



**the dpsa**

Department:  
Public Service and Administration  
REPUBLIC OF SOUTH AFRICA

1

**DPSA ANNUAL PERFORMANCE PLAN 2013/14  
& BUDGET VOTE ALLOCATION**

**Presentation to the Select Committee on  
Co-operative Governance and Traditional Affairs**

**21 May 2013**



**Prelude**

2

- **Outcome 12 calls for;**  
*“An efficient, effective and development-oriented public service and empowered, fair & inclusive citizenship”.*
- **The 2012 National Planning Commission’s (NPC) report requires us to;**  
*“Build a capable and developmental state, that which is capable of intervening and supporting development for the benefit of all, especially the poor”.*
- **In the 2013 State of the Nation Address;**  
*The President proclaimed 2013 as the “ Year of the Cadre”*



## A Mountain to move....

3

*“No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government”.*

*-This RDP assertion is still relevant today.....*

“



## Problem statement Challenges facing the Public Service

4

- Debt level of the State has doubled from R 627 billion to R 1.3 trillion.
- The Public Sector wage bill has grown. Its around 45% of the total budget expenditure thus compromising the delivery of basic Services (Source: National Treasury).
- The public service is not performing at optimal level. There is no value for money (PSC Report, 2011).
- There is unevenness in state capacity, which leads to uneven performance in local, provincial and national government which leads to amongst other factors, poor organizational design and inappropriate staffing methodology. (NDP Diagnostic Report ,2012)
- There is a shortage of skilled personnel and high turnover rate in the Public Service (NDP, 2012).
- The administrative capacity of government at all levels is stretched (OECD economic survey, 2013).



## Problem statement Challenges facing the Public Service (cont...)

5

- The application of norms and standards across the Public Service is uneven, to address this requires innovative approaches and fundamental social changes in the culture and capabilities of the public service (PSC: State of the Public Service report 2011).
- Triple challenges: poverty, unemployment & inequality (Just over 40% of the working age population is employed compared to the OECD average of 65%) (OECD economic survey, 2013).
- Weakening of the State and emergence of a tender state. The use of consultants in the Public Service accounted for an amount of R 24, 6 billion for the period 2008/09 – 2010/11 financial years (Source: AG report on use of consultants, January 2013).
- Corruption in all spheres of government has worsened. (OECD economic survey, 2013 rates RSA at 40 percentile).
- Increased citizen expectation for improved service delivery, including innovative delivery tools.
- Experience of violent service delivery protest actions; and
- Bureaucratic nature of the state stifling growth. The existing systems do not give us speed, flexibility & control necessary to deliver set of processes to improve efficiency and collaboration.



## The Dilemma...

6

- **Government:**
  - To make difficult choices of cutting costs whilst trying to increase services at the same time.
  - To move away from conventional way of service delivery in order to remain good influence in the welfare of its citizens.
  - To meet the demands of our complex and interconnected society and/or expectations of our globally linked and politically aware citizenry.
  - To professionalize the public service for improved service efficiency & effectiveness; and
  - To introduce a full-scale business process management initiatives to improve 'government way of doing business'.



## Legislative mandate (1)

7

- The Department of Public Service and Administration draws its mandate from Section 195(1) of the Constitution which sets out basic values and principles that the public service should adhere to, and the Public Service Act (PSA) of 1994, as amended.
- In terms of the Public Service Act (PSA) of 1994, as amended, the Minister for the Public Service and Administration is responsible for establishing norms and standards relating to:-

### The functions of the public service

- 1) Organisational structures and establishments of departments and other
- 2) organisational and governance arrangements in the public service
- 3) Labour relations, conditions of service and other employment practices for employees
- 4) The Health and wellness of employees
- 5) Information management
- 6) Electronic government in the public service
- 7) Integrity, ethics, conduct and anti-corruption; and
- 8) Transformation, reform, innovation and any other matter to improve the effectiveness and efficiency of the public service and its service delivery to the public.
- 9)



## Legislative mandate (Cont...)

8

- According to Section 41 of the Public Service Act, the Minister for the Public Service and Administration may, subject to the Labour Relations Act and any collective agreement, make determinations regarding the conditions of service of employees generally or categories of employees, including determinations regarding salary scales and allowances for particular categories of employees.
- All collective agreements concluded at the Public Service Coordinating Bargaining Council (PSCBC) are deemed to be determinations made by the Minister in terms of Section 3(5) of the Public Service Act and the Minister is empowered further to issue directives to elucidate or supplement such determinations.



## Constitutional mandate (Cont...)

9

Section 195 (1) of the Constitution indicates that Public Administration must be governed by the democratic values and principles enshrined in the constitution, including the following principles:

- 1) A high standard of professional ethics must be promoted and maintained.
- 2) Efficient, economic and effective use of resources must be promoted.
- 3) Public administration must be development –oriented.
- 4) Services must be provided impartially, fairly, equitably and without bias.
- 5) People's needs must be responded to , and the public must be encouraged to participate in policy making.
- 6) Public administration must be accountable.
- 7) Transparency must be fostered by providing the public with timely, accessible and accurate information.
- 8) Good human-resources management and career-development practices, to examine human potential, must be cultivated.
- 9) Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

The 'essence' of these principles was endorsed through the adoption of what has become known as the *Batho Pele principles*.



## Going to the People

10

“Always bear in mind that people are not fighting for ideas, for the things in anyone’s head. They are fighting to win material benefits, to guarantee the future of the children”.

(Amilcar Cabral)

## Background to the 2013/15 Strategic Plan and 2013/14 Annual Performance Plan (APP)

11

- The 2013/14 Annual Performance Plan is drawn from the 1<sup>st</sup> year targets of the 2013/2015 Strategic Plan tabled in Parliament in March 2013. This Strategic Plan is informed by;
  - Outcome 12 priorities ( Part A of the Delivery Agreement for 2010-2014)
  - National Development Priorities and Actions on Building the Capacity of the State (Chapter 13)
  - Cabinet decisions
  - Priorities as identified by the Minister for the Public Service and Administration



## Annual Performance Priorities for 2013/14 (1)

12

### Public Service Amendment Bill

- The draft Public Service Amendment Bill is scheduled to be placed in Parliament this year. The Bill will cover the following:
  - Prohibition of employees from doing business with the State.
  - Candidature of employees in elections.
  - Deemed approval of remunerative work outside the Public Service.
- The draft Bill will be tabled to the G&A Cluster meeting scheduled for 6 June 2013, as part of consultation.

### The Public Administration Management Bill

- The Bill seeks to:
  - Provide for interoperability between three spheres of government on areas of public administration
  - Give the MPSA powers to develop national norms and standards on matters of administration, governance, ICT and human capital covering all spheres and entities. (The Local government sphere would retain its executive powers on these matters guided by norms and standards issued by MPSA)
  - Provide for optimal utilisation of human capital across all spheres in the interest of the State
- Discussions on the Bill are underway at Nedlac and will be presented to Cabinet Committee of 21 May 2013 as part of consultation.

### National Legislation on Section 100 of the Constitution

- The new section 100 legislation will be tabled in Parliament this year. The Section 100 Bill will also cover the following:-
  - Give effect to Section 100 of the Constitution, 1996.
  - Provide for support to provincial departments in case of failure to meet Constitutional obligations.
  - Provide mechanism for intervention where the provincial department has failed to meet its executive obligations. This will apply as the last resort.
- The Draft Bill will be tabled to the G&A Cluster meeting scheduled for 6 June 2013, as part of consultation.



## Annual Performance Priorities for 2013/14

(2)

13

### Establishment of the Office of Standards and Compliance (OSC)

- The Office of Standards and Compliance has been established. The OSC will focus on, *inter alia*, the following:-
- Addressing areas of non-compliance to public service regulations and prescripts.
- Conducting a compliance audit at national and provincial levels to provide credible information on the status of the public service and administration.
- Monitoring of compliance and coordination of required interventions.

### Establishment of school of government by October 2013

- DPSA's role is to support PALAMA by determining institutional arrangement and governance in line with MPSA's mandate.
- The work on the development of the organisational structure of the proposed school is underway and the Minister has appointed the advisory council to drive and advise her on the implementation of the school.

### Improving service delivery efficiency by addressing areas duplications through the rationalisation of organizational structures of departments by aligning them to their respect mandates.

- Improve quality of PERSAL data.
- Standardised delegation principles.
- Reducing the vacancy rate.
- Cabinet has approved that the DPSA revisit the principles of the repealed chapter J of the pre-1999 PSR to determine common norms and standards for the creation and allocation of SMS post on organizational structures of Provincial Administrations and Provincial Departments . The revised chapter J will be presented before Cabinet before the end of this quarter.

## Annual Performance Priorities for 2013/14

(3)

14

### Achieving clean government by fighting corruption.

- Anti-Corruption Bureau will be established to investigate corruption related cases in all three spheres of Government. The Bureau will investigate high level corruption, fraud cases and manage disciplinary hearings obo departments, where required.
- The central database of cases will be established.
- Public servants found guilty of serious corruption cases will be blacklisted and registered in the database.
- E-disclosure system for declaration of financial interest by senior managers has been developed and will be implemented during 2014/15 financial year.

### Professionalisation of the public service

- Compulsory training programmes.
- The review and enhancement of appointment procedures for senior managers .
- Supporting PALAMA in establishing itself into a school of government

## Annual Performance Priorities for 2013/14 (4)

15

### **Implementation of the PSCBC Resolution (1/2012)**

- The agreement covers, amongst others, the following:
  - Two year induction for first entrants in the public service.
  - Review of remuneration for public servants.
  - Salary increment for 2012/13, 2013/14 and 2014/15.

### **Establishment of the Presidential Commission on Remuneration Review**

- The Presidential Commission on Remuneration for public service is yet to be announced. The Commission will investigate the remuneration and conditions of service of public servants and the teachers will be treated as a first priority.
- The logistical arrangements associated with this Commission have been finalised save for accommodation . The DPSA, SITA and Public Works are handling the issue.

## Annual Performance Priorities for 2013/14 (5)

16

### **A Public Service Charter**

- Parties to the PSCBC signed resolution 1/2012 which catered for the social contract between the Government and public servants. The Charter is expected to be signed by parties before the end of the first quarter.

#### The Service Charter:

- encourages higher productivity by the public service in order to meet the expectations of South African citizens.
- determines standards for the delivery of all government services.
- specifies accountability measures for all stakeholders.
- defines clear indicators by which to monitor the performance of the public service.

### **Institutionalisation of meaningful platforms for citizens engagement**

- A government-wide coordinated complaints and suggestions management system to evaluate and improve service delivery will also be established.



## Annual Performance Priorities for 2013/14 (6)

17

### African Peer Review Mechanism

- The public consultations on the 3<sup>rd</sup> Country report have been concluded. The report will be presented to the next Heads of State Summit after being approved by the National General Council.
- The DPSA will be hosting the APRM 10<sup>th</sup> year celebration in due course.
- **Implementation of the Open Government Partnership:** The engagements are already taking place in provinces led by the Deputy Minister.

## Delivery Agreement for Outcome 12 (1)

18

The Delivery Agreement for Outcome 12 is premised on the implementation of the following outputs and sub-outputs over medium term period

### 1) Output 1: Service Delivery Quality and Access

- ▣ Service User Satisfaction
- ▣ Access to government services
- ▣ Responsiveness
- ▣ Value for Money

### 2) Human Resource Management and Development

- ▣ Performance development, Agreements and Assessments
- ▣ Recruitment, retention and career-pathing
- ▣ Discipline Management
- ▣ Human Resource Planning, Skills development and cadre development

## Delivery Agreement for Outcome 12 (2)

19

### 3) Business processes, systems, decision rights and accountability

- ▣ PERSAL functionality
- ▣ SITA effectiveness
- ▣ Delegations and decision rights
- ▣ Organisational Design

### 4) Corruption tackled effectively

- ▣ Anti-corruption capacity
- ▣ Enforcement, monitoring and evaluation

## Outcome 12: Service Delivery Quality and Access

20

Project	Indicator	Targets
1. Conduct Citizen Report Card Survey in the sampled communities <b>(Service Delivery Quality and Access)</b>	Percentage improvement in the level of Service User satisfaction in the sampled communities	75%
2. Baseline data and information in relation to current unit costs <b>(Value for money)</b>	Competitive Units costs of two selected services	Departments of Home Affairs and SASSA develop unit costs
3. Approval and implementation of delegation principles and templates <b>(Delegations and Decision Rights)</b>	Level of implementation of standardised delegation principles and templates for effective human resource and administrative delegations	75% of departments in the implementation of the delegation principles and templates
4. Approval and alignment of the generic sector specific organisational structures. <b>(Organisational Design)</b>	All identified organizational structures are aligned to the new directive on organizational structuring	100%

## Outcome 12: Human Resource Management and Development (1)

Projects	Indicator	Targets
Report compiled and submitted on the level of compliance on the signing of PAs by SMS members ( <i>Performance Development, Agreements and Assessments</i> )	Percentage improvement of Senior Managers who have signed Performance Agreements by the stipulated time	100%
HODs assessments are aligned with institutional performance and qualifying HODs assessed in relation to the revised PMDS	Number of HOD's who were assessed	100%
Implement a Directive on compulsory capacity development and mandatory training days ( <i>Human Resource Planning, Skills and cadre development</i> )	Directive on compulsory capacity development and mandatory training days for SMS members implemented	Accreditation of courses finalized and required regulatory changes effected
15 000 interns/learners/artisans/technicians admitted in the public service	Number of youth appointed and admitted to an internship, learnership or artisan programme	15 000 youth appointed and admitted to an internship and learnership

## Outcome 12: Human Resource Management and Development (2)

Project	Indicator	Targets
Implementation of the strategy to improve recruitment period and reduce the vacancy rate ( <i>Recruitment, Retention and Career-Pathing</i> )	Average time to fill vacancy in the Public Service (in months)	4 months from date of advertising
	Percentage of vacant funded posts at any particular time	10%
Review of the disciplinary code and procedure for the public service ( <i>Discipline</i> )	Average number of days it takes to finalise the disciplinary case	90 days
Further refinement of the labour relations framework-reviewal of the grievance procedure		
Establishment of a case management system which will assist in capturing and centralisation of case management		

## Outcome 12: Business processes, systems, decision rights and accountability

23

Project	Indicator	Target
Compile quarterly progress report on PERSAL quality improvement project ( <b>PERSAL functionality</b> )	Percentage of priority fields on PERSAL with improved data quality	100%
Compile quarterly Human Resource reports from PERSAL for each National and Provincial Department.	Number of departments with clean PERSAL data	100%

## Outcome 12: Corruption tackled effectively

24

Project	Indicator	Targets
Roll out training programme for investigators ( <b>Anti-corruption capacity</b> )	Number of investigators trained in the public service	200
Implement the e-Disclosure System in national departments ( <b>Enforcement, monitoring and Evaluation</b> )	Percentage of SMS members who filed their financial interests through the e-Disclosure System	100%

## MTEF-Budget Allocation

25

- **DPSA Allocation for 2013/14 -2015/16**
- **Total Allocation for 2013/14 = R816,371 million**

## Appropriation for 2013/14 -2015/16 (Excluding transfers & CPSI)

26

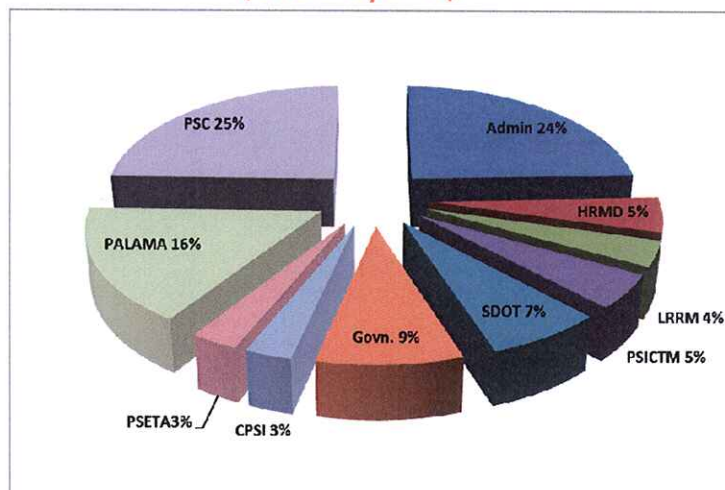
Programme	2013/14 R'000	2014/15 R'000	2015/16 R'000
Administration	198,502	206,211	224,868
Human Resource Management and Development	40,439	42,261	43,626
Labour Relations and Remuneration Management	29,674	31,047	27,575
Public Sector Information and Communication Management	39,360	43,876	43,492
Service Delivery and Organizational Transformation	57,970	60,969	61,972
Governance and International Relations	71,190	75,947	79,030
<b>DPSA Budget allocations</b>	<b>437,135</b>	<b>460,311</b>	<b>480,563</b>

## Transfers and CPSI

27

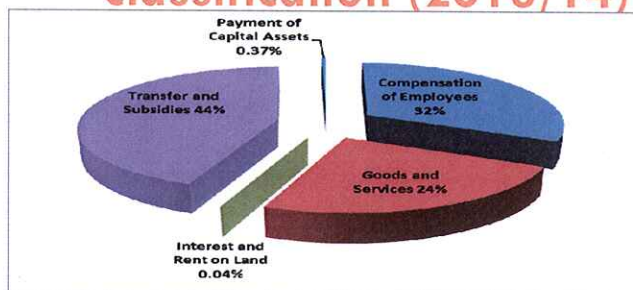
Description	2013/14 R'000	2014/15 R'000	2015/16 R'000
CPSI	22,866	23,518	24,663
PSETA	23,308	24,706	25,843
PALAMA	131,922	138,508	143,654
PSC	201,140	212,431	204,931
<b>Total vote Allocations</b>	<b>816,371</b>	<b>859,474</b>	<b>879,654</b>

## Allocation breakdown (2013/14)



28

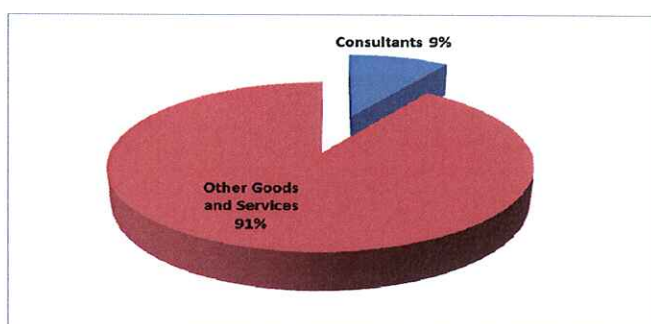
## Allocation per economic classification (2013/14)



Description	2013/14 R'000
Compensation of Employees	259,267
Goods and Services	196,397
Interest and Rent on land	364
Transfers and Subsidies	357,306
Machinery and Equipment	3,037
<b>Total</b>	<b>816,371</b>

29

## Allocation for Consultants and other Goods and Services(2013/14)



Description	2013/14 R'000
Consultants	18,542
Other Goods and Services	177,855
<b>Total</b>	<b>196,397</b>

30

## Budget Shortfalls

31

- The department requires additional funding in the current budget in order to fulfil its mandate amounting to R315 million as follows:
  - Compensation of employees budget of R122 million for creation of 235 posts additional to the current departmental establishment.
  - R177 million for operational budget required during this current year.
  - R 16 million for additional office space for new appointments.
  - The above mentioned shortfalls will also have recurring costs over the MTEF period.

## National Development Plan, 2012

32

“The country must write a different story in the years ahead. In this new story, every citizen is concerned about the wellbeing of all other citizens, and the development of South Africa means the development of each and every one of us who live here”

National Development Plan, 2012



End...

Thank you