MPAT National Report

2015 Assessments

planning, monitoring & evaluation

Department:
Planning, Monitoring and Evaluation
REPUBLIC OF SOUTH AFRICA

NATIONAL DEVELOPMENT PLAN

2030

1.   Introduction

The 2015 MPAT assessments mark 4 years since Cabinet approved the creation of a tool to assess management practices in government departments. The usefulness of MPAT can be seen in the need to improve rudimentary administrative issues such as delivery of textbooks and stocking of medical supplies for hospitals and clinics. It focuses on improving areas such as planning and decision making in departments. MPAT should be seen as a tool that seeks to entrench a culture of good management in departments, by ensuring compliance with legislative prescripts which are aimed at ensuring the optimal functioning of departments. The tool should furthermore be seen as a catalyst for service delivery as it seeks to complement other programmes and systems in DPME in particular and government in general. The results contained herein should therefore be seen in proper context, as they only provide an analysis of the results of the areas that were assessed.

This report provides a detailed analysis of the Management Performance Assessment Tool (MPAT) scores by Key Performance Area for 2015 with a specific focus on the national departments. The report is based on the MPAT assessment that was undertaken during September 2015. The results reflected herein have undergone an extensive process of analysis to ensure that they are as objective as possible and that they are as close as possible to the true state of management practices in departments. In line with the MPAT methodology, the analysis looks at the performance of the 4 key performance areas of Strategic Management, Governance and Accountability, Human Resource Management and Financial Management.

2.   Strategic Management

2.1   Public Service Analysis

MPAT 1.5 (Trends): Average score per standard for Strategic Management RSA
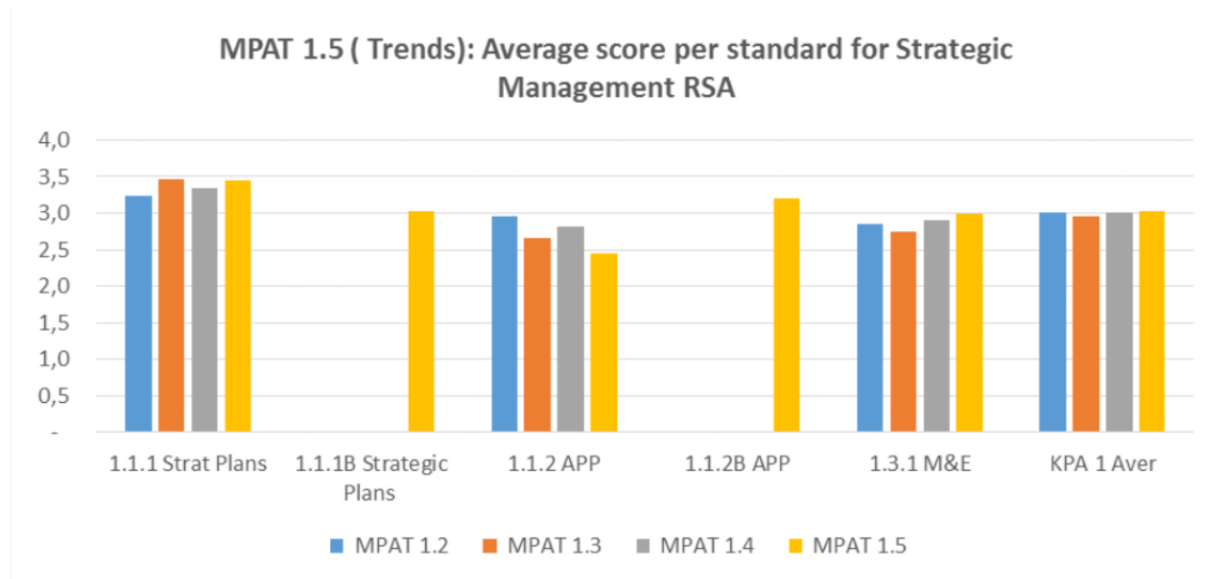
The Strategic Management key performance areas are essentially based on the current framework for strategic plans and annual performance plan. The standards herein further assess the extent to which the strategic plans and annual performance plans align to the Medium Term Strategic Framework. The Key Performance Area (KPA) further assesses the processes and systems that should be in place in institutions to ensure proper and adequate governance of departmental performance information. This stems from the fact that credible and reliable performance information is important since decisions are based on such information. As such, the consequences could be calamitous when decisions are based on unreliable data.

The following highlight progress that departments have made in the Strategic Management KPA, since the implementation of MPAT:

- •   Adhering to the basic requirements of the planning frameworks and the MTSF.

- Recognizing the importance of reflection on strategic plans when embarking on yearly planning through the annual performance plans.
- Having approved performance information policies in place that govern performance information institutionally.

- As part of improving and instilling the culture of good management practices in KPA 1 in particular, there were some changes that were introduced in MPAT 2015. Of particular importance were the following changes:

- Assessment of the 2015/2020 strategic plans (1.1.1 and 1.1.2 B) and annual performance plans as the 2010/2014 (1.1.1 and 1.1.2) planning cycle was coming to a close.
- Introduction of two pilot standards i.e. the Planning for Programme Implementation standard and the Evaluation standard.
- There was also an introduction of a level 2+ in 1.1.1B, 1.1.2B, 1.3.1 and 1.3.2 (pilot standard).

The 2010/14 strategic plans (1.1.1) shows improvements in MPAT 2015 (average of 3.3 to 3.4). This is indicative that more and more departments are taking due consideration of their strategic plans when compiling their annual performance plans. The result is that annual performance plans are now more inclined to be aligned to the strategic plans three to four years down the line. In the MPAT 2015 results more and more departments are reviewing their strategic plans (i.e. the 2010/2014 planning cycle) to inform their annual performance plans for ensuing years. This progress is indeed commendable as it shows that strategic plans are used as management tools and essentially as a reflection to ensure that a department remains on course throughout the planning cycle.

In terms of the annual performance plans, there is a notable decline from an average 2.8 in MPAT 2014 to 2.4 in MPAT 2015. This decline is indicative of departments struggling to keep alignment between the annual performance plans and strategic plan that were tabled four years prior. Another challenge is the reprioritisation that happens in the year of elections. With respect to this, the planning guidelines states: *"A strategic plan should cover a period of at least five years, ideally from the first planning cycle following an election, linked to identified outcomes of the Presidency".* However, a number of departments commenced their new planning cycle in the year of the

elections (year 2014 in this case), whilst other departments had 2 Annual performance plans in the year 2014. This of course points to a need to tighten up on the essential bolts to get a uniform understanding on the commencement and closing-off of planning cycles across the public service.

The new planning cycle i.e. 2015/2020 strategic plans (strategic plans B and annual performance plan B) commenced on a compliance baselines and this is commendable (level3). This shows that departments are compiling their strategic plans in line with basic guidelines and are adhering to any other legislative requirements around strategic plans. The following have been identified as some of the challenges that are preventing departments progressing to level 4:

- Inclusion of Technical Indicator Descriptors for their strategic objectives
- The failure to provide evidence that assessments of the success and failures of the preceding strategic plans to inform the new plans are conducted
- The failure to provide evidence that support is given to public entities during planning for those departments that have public entities.

Moving forward, it is important for the departments to ensure that alignment is maintained between the strategic plans and the annual performance plans in the upcoming years as this was one of the main challenges in the 2010/2014 planning cycle.

There are incremental improvements in terms of the Monitoring standard (1.3.1) from just below level 3 in MPAT 2014 to the compliance level of 3 in MPAT 2015. This improvement is indicating that more and more departments have policies in place that specifically govern performance information. This improvement is commendable because departments are getting better in terms of managing their performance information i.e. collection, validation and storing of performance information.

MPAT 1.5: Provincial Comparison: Average score: KPA1 standards
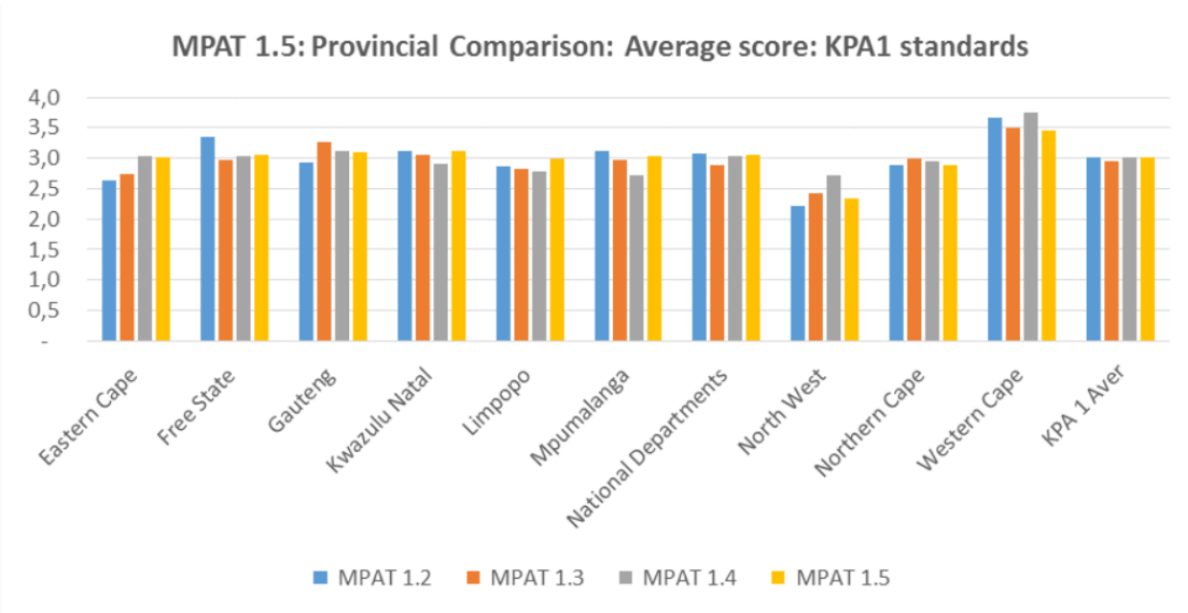
When looking at performance of KPA 1 across the provinces and national departments, the Western Cape remains the highest performing province in spite of the slight declines from MPAT 2014 to MPAT 2015. It should be noted that KPA 1 assesses two planning cycles in MPAT 2015 i.e. closing of the 2010/2014 cycle and commencement of the 2015/2020 planning cycle. The KZN, Limpopo and Mpumalanga should be commended for their incremental improvement in spite of the assessment of the two cycles. Eastern Cape, Free State, Gauteng and national departments more or less remained stagnant at compliance level (3). It is with great concern that the North West province has declined from its previous incremental trajectory. The province had previously shown improvements, although from below the compliance level of 3.

2.2   National Departments

MPAT 1.5 (Trends): Average scores per standard for Strategic Management in National
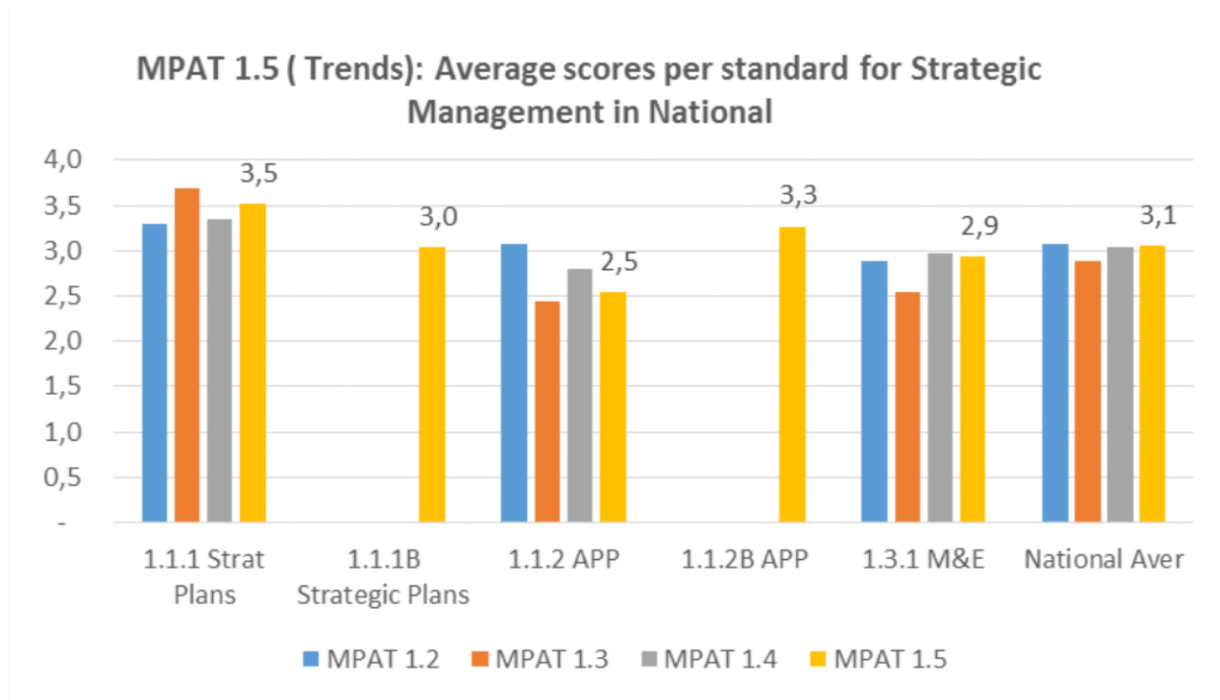
For strategic plans (1.1.1A), there was a slight improvement amongst the national departments, from the MPAT 1.4 to an average of 3.5 in MPAT 1.5. Furthermore, the national departments are on a better trajectory than the Public Service average in this regard. This shows that departments do consider the outcomes and the MTSF when planning and that indeed strategic plans find expression during annual planning process leading up to the formulation of the annual performance plans. However, based on the outcomes of the annual performance plans (1.1.2 A) there seems to be a challenge in ensuring that strategic plans and annual performance plans are aligned especially towards the end of a given planning cycle.

	1.1.1 Strat Plans	1.1.1B Strategic Plans	1.1.2 APP	1.1.2B APP	1.3.1 M&E
ND Agriculture Forestry and Fisheries	3,0	3,0	1,0	4,0	2,5
ND Arts and Culture	3,0	3,0	1,0	3,0	2,5
ND Basic Education	4,0	3,0	2,0	4,0	3,0
ND Communications	4,0	3,0	4,0	3,0	3,0
ND Cooperative Governance	2,0	2,5	1,0	2,5	2,5
ND Correctional Services	4,0	2,5	2,0	3,0	2,5
ND Defence	4,0	3,0	3,0	3,0	3,0
ND Economic Development	2,0	3,0	1,0	4,0	3,0
ND Energy	4,0	3,0	2,0	4,0	3,0
ND Enviromental Affairs	2,0	3,0	3,0	3,0	3,0
ND Health	4,0	4,0	2,0	2,5	2,5
ND Higher Education and Training	4,0	4,0	2,0	4,0	4,0
ND Home Affairs1	4,0	3,0	1,0	4,0	3,0
ND Human Settlements	3,0	2,5	1,0	2,0	2,0
ND Independent Police Investigative Directorate	3,0	3,0	3,0	3,0	4,0
ND International Relations and Cooperation	4,0	3,0	4,0	3,0	3,0
ND Justice and Constitutional Development	4,0	3,0	4,0	1,0	4,0
ND Labour	3,0	3,0	3,0	3,0	2,5
ND Military Veterans	4,0	3,0	1,0	3,0	3,0
ND Mineral Resources	4,0	2,0	2,0	3,0	2,0
ND National School of Government	4,0	3,0	3,0	3,0	2,0
ND National Treasury	4,0	2,0	2,0	3,0	2,5
ND Planning Monitoring and Evaluation	3,0	3,0	2,0	2,0	2,5
ND Police	4,0	3,0	2,0	4,0	3,0
ND Public Enterprises	3,0	1,0	3,0	2,0	2,5
ND Public Service and Administration	3,0	3,0	2,0	3,0	4,0
ND Public Service Commission	4,0	4,0	4,0	4,0	3,0
ND Public Works	4,0	4,0	3,0	4,0	3,0
ND Rural Development and Land Affairs	4,0	3,0	4,0	4,0	3,0
ND Science and Technology	3,0	4,0	4,0	4,0	3,0
ND Social Development	3,0	3,0	3,0	3,0	3,0
ND Sports and Recreation South Africa	4,0	3,0	4,0	3,0	4,0
ND Statistics South Africa	4,0	4,0	4,0	4,0	3,0
ND Telecommunications and Postal Services	4,0	2,5	3,0	4,0	2,0
ND The Presidency	4,0	3,0	4,0	3,0	3,0
ND Tourism	4,0	3,0	4,0	4,0	3,0
ND Trade and Industry	4,0	3,0	2,0	3,0	4,0
ND Traditional Affairs	3,0	4,0	3,0	4,0	3,0
ND Transport	3,0	4,0	2,0	4,0	4,0
ND Water and Sanitation	3,0	3,0	1,0	4,0	3,0
ND Women	3,0	2,5	2,0	3,0	2,0

Almost all the national departments are performing at level 3 and above across the KPA. Commendable departments that attained majority of level 4s in the Strategic Management KPA include the following:

- Higher education and training (including both of the pilot standards)
- Public Service Commission
- Statistics South Africa
- Rural Development and Land Affairs
- Public Works

Departments that showed challenges as reflected in the number of levels 1s received include the following:

- National department of Transport
- National Department of Women, although there are improvements from MPAT 1.4.

It should however be borne in mind that overall departments are performing well in the Strategic Management KPA, as majority of them are performing at levels 3 and 4.

2.3   High level outcomes of the Pilots standards

2.3.1   The planning for Implementation Programme

The MPAT standard 1.3.3, which relates to Planning for Implementation Programme, was introduced into the MPAT 1.5 for the first time as a pilot. Planning for Implementation Programmes is guided by the DPME Guideline 2.2.3 for 2014 and the Cabinet Memorandum 10 of 2014, and seeks to give practical guidance on minimum standards for designing implementation programmes, and setting up the logical framework and performance indicator matrix for M&E. The key outcome as a result of introducing this standard was the increased level of awareness of the guideline and engagement with DPME regarding its implementation. To further support the implementation of this guideline, the DPME has initiated various interventions such as training programmes which have been conducted for selected national and provincial departments. In the 2016/17 financial year, DPME will increase the reach of the training programmes and will improve the training material based on lessons learnt from the initial training programmes delivered. This

standard will continue to be piloted in the MPAT 1.6 cycle with the aim to increase its institutionalisation by both national and provincial departments in the 2016/17 financial year.

2.3.2 Evaluations

During 2015/16 financial year, the Department of Planning, Monitoring and Evaluation piloted a new standard, "1.3.2. Evaluation" within KPA 1 of the MPAT system. The pilot proved to be useful in gauging the current challenges that exist in departments in fully implementing the Evaluation function. The narrative below provides a high level outcome of this pilot standard:

- An evaluation system within many departments was not formalized and implemented, which was deduced based on the lack of or no evidence submitted by departments within the MPAT system.

- With regard to departments having planned capacity to manage or conduct evaluations, findings showed that no clear structure was evident or indicated that evaluation posts were filled, however job descriptions were missing; and that existing job descriptions had emphasized focus more on policy, planning, monitoring and research than evaluation specifically.

- Besides having to ensure the appointment of relevant staff members, departments were required to produce approved or adopted guidelines in line with the National Evaluation System. It was observed that the standard operating procedures (SOPs) were not clearly visible or approved even though the frequently asked questions (FAQs) indicated that departments could show they had approved the DPME guidelines. Furthermore, some departments submitted guidelines, the NEPF, or SOPs of projects within their respective departments.

- Evidence of a multi-year evaluation plan in line with the national evaluation system was expected from departments. It was however found that departments were not following the proper format of evaluation plans, which led to important elements being omitted. Some provincial departments submitted their provincial development plans instead of their department specific ones whilst some national departments submitted the approved National Evaluation Plan. Various departments uploaded terms of reference (TORs) documents, concept notes and other short documents which did not resemble a plan.

- The level 4 standard required that departments submit evidence to substantiate that they have undertaken at least 1 evaluation of a programme, policy, plan, project or system in the previous 2 years, or that they were currently undertaking one; also indicating that each

evaluation had a steering committee to ensure effective oversight of the evaluation process; that each completed evaluation had an approved management response and improvement plan; and that departmental evaluations were made public on their respective departmental websites. The findings were that research reports were submitted instead of evaluation reports; some departments uploaded TORs instead of Steering Committee minutes as proof of approval of documents; and that there was a lack of understanding of the terms used e.g. management response and improvement plan.

The Evaluation standard has since been revised. A Toolkit is being developed for the Evaluation MPAT standard to provide details on expectations, which will assist departments with submitting the appropriate evidence.

3. Governance and Accountability (G&A)

The Public Service average performance in the KPA is slightly below compliance level of 3 at 2.8 in 2015. It however showed improvement from 2013 to 2014 and a significant improvement from the 2012 average performance rate of 2.1. The evidence shows progressive strides in raising awareness in several standards of governance and accountability across government. Accountability is becoming increasingly important for institutions as government is committed to deliver the required basic services to citizenry which should ultimately translate to the betterment of standards of living. In the 2015 assessment, management of risk in departments has drastically decreased due to inability of departments to integrate risk into planning and organisational processes. There has been a visible improvement in Corporate Governance of Information Communication and Technology (ICT) standard compared to slow performance during the 2013 and 2014 pilot phase. The standard on PAJA was a pilot project in 2013 and was rolled-out in 2014 to all national and provincial departments and has shown a positive improvement.

3.1 Public Service Analysis

"Citizens have the right to expect government to deliver certain basic services and to hold leaders accountable for their actions" – The National Development Plan

This KPA assesses ten areas which reinforce good governance, promote accountability and strengthening of internal controls in public administration which are enshrined in the South African Constitution and regulated by the National Treasury, DPSA and Department of Justice and Correctional Services. Weak accountability systems and poor consequence management in government underpin the challenges in service delivery whilst good governance and accountability lead to an improved delivery of services. Part of this performance assessment area guarantees that fraud prevention is entrenched and public servants act ethically. Departments should promote effective governance and accountability which requires leadership to build a responsive work culture, lead with commitment, strategise in delivering outcomes, respond to challenges, integrate plans and allocate resources. Building a capable and developmental public

service requires a more responsible and accountable leadership which promotes operational efficiency and effectiveness whilst encouraging adherence to prescribed managerial policies.

The 10 standards in G&A include Service Delivery Improvement Plans (SDIPs), functionality of management structures, Audit Committees, professional ethics, fraud prevention, internal audit, risk management, Corporate Governance of Information, Communication, Technology (CGICT), Promotion of Access to Information Act (PAIA) and Promotion of Administrative Justice Act (PAJA). In addition to originally pronounced compliance standards since 2011, performance indicators (PI) were developed in 2016 assessment cycle. These performance indicators are in the areas of SDIPs, Audit Committees, Internal Audit, PAIA and ICT. All these selected PI areas will be utilised to determine whether compliance leads to improved performance. The performance dimension measures the level at which a department:

- performs in relations to service delivery improvements
- internally recognises weaknesses on matters which are later raised by Auditor-General
- Budgets and the spending patterns on ICT systems
- Response to requests for access to information

The graph below shows that over the past four years, functionality of Audit Committees, Internal Audit arrangements and management structures performed better than the rest of KPA 2 standards with improvements ranging from below 2.5 in 2012 to above compliance level of 3.0 in 2015. These improvements may be due to these units playing a pivotal role in institutionalising management practices and leadership, monitoring implementation of departmental reports and the use of these to inform improved business processes. However, management should play a more active role in maintaining the control environment despite the fact that employees need to play a role in strengthening internal control systems. If detective measures are set in place and retained, an organisation can save costs and utilise the funds to improve service delivery. Currently the performance of service delivery improvement mechanisms is steady at an average of 2.4 since 2014 which is below required performance level. This is a cause for concern as service delivery is at the centre of the strategic agenda of government. Lack of consultative engagements with internal and external recipients of a specific service has a direct bearing on poor results of service delivery standard. Management should regularly monitor service delivery improvements and develop improvement plans whenever delivery of the required services to

citizenry are not met. Management is responsible for the establishing and maintaining of the service delivery control environment.

The average score for Professional Ethics is 3.0 and Fraud Prevention is at 2.9 which is below the required compliance level. The lower than compliance level performance on prevention of fraud in government may be due to lack of skills to detect potential conflict of interest and relying on one independent body to facilitate proper financial disclosure analysis for the rest of Public Service. However, this can improve if Ethics Officers and legal services are capacitated and granted access to verify the information with relevant authorities to prevent unethical behaviour and possible conflict of interest. Another concern in promoting ethics is a low level at which departments report the status of National Anti-Corruption Hotline (NACH) cases to Public Service Commission within stipulated timeframes. Departments must keep and maintain a record of such cases received by the PSC and report as required by the Ethics Management Framework in order to improve the status quo. In addition to keeping track and managing NACH and disciplinary cases, departments must locate corrective measures to improve internal controls and mitigate fraudulent activities.

Risk management average score decreased from 2.9 in 2014 to 2.5 in 2015. The decline is due to lack of risk integration into planning processes, management risk-based agenda, high level of risk appetite, tolerance and matured risk culture embedded into daily activities of the departments.

The Promotion of Access to Information Act (PAIA) slightly improved by 0.2 from 2.4 to 2.6 compared to 2014. However, Promotion of Administrative Justice Act is the weakest link within KPA 2 at 2.1. Understandably so, this standard was a pilot project in 2013 and was rolled-out for all departments in 2014. Over the years, evidence shows that during introduction phase of a standard within MPAT the compliance levels tends to be low, however the more awareness is raised in terms of legislative requirements the better the performance.

The most improved standard in KPA 2 is Corporate Governance of Information Communication and Technology (CGICT). This standard was piloted previously and was implemented in 2015.

MPAT 1.5 (Trends): Average scores per standards for Governance and Accountability in RSA
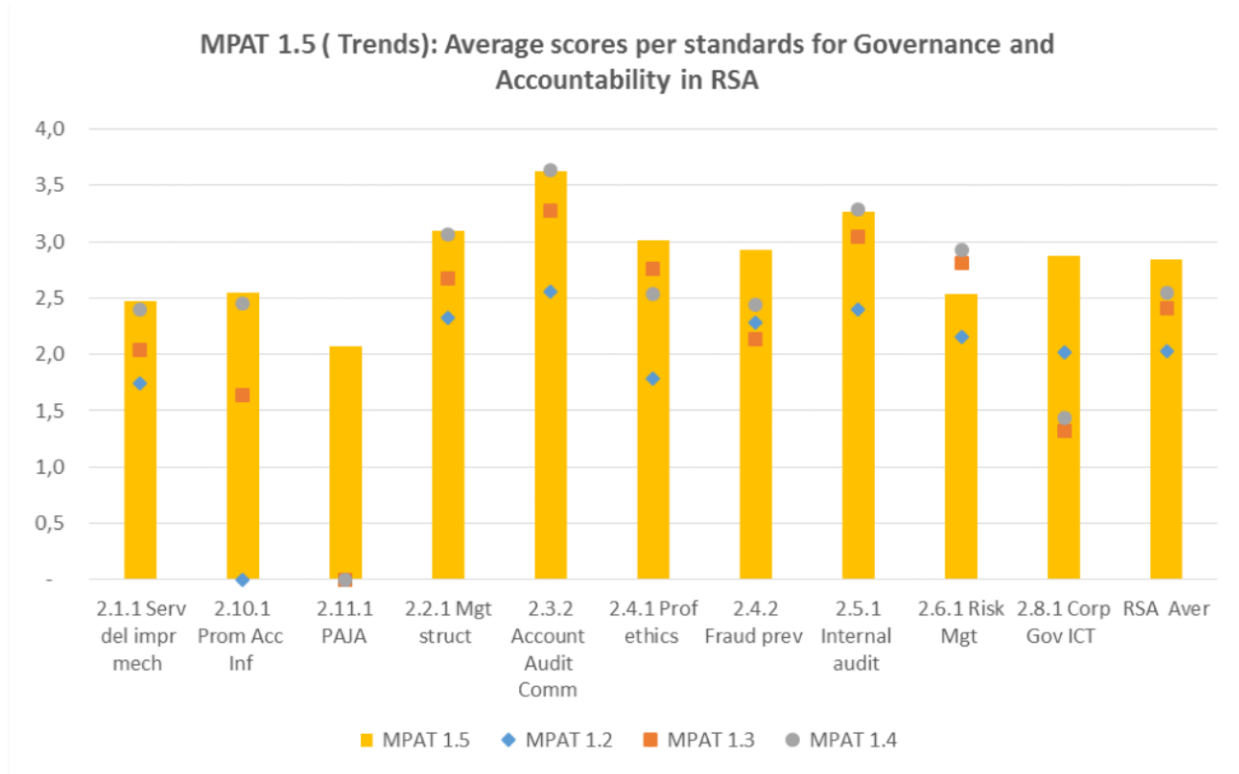
The graph above shows the average scores of all the governance and accountability standards per province. Western Cape, Free State, Northern Cape and Gauteng are all performing above average in relations to governance and accountability. This is a confirmation that these provinces are doing well in setting up internal control systems. The rest of the provinces including national departments are below level 3. In these provinces, management must strengthen governance and accountability as the lack thereof will weaken the development and functioning of these departments.

Provincial comparison
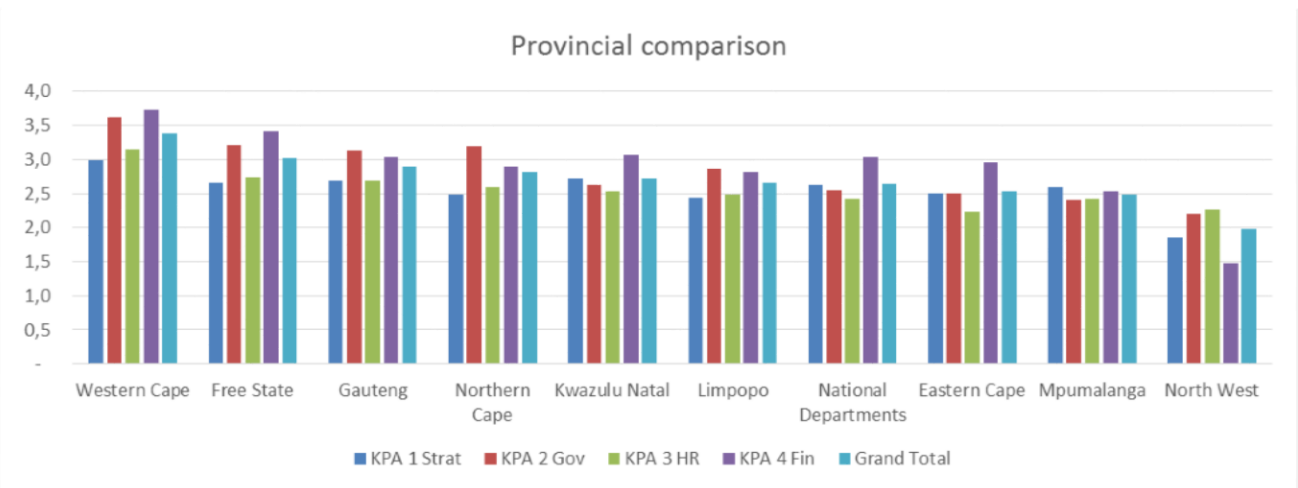
As indicated in the beginning of the governance and accountability chapter, Audit Committees are executed well across government. Standards on Service Delivery Improvements, PAIA, PAJA, Management Structures, Professional Ethics, Fraud, Internal Audit, Risk Management and CGICT are all below compliance level. In a nutshell, the national departments are performing not as required in this performance area compared to the provincial counterparts. This is a concern as most policies and regulations are set by national sphere of government and should lead by example. National departments may have to consider solidifying existing coordination structures and relevant clusters at national level to facilitate improved management practices in government.

MPAT 1.5 (Trends): Average scores per standard: Governance and Accountability: ND
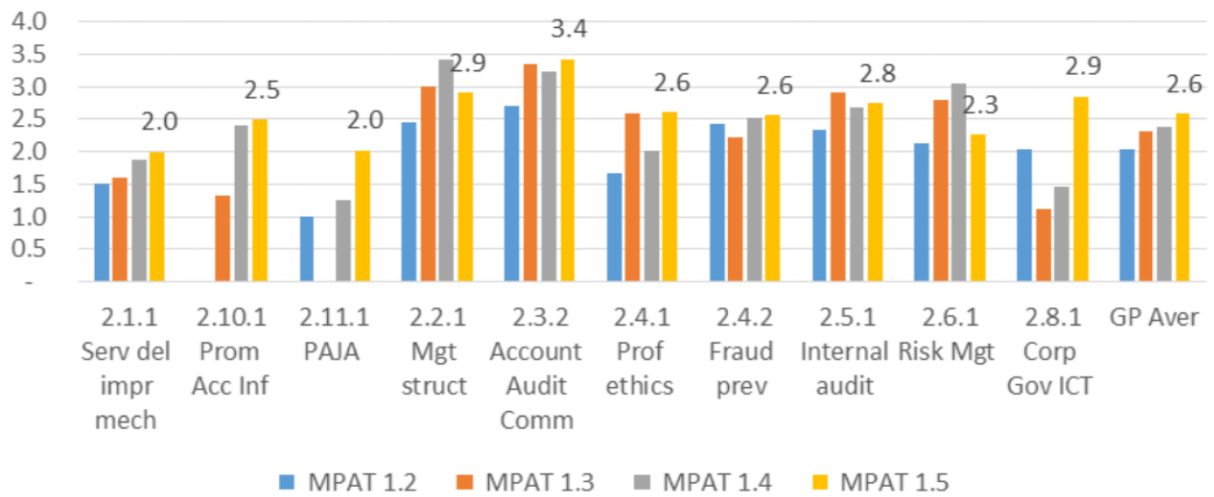
3.2   National Departments

The heat map below shows that national departments have to improve in this key performance area.   The top ten departments are commended for continuously striving for improvements. These are department of Science and Technology, Statistics South Africa, Higher Education, Public Works, Trade and Industry, Cooperative Governance, Planning, Monitoring and Evaluation, Home Affairs, Rural Development Land Affairs and Sports and Recreation. The ten struggling departments are also depicted in the heat map below. The ongoing trends of weaknesses in overall accountability and setting up effective internal corrective process is vital for all the departments operating below expected levels.   The leadership in these organisation has to develop improvement plans for a set period and facilitate monitoring of the implementation of these plans.
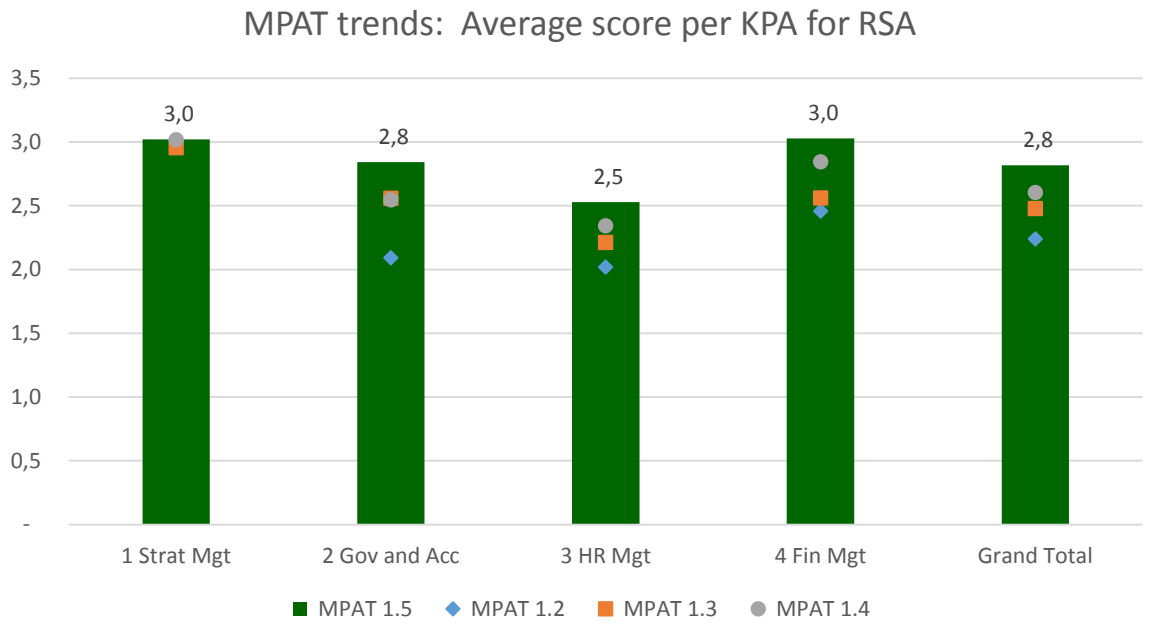
	2.1.1 Serv del impr mech	2.10.1 Prom Acc Inf	2.11.1 PAJA	2.2.1 Mgt struct	2.3.2 Account Audit Comm	2.4.1 Prof ethics	2.4.2 Fraud prev	2.5.1 Internal audit	2.6.1 Risk Mgt	2.8.1 Corp Gov ICT
ND Agriculture Forestry and Fisheries	2,5	4,0	4,0	2,0	2,0	3,0	4,0	1,0	1,0	4,0
ND Arts and Culture	2,0	1,0	1,0	2,0	4,0	2,5	2,5	2,0	4,0	2,0
ND Basic Education	2,0	3,0	3,0	4,0	2,0	4,0	2,0	1,0	1,0	4,0
ND Communications	1,0	4,0	1,0	2,0	4,0	2,5	2,5	4,0	1,0	3,0
ND Cooperative Governance	2,5	4,0	1,0	4,0	4,0	3,0	4,0	2,0	4,0	2,0
ND Correctional Services	2,0	1,0	2,0	2,0	2,0	1,0	1,0	2,0	1,0	2,0
ND Defence	2,5	2,0	2,0	3,0	3,0	1,0	1,0	2,0	4,0	2,0
ND Economic Development	1,0	1,0	3,0	4,0	4,0	3,0	2,0	2,0	1,0	3,0
ND Energy	2,0	4,0	3,0	2,0	4,0	1,0	1,0	2,0	1,0	3,0
ND Enviromental Affairs	2,0	4,0	4,0	2,0	3,0	1,0	2,5	1,0	1,0	4,0
ND Health	1,0	3,0	3,0	2,0	2,0	2,5	1,0	2,0	4,0	4,0
ND Higher Education and Training	1,0	4,0	3,0	4,0	4,0	1,0	4,0	2,0	4,0	4,0
ND Home Affairs1	2,5	1,0	3,0	2,0	4,0	4,0	4,0	4,0	1,0	3,0
ND Human Settlements	1,0	4,0	2,0	4,0	3,0	1,0	2,0	2,0	2,0	1,0
ND Independent Police Investigative Directorate	3,0	1,0	1,0	4,0	2,0	1,0	2,0	2,0	1,0	4,0
ND International Relations and Cooperation	4,0	3,0	1,0	2,0	3,0	3,0	3,0	2,0	1,0	4,0
ND Justice and Constitutional Development	2,5	4,0	4,0	4,0	4,0	1,0	4,0	2,0	2,0	3,0
ND Labour	3,0	1,0	2,0	2,0	4,0	3,0	4,0	4,0	1,0	1,0
ND Military Veterans	2,0	3,0	1,0	2,0	2,5	1,0	2,5	2,0	1,0	3,0
ND Mineral Resources	2,0	4,0	2,0	2,0	4,0	4,0	2,5	2,0	2,0	1,0
ND National School of Government	2,0	1,0	1,0	2,0	3,0	2,5	1,0	2,0	1,0	3,0
ND National Treasury	1,0	1,0	1,0	2,0	4,0	2,0	2,0	4,0	4,0	3,0
ND Planning Monitoring and Evaluation	1,0	3,0	1,0	4,0	4,0	4,0	4,0	4,0	3,0	3,0
ND Police	2,0	3,0	2,0	3,0	4,0	3,0	2,0	4,0	3,0	3,0
ND Public Enterprises	2,0	1,0	1,0	3,0	4,0	3,0	2,5	3,0	4,0	3,0
ND Public Service and Administration	2,0	1,0	3,0	3,0	2,0	1,0	2,0	3,0	1,0	1,0
ND Public Service Commission	1,0	4,0	1,0	4,0	2,0	4,0	2,5	2,0	1,0	2,0
ND Public Works	1,0	1,0	3,0	4,0	4,0	3,0	4,0	4,0	4,0	4,0
ND Rural Development and Land Affairs	1,0	3,0	1,0	2,0	4,0	4,0	4,0	4,0	4,0	1,0
ND Science and Technology	2,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0	3,0
ND Social Development	2,0	1,0	3,0	2,0	4,0	3,0	2,0	2,0	4,0	3,0
ND Sports and Recreation South Africa	4,0	4,0	3,0	4,0	3,0	3,0	1,0	2,0	1,0	3,0
ND Statistics South Africa	4,0	1,0	2,0	4,0	4,0	3,0	4,0	4,0	3,0	4,0
ND Telecommunications and Postal Services	1,0	4,0	1,0	2,0	4,0	4,0	2,0	4,0	3,0	4,0
ND The Presidency	2,0	1,0	1,0	4,0	4,0	3,0	3,0	4,0	1,0	4,0
ND Tourism	2,5	2,5	2,0	4,0	4,0	2,5	2,5	4,0	2,0	4,0
ND Trade and Industry	2,0	4,0	2,0	1,0	4,0	3,0	4,0	4,0	4,0	4,0
ND Traditional Affairs	1,0	4,0	1,0	4,0	4,0	3,0	1,0	2,0	1,0	2,0
ND Transport	3,0	1,0	2,0	4,0	4,0	3,0	2,0	4,0	3,0	3,0
ND Water and Sanitation	2,0	1,0	1,0	4,0	4,0	2,5	2,5	4,0	3,0	3,0
ND Women	2,0	1,0	1,0	2,0	2,0	3,0	2,0	2,0	1,0	1,0

4. Human Resource Management (HRM)

Human Resource Management (HRM) is the governance of a department's employees. A department's human resources directorate is responsible for creating, implementing and/or overseeing policies governing employee behaviour and the behaviour of the department toward its employees. The core purpose of the human resource management is to make efficient use of existing human resource in the department. Employees are very important assets for the department more so than land and buildings. Without employees no activity in the department can be done.

Areas of HRM oversight include HR strategy and planning, HR resource practices and administration, performance management, and employee relations. There are 11 standards in the HR KPA which are Human Resource Planning, Organisational Design and implementation, Human Resource Development, Recruitment, Management of Diversity, Employee Health and Wellness, PSA and PSR Delegations, PMDS 1 -12, PMDS SMS, PMDS HOD and Management of Disciplinary cases. Every aspect of HRM is highly regulated, requiring strict compliance to well-established legislation which makes it a challenge for many departments across the country to adhere to the many prescripts and policies in place. It is essential that the practice of Human Resource Management is integrated with the department's Strategic Plan to ensure that HR is a strategic partner in the department.

4.1 Public Service Analysis

MPAT trends: Average score per KPA for RSA

Legend: ■ MPAT 1.5   ◆ MPAT 1.2   ■ MPAT 1.3   ● MPAT 1.4

Values shown: 1 Strat Mgt: 3,0; 2 Gov and Acc: 2,8; 3 HR Mgt: 2,5; 4 Fin Mgt: 3,0; Grand Total: 2,8

As illustrated in graph above, the public service's average performance in the HRM is still lagging behind the other KPAs with the average being 2.5. This is below the compliance level of 3. This KPA is showing a slight improvement from MPAT 2012 to MPAT 2015 with the average PS score in 2012 being 2.0, in MPAT 2013 it was 2.2, in 2014 it was 2.3 and in MPAT 2015 it was 2.5. The poor performance in the HRM KPA could be attributed to departments mainly not adhering to the submission dates for plans and reports to DPSA which are required at the compliance level of 3.

MPAT 1.5 (Trends) Average scores per standard for Human Resource Management in RSA
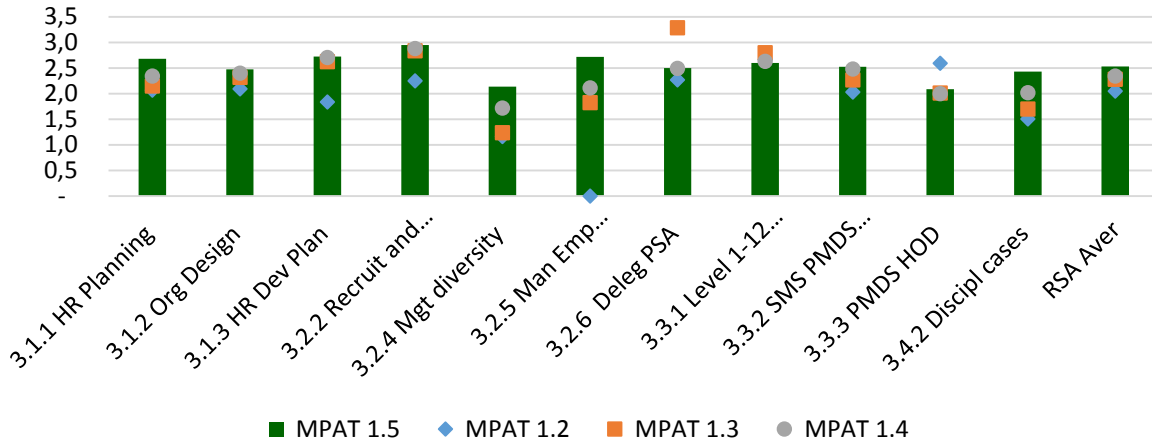
The graph above shows that the standard with the most significant improvement was the Employee Health and Wellness standard which increased from 2.1 in 2014 to 2.7 in 2016, this indicates that departments have their four approved Employee Health and Wellness Polices and submitted their plans and reports to DPSA by the due dates. The standards where the average score remained consistent from 2014 to 2015 were Delegations, PMDS for levels 1-12 and PMDS for SMS members which could be attributed to delegations not complying to the PSA, PSR and the Directive on Delegations issued in 2014, 80% of performance agreements not being captured on Persal and SMS members not adhering to the due date for the signing and submission of their performance agreements and no evidence of departmental remedial or corrective action that was taken for this non-compliance.

4.2   Provincial Analysis

**Provincial comparison: KPA3 average score**
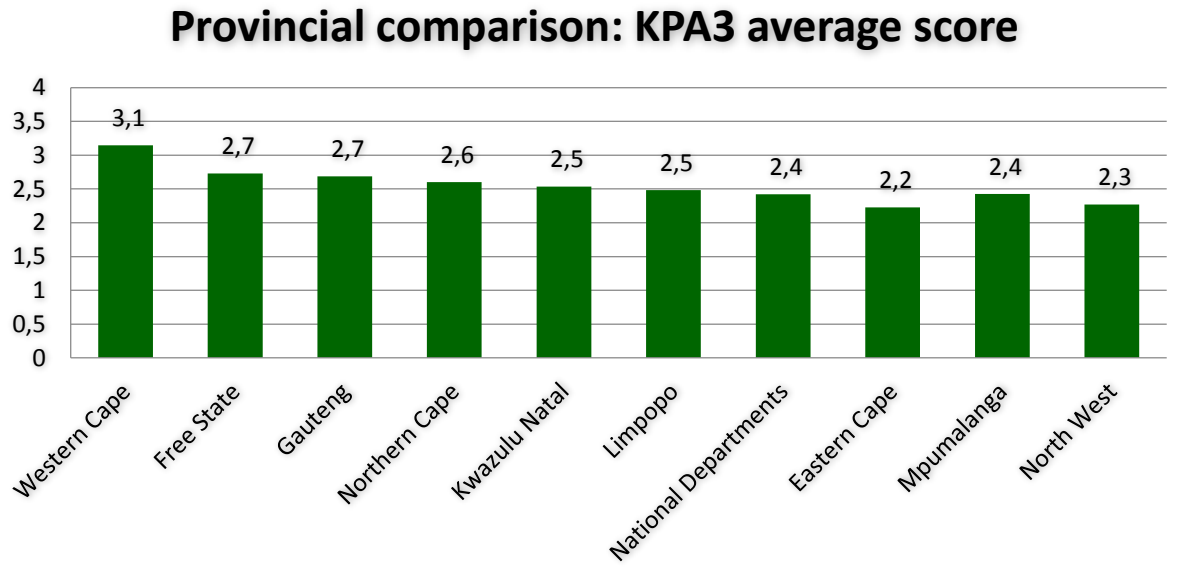
The graph above shows the provincial comparison for the HRM KPA for the MPAT 1.5 assessment. Western Cape is the only province that is operating slightly above compliance level at an average of 3.1. National departments together with the remaining eight provinces are operating below compliance level with the average being between 2.2 to 2.7. It is essential that all provinces and national departments operating below compliance level develop and implement improvement plans and monitor them regularly to ensure compliance with the HRM standards. It is also important for provinces to have Steering Committees in place for all four MPAT areas and convene monthly meetings so that continuous learning takes place. HRM is the engine in any department and it is essential that this area receives the attention it deserves for the efficient and effective functioning of the department.

4.2   National Department

KPA average from 2012 till 2015: National departments
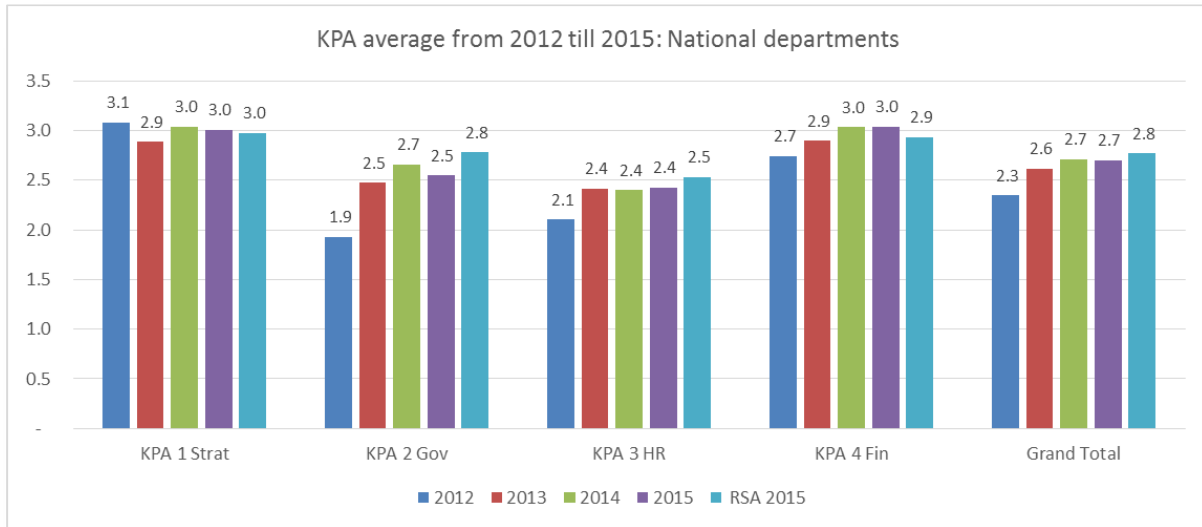
As illustrated in the above graph, the results for the Human Resource Management (HR) KPA for national departments is similar to that of RSA. It remains the poorest performing KPA which is operating below the compliance level of 3. There was an improvement from 2012 to 2013 but the results remained unchanged from 2013 to 2015. The RSA average for 2015 is 2.5 whilst the average for national department is 2.4 slightly below the RSA average. Many of the HR standards have due dates for plans and reports on level 3 and departments are not complying with these due dates which could be attributed to poor planning and the absence monitoring. It is essential that national departments have regular meetings in the HR component to discuss the progress of plans and reports that need to be submitted to DPSA.

MPAT 1.5 average scores of National departments

KPA 3 HR
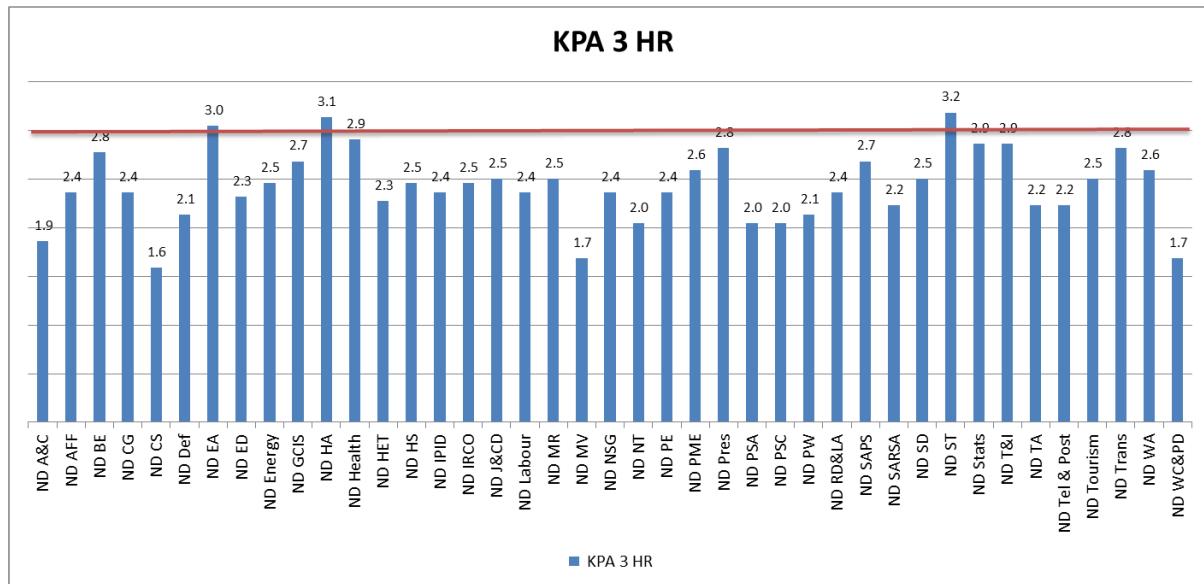
The above graph shows that most departments are operating below the compliance level of 3 which is illustrated by the red line going across the graph. There are only 3 departments from the 41 national departments that are operating slightly above compliance. The best performing national department is Science and Technology with an average of 3.2 followed by Home Affairs and Environmental Affairs. Most of the national departments are between an average of 2.0 and 2.9 with only 4 departments below level 2. It is essential that national departments operating below compliance level develop improvement plans and monitor it continuously to ensure that improvements take place in the HR KPA.

Changes in Standards within KPA 3 HR Management: National depts
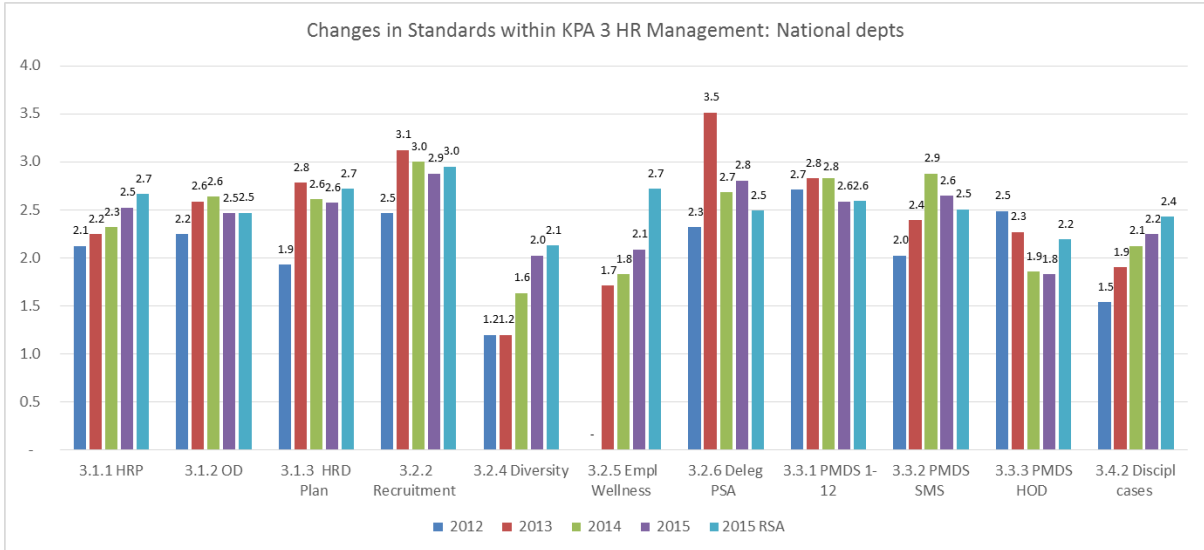
As shown in the above graph and table below the best performing standard for the HR KPA in 2015 was on Application of Recruitment and retention practices with an average score of 3.0 across all national departments. The average score for delegations in 2013 was 3.5 but dropped to 2.5 in 2015 due to departments not complying with the Delegations Directive that was issued in August 2014 and delegations not aligned to Cabinet approved minimum levels. The standards on Human Resource Planning, Employee Wellness, and Management of Disciplinary cases have shown a steady improvement year on year. The poorest performing standard for the HR KPA was on PMDS HOD with an average score of 1.8 the reason being that there were 12 national departments that had an Acting DG for the MPAT 1.5 assessment. The PMDS HOD standard is not moderated when the department has an Acting DG and it affected the average score for the standard. Management of Diversity remained one of the poorest performing standards in the HR KPA due to the equity targets not being achieved in national departments. Departments need to meet the 50% target for SMS female and 2% target for Persons with Disabilities but are experiencing serious challenges in achieving these targets which is causing this standard to perform poorly.

	3.1.1 HR Planning	3.1.2 Org Design	3.1.3 HR Dev Plan	3.2.2 Recruit and reten	3.2.4 Mgt diversity	3.2.5 Man Emp Health	3.2.6 Deleg PSA	3.3.1 Level 1-12 PMDS	3.3.2 SMS PMDS (ex HODs)	3.3.3 PMDS HOD	3.4.2 Discipl cases
ND Agriculture Forestry and Fisheries	3,0	2,5	2,5	2,5	1,0	1,0	4,0	3,0	2,0	2,5	2,0
ND Arts and Culture	1,0	3,0	2,5	3,0	1,0	1,0	2,0	2,0	2,0	-	2,0
ND Basic Education	3,0	2,0	4,0	3,0	2,0	2,5	3,0	4,0	4,0	1,0	2,0
ND Communications	3,0	2,0	2,5	3,0	2,5	2,5	4,0	4,0	4,0	1,0	1,0
ND Cooperative Governance	2,5	2,0	3,0	3,0	2,5	2,0	2,0	2,0	2,0	3,0	2,0
ND Correctional Services	2,0	1,0	2,0	1,0	2,0	1,0	2,5	2,0	2,0	1,0	1,0
ND Defence	1,0	3,0	2,0	2,5	2,0	2,0	2,0	3,0	2,0	2,0	2,0
ND Economic Development	2,5	2,0	2,0	3,0	2,0	2,0	3,0	2,0	4,0	-	2,0
ND Energy	2,5	4,0	2,5	3,0	1,0	2,0	4,0	3,0	2,0	1,0	2,0
ND Enviromental Affairs	3,0	2,5	3,0	3,0	4,0	2,5	2,0	3,0	4,0	2,5	4,0
ND Health	4,0	2,5	2,5	4,0	2,5	2,0	4,0	2,0	4,0	2,5	2,0
ND Higher Education and Training	1,0	2,5	4,0	3,0	1,0	2,0	3,0	2,0	2,0	3,0	2,0
ND Home Affairs1	2,5	4,0	2,5	2,5	2,5	4,0	3,0	3,0	4,0	2,5	4,0
ND Human Settlements	2,5	2,5	2,5	3,0	2,5	2,0	2,0	3,0	3,0	-	3,0
ND Independent Police Investigative Directorate	3,0	2,5	2,5	3,0	2,5	2,0	4,0	2,0	2,5	-	1,0
ND International Relations and Cooperation	3,0	2,0	2,5	3,0	2,5	2,0	3,0	3,0	2,0	2,0	2,0
ND Justice and Constitutional Development	4,0	3,0	2,5	2,5	2,5	2,0	4,0	2,0	2,0	2,5	2,0
ND Labour	2,0	2,0	2,5	2,5	2,5	4,0	2,0	2,0	2,0	2,5	2,0
ND Military Veterans	1,0	2,0	2,5	2,0	1,0	1,0	2,0	2,0	2,0	1,0	2,0
ND Mineral Resources	4,0	2,0	2,5	2,5	2,0	2,5	3,0	2,0	2,0	2,0	3,0
ND National School of Government	2,5	1,0	3,0	3,0	2,5	1,0	4,0	3,0	3,0	-	2,0
ND National Treasury	1,0	2,0	3,0	2,5	1,0	1,0	2,5	2,0	2,0	2,5	3,0
ND Planning Monitoring and Evaluation	3,0	2,0	2,5	3,0	2,5	2,5	4,0	3,0	2,0	-	3,0
ND Police	4,0	4,0	2,5	3,0	2,5	1,0	2,0	3,0	3,0	2,5	2,0
ND Public Enterprises	3,0	3,0	2,5	3,0	2,5	2,0	4,0	2,0	2,0	-	1,0
ND Public Service and Administration	2,5	2,5	2,5	3,0	1,0	1,0	2,0	2,0	2,0	2,0	2,0
ND Public Service Commission	2,5	2,5	2,0	3,0	1,0	2,5	2,0	2,0	2,0	-	2,0
ND Public Works	2,5	2,0	2,5	3,0	2,5	2,0	2,0	2,0	2,0	1,0	2,0
ND Rural Development and Land Affairs	3,0	2,0	2,5	2,5	1,0	2,5	3,0	2,0	3,0	2,5	2,0
ND Science and Technology	3,0	2,5	2,5	3,0	2,5	2,5	3,0	4,0	4,0	4,0	4,0
ND Social Development	3,0	2,5	3,0	3,0	1,0	1,0	4,0	2,0	3,0	-	4,0
ND Sports and Recreation South Africa	1,0	2,5	2,5	3,0	2,0	2,0	2,0	2,0	3,0	2,5	2,0
ND Statistics South Africa	4,0	2,5	2,5	4,0	2,5	2,0	2,0	4,0	4,0	2,0	2,0
ND Telecommunications and Postal Services	2,5	2,5	2,5	3,0	1,0	2,5	2,0	3,0	3,0	2,0	2,0
ND The Presidency	3,0	2,5	3,0	2,5	2,5	4,0	2,0	3,0	2,0	2,5	4,0
ND Tourism	3,0	4,0	4,0	3,0	2,5	2,5	2,0	4,0	4,0	1,0	3,0
ND Trade and Industry	2,5	4,0	3,0	4,0	2,5	1,0	4,0	3,0	3,0	2,5	2,0
ND Traditional Affairs	2,5	1,0	2,5	3,0	2,5	2,0	2,0	2,0	2,0	2,0	3,0
ND Transport	2,5	2,0	2,5	2,5	2,5	4,0	4,0	4,0	3,0	2,0	2,0
ND Water and Sanitation	3,0	2,0	2,5	3,0	2,5	2,0	3,0	2,0	4,0	2,5	2,0
ND Women	1,0	3,0	1,0	3,0	1,0	2,5	1,0	2,0	2,0	1,0	1,0

5.   Financial Management

5.1   Public Service Analysis

MPAT 1.5 Average scores per standard for Financial Management
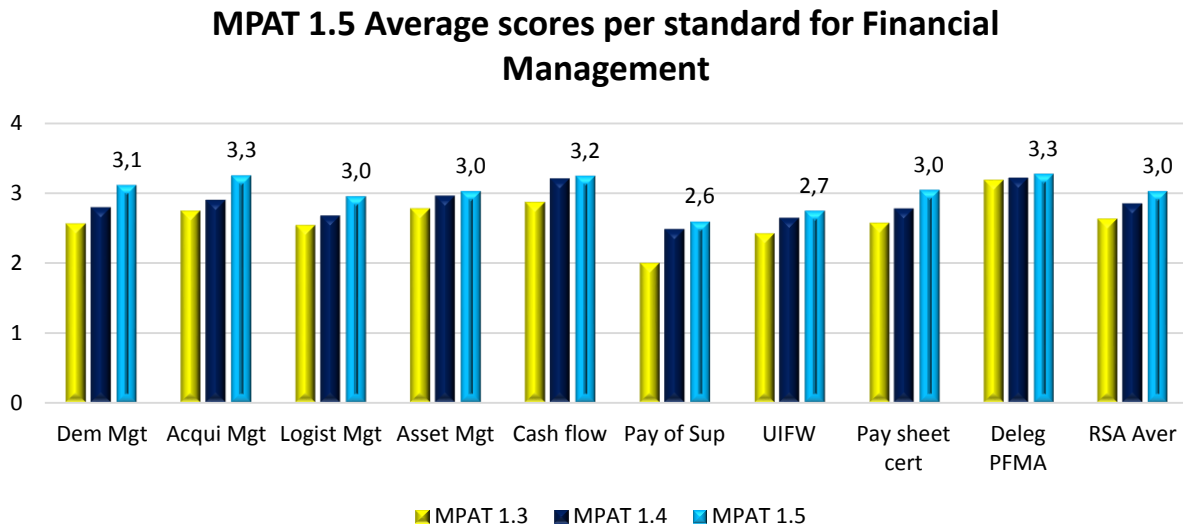
The Financial management key performance area has been showing a steady improvement over the years, culminating in the overall compliance level of 3.0 as reflected in the graph above. This is an improvement on the 2.8 which was recorded in the previous cycle of assessments. This is attributable to numerous factors, least of which is the concerted effort by departments to implement improvement plans to address the findings. Whilst there are differences in scope and timing, this improvement correlates with the steady improvement that has been reflected in the Auditor-General's reports. Many government departments are achieving unqualified audits opinions which shows that the increased focus on problematic areas and various interventions in government are beginning to bear fruits. Further attribution could be made to the sharing of knowledge amongst departments that has been a huge feature of the MPAT process. Improvements were recorded in all the standards, except in Expenditure versus Budget, with a notable improvement being in Demand Management and Acquisition Management.

Whilst these improvements should be welcomed, there is a need to hasten the pace thereof. The greatest concern still remains the area of Payment of Suppliers, which improved only slightly.

Many departments are still battling to pay suppliers within the stipulated timeframe of 30 days. There is a lot of work that is being done to improve this situation by a task team comprising of the DPME, NT, DPSA and DSBD. In addition to attending to individual cases of non-payment, this task team has been meeting with departments and sectors with the view of addressing systemic challenges within government. In addition to Payment of Suppliers, departments are still not implementing measures to curb the incurrence of Unauthorised, Irregular, Fruitless and Wasteful expenditures, which only improved marginally. Departments' performance in this area, which features prominently in the AG report every year, is particularly concerning because it highlights weaknesses in the procurement processes. There is no area that has eroded public trust in state institutions more. The establishment of the Office of the Chief Procurement Officer (OCPO) is meat to address challenges in this area. The OCPO has introduced a number of measures such as the Centralised Supplier Database (CSD) which will go a long way in addressing these persistent challenges. The impact of the OCPO is already evident as reflected in the improvement in Acquisition Management as a result of the implementation of Centralised Supplier Database. The MPAT will continue to monitor compliance with these measures.

It encouraging to see some improvements in the area of Demand Management, which is the planning phase of the procurement cycle. The legislative frameworks emphasize the importance of proper procurement planning. There is still a challenge with integration of various plans and the monitoring of the implementation. Furthermore, some departments don't seem to appreciate the importance of procurement plan as a business tool, merely doing it to comply with the legislative reporting requirements. The standard also encourages departments to develop sourcing strategies to attain the PFMA imperatives of efficiency, effectiveness and economy. Government is still not taking advantage of its position as the biggest buyer to achieve economies of scale. This is reflected in the number of departments that are not implementing sourcing strategies as required by this standard.

In future the MPAT will also be monitoring the extent to which departments are spending in line with the procurement plans which will assist to ensure successful implementation of projects as reflected in the procurement plans. In addition, departments will be monitored on the percentage of expenditure in relation to budgets and management of movable assets. These are part of the gradual move towards performance monitoring.

In spite of the emerging improvements, it is quite evident that challenges remain. There is a definite need to hasten the pace of improvement and to communicate a message of non-tolerance for poor financial management. Good financial management such as unqualified audit opinion,

prevention of unwanted expenditures are the tenets of a clean administration which citizens of the country should expect. It should not be something to be celebrated, overshadowing the imperative of delivery of services to the people.

5.2 Provincial Analysis

MPAT 1.5 (Trends): Average score per standard for Financial Management in RSA
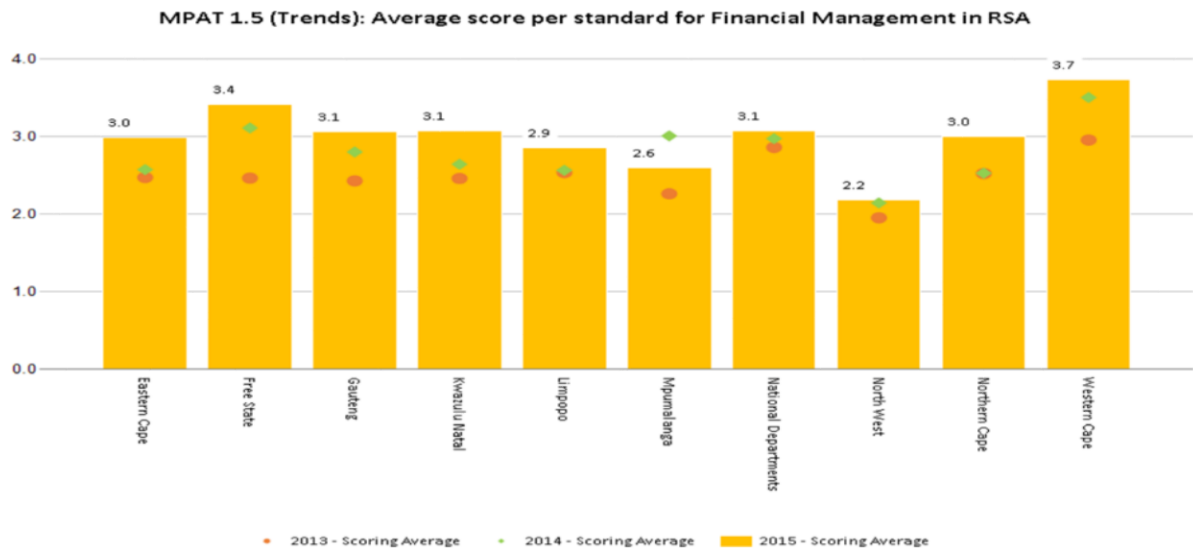
The graph above shows the performance of provincial departments in the Financial Management Key Performance Area. According to the graph, all provinces improved their performance in this area except for Mpumalanga and North West. Notable improvements were recorded in Eastern Cape, KwaZulu-Natal and Northern Cape. The Free State, Gauteng and the Western Cape maintained their improvement trajectory, with the Free State and the Western Cape being the best performers in this area. Provinces that demonstrate better coordination have been performing very well, demonstrating the crucial role that the provincial treasuries and the Offices of the Premier (OTP's) can play in driving improvements. Of particular importance in the area of financial management is the provision of a clear demonstrable leadership by provincial treasuries in driving issues and addressing challenges that are peculiar to a province.

The performance of departments in this key performance area has been showing a consistent upward movement. There is a need to ensure that this trajectory is maintained through targeted support from respective provincial treasuries and other centre of government departments. The provincial treasuries and Offices of the Premier (OtP's) must help facilitate sharing of lessons. The DPME, together with the DPSA and the relevant treasuries should work together in supporting the process of financial management improvement.

5.3   National Departments

MPAT 1.5 average scores of National departments

KPA 4 Fin
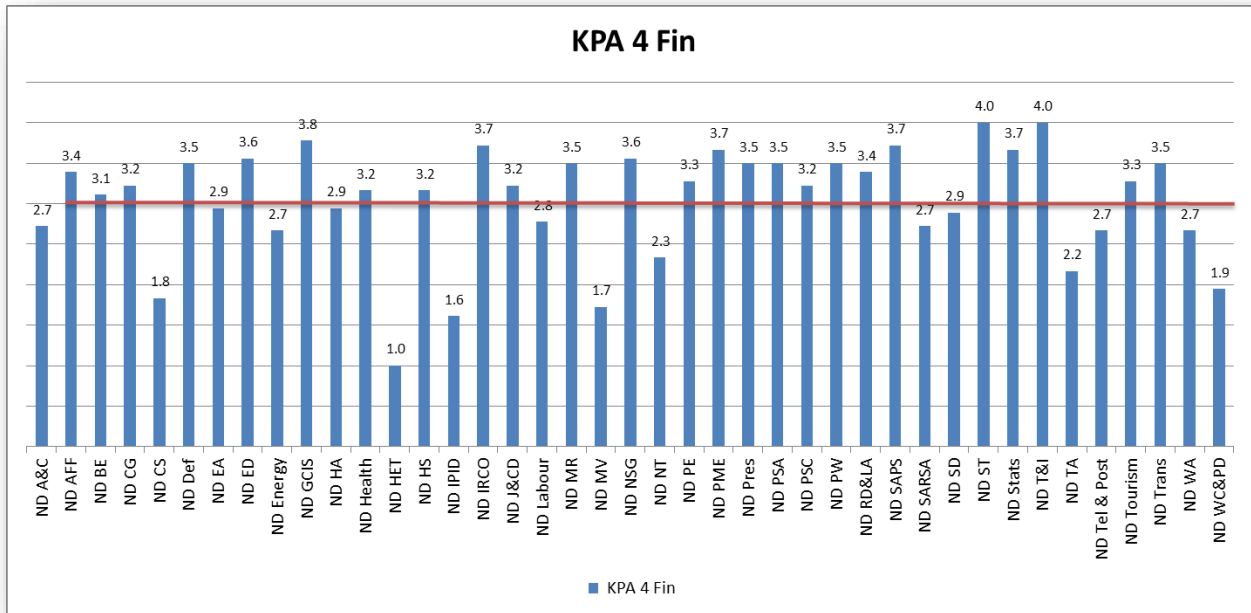
The performance of National departments in the area of financial management has been improving steadily as shown in the graph above. Whilst the graph shows that national departments recorded a marginal improvement between 1.4 and 1.5 assessments, it is encouraging that departments, on average, are steadily entrenching the culture of compliance. The graph further shows that many departments have exceeded the compliance level of 3, with Science and Technology and Trade and Industry being the two top performers, both achieving level 4. Other notable good performers include Department of Communications, International Relations and Cooperation, Planning, Monitoring and Evaluation, South African Police Services, and Statistics South Africa. There are also some departments whose performance is worryingly poor. These are Correctional Services, Independent Police Inspectorate Directorate, Military Veterans and Women. These departments recorded a performance of below 2 and unless they implement corrective measures they will not see an improvement any time soon. Some of these departments such as Military Veterans and Correctional Services have already been identified for support that is currently being implemented. It is also instructive to note that Military Veterans and

Women are relative young departments whose systems have not yet matured. These departments could benefit greatly from learning from such departments as Trade and Industry and Science and Technology.

It is further worth mentioning that previous MPAT case studies have shown that departments that consistently perform well in financial management are those that document procedures for routine processes, put in place stringent internal controls and have strong leadership that demonstrates low level of tolerance for non-compliance with prescripts and sets clear achievable targets on issues such as payment of suppliers and unqualified audit opinions. In an era of limited resources and austerity measures, good financial management is a crucial catalyst that helps departments to achieve the PFMA imperatives of efficiency, effectiveness and economy. Poor financial management leads to wastage of resources and communicates a message of profligate spending in a difficult environment when the country is struggling to find funds for pressing needs.

	4.1.1 Demand Mgt	4.1.2 Acquisition Mgt	4.1.3 Logistics mgt	4.1.4 Disposal mgt	4.2.1 Cash flow	4.2.2 Paymt of suppl	4.2.3 Unauthorised Etc	4.2.4 Pay sheet cert	4.2.5 Deleg PFMA
ND Agriculture Forestry and Fisheries	3,0	4,0	4,0	3,0	3,0	2,5	3,0	4,0	4,0
ND Arts and Culture	4,0	4,0	3,0	3,0	2,0	2,5	3,0	1,0	2,0
ND Basic Education	3,0	3,0	3,0	2,5	4,0	2,5	3,0	3,0	4,0
ND Communications	4,0	4,0	3,0	4,0	4,0	3,0	4,0	4,0	4,0
ND Cooperative Governance	3,0	2,5	3,0	4,0	4,0	2,5	3,0	3,0	4,0
ND Correctional Services	2,5	3,0	3,0	1,0	2,0	1,0	1,0	1,0	2,0
ND Defence	4,0	4,0	4,0	4,0	4,0	2,5	3,0	3,0	3,0
ND Economic Development	3,0	4,0	4,0	3,0	4,0	3,0	3,0	4,0	4,0
ND Energy	3,0	3,0	3,0	3,0	4,0	3,0	2,0	1,0	2,0
ND Enviromental Affairs	4,0	4,0	4,0	3,0	2,5	3,0	4,0	4,0	1,0
ND Health	3,0	4,0	3,0	3,0	4,0	2,5	3,0	2,0	4,0
ND Higher Education and Training	3,0	3,0	3,0	2,0	4,0	2,5	3,0	4,0	4,0
ND Home Affairs1	3,0	3,0	3,0	3,0	4,0	2,5	2,0	2,0	4,0
ND Human Settlements	3,0	4,0	3,0	4,0	3,0	2,5	3,0	2,0	4,0
ND Independent Police Investigative Directorate	2,5	1,0	1,0	2,0	1,0	1,0	3,0	2,0	1,0
ND International Relations and Cooperation	4,0	4,0	4,0	4,0	4,0	2,5	3,0	4,0	4,0
ND Justice and Constitutional Development	3,0	4,0	3,0	4,0	4,0	3,0	3,0	4,0	4,0
ND Labour	3,0	2,5	3,0	2,0	2,0	2,5	3,0	3,0	4,0
ND Military Veterans	1,0	2,5	1,0	1,0	2,0	2,0	1,0	1,0	4,0
ND Mineral Resources	4,0	4,0	3,0	4,0	4,0	2,5	2,0	4,0	4,0
ND National School of Government	3,0	4,0	3,0	4,0	4,0	4,0	3,0	3,0	4,0
ND National Treasury	2,5	2,5	3,0	2,0	2,0	3,0	1,0	2,0	3,0
ND Planning Monitoring and Evaluation	3,0	4,0	3,0	4,0	3,0	4,0	4,0	4,0	4,0
ND Police	4,0	4,0	4,0	4,0	4,0	3,0	4,0	4,0	4,0
ND Public Enterprises	4,0	4,0	3,0	3,0	4,0	2,5	3,0	2,0	4,0
ND Public Service and Administration	3,0	4,0	3,0	4,0	4,0	2,5	3,0	4,0	4,0
ND Public Service Commission	4,0	2,5	3,0	4,0	2,0	2,5	3,0	4,0	4,0
ND Public Works	3,0	4,0	4,0	4,0	4,0	2,5	3,0	3,0	4,0
ND Rural Development and Land Affairs	3,0	4,0	4,0	3,0	4,0	2,5	4,0	4,0	4,0
ND Science and Technology	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0
ND Social Development	3,0	2,0	3,0	2,5	3,0	2,5	3,0	3,0	4,0
ND Sports and Recreation South Africa	3,0	3,0	3,0	2,0	4,0	2,5	2,0	3,0	2,0
ND Statistics South Africa	4,0	3,0	3,0	4,0	4,0	4,0	4,0	4,0	3,0
ND Telecommunications and Postal Services	3,0	3,0	3,0	4,0	2,5	2,5	2,0	2,0	2,0
ND The Presidency	3,0	3,0	4,0	4,0	2,5	3,0	4,0	4,0	4,0
ND Tourism	3,0	2,5	2,5	2,5	4,0	4,0	3,0	4,0	4,0
ND Trade and Industry	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0
ND Traditional Affairs	3,0	3,0	2,0	2,0	2,5	2,0	2,0	2,0	1,0
ND Transport	3,0	4,0	4,0	3,0	4,0	2,5	3,0	4,0	4,0
ND Water and Sanitation	3,0	4,0	3,0	2,0	4,0	1,0	3,0	2,0	2,0
ND Women	3,0	2,5	1,0	2,0	1,0	2,0	1,0	1,0	4,0