the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

REPORT ON ISSUES RAISED BY THE COMMITTEE DURING THE BRRR PROCESS AND THE 2013 STRATEGIC PLANNING WORKSHOP

Presentation to the Portfolio Committee Meeting

24 April 2013

Outline of the Presentation

1. Purpose of the Presentation

2. Report on matters raised by the Committee

   2.1 IFMS

   2.2 Labour Relations & Remuneration

   2.3 Public Sector ICT

   2.4 Service Delivery & Organizational Transformation

   2.5 Governance & International Relations

   2. Financial Expenditure 2012/13

   2.7 HR Information

   2.8 End

Purpose of the Presentation

- The Purpose of the Presentation is to:

a) Respond to the invitation of the Portfolio Committee;

b) Provide responses to the matters raised by the Portfolio Committee at BRRR in October 2012 and Portfolio Committee Workshop held on 16 – 17 April 2013; and

c) To account to Parliament as directed by the Statute.

"Just when the caterpillar thought the world was over, it became a butterfly" - Proverb

What is IFMS?

- The IFMS project is a joint initiative between National Treasury, DPSA and SITA to modernize and integrate the transverse "back office" information technology systems in the Public Service. It is aimed at replacing the current aging and fragmented financial, supply chain, human resource management and business intelligence systems such as BAS, LOGIS, PERSAL, PERSOL and Vulindlela (the so-called legacy systems) across national and provincial departments.

- Why implement IFMS?

  - Need to replace legacy systems:
    - Lack of inherent interoperability and business intelligence services.
    - Increasing difficult to maintain and upgrade.
    - Challenges to support changing policy environment.
  - Need to provide centralized solutions to standardize on technology and leverage on economies of scale.
  - Automation of business processes to ensure greater efficiency and cost effectiveness.
  - Improve quality of data:
    - Improved access to data.
    - Elimination of manual data capturing processes.
  - Potential cost savings – for example through elimination of manual leave capturing.

Roles and Responsibilities of DPSA, NT and SITA

DPSA

- ☐ Determine HR policies, processes and systems for the Public Service and ensure that IFMS supports these.
- ☐ Manage and maintain HR corporate reference data such as qualification and competency catalogues.
- ☐ Oversee the roll-out of the IFMS HR module to the Public Service and provide support to departments during IFMS HR implementations.

National Treasury

- ☐ Financial sponsor
- ☐ Determine financial and supply chain management policies, processes and systems for the Public Service and ensure that IFMS supports these.
- ☐ Manage and maintain financial and supply chain management corporate reference data such as the standard chart of accounts.
- ☐ Oversee the roll-out of the IFMS financial, payroll and SCM modules to the Public Service and provide support to departments during the implementation of these modules.

SITA

- ☐ Develop an appropriate overall integrated solution architecture and systems specification.
- ☐ Develop or acquire and integrate the components and services into an overall solution.
- ☐ Provide technical support over the solution lifecycle.

Collective responsibility

- ☐ Future oversight over the IFMS programme in respect of pricing policies, levels and quality of services rendered to government clients, etc
- ☐ Overall management of the various modules to ensure integrity of IFMS

Product (Module) Scope

Supply Chain Management

- Catalogue Management
- Procurement Management
- Inventory Management
- Asset Management

Human Resource Management

- Health and Safety Management
- Education Training Development
- Labour Relations
- HR Planning
- Organizational Management
- Recruitment Management
- Employee Movement
- Performance Management
- HR Reporting
- Career Management
- Remuneration Management
- Termination of Service
- HR Administration
- Leave Management

Financial Management and Payroll

- MTEF Budget Preparation
- Departmental Financial Management
- Treasury Financial Management
- Payroll

Business Intelligence

- Reporting
- Analysis
- Dashboards
- Data Mining

Progress to date: Product Development

IFMS Module	Status	Date Completed
Asset Management	Completed	2010
Procurement Management	Completed	2011
Catalogue Management	Completed	2011
Inventory Management	In progress	Projected for 2013
Human Resource Management	Completed	2010
Payroll	Revised acquisition approach being considered by IFMS governance structures	To be determined
Financial Management	In progress	Projected for 2013
Business Intelligence for IFMS	In progress	Depend on completion of all IFMS modules
Business Intelligence (Vulindlela Replacement)	Completed	2013

- **DPSA**
  - Module live and in use since end 2010.
  - Some self service functionality (performance management & e-recruitment) to be activated in 2013/14.

- **Free State Department of Education**
  - Implementation delayed.
  - Department not willing to go live until double capturing of data on IFMS HR and PERSAL and funding constraints have been resolved.
  - Interfaces being between IFMS HR and PERSAL being developed to automate data transfer to eliminate double capturing. First interface already completed.
  - On-going engagements between Department, DPSA and SITA to confirm funding requirements and identify potential solutions.

- **Western Cape Department of Economic Development and Tourism (post-lead site implementation)**
  - Regarded as "pilot" for Western Cape province.
  - Implementation has commenced.

- **PALAMA (post-lead site implementation)**
  - Preparatory work to implement IFMS HR learning solution has commenced.

Estimated cost implications of IFMS

- Total product development (all modules) and lead site implementation cost: Approximately R1.59 billion.

- Total implementation cost: Approximately R2.73 billion.

- Annual operational cost after implementation: Approximately R1.48 billion.

- Future funding of IFMS project to be confirmed and approved by Cabinet.

- Possible option: NT to fund outstanding product development cost; SITA to fund implementation cost and recovered it from departments over a number of years.

Proposed high level roll-out framework

- Full roll-out will take number of years to be completed – actual period to be determined.
- Complete IFMS product suite (all modules) to be rolled out to departments as defined in Public Service Act.
- Different versions of HR generic template, to accommodate sectoral/legislative requirements, to be created:
  - Public Service Act, Education, Health, Defense, SAPS, DCS, Justice, Water Affairs
- SITA to facilitate all implementations assisted by national "policy owner" departments as well as provincial treasuries and Offices of Premiers.
- SITA certified implementation partners to be utilized.
- Related departments to be clustered in "waves" for implementation.
- Implementations to be preceded by readiness assessments.

Implementation of Resolution 1 of 2012

- Multi term agreement for the period 2012/13 – 2014/15 signed at PSCBC on 31 July 2013.

- Since the signing of the agreement, the following areas have been implemented:

  - 2012/13 and 2013/14 Salary Adjustment;

  - Pay Progression;

  - Long Service Recognition;

  - Night Shift Allowance;

  - Shop Steward leave;

  - Family responsibility leave;

  - Housing allowance;

  - Amendment of Resolution 3 of 2009; and

  - Pre-natal leave.

Implementation of Resolution 1 of 2012

- The following areas need to be concluded within the next two financial years

- A position paper on the Recognition of Improved Qualifications has been developed and will be tabled in the GPSSBC for negotiation;

- Outsourcing;

- Compliance with the Occupational Health and Safety Act;

- Decent work;

- Review of the Performance Management and Development System;

- Exit Management system;

- Rearrangement of working time; and

- Danger Allowance.

Implementation of Resolution 1 of 2012

- A feasibility study and business case for the Government Employees Housing Scheme (GEHS) is being developed;

- A project plan for the Minimum Service Agreement has been developed:
  - Local and international benchmarking;
  - Development of position paper; and
  - Mandating process.

- A project plan for the Remuneration Policy has been developed:
  - Personnel Expenditure Review;
  - Benchmarking conducted;
  - Development of Employer proposal.

- The Presidential Minute and Regulations for the establishment of a Presidential Public Service Remuneration Review Commission have been prepared;

- An Employer position on the Public Service Charter has been tabled in the PSCBC for consultation; and

- The proposal for a Management Plan for implementation of Resolution 1 of 2012 is before parties to the PSCBC.

Discipline Management

- A case management and reporting system for disciplinary cases in the public service has been established.

- The system will, among others, assist with the following:

  - Provide data on the number of ongoing disciplinary cases; and

  - Challenges that Departments face with the finalisation of cases within the prescribed timeframes.

- The data will be used as a basis to intervene where there are backlogs.

Vulnerability Assessments

- The objective of the Vulnerability assessment program by the DPSA was to bring together different agencies in order to create an agreed methodology for conducting vulnerability assessments. The SSA as part of its mandate would use this methodology to conduct further assessments.

- The Vulnerability assessment team has been formed with members from the Special Investigations Unit (SIU), the State IT Agency (SITA) and the Department of State Security (SSA).

- A vulnerability Assessment methodology in the form of a Charter has been agreed to by all parties. A vulnerability assessment has been successfully conducted at the Department of Public Enterprises.

- A report has been drafted detailing the findings, and recommended remedial activities following the vulnerability assessment at the Department of Public Enterprises.

Security Policy

- The DPSA has finalised the development of the Public Service Information Security Policy aimed at providing a standard set of information security policy objectives for all public service departments.

- The policy has been widely consulted and adopted by the Government Information Technology Officers Council (GITOC).

- The final step prior to adoption is to have the formal endorsement by the State Security Agency.

Transversal tenders and Budget

Transversal tenders

✓ The renewal of transversal tenders is an ongoing process.

Budget

✓ The spend for the FY 2011/12 is 82.7%

Batho Pele Programme

- Implementation and institutionalisation of the Khaedu Programme.

- Institutionalisation of Batho Pele programmes in the Public Sector.

- Development and Implementation of a Public Service Productivity Management framework.

- Development of organisational behavioural and attitudinal change strategies.

Progress so far

Current Progs/ Projects	Progress to date		Outstanding tasks
1. Institutionalising Batho Pele programmes in the Public Service	• 1040 officials participated in the CMEP bet April-Nov 2012		Continue pursuing OTPs and national departments. Also, continue with the BP advocacy presentations
	• Two advocacy presentations were delivered to SMS members organised by the OTP (Limpopo and Free State). Four provincial depts received advocacy and BPCMEP training.		
	• 11 National Departments (DTA, DPME, DST, HS, DoL & DoC, Health, SAPS and NYDA, as well as two provincial govt (FS & Lim) received advocacy presentations.		Continue with empowerment workshops.
	• All four BP Forum meetings successfully held.		

Progress so far

Current Progs/ Projects	Progress to date	Outstanding tasks
2. Building capacity in the Public Service to improve service delivery (Khaedu Programme)	375 SMS members were trained on the Khaedu theoretical leg (through PALAMA). 227 of whom were taken to field assignments for practical training. 139 SMS members attended the KDF training sessions in seven provinces and one national departments' session) as departmental nominees to coordinate the Khaedu Programme.	• Training E.C. on KDF • Return to N. Cape, N. West and Mpumalanga on KDF training • Visits to WC (follow up), Gauteng, Free State and KZN Provincial Training Academies • Development of material (brochures) with 8 orgs • Follow up meetings with specific OTP officials to conclude advocacy in the new Financial Year. • Launch all phases of Khaedu revised strategy.

Progress so far

Current Programmes/ Projects	Progress to date	Outstanding tasks
3. Developing a Public Service Productivity Management framework (with toolkit)	Steering Committee in place	Final and get approval on the draft concept document.
	Draft concept on Productivity developed	
4. Developing organisational behavioural and attitudinal change strategies	Team in place Concept document developed.	Approval for the draft concept document Prepare for social cohesion conference in 2013

Service Delivery Improvement Plans (SDIPs) (2012/13)

DEPARTMENTS	PROVINCES	COMPLIANCE RATE	PERCENTAGE
National departments		12/44	27.27%
	Mpumalanga	12/12	100%
	Limpopo	11/11	100%
	Gauteng	12/12	100%
	KZN	13/14	92.86%
	Northern Cape	10/11	92.31%
	Eastern Cape	12/13	92.31%
	Free State	9/11	81.81%
	North West	6/11	54.54%
	Western Cape	12/12	100%
Rate of compliance in provinces		96/106	90.57%
Grand total rate of compliance		109/150	72.67%

Institutionalising SDIPs

- Institutionalising of SDIPs include support with compliance; improvement of quality to ensure response to the real service delivery issues within the department; monitoring and feedback mechanisms using:

  - Frontline Workers;
  - Integrated outreach; unannounced and deployment of senior managers;
  - Public Service Month;
  - Africa Public Service Day; etc.

- Assessment; analysis and feedback to departments on submitted SDIP.

- Ongoing capacity building workshops to department, sectors, to ensure relevance and alignment of SDIPs to other strategic instruments.

- Continuous improvement and alignment with other service delivery tools/instruments in strengthening development; implementation; monitoring and reporting.

- Yearly implementation reports and reporting to the different stakeholders and reporting structures which include Cabinet.

Evaluation Of SDIPs

- Final implementation report at end of three year cycle; feedback and sharing at various platforms across the public service.

- Strengthening of the governance arrangements from the departmental level to ensure relevance and impact of SDIPs as service delivery improvement instruments.

- 3 Yearly Review of SDIP initiative and the impact thereof; utilisation of planning and improvement tools available in this regard.

- Ongoing workshops held with departments to ensure continuous improvement to the methodology; format; assessment tools; alignment with Auditor-General; Treasury; DPME; etc; in strengthening compliance and quality thereof.

Citizen Engagement And Public Participation

- A NEW guideline for public participation(PP) in the public service has been developed and in the process of consultation.

- This guideline will capacitate government institutions to effectively and efficiently carry out PP activities.

- It will affirm the crucial role of public participation in service delivery promotion and improvement.

- It will provide a baseline PP approach for public institutions to embrace, implement or emulate.

Community Development Workers

- The purpose of the Community Development Workers Programme is to work with government and other stakeholders in order to help bridge the gap between government and the community; and strengthen integration and coordination between services provided by government and access to these services by communities.

- Their functions among others include:
  - Facilitating community development and stronger interaction between government and communities
  - Supporting participatory democracy through community mobilisation
  - Contributing to citizen education and participation
  - Engagement with households
  - Engagement with ward committees
  - Engagement with civil society
  - Engagement through advocacy work
  - Engagement through promotion of volunteerism

Public Participation for CDWs

- Household level- conducting regular door-to-door visits in order to identify community needs.

- Ward Committees- CDWs play a supportive role to the community-based planning (CBP) locally and ensuring that ward committees are informed of government support and services.

- Civil Society-CDWs ensure that civil society are informed on government support and services and encouraging civil society to engage with opportunities.

- Advocacy – CDW mobilise communities to participate in government programmes, projects and campaigns, assisting with the coordination of campaigns and other government activities and dissemination and awareness creation on issues such as Know Your Service Rights and Responsibilities.

- Promotion of volunteerism- CDWs mobilise community to serve as volunteers on service delivery improvement forums.

Strategic Interventions

- The CDW national Indaba was held in Boksburg on 14th and 15th March 2013. The President and Cabinet Ministers engaged directly with the CDWs on the priorities of government.

- Each province is expected to host Indaba as part of capacitating CDWs.

- Process of Finalizing the repositioning of the CDWP with respect to location, reporting and accountability so that the programme could be more effective.

- The DPME has designed a M & E tool to measure public participation for sector departments.

International Work

International Relations (R 866,666.00)	African Affairs (R866,666.00)	Special Programmes (R 866,666.00)
China Bilateral	Continental Governance and Public Administration	DRC Bilateral Relations
India Bilateral	SADC Public Administration	Angola Bilateral Relations
IBSA Trilateral	CAFRAD Institutional Cooperation	Egypt Bilateral Relation
BRICS Multilateral	AAPAM Institutional Cooperation	Study and Technical Tours
OECD Multilateral		
Global Governance		

Financial Commitments

Expense Description	Country / Institution	Source of funds	Amount
Census project as part of capacity building initiatives	Democratic Republic of Congo	DPSA Budget Allocation	R10 000 000
Annual Subscription	African Training and Research Centre in Administration for Development (CAFRAD)	DPSA Budget Allocation	R340,000
Annual Subscription	African Association for Public Administration and Management (AAPAM)	DPSA Budget Allocation	R150,000
Annual Subscription	International Institute for Administrative Sciences (IIAS)	DPSA Budget Allocation	R30,000
Membership contribution	Organisation for Economic Co-Operation and Development (OECD)	DPSA Budget Allocation	R130,000
Membership contribution	Open Government Partnership (OGP)	DPSA Budget Allocation	R462,000
Total			R 11 112,000.00

Milestones Achieved

- AU Adoption of the African Charter on Public Service and Administration.

- Institutionalization of the Africa Public Service Day.

- Institutionalization of the All-Africa Public Sector Innovation Awards.

- Establishment of the IBSA Working Group on Public Administration.

- Established Memorandum of Understanding (DRC, Egypt, Rwanda, China and India).

- Facilitated numerous benchmarking studies tours to the MPSA.

PERSAL Clean-up

- The PERSAL Cleanup Strategy was presented to the Heads of Departments, Managers of Human Resources and PERSAL controllers of all provincial departments between August 2011 and July 2012;

- The baseline data for each of the provincial departments were presented and data issues were highlighted;

- The Strategic Human Resource Performance report was introduced to departments to assist them with monitoring and reporting on Human Resource indicators;

- Departments have been tasked to establish project teams and to develop project plans for the cleanup of the prioritised fields for their respective departments;

- In April 2012, a DPSA Circular no. 1 of 2012 was issued as a directive to departments to abolish all unfunded vacancies on PERSAL by 31 May 2012; and

- The DPSA is continuously monitoring improvements and or lack thereof and offering implementation support.

Progress as at 31 March 2013 (1)

The abolishment of unfunded vacancies yielded the following results:

Posts in the Public Service (April 2011 to Dec 2012)

Description	Apr 2011	Jun 2011	Dec 2011	Jun 2012	Dec 2012	Mch 2013	% Change (Apr 2011-Mch 2013)
Filled Posts	1 292 247	1 320 312	1 329 345	1 337 924	1 340 760	1 225 070	-5.20%
Vacant Posts	277 276	287 550	280 964	133 611	124 229	121193	-56.29%
Total Posts	1 569 523	1 607 862	1 610 309	1 471 535	1 464 989	1 346 263	-14.22%
Vacancy Rate	17.67%	17.88%	17.45%	9.08%	8.48%	9.00%	-8.67%

The total number of Vacant posts in the Public Service decreased by 56.29% from April 2011 to March 2013, although the number of filled posts only increased by 5.20%. This had a significant impact on the vacancy rate which decreased by 8.67%; The vacancy rate for the Limpopo departments under administration changed as follows:

Department	Vacancy Rate Apr 2011	Vacancy Rate Mch 2013	% Change (Apr 2011-Mch 2013)
Education	14.55%	3.79%	-10.77%
Health	43.50%	1.70%	-41.80%
Provincial Treasury	33.84%	12.00%	-21.84%
Public Works	41.45%	5.64%	-35.81%
Roads and Transport	42.55%	8.17%	-34.38%

Progress as at 31 March 2013 (2)

- In order to achieve faster results and limit the impact of the PERSAL cleanup project on departments, the DPSA cleanup team identified data quality issues that can be dealt with on a national level rather than on a departmental level.

- Follow-up visits to provincial departments have been undertaken to establish progress that has been made on the PERSAL cleanup and identify challenges for redress. Cabinet, prioritized Eastern Cape and Limpopo. As a result, follow-up visits were conducted with provincial departments from 26-30 November 2012 and with Limpopo provincial departments from 18-22 February 2013.

- It is important to note that the PERSAL cleanup project is dependent on the buy-in and commitment from all stakeholders to prioritise and allocate adequate resources and effort for the implementation, but also for the continuous maintenance and monitoring of the data quality going forward.

Expenditure Information: 2012/13 financial year

- The department of Public Service & Administration has in the previous financial year (2012/13) financial year spent R696,7 million against the budget of R726,8 million resulting in under spending of R30,0 million. As such, the department has spent 96% of its budget as at the end of March 2013. It must be noted that these are still interim figures. The expenditure is expected to increase due to some journals that are still under process. The under spending was mainly due to the following:

  - Unfilled positions
  - Under spending on the Gateway Call centre.

- However, spending has improved as compared to the previous years (2011/12) financial year where the under spending of the department was R44.2 million.

- The tables below give a detailed overview of the spending in the department as at the end of March 2013.

DPSA Expenditure (Per Programme) as at 31 March 2013

Description		2012/13 Adjusted ENE Allocations	Actual Expenditure 31 April 2013	Budget Unspent	% Budget Spent
Programmes		R'000	R'000	R'000	%
P1 - Admin		186,829	176,586	10,243	95.52
P2 - HRMD		38,327	36,015	2,312	93.97
P3 - LRRM		29,069	26,409	2,660	90.85
P4 - PSICTM		29,387	22,067	7,320	75.09
P5 - SDOT		50,503	50,308	195	99.61
P6 - GOVN		59,343	52,998	6,345	89.31
Total		**393,458**	**364,383**	**29,075**	**92.61**
CPSI		21,598	20,577	1,021	95.27
PSETA		124,384	124,384	-	100
PALAMA		25,295	25,295	-	100
PSC		162,117	162,117	-	100
Total		**333,394**	**332,373**	**1,021**	**99.69**
Vote Total		**726,852**	**696,756**	**30,096**	**95.86**

DPSA Expenditure (Economic Classification) as at 31 March 2013

Description		2012/13 Adjusted ENE Allocations	Actual Expenditure 31 April 2013	Budget Unspent	% Budget spent
Economic Classification		R'000	R'000	R'000	%
Compensation of Employees		217,896	203,328	14,568	93.31
Goods and Services		188,841	174,488	14,353	92.40
Interest and rent on land		330	170	160	51.52
Payment for Financial Assets		-	69	-69	-
Transfers and Subsidies		313,082	313,565	-483	100.15
Machinery and Equipment		6,703	5,136	1,567	76.62
Total		726,852	696,756	30,096	95.86

Expenditure on Consultants

- Total expenditure on Consultants as at the end of March 2013 is R17,1 million.

- This amount calculates to 9% of the allocated budget for Goods and services and 9.8% as a percentage of expenditure under goods and services.

HR Information

☐ EE Performance Indicators

Key indicators	Head count	%
Staff compliment (permanent)	455	10.8%
Staff compliment (temporary)	49	
Women (56%)	410	90.10%
Blacks (79%)(89.2%)	253	55.60%
People with disability (PWD) (2%)	9	1.98%
Women in decision making (SMS) (WiDM) (50%)	38	38.80%
Toatl SMS	98	

HR Information....(cont)

■ Vacancies

Post Level	Filled	Vacant	Disability	Vacancy rate
2	17	0	0	0.0%
3	4	0	0	0.0%
4	15	1	0	6.7%
5	52	2	0	3.8%
6	55	4	1	7.3%
7	37	2	0	5.4%
8	16	3	0	18.8%
9	39	9	2	23.1%
10	20	0	1	0.0%
11	69	7	3	10.1%
12	33	1	1	3.0%
13	58	16	0	27.6%
14	33	6	1	18.2%

HR Information... (cont)

☐ SMS representation

Post Level	AFRICAN		COLOURED		INDIAN		WHITE		TOTAL		DISABILITY Y	FILLED	VACANT
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE			
16	1	0	0	0	0	0	0	0	1	0	0	1	0
15	2	1	0	1	1	0	1	0	4	2	0	6	2
14	12	8	2	2	2	1	4	2	20	13	1	33	6
13	26	14	3	3	1	1	4	6	34	24	0	58	16
	41	23	5	6	4	2	9	8	59	39	1	98	24

"Don't judge each day by the harvest you reap; but by the seeds that you plant".

(...Robert Louis Stevenso)

End...

Thank you