial year.

## 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. For the latter project, The Presidency received an amount of R4, 342 million from the European Union. The Presidency spent R1, 004 million and R1, 838 million on the Denmark and European Union projects, respectively. The balance of the donor funds was surrendered to the Reconstruction and Development Programme Fund at the end of March 2009.

## 5. PUBLIC ENTITIES

The National Youth Commission (NYC) receives transfer payments from The Presidency to conduct its affairs. The NYC works to create a united, non-racial, non-sexist and prosperous society in which the youth of South Africa promote national reconciliation and unity, and seek to build a new patriotism and to foster a culture of peace, justice and human rights.

The Commission is established under the National Youth Commission Act, 1996. A total of R24, 333 000.00 was transferred to the NYC during the period under review. The Presidency transfers the funds to the NYC, in quarterly tranches.

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

The Presidency paid R3, 000,000.00 and R1, 000,000.00 to the Isigodlo Trust and the South African Chapter on the African Renaissance respectively. The organisations carry out programmes supporting government's African agenda and its socio-economic development programmes.

## 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

### Risk management and corporate governance

A Risk Management Framework and a Fraud Prevention Plan have been adopted by The Presidency. A Disaster Recovery Plan has been implemented.

The Presidency officials are compelled to disclose any business interests outside the working environment as well as disclosure of any conflict of interest in their decisions on various procurement committees. Top Management, Branch Heads and responsibility managers of Senior Management Service meet monthly and, thereby, contribute further to

corporate governance. Quarterly meetings review The Presidency's performance against its stated objectives and remedial action is monitored at the monthly meetings.

### 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. Up until 2007/08 the Internal Audit Unit functioned on a co-sourced basis. With the departure of the head of internal audit in March 2008 the Internal Audit Unit functioned on an outsourced basis. A new head of internal audit was appointed in November 2008.

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 will discontinue its operations and a National Youth Development Agency has been formed through the amalgamation of the National Youth Commission and the Umsobombvu Youth Fund.

As a result of the establishment of the new Ministry for Women, Children and Persons with Disabilities, the Chief Directorate dealing with the Office on the Status of Women, Office on the Rights of the Child and Office on the Status of the Disabled Persons will relocate to the new Ministry.

## 10. NEW/PROPOSED ACTIVITIES

The President has appointed two Political Principals to enhance the work in the Presidency of the following portfolios:

a. Minister for National Planning, and

b. Minister for Performance Monitoring & Evaluation

The President has decided to establish a National Planning Commission (NPC), made up of political principals, located in and led by The Presidency. The NPC and Performance Monitoring and Evaluation will be supported by administrative and technical infrastructure in The Presidency, in the form of a restructured Policy, Co-ordination and Advisory Services (PCAS) branch.

The Minister for National Planning is the executing Authority for Statistics South Africa (Stats SA) while the Minister for Performance Monitoring and Evaluation is the Executing Authority for the National Youth Development Agency (NYDA) in addition to Government Communications and Information System (GCIS).

## 11. ASSET MANAGEMENT

Asset management received specific focus in the past year with the following progress being achieved:

- All the assets (major and minor) are captured with the values in accordance with the regulations.
- An Asset Management unit has been established; based on a formal work study conducted during the 2007/2008 financial year to determine the requirements for an Asset Management team.

The Presidency complies with the minimum requirements as set out in the PFMA and Treasury Regulations by maintaining the assets records on the asset register and reconciling with records on the Basic Accounting System.

The compliance with Asset Management Reforms (AMR) milestones are as follows:

- all assets since 2001 have been captured at the original cost of the asset;
- all assets including those for which the original cost was not available, were captured at fair value determined in accordance with the guidelines.
- an Asset Register has been established and is being maintained.

In addition, the following interventions have been completed in the 2008/2009 financial year:

1. the revision of the Asset Management policy in line with the asset management guidelines;
2. the training of staff and transfer of skills of asset management personnel;
3. the appointment of Asset Controllers.



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## 12. EVENTS AFTER REPORTING DATE

None

## 13. PERFORMANCE INFORMATION

The performance information reflects the achievement of pre-determined targets as reflected in the strategic plan of the organization. The targets of the Presidency are developed to respond to the role of the organization, i.e., the implementation of the strategic agenda of government. These targets reflect processes that would accommodate any possible shifts in policy that would coincide with the mandate of the new administration after the elections in 2009. The targets also reflect the Presidency's responsibility to lead, plan, coordinate policy and the executive functions in support of the President, the Deputy President and the Minister in The Presidency, to ensure harmonious and integrated service delivery. The core of The Presidency's Strategic Objectives as reflected in the Strategic Plan is the enhancement of South Africa as a developmental state, with a continental standing. This strategy ensures that the following broad outcomes are achieved:

- the removal of impediments to implementation;
- the enhancement, adjustment in approaches where the desired outcomes seem not to be achieved;
- the facilitation of systems, human resources development or access to other required resources.

## 14. SCOPA RESOLUTIONS

None.

## 15. MODIFICATIONS TO THE AUDIT REPORT

The Presidency has instituted various processes to address the issues raised by the Auditor General in the 2007/08 Audit Report. Changes have been made to rectify the asset register and the corresponding opening balance for 2008/09. The further shortcomings identified by the Auditor-General during the audit for the reporting period will be addressed as a matter of urgency during the next financial year. Further details on The Presidency's asset management can be found in point 11 above.

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

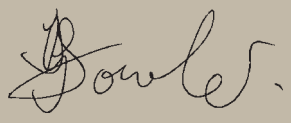
The National Treasury approved the reduction of earmarked funds allocated to the National Development Spatial Perspective to enable The Presidency to defray excess expenditure under goods and services.

## 17. OTHER

None

## 18. APPROVAL

The Annual Financial Statements set out on pages 126 to 165 have been approved by the Accounting Officer.



**Mr Trevor Fowler**
Chief Operations Officer
31 July 2009

# AUDIT COMMITTEE REPORT

## FOR THE YEAR ENDED 31 MARCH 2009

We are pleased to present our report for the financial year ended 31 March 2009.

### Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and should meet four (4) times per annum as per its approved terms of reference. During the current year seven (7) meetings, including meetings for specific purposes, were held.

| Name of Member | Number of Meetings Attended |
|---|---|
| Ms Zodwa Manase (retired 31 December 2008) | 06 |
| Mr Ncedo Mlamla (retired 31 December 2008) | 07 |
| Mr Ebie Seedat (retired 31 December 2008) | 02 |
| Mr George Negota | 05 |
| Ms Nopasika Lila (leave of absence for 5 months) | 04 |
| Mr Stewart Patterson (appointed 02 March 2009) | 01 |
| Ms Lorraine François (appointed 02 March 2009) | 01 |

### Audit Committee Responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of **Section 38(1)(a)** of the Public Finance Management Act, No. 1 of 1999 and **Treasury Regulation 3.1**. We further report that we conducted our affairs in compliance with this charter.

### 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 from them were reported by the internal auditors and the Auditor-General 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.

We are satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review.

### Evaluation of Financial Statements

We have:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General South Africa and the Accounting Officer.
- Reviewed the Auditor-General 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.

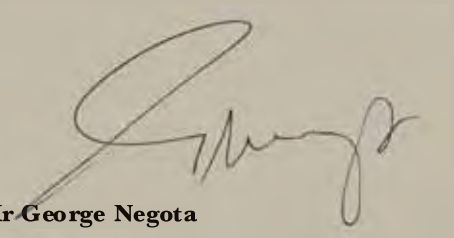
We concur with and accept the Auditor-General of South Africa's report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted read together with the report of the Auditor-General South Africa.

### Internal audit

We are satisfied that the internal audit function is operating effectively and that it has covered the risks pertinent to the department in its audits in terms of their annual audit plan.

### Auditor-General South Africa

We have met with the Auditor- General South Africa to ensure that there are no unresolved issues.



**Mr George Negota**
Chairperson of the Audit Committee
31 July 2009



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## INTRODUCTION

1. I have audited the accompanying financial statements of the Presidency which comprise the appropriation statement, the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 126 to 165.

### The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these 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 to the financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. 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.

5. 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 judgment, 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.

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

## BASIS FOR QUALIFIED OPINION

### Capital assets

7. With reference to note 30 to the financial statements, I was unable to obtain sufficient appropriate audit evidence as to the current year adjustments to prior year balances with a combined net amount of R9 463 000 for computer equipment, furniture and office equipment and other machinery and equipment due to the absence of supporting documentation. Due to inadequate document administration, the department's prior years' records did not permit the application of alternative procedures. The additions reflected in note 30 to the financial statements has been overstated by R520 000 due to an understatement of the prior year accruals. I further could not determine the completeness of the asset register due to the identification of assets not recorded on the asset register and the absence of documentation to support the disposal of these assets. Consequently, I was unable to conclude as to the completeness of major and minor assets as disclosed in notes 30 and 30.3 to the financial statements.

### Qualified opinion

8. In my opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Presidency



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as at 31 March 2009 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 to the financial statements and in the manner required by the PFMA.

## Emphasis of matters

I draw attention to the following matters on which I do not express a qualified opinion:

## Basis of accounting

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

## Unauthorised expenditure

10. As disclosed in note 9 to the financial statements, unauthorised expenditure to the amount of R14,511 million was incurred as a result of overspending on the vote and two main divisions within the vote.

## Irregular expenditure

11. As disclosed in note 26 to the financial statements, irregular expenditure to the amount of R24,520 million was incurred mainly as a result of transferring funds to an entity, despite not receiving the written assurances as required in terms of section 38(1)(j) of the PFMA.

## Other matters

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

## Governance framework

12. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the internal control deficiencies and key governance responsibilities addressed below:

## Internal control deficiencies

13. Section 38(1)(a)(i) of the PFMA states that the accounting officer must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective system of internal control. (The number listed per component can be followed with the legend below the table.) In some instances deficiencies exist in more than one internal control component.

| PAR. NO. | BASIS FOR QUALIFIED OPINION | CE | RA | CA | IC | M |
|---|---|---|---|---|---|---|
| 7 | Capital assets | | | | 1 | 1 |

14. The department did not adequately identify and monitor the pertinent information and the processes for the assets verification process in order to ensure completeness of the asset register as well as the relevant disclosure note in the financial statements.



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| LEGEND | |
|---|---|
| **CE = Control environment** | |
| The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting. | 1 |
| Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting. | 2 |
| Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel. | 3 |
| Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting. | 4 |
| The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control. | 5 |
| Management's philosophy and operating style do not promote effective control over financial reporting. | 6 |
| The entity does not have individuals competent in financial reporting and related matters. | 7 |
| **RA = Risk assessment** | |
| Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting. | 1 |
| The entity does not identify risks to the achievement of financial reporting objectives. | 2 |
| The entity does not analyse the likelihood and impact of the risks identified. | 3 |
| The entity does not determine a risk strategy/action plan to manage identified risks. | 4 |
| The potential for material misstatement due to fraud is not considered. | 5 |
| **CA = Control activities** | |
| There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation. | 1 |
| General information technology controls have not been designed to maintain the integrity of the information system and the security of the data. | 2 |
| Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed. | 3 |
| Actions are not taken to address risks to the achievement of financial reporting objectives. | 4 |
| Control activities are not selected and developed to mitigate risks over financial reporting. | 5 |
| Policies and procedures related to financial reporting are not established and communicated. | 6 |
| Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system. | 7 |
| **IC = Information and communication** | |
| Pertinent information is not identified and captured in a form and time frame to support financial reporting. | 1 |
| Information required to implement internal control is not available to personnel to enable internal control responsibilities. | 2 |
| Communications do not enable and support the understanding and execution of internal control processes and responsibilities by personnel. | 3 |
| **M = Monitoring** | |
| Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting. | 1 |
| Neither reviews by internal audit or the audit committee nor self -assessments are evident. | 2 |
| Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken. | 3 |

## Key governance responsibilities

15. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

| No. | Matter | Y | N |
|---|---|---|---|
| **Clear trail of supporting documentation that is easily available and provided in a timely manner** | | | |
| 1. | No significant difficulties were experienced during the audit concerning delays or the availability of requested information. | | ✔ |
| **Quality of financial statements and related management information** | | | |

| No. | Matter | Y | N |
|---|---|---|---|
| 2. | The financial statements were not subject to any material amendments resulting from the audit. | ✔ | |
| 3. | The annual report was submitted for consideration prior to the tabling of the auditor's report. | ✔ | |
| **Timeliness of financial statements and management information** | | | |
| 4. | The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA). | ✔ | |
| **Availability of key officials during audit** | | | |
| 5. | Key officials were available throughout the audit process. | ✔ | |
| **Development and compliance with risk management, effective internal control and governance practices** | | | |
| 6. | Audit committee | | |
| | • The department had an audit committee in operation throughout the financial year. | ✔ | |
| | • The audit committee operates in accordance with approved, written terms of reference. | ✔ | |
| | • The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10. | ✔ | |
| 7. | Internal audit | | |
| | • The department had an internal audit function in operation throughout the financial year. | ✔ | |
| | • The internal audit function operates in terms of an approved internal audit plan. | ✔ | |
| | • The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2. | ✔ | |
| 8. | There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management. | | ✔ |
| 9. | There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations. | ✔ | |
| 10. | The information systems were appropriate to facilitate the preparation of the financial statements. | | ✔ |
| 11. | A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2. | ✔ | |
| 12. | Powers and duties have been assigned as set out in section 44 of the PFMA. | ✔ | |
| **Follow-up of audit findings** | | | |
| 13. | The prior year audit findings have been substantially addressed. | ✔ | |
| **Issues relating to the reporting of performance information** | | | |
| 14. | The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete. | ✔ | |
| 15. | Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information. | ✔ | |
| 16. | A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Presidency against its mandate, predetermined objectives, outputs, indicators and targets (Treasury Regulations 5.1, 5.2 and 6.1). | ✔ | |
| 17. | There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance. | ✔ | |

16. The department did not have adequate internal processes to ensure that information required for financial statements preparation purposes is collated and reviewed in a manner to substantiate management's representations in the financial statements.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Report on performance information

17. I have reviewed the performance information as set out on pages 66 to 90.



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### The accounting officer's responsibility for the performance information

18. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

### The Auditor-General's responsibility

19. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

20. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

21. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

## OTHER REPORTS

### Special audits

22. As requested by the department, I performed agreed upon procedures relating to donor funding received 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 05 February 2004 to 31 March 2007 and was issued on 26 August 2008.

## APPRECIATION

23. The assistance rendered by the staff of the Presidency during the audit is sincerely appreciated.

Auditor-General

AUDITOR-GENERAL
Auditing to build public confidence

Pretoria
4 September 2009



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# APPROPRIATION STATEMENT

## FOR THE YEAR ENDED 31 MARCH 2009

| APPROPRIATION PER PROGRAMME | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2008/09 | | | | | | | 2007/08 | |
| | | Adjusted appro priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1. | **Administration** | | | | | | | | | |
| | Current payment | 187 688 | - | (2 860) | 184 828 | 200 379 | (15 551) | 108.4% | 157 437 | 153 020 |
| | Transfers and subsidies | 4 131 | - | 980 | 5 111 | 5 231 | (120) | 102.3% | 4 545 | 4 478 |
| | Payment for capital assets | 8 360 | - | (251) | 8 109 | 6 402 | 1 707 | 78.9% | 6 634 | 4 688 |
| 2. | **Communications** | | | | | | | | | |
| | Current payment | 23 079 | - | (1 851) | 21 228 | 20 422 | 806 | 96.2% | 16 970 | 16 100 |
| | Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| | Payment for capital assets | 53 | - | 47 | 100 | 100 | - | 100% | 95 | 95 |
| 3. | **Executive coordination** | | | | | | | | | |
| | Current payment | 63 927 | - | 3 731 | 67 658 | 69 000 | (1 342) | 102.0% | 64 971 | 64 971 |
| | Transfers and subsidies | 24 333 | - | - | 24 333 | 24 344 | (11) | 100.0% | 20 614 | 20 614 |
| | Payment for capital assets | 164 | - | 204 | 368 | 368 | - | 100.0% | 835 | 234 |
| | Subtotal | **311 735** | - | - | 311 735 | 326 246 | (14 511) | 104.7% | 272 101 | 264 200 |
| | **Statutory appropriation** | | | | | | | | | |
| | Current payment | 3 999 | - | - | 3 999 | 3 999 | - | 100.0% | 2 219 | 2 316 |
| | Transfers and subsidies | 1 001 | - | - | 1 001 | 1 001 | - | 100.0% | - | - |
| | **TOTAL** | **316 735** | **-** | **-** | **316 735** | **331 246** | **(14 511)** | **104.6%** | **274 320** | **266 516** |
| | **Reconciliation with Statement of Financial Performance** | | | | | | | | | |
| | **Add:** | | | | | | | | | |
| | Departmental revenue | | | | 233 | | | | 289 | |
| | Local and foreign aid assistance received | | | | 4 342 | | | | 3 120 | |
| | **Actual amounts per Statements of Financial Performance (total revenue)** | | | | **321 310** | | | | **277 729** | |
| | **Add:** | | | | | | | | | |
| | Local and foreign aid assistance | | | | | 8 207 | | | | 1 110 |
| | **Actual amounts per Statements of Financial Performance (Total expenditure)** | | | | | **339 453** | | | | **267 626** |



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## APPROPRIATION PER ECONOMIC CLASSIFICATION

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted Appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **Current payments** | | | | | | | | | |
| Compensation of employees | 148 245 | - | (860) | 147 385 | 146 579 | 806 | 99.5% | 121 550 | 121 150 |
| Goods and services | 126 449 | - | (120) | 126 329 | 143 222 | (16 893) | 113.4% | 117 828 | 112 941 |
| **Transfers and subsidies** | | | | | | | | | |
| Provinces and municipalities | - | - | 2 | 2 | 2 | - | 100% | 2 | 2 |
| Departmental agencies and accounts | 28 333 | - | - | 28 333 | 28 333 | - | 100% | 24 614 | 24 614 |
| Public corporations and private enterprises | 107 | - | (2) | 105 | 11 | 94 | 10.5% | 102 | 35 |
| Households | 24 | - | 980 | 1 004 | 1 229 | (225) | 122.4% | 441 | 441 |
| **Payments for capital assets** | | | | | | | | | |
| Machinery and equipment | 8 577 | - | - | 8 577 | 6 870 | 1 707 | 80.1% | 6 471 | 4 678 |
| Software and other intangible assets | - | - | - | - | - | - | - | 1 093 | 339 |
| **Total** | **311 735** | **-** | **-** | **311 735** | **326 246** | **(14 511)** | **104.7%** | **272 101** | **264 200** |

## STATUTORY APPROPRIATION

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| Details of direct changes against the National Revenue Fund | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| President and Deputy President salaries | 5 000 | - | - | 5 000 | 5 000 | - | 100% | 2 219 | 2 316 |
| **Total** | **5 000** | **-** | **-** | **5 000** | **5 000** | **-** | **100%** | **2 219** | **2 316** |

## STATUTORY APPROPRIATION PER ECONOMIC CLASSIFICATION

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **Current payment** | | | | | | | | | |
| Compensation of employees | 3 999 | - | - | 3 999 | 3 999 | - | 100% | 2 219 | 2 316 |
| **Transfers and subsidies** | | | | | | | | | |
| Households | 1 001 | - | - | 1 001 | 1 001 | - | 100% | - | - |
| **Total** | **5 000** | **-** | **-** | **5 000** | **5 000** | **-** | **100%** | **2 219** | **2 316** |



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| | | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1.1 | **Minister** | | | | | | | | | |
| | Current payment | 1 019 | - | 890 | 1 909 | 1 909 | - | 100.0% | 951 | 951 |
| | **Transfers and subsidies** | - | - | 855 | 855 | 855 | - | 100.0% | - | - |
| | | | | | | | | | | |
| 1.2 | **Management** | | | | | | | | | |
| | Current payment | 136 988 | - | (6 302) | 130 686 | 139 398 | (8 712) | 106.7% | 114 063 | 109 646 |
| | Transfers and subsidies | 131 | - | 125 | 256 | 245 | 11 | 95.7% | 545 | 478 |
| | Payment for capital assets | 7 906 | - | - | 7 906 | 6 232 | 1 674 | 78.8% | 5 853 | 3 907 |
| | | | | | | | | | | |
| **1.3** | **Support Services to President** | | | | | | | | | |
| | Current payment | 33 549 | - | (615) | 32 934 | 39 773 | (6 839) | 120.8% | 27 094 | 27 094 |
| | Transfers and subsidies | 4 000 | - | - | 4 000 | 4 009 | (9) | (100.2) | 4 000 | 4 000 |
| | Payment for capital assets | 454 | - | (379) | 75 | 42 | 33 | 56.0% | 781 | 781 |
| | | | | | | | | | | |
| **1.4** | **Support Services to Deputy President** | | | | | | | | | |
| | Current payment | 16 132 | - | 3 167 | 19 299 | 19 299 | - | 100.0% | 15 329 | 15 329 |
| | Transfers and subsidies | - | - | - | - | 122 | (122) | (100.0%) | - | - |
| | Payment for capital assets | - | - | 128 | 128 | 128 | - | 100.0% | - | - |
| | **Total** | **200 179** | **-** | **(2 131)** | **198 048** | **212 012** | **(13 964)** | **107.1%** | **168 616** | **162 186** |

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| Economic classification | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **Current payment** | | | | | | | | | |
| Compensation of employees | 101 140 | - | (2 860) | 98 280 | 98 280 | - | 100.0% | 81 747 | 81 650 |
| Goods and services | 86 548 | - | - | 86 548 | 102 099 | (15 551) | 118.0% | 75 690 | 71 370 |
| **Transfers and subsidies to:** | | | | | | | | | |
| Provinces and municipalities | - | - | 2 | 2 | 2 | - | 100.0% | 2 | 2 |
| Departmental agencies and accounts | 4 000 | - | - | 4 000 | 4 000 | - | 100.0% | 4 000 | 4 000 |
| Public corporations and private enterprises | 107 | - | (2) | 105 | 11 | 94 | 10.5% | 102 | 35 |
| Households | 24 | - | 980 | 1 004 | 1 218 | (214) | 121.3% | 441 | 441 |
| **Payment for capital assets** | | | | | | | | | |

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| Economic classification | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Machinery and equipment | 8 360 | - | (251) | 8 109 | 6 402 | 1 707 | 78.9% | 6 142 | 4 349 |
| Software and other intangible assets | - | - | - | - | - | - | - | 492 | 339 |
| **Total** | **200 179** | **-** | **(2 131)** | **198 048** | **212 012** | **(13 964)** | **107.1%** | **168 616** | **162 186** |

| | | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Programme per sub-programme | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 2.1 | **Communications** | | | | | | | | | |
| | Current payment | 23 079 | - | (1 851) | 21 228 | 20 422 | 806 | 96.2% | 16 970 | 16 100 |
| | Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| | Payment for capital assets | 53 | - | 47 | 100 | 100 | - | 100.0% | 95 | 95 |
| **Total** | | **23 132** | **-** | **(1 804)** | **21 328** | **20 522** | **806** | **96.2%** | **17 065** | **16 195** |

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| Economic classification | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **Current payment** | | | | | | | | | |
| Compensation of employees | 16 824 | - | (4 074) | 12 750 | 11 944 | 806 | 93.7% | 10 328 | 10 025 |
| Goods and services | 6 255 | - | 2 223 | 8 478 | 8 478 | - | 100.0% | 6 642 | 6 075 |
| **Payment for capital assets** | | | | | | | | | |
| Machinery and equipment | 53 | - | 47 | 100 | 100 | - | 100.0% | 95 | 95 |
| **Total** | **23 132** | **-** | **(1 804)** | **21 328** | **20 522** | **806** | **96.2%** | **17 065** | **16 195** |

# APPROPRIATION STATEMENT
## DETAIL PER PROGRAMME 3 - EXECUTIVE COORDINATION
### FOR THE YEAR ENDED 31 MARCH 2009

| | | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **3.1** | **Policy coordination** | | | | | | | | | |
| | Current payment | 38 546 | - | 1 748 | 40 294 | 40 294 | - | 100.0% | 40 305 | 40 305 |
| | Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| | Payment for capital assets | 57 | - | 130 | 187 | 187 | - | 100.0% | 635 | 34 |
| **3.2** | **Gender, disability and children** | | | | | | | | | |
| | Current payment | 13 971 | - | 361 | 14 332 | 15 674 | (1 342) | 109.4% | 12 795 | 12 795 |
| | Transfers and subsidies | - | - | - | - | 11 | (11) | (100%) | - | - |
| | Payment for capital Assets | - | - | 55 | 55 | 55 | - | 100.0% | - | - |
| **3.3** | **Cabinet Office** | | | | | | | | | |
| | Current payment | 11 410 | - | 1 622 | 13 032 | 13 032 | - | 100.0% | 11 871 | 11 871 |
| | Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| | Payment for capital Assets | 107 | - | 19 | 126 | 126 | - | 100.0% | 200 | 200 |
| **3.4** | **National Youth Commission** | | | | | | | | | |
| | Transfers and subsidies | 24 333 | - | - | 24 333 | 24 333 | - | 100% | 20 614 | 20 614 |
| **Total** | | **88 424** | **-** | **3 935** | **92 359** | **93 712** | **(1 353)** | **101.5%** | **86 420** | **85 819** |

| | 2008/09 | | | | | | | 2007/08 | |
|---|---|---|---|---|---|---|---|---|---|
| Economic classification | Adjusted appro-priation | Shifting of funds | Virement | Final appro-priation | Actual expendi-ture | Variance | Expendi-ture as % of final appro-priation | Final appro-priation | Actual expendi-ture |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| **Current payment** | | | | | | | | | |
| Compensation of employees | 30 281 | - | 6 074 | 36 355 | 36 355 | - | 100.0% | 29 475 | 29 475 |
| Goods and services | 33 646 | - | (2 343) | 31 303 | 32 645 | (1 342) | 104.3% | 35 496 | 35 496 |
| **Transfers and subsidies to:** | | | | | | | | | |
| Departmental agencies and accounts | 24 333 | - | - | 24 333 | 24 333 | - | 100% | 20 614 | 20 614 |
| Households | - | - | - | - | 11 | (11) | (100%) | | |
| **Payment for capital assets** | | | | | | | | | |
| Machinery and equipment | 164 | - | 204 | 368 | 368 | - | 100.0% | 234 | 234 |
| Software and other intangible assets | - | - | - | - | - | - | - | 601 | - |
| Total | **88 424** | **-** | **3 935** | **92 359** | **93 712** | **(1 353)** | **101.5%** | **86 420** | **85 819** |



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## 1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) 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. Explanations of material variances from Amounts Voted (after Virement):

| 3.1 Per Programme | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|---|---|---|---|---|
| Programme 1:Administration | 198 048 | 212 012 | (13 964) | -7% |
| Programme 2:Communications | 21 328 | 20 522 | 806 | 4% |
| Programme 3:ExecutiveCo-Ordination | 92 359 | 93 712 | (1 353) | -1% |

### Administration:

The overspending can be mainly attributed to:

(1) The National Awards Ceremony being moved forward from May 2009 to March 2009 due to the Elections and the Inauguration Ceremony.

(2) Costs relating to mediation in Zimbabwe by the President.

(3) Costs relating to the additional Minister in the Presidency and his support staff.

(4) Unforeseen and unavoidable leave gratuity payments incurred due to the change of political principals in September 2008.

(5) Costs relating to unavoidable legal fees.

### Communications

(1) Savings under Compensation of Employees.

### Executive Co-ordination:

(1) The overspending can be mainly attributed to expenditure incurred to attend the UN Convention on Rights of Persons with Disabilities which was foreseen to be carried by the UN.

| 3.2 Per Economic classification | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 |
| Current payment: | | | | |
| Compensation of employees | 147 385 | 146 579 | 806 | 1% |
| Goods and services | 126 329 | 143 222 | (16 893) | -13% |
| | | | | |
| **Transfers and subsidies:** | | | | |
| Provinces and municipalities | 2 | 2 | - | - |
| Departmental agencies and accounts | 28 333 | 28 333 | - | - |
| Public corporations and private enterprises | 105 | 11 | 94 | 90% |
| Households | 1 004 | 1 229 | (225) | -22% |
| | | | | |
| **Payments for capital assets:** | | | | |
| Machinery and equipment | 8 577 | 6 870 | 1 707 | 19% |

# STATEMENT OF FINANCIAL PERFORMANCE

## FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **REVENUE** | | | |
| Annual appropriation | *1* | 311 735 | 272 101 |
| Statutory appropriation | *2* | 5 000 | 2 219 |
| Departmental revenue | *3* | 233 | 289 |
| Aid assistance | *4* | 4 342 | 3 120 |
| **TOTAL REVENUE** | | **321 310** | **277 729** |
| **EXPENDITURE** | | | |
| **Current expenditure** | | | |
| Compensation of employees | *5* | 150 578 | 123 466 |
| Goods and services | *6* | 143 222 | 112 941 |
| Aid assistance | *4* | 8 207 | 1 110 |
| **Total current expenditure** | | **302 007** | **237 517** |
| **Transfers and subsidies** | *7* | **30 576** | **25 092** |
| **Expenditure for capital assets** | | | |
| Tangible capital assets | *8* | 6 870 | 4 678 |
| Software & Other intangible assets | *8* | - | 339 |
| **Total expenditure for capital assets** | | **6 870** | **5 017** |
| **TOTAL EXPENDITURE** | | **339 453** | **267 626** |
| **SURPLUS / (DEFICIT) FOR THE YEAR** | | **(18 143)** | **10 103** |
| **Reconciliation of surplus for the year** | | | |
| Voted funds | | (14 511) | 7 804 |
| Departmental revenue | *15* | 233 | 289 |
| Aid assistance | *4* | (3 865) | 2 010 |
| **SURPLUS / (DEFICIT) FOR THE YEAR** | | **(18 143)** | **10 103** |



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# STATEMENT OF FINANCIAL POSITION

## FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | **42 773** | **12 960** |
| Unauthorised expenditure | *9* | 17 078 | 2 567 |
| Cash and cash equivalents | *10* | 58 | 245 |
| Prepayments and advances | *12* | 2 331 | 1 415 |
| Receivables | *13* | 23 306 | 8 733 |
| **Non-current assets** | | **17** | **25** |
| Other financial assets | *11* | 17 | 25 |
| **TOTAL ASSETS** | | **42 790** | **12 985** |
| LIABILITIES | | | |
| **Current liabilities** | | **42 723** | **12 962** |
| Voted funds to be surrendered to the Revenue Fund | *14* | (2 545) | 7 804 |
| Departmental revenue to be surrendered to the Revenue Fund | *15* | 15 | 23 |
| Bank overdraft | *16* | 43 059 | - |
| Payables | *17* | 2 194 | 1 270 |
| Aid assistance unutilised | *4* | - | 3 865 |
| **TOTAL LIABILITIES** | | **42 723** | **12 962** |
| **NET ASSETS** | | **67** | **23** |
| Represented by: | | | |
| Recoverable revenue | | 67 | 23 |
| **TOTAL** | | **67** | **23** |



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# STATEMENT OF CHANGES IN NET ASSETS

## FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Recoverable revenue** | | | |
| Opening balance | | 23 | - |
| Transfers: | | | |
| Debts recovered (included in departmental revenue) | | 44 | 23 |
| Closing balance | | **67** | **23** |
| **TOTAL** | | **67** | **23** |



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# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Receipts | | 318 765 | 277 697 |
| Annual appropriated funds received | *1.1* | 311 735 | 272 101 |
| Statutory appropriated funds received | | 2 455 | 2 219 |
| Departmental revenue received | *3* | 233 | 257 |
| Aid assistance received | *4* | 4 342 | 3 120 |
| Net (increase)/decrease in working capital | | (29 076) | (13 472) |
| Surrendered to Revenue Fund | | (8 045) | (2 005) |
| Current payments | | (287 496) | (237 517) |
| Transfers and subsidies paid | | (30 576) | (25 092) |
| **Net cash flow available from operating activities** | **18** | **(36 428)** | **(389)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Payments for capital assets | | (6 870) | (5 017) |
| Proceeds from sale of capital assets | *3* | - | 32 |
| (Increase)/decrease in other financial assets | | 8 | (7) |
| **Net cash flows from investing activities** | | **(6 862)** | **(4 992)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Increase in net assets | | 44 | - |
| **Net cash flows from financing activities** | | **44** | **-** |
| Net decrease in cash and cash equivalents | | (43 246) | (5 381) |
| Cash and cash equivalents at the beginning of the period | | 245 | 5 626 |
| **Cash and cash equivalents at end of period** | **19** | **(43 001)** | **245** |



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# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2009

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 and the Division of Revenue Act, Act 2 of 2006.

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

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

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of Financial Position.

#### 2.2 Statutory Appropriation

Statutory appropriations are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the statutory appropriations made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total statutory appropriations are presented in the statement of Financial Performance.

Unexpended statutory appropriations are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.



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### 2.3 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

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

The proceeds received from the sale of goods and/or the provision of services are recognised in the Statement of Financial Performance when the cash is received.

#### 2.3.2 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

#### 2.3.3 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the Statement of Financial Performance when the cash is received.

#### 2.3.4 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

#### 2.3.5 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

#### 2.3.6 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

### 2.4 Aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance is disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognized as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts using local and foreign 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

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation



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for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the Statement of Financial Performance.

All other payments are classified as current expense.

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 Position.

#### 3.1.2 Post retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of 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 Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

#### 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. These amounts are not recognised in the Statement of Financial Performance or Position.

### 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 services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

### 3.3 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 amounts are disclosed as a disclosure note.

**Forex losses** are recognised on payment of funds.

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

### 3.4 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).

### 3.5 Unauthorised expenditure

When discovered, 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



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written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

### 3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

### 3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority a receivable is raised to the extent that it is legally enforceable and recoverable.

### 3.8 Expenditure for capital assets

Payments made for capital assets 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).

## 4. ASSETS

### 4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

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.

### 4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made.

Pre-payments 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.

Receivables outstanding at year-end are carried in the statement of Financial Position at cost plus accrued interest.

### 4.5 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

### 4.6 Capital assets

#### 4.6.1 Movable assets

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.

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

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.

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 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 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position

### 5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

### 5.3 Bank overdraft

The bank overdraft is carried in the Statement of Financial Position at cost.

### 5.4 Payables

Recognised payables mainly comprise amounts owing to other governmental entities. These payables are recognised at historical cost in the Statement of Financial Position.

### 5.5 Contingent liabilities

Contingent liabilities are included in the disclosure notes.

### 5.6 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.

### 5.7 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.

### 5.8 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.

### 5.9 Lease commitments

#### Finance leases

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 the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

#### Operating leases

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 statements.



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## 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 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 transferred to the National Revenue Fund on disposal, repayment or recovery of such amounts.

### 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.

## 8. RELATED PARTY TRANSACTIONS

Specific information with regard 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

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## 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) :

| | Final appropriation | Actual funds received | Funds not requested/ not received | Appropriation received 2007/08 |
|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 |
| Administration | 198 048 | 198 048 | - | 168 616 |
| Communications | 21 328 | 21 328 | - | 17 065 |
| Executive Co-ordination | 92 359 | 92 359 | - | 86 420 |
| **Total** | **311 735** | **311 735** | **-** | **272 101** |

## 2 STATUTORY APPROPRIATION

| | 2008/09 | 2007/08 |
|---|---|---|
| | R'000 | R'000 |
| President and Deputy President's salaries | 5 000 | 2 219 |
| **Total** | **5 000** | **2 219** |
| | | |
| Actual statutory appropriation received | **2 455** | **2 219** |

## 3. DEPARTMENTAL REVENUE

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Sales of goods and services other than capital assets | *3.1* | 132 | 104 |
| Interest, dividends and rent on land | *3.2* | 4 | 19 |
| Sales of capital assets | *3.3* | - | 32 |
| Financial transactions in assets and liabilities | *3.4* | 97 | 134 |
| **Departmental revenue collected** | | **233** | **289** |

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

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Sales of goods and services produced by the department | | 131 | 99 |
| Sales by market establishment | | 78 | - |
| Other sales | | 53 | 99 |
| Sales of scrap, waste and other used current goods | | 1 | 5 |
| **Total** | | **132** | **104** |

## 3.2 Interest, dividends and rent on land

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Interest received | | 4 | 19 |
| **Total** | | **4** | **19** |

## 3.3 Sale of capital assets

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Other capital assets | | - | 32 |
| **Total** | | **-** | **32** |

## 3.4 Financial transactions in assets and liabilities

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Receivables | | 40 | - |
| Forex gain | | 1 | - |
| Stale cheques written back | | - | 1 |
| Other Receipts including Recoverable Revenue | | 56 | 133 |
| **Total** | | **97** | **134** |

# 4. AID ASSISTANCE

## 4.1 Assistance received in cash from RDP

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Foreign** | | | |
| Opening balance | | 3 865 | 1 855 |
| Revenue | | 4 342 | 3 120 |
| Expenditure | *Annex 1F* | (8 207) | (1 110) |
| Current | | (8 207) | (1 110) |
| **Closing balance** | | **-** | **3 865** |

## 4.2 Total assistance

| | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|
| Opening balance | 3 865 | 1 855 |
| Revenue | 4 342 | 3 120 |
| Expenditure | (8 207) | (1 110) |
| Current | (8 207) | (1 110) |
| Capital | - | - |
| **Closing balance** | **-** | **3 865** |

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Analysis of balance** | | | |
| Local and foreign aid unutilised | | - | 3 865 |
| **Closing balance** | | **-** | **3 865** |

## 5. COMPENSATION OF EMPLOYEES

### 5.1 Salaries and wages

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Basic salary | | 95 954 | 76 263 |
| Performance award | | 2 532 | 2 541 |
| Service based | | 519 | 3 |
| Compensative/circumstantial | | 9 348 | 9 807 |
| Periodic payments | | 371 | 76 |
| Other non-pensionable allowances | | 25 846 | 21 674 |
| **Total** | | **134 570** | **110 364** |

### 5.2 Social contributions

| | | | |
|---|---|---|---|
| **Employer contributions** | | | |
| Pension | | 11 049 | 8 898 |
| Medical | | 4 943 | 4 189 |
| Bargaining council | | 16 | 15 |
| **Total** | | **16 008** | **13 102** |
| **Total compensation of employees** | | **150 578** | **123 466** |
| **Average number of employees** | | **510** | **501** |

## 6. GOODS AND SERVICES

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Administrative fees | | 93 | 128 |
| Advertising | | 1 979 | 1 287 |
| Assets less then R5 000 | *6.1* | 4 110 | 2 648 |
| Bursaries (employees) | | 1 333 | 2 296 |
| Catering | | 3 574 | 4 127 |
| Communication | | 12 250 | 10 880 |
| Computer services | *6.2* | 4 891 | 1 676 |
| Consultants, contractors and agency/outsourced services | *6.3* | 38 411 | 32 599 |
| Entertainment | | 51 | - |
| Audit cost - external | *6.4* | 1 616 | 777 |

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Inventory | *6.5* | 6 275 | 4 988 |
| Lease payments | | 4 118 | 3 103 |
| Travel and subsistence | *6.6* | 52 598 | 40 102 |
| Venues and facilities | | 9 057 | 4 987 |
| Other operating expenditure | *6.7* | 2 866 | 3 343 |
| **Total** | | **143 222** | **112 941** |

## 6.1 Assets less than R5 000

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Tangible assets** | | | |
| Machinery and equipment | | 4 110 | 2 582 |
| **Intangible assets** | | - | 66 |
| **Total** | | **4 110** | **2 648** |

## 6.2 Computer services

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| SITA computer services | | 1 891 | 1 653 |
| External computer service providers | | 3 000 | 23 |
| **Total** | | **4 891** | **1 676** |

## 6.3 Consultants, contractors and agency/outsourced services

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Business and advisory services | | 10 600 | 1 218 |
| Legal costs | | 10 130 | 445 |
| Contractor | | 1 989 | 3 064 |
| Agency and support/outsourced services | | 15 692 | 27 872 |
| **Total** | | **38 411** | **32 599** |



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## 6.4 Audit cost – External

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Regularity audits | | 1 475 | 729 |
| Other audits | | 141 | 48 |
| **Total** | | **1 616** | **777** |

## 6.5 Inventory

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Food and food supplies | | 1 060 | 1 006 |
| Other consumable materials | | 1 416 | 536 |
| Stationery and printing | | 3 799 | 3 446 |
| **Total** | | **6 275** | **4 988** |

## 6.6 Travel and subsistence

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Local | | 32 255 | 28 262 |
| Foreign | | 20 343 | 11 840 |
| **Total** | | **52 598** | **40 102** |

## 6.7 Other operating expenditure

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Professional bodies, membership and subscription fees | | 1 736 | 1 855 |
| Resettlement costs | | 674 | 315 |
| Other | | 456 | 1 173 |
| **Total** | | **2 866** | **3 343** |

## 7. TRANSFERS AND SUBSIDIES

| | Note | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| Provinces and municipalities | *Annex 1A* | 2 | 2 |
| Departmental agencies and accounts | *Annex 1B* | 28 333 | 24 614 |
| Public corporations and private enterprises | *Annex 1C* | 11 | 35 |



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| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Households | *Annex 1D* | 2 230 | 441 |
| **Total** | | **30 576** | **25 092** |

## 8. EXPENDITURE FOR CAPITAL ASSETS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Tangible assets | | 6 870 | 4 678 |
| Machinery and equipment | 29.1 | 6 870 | 4 678 |
| | | | |
| Software and other intangible assets | | - | 339 |
| Computer software | 30.1 | - | 339 |
| | | | |
| **Total** | | **6 870** | **5 017** |

## 9. UNAUTHORISED EXPENDITURE

### 9.1 Reconciliation of unauthorised expenditure

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Opening balance | | 2 567 | 5 136 |
| Unauthorised expenditure – current year | | 14 511 | - |
| Amounts approved by Parliament/Legislature (with funding) | | - | (2 569) |
| Current expenditure | | - | (2 569) |
| Unauthorised expenditure awaiting authorisation | | **17 078** | **2 567** |

### 9.2 Analysis of Current Unauthorised expenditure

| Incident | Overspending of the main vote | 2007/08 R'000 |
|---|---|---|
| Overspending of the main vote | Motivation submitted, pending review | 14 511 |
| **Total** | | **14 511** |



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## 10. CASH AND CASH EQUIVALENTS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Consolidated Paymaster General Account | | - | 176 |
| Cash on hand | | 54 | 52 |
| Cash with commercial banks (Local) | | 4 | 17 |
| **Total** | | **58** | **245** |

## 11. OTHER FINANCIAL ASSETS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Non-current** | | | |
| **Local** | | | |
| Staff debts | | 17 | 25 |
| **Total** | | **17** | **25** |

## 12. PREPAYMENTS AND ADVANCES

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Travel and subsistence | | 49 | 65 |
| Advances paid to other entities | | 2 282 | 1 350 |
| **Total** | | **2 331** | **1 415** |

## 13. RECEIVABLES

| | Note | Less than one year | One to three years | Older than three years | 2008/09 R'000 Total | 2007/08 R'000 Total |
|---|---|---|---|---|---|---|
| Claims recoverable | *13.1 Annex 4* | 14 185 | 24 | 556 | 14 765 | 1 029 |
| Staff debt | *13.2* | 667 | 1 116 | 1 276 | 3 059 | 2 471 |
| Other debtors | *13.3* | 166 | 4 999 | 317 | 5 482 | 5 233 |
| **Total** | | **15 018** | **6 139** | **2 149** | **23 306** | **8 733** |

## 13.1 Claims recoverable

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| National departments | | 14 365 | 779 |
| National Treasury | | 13 665 | 123 |
| Public Works | | 29 | 53 |
| DPSA | | 2 | 7 |
| Department of Foreign Affairs | | 556 | 524 |
| Department of Social Development | | 12 | - |
| SARS | | 101 | - |
| Minerals & Energy | | - | 29 |
| South African Police Service | | - | 5 |
| Statistics South Africa | | - | 19 |
| Transport | | - | 19 |
| Public entities | | - | 250 |
| Universities and technikons | | 400 | - |
| **Total** | | **14 765** | **1 029** |

## 13.2 Staff debt

| | Note | 2007/08 R'000 | 2006/07 R'000 |
|---|---|---|---|
| Debt account | | 1 256 | 1 165 |
| Salary accounts | | 580 | 172 |
| Travel | | 1 223 | 1 134 |
| **Total** | | **3 059** | **2 471** |

## 13.3 Other debtors

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Theft & Losses | | 5 482 | 5 233 |
| **Total** | | **5 482** | **5 233** |

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

| | Note | 2007/08 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Opening balance | | 7 804 | 1 609 |
| Transfer from statement of financial performance | | (14 511) | 7 804 |
| Add: Unauthorised expenditure for current year | 9.1 | 14 511 | - |
| Funds not requested/not received | | (2 545) | - |
| Paid during the year | | (7 804) | (1 609) |
| **Closing balance** | | **(2 545)** | **7 804** |



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### 14.1 Funds not requested/not received

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Funds not requested | | 2 545 | - |
| **Total** | | **2 545** | **-** |

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

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Opening balance | | 23 | 130 |
| Transfer from Statement of Financial Performance | | 233 | 289 |
| Paid during the year | | (241) | (396) |
| **Closing balance** | | **15** | **23** |

## 16. BANK OVERDRAFT

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Consolidated Paymaster General Account | | 43 059 | - |
| Total | | **43 059** | **-** |

## 17. PAYABLES – CURRENT

| | | | | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|---|---|
| Description | *Notes* | 30 Days | 30+ Days | Total | Total |
| Clearing accounts | *17.1* | 1 739 | 262 | 2 001 | 996 |
| Other payables | *17.2* | 193 | - | 193 | 274 |
| **Total** | | **1 932** | **262** | **2 194** | **1 270** |

## 17.1 Clearing accounts

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Description | | | |
| Salary deduction | | 77 | 20 |
| Other payables | | 1 924 | 976 |
| **Total** | | **2 001** | **996** |

## 17.2 Other payables

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Description | | | |
| Outstanding payments | | 119 | 134 |
| Cheques payable | | - | 46 |
| Persal EBT account | | 13 | 94 |
| Third Party Transport cont acc | | 61 | - |
| **Total** | | **193** | **274** |

## 18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Net surplus/(deficit) as per Statement of Financial Performance | | (18 143) | 10 103 |
| Add back non cash/cash movements not deemed operating activities | | (18 285) | (10 492) |
| (Increase)/decrease in receivables – current | | (14 573) | (5 053) |
| (Increase)/decrease in prepayments and advances | | (916) | (1 219) |
| Decrease in other current assets | | - | 2 569 |
| Increase/(decrease) in payables – current | | 924 | (9 769) |
| Proceeds from sale of capital assets | | - | (32) |
| Expenditure on capital assets | | 6 870 | 5 017 |
| Surrenders to Revenue Fund | | (8 045) | (2 005) |
| Voted funds not requested/not received | | (2 545) | - |
| **Net cash flow generated by operating activities** | | **(36 428)** | **(389)** |

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

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Consolidated Paymaster General account | | (43 059) | 176 |
| Cash on hand | | 54 | 52 |
| Cash with commercial banks (local) | | 4 | 17 |
| **Total** | | **(43 001)** | **245** |



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

## 20. CONTINGENT LIABILITIES

| | | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|---|
| **Liable to** | **Nature** | | | |
| Motor vehicle guarantees | Employees | *Annex 2A* | 98 | 98 |
| Housing loan guarantees | Employees | *Annex 2A* | 309 | 309 |
| Claims against the department | | *Annex 2B* | 3 250 | 1 050 |
| Other departments (interdepartmental unconfirmed balances) | | *Annex 4* | 3 031 | 14 022 |
| Other | | *Annex 2B* | 9 240 | 18 900 |
| **Total** | | | **15 928** | **34 379** |

The prior year figure for housing loan guarantees has been restated.

## 21. COMMITMENTS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Current expenditure** | | | |
| Approved and contracted | | 15 849 | 13 875 |
| | | 15 849 | 13 875 |
| **Capital expenditure** | | | |
| Approved and contracted | | 95 | 779 |
| | | 95 | 779 |
| **Total Commitments** | | **15 944** | **14 654** |

## 22. ACCRUALS

| | | | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|---|
| **Listed by economic classification** | 30 Days | 30+ Days | Total | Total |
| Goods and services | 550 | 380 | 930 | 3 894 |
| Machinery and equipment | 634 | 33 | 667 | 397 |
| **Total** | **1 184** | **413** | **1 597** | **4 291** |

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Listed by programme level** | | | |
| Administration | | 1 343 | 3 381 |
| Communications | | 45 | 363 |
| Executive Co-Ordination | | 209 | 547 |
| **Total** | | **1 597** | **4 291** |
| | | | |
| Confirmed balances with other departments | *Annex 4* | 1 573 | 62 |
| **Total** | | **1 573** | **62** |

## 23. EMPLOYEE BENEFITS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Leave entitlement | | 5 773 | 3 708 |
| Thirteenth cheque | | 3 599 | 2 925 |
| Performance awards | | 2 405 | - |
| Capped leave commitments | | 4 869 | 4 904 |
| **Total** | | **16 646** | **11 537** |

## 24. LEASE COMMITMENTS

### 24.1 Finance leases**

| 2008/09 | Land | Buildings and other fixed structures | Machinery and equipment | Total R'000 |
|---|---|---|---|---|
| Not later than 1 year | - | - | 2 153 | 2 153 |
| Later than 1 year and not later than 5 years | - | - | 2 405 | 2 405 |
| **Total lease commitments** | - | - | 4 558 | 4 558 |
| LESS: finance costs | - | - | 883 | 883 |
| **Total present value of lease liabilities** | **-** | **-** | **3 675** | **3 675** |

| 2007/08 | Land | Buildings and other fixed structures | Machinery and equipment | Total R'000 |
|---|---|---|---|---|
| Not later than 1 year | - | - | 1 097 | 1 097 |
| Later than 1 year and not later than 5 years | - | - | 1 309 | 1 309 |
| **Total lease commitments** | - | - | **2 406** | **2 406** |
| LESS: finance costs | - | - | (412) | (412) |
| **Total present value of lease liabilities** | **-** | **-** | **1 994** | **1 994** |

**This note excludes leases relating to public private partnership as they are separately disclosed to note no.28.



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## 25. RECEIVABLES FOR DEPARTMENTAL REVENUE

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Sales of capital assets | | 70 | - |
| **Closing Balance** | | **70** | **-** |

### 25.1 Analysis of receivables for departmental revenue

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Opening balance** | | | |
| Add: amounts recognised | | 70 | - |
| **Closing Balance** | | **70** | **-** |

## 26. IRREGULAR EXPENDITURE

### 26.1 Reconciliation of irregular expenditure

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Opening balance** | | 2 659 | 2 284 |
| Add: Irregular expenditure – current year | | 24 520 | 4 826 |
| Less: Amounts condoned | | - | (4 451) |
| **Irregular expenditure awaiting condonation** | | **-** | 2 659 |
| | | 27 179 | 2 659 |
| **Analysis of awaiting condonation per age classification** | | | |
| Current year | | 24 520 | 375 |
| Prior years | | 2 659 | 2 284 |
| **Total** | | **27 179** | **2 659** |

### 26.2 Details of irregular expenditure – current year

| Incident | Disciplinary Steps taken/Criminal proceedings | 2008/09 R'000 |
|---|---|---|
| **Incident** | **Disciplinary Steps taken/Criminal proceedings** | |
| Non Compliance | Investigation in process | 187 |
| Transfer-National Youth Commission | Awaiting Treasury Condonation | 24 333 |
| **Total** | | **24 520** |

## 27. KEY MANAGEMENT PERSONNEL

| | No. of individuals | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Political office bearers (provide detail below) | *6* | 6 909 | 3 267 |
| Officials: | | | |
| Level 15 to 16 | *6* | 5 070 | 6 057 |
| Level 14 (incl CFO if at a lower level) | *4* | 2 427 | 880 |
| Family members of key management personnel | | - | - |
| **Total** | | **14 406** | **10 204** |

## 28. 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 | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| **Current Expenditure** | | 6 827 | 13 473 |
| Finance leases | | 6 827 | 13 473 |
| **Total** | | **6 827** | **13 473** |

## 29. PROVISIONS

| | Note | 2008/09 R'000 | 2007/08 R'000 |
|---|---|---|---|
| Private enterprises | | - | 20 |
| Staff debtors | | 84 | - |
| Other debtors | | 3 021 | 50 |
| **Total** | | **3 105** | **70** |

## 30. MOVABLE TANGIBLE CAPITAL ASSETS

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

| | Opening balance | Current year adjustments to prior year balances | Additions | Disposals | Closing balance |
|---|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| **MACHINERY AND EQUIPMENT** | **25 967** | **(10 675)** | **7 140** | **-** | **22 432** |
| Transport assets | 3 156 | (1 212) | - | - | 1 944 |
| Computer equipment | 20 134 | (11 064) | 6 060 | - | 15 130 |
| Furniture and office equipment | 1 906 | 1 521 | 1 235 | - | 4 662 |
| Other machinery and equipment | 771 | 80 | (155) | - | 696 |
| **TOTAL MOVABLE TANGIBLE CAPITAL ASSETS** | **25 967** | **(10 675)** | **7 140** | **-** | **22 432** |

### 30.1 Additions

### ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

| | Cash | Non-cash | (Capital work in progress current costs) | Received current, not paid (paid current year, received prior year) | Total |
|---|---|---|---|---|---|
| | COST | FAIR VALUE | COST | COST | COST |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| **MACHINERY AND EQUIPMENT** | **6 870** | **-** | **-** | **270** | **7 140** |
| Computer equipment | 5 451 | - | - | 609 | 6 060 |
| Furniture and office equipment | 1 177 | - | - | 58 | 1 235 |
| Other machinery and equipment | 242 | - | - | (397) | (155) |
| **TOTAL** | **6 870** | **-** | **-** | **270** | **7 140** |

## 30.2 Movement for 2007/08

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

| | Opening balance | Additions | Disposals | Closing balance |
|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 |
| **MACHINERY AND EQUIPMENT** | **21 321** | **4 678** | **32** | **25 967** |
| Transport assets | 1 754 | 1 434 | 32 | 3 156 |
| Computer equipment | 17 158 | 2 976 | - | 20 134 |
| Furniture and office equipment | 1 638 | 268 | - | 1 906 |
| Other machinery and equipment | 771 | - | - | 771 |
| **TOTAL MOVABLE TANGIBLE ASSETS** | **21 321** | **4 678** | **32** | **25 967** |

## 30.3 Minor assets

### MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

| | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|---|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Minor assets | - | - | 9 714 | - | 9 714 |
| **TOTAL** | **-** | **-** | **9 714** | **-** | **9 714** |

| | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|---|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Number of minor assets | - | - | 11 510 | - | 11 510 |
| **TOTAL** | **-** | **-** | **11 510** | **-** | **11 510** |



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## 31. INTANGIBLE CAPITAL ASSETS

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

| | Opening balance | Current year adjustments to prior year balances | Additions | Disposals | Closing balance |
|---|---|---|---|---|---|
| | Cost | Cost | Cost | Cost | Cost |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| COMPUTER SOFTWARE | 1 223 | (1 223) | - | - | - |
| **TOTAL INTANGIBLE ASSETS** | **1 223** | **(1 223)** | **-** | **-** | **-** |

### 31.1 Movement for 2007/08

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

| | Opening balance | Additions | Disposals | Closing balance |
|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 |
| COMPUTER SOFTWARE | 884 | 339 | - | 1 223 |
| **TOTAL** | **884** | **339** | **-** | **1 223** |

## ANNEXURE 1A

## STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

| | GRANT ALLOCATION | | | | TRANSFER | | SPENT | | | 2007/08 |
|---|---|---|---|---|---|---|---|---|---|---|
| Name of Municipality | Amount | Roll overs | Adjust-ments | Total avail-able | Actual transfer | % of avail-able funds trans-ferred | Amount received by munici-pality | Amount spent by munici-pality | % of available funds spent by munici-pality | Total avail-able |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | % | R'000 |
| Cape Town | 1 | - | - | 1 | 1 | 100% | 1 | - | - | 1 |
| Tshwane | 1 | - | - | 1 | 1 | 100% | 1 | - | - | 1 |
| **TOTAL** | **2** | **-** | **-** | **2** | **2** | **100%** | **2** | **-** | **-** | **2** |

## ANNEXURE 1B

## STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| | TRANSFER ALLOCATION | | | | TRANSFER | | 2007/08 |
|---|---|---|---|---|---|---|---|
| Department/ agency/ account | Adjusted Appropria-tion Act | Roll overs | Adjust-ments | Total avail-able | Actual transfer | % of available funds transferred | Appro-priation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| National Youth Commission | 24 333 | - | - | 24 333 | 24 333 | 100% | 20 614 |
| SACAR | 1 000 | - | - | 1 000 | 1 000 | 100% | 1 000 |
| Isigodlo Trust | 3 000 | - | - | 3 000 | 3 000 | 100% | 3 000 |
| **TOTAL** | **28 333** | **-** | **-** | **28 333** | **28 333** | **100%** | **24 614** |



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## ANNEXURE 1C

## STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| | TRANSFER ALLOCATION | | | | EXPENDITURE | | | | 2007/08 |
|---|---|---|---|---|---|---|---|---|---|
| Name of public corporation/private enterprise | 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 |
| **Private Enterprises** | | | | | | | | | |
| Transfers | | | | | | | | | |
| Non Life Insurance Premiums | 105 | | | 105 | 11 | 10% | | | 35 |
| **TOTAL** | **105** | **-** | **-** | **105** | **11** | **10%** | **-** | **-** | **35** |

## ANNEXURE 1D

## STATEMENT OF TRANSFERS TO HOUSEHOLDS

| | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2007/08 |
|---|---|---|---|---|---|---|---|
| | Adjusted Appropriation Act | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available Funds Transferred | Appropriation Act |
| **Households** | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| **Transfers** | | | | | | | |
| Employee social benefit | 24 | - | 980 | 1 004 | 441 | 222% | 441 |
| **TOTAL** | **24** | **-** | **980** | **1 004** | **441** | **222%** | **441** |

## ANNEXURE 1E

## STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

| | NATURE OF GIFT, DONATION OR SPONSORSHIP | 2008/09 | 2007/08 |
|---|---|---|---|
| **Name Of Organisation** | | R'000 | R'000 |
| **Received in cash** | | | |
| RMB | Contribution towards the National Youth Indaba | 100 | - |
| Transnet | Contribution towards the National Youth Indaba | 113 | - |
| **Subtotal** | | **213** | **-** |
| | | | |
| **Received in kind** | | | |
| UNICEF | Situation Analysis of Children Study | 686 | - |

| Name Of Organisation | NATURE OF GIFT, DONATION OR SPONSORSHIP | 2008/09 | 2007/08 |
|---|---|---|---|
| | | R'000 | R'000 |
| UNICEF | T-Shirts-Children Day | 40 | - |
| EDCON | T-Shirts-Children Day | 50 | - |
| UNICEF | UN Country Report | 50 | - |
| ADB | Research Report | 750 | - |
| AU & Commonwealth | Travel Tickets | 26 | - |
| IDC | Sponsored Trips | 281 | - |
| **Subtotal** | | 1 883 | - |
| **TOTAL** | | **2 096** | **-** |

## ANNEXURE 1F

## STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

| NAME OF DONOR | PURPOSE | OPENING BALANCE | REVENUE | EXPENDITURE | CLOSING BALANCE |
|---|---|---|---|---|---|
| | | R'000 | R'000 | R'000 | R'000 |
| **Received in cash** | | | | | |
| Sweden | | 52 | - | 52 | - |
| Flemish | Economic Assistance Programme:OSDP | 802 | - | 802 | - |
| Denmark | Economic Assistance Programme:((EDEDP) OSW | 1 462 | - | 1 462 | - |
| Sweden | Economic Assistance Programme:GDC Research Project | 67 | - | 67 | - |
| European Union | Economic Assistance Programme:Pro Poor Policy Development Programme | 1 482 | 4 342 | 5 824 | - |
| | | | | | - |
| **Subtotal** | | **3 865** | **4 342** | **8 207** | **-** |
| **Received in kind** | | | | | |
| Deutsche Gesellschaft Fur Technische Zusammenarbeit (GTZ) | Harmonisation and alignment of provincial growth and development. | - | 336 | 336 | - |
| GTZ | Review 2014 scenarios and develop 2025 scenarios | - | 175 | 175 | - |
| GTZ | Fifteen year review project | - | 303 | 303 | - |
| **Subtotal** | | | **814** | **814** | **-** |
| **TOTAL** | | **3 865** | **5 156** | **9 021** | **-** |



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## ANNEXURE 1G

## STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2009

| NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation | 2008/09 | 2007/08 |
|---|---|---|
| | R'000 | R'000 |
| Donation – Pre Primary School | 100 | - |
| Paid in cash | - | 46 |
| **TOTAL** | **100** | **46** |

## ANNEXURE 2A

## STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2009 – LOCAL

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2008 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced/ released during the year | Revaluations | Closing balance 31 March 2009 | Guaranteed interest for year ended 31 March 2009 | 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 |
| | Motor vehicles | | | | | | | | |
| Stannic | Stannic | 296 | 98 | - | - | - | 98 | - | - |
| | | **296** | **98** | **-** | **-** | **-** | **98** | **-** | **-** |
| | Housing | | | | | | | | |
| ABSA | | 323 | 47 | - | - | - | 47 | - | - |
| Nedbank | | 293 | 79 | - | - | - | 79 | - | - |
| Old Mutual Bank | | 360 | 96 | - | - | - | 96 | - | - |
| Peoples Bank | | 61 | 12 | - | - | - | 12 | - | - |
| Standard Bank | | 221 | 75 | - | - | - | 75 | - | - |
| | | **1 258** | **309** | **-** | **-** | **-** | **309** | **-** | **-** |
| **TOTAL** | | **1 554** | **407** | **-** | **-** | **-** | **407** | **-** | **-** |

## ANNEXURE 2B

## STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009

| Nature of liability | Opening balance 01/04/2008 | Liabilities incurred during the year | Liabilities paid/cancelled/ reduced during the year | Liabilities recoverable (Provide details hereunder | Closing balance 31/03/2009 |
|---|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| **Claims against the department** | | | | | |
| Pending cases | 1 050 | 2 450 | 250 | - | 3 250 |
| | 1 050 | 2 450 | 250 | - | 3 250 |
| **Other** | | | | | |
| Pending cases | 18 900 | | 9 660 | - | 9 240 |
| | 18 900 | - | 9 660 | - | 9 240 |
| **TOTAL** | **19 950** | **2 450** | **9 910** | **-** | **12 490** |

## ANNEXURE 3

## CLAIMS RECOVERABLE

| Government entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|---|---|---|---|---|---|---|
| | 31/03/2009 | 31/03/2008 | 31/03/2009 | 31/03/2008 | 31/03/2009 | 31/03/2008 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| **Department** | | | | | | |
| Foreign Affairs | - | 201 | 556 | 323 | 556 | 524 |
| Minerals & Energy | - | - | - | 29 | - | 29 |
| National Treasury | - | - | 13 665 | 123 | 13 665 | 123 |
| Public Service & Administration | - | - | 2 | 7 | 2 | 7 |
| Public Works | - | - | 29 | 53 | 29 | 53 |
| South African Police Service | - | 5 | - | - | - | 5 |
| Statistics South Africa | - | - | - | 19 | - | 19 |
| Transport | - | - | - | 19 | - | 19 |
| SARS | - | - | 101 | - | 101 | - |
| Social Development | - | - | 12 | - | 12 | - |
| | - | 206 | 14 365 | 573 | 14 365 | 779 |
| **Other Government Entities** | | | | | | |
| Bophirima | - | - | - | 250 | - | 250 |
| University of Cape Town | - | - | 400 | - | 400 | - |
| | - | - | 400 | 250 | 400 | 250 |
| **TOTAL** | **-** | **206** | **14 765** | **823** | **14 765** | **1 029** |



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## ANNEXURE 4

## INTER-GOVERNMENT PAYABLES

| Government entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|---|---|---|---|---|---|---|
| | 31/03/2009 | 31/03/2008 | 31/03/2009 | 31/03/2008 | 31/03/2009 | 31/03/2008 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| **DEPARTMENTS** | | | | | | |
| **Current** | | | | | | |
| Agriculture | - | 16 | - | - | - | 16 |
| Foreign Affairs | - | - | 1 697 | 2 882 | 1 697 | 2 882 |
| Government Printers | - | - | - | 97 | - | 97 |
| Parliament | - | 13 | 43 | 8 | 43 | 21 |
| Justice & Constitutional Development | 475 | - | 533 | 10 000 | 1 008 | 10 000 |
| Transport & Public Works | - | - | 538 | 1 008 | 538 | 1 008 |
| Water Affairs | - | - | - | 19 | - | 19 |
| Environment & Tourism | - | 8 | - | 8 | - | 16 |
| Province of the Eastern Cape | 14 | 25 | - | - | 14 | 25 |
| Office of the Premier(Kimberly) | 700 | - | - | - | 700 | - |
| Health | 331 | - | - | - | 331 | - |
| Labour | 39 | - | - | - | 39 | - |
| Eastern Cape | 14 | - | - | - | 14 | - |
| PALAMA | - | - | 220 | - | 220 | - |
| **TOTAL** | **1 573** | **62** | **3 031** | **14 022** | **4 604** | **14 084** |

# Acronyms

| | |
|---|---|
| **APRM** | African Peer Review Mechanism |
| **AsgiSA** | Accelerated and Shared Growth Initiative of South Africa |
| **AU** | African Union |
| **BBBEE** | Broad-Based Black Economic Empowerment |
| **COO** | Chief Operations Officer |
| **DPLG** | Department of Provincial and Local Government |
| **EU** | European Union |
| **GCIS** | Government Communication and Information System |
| **GDP** | Gross domestic product |
| **GWM&E** | Government-wide monitoring and evaluation |
| **FOSAD** | Forum of South African Directors General |
| **IBSA** | India-Brazil-South Africa initiative |
| **IDP** | Integrated development plan |
| **JIPSA** | Joint Initiative on Priority Skills Acquisition |
| **MERCOSUR** | Common Market of the South |
| **M&E** | Monitoring and evaluation |
| **MTEF** | Medium Term Expenditure Framework |
| **MTSF** | Medium Term Strategic Framework |
| **NEPAD** | New Partnership for Africa's Development |
| **NSDP** | National Spatial Development Perspective |
| **OECD** | Organisation for Economic Cooperation and Development |
| **PCAS** | Policy Coordination and Advisory Services |
| **PFMA** | Public Finance Management Act |
| **RIA** | Regulatory impact assessment |
| **SACU** | Southern African Customs Union |
| **SADC** | Southern African Development Community |
| **SETA** | Sector education and training authority |
| **SMME** | Small, medium and micro enterprise |
| **UN** | United Nations |



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# ANNUAL REPORT 2008 - 2009

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