**4. Report of the Portfolio Committee Public Service and Administration on consideration of the Second and Third quarter performance of 2019/20 financial year: Department of Planning, Monitoring and Evaluation and Brand South Africa, dated 11 March 2020**

1. **BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered second and third quarter performance of 2019/20 financial year of the Department of Planning, Monitoring and Evaluation and Brand South Africa, reports as follows:

1. **INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and entities. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly reports within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament’s oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 19, 2020, the Committee considered second and third quarter performance of 2019/20 on the performance of the Department of Planning Monitoring and Evaluation and Brand South Africa. Performance information was in accordance with the Strategic Plans, Annual Performance Plan and Medium Term Strategic Framework. The report provides an overview of the presentations made before the Committee mainly focusing on the achievements, output in respect of the performance indicators and targets set for above-mentioned financial year. The report outlines the findings/observations of the Committee relating to the Department and BSA performance.

1. **PROGRAMME PERFORMANCE**

**Department of Planning, Monitoring and Evaluation**

* 1. **Budget Allocation and Expenditure**

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| --- | --- | --- | --- | --- |
| **Per Programme** | **AENE Budget** | **Q1-Q3**  **Drawings** | **Q1-Q3 Expenditure** | **% Budget Spent** |
| Administration | 184 195 | 135 364 | 117 407 | 63.7% |
| National Planning Commission | 85 931 | 55 384 | 59 792 | 69.6% |
| Sector Monitoring | 82 615 | 68 802 | 53 188 | 64.4% |
| Public Sector Mon & Capacity Dev | 86 875 | 64 054 | 58 577 | 67.4% |
| Evidence and Knowledge Systems | 47 861 | 35 025 | 25 772 | 53.8% |
| National Youth Development | 469 462 | 358 736 | 355 788 | 75.8% |
| **Total** | **956 939** | **717 365** | **670 525** | **70.1%** |

1. **Programme 1: Administration**

The main objective of the programme is to provide strategic leadership, management, administrative, financial and human resource services to enable the Department to achieve its strategic and operational goals. The programme’s objective is to co-ordinate planning, monitoring and reporting on the implementation of the Departmental plans, to promote internal and external communication on the work of the department, to achieve an unqualified audit opinion on financial statements, to hire, develop and retain the right people in the right positions for the department throughout the planning period, to successfully implement and realise benefits from ICT solutions in doing the work of the department and to promote good corporate governance practices and management.

Programme 1 had 11 predetermined targets in the second quarter 2019/20 financial year. Of total targets, 9 were achieved and 2 targets were not achieved. Targets not achieved include submission of Strategic and APPs to the National Treasury due to the revised framework for Strategic Planning developed for all government departments and entities. In the third quarter 2019/20 financial year, the Department had 10 predetermined targets, 9 targets were achieved and1 target was not achieved. In addition to target not achieved was vacancy rate which was above acceptable 10 percent. The Department vacancy rate for the quarter was at 11,7% and 10 posts were filled. A total of 19 staff members exited the department which negatively impacted on the vacancy rate.

1. **Programme 2**: **National Planning Coordination**

The main purpose of this programme is to advance the strategic priorities of the department by developing and implementing the outcomes system, monitoring and reporting on its progress, and evaluating its impact. The main objectives are to ensure effective outcomes planning, monitoring and evaluation through facilitating the development of plans of the Delivery Agreements for priority outcomes with government departments, monitor and evaluate the implementation of the Delivery Agreements and making recommendations for corrective action on an ongoing basis. In addition, the Department aims to provide advice and technical support to the Presidency, establish and support an effective national evaluation system to inform the government’s work on a continuous basis.

Programme 2 had 3 predetermined targets during second quarter 2019/20 financial year, of 3 targets, 2 were achieved and 1 targets was not achieved. Among targets not achieved include the NDP 5 Year implementation which suppose to be submitted to Cabinet. In the third quarter 2019/20 financial year, the Department had achieved all 3 predetermined targets. Integrated Development Framework Bill was the target not achieved due to the incorporation of the District Development Model (DDM). The DDM was finalised by January 2020 as per Department of Cooperative Governance and Traditional Affairs.

1. **Programme 3:** **Sector monitoring**

The programme is responsible for promoting good M&E practices in government, conducting management performance assessment and support, frontline service delivery monitoring and support and government-wide planning and M&E capacity development and learning. The branch will also be responsible for the proposed Regional Offices. Whereas the OME Branch’s focus is on the management of the outcomes system and the achievement of government’s priorities, the focus of the IPM&E branch is on what can be done to make the organisation function better.

Programme 3 had 4 predetermined targets in the second quarter 2019/20 financial year. Of 4 targets, 1 was achieved and 3 targets were not achieved. In the third quarter 2019/20 financial year, the Department had 4 predetermined targets, 3 targets were achieved and 1 target was not achieved. Among targets not achieved was the delay on the approval of the Medium Term Strategic Framework (MTSF) for 2019-2024 which delayed the development of the Bi-annual priorities monitoring reports. It was anticipated that MTSF 2019-2024 will be launched by the President at the SONA scheduled for February 2020.

1. **Programme 4:** **Public Sector Monitoring and Capacity Development**

The purpose of this programme is to develop the country’s long-term vision and national strategic plans and contribute towards better outcomes in government through better planning, better long term plans, greater policy coherence and a clear articulation of long term aspiration. The main responsibilities of the programme is to institutionalise and strengthen planning in government by facilitating the development of sectoral plans, ensuring coherence between plans, policies and service delivery across government, ensuring high-level priorities are fed through into plans across all spheres of government and engaging stakeholders on the output of the planning process to ensure buy-in.

Programme 4 had 5 predetermined targets in the second quarter 2019/20 financial year. All 5 targets were achieved. In the third quarter 2019/20 financial year, the Department achieved all 4 predetermined targets.

1. **Programme 6: Evaluate, Evidence and Knowledge Systems**

The purpose of the programme is to coordinate and support the generation, collation, accessibility and timely use of quality evidence to support performance monitoring and evaluation across government coordinate and support the generation, collation, access and timely use of quality evidence to support PM&E across government.

Programme 5 had 7 predetermined targets in the second quarter 2019/20 financial year. All targets were achieved. In the third quarter 2019/20 financial year, the Department achieved all 2 predetermined targets.

1. **BRAND SOUTH AFRICA**

Brand SA’s purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa; to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism.

BSA aims to make an indirect contribution to economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa. BSAdevelops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.

* 1. **PROGRAMME PERFORMANCE**
  2. **Budget allocation and expenditure**

|  |  |  |  |
| --- | --- | --- | --- |
| **Per Programme** | **AENE Q2 Budget** | **YTD Q2 Actual** | **YTD Q2 VARIANCE** |
| Brand Marketing | 35 436 | 36 261 | 117 407 |
| Stakeholder Relations | 2 487 | 1 446 | 59 792 |
| Administration | 45 241 | 48 987 | 53 188 |
| **Total** | **83 165** | **86 654** | **-3 489** |

1. **Programme 1: Administration**

The programme seeks to provide management and leadership to develop standardised format of guidelines and templates to strengthen the means of verification and collecting and reporting on performance information.

Programme 1 had 5 predetermined targets in the second quarter of 2019/20 financial year. Of 5 targets, 4 (80%) were achieved and 1 (20%) targets were not achieved. In the third quarter of 2019/20 financial year, program 1 had 3 predetermined targets, 2 (67%) targets were achieved and 1 (33%) target was not achieved.

1. **Programme 2: Brand, Marketing & Reputation Management**

The programme seeks to develop and articulate a Nation Brand identity that will advance South Africa’s long-term reputation and global competitiveness. This includes a focus to research and monitor sentiment and performance of the National Brand to analyse trends and provide insights to inform decision making and communication and then to both proactively and reactively communicate the country’s value proposition, values and highlight progress being made.

Programme 2 had 15 predetermined targets in the second quarter 2019/20 financial year. Of 15 targets, 14 (93%) were achieved and 1 (7%) targets were not achieved. In the third quarter 2019/20 financial year, Programme 1 had 16 predetermined targets, 13 (81%) targets were achieved and 3 (19%) target was not achieved.

1. **Programme 3:** **Stakeholder Relations**

The programme seeks to build and leverage collaborative partnership, to participate, to integrate and coordinate efforts and approaches to market the Nation Brand identity and promote the Nation’s value proposition and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation.

Programme 3 had 5 predetermined targets in the second quarter 2019/20 financial year and all targets were achieved. In the third quarter 2019/20 financial year, programme 3 had achieved all 5 predetermined targets.

1. **FINDINGS AND OBSERVATIONS**

The Portfolio Committee made the following observations and findings:

* 1. The Committee notes the Department of Planning, Monitoring and Evaluation on the second and third quarter performance of 2019/20 financial year.
  2. The Committee was concerned about the manner in which the Department of Planning, Monitoring and Evaluation is monitoring government departments. The Committee is of the view that if the Department was effectively monitoring and evaluating government departments at a more strategic level, the work of Standing Committee on Public Accounts (SCOPA) could have been minimised.
  3. The Committee notes that Department was unable to finalise the Integrated Development Framework Bill due to the incorporation of the District Development Model into the Bill.
  4. Delay in procuring office space for the Department was noted by the Committee.
  5. The Committee was pleased with the announcement of the appointment of Board Members for Brand South Africa. Board Members would collectively steer the institution into prosperity by achieving Brand South Africa mandate of implementing a proactive and coordinated international marketing and communications strategy in order to improve the image of the country.
  6. The Committee was concerned about prolonged suspension case of the Chief Financial Officer of Brand South Africa.
  7. The Committee was of the view that Brand South Africa should develop monitoring tool or index to measure the image of the country which can be used as reporting tool when accounting to its stakeholders. Brand South Africa would brief the Committee on the research commissioned to study the image of the country which impact on the economy.

**6. Recommendations**

6.1 The Committee urged the Department to double its effort in achieving targets particularly in Programme 2: National Planning Commission, Sub-programme National Planning Coordination, which serves as a key pillar to ensure planning coordination across three spheres of government.

6.2 The Committee advised the Department to strengthen its role of planning, monitoring and evaluation with the aim of assisting legislatures with effective reports to enrich their oversight for purpose of ensuring accountability, which will ultimately translate to service delivery.

6.3 The Department was advised to speed up the process of finalising the Integrated Development Framework Bill. The Department was also requested to brief the Committee in March 2020 on the results of the piloted District Development Model which seeks to ensure that each district or metro has a single development plan, which will be formulated jointly by national, provincial and local government as well as business, labour and community in each district.

6.4 The Department of Planning, Monitoring and Evaluation was urged to devise timeframes on the filling of the vacant position of the Director-General.

6.5 The Committee urged the Department to work closer with the Department of Public Works and Infrastructure to swiftly find an amicable solution towards identifying suitable and safe office space for the employees.

6.6 The Committee advised Brand South Africa to swiftly finalise disciplinary process regarding the Chief Financial Officer in order to ensure stability in the institution.

**7. The Portfolio Committee recommends as follows:**

**7.**1 The House adopts and approve performance report of the Budget Vote 8 of the Department of Planning, Monitoring and Evaluation

Report to be considered