**1. BUDGETARY REVIEW AND RECOMMENDATION REPORT OF THE PORTFOLIO COMMITTEE ON WOMEN IN THE PRESIDENCY, 19 OCTOBER 2016.**

The Portfolio Committee on Women in the Presidency, having considered the performance and submission to National Treasury for the medium term period of the Department of Women in the Presidency and the Commission for Gender Equality, reports as follows:

1. **Introduction** 
   1. **Mandate of Committee**

The mandate of the Portfolio Committee on Women is to legislate, conduct oversight of the Executive, promote public participation, facilitate international agreements and review matters of public interest in relation to the Department of Women in the Presidency and the Commission for Gender Equality.

* 1. **Description of core functions of the Department and the Commission for Gender Equality**

The mandate of the Department of Women in the Presidency is to champion the advancement of women’s socio-economic empowerment and the promotion of gender equality.

**1.3 Commission for Gender Equality**

The Commission for Gender Equality (CGE) was established in 1996 according to the Commission for Gender Equality Act 39 (1996) to promote gender equality. In its efforts to monitor, lobby, educate citizens and encourage the equitable development of women and men, the CGE is compelled to undertake the following:

* To monitor and evaluate policies and practices of organs of State at any level, statutory bodies or functionaries, public bodies and authorities, and private businesses, enterprises and institutions;
* To cultivate an understanding of gender equality and the role and activities of the Commission through developing, conducting and managing information and education programmes;
* To evaluate whether Acts of Parliament (existing or proposed), systems of personal and family law or custom, systems of indigenous law, custom or practices or any other law, will affect the status of women, and to make recommendations to Parliament in this regard;
* To recommend to the National and Provincial Legislatures, any new legislation that would promote gender equality;
* To investigate on its own initiative or due to a complaint, any gender-related issue;
* To maintain close relations with institutions that undertake similar work, and to facilitate cooperation in handling complaints;
* To interact with civil society to further the work of the Commission;
* To monitor compliance to international conventions, covenants and charters related to gender issues, and to submit reports to Parliament in this regard;
* To conduct research on gender-related issues; and
* To consider recommendations, suggestions and requests made with regards to gender equality as received from any source.

Based on its Constitutional mandate, the CGE’s vision is to strive for “a society free from all forms of gender oppression and inequality”, while its mission includes to “advance, promote, protect, monitor and evaluate gender equality through undertaking research, public education, policy development, legislative initiatives, effective monitoring and litigation”. Its values remain independence; professionalism; accountability; ethical behaviour; and teamwork.

The Commission’s Strategic Framework translates its Constitutional mandate into four strategic objectives, which are:

* Strategic Objective 1**:** To ensure the creation and implementation of an enabling legislative framework that promotes the attainment of gender equality.
* Strategic Objective 2**:** To protect and promote gender equality by engaging with relevant stakeholders to educate and raise awareness on issues of gender equality, challenge patriarchal perceptions and stereotypes and take actions against infringements of gender rights through the implementation of appropriate redress.
* Strategic Objective 3**:** To monitor State compliance with regional and international conventions, covenants and charters which have been acceded to or ratified by the Republic, relating to the objects of the Commission.
* Strategic Objective 4**:** To build an effective, efficient and sustainable institution that will fulfil its constitutional mandate on gender equality.
  1. **Purpose of the BRR Report**

The Money Bills Procedures and Related Matters Amendment Act (No. 9 of 2009) sets out the process that allows Parliament to make recommendations to the Minister of Finance to amend the budget of a national department. Section 5 (1) of the Money Bills Amendment Procedure and Related Matters Act, (No. 9 of 2009) requires that the National Assembly, through its Committee, must annually assess the performance of each national department. Section 5 (2) makes provision for the annual submission of the budgetary review and recommendations report (BRRR) for tabling in the National Assembly for each department. It is expected of the BRRR to report on the following:

* Assessment of the department’s service delivery performance given the available resources;
* Assessments on the effectiveness and efficiency of the department’s use and forward allocation of available resources; and
* May include recommendations on the forward use of resources.

In order to enable the Committee to take informed decisions on the performance of the Department of Women in the Presidency (hereafter referred to as the Department) for the financial year 2015/2016, the Committee consulted the following reports and documents: Section 32‘s reports of National Treasury, the Department of Women’s Annual Report 2015/2016, Reports of the Auditor-General of South Africa (AGSA), MPAT Results of 2015, the 2015 State of the Nation’s Address and oversight reports on departments and the Commission for Gender Equality (CGE). All this information assisted the Committee in providing a holistic assessment of the Department and the CGE’s performance for 2015/16.

* 1. **Method**

In complying with Section 5 (2) of the Money Bills Amendment Procedure and Related Matters Act, (Act No 9 of 2009), the Portfolio Committee on Women in the Presidency held a meeting on the 11 October 2016 to consider the 2015/2016 Annual Report of the Department of Women. The Office of the Auditor-General of South Africa (AGSA) was also invited to give input during the budget review and recommendation report process on 11 October 2016. The Committee was also briefed and deliberated on the quarterly reports for 2015/2016 and the first quarter report for 2016/2017 of the Department of Women in Presidency and the Commission for Gender Equality. As such, this report therefore includes key issues that were identified by the Committee. The Committee also held meetings to consider the Annual Reports of the Department of Women in the Presidency and the Commission for Gender Equality for 2015/16.

* 1. **Outline of the Contents of the Report**

This report provides an analysis of the financial and programmatic performance of the Department of Women in the Presidency. The analysis takes cognisance of what Government’s key priorities are and how these affect women in the country in order to determine what progress has been made as well as identify the gaps and challenges that have to be addressed.

1. **Overview of the key relevant policy focus areas**

**2.1 Implications of the 2015 State of the Nation Address**

The State of the Nation Address (SONA) for 2015 had no specific mention of women’s empowerment programmes as noted by the Department of Women in the Presidency. The focus was on the eradication of inequalities and all related intolerances in the country by strengthening and supporting initiatives on awareness raising and monitoring of incidences of gender-based violence (GBV) including social cohesion and national building initiatives. Gender-based violence remains one of the key challenges facing the country. In addition, the President also outlined the 9 Point Plan which is intended to ignite growth and create jobs. Even though no direct reference was made to women and the 9 Point Plan at the time, each of the priorities would have a direct impact on women.

The Department in its briefing to the Committee on its 2015/16 Annual Report indicated that particular emphasis was placed on giving effect to the focus areas of the 2015 SONA through campaigns undertaken and what the Department refers to as the Presidential directive placed on the Department to assess the extent to which government institutions/departments responsible for giving effect to the 9 Point Plan include women.

**2.2 Budget Review, MTBPS**

The Department of Women came into existence in July 2014. In 2015/16, the Department was allocated R189.102 million of which R67.7 million was transferred to the Commission for Gender Equality (CGE). As such, the Department was left with an operating budget of R121.402 million.

**2.3 Outcome-based approach - Delivery agreement targets for 2015/16**

According to the Department of Performance Monitoring and Evaluation, self-assessment score-card per national department and the results of the Management Performance Assessment Tools (MPAT) for the Department revealed the following the year under review as of 30 September 2015:

* The Department did not perform well on the MPAT 1.5 cycle. The total score dropped from 73 in 2014 to 66 in 2015.
* The score for Strategic Plan under KPA 1: Strategic management dropped from 4 in 2014 to 3 in 2015. The standard area for APP also dropped from 3 in 2014 to 2 in 2015.
* The overall score for KPA 2: Governance and accountability dropped from 19 in 2014 to 17 in 2015. However, the score for Internal Audit and Professional Ethics increased from 1 to 2 in 2015 and 1 to 3 in 2015 respectively.
* The overall score for KPA 3: Human Resource Management also dropped from 23 in 2014 to 18.5 in 2015. The key areas where decreases were noted include HR development and Planning; Management of Diversity, delegations in terms of PSA; Management of Employee Health and Wellness; PMDS HOD and the management of disciplinary cases.
* The overall score for KPA 4: Financial management dropped from 22 in 2014 to 17.5 in 2015. The key areas that have dropped include Acquisition management, Logistics management, Disposal management, Management of cash flow vs budget and pay sheet certification.
  1. **Overview of Revised Strategic Plan and Annual Performance Plans**

The Strategic Plan 2015-2020 of the Department of Women in the Presidency indicates the following strategic priorities for that period:

1. Policy and implementation analysis and advice to ensure engendered transformation for socio-economic empowerment of women and gender equality.
2. Monitoring, evaluating and making recommendations for advancing women’s economic empowerment.
3. Monitor, evaluating and making recommendations for enhancing women’s access to justice, safety and security.
4. Monitor, evaluating and making recommendations for advancing women’s access to social empowerment.
5. Development of a gender monitoring framework to evaluate progress made on women’s socio-economic empowerment and gender equality
6. Conducting outreach initiatives, stakeholder coordination, dissemination and gathering of information to promote women’s socio-economic empowerment and gender equality.
   1. **Overview of key developments in the organisational and service delivery environments of Department for 2015/16 MTEF cycle**

In its presentation on the Strategic Plan, the Department identified the following strategic priorities for the 2015/16 financial year:

**2.5.1. Strategic Priorities - Overview 2015/16**

The Department revised its Strategic Plan and Annual Performance Plan (APP) for 2016/17 and this resulted in a review of the 2015/16 annual performance plan for 3rd and 4th quarters which was approved by the Executive Authority. Therefore the Annual Report for 2015/16 reports on two annual performance plans. The performance information of Quarter 1 & 2 are informed by the initial 2015 annual performance plan tabled in March 2015 in Parliament and Quarter 3 & 4 are informed by the revised Annual Performance Plan for 2015/16 which was tabled on 1 March 2016. The Department prioritised the following strategic objectives to achieve its mandate. However it must be noted that these goals varied slightly between the Strategic Plan and those stipulated in the Annual Report as tabulated below:

**Table 1: Strategic goals**

| **Strategic Plan** | **Annual Report 2015/16** |
| --- | --- |
| **Programme 1: Administration**   * Strategic Outcome Oriented Goal 1: Good governance and administration * This programme aims to provide leadership, management and administrative support to the Department through continuous refinement of the organisational strategy. | Strategic Outcome-Orientated Goal 1 (Programme 1): Good governance and administration |
| **Programme 2: Social, political and economic participation and empowerment**   * Strategic Outcome Oriented Goal 2: Enabling environment for women’s socio economic transformation and participation * This programme aims to enhance sector policy and programmes through identification of policy gaps, development of intervention plans and institutionalisation of implementation protocols/arrangements. | Strategic Outcome-Orientated Goal 2 (Programme 2): An effective enabling environment for women’s socio-economic transformation and gender equality. |
| **Programme 3: Policy Development, Research and Knowledge Management**   * Strategic Outcome Oriented Goal 3: Evidence-based interventions to improve socio-economic status, empowerment and the rights of women. * This programme aims to enhance the socio-economic empowerment and rights of women through effective management of research, policy coordination, information and knowledge. | Strategic Outcome-Orientated Goal 3 (Programme 3): Evidence-based research to influence women’s socio-economic empowerment and gender-equality |
| **Programme 4: Monitoring, Evaluation and Outreach**   * Strategic Outcome Oriented Goal 4: Monitor and Evaluate the improvement in the status of women socio economic transformation and participation and reaching out to role-players * This programme aims to monitor the implementation and evaluate the impact of women participation and empowerment programmes and manage outreach initiatives. | Strategic Outcome-Orientated Goal 4 (Programme 4): Assess the impact of policies, programmes and budgets on women’s socio-economic empowerment and gender equality. |

Of importance to note was the changes in the revised APP of 2015/16 for the second 6 months of the year however the budget programme structure did not change.

**Table 2: Changes to Department’s programmes for 2015/16**

|  |  |
| --- | --- |
| **Initial APP for 2015/16** | **Revised APP 2015/16** |
| * **Programme 1**: Administration; * **Programme 2**: Social, Political and Economic Participation and Empowerment; * **Programme 3**: Research, Policy Coordination and Knowledge Management; and * **Programme 4**: Monitoring, Evaluation and Outreach. | * **Programme 1:** Administration; * **Programme 2:** Social Transformation and Economic Empowerment; and * **Programme 3**: Policy Stakeholder Coordination and Knowledge Management. |

Moreover, the Departments altered targets that were in certain instances and some targets even discontinued completely and or replaced with a new target.

**2.5.2 Medium-Term Strategic Framework (MTSF)**

According to the Department, in the MTSF it is responsible for driving Outcome 14 Sub-outcome 2 and for supporting the deliverables of Outcomes 2, 3, 4, and 13. To this end, the

Department maintains it contributes to Outcome 14 which relates to promoting social cohesion and national building through the outreach programmes, communication strategy, partnerships and leadership work.

In terms of the work to be implemented under Outcome 14: Social Cohesion Sub- Outcome 2: Equal opportunities, inclusion and redress; Change attitudes and behaviour in relationship gender issues and xenophobia a number of sustained and visible outreach initiatives or campaigns are to be conducted throughout the year to address social cohesion and nation building, specifically 6 outreach initiatives or gender campaigns per year namely;

* Women’s month, including National Women’s Day
* Girl Learner and Young Women Work Exposure Programme
* 16 Days of Activism for No Violence against Women and children
* National Dialogues and Advocacy Programme
* International Women’s Day
* #365 Days Campaign for a non-violent South Africa

1. **Summary of previous key financial and performance recommendations of Committee** 
   1. **2015 BRRR recommendations**

Herewith a summary of the key financial and non-financial performance recommendations made by the Committee in the 2015 BRRR and progress made in this regard. The Minister of Finance did not respond to any of the recommendations made by the Committee as noted in the 2015 BRRR.

**3.1.1 Audit Action Plan**

1. The Department should develop action plans that give effect to the recommendations made by the AGSA. These action plans should address the root cause of the problems, clearly articulate specific actions with key persons responsible at a senior management level and specify time frames. All action plans should be submitted to the Committee with the 2nd Quarterly Report for 2015/2016.
2. The Department should monitor and evaluate the implementation of action plans and progress reports should be submitted to the Committee with every quarterly report.

**Outcomes, Progress & Challenges**

1. Despite the Department briefing the Committee during its quarterly report presentations that the audit plan was developed and implemented, the AGSA has found that there was insufficient monitoring thereof. Hence, this is in contrast to what the Department has briefed the Committee on for 2015/16 during IYMR.
2. The Committee’s recommendation to the Department in the 2015 BRRR was clear in this regard.
3. Moreover, the Committee was informed by the Department i.t.o. its Audit Improvement Plan regarding non-compliance that a “report was circulated and relevant responsible managers will be issued with non-compliance warning letters”. The progress noted by the Department at that briefing indicated that it was “resolved by discussing with the Internal Audit and providing the evidence of the In-Year Monitoring for programme 1 and the same process with the other target in programme 4 also resolved.”[[1]](#footnote-1) Even though this was specifically i.r.t. adherence to quarterly performance reporting due date, the Department indicated to the Committee that there was no problem with the plan.

**3.1.2 Financial performance**

1. *In-Year Monitoring Reports*: The Department is requested to submit quarterly reports to the Committee in line with National Treasury Regulations.
2. *Risk Management*: The Department should provide the Committee with a detailed report on the implementation of risk management controls it which should include the staffing structure, risk management systems, challenges identified and remedial action.
3. *Spending Trends*: The Department should monitor spending patterns and ensure that this is keeping with what has been outlined in the respective Strategic Plans and Annual Performance Plans. To this end, the Department is requested to provide the Committee with detailed financial reports for activities on a quarterly basis. These financial reports should clearly indicate the purpose of the activity as it relates to the objectives outlined in the APP and the expenditure incurred. In instances, where the Department incurs expenditure for events nationally and internationally, the size of the delegation should be included and details pertaining to Travel and subsistence.

**Outcomes, Progress & Challenges**

1. *In-Year Monitoring Reports*: The Department submitted all 4 quarterly reports to the Committee in line with National Treasury Regulations.
2. *Risk Management*: Despite the Department reporting to the Committee on the implementation of risk management controls during the quarterly report briefings no serious findings were brought to the attention of the Committee. This is in contrast to what the AGSA notes as its key findings.
3. *Spending Trends*: Despite the Committee’s recommendation and due oversight over every quarter of 2015/16, the Department’s monitoring of spending patterns was inadequate. This is evident in the shifting of funds between programmes. Of particular concern was the movement of funds from the core programmes to Programme 1, Administration. This has been a matter which has been consistently raised by the Committee that the Administration continues to receive a disproportionate amount of funding as compared to the core programmes. Notwithstanding this, the reasons provided by the Department as to why the anomaly, National Treasury in a recent briefing to the Committee indicated that funds can be allocated in such a manner that it drives the core programmes of a department without compromising the Administration Programme.

The Department provided the Committee with financial reports for activities on a quarterly basis and reported on virements, fruitless and wasteful expenditure and irregular expenditure as well as under- and or over-expenditure.

The Department reported on events attends and initiatives undertaken but expenditure for these events nationally and internationally, the size of the delegation and details pertaining to Travel and subsistence was not submitted to the Committee during quarterly briefings.

**3.1.3 Human Resource**

1. *Vacancies*: All key funded vacancies should be filled within the specified time allocation, in instances where this is not complied with the Department should clearly identify within the quarterly reports to the Committee reasons for failure to comply and remedial action taken to mitigate.
2. *Skills Audit*: The Department should provide the outcome of skills audit, an action plan of what is required to address the skills deficit and the impact on the proposed new structure for the Department. This must be submitted as part of the Department’s Annual Performance Plan and revised Strategic Plan to National Treasury for the coming financial year.
3. *Resignations/Dismissals/Termination of contracts*: The Department should provide a written report on the reasons for dismissal of staff, resignations, termination of contracts and its subsequent impact on service delivery. A contingency plan should also be developed to focus on staff retention.

**Outcomes, Progress & Challenges**

1. *Vacancies*: The Committee was kept abreast of the number of vacancies within the Department during quarterly reporting.
2. *Skills Audit*: The Department reassured the Committee the outcome of the skills audit proved to be helpful as staff were then appropriately placed and training needs identified to capacitate staff and recruit with the aim of fulfilling a skills deficit where required. However, the poor performance of targets achieved which is reliant on competent staff indicates that there is a problem within the Department to deliver on what is required. This was further exacerbated by the poor performance reported in Q1 of 2016/17 briefing to the Committee.
3. The current Annual Report stipulates that only 9/111 (10%) posts were evaluated in 2015/16 and that the remaining will be undertaken in 2016/17. This highlights a disjuncture between what the Department deems as achievements w.r.t. skills audit and subsequent staff placement.
4. *Resignations/Dismissals/Termination of contracts*: The Department informed the Committee during quarterly reports of resignations, dismissals and terminations but did not provide detailed explanations for these during quarterly report briefings.

**3.1.4 Governance**

1. The Committee reiterated the importance of compliance with the Public Finance Management Act and National Treasury Regulations by the Department and that failure of officials in this regard must be dealt with expeditiously. To this end, the Department to report on how it deals with transgressors and what remedial action is taken. This should be presented in the quarterly reports.
2. Report on the forensic investigation referred to by the AGSA to be submitted to the Committee on completion.

**Outcomes, Progress & Challenges**

1. *SCM, Unauthorised & irregular expenditure, fruitless and wasteful expenditure*

The Department informed the Committee during the presentation on the Audit Improvement Plan that;

* Management of irregular expenditure will (be) closely monitored and reported.
* Fruitless and wasteful expenditure will be recorded as and when it occurs and reported monthly.

To this end the Department noted the progress as follows:

* The irregular register is reviewed by the DD SCM, Dir Finance and CFO as part of the IFS compilation.
* Reporting on fruitless & wasteful expenditure is checked monthly, in conjunction with SCM.

This is in direct contrast to AG’s findings.

1. *Bids*

The Committee has specifically asked the Department during the Q2&3 briefing, why its bids were not published on its website. To which the Department replied there were no bids during the period under review. This is in contrast to the AGSA finding for 2015/16.

1. *Internal Audit*

The Committee was informed by the Department at the briefing of the Audit Improvement Plan that the post of DD: Internal Audit was filled and that quarterly audit meetings took place – all of which was cited as progress.

The Department went on to state that the “*approved interim internal audit plan for the first quarter of 2015/16 financial year and was implemented and completed. An annual internal audit plan was approved by the Audit and Risk Committee. The plan is currently being implemented by the Directorate: Internal Audit.”* Again this was cited as progress with no indication of a problem.

In Q1 of 2016/17, the Department indicated the following achievements w.r.t. internal audit:

* 4th Quarter risk assessment developed and approved
* Three-Year Internal Audit Strategic Plan and the Annual Internal Plan were approved by the Audit and Risk Committee in meeting held on the 3rd May 2016
* 4th quarter Internal Audit progress report was signed-off by DG and presented to the Audit and Risk Committee

1. *Investigative Reports*

The Committee still awaits a copy and briefing on the investigative report as it has not yet been formerly referred to the Committee for consideration

**3.1.5 Performance related recommendations**

**(5.1) SMART principle**

1. The Department should ensure that the targets/objectives are SMART and appropriately costed.

**Outcomes, Progress & Challenges**

1. The Committee was informed during the briefing on the Audit Improvement Plan, that the “Department held its strategic Planning session on 19-20 July 2015 to review the Strategic Plan and APP. The reviewed 2016-2021 second draft strategic Plan and 2016/17 APP were submitted to National Treasury and DPME we await comments including the AG in order to ensure that targets are measurable and specific. The departments awaits comments from the stakeholders prior to finalisation.”
2. The lack of SMART targets was an ongoing issue which the Committee raised with the Department at all its briefings up until the tabling of the revised APP of 2015/16 and the latest APP 2016/17 and the revised Strategic Plan

**(5.2) Collaboration**

1. The Department should ensure improved collaboration with the CGE and all other relevant organs of State as well as civil society.
2. Partnerships should not only be events driven and related but should also focus on monitoring and evaluation of programmes of gender mainstreaming, gender responsive budgeting and the effectiveness of gender focal points.
3. In addition the Department must establish and implement mechanisms to work with relevant organs of State in Provinces.

**Outcomes, Progress & Challenges**

1. The Committee noted during its engagement with various government departments and the CGE that they were aware of the Department of Women but where collaboration did occur it was event driven.
2. The Department of Social Development’s (DSD) 2015/16 Annual Report indicates that education and awareness campaigns were conducted in 37 local municipalities. In, addition, it also states that all provincial departments implemented the Integrated Social Crime Prevention Strategy Action Plan and a report was developed on the implementation plans of prevention and early intervention in 9 provinces. Given the Department’s work on gender-based violence (GBV) be it related to campaigns or development of a prevention policy it is unclear as to what the extent of the collaboration was with DSD in this regard.

**(5.3) Monitoring and evaluation**

1. The Department should provide an annual update on progress of gender equality in South Africa in relation to targets identified within the APP and Strategic Plan.

**Outcomes, Progress & Challenges**

1. The Department submitted the Report on the Status of Women to the Committee which is an attempt to assess progress made w.r.t. gender equality in the country.

**(5.4) Events/Campaigns/Conferences**

1. The Department should inform the Committee of all initiatives it intends undertaking in order for Portfolio Committee Members to attend where possible.
2. The Department should provide the Committee with reports of all initiatives undertaken by outlining the cost incurred (as per the recommendation on spending trends), the purpose of initiatives and its relation to the APP, the outcomes of the initiative, number of intended beneficiaries and an action plan as to how resolutions/outcomes will be implemented.

**Outcomes, Progress & Challenges**

1. Whilst the campaigns cited as achievements are commended, the Department merely states when, where and why these events took place but no information on the impact and outcome. The Committee has noted to the Department on numerous occasions to the Department that it did not support unsustainable once off events and campaigns.
2. During the 2014/15 MTEF period, the Department received additional funding from National Treasury for R6.8 million for the creation of awareness about the reduction of gender-based violence. The Department spent R2.568 million in 2014/15 with “the remaining balance of R4.232 million earmarked for promoting awareness during the 16 Days of Activism Against Gender-Based Violence.”
3. According to the Annual Report of 2015/16, the DG indicated that the Department “received funding support of R8.335 million from the National Treasury’s general budget support for the 2015/2016 financial year” which is related to the creation of awareness about the reduction of GBV. Of which the Department spent R3.983 million of this amount and the remaining balance of R4.352 million will be earmarked for promoting awareness during the 16 Days of Activism Against Gender-Based Violence.

Given that, the Department reported on outreach initiatives as achievements as part of sub-programme for Programme 4 for which funding was allocated, it was not clear what the Department actually spent the funds on for the 365 days campaign and the 16 Days campaign when additional funding was also received from National Treasury for these initiatives as per the current Annual Report.

**(5.5) Gender-responsive budgeting (GRB)**

1. The Department should brief the Committee on a quarterly basis on the progress of developing and implementing a gender-responsive budgeting framework.
2. The Department should brief the Committee on what progress has been made by municipalities to implement gender-responsive budgeting within the specific pilot sites that were identified. A list of the respective municipalities should be provided along with a progress report.

**Outcomes, Progress & Challenges**

The GRB was reported on in the previous financial year as an incomplete target and remains a target which has yet to be completed. It is concerning that the Department has taken two years to try and develop a gender responsive budgeting framework and has still not produced it despite reassurances to the Committee of progress made in this regard. The NDP was drafted, sent out for commentary nationwide, consulted on nationally finalised and implemented in more or less the same time as what the Department had to produce a gender-responsive budgeting framework.

**(5.6) Gender Focal Points**

1. The Department should continue to work towards ensuring that gender focal points are appointed at decision-making levels within departments.
2. The Department should brief the Committee on a regular basis on its work and relationship with Gender Focal Points within departments.

**Outcomes, Progress & Challenges**

The Committee was briefed by the CGE and the Department of Public Services and Administration and was informed as to what the challenges are w.r.t. gender focal points in the public sector. This was reinforced by the Committee’s engagement with numerous departments where specific questions were asked regarding GFP.

**(5.7) Treaty compliance framework and timeframes**

1. The Department should ensure that country reports are submitted within the specified timeframes as required by the relevant reporting bodies**.**
2. The Department should table and present all outstanding country reports to the Committee.
3. The Department should report back to Parliament on feedback received on country reports and action plans developed in this regard.

**Outcomes, Progress & Challenges**

The Department briefed the Committee on CEDAW and indicated that it was DIRCO’s responsibility to deposit the report on behalf of Government.

**3.1.6 Legislative and Policy Reform**

1. The Department should brief the Committee on gaps identified within policies and laws on a regular basis.
2. The Department should collaborate and partner with relevant Government Departments and entities reviewing laws and policies from a gendered perspective.

**Outcomes, Progress & Challenges**

Besides the Report on the Status of Women in the Economy, the Department indicated that it had undertaken an “Analysis on intervention mechanisms for skilling women and young women” but it is unclear as to what this entails as a report was not yet referred to the Committee for consideration.

**3.1.7 CGE**

The CGE should ensure that the following recommendations are implemented.

**(7.1) Finance**

1. *Action plans*: The CGE should develop action plans that relate to the recommendations made by the AGSA. These action plans should address the root cause of the problems. All action plans must be submitted to the Committee with the 2nd Quarterly Report for 2015/2016.
2. The CGE should ensure that the R33 million is condoned by National Treasury.

**Outcomes, Progress & Challenges**

1. The CGE briefed the Committee during all the quarterly reports on its finances.
2. The Committee was informed that the CGE had an action plan in place and was kept abreast of progress in this regard during quarterly report briefings.
   1. **Governance**
3. The CGE should implement better control measures to mitigate non-compliance with legislation and treasury regulations.
4. The CGE should inform the Committee what actions taken to deal with transgressors of policies and laws and overall poor performance delivery. This should be reported back to the Committee within quarterly reports.

**Outcomes, Progress & Challenges**

The CGE informed the Committee during quarterly briefings of progress in this regard.

* 1. **Programme and performance**

1. The CGE should monitor and evaluate the impact and outcome of the initiatives it implements.
2. The CGE should provide the Committee with an account of the performance of Commissioners on a quarterly basis and this should also be reflected in the following annual report.

**Outcomes, Progress & Challenges**

1. The CGE informed the Committee during quarterly briefings of progress in this regard.
2. A commissioner’s report was submitted to the Committee at every quarter.
3. **Overview and assessment of financial performance**

This section provides an overview and assessment of reported financial performance for 20115/16 to 2016/2017; overview of finances for 2015/2016 as well as projected financial needs or areas needing improvement in terms of spending for the 2016/17 MTEF.

* 1. **Overview of Vote allocation and spending**

Given the NMOS process and the establishment of the new Department of Women in the Presidency, a comparison on 2013/14 to 2014/15 and 2015/16 cannot be done as the programmes and targets were different given the changes in strategic direction. Moreover, even a comparison between the 2014/15 and 2015/16 as well as 2016/17 financial years is challenging given the changes to programmes, sub-programmes and targets.

To this end, the Department revised its Annual Performance Plan of 2015/16 again after revising its strategic plan. The revised APP for 2015/16 was tabled for consideration on 1 March 2016. The revised APP of 2015/16 saw a change in the number of programmes from 4 to 3, reallocation of staff, change in targets and in some stances discarding of targets. However, the Department indicated that there was no financial implication incurred as a result.

The 2015/16 final appropriation and expenditure for the Department of Women in the Presidency is tabulated below:

**Table 3: Financial Performance per Programme (2015/16 and 2014/15)**

| **2014/15** | | | | | **2015/16** | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Final Budget** | **Actual Expenditure** | **(Over)/Under-spent** | **% Spent** | **Final Budget** | **Actual Expenditure** | **(Over)/ Under spent** | **% Spent** |
|  | (R’000) | (R’000) | (R’000) | % | (R’000) | (R’000) | (R’000) | % |
| Admin. | 79 443 | 77 580 | 1 863 | 97.7 | 82 910 | 84 902 | (1 992) | 102.4% |
| SPEPE[[2]](#footnote-2) | 85 546 | 85 264 | 282 | 99.7 | 83 423 | 83 152 | 271 | 99.68% |
| RPCKM[[3]](#footnote-3) | 8002 | 7 686 | 316 | 96.1 | 7 159 | 7 415 | (256) | 103.58% |
| MEO[[4]](#footnote-4) | 11 773 | 11 008 | 765 | 93.5 | 15 610 | 12 897 | 2 716 | 82.62% |
| **Total** | **184 764** | **181 538** | **3 226** | **98.3** | **189 102** | **188 366** | **736 000** | **99.61%** |

The Department of Women received a final appropriation of R184.764 million in the 2014/15 financial year and R189.102 million in the 2015/16 financial year. In both years, this included the transfer to the CGE. In the year under review, the transfer amount for the CGE was R67.7 million, leaving the Department with an operating budget of R121.402 million. The Department reported an under-expenditure to the amount of R736 000 for 2015/16.

* 1. **Financial Performance 2015/16** 
     1. **Quarterly spending trends, Adjustments for 2015/16, Post adjustment virement, Final total and programme expenditure**

The table below depicts the spending trends for the Department per programme.

**Table 4: Spending trends per programme**

|  |  |  |  |
| --- | --- | --- | --- |
| **Programme** | **Final Appropriation** | **Actual Expenditure** | **Variance** |
|  | R’000 | R’000 | R’000 |
| 1: Admin. | 82 910 | 84 902 | (1 992) |
| 2 SPEPE | 83 423 | 83152 | 271 |
| 3: RPCKM | 7 159 | 7 415 | (256) |
| 4: MEO | 15 610 | 12 897 | 2 713 |
| **Total** | **189 102** | **188 366** | **736** |

The Department indicates in its 2015/16 Annual Report, that as at 31 March 2016, it had spent 99.61% of its budget (i.e. R188.366 million). This percentage includes the transfer to the CGE.

The Department reports no over-expenditure and indicates a surplus/saving of R736 000 for financial year 2015/16. The Department ascribes the under-expenditure primarily due to savings on capital assets. The key cost drivers are Cost of Employment (CoE) and Goods and services. This correlates with the spending patterns noted by Treasury in the quarterly expenditure reports of 2015/16.

Virements were made as follows from Programme 2 to 1 in CoE, economic classification R2.677 million. R831 000 was transferred from CoE in Programme 2 to Transfers and subsidies in Programme 3. Within Programme 4 funds amounting to R1.357 million was also shifted from Goods and services to Goods and services (R1.934 million) and Transfers and subsidies (R16 000) in Programme 1.

**4.2.2 Donor funding/Conditional grant**

In addition to the allocated appropriation, the Department also received additional funding (R8.355 million) from Treasury for the creation of awareness about the reduction of gender-based violence. However, the Department only spent R3.983 million (48%) and indicates that the remaining balance of R4.352 000 was “earmarked for promoting awareness during the 16 days of Activism” as noted previously.

* + 1. **Programme 1: Administration**

The purpose of this programmeis to provide effective leadership, management and administrative support services to the department.

The Department aims to achieve these objectives through sub-programmes namely;

* Departmental Management
* Financial Management
* Corporate Services (consisting of Human Resource Management, Strategic Management, Risk Management, Communication and Legal Services).

**Administration financial information for 2015/16**

**Table 5: Programme 1 allocation and expenditure**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sub-programme name** | **Final Appropriation** | **Actual Expenditure** | **(Over)/ under expenditure** |
|  | R’000 | R’000 | R’000 |
| Ministry | 21 373 | 21 487 | (114) |
| Departmental  Management | 14 001 | 13 998 | 3 |
| Corporate Services | 25 613 | 28 041 | (2 428) |
| Financial  Management | 10 549 | 10 002 | 547 |
| Office  Accommodation | 11 374 | 11 374 | 0 |
| **Total** | **82 910** | **84 902** | **(1 992)** |

This programme spent 102.4% of its budget of R82.910 million. The main cost drivers for this programme was CoE (R48.504 million, actual expenditure) and Goods and Services (R 33.485 million). An over-expenditure of R1.992 million was incurred.

* + 1. **Programme 2: Social, Political and Economic Participation and Empowerment (SPEPE)**

SPEPE as reflected in the initial APP of 2015/16 has been changed under the revised APP and is now Social Transformation and Economic Empowerment. Notwithstanding this, the Department has only reported on programmatic and financial achievements under the SPEPE framework. The purpose of this programme as per the Annual Report of 2015/16 is to provide oversight over the implementation of policies related to women’s empowerment and the elimination of all forms of discrimination against women. The Department aims to achieve these objectives through sub-programmes namely;

* Management: Social, Political and Economic Participation and Empowerment
* Social and Related Functions
* Justice and Public Order
* Governance and Administration
* Economic Empowerment

The Department lists the strategic objectives for this programme as oversight of the implementation of policies/programmes for women’s empowerment and economic participation and oversight of the implementation of mechanisms that promote women’s empowerment and social transformation.

**Financial information for 2015/16**

This programme was allocated R83.423 million, however R67.689 million of this amount constitutes the transfer payment to the CGE, leaving the programme with an operating budget of approximately R15.734 million.

**Table 6: Programme 2 allocation and expenditure**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sub-programme name** | **Final Appropriation** | **Actual Expenditure** | **(Over)/ under expenditure** |
|  | R’000 | R’000 | R’000 |
| Management:  Social, Political  and Economic  Participation and  Empowerment | 2 826 | 3 278 | (452) |
| Social and Related  Functions | 12 217 | 11 948 | 269 |
| Justice and Public  Order | - | - | - |
| Governance and  Administration | 691 | 237 | 454 |
| Economic  Empowerment | - | - | - |
| CGE | 67 689 | 67 689 | - |
| **Total** | **83 423** | **83 152** | **271** |

This programme spent 99.7% of its budget of R83.423 million. The main cost drivers for this programme is CoE (R4.672 million, actual expenditure) and Goods and Services (R10.723 million). An under-expenditure of R271 000 was incurred.

**4.2.5 Programme 3: Research, Policy Coordination and Knowledge Management**

The purpose of Programme 3 is to conduct research, policy reviews, and knowledge management in respect of women’s socio-economic empowerment and rights. The strategic objectives of this Programme is to conduct evidence-based research to inform the planning and effective implementation of policies and programmes for women’s socio-economic empowerment, conduct analysis and coordination of policies to inform measures for women’s economic empowerment and gender equality, and to manage information and knowledge on women’s socio-economic empowerment and rights.

The Department has identified three sub-programmes, namely; research management, policy analysis and coordination, and information and knowledge management.

**Financial information for 2015/2016**

The following is a table taken from the Department’s Annual Report in relation to the Programme’s financial situation:

**Table 7: Programme 3 allocation and expenditure**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sub-programme name** | **Final Appropriation** | **Actual Expenditure** | **(Over)/ under expenditure** |
|  | R’000 | R’000 | R’000 |
| Management:  Research, Policy  Coordination  and Knowledge  Management | 2 824 | 3 316 | (336) |
| Research  Management | 3 437 | 3 503 | (66) |
| Policy Analysis and  Coordination | 138 | - | 138 |
| Information  and Knowledge  Management | 760 | 752 | 8 |
| **Total** | **7 159** | **7 415** | **(256)** |

This programme spent 103.6% of its budget of R7.159 million. The main cost drivers for this programme is Cost of Employment (CoE) (R5.045 million, which amounts to 68%) and Goods and Services (R 1.871 000). An over-expenditure of R 256 000 was incurred.

* + 1. **Programme 4: Monitoring, Evaluation and Outreach**

The purpose of the programmeis to monitor and evaluate progress on the implementation of women empowerment policies, programmes and efforts and reach out to stakeholders and communities for women empowerment and rights. The strategic objectives included monitoring and evaluating the impact made on the empowerment of women and gender equality, building and managing stakeholder relations and partnerships, and promoting coordination for women’s socio-economic empowerment and gender quality, and the achievement of an informed society that upholds the socio-economic empowerment of women and gender equality. This programme has the following sub-programmes namely:

* Management: Monitoring, Evaluation and Outreach
* Monitoring and Evaluation
* Stakeholder Coordination
* Communication and Outreach Initiatives

**Financial information for 2015/16**

The following is a table taken from the Department’s Annual Report in relation to the Programme’s financial situation:

**Table 8: Programme 4 allocation and expenditure**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sub-programme name** | **Final Appropriation** | **Actual Expenditure** | **(Over)/ under expenditure** |
|  | R’000 | R’000 | R’000 |
| Management:  Monitoring,  Evaluation and  Outreach | 1 136 | 1 108 | 28 |
| Monitoring and  Evaluation | 4 638 | 3 155 | 1 483 |
| Stakeholder  Coordination | 1 980 | 1 188 | 792 |
| Outreach Initiatives | 7 856 | 7 446 | 410 |
| **Total** | **15 610** | **12 897** | **2 713** |

This programme spent 82% of its budget of R15.610 million. The main cost drivers for this programme was Goods and Services (R7.346 million, which amounts to 58%). An under-expenditure of R2.713 million was incurred.

* 1. **Director General’s report on funding situation and Auditor General of South Africa (AGSA) report**

**4.3.1 DG’s report**

The Director-General indicates that during the year under review 53% of planned targets were not achieved and the Department spent 99.6% of its budget (R188.4 million). A net saving of R736 000 was noted mainly on payments for capital assets. The unauthorised expenditure of R2.237 million was due to the limited virement amounts shifted to defray spending pressures in programmes 1 and 3. The irregular expenditure of R5.293 million related to the 2014/15 financial period. Fruitless and wasteful expenditure amounted to R2.020 million for 2015/16. Treasury condoned R2.134 million relating to Supply Chain Management (SCM) and the Executive Authority condoned R1.248 million relating to Compensation of Employees.

**4.3.2 AGSA report**

1. The Department received an unqualified audit opinion from the AGSA, with findings on predetermined objectives and compliance with legislation, over the previous three financial years.
2. Compliance with legislation identified during the 2015/16 financial year at the Department related to the internal controls which failed to prevent and detect or correct the following namely:

* material misstatements in the financial statements;
* authorised, irregular or fruitless and wasteful expenditure; and
* transactions where the procurement processes were not followed.

1. The quality of annual performance plans stagnated due to the following reasons namely:

* During 2015/16 financial year, the Department reported in the Annual Performance Report (APR) on strategic objectives, which were not included in the Annual Performance Plan (APP).
* Similarly, during the 2014/15 financial year the department did not report in the APR on all relevant objectives, indicators and targets which were included the APP’s.

Herewith the key concerns as highlighted by the AGSA.

1. **Performance management:** Action plans were inadequate or not implemented correctly/timely to address prior year matters reported. A total of 38% and 33% important reported objectives were not consistent with those in the approved strategic plan and annual performance plan for Programme 2 and 3 respectively.
2. **Financial management:** There appeared to be a slow response by management in fully addressing prior year’s audit findings. In addition, there was a lack of adequate supervision and review of the financial statements by management. The financial statements prepared for auditing were inadequate and had to be adjusted based on issues raised by the auditees. These were subsequently corrected by senior management.
3. **Annual reporting:** The draft 2015/16 Annual Performance Plan was reviewed during the 2014/15 interim audit cycle for usefulness by the AGSA and the findings were communicated timeously to management. Management subsequently made the corrections as recommended by the AGSA. However the department revised the 2015/16 APP during the last quarter of the financial year due to a change in the strategic direction of the department.
4. **Senior management & accounting officer/authority**: The AGSA highlights that the assurance provided by key role players at the level of the accounting officer and senior management regressed as they did not ensure the adequacy of controls over the budget and compliance with the SCM prescripts.
5. **Internal audit:** Although the internal audit unit completed the audits as per the plan, their processes failed to identify material non-compliance with legislation and the lack of budgetary controls.
6. **Leadership and governance:** The AGSA highlights that the Accounting Officer and senior management did not exercise adequate oversight responsibility regarding compliance matters. It was also noted that the action plan was not adequately monitored to address internal and external audit findings and recommendations. The Leadership has not addressed non-compliance by initiating investigations to determine who should be held accountable. In addition, non-compliance with laws and regulations could have been prevented had compliance been properly monitored by senior management.
7. **Executive authority; audit & risk committee and portfolio committee**: The assurance provided by the executive authority, the audit committee and the portfolio committee in their support to drive clean administration and improved audit outcomes, was adequate as they performed their oversight as required. However, management did not implement recommendations obtained from the portfolio committee and the audit and risk committee.

The AGSA recommended the following to the Department:

1. The Department must develop systems to enable it to prepare a full set of financial statements on a monthly basis that is accurate and complete. The level of review should include management (Chief Financial Officer), internal audit and those charged with governance.
2. The financial statements prepared should be adequately supported by substantiating evidence to corroborate validity, accuracy and completeness thereof.
3. The internal audit unit should be adequately capacitated to enable a proper and timely review and validation of the monthly/quarterly and annual financial statements and supporting schedules.
4. Management should adhere to the requirements of the FMPPI to ensure that the reported objectives included in the audit performance report are consistent with the planned objectives included in the annual performance plans.
5. Internal audit should be involved in the review of the strategic plan and annual performance plan to ensure it complies with the FMPPI prior to submission.
6. Monthly controls should be implemented to ensure actual expenditure does not exceed budgeted expenditure.
7. The action plan needs to be implemented and intensified to fully address internal and external audit findings.
8. Management should implement consequence management to hold transgressors accountable for their actions.
9. Management should adequately exercise monitoring over the internal controls which were designed to prevent the non-compliance.
10. Management should strengthen monitoring controls over the budget to ensure that expenditure is within the budget.
11. Leadership must exercise oversight over the budget.
12. The overall assessment of the IT environment reflects slow improvement over the past two years and previous recommendations relating to empowering staff with the necessary skills have not been implemented.
13. Management should ensure that proper controls and processes are applied to ensure the prevention of fruitless and wasteful expenditure.
14. Fruitless and wasteful expenditure incurred should be investigated by management and the necessary action taken against officials who were responsible for the fruitless and wasteful expenditure.
15. Focused interventions and commitments are required in order to maintain or improve the current status of the overall audit outcomes. As such the department needs to implement internal controls that will prevent and detect non-compliance with key legislation. Management is also required to strengthen the review processes to ensure the controls are working as intended.
16. The action plans of the Department need to be implemented and intensified to address internal and external audit findings and recommendations.

The AGSA findings for the CGE were as follows:

1. The CGE received a clean audit, unqualified opinion with no findings.
2. Although the CGE received repeat immaterial findings, it could be difficult to maintain the audit outcomes if not addressed.

The AGSA recommended the following:

1. Management should implement review controls to ensure that all transactions are adequately reviewed before being approved and recorded and controls to timely follow up on outstanding debtors.
2. The action plans of the Department need to be implemented and intensified to address internal and external audit findings and recommendations.

The AGSA had also recommended that the Portfolio Committee on Women implement the following proposed commitments:

1. The Portfolio Committee must request management to provide feedback on the implementation and progress of the action plan during quarterly reporting.
2. The Portfolio Committee must request management to provide quarterly feedback on status of key controls.
3. The Portfolio Committee should quarterly request management the accounting officers for a list of action taken against transgressors to hold them accountable for their actions.
   1. **Department’s Financial performance for 2016/17**

**4.4.1 Overall Financial Performance**

* The Department received an allocation of R196.9 million for the financial year 2016/17, however R69.9 million (35.5%) is the transfer payment to the Commission for Gender Equality leaving the Department with approximately R127 million to execute its mandate for 2016/17.
* For the first quarter of 2016/17, the Department spent R43.610 million of its operational budget of R127 million, amounting to 22.1% of its overall operational budget.
* National Treasury in its expenditure report for the Department indicates the following:

“As at the end of quarter 1, the department reported an average of 113 funded positions per month. The number of posts filled averages 109 per month for the period under review, resulting in an average vacancy rate of 3 per cent per month. The department’s spending on compensation of employees for the period under review is reported to be **25.2 per cent or R18.3 million** **against a** **total budget of R72.6 million**, or 102 per cent of the department’s projected expenditure on compensation of employees. This translates to **a spending of R400 000 more than projected on compensation of employees**. The National Treasury communicated, in its May 2016 feedback report to the department, its concerns around the reported variances against planned expenditure for compensation of employees, and the potential that this spending trend may cause the department to exceed the set compensation of employees spending ceiling. The National Treasury will continue to urge the department to exercise better control over its compensation of employees’ expenditure in order for the department to remain within its compensation of employees ceiling.”

**Table 9: Overview of budgetary allocations 2015/2016 – 2017/18**

|  |  |  |  |
| --- | --- | --- | --- |
| **Programme** | **2015/16** | **2016/17** | **2017/18** |
|  | **R’000** | **R’000** | **R’000** |
| 1. Administration | 80.5 | 89.4 | 87.4 |
| 2. STEE | 87.2 | 84.4 | 98.9 |
| 3. PSCKM | 19.4 | 23.1 | 21.2 |
| **TOTAL** | **187.1** | **196.9** | **207.5** |

In terms of budgetary allocations for the 2016/17 period, the Department’s largest allocation is still for CoE R72.6 million which is 57% of its total budget. Furthermore, the Department of Women according to Treasury is one of seven departments that are projected to overspend by the end of this financial year. These departments include: Communications, International Relations and Cooperation, Public Works, Police, Energy and the Military Veterans.

**Table 10: Department’s Financial Performance for 1st Quarter of 2016/17**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme** | **Appropriation** | **Projected Expenditure at 30 June 2015** | **Actual Expenditure 30 June 2015** | **Variance Actual vs. Projected** | **% Spent** |
|  | **R`000** | **R`000** | **R`000** | **R`000** | **%** |
| Administration | 89 357 | 21 653 | 19 432 | 2 221 | 21.7 |
| Social, Political & Econ. Participation & Empowerment (69 891 for CGE) | 84 402 | 3 982 | 19 572 | 1 800 | 23.2 |
| Research, Policy Coordination & Knowledge Management | 23 128 | 4 603 | 4 607 | 4 | 19.9 |
| **Total** | 196 887 | 30 238 | 43 610 | 4 025 |  |

**General Performance Commentary: 2016/2017**

* The Department did not achieve 18/34 (53%) targets only 16/34 targets were achieved in the 1st Quarter of 2016/17.

**4.4.2 Financial Performance of Programmes**

**Table 11: The financial performance for Programme 1: Administration**

|  |  |  |
| --- | --- | --- |
| **Allocation** | **Cost Drivers** | **Quarter 1 Targets** |
| R89.357.million  (actual expenditure: R19.432 million, over expenditure of  R19 432) | Compensation of employees & goods and services | 7 targets met (54%) |

* This programme achieved 7/13 targets within the 1st quarter of 2016/17.
* Out of the total planned budget projection of R89.357 million for the year 2016/17, the actual expenditure was R19.432 million, with an under- expenditure of (R2.221 million). Therefore, Programme 1 has spent 21.7% of its budget as of 30 June 2016.

**Table 12: The financial performance for Programme 2**

|  |  |  |
| --- | --- | --- |
| **Allocation** | **Cost Drivers** | **Quarter 1 Targets** |
| R84.4 million  (actual expenditure: R3.982 million under expenditure of R1.885 million) | Compensation of employees & goods and services | No targets met (0%) |

* None of the 8 targets were achieved in this programme for Quarter 1 of 2015/16.
* Out of the total planned budget projections of R 84.402 million for the year 2016/17, the actual expenditure was R 19.6 million with an under-expenditure of R1.8 million. Therefore, Programme 2 spent 23.2% of its budget as of 30 June 2016.

**Table 13: The financial performance for Programme 3**

|  |  |  |
| --- | --- | --- |
| **Allocation** | **Cost Drivers** | **Quarter 1 Targets** |
| R23.128 million  (actual expenditure of R4.607 million & under-expenditure of R4 million) | Compensation of employees & goods and services | 9 targets met (69%) |

* 9/13 targets were achieved in this programme in the 1st quarter of 2016/17.
* Out of the total planned budget projections of R23.128 million, the actual expenditure was R 4.607 million, with an over-expenditure of R 4 000. Therefore, Programme 3 spent 24.8% of its budget as of 30 June 2016.
  1. **2016/17 MTEF financial allocations**

The Department indicated that it requires adequate funding in order to function optimally and that the current resource allocation was insufficient.

* 1. **Concluding comments on financial performance**

The Committee concurs with the findings of the AGSA and the relevant recommendations made in this regard. The Department manages to spend its budget but is unable to efficiently deliver on targets within its core programmes which is largely reliant on competent staff to deliver. Most of the expenditure incurred is for CoE, Goods and Services and Capital payments. The issue raised by Treasury in terms of the CoE and the strained placed on the Department’s fiscus is concerning.

1. **Overview and assessment of service delivery performance**
   1. **Service delivery performance for 2015/16**

**Table 14: Overall Performance of the Department for 2015/16**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programmes** | **Programmes Name** | **Targets Achieved** | **Targets Not Achieved** | **Total targets** | **% of targets Achieved** | **% of targets not achieved** | **Total targets %** |
| **1** | **Administration** | **20** | **6** | **26** | **77** | **23** | **100** |
| **2** | **SPEP** | **1** | **16** | **17** | **6** | **94** | **100** |
| **3** | **RPKM** | **2** | **9** | **11** | **18** | **82** | **100** |
| **4** | **MEO** | **11** | **8** | **19** | **58** | **42** | **100** |
| **Grand Total** |  | **34** | **38** | **72** | **47** | **53** |  |

* As per the 2015/16 Revised Annual Performance Plan, the Department achieved 34 targets (47%) out of 72 planned annual targets and 38 (53%) were not achieved and spent 99.6% of its budget for the year under review.

**5.1.1. Programme 1**

* **Targets met**: The majority of targets met were in Programme 1: Administration this amounted to 20/26 targets.
* **Reports produced**: For the year under review the Department cites that it produced 22 administrative reports in relation to targets met for this programme which is commendable.
* **Unmet targets**: Unmet targets (6) related to administrative delays in certifying 24 invoices for payment within 30 days. The department was only able to conduct one risk assessment following the change in strategic direction. The Department did not achieve the target of resolving 98% of disciplinary cases as one case remains outstanding pending a labour court ruling. In addition, the Department did not measure the number of risks rated as high risk and fraud risks. However, the Department reported that the Risk Management Framework was adopted in Quarter 3 of 2015/16.
* **Human Resources**: The Department indicates in its Annual Report as at 31 March 2016 it had a funded establishment of 111 funded posts of which 101 were filled and 10 were vacant hence a 9% vacancy rate. The Department had a turnover rate of 10.6% for the period under review with 15 appointments and transfers into the Department and 12 terminations and transfers out of the Department. Of these 12, 3 left because the contract ended, 1 retired, 3 resigned and 5 were transferred to other Public Services Departments. The total CoE amounted to R63.642 million for the year under review which accounts for 52.7% of the Department’s expenditure. No staff members received performance rewards for the year under review but 1 staff member was promoted.
* **Internal audit**: The Internal Audit and Risk Committee met regularly during the year under review.

**5.1.2 Programme 2**

* **Targets met**: The Department achieved 1/17 targets. This target related to the Analysis on intervention mechanisms for skilling women and young women.
* **Unmet Targets**: The Department did not meet 16/17 targets. Furthermore, the Department noted that several targets were discontinued and revised. These discarded targets were then reworked and taken forward into newly developed targets.
* **Frameworks**: The Department reports that the development of a gender-responsive budgeting (GRB) framework remains work in progress, and that a draft GRB framework had been developed and awaited consideration.
* Under the Sub-programme, Economic transformation and participation/Economic empowerment it is important to note that this sub-programme did not achieve any of the five targets as stated in the revised APP of 2015/16. Furthermore, the Department indicated that these would be achieved in 2016/17. The following targets were therefore not achieved Discussion paper for women’s financial inclusion initiated;

1. Discussion paper on increasing women’s participation in formal employment initiated (to be finalised by the end of Q1 2016/17);
2. Analysis report on intervention mechanisms for empowerment of women in the Ocean Economy (to be finalised by the end of Q1 2016/17);
3. Analysis report on intervention mechanism for implementing the Status of Women in the South African Economy economic recommendations; and
4. Analysis report on intervention mechanisms empowerment of women in the infrastructure value chain.

* The Justice and public order sub-programme did not achieve any targets nor was any a targets achieved in the Governance and administration/Government and administration sub-programme as well.
* A duplication of targets was also noted in the Justice sub-programme which related to GBV.

**5.1.3 Programme 3**

* **Targets met**: This programme met 2/11 targets which related to the report on the Status of Women in SA Economy and the development of a Research strategy on women’s socio-economic empowerment in relation to the 9 Point Plan. The Committee has received and engaged with the first report but has not yet received the Research Strategy from the Department.
* **Unmet Targets**: 9/11 targets were not achieved in this programme. As noted previously, the Department indicated that several targets were discontinued and revised. These discarded targets were then reworked and taken forward into newly developed targets.
* The Department did not achieve the following targets under the Research Management sub-programme:

1. A research report on access to and participation of young women and girls in STEM fields. The Department reported that a draft framework for the study was completed, but this report was not completed due to the unavailability of research input by the Department of Higher Education and Training, and the Department of Science and Technology.
2. Developing a phase one report on the status of women’s socio-economic empowerment. The Department reported that a draft document was developed but not approved.

* In the Policy analysis and coordination sub-programme, none of the targets were achieved and two of the three targets were discontinued following the strategic review. The following three targets were not achieved:

1. A policy analysis report on sector policies was not produced. The Department reports that this was not achieved and has been discontinued. The Department also reports that a draft report on the analysis of policies in the construction industry was developed. It is not clear whether this relates to this target or not, because the target is vague.
2. One policy analysis report on sector policies coordinated and produced. The Department reports that this was not achieved and has been discontinued.
3. A gender policy brief on the Black Industrialist programme was not produced. The Department reports that an analysis of the benefits to women of government incentives in the Black Industrialist Programme was initiated, and remains work in progress.

* The Information and knowledge management sub-programme did not achieve any targets in this sub-programme, and two of the four targets were discontinued following the strategic review. The following targets were not achieved:

1. Finalisation and implementation of an Information and Knowledge Management Strategy (IKM). The Department reports that this has been developed but has not been finalised.
2. In terms of the establishment of a Departmental information resource centre and conducting a business intelligence assessment, the Department reported that was not achieved and discontinued. This target was reviewed and included in the previous target (IKM).
3. It further reported that the resource centre concept had been revised and instead the Department would establish a gateway and resource for information on women and gender. Finally, the Department reported that the business intelligence assessment would be included in the previous target (IKM).
4. In terms of the development of and approval of information management standards, the Department reported that this target was discontinued and would be included in the IKM.
5. In terms of the development of an IKM strategy, the Department reported that a draft strategy had been developed but not finalised, and that this target remains work in progress.

**5.1.4 Programme 4**

* **Targets met**: Programme 4 achieved 11/19 targets. These related to the following 4 International reports, Strategic Multi-lateral reports, 2 Strategic bilateral relations reports, 1 International treaty & convention report, a Communication strategy, a 5 Year GBV communication strategy, 3 Outreach initiatives, 4 campaigns to eliminate Violence Against Women, a Response to Commonwealth questionnaire, a Communication strategy and Outreach initiatives.
* **Unmet targets**: This programme did not achieve 8/11 targets for 2015/16.
* In the revised APP of 2015/16 and subsequent APP of 2016/17, Programme 4 was merged with Programme 3.
* In terms of the Stakeholder Coordination sub-programme, the Department achieved four out of five targets for this sub-programme. The Department did not achieve the target related to developing a stakeholder framework, reporting that the draft had not been finalised, and would need to be resubmitted for approval.
* In terms of the Monitoring and Evaluation sub-programme, the Department did not achieve any of the four targets specified in the original APP, and only partially achieved one target in the revised APP. The targets not achieved related to the Development of four sector M&E targets and indicators on women’s socio-economic empowerment; Development of one monitoring tool for socio-economic empowerment of women; Development of four monitoring reports on the socio-economic empowerment of women; Development of a women and food security impact assessment report; Development of a draft M&E strategy on women’s socio-economic empowerment in relation to the nine-point plan and in terms of international reports. Lastly, the Department had a target of international reports developed, which it reported on as two achievements.
* The Department has provided reasons for partial or non-fulfilment of these targets and progress hereto.
* For the Communication and outreach initiative/Outreach initiative sub-programme, the Department achieved all four of the planned targets in the initial APP for this sub-programme, as well as two out of three targets in the revised APP of 2015/16. The Department did not achieve the target related to the development of a five-year outreach strategy, stating that a draft strategy had been developed but was subject to approval and would be finalised in 2016/17.
  1. **Concluding comments on service delivery performance**

In examining the significant achievements which the Department noted in the 2015/16 Annual Report, its amounts to the following:

* 8 achievements related specifically to HR matters,
* 5 achievements related to finance matters,
* 12 achievements related to events and
* 5 achievements related to the producing a report/document (one of which is still a draft strategy and another is the tabling of Strategic Plan and APP which are compliance matters).

Thus of the 30 notable achievements, nearly half relate to administrative matters and the rest events with reports. The development of the report on the Status of Women in SA Economy is a noteworthy achievement.

Of concern is the impact of the unmet targets from 2015/16 which totals 38 and the impact on the financial and programmatic performance of 2016/17. The performance of the Department within the 1st quarter of 2015/16 was not optimal as it was only able to achieve 16/34 targets. Hence there 18 targets which was rolled over to the 2nd quarter. The pressure on the Department to thus deliver in the 3rd and 4th quarter of 2016/17 would be increased given the number of outstanding targets from previous quarters which also have to be met.

1. **Finance and Service delivery performance assessment**

This section provides a synopsis of the service delivery performance against spending patterns for 2015/16 and 2016/17 and 1st quarter of 2016/17 of the Department.

1. The Department spent R188.4 million (99.6% of final appropriation) and achieved 34/73 targets (47%).
2. A direct comparison between 2014/15 and 2015/16 cannot be made given the change in the strategic direction with a reduction of programmes and changes to targets. Notwithstanding that, the Administration programme remained largely the same. In the previous financial year, the Department achieved 8/22 (36%) targets for 2014/15 and spent R181 million. 7 of these targets were located in the Administration programme in 2014/15 and in this financial year the Department achieved 20 of the 34 targets achieved in programme 1.
3. The key reason cited for not achieving 39/73 (53%) of its targets in 2015/16 was attributed to targets that were not SMART or achievable hence the revision of the APP for the last 2 quarters of the year under review.
4. The Department underspent by R736 000 in 2015/16 which it cites as a saving which was attributed mainly to payments for capital assets.
5. **COMMITTEE’S OBSERVATIONS AND RESPONSE BY THE DEPARTMENT AND CGE**
   1. **General**
6. The Committee noted that the Annual Reports of the Department and the Commission for Gender Equality were submitted early which is commendable.
7. The Committee concurred with all of the findings and recommendations of the AGSA and acknowledged those of the DPME’s MPAT results for 2015.
8. The Committee observed that only 47% the Department’s targets were met and 53% were not met whilst 99% of the budget was spent and raised this as a concern. In addition, the Committee questioned what the financial implications were of targets that were discarded and targets not met.
9. The Committee was concerned that the Department submitted a revised APP towards the end of the 2015/16 financial – it was tabled on 1 March 2016. Notwithstanding the attempts of the Department to try and address the objectives that were not SMART the performance outcomes were still poor.
10. The changes in the strategic direction by the Department as alluded to in the revised APP of 2015/16 in which programmes and targets changed posed as a problem for the Committee to assess performance against agreed upon targets which were budgeted for.
11. The AGSA found non-alignment with the APP and Strategic Plan in its assessment of the Department’s performance for the year under review which is concerning for the Committee.
12. The Committee observed that the Department was not responding adequately to the AGSA findings and raised this as a concern.
13. The Committee also noted areas of concern highlighted in the MPAT results.
14. *5 Year Strategic Goals*: The Committee is concerned that the Department has not been able to make sufficient advances towards achieving the goals as outlined in is Strategic Plan midway through a 5 year cycle. The progress towards achieving these strategic goals midway through this 5 year period is slow.
15. *Lack of accountability*: The Committee is particularly concerned by the lack of consequence management by the accounting officer and senior management for not fulling their duties and responsibilities in order to have prevented transgressions of Treasury Regulations and the provisions as outlined in the Public Finance Management Act.
16. *Poor performance*: The Committee is concerned by the lack of consequence management of senior management for failing to reach the targets as set out within programmes.
17. *Focus of Department*: The Committee is concerned that the Department intends embarking on initiatives that are service delivery orientated and does not fall within the ambit of its mandate.

**Observations with respect to the Department of Women in the Presidency**

The Committee noted with concern when conducting its oversight through engaging with various departments/entities the poor progress with respect to gender mainstreaming and the overall the lack of understanding of the Department’s mandate as the key driver in this regard.

* 1. **Policy imperatives**

1. The Committee acknowledged the Department’s reference to the National Development Plan (NDP) priorities but was unclear as to whether the work undertaken by the Department during 2015/16 enabled progress towards achieving these priorities.
2. The Committee having engaged with several departments for the year under review focusing on gender mainstreaming found that these departments still used the National Gender Policy Framework as a point of reference. However, the Department’s current Annual Report makes no reference to this policy which is concerning. In the absence of a gender mainstreaming framework which has yet to be implemented, the Committee was concerned as to what policy the Department was using to drive gender mainstreaming.
3. The Committee noted that during the year under review, the Department received additional funding from National Treasury for gender-based violence initiatives in addition to the fund appropriated for campaigns in Programme 4. The Committee was concerned that without the relevant documentation that details the impact and outcome of such initiatives, the Committee was unable to assess the cost effectiveness and benefit of such activities which as presented to the Committee was exorbitant for events. Moreover, these appeared to be once off initiatives limited to a particular province only.
   1. **Governance and operational issues**
4. *AGSA findings*: The Committee noted with concern the repeat findings by the AGSA and the repeated calls by the Committee itself for the Department to address particular matters which appeared not to be taken seriously as these recommendations were not acted upon.
5. *DPME findings*: The Committee was concerned about the areas in which the Department scored low within the MPAT for 2015 as well as areas in which the Department dropped e.g. KPA 2 Governance and accountability.
6. *Compliance*: The Committee noted with concern the irregular expenditure, unauthorised, fruitless and wasteful expenditure incurred by the Department and questioned whether disciplinary measures were taken against the transgressor/s. In addition, the Committee noted with concern the non-compliance with Treasury Regulations and the Public Finance Management Act. The specific matters related to Supply Chain Management in terms of procurement and contract management were unacceptable and should not have occurred.
7. *Forensic investigation*: The Committee noted with concern the investigation referred to by the AGSA and requested more information in this regard as well as investigation which should have been undertaken.
8. *Internal Audit*: The Committee was concerned that the recommendations by the AGSA and the Audit Committee was not implemented by senior management and consequence management appears to be non-existent despite early warnings received.
9. *Risk management*: The Committee concurs with the finding of the Audit and Risk Committee that “risk management in the Department of Women requires immediate and serious attention of management.” Furthermore, the Committee notes with concern the AGSA’s finding of significant internal control deficiencies for the year under review.
10. *Leadership*: The Committee noted with serious concern the AGSA’s findings that the accounting officer and senior management did not exercise adequate oversight responsibility regarding financial, performance reporting and compliance; that the audit action plan was not adequately monitored to address internal and external audit findings and recommendations this despite the Department presenting to the Committee during quarterly reviews and indicating that an audit action plan was developed and implemented. In addition, the leadership of the Department was found by the AGSA as not having addressed non-compliance by initiating investigations to determine who should be held accountable. Moreover, non-compliance with laws and regulations could have been prevented had compliance been properly reviewed and monitored by senior management. This finding is in contrast to what the Department had presented to the Committee during the quarterly reviews in which it reassured the Committee that compliance matters were being addressed.

**7.4 Administration**

**7.4.1 Human Resources**

1. *Top-heavy structure*: The Committee noted that the structure of the Department continues to be top-heavy and that the ratio of manager to staff appeared to be 1:2 which is concerning given the relatively small size of the Department (staff compliment of 111) with a senior manager being paid at an average of a R1 million. At present, the Department had a total of 36 employees in the level of senior management.
2. *Cost benefit of 36 employees in senior management*: The Committee was concerned about the top heavy structure of the Department yet the performance outcomes were not at the desired levels. This brought into question the ability/competency of existing staff to deliver on the objectives and the Committee was not convinced of expanding the current workforce of the Department until delivery of key targets can be demonstrated particularly in the core programmes (2 and 3).
3. *Vacancies*: The Committee noted that 5 staff members were moved to the Department of Public Service and Administration but it was unclear as to why this was.
4. *Job evaluations*: The Committee was concerned that only 11 employees were evaluated against 111 approved posts for the year under review and that the rest were to be undertaken in 2016/17.
5. *Skills audit*: The Committee acknowledged the completion of the skills audit and subsequent reallocation of staff but questioned its impact on performance delivery as the Department’s performance was poor for 2015/16 and the first quarter of 2016/17.
6. *Special leave*: The Committee sort clarity about staff that were placed on special leave and was concerned about the cost implications on the Department’s fiscus.
7. *Suspensions*: The Committee also noted that staff members were suspended for 296 days at a cost of R695 000 and requested more clarity on the issue about the cost implications on the Department’s constrained fiscus.
8. *Use of consultants*: The Committee noted that 31 consultants were used by the Department and welcomed the additional information received on this issue. However, the Committee still enquired as to what measures the Department would implement to avoid the use of consultants in future in a bid to contain costs.
9. *Structure of Department*: The Committee was still concerned about the top-heavy structure of the Department in the Administration programme with the core programmes functioning on far less staff.
10. *Resignations/termination of contracts*: The Committee noted with concern the number of resignations and queried whether the Department had a retention strategy in place.
    * 1. **Financial performance including donor funding**
11. *Fruitless and wasteful expenditure*: The Committee noted that fruitless and wasteful expenditure amounted up to R16 million for 2014/15 and 2015/16 and questioned how far the investigation was in this regard.
12. *Conditional grant*: The Committee noted that the Department received funding from National Treasury for gender-based violence initiatives but was unclear what the money was spent on and what the impact and outcome of the initiatives were as very little detail was provided in this regard.
13. *Irregular Expenditure*: The Committee noted with concern the irregular expenditure incurred.The Committee questioned what type of internal controls were in place to avoid irregular expenditure*.*
14. *Unauthorised expenditure:* The Committee noted with concern the R2.237 million unauthorised expenditure incurred as effective steps were not taken to prevent this.
15. *Fruitless and wasteful expenditure*: The Committee noted with concern the R2.020 435 fruitless and wasteful expenditure incurred as effective steps were not taken to prevent this.

**7.5 Service delivery performance**

1. *Unmet Targets*: The Committee was concerned about the large number of unmet targets from 2015/16 as well as Quarter 1 of 2016/17 and the impact this would have on the rest of the 2016/2017 financial year.
2. *Performance outcomes*: The Committee was concerned that despite the Department’s intentions it was not addressing the socio-economic challenges faced by women in the country in order to bring about gender equality.
3. *Impact of events/campaigns*: The Committee welcomed the additional information submitted to the Committee on cost of campaigns and international travel as the information provided in the Annual Report for 2015/16 was insufficient to assess the effectiveness and efficiency of the two campaigns implemented during the year under review. The Committee questioned whether the Department measured the impact of the campaigns and requested the outcomes of the campaigns conducted. The Committee requested for all outstanding reports which it stated as achievements in the current Annual Report. To date, the Committee has only received the Status of Women in the Economy Report.
4. *National Dialogues*: The Committee noted with concern that the proposed dialogues that the Department intends undertaking would be merely a duplication of existing initiatives such as that of the CGE and its legal clinics which have been found to be successful.
5. *International Trips*: Whilst the Committee welcomed the additional information presented by the Department on international trips undertaken it noted with concern that it has yet to receive a report on each of the trips taken and subsequent outcomes hereto. In addition, the Committee notes that the Department spent in excess of R4.5 million rand for 11 overseas trips for a total of 49 officials for accommodation, air travel as well S&T.
6. *Country reports*: The Committee acknowledged the work done by the Department in developing the country reports during the year under review but noted it was not merely about submission of reports put progress hereto.
7. *Outstanding Reports*: The Committee noted that the discussion paper on women’s financial inclusion was approved by the Minister and requested more information on the paper as well as worked related to Ocean’s Economy.
   1. **CGE Matters**

Notwithstanding the fact that the CGE is a Chapter 9 Institution, it only accounts to Parliament vis-a-vis the Portfolio Committee on Women in the Presidency and that the Department merely transfers its funds, the Committee deemed it important to note the following observations:

* + 1. **General**

1. The CGE was commended for receiving a clean audit and achieving nearly 90% of its targets.
2. The Committee is aware of the importance of the Kader Asmal Report.
3. The Committee takes heed of the CGE’s concerns raised about the pending vacancies for 2017 and the potential impact on service delivery if not attended to in time. To this end, the Committee has enquired with the Speaker of the National Assembly and the Minister of Women in the Presidency about the urgency of ensuring that the process is underway for filling the vacancies.
4. The Committee concurs with the findings and recommendations of the AGSA.
   * 1. **Governance**
5. The Committee commends the CGE for addressing the key findings noted by the AGSA previously but still urged the Commission to attend to any findings raised to ensure that a clean audit can be maintained.
6. The Committee further noted that R245 649 fruitless/wasteful expenditure due to misuse of 3G cards by staff members and requested the Commission to elaborate further on the matter. The Commission was requested to provide details of its strategies dealing with fruitless/wasteful expenditure.
   * 1. **Finance**
7. The Committee questioned whether the Commission had measures in place to ensure that over-expenditure of R1.5 million in Q1 for 2016/17 will not be repeated.
8. The Committee acknowledged the immense strain placed in the CGE’s budget in trying to give effect to its mandate.
   * 1. **Human Resources**
9. *Vacancies*: The Committee noted that there was a high rate of vacancies especially in the Research Unit and enquired as to the reasons for not filling vacancies and whether exit interviews were conducted. In addition, the Committee queried whether there were any retention strategies to ensure that staff do not leave the Commission.
10. *Disciplinary cases*: The Committee noted that 2 employees were subject to disciplinary processes and requested more information on the cases.
11. The Committee acknowledged that the turnover of staff at the CGE is attributed to remuneration packages which are not in line with other Chapter 9 institutions. As a result, the CGE staff attrition is often due to other Chapter 9 Institutions that are able to offer staff better remuneration packages for which the CGE is unable to make counter offers due to constraints on its fiscus.
    * 1. **Programme**
12. *20 year review*: The Committee observed that the 20 year review was not completed and requested more information on the project as this was an important initiative.
13. *Rollover of cases*: The Committee was concerned that the presentation did not cover the rollover of cases to the new financial year and the financial implications of these rollovers.
14. *Case management*: The Committee requested the Commission to explain the closing of files and to what extent it assists complainants with referral to other Government structures.
15. *Gender equality*: The Committee enquired as to what the Commission’s role was in terms of the 50/50 representation in the mining industry and institutions of higher learning. Generally the issue of the representation of women with disabilities was also raised as an area of concern that requires attention.
16. *Gender discrimination*: The Committee also queried as to what the Commission was doing in terms of the link between gender-based violence and an increase in number of taverns; illegal abortions; witchcraft in urban and rural areas especially where albinism is concerned and abuse of human rights practiced by some religious groups.
17. *Human trafficking*: The Committee requested more information on the human trafficking pertaining to Thai women in South Africa as well as the Commission’s engagement with National Treasury on widowhood.
18. *M&E*: The Committee also queried whether the Commission has been able to monitor and evaluate the impact of its policy dialogues and legal clinics.
19. *Legal Clinics*: The Committee commended the CGE for exceeding the number of legal clinics undertaken and number of cases opened as a result. Furthermore the Committee noted that these legal clinics were often undertaken with limited or even no funding but implemented through partnerships. Whilst these efforts are commended, the Committee notes that the expansion of legal clinics cannot occur in the absence of funding.
    1. **Responses**
       1. **Response by the Department of Women in the Presidency**

The Annual Report for 2015/16 was based on two Annual Performance Plans within the Department. This coincided with structural changes within the Department as it was now operating with 3 programmes and discarded targets on account of the change in strategic direction. The Department maintained it was a new department and inherited staff without a structure and adequate funding to give effect to its mandate. Furthermore, the Department reiterated it requires highly skilled staff and would need to recruit more in order to deliver on its mandate effectively. It is for this reason that the Department’s budget is earmarked more towards personnel (Cost of Employment) and less towards goods and services etc.

The Department recognises the challenges it faces in terms of human resources and indicated that the skills audit assisted with restructuring and that it was continuing to try and match staff appropriately with a position. The review of its Strategic Plan and Annual Performance Plan was an attempt to help the Department to give effect to its mandate and deliver on the targets. Herewith additional responses provided by the Department:

1. **Audit findings**: The Department indicated that it concurred with the AGSA’s findings and would address these issues.
2. **47% targets not achieved but budget spent**: The Department indicated that it was under severe strain to deliver on targets whilst reviewing the APP. The initial APP contained targets which were impossible to achieve due to the manner in which the Department’s human and financial resources were allocated. Hence, that necessitated a review of the APP for the 3rd and 4th quarter of 2015/16.
3. **Internal audit**: The Department concurred with the findings of the AGSA and the Audit and Risk Committee and acknowledged that the problem resided with senior management for not implementing recommendations. The Department indicated that attention has been to the audit committee and steering committee to make it effective. The Department remains committed to meet with the Internal Audit and Risk Committee to interact with their reports and even suggested that the Committee gets this committee to account to it.
4. **Irregular expenditure**: The Department indicated that each instance of irregular expenditure is being investigated and that it will brief the Committee once the implementation of investigations is finalised.
5. **Alignment with NDP**: The Department indicated that the strategic plan is aligned to the NDP.
6. **Forensic investigation**: The Department committed to send the report to the Committee once the investigation was finalised.
7. **Fruitless expenditure:** The Department indicated that this was attributed to employees who were placed on special leave to which the Minister provided details of all concerned and progress hereto to try and resolve the matter through in some instances placement in other departments by engaging with DPSA in relation to the responsibilities to ensure appropriate placements of public servants.
8. **Funding**: The Department presented additional information to the Committee on international trips, use of consultants and 3 major events held in 2015/16 one of which funding was received from Treasury (for the 16 days of activism).
9. **National dialogues**: The Department reassured the Committee there will be no duplication of activities between it and the CGE’s legal clinics that the envisaged dialogues with women in the communities would be done with departments on matters related to gender-based violence.
10. **Acting CFO**: The Committee was informed that the former CFO has relocated to the Department of Energy (in the previous month) and that the Department has an acting CFO in place but that the post was to be advertised hereby filling the vacancy for a permanent CFO.
    * 1. **Response by the Commission for Gender Equality**
11. **Religious issues**: The Commission indicated that the Commission for the Promotion and Protection of Rights of Cultural, Religious and Linguistic Communities was dealing with the matter. An MOU was also signed with the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities.
12. **Teenage pregnancy**: The TOP Act makes provision for abortions to be done legally provided that law is adhered to.
13. **Taverns and Gender-Based Violence**: The Commission recognises the increase in the number of incidents of GBV in areas with a high concentration of taverns. The Commission indicated that the taverns are regulated and the matters pertaining to the sale of alcohol is also legislated for. More stringent oversight is required for the Departments responsible for the implementation of laws in this regard. In addition, engagement should also be had with big corporates around advertising of liquor and the implications hereto.
14. **GBV**: The Commission indicated that it was working with SAPS at a local level to deal with matters related to GBV.
15. **Albinism:** The Commission is working with the Department of Justice, Police and Social Development to deal with issue of murder and trafficking of persons with Albinism.
16. **PEPUDA and 50/50**: The Commission has recommended to the Minister of Justice that amendments to the Act should be made to include provisions to deal specifically with gender equality (50/50 in particular). The Commission was also involved with the Equality Review Committee to do outreach and raise awareness of PEPUDA. Furthermore, the Commission reminded the Committee of the country’s obligation to domesticate the African Protocol which makes provision for 50/50.
17. **Filling of vacancies**: The Commission indicated is was in the process of dealing with issue of the filling vacancies and of reviewing the organisational structure in line with the fiscal constraints (e.g. the Commission noted that it could not justify the appointment of an HR Director amidst the budgetary constraints hence have not filled the post but instead looked at what the requirements were to fill the position but at a lower level in an attempt to save money; similarly the COO position could no longer be justified but the responsibilities were now devolved to managers and in so doing the work still continues as management now shares the responsibility). It will present the revised organogram to the Committee when it is finalised. The Commission is also faced with challenges of people leaving the organisation for better salaries at other Chapter 9 institutions hence staff retention is difficult. Another challenge was the filling of posts in certain provinces that are more rural hence it takes longer.
18. **Exit interviews**: These are conducted and the reason for leaving is monetary – the new positions offered have better salaries.
19. **Limited budget**: This challenge needs the intervention from National Treasury.
20. **Internal audi**t: The Commission indicated that it complied with International Standards and as required after 5 years it will review what it has in place.
21. **Employment Equity in mining and higher learning institutions:** The Commission indicated that it worked with the mining industry and institutions of higher learning and noted there challenges in these institution when it comes to transformation. A policy brief was developed on transformation in the mining sector. In terms of higher education, the Commission informed the Committee that transformation was not only limited to matters pertaining students but female employees and the lack of transformation in terms of career progression. The Commission has produced reports in this regard and are following up on the recommendations contained therein.
22. **20 year review:** The Commission has received a preliminary report from the Human Science Research Council who was assigned as the consultant to conduct the review.
23. **Rollover of cases**: The Commission had 508 cases that were brought forward to 2016/17. To this end, the Commission indicated to the Committee that it was still operating on a manual system of case management which poses as a challenge for tracking cases speedily and a transition to an automated electronic system would greatly aid the Commission but funding is required to implement this.
24. **Human trafficking (Thai women case)**: The Commission will share with the Committee the details of the case. The Commission also requested the Committee to call all the relevant stakeholders dealing with human trafficking and assess what the situation is.
25. **Muslim women case**: The Commission held dialogues with Muslim women to deal with issue of forced marriages. The Commission also brought to the attention of the Committee the Muslim Marriages Bill which has not yet been dealt with in Parliament.
26. **Widowhood:** The Commission will share with the Committee the submission made to National Treasury on the issues of widowhood.
27. **Witchcraft:** The Commissioner reminded Committee that it hosted a conference on witchcraft in 1999 and produced a report. The South African Law Reform Commission was in the process of reviewing the Witchcraft Act and the Commission was participating in the process.
28. **Impact of legal clinics**: The Commission indicated that the legal clinics made an impact based on the increase in the number of files opened. In addition, the Commission collaboration has been strengthened with other Chapter 9 Institutions and Departments as they are invited to deal with issues raised at those clinics. Moreover, clinics are often undertaken without much expenditure because of the partnerships and cost saving measures such as staff negotiating for a venue to host the clinic at no cost within the community. The success of the clinics was also attributed to Commission researching issues in the area before conducting the legal clinics. In the context of poverty where the provision of basic services is lacking, the CGE noted that gender equality matters fall by the way side.
29. **Closing of files**: Files are closed when the matter/case has been finalised. Practical examples were cited to illustrate this.
30. **3G fruitless/wasteful expenditure**: The Commission has mechanisms/controls in place to better manage the utilisation of its tools of trade.
31. **Over-expenditure of R1.5 million for Q1 2016/17:** The over-expenditure occurred due to travelling of trainees to the Gauteng Province and an increase in salaries as the cost of living adjustment was above 6% which the Commission had initially forecasted. The Commission is implementing cost control measures such as holding tele-conferences instead of travelling.
32. **Vacancies:** These were noted as follows; 4 researchers, 1 education officer (in the process of recruiting), 2 legal officers (in the process of recruiting), 1 Commissioner, 1 PA to chairperson (position filled), 1 office assistant (position filled), 1 HR Director (moratorium on post), 1 Labour Relations Officer, 1 Provincial manager (position filled).
33. **Recommendations**

The Minister of Women in the Presidency should ensure that the following recommendations are implemented.

**8.1 Audit Action Plan**

1. The Department must develop action plans that give effect to the recommendations made by the AGSA and respond to the MPAT results. These action plans should address the root cause of the problems, clearly articulate specific actions with key persons responsible at a senior management level and specify time frames. All action plans should be submitted to the Committee with the 2nd Quarterly Report for 2016/2017.
2. The Department should monitor and evaluate the implementation of action plans and progress reports should be submitted to the Committee with every quarterly report.
3. The Department must report to the Committee on progress made with regards to implementing the recommendations made by the AGSA, the Audit and Risk Committee and the DPME via the MPAT 2015. A clear explanation should be provided in instances where recommendations have not been implemented and what the remedial action is. The key person/s responsible for implementing recommendations must be submitted to the Committee.

**8.2 Financial performance**

1. *In-Year Monitoring Reports*: The Department is requested to continue to submit quarterly reports to the Committee in line with National Treasury Regulations.
2. *Spending Trends*: The Department should monitor spending patterns and ensure that this is in keeping with what has been outlined in the respective Strategic Plans and Annual Performance Plans. To this end, the Department is requested to provide the Committee with detailed financial reports for activities on a quarterly basis. These financial reports should clearly indicate the purpose of the activity as it relates to the objectives outlined in the APP and the expenditure incurred. In instances, where the Department incurs expenditure for events nationally and internationally, the size of the delegation should be included and details pertaining to Travel and Subsistence.
3. *APP*: The Department must ensure that its APP is costed appropriately with a clear indication as to how and when it intends undertaking activities with corresponding costs.

**8.3 Internal control and risk management**

1. The Department should provide the Committee with a detailed report on the implementation of risk management controls which should include the staffing structure, risk management systems, challenges identified and remedial action.
2. The Committee requires the Department’s Audit and Risk Committee to brief the Committee in the 2nd Quarter of 2016/17 on the challenges identified and recommendations made.
3. The Department must provide the Committee with a detailed outline of the measures in place to strengthen internal control and risk management.
4. The Department should brief the Committee on risk mitigation measures it has applied to ensure that targets are reached within the core programmes.

**8.4 Human Resource**

1. It was proposed that staff should be relocated from Programme 1 to other Programmes to assist in reaching the targets. Senior management should be directly involved in contributing to the delivery of targets.
2. *Vacancies*: All key funded vacancies should be filled within the specified time allocation, in instances where this is not complied with, the Department should clearly identify within the quarterly reports to the Committee reasons for failure to comply and remedial action taken.
3. *Skills Audit*: The Department should provide the outcome of skills audit, an action plan of what is required to address the skills deficit and the impact on the new structure of the Department. This must be submitted as part of the Department’s Annual Performance Plan and revised Strategic Plan to National Treasury for the coming financial year.
4. *Resignations/Dismissals/Termination of contracts*: The Department should provide a written report on the reasons for dismissal of staff, resignations, termination of contracts and its subsequent impact on service delivery. A contingency plan should also be developed to focus on staff retention.

**8.5 Governance**

1. The Committee reiterated the importance of compliance with the Public Finance Management Act and National Treasury Regulations by the Department and that failure of officials in this regard must be dealt with expeditiously. To this end, the Department to report on how it deals with transgressors and what remedial action is taken. This should be presented in the quarterly reports.
2. Report on the forensic investigation/s referred to by the AGSA to be submitted to the Committee on completion and Committee to be briefed on progress with regards to new investigations underway.
   1. **Performance related recommendations**

**8.6.1 SMART principle**

1. The Department must ensure the alignment between the Strategic Plan and its Annual Performance Plan which includes objectives and targets that are SMART and costed accordingly.
2. The Committee urges the Department to desist from embarking on activities that do not fall within its mandate and are more service delivery orientated.

**8.6.2 Collaboration**

1. The Department should ensure improved collaboration with the CGE and all other relevant organs of State as well as civil society. The Department should explore how its proposed national dialogues can be linked with the CGE’s legal clinics as a cost saving measure and to avoid duplication.
   * 1. **Monitoring and evaluation**
2. The Department should present the approved monitoring and evaluation framework to the committee along with the indicators identified.
3. The Department should be requested to present its findings on all analysis, monitoring and evaluations undertaken. To this end, reports compiled should be referred to the Committee for consideration.
   * 1. **Events/Campaigns/Conferences**
4. The Department should inform the Committee in advance of all initiatives it intends undertaking in order for Portfolio Committee Members to attend where possible.
5. The Department should provide the Committee with reports of all initiatives undertaken by outlining the cost incurred (as per the recommendation on spending trends), the purpose of initiatives and its relation to the APP, the outcomes of the initiative, number of intended beneficiaries and an action plan as to how resolutions/outcomes will be implemented.
   * 1. **Gender-responsive budgeting**
6. The Department should brief the Committee on the gender-responsive budgeting framework.
7. The Department should brief the Committee on what progress has been made by municipalities to implement gender-responsive budgeting within the specific pilot sites that were identified. A list of the respective municipalities should be provided along with a progress report.
8. The Department should not only limit the application of the GRB with municipalities but also extend the focus on departments/entities within the economic cluster.
   * 1. **Gender Focal Points**
9. The Department should update the Committee on the progress with the Department of Public Services and Administration insofar as gender focal points are concerned.
10. The Department should brief the Committee on a regular basis on its work and relationship with Gender Focal Points within departments at every quarter.
    * 1. **Treaty compliance framework and timeframes**
11. The Department should ensure that country reports are submitted within the specified timeframes as required by the relevant reporting bodies**.**
12. The Department should report back to Parliament on feedback received on country reports, action plans developed in this regard as well as progress in terms of implementing recommendations.
13. The Department must present all reports to be presented at an international level to the Committee before it undertakes the international trip.

**8.7 Legislative and Policy Reform**

1. The Department should brief the Committee on gaps identified within policies and laws on a regular basis.
2. The Department should table all reports developed within 30 days of completion for the Committee to consider.
3. The Department should brief the Committee on its policy position with regards to gender mainstreaming and clearly indicate what if any changes are required to the existing National Gender Policy Framework.

**8.8 CGE**

The CGE should ensure that the following recommendations are implemented.

* + 1. **Finance**

1. *Action plans*: The CGE should develop action plans that relate to the recommendations made by the AGSA. These action plans should address the root cause of the problems. All action plans must be submitted to the Committee with the 2nd Quarterly Report for 2016/2017.
2. The CGE should update the Committee regarding the R33 million which is meant to be condoned by National Treasury.
3. The CGE should ensure that it maintains tight control over its fiscus and avoid over-expenditure in 2016/17.
   * 1. **Governance**
4. The CGE should ensure that its control measures are implemented to mitigate non-compliance with legislation and treasury regulations. Risk mitigation strategies should be strengthened in the area of ICT to avoid recurrence of incidents as noted by the AGSA in the 2015/16 Annual Report.
5. The CGE should inform the Committee what actions taken to deal with transgressors of policies and laws and overall poor performance delivery. This should be reported back to the Committee within quarterly reports.
   * 1. **Programme and performance**
6. The CGE should monitor and evaluate the impact and outcome of the initiatives it implements.
7. The CGE should explore moving from a manual case management system to an electronic system as this would help assist tracking cases and prevent less cases from being rolled over between quarters.
8. The Commission should explore training and mentorships initiatives as a means of capacity building to strengthen government institutions.
9. The CGE should continue to provide the Committee with an account of the performance of Commissioners on a quarterly basis and this should also be reflected in the following annual report.
10. The Commission should explore and advocate if PEPUDA can be amended to introduce stronger provisions to address gender quality as well as discuss with National Treasury on how to fund such provisions through the Act.
    1. **National Treasury**
11. The CGE’s funding model should be aligned with the rest of the Chapter 9 institutions.
12. The CGE’s should be provided with additional funds in order to retain existing staff and attract new staff. Specific emphasis should be placed on the funding of staff for legal clinics, public education and information, communication and legal support. To this end, provinces with the largest case load should be prioritised where offices require additional support.
13. The CGE should receive additional funding to enable it to transition from a manual case management system to an electronic system. This will help to facilitate improve tracking of cases in order for these to be finalised.
14. **Summary of reporting requests**

**Table 15: Reporting requests**

| **Reporting matter** | **Action required** | **Timeframe** | **Dept.** | **CGE** |
| --- | --- | --- | --- | --- |
| Quarterly reports | Written report  Briefing | Briefing at end of every quarter | **🗹** | **🗹** |
| Audit outcomes -  Details of audit action plan | Written report of audit action plan  Briefing | At briefing of 2nd quarterly report | **🗹** | **🗹** |
| Progress report on audit action plan  Briefing | At briefing of 3rd and 4th quarterly report | **🗹** | **🗹** |
| Forensic investigations | Written report  Briefing | On completion of the investigation/s | **🗹** |  |
| Job evaluations | Written report  Briefing | At briefing of 2nd quarterly report | **🗹** |  |
| HR: vacancies, dismissals, termination of contracts | Written report  Briefing | At every quarterly report briefing | **🗹** | **🗹** |
| Gender mainstreaming framework | Written report  Briefing | Briefing in 1st term of 2016/17 | **🗹** |  |
| Gender-responsive budgeting | Written report (progress report)  Briefing | Briefing in 1st term of 2016/17 | **🗹** |  |
| Written report on pilot sites  Briefing | At briefing of 2nd quarterly report | **🗹** |  |
| Country reports | Written report  Briefing | Progress update at quarterly briefings | **🗹** | **🗹** |
| Impact reports of initiatives (campaigns, events, workshops, conferences etc.) | Written report | 30 days after an event has taken place | **🗹** | **🗹** |
| Commissioner’s performance per quarter | Written report  Briefing | At every quarterly report briefing |  | **🗹** |

1. **Appreciation**

The Committee having engaged with the Department, the Commission for Gender Equality, the Auditor-General of South Africa for 2015/2016 appreciates the inputs received and hereby submits this report.

**Report to be considered.**

1. Department of Women (2015) Presentation to the Portfolio Committee on Women, Internal Audit Improvement Plan, 16 February 2016 [↑](#footnote-ref-1)
2. Social, Political Economic Participation & Empowerment [↑](#footnote-ref-2)
3. Research, Policy Coordination & Knowledge Management [↑](#footnote-ref-3)
4. Monitoring, Evaluation & Outreach [↑](#footnote-ref-4)