

Portfolio Committee on Public Service and Administration
10th March 2021 | Virtual Meeting



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

[0:00:00]

Honourable Chairperson Regina Mina Mpontseng Lesoma- ... we wish her a speedy recovery.

And our acting Minister for DPME, she has apologised also formally through the administration, she's attending a Cabinet meeting. But all relevant officials and DM they are going to lead the discussions, as well as Brand SA.

[0:00:26]

I'm not too sure Honourable Members if I omitted any apology other than those ones that I have just quickly gone through; I'll see by show of hand or saying 'none.'

Okay, no problem let's proceed. Masi, if possible can you just fly to the agenda quickly for all of us to see; please.

Committee secretariat: Masixole Zibeko- Thank you very much. Today's, I think, it's going to be a very exciting engagement. We will be receiving a presentation from DPME on agreements of the accounting officers for the year that was. And also, as it says, that it should be aligned, and they will give us a sense of comfort that it is aligned with the MTSF 2019-2024.

[0:01:30]

I would suggest that we take both the DPME and DPSA, and end with Brand SA.

But we will receive presentation from DPME followed by DPSA which is point 2, and then we'll discuss and then we'll go to Brand SA.

Honourable Chairperson Regina Mina Mpontseng Lesoma- With that Honourable Members let's proceed.

Over to you Honourable DPME... let me just see...[over talking]...also when we are going to start DPSA I'll request the DPSA also to do the opening high-level introduction of the presentation...[inaudible]

Thank you very much. Over to you ma'am.

[0:02:26]

Deputy Minister in the Presidency Thembi Siweya- Thank you Chair. Let me start by greeting colleagues from DPME, DPSA and Brand SA.

We are really happy to be here. I just want to apologise, Chair, I'm on the field. We are conducting frontline monitoring of distributions of vaccines to frontline workers, and my network is not so very good.

[0:02:53]

Let me start also by just also reiterating the apology from the acting Minister Ntshavheni who could not join us as she is attending to a Cabinet meeting which is taking place. Just a few highlights and I'm going to request that I speak on DPSA and Brand SA... DPME and Brand SA.

We are happy to come and report that all HOD's have submitted their performance agreement...[interrupted]

Honourable Chairperson Regina Mina Mpontseng Lesoma- One second DM can I disturb you?

Then if you do that, I will suggest Honourable Members if you can allow then we take both DPME and Brand SA then we take DPSA last, so that there is a flow also of what the DM would have said as her opening remarks.

[0:03:46]

Deputy Minister in the Presidency Thembi Siweya- Okay, thank you Chair, and I'm sorry for making you to change your program. I was still saying that we are happy to report that all HOD's have submitted their performance agreement, with only three that are yet to be signed by MECs in the North West. The DG will also speak to some of the quality assurance processes which we have conducted.

[0:04:07]

Chair and Members of the Committee, as part of the reform process, we are working with all stakeholders to ensure that their performance agreements are aligned to the APP's and ministerial performance agreements.

When it comes to Brand SA, we will speak to plans to stabilise the institution at a leadership position and issues related to the former CEO.

I can also just report in advance that the processes are underway of renewing the acting appointment of the CEO for a period of 12 months.

[0:04:41]

Colleagues from Brand SA will also elaborate on that. The Board will also speak to the performance of the entity with regard to promotion of the country's reputation.

You'll remember that with the pandemic things had become slow. We had to readjust our APP and therefore the institution they will take us through in relation to what is it that the institution is doing in relation to the country's reputational report.

[0:05:11]

The last one Chair. Just to go back to DPME, I think I forgot to skip it, is that performance agreements of Ministers have been signed; they are there on the website. The ones which are outstanding is the one of the Deputy Minister. But if you check them, the role they have already been assigned to Deputy Ministers, the only process which we are dealing with internally is to ensure that we finalise the process of Deputy Minister signing.

With those words I'm going to request that the DG from DPME take the Committee through and then after that when they say we can do that, then we'll respond to the questions as they come.

Thank you Chair.

Honourable Chairperson Regina Mina Mpontseng Lesoma-Thank you very much DM; over to you DG Nkuna.

[0:05:57]

Director General Mr Robert Nkuna - Good morning Chairperson, Honourable Members, DM Siweya, DM Chikunga and colleagues from the various state institutions.

We wish to thank you for giving us this opportunity to start with our presentation.

Chair, with your permission, may I request DDG Blake Lefatola who was working on this project to lead with a presentation and we will all participate in responding to the questions that will be raised by Honourable Members.

Thank you.

[0:06:33]

Deputy Director General Mr Blake Lefatola - Thank you Chairperson, it's Blake Lefatola mostly doing the presentation.

This presentation will just cover a report on the 2020/2021 performance agreements of accounting officers.

The slide dealing with the introduction just deals with the legislation that regulates the Performance Management Development System. And we also just reminding the Committee that the DPME is the Secretariat supporting the Presidency for HoD evaluations, and we are also responsible for overseeing the implementation of the directive from national departments. And we also have to interact with the Office of the Premier in the different provinces to ensure that the Office of the Premier also does what they are responsible for in terms of the performance management of the DGs in their respective offices.

[0:07:58]

Next slide, please!

Now last year, as all of us would know, was a fairly tumultuous year. And because of Covid that we were experiencing, there was an extension for the submission of the 2020/2021 performance agreements. Initially it was extended to the 31st of July 2020 but then later on as government was still trying to adjust and acclimatise with the demands that Covid had imposed on the state; it was further extended to the 31st of October 2020.

As has been indicated, is that the submissions for the 2020/2021 performance agreement has been very good. Compliance has been great except for the three performance agreements in the North West that has not been submitted, and which we are still awaiting the signatures of the MECs

[0:09:17]

And currently we are seized with that matter to ensure that the outstanding signatures are actually received.

And this table just gives you a breakdown of the substantive Heads and the substantive DGs and those who are actually acting. And what we would like to draw attention to is that at a national level you would see that there are about 13 people actually acting, and that is the one after Eastern Cape,

Free State, Gauteng, KZN, Limpopo, Mpumalanga, then you've got national. And you would see that there are 13 people who are actually acting. And then you would also see the numbers of people acting in the different provinces; and these number of people that are actually acting is a bit concerning and we are trying to ensure that through working with DPSA, and you'll also hear from DPSA's presentation, that it is something that DPSA is trying to address.

[0:10:50]

Next slide, please!

This is just a pie graph that indicates those who have actually submitted. You would see that there are 98 that have actually submitted on time, and then there are 8 that submitted late. There are 37 DGs that are actually acting, then there are 6 who were newly appointed, and then of course the 3 that are actually unsigned. Even if the Head of Departments may have signed, if it is that the MEC or the executive authority has not signed, then we take it that it's still outstanding and it has not been attended to.

[0:11:42]

Next slide, please!

Now as we know that the directive in the MPSA makes provision for consequence management, and it basically states that if we do sit with accounting officers who have not signed performance management agreements, they would forfeit the benefits related to the PMDS. But the position that we are also taking as DPME, is to insist that it should be a matter of best practice that all accounting officers actually do enter into performance management agreements as soon as they assume office and as soon as they have been appointed.

[0:12:38]

Now we also note, and we're just reminding the Committee, that the President has signed the performance agreements with all Ministers in 2020. And the important thing about the Performance Management Agreements that the President has signed with the Ministers is that it stipulates in the Ministers' Performance Management Agreement that the performance management of HoDs is a must and it is a must for the Minister to enter into a Performance Management Agreement with the DG, and the accounting officer. We are certain that this will actually help in terms of just ensuring continued compliance and entrenching the culture of Performance Management Agreements

actually being a way of doing things; the signing of Performance Management Agreements actually being a way of doing things in the Public Service when we talk about performance management.

[0:13:46]

Next slide, please!

Now when we reflect on the signing of the performance of this particular process, in terms of successes, there's a high level of compliance as we've actually indicated and which we want to entrench this particular compliance level. And then secondly also is that in collaboration with other stakeholders such as DPSA and the National School of Government, the HoD PMDS System was developed and training was provided to provincial and national departments. And this is just to empower those affected and those we have to implement the system.

[0:14:48]

If we have to reflect on the challenges and the work that still remains and that we are currently seized with, is:

We need to ensure that there's a shift away from 'compliance' to having performance and outcomes driven Performance Management Agreements.

In other words what we are saying here is that it's not just so much a matter of complying, but it's to look as to what is the outcome and the impact that Performance Management Agreements of both the Ministers and the DGs have on society; because government exists to provide a particular service for society and not just because of itself. So in this sense the Performance Management Agreements are just but an instrument to help government to achieve its necessary developmental outcomes and impact on society.

[0:15:56]

So that's what we need to do, and the way we are going to do this is to ensure that we look at the indicators of Ministers in the Performance Management Agreements, we look at the indicators of DGs in their Performance Management Agreements, and then we see as to how are they linked and aligned to the MTSF indicators and how those MTSF indicators are aligned to the NDP and to the targets within the NDP and the developmental outcomes that the NDP actually wants. So that's how we would want to transition from compliance to outcomes and impact based.

Secondly, also is we would want to ensure that the content of the performance agreements of the DGs must actually reflect the entire contribution that they actually do.

The linkages and alignment to the MTSF is in need of improvement and we are currently busy with that particular process where we are looking at the Performance Management Agreement of Ministers in the economic cluster and to see how it is actually linked to the outcomes and the targets of the NDP.

[0:17:29]

And we believe that we can actually do better and there's room for improvement in that regard.

Then also another challenge that we actually have and that we are also attending to and seized with relates to just ensuring that once we have given DGs and HoDs feedback on the content of their performance agreements after we've done the quality assurance checks, that in fact there is a process of incorporating that feedback into their agreements and them amending their agreement. So there's also some work that we need to attend to in that regard.

[0:18:21]

Next slide, please!

The other point is that in collaboration with the DPSA, because remember DPSA is actually the custodian of the policy on the PMDS and DPME is allocated the responsibility of secretariat and actual implementation. So in collaboration with DPSA we are of the view that the Performance Management Development System guidelines actually have to be amended so that the amendment actually allows for much better performance management that actually allows us to achieve the outcomes that we actually want to achieve. And the bulk of those amendments would essentially be around the fact that the Performance Management Agreements must be more performance based. It must accurately reflect the role of the HoDs and most importantly is we need to ensure that there are actually very, very clear linkages with the MTSF and the Ministers agreement.

[0:19:42]

And of course the MTSF is an implementing instrument that we are using to achieve the developmental outcomes and objectives of the NDP. This process of amendments will commence in the next quarter and it will be finalised by the end of 2021. And the recommendations that will

actually come out of this process of amendments will be consulted with the MPSA before it can be implemented.

[0:20:14]

Next slide, please!

So to conclude Honourable Chairperson and Members of the Committee, we would like to reiterate the fact that there's been good compliance with the submission of performance agreements to ourselves, and we also would like to reiterate the fact that consequence management must be applied to defaulters. And where there's poor management, poor performance... where there is poor performance that poor performance must be managed through the PMDS.

We would also like to bring to the attention of the Committee that the performance in terms of compliance this year has been very, very good, but there's a problem with and a challenge still with the number of people who are acting. So even though there's been a decline in terms of the number of people who have been acting in the last financial year 2019/2020 it was 27% and in this financial year 2020/2021 it is 24%; it is still fairly high and it is something that we need to focus on and ensure that we eradicate the 24% acting and we've got substantive people in those positions, because acting is not good.

[0:21:45]

And then the last point that we'd want to make is that the HoD PMD online system will improve the tracking of documents and also it will serve as a central storage of all performance documents.

So that's the report that we have with respect to the 2021 performance agreements of HoDs and its linkages the MTSF.

So with those few words thank you very much to the Chairperson and other Honourable Members of the Committee and the acting Ministers present here, and our colleagues; thank you very much.

[0:22:320]

Honourable Chairperson Regina Mina Mpontseng Lesoma-Thank you very much, let's take Brand SA. I've noticed that we have been joined by the Chairperson of Brand SA; Ms Tobias you are most welcome.

I think notwithstanding that the Minister... the DM has made opening remarks. I'm not too sure whether Ms Tobias, Chairperson of Brand SA, would like to say a few words because you are also an accounting officer in terms of being Chair of the Board charged with the policy oversight and formation and making sure that good corporate governance also finds its expression in the workings of Brand SA.

[0:23:11]

But I'll hear from you who's going to speak; over to you ma'am

Board Chairperson Brand SA: Ms Tobias - Thank you very much Honourable Lesoma. Good morning Honourable Members and good morning colleagues

Colleagues, today we have been tasked to make a presentation on, first, the finalisation of the suspended 'CEO' in inverted commas and, secondly, the stabilisation of Brand South Africa.

Can we fly to that on the screen please; yes?

[0:23:44]

On item number one; the Board when it was appointed in November 2019 first on its agenda it received a report from the then Minister Mthembu... a report on to finalise on the matter of the suspension of the then CEO Dr Kingsley Makhubela. And the first agenda item that the Board had when it had its first meeting was to process this matter. Therefore the Board followed due process in relation to the labour relations Act and the Board then made recommendations and provided them to the executive authority for concurrence. And the Board, in consultation with the Minister agreed to settle the matter in lieu of the reputational risk that Brand South Africa would continue to suffer in the public discourse if this matter was not finalised.

And in the process of engagement the fixed term contract of the then CEO came to an end on the 31st of March 2020, thus bringing the matter of the suspended CEO to an end. As we stand we're having an acting CEO in the name of Ms Thulisile Manzini who has been acting since the then CEO was suspended as seconded from the Department of Communications and with the concurrence of all the relevant Ministers.

[0:25:09]

And as the Deputy Minister has earlier on indicated, is in the process of advertising the post we then received a moratorium on the filling of vacancies in lieu of the fact that there was a reconfiguration process between Brand South Africa, Invest South Africa and South African Tourism.

[0:25:28]

Therefore, the moratorium stopped us from advertising any posts up until we have been advised by the Executive Authority. And in the process of trying to get clarity on how the rationalisation process will affect the day-to-day operations of Brand South Africa, we had an unfortunate situation where our Executive Authority passed on, and may his soul rest in peace, and we had to receive a new acting Minister whom currently we have been trying to set a meeting to discuss matters affecting Brand South Africa, especially the same issues that there it speaks to the stabilisation of the institution to make sure that we do fill critical posts.

I think in the current conjuncture Members are aware, as we reported earlier on, that we have three critical vacancies, namely, the CEO, the CMO and the Chief Financial Officer.

[0:26:25]

May we proceed to the next slide please? Can we show the next slide on stabilisation please?

Chair, I'm I still in?

Honourable Chairperson Regina Mina Mpontseng Lesoma- You are audible.

Board Chairperson Brand SA: Ms Tobias -But the browser is not moving.

Honourable Chairperson Regina Mina Mpontseng Lesoma-But use your own slides, because I believe we have received the presentation all of us so that we can proceed...[over talking, inaudible]

Unidentified speaker - It is on slide 4, Chairperson...[over talking, inaudible]

Ms Tobias, what I'm suggesting for the progress sake is that you continue with your slides that you have before you, but you will indicate which slide because we do have the presentation...[over talking]...back in terms of dealing with the technology glitches. Thanks ma'am.

Board Chairperson Brand SA: Ms Tobias -Thank you very much.

[0:27:33]

Honourable Chair, in relation to the non-filling of these critical posts, in the current conjuncture we do have a rotational system that has been introduced.

[0:27:44]

For instance, we currently have Dr Judy who is acting in the as the Chief Marketing Officer currently, and very soon she will finish her term and we will have another executive who will act. In relation to the CFO, and because of its critical nature, we still have Mr Kgomotso Seripe as the acting Chief Financial Officer. And we continue to have Ms Thulisile Manzini because the Board strongly felt that there is no need for us to change her to ensure that there is stability in the institution. So we continue to have those critical posts not filled.

[0:28:24]

And in relation to the country heads, we wanted to fill the posts but at that juncture nobody was going to be able to agree to act or take a permanent post that will only be for 12 months, because the on boarding process itself takes up to 12 months. So a fixed contract has been extended in critical service delivery units including, but not limited to supply chain management and the Country Heads of US and the UK.

And we have interns that are having a fixed term contract. And we have 7 interns in Brand South Africa where in 2-year internships has been provided and their internships has been translated into 12-months fixed term contracts from the 01st March 2021.

[0:29:17]

Chair, until we have met the Executive Authority, we want to say it up front that we want the oversight mechanism, having raised its own concerns about the continuous rising of vacancy rates in Brand South Africa. We will request that you also help us in paying attention to this matter to speedily address the issues of vacancy rates because it has moved from 12% to 14 % as it stands in the current conjuncture. Therefore as we continue, Chair, we will need your support.

And in relation to the promotion of the country's reputation, can the Chair please allow me to request our acting CEO Ms Thulisile Manzini to take the portfolio Committee through on the presentation we have prepared for your good selves today, Chair, through your permission.

[0:30:13]

Honourable Chairperson Regina Mina Mpontseng Lesoma-The permission is granted.

Honourable Members, DM, I have received the message that round about 12pm DG Nkuna needs to be released so that he can join the Minister in the Cabinet meeting, and I'm sure DM you will allow that because he was not the one who made the presentation. But I'm just raising it for the record purposes...[over talking]

[0:30:39]

Board Chairperson Brand SA: Ms Tobias -...accompanied by two Board Members, the Chair of HRC is Lulu Johnson and Dr Stavros Nicolaou who will help in the flighting of questions from Members.

CEO may you proceed.

Acting CEO Brand SA: Ms Thulisile Manzini - Thank you very much Chairperson, thank you very much DM, and greetings to all the Committee Members.

On the issue of the plan to stabilise the institution at the leadership position we also looked at the issues of stakeholders, because stakeholders are very important to us and they are actually at the core of what we do; we have stakeholders it's government, business and civil society.

So Brand South Africa's stakeholders are identified as people or organisations that are affected by Brand South Africa's work, and those who have influence and power to champion the Brand South Africa cause; and those who have direct interest in the success of the Nation Brand.

[0:31:40]

Also Brand South Africa consistently monitors stakeholder sentiments with regard to perception of the entity. And as such the institution we could track off and engage with stakeholders who have issued informal queries about the organisational stability or requested face-to-face interaction with the entity especially during the time when there was negativity in the media about Brand South Africa, we went on a drive to make sure that we understand their sentiments and we understand what they say and we get input. And we have such a report of our main and critical stakeholders on the inputs they've given us.

But although questions were raised in the past, the organisations they continue to work with us in the fulfilment of our mandate. We get a lot of requests from critical and relevant stakeholders still

wanting to work with us. So the negative publicity that we had did not necessarily affect how they see us and how we interact. Actually if we look at the numbers, we have actually improved. But also in terms of stabilising the institution and taking from what the Chair has said, the Chair covered about all the positions that must be filled and what, we are doing; but also to add that we also intend to leverage the office of the EA through the Deputy Minister Siweya who is responsible for Brand South Africa and also the acting Minister Ntshavheni in contributing to the management of perception of stability at the organisation.

So that is what we are currently doing.

[0:33:12]

Can you go to the next slide please?

On this specific slide I want to take this opportunity to illustrate the impact of Brand South Africa's work in positioning the entity, and more importantly in promoting our country's reputation. And this is, after all, our core mandate as the country's official marketing agency.

The numbers you see here are taken from our domestic perception research which is a national study that assesses perception of South Africans of the nation brand.

And this slide, Committee Members, provides just a snapshot of awareness level of the entity, the country's tagline, and some of our key programs between 2017 and 2020. And it shows how we have been able to drive awareness of the nation brand and of our key programs. We've been monitoring the impact of our work since 2014 and that data can be shared with Honourable Members should the opportunity arise in the near future.

[0:34:11]

As you can see, awareness of the country logo and the 'Inspiring new ways' tagline is at its peak level with 62% in 2020, and this is from a baseline of 13% in 2014.

And the awareness level of the Brand South Africa has also increased consistently over the years peaking at 49% in 2019 from a baseline of 18% in 2014.

We also monitor awareness of our key programs such as 'Play Your Part' and our 'Constitutional Awareness' programs both of which have consistently increased over the period.

[0:34:47]

I will now, Chairperson of the portfolio Committee, hand over to Ms Tobias the Chairperson of the Board for the closing remarks and the last line. Thank you.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Over to you Board Chair.

Board Chairperson Brand SA: Ms Tobias -Thank you very much, Chair, and thank you to our acting CEO.

Chair as we conclude, we have made it clear that we are hamstrung by the moratorium which has been handed over to Brand South Africa since the 9th October in the filling of vacancies due to the reconfiguration process.

[0:35:20]

We are aware that other institutions are continuing their business as usual but with us we are unable to fill these critical posts to be able to do our day-to-day work. We therefore plead your good self and the Executive Authority to look at this matter and speedily resolve and uplift this moratorium as it limits the type of work we need to do as the managers of the reputation of South Africa Incorporated.

Therefore, we look forward to the filling of these vacancies as our team is ready at the stage to do that. Hence I said, you want to also keep the vacancy rate that has been raised as a concern by the portfolio Committee. And once these critical posts are filled, because those are key, we will be able to operate in full capacity. Therefore, Chair, I thank you for your time and giving us the opportunity to make this presentation to the portfolio Committee. And will always be on the sideline to provide the research work as our research team is always available to give additional information.

I thank you for your indulgence; thank you Chair.

[0:36:33]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Chair, and thank you team DPME. Mr Lulu Johnson you're most welcome, we're happy that you have joined us today and also Dr Nicolaou, both of you gentlemen you're welcome to accompany the Board Chair. Time to time it's useful also to be part of these meetings so that you can hear how sharply the Members raise the matters.

Without any waste of time Honourable Members let me allow and open for engagement to both the presentations. I'll see by show of hands; I can see Honourable Kibi, her hand is up, Honourable Malatsi. For now I've got those two hands...[interrupted]

Honourable Ntuli - ...[non English]

Honourable Chairperson Regina Mina Mpontseng Lesoma-No, keep quiet Honourable Ntuli, and reserve our rights to comment. Motsepe; I'm reading the names; your name is already on the list Honourable Ntuli.

[0:37:46]

So I've got this one, two... seven; Honourable Kibi, Malatsi, Gondwe, Malomane, Ntuli, Motsepe; all of them are Honourable Members.

Honourable Kibi, over to you ma'am.

Honourable Kibi – Thank you Honourable Chair. If I'm allowed, can I switch off the video?

Yes, Chair. Thank you Chairperson, good morning Honourable Members and colleagues. Let me first of all welcome and appreciate the two presentations by DPME and Brand SA.

Honourable Chair, my question would go to DPME on slide four and six; a reference to the status of the submission of performance agreements. What consequence management measures have been implemented to the number of HoDs that do not comply?

[0:39:03]

As for section 41 clause 3 of the Public Services Act; reference HoDs that would forfeit all benefits relative to the PMDS. Has that consequence management been implemented? What are the valid reasons that were provided by HoDs that did not submit their performance agreements?

My next one; the challenges mentioned in slide 7 poses a huge challenge where performance agreements are compliance driven, not performance-driven. This indicates that the quality of performance is questionable and the results of performance might be quite poor leading to the standing question of implementation and the type of impact that performance has with the regards to service delivery; this is a huge challenge Honourable Chair.

[0:40:15]

Are there any proposals by the Department in a partnership with the Public Service Commission with regards to this? There is an element of inappropriate reporting or even false reporting; surely this cannot be acceptable from employees? What measures has the Department put in place to deal with this situation?

The linkages and alignment to the MTSF were not clear and adequate. This poses as a challenge as it speaks to policy implementation. This means that the MTSF is not being effectively implemented. Can the department please share how it plans to assure that there are linkages and alignment to the MTSF.

[0:41:25]

There needs to be proper monitoring with regards to DGs and HoDs that do not update their performance agreement as after quality assurance feedback or some form of consequence management. These are HoDs and DGs, they need to showcase leadership; Honourable Chair.

Reference to the follow-ups with regards to the amendments of the agreements; has the Department set timeframes with regards to the conclusion of the amendment?

I thank you, Honourable Chair.

[0:42:10]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Honourable Kibi.

Honourable Malatsi; over to you Sir.

Honourable Malatsi - Thanks Chairperson and greetings to all colleagues who have connected. Chairperson, I'm very worried about the state of Brand SA given the presentations, particularly around the human resource situation in there. And I just wanted to establish, because going through the presentation I think on more than two occasions, reference is made to their moratorium on the filling of posts on a permanent basis. And just now the Chairperson made reference to the fact that the engagements with the Executive Authority, and there doesn't seem to be a breakthrough in there. And perhaps the question should be put to the Deputy Minister in terms of why the plans...[sound quality bad, inaudible]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Honourable Malatsi...[interrupted]

Honourable Malatsi -...that is currently underway or being explored between Brand SA and South African Tourism...[sound quality poor]

Chair?

[0:43:48]

Honourable Chairperson Regina Mina Mpontseng Lesoma-Yes, I was just going to request you to switch off your video because your connectivity... you are breaking; we couldn't hear you.

Honourable Malatsi –Okay, yes. I've anticipated that; I've just done that.

Honourable Chairperson Regina Mina Mpontseng Lesoma-Thank you.

[0:43:58]

Honourable Malatsi –I was on the point that perhaps the Deputy Minister...[sound quality bad]...to the community and for the benefit of Brand SA regarding the status of the reconfiguration process that is being referred to herein of Brand SA, South African Tourism and Invest SA.

Because from reading the presentation...[sound quality bad]...so one can then conclude that until such time that the reconfiguration process is concluded their moratorium may remain in Deputy Minister's ...[sound quality bad]

[sound quality bad]...for the Chief Financial Officer, and again their acting situation with the Chief Marketing Officer it really doesn't send a message of stability particularly for the chief marketing agency of the country. Because if you're going to sell as the entity that showcases positivity...[sound quality bad]

[0:46:46]

Hello!

Honourable Chairperson Regina Mina Mpontseng Lesoma-I can hear you, it's just that you disappeared a little bit.

Honourable Malatsi –Okay. I was saying, with the filling of those two vacancies, if we can be given an update there.

And lastly, with regards to the presentation that DPME made with regards to performance agreements of Head of Departments and DGs; Honourable Kibi made the point regarding the misalignment between the performance agreements with the MTSF, and this is a point that is repeatedly emphasised in that presentation, if we can get more insights there in terms of how do we reconcile those performance agreements with the target as articulated in the MTSF?

[0:47:39]

And even more pertinently with those that are captured in their performance agreements of the Ministers, so that we do not find ourselves in a situation where there is shifting of goal posts when it comes to accountability from either the Executive Authority or the Accounting Authority.

Thanks very much for your patience Chair.

Honourable Chairperson Regina Mina Mpontseng Lesoma-Thank you Honourable Malatsi. If you may do me a favour as well, and post your questions on the platform because some of the better half of your questions we couldn't hear them. I'm not too sure whether it's from my side or everybody was like that; just to be on the safe side so that when they come back to respond then they are able to capture all your questions.

[0:48:25]

Honourable Malatsi –Okay.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much.

That brings us to Honourable Gondwe.

Honourable Gondwe - Thank you very much Honourable Lesoma and good morning colleagues. Let me start by appreciating the presentations from DPME and Brand SA. I have questions for both entities or Departments. My questions to DPME are as follows; I'm happy to note that there was a high level of compliance in the submission of compliance agreements in the 2020/2021 financial year, despite the restrictions placed on all of us by the pandemic. But I'm, however, concerned, like Honourable Malatsi, that even though there was compliance there is still the problem of the linkages between those performance agreements and the MTSF and the outcomes of the NDP.

[0:49:45]

And I must say I'm a bit disappointed that as DPME, your role in this regard has been reduced to one of very much a secretarial role. And I would have thought that given your mandate you would have played a much wider and more extensive role in ensuring that in this instance that there are linkages and it doesn't just end at a secretarial level.

[0:50:11]

And so I think it's very important that that is prioritized and I take your point that the DPMSA are ultimately the custodians of these performance agreements and you have this limited role. But I wondered whether you couldn't play a more extensive and wider role in this sense and ensuring that there are linkages between the performance agreements and the MTSF and that these performance agreements are performance driven vis-a-vis being compliance driven, because we are 10 years or so away from 2030 and then the NDP effectively comes to an end or we should have achieved most of the outcomes in the NDP.

So that is my worry. I'm also concerned that, and I stand to be corrected, maybe my reading of your presentation wasn't correct, that only 33% of the DGs and HoDs in the North West submitted their performance agreements on time. Have you been able to determine why there was just this poor submission rate in the North West?

[0:51:26]

And in your conclusion you indicated that there must be consequence management for defaulters in instances where there's poor performance. I wanted to know, and you also indicate that there will be a review of the HoD PDMS guidelines, whether the possibility of having consequence management will form part and parcel of that intended review?

And I wanted to know when this review was going to take place.

And yes, you have the review, but what are you going to do with the outcomes of those reviews? How soon will they be implemented because it's very important that the review happens in light of the challenges that you highlighted especially around the performance agreements being compliance rather than performance driven.

[0:52:17]

And then Brand SA; I take the point that you indicate that at an executive level you have a number of positions that are vacant, that of CEO, Chief Marketing Officer and Chief Financial Officer. And this is

due to the moratorium that was imposed on the 9th of October pending the reconfiguration of SA Tourism, Brand SA and Invest SA.

[0:52:42]

I wanted to know, this didn't come across very clearly in your presentation, the person that's currently acting as the CFO, when is his or her tenure expected to end?

And then you also indicate that the Board of trustees has appealed the disciplinary matter of the previous CFO of Brand South Africa, and the matter is pending in the Labour Court; I wanted to know whether the matter had been set down by the labour Court or is there a trial date or when is it likely to be heard by the Labour Court? And is this a former CFO currently on suspension with pay? If yes, how long has the CFO been on suspension with pay and how much is this costing Brand SA if indeed he or she is on suspension with pay?

[0:53:38]

And then regarding the reconfiguration process, I'm also concerned that you have this moratorium because of this reconfiguration process. And I wanted to also get an update on how the process is progressing, and when it's likely to be finalised or wrapped up, and what the exact impact of this reconfiguration process will be? Will there be job losses? Will there be some restructuring of sought? Obviously there will, but I just want to know what the impact of that will be.

And then you indicate that you appeal for the moratorium to be lifted, when exactly did you make this appeal? This didn't come across very clearly in the presentation that you made.

Thank you so much.

[0:54:26]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Honourable Gondwe; that will bring us to Honourable Ntuli.

After that I'll read questions on behalf of Honourable Komane who has to leave to attend to her health.

Over to you Honourable Ntuli.

Honourable Ntuli - Chairperson, thank you. Morning to everyone and we welcome all the presentations; DPME and Brand SA.

[0:55:17]

Save to say Honourable Kibi covered me on some of the issues. But I wanted to put a right on DPSA to say what happens if an authority didn't sign the performance agreement only to find someone will forfeit benefits in terms of PMTS; can you elaborate on that one? And initially, who answers? Sometimes we learn that in departments you find that, be it Provincial or National that the Minister or MEC is not on good terms with the HoD or DG and they are not seeing things on the same level, so there'll be that working relations.

Our emphasis is compliance driven that will also measure the impact and the outcomes of the service delivery on the ground. Meaning ordinary people will then suffer if things do not go well.

So, we need to know as to whom the buck stops with, because it can't be a banana republic; you frustrate me because of your powers and it ends there.

[0:57:35]

They mentioned that sometimes DPSA intervenes with a National School of Government; now I wanted to check this one to say, DPSA and National School of Government is it a given program for interventions or it comes in for those who are seen as not doing well?

And again I wanted to check to say, now are there any disciplinary measures that are put in place so that if things...if I frustrate you not to do the work properly I'm also disciplined irrespective that I'm senior to you; are there any disciplinary measures?

I'm still on the submissions that are not signed. And one other thing is that people on the ground suffer for people who do not do their work but are sitting in air conditioned offices and not thinking of the entire nation that is looking at this government.

[0:59:53]

Now, going to Brand SA. In terms of the moratorium, I'm a bit worried to say that all the posts are critical, but sometimes with the moratorium you'll find that it allows only critical posts. What attempts have they done, particularly the Board, to push for these posts to be filled?

Because for me, that we are waiting for the amalgamation that means if the amalgamation can come in two years time, or two to three years time; because for now we are just sitting on hopes that it will happen. But here we do have people who are supposed to work fully and do their work confidently.

[01:01:17]

And on the other hand I'm looking at this as it can cost the Department having the people who are doing a good job leaving the entity for their security. And you can't be in a place for quite some time where you don't know your future. And that's why I'm checking the attempt that has been done by the Board to push hard for these posts to be filled.

For me, amalgamation can come and move with the structure and maybe we can say we'll only cross the bridge when we come to it. Why should we wait for the bridge when we are not even yet there?

I think those were the things that I wanted to add having said that my colleague, Honourable Kibi, covered some of the questions that I've jotted down here.

Thank you. Thank you Chair.

[01:02:49]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Honourable Member Ntuli.

For Honourable Komane now, I will read them as they are. First question from her is; what is the role of DPME and consequence management to deal with the MECs who do not sign, as said in slide 4, other than them saying they assist with a challenge without a solution.

Second question, which is the last question; what assurance does the Department do to ensure performance agreements are implemented and what support is given to them?

That will bring us to Honourable Malomane to ask a question; over to you ma'am.

Honourable Malomane - Thank you Chair; can you hear me?

Honourable Chairperson Regina Mina Mpontseng Lesoma- We can, you may proceed ma'am.

Honourable Malomane - Thank you. Let me also welcome both presentations made by Brand SA and DPME. Let me greet the staff, colleagues and everyone that is present.

[01:04:10]

I just want to go to Brand South Africa. My question will be, that because of the reconfiguration can they tell us what challenges are they facing because of this moratorium that they are waiting for the process between the SA Tourism and Brand SA and Invest SA; how are they coping or how does it affect them for now because of these issues of vacancy rates?

The other thing that I want to know is did Brand South Africa present their business case to those given the responsibility to reconfigure the three institutions?

The other one that I want to check on the issue of the DPME, but I think maybe it was asked about the quality assurance and the issue of alignment of the MTSF; so I think that those questions were questions that we asked, and then I think I'm covered on those ones.

Thank you Chair.

[01:05:14]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much Honourable Malomane. That will bring us to the last Honourable Member who would like to ask a question; Honourable Motsepe. Over to you ma'am.

Honourable Motsepe - Thank you very much Honourable Chair, and then also greetings to the Honourable colleagues and all of the people who are present in this moment.

[01:05:38]

I've got a question for DPME. For professionalising the Public Service is at the centre of six administrations. Performance Management System plays a crucial role if government aspire to achieve such a goal; number one.

With the Department is its engagement to review the policy of HoD's...[inaudible]...re-evaluate the role of the Ministers or MECs in assessing performance of the HoDs and DGs as part of a new way of separating administration from politics and ensuring performance is used as a yardstick to retain performers and fire non-performers.

[01:06:32]

Can the head of administration in the President's Office and Premiers' Office together with experts in various fields relevant to a particular sector and the Public Service mission be given such responsibility and recommend to MECs or Ministers about the outcome of performance?

[01:06:55]

And then for Brand SA; this one I think needs to be emphasised, because I heard most of the Honourables have said it but not the way I wanted to put it. So I will question it the way I understand it so that you can be able to answer it the way we need it.

Did Brand SA present their business to those giving their responsibility to reconfigure the three institutions? That's the first question. The second one is; since the introduction of the moratorium of funded posts due to reconfiguration, what is the staffing operate? How crucial or critical are those positions that are vacant?

Thank you so much Honourable Chairperson.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Honourable Members, that brings me to afford both Brand SA and DPME to respond.

And of course moving forward Honourable Members I will urge that we do make suggestions as well.

Is that the DM?

[01:08:06]

Honourable Ntuli - No, Chair, it's Ntuli.

Honourable Chairperson Regina Mina Mpontseng Lesoma- You want to come back?

Honourable Ntuli - No, just one thing Chair. I wanted to check with the Department, DPME, as to what attempts have they done to push hard to the provinces that have not done their work? Provinces like your North West, Mpumalanga, your KZN; what is it that they've done to date?

Thank you.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much Honourable Member.

Why I was saying that sometimes as Honourable Members we must come also with suggestions to guide and support the Department as it were; but we'll see how we craft those ones at the end of this discussion.

Honourable DM and Chairperson Brand SA, Ms Tobias, over to you ma'ams.

[01:09:14]

Deputy Minister in the Presidency Thembu Siweya- Thank you Chair; this is DM Siweya. Let me welcome the questions which have been presented by Members of the portfolio Committee.

I'm going to request that I respond to the one which has continuously been referred to us as the Ministry in relation to Brand SA.

Chair, if you remember at my opening remarks I said that for example with the position of the acting CEO, we were in the process of ensuring that we fill. So the Minister has signed and given it to the DG of GCIS who must then subsequently send it to DPSA for processing. We remain committed to ensuring that the institution becomes stable. And what informed the moratorium was because of the envisaged measure which would come and therefore it would honestly be futile to provide people with contracts of five years and hence we had looked at stabilising the institution in a process of 12 months.

[01:10:29]

What we are going to request Chair, I know that it might duly sound out of order, is that maybe allow us an opportunity to go back between us and Brand SA and the Minister to go and look into how can we first check the process of ensuring that we extend those contracts for 12 months. The reality is that, Chair, with the pandemic and how as a country we've been moving from one level to another the process has been slow and we want to apologise for that, but safe to say that we remain committed to ensuring that we assist the institution to be stable.

You would remember Chair and Members of the Committee that the merger... I was trying to read the question from Honourable Malatsi there...the merger is between Brand SA, SA Tourism and Invest SA. And colleagues if you...I'm sorry for that, I'm trying to open it again... the last part there when we are talking about 'given the existence of the Presidential envoys on investment and tourism and whether there is still a strategic need for the existence of Brand SA.'

[01:11:42]

And the answer to that is that the Executive is looking into amalgamating the three so that we can be more effective; and that is where the process is.

But, I'm honestly going to request that you give us an opportunity to go back as Brand SA so that we don't come to the portfolio Committee then say something else and then we say something else; we go and find each other and then in two weeks time we come back to you with one concrete answer.

I'm going to request that the other questions...let's start with the DPME, because the DG wants to leave at 11 o'clock, and then after that Brand SA can answer. And if there are follow-up questions, it's still fine; we are still available to answer.

Thank you, Chair.

[01:12:22]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Over to you DG.

Director General Mr Robert Nkuna - Thanks once again Chairperson, and thanks to the DM and Honourable Members.

I am going to take a couple of questions and the others are going to be addressed by the DDG who presented.

Now the first point of departure is that it must be common cause that anyone who works in the Public Service must have a performance contract so that it is not optional whether to have it or not; so that is the point of departure as far as we are concerned.

[01:12:57]

Now that brings me to the question of consequence management. So what happens when performance agreements are not submitted? We have two parties to each performance agreement; the concerned HoD and the Minister concerned, the Executive Authority. Now, what we have done is we have investigated various cases to understand why we have challenges. And it turns out that the problems that we encounter have nothing to do with performance agreements per se but there are systematic challenges facing certain departments and ministries, and in many instances it has a lot to do with the relationships between the two parties. As the system stands currently it says that if there is no submission of the performance agreement the HoD will suffer consequences that he or

she will not be assessed and consequently will not get benefits that go with such assessments. So what it means is that the punitive measures or consequence measures are one-sided, only one party is punished for not submitting a performance agreement. We have instances where the DGs would have done everything but only to find that given the relationships between the two parties the EA does not want to sign for one reason or another. Now what we have done with respect to that part, in the new agreements that the Ministers have signed with the President, there is a provision and a requirement for Ministers to ensure that they exercise oversight on the HoDs and that includes making sure that HoDs do have performance agreements. So what it means is that if the EA does not sign we will send that report to the President as part of the assessments of the EAs and the President will then figure out how to make the necessary consequence management at that level.

[01:15:10]

So we believe Chair that by the inclusion of this requirement in the performance agreement of Ministers we will then get the President also to be involved in ensuring that there is full compliance across the board. So that is what we have done up to now.

With respect to the question on why we say that the performance agreements are compliant driven. The situation is such that we don't measure impact of what people do, so we only rely on what people say they have done. But then there is no mechanism to measure impact. Measuring impact does not start with performance agreements but it starts with the entire value chain from the MTSF to the APPs and so forth. So what we have been doing, on the other hand, has been to look at the quality of the APPs themselves and we've done a lot of quality assurance on the APPs that will be coming to Parliament in the next session.

[01:16:18]

Here we're talking about what happened in the year ending in March this year. So what we're doing, we start with the APPs to make sure that we have adequate APPs that will then inform the performance agreements of the HoDs and indeed even Ministers. Now when it comes to impact assessments, we are going to do that as DPME as part of our biannual report. So when we produce our by biannual report we'll not only look at what people have committed to do in terms of the APPs, which would be more output-driven, we will also focus on the impact and that will entail us also going out there and speaking to communities so that we can also get the voices of South Africans, the people who are affected by service delivery. And when we report on our biannual report, we will also indicate that and show that this is what South Africans think. So in other words

we'll say that this is what the Departments are saying and this is what we found using other mechanisms of research and this is what's coming up in our service through engagements with communities, so that we are able to have some kind of 360 degree assessment of the performance of government as a whole.

[01:17:37]

Now the DDG will deal with the time frames for the amendments of the current system that we have. I just wish to conclude by speaking on the issue of the provinces; what are we going to do with the provinces that are not complying. Now as things stand currently, there are no mechanisms for DPME on its own besides making follow-ups. However, we will then advise the principals in the form of the Minister to bring this to the attention of the Premiers because we envisage that the Premiers also need to ensure that their MECs do comply and sign performance agreements of the HoDs.

So our understanding of the system is that the Premiers have a role to play in this and we are going to advise the Minister to deal with the current challenge.

Lastly, Chair. As we intervene, because we indicated that these performance agreements did not come at the same time, some came after the deadline. Now the challenge is that you cannot contract after the fact. If you do not contract at the beginning of the financial year and then at the end of the financial year when people sign agreements, because we are coming to Cape Town, that also presents some challenges because a performance agreement should be in place at the onset when the financial year starts.

[01:19:07]

So we will have a challenge because it means that even if they are signed, the question is whether you can assess someone on something that was not signed at the start of the contracting period; and this is one matter that we grapple with in our engagement with the DPSA as we seek to find ways to improve the Performance Management System.

But then on the questions raised by Honourable Gondwe, I think the overarching issue is that the performance agreements are an outcome of good planning in terms of the MTSF and the APPs. And as I say going forward, as we prepare for the next financial year, we have spent a lot of time focusing on the quality of the APPs themselves. And once we have done that, then the outcome of that assessment will then inform and influence what then becomes the performance agreements of the HoDs going forward.

I will then ask the DDG Blake Lefatol to deal with some of the issues, including a question on the time frames for the review of the current system.

Thank you.

[01:20:22]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much DG.

Over to you DDG, you may proceed Sir.

DDG Blake Lefatol – Thanks Chairperson and also thank you to the Honourable Members for the questions and the comments that they've made.

And also just in addition to what the DG has indicated, the questions that Honourable Kibi raised around the consequences for HoDs who do not comply. For 2021 all HoDs have actually signed. The three that affects the North West which have not been signed is because of the MEC's signature. And as the DG has indicated, is that we have been interacting with the North West province, particularly the Office of the Premier and the affected departments to ensure that this is signed. And as late as this past weekend we have been interacting with them and they haven't performed. So it's one of the issues that has to be dealt with in the Office of the Premier to say that the Office of the Premier must actually assist us to ensure that the MECs comply in as far as the PMDS is concerned.

[01:21:52]

The other question that was raised by Honourable Kibi related to false reporting. I need to indicate that in terms of the Performance Management Development System, what people claim to have performed must be backed up by evidence. And that evidence has to be submitted when assessments and evaluations are actually done. And it is only through that evidence that we can actually mitigate the temptation by individuals to present false reports. So documentary evidence which will actually be quality assured by DPME is the mitigation mechanism that we have there.

Then Honourable Kibi raised the issue of the MTSF, the Performance Management Agreements, and the Honourable Gondwe also raised that issue. I want to deal with these two together in addition to what the DG has said.

[01:23:02]

The role of DPME, number one, is to ensure that government achieves the outcomes that it actually wants to achieve. And in that respect it is going to be important that as DPME we interrogate what is in the APPs and particularly the indicators that go into the Performance Management Agreements of the Ministers and of the DGs and the HoDs.

And our insistence, and it's a huge issue that we've raised with Departments, our insistence is that we need to ensure that the indicators are either outcomes based or impact based. Where people are putting in output indicators, those indicators must actually lead to the necessary outcome and impact. So the one issue of quality assurance that we are doing is in relation to the nature and the type of indicators that goes into the performance agreements of Ministers and the DGs. And the simple point is here, is that given that Ministers and DGs are actually appointed for a five-year period and the agreements of DGs would actually be annually renewed...performance agreements of DGs would be annually renewed and assessed.

[01:24:37]

It is important that the issues that go into the performance agreements of DGs must actually have an impact on service delivery and on society as a whole, and one can give numerous examples in that regard.

So that is how we would want to ensure, over and above what the DG has said, that the value chain between the Performance Management Agreements, the MTSF and the NDP is actually managed.

So that's the first point that I wanted to make. The second point is in relation to Honourable Gondwe's question around the secretariat role of the DPME.

[01:25:23]

We need to understand that in terms of what has been delegated to DPME is that, yes, we have to provide a secretarial role for the PMDS, for the Performance Management Development System of government as a whole, especially where the DGs are actually affected; that's a separate responsibility. But over and above that, it is important that DPME through its overall monitoring and evaluation function must actually indicate how government is performing on its overall mandate. So as part and parcel of our monitoring reports and the biannual reports that DG has actually spoken to, we need to indicate as to whether government is achieving the targets that have been set in the NDP and in the MTSF. Because as I indicated in the presentation, your Performance Management

Agreements are just but instruments to help us to measure the impact that the Department actually has on...or the impact that government actually has on society as a whole.

So the mere fact that we are providing a secretarial role does not take away from the overall responsibility of DPME also being entrusted with the function to comment and make recommendations as to what's government's overall performance in relation to achieving the NDP outcomes and the impact and what are some of the recommendations that we can actually make to the President in that regard.

[01:27:14]

I think the DG has dealt with the issue around consequence management.

In relation to the date... the implementation date. The review has started already between ourselves and DPSA, and we had actually given ourselves up until the end of the year for this review to have been completed and to have been processed through the necessary government clusters. That's the time frame that we had actually given ourselves.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much, let's allow Brand SA...[interrupted]

DDG Blake Lefatol – I think that's it. Thank you Chairperson.

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much team. I was just about to say that let's leave some 15 minutes for Brand SA and then we should go for...[inaudible]

[01:28:07]

Brand SA, do you want to still come in?

Board Chairperson Brand SA: Ms Tobias –Yes, please. Thank you very much Honourable Chairperson. I'm going to share some of the questions with my colleagues. Mr Lulu Johnson will speak to matters of human capital and we'll also ask Dr Stavros Nicolaou to speak to issues that's got to do with reputational risk as we market South African companies.

But let me speak to... all the questions were very critical...but let me first speak to the issue from Honourable Malatsi asking about the existence Brand South Africa.

Honourable Malatsi, we have prepared a portfolio of evidence that we are prepared at any given point to present to the Executive Authority about why the need for Brand South Africa to exist.

[01:29:03]

Once we are given a platform to present, we will be presenting that.

And on the issue of what more than one Honourable Member has raised on whether did we present a business case. We are awaiting a response from the Minister for a meeting. We are on the sideline, at any time, any day this Board will be prepared to meet the Minister so that we can present our business case, particularly on the issues of the appointment of the moratorium and the importance of allowing that these critical posts to be filled in good time. We were ready, like I said, we even advertised at some point so we had to be stopped by the moratorium. So we are prepared at any point to address these matters.

And in relation to the issue of the CFO and the tenure of the CEO; can I request our colleagues to speak to that?

Oh, there's one question from Honourable Malatsi that's related to two Board vacancies. We have since written to the Executive Authority therefore we are awaiting a response. I will take it for granted that the handover process to the new acting Minister might have delayed the response, so we are waiting for that. Because we do not appoint from our side, the President appoints and we will be given the name. So we have sent the letter and we are awaiting the response from the Executive Authority.

[01:30:38]

Through you Chair if you can allow these two colleagues to respond to the other questions, please?

Honourable Chairperson Regina Mina Mpontseng Lesoma- Over to you Mr Lulu Johnson.

Brand SA Trustee Mr Mlungisi Johnson - Thank you. Good afternoon...good morning sorry to all the Members, colleagues and officials from the Department.

There were two related questions, Chair, that were asked; the one relates to... in fact they are both related to the CFO who has since been dismissed from the stable of Brand SA. Since 2019 on the 7th of March, the CFO due to a number of disciplinary issues has since been suspended and later to have been dismissed on the 4th of December 2019.

[01:32:03]

She has since appealed through a process of CCMA which she got to be awarded in her favour, the appeal. And then Brand SA has since appealed and the matter is, as we speak, at Labour Court. The dates have not been as yet set by the Labour Court; this is a matter that is taking a bit of time. Undoubtedly these are critical posts.

As we had just started as a new Board we were in a process of having to advertise for both the CEO's position and together with those other critical positions, the Chief Marketing Officer among others. As I said these are quite critical positions; they do have an impact on the morality of the staff as you shall be having your Acting in charge. There was a period, as I said, that this advertisement would have gone out, but due to the moratorium that has been reported by the Chair from the Executive Authority we couldn't proceed with that process.

[01:33:37]

We find ourselves in that situation coming from a process wherein we were inundated with matters related to the former CEO Dr Makhubela and having just concluded on that matter as his term came to an end, end of July, we find ourselves as we speak now confronted with the moratorium. It's quite unfortunate Chair. Maybe the Executive Authority might also wish to guide us on this one; it's quite unfortunate that Brand SA, Tourism South Africa and also Investment South Africa are expected to pull together into one agency. Whilst we have the moratorium as Brand South Africa, other entities in the case of Tourism South Africa are allowed to proceed advertising for their CEO position. We hope this matter is to be clarified going forward, and we take guidance from the Executive Authority in this case.

Thank you, Chair.

[01:34:52]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you very much Mr Lulu.

You know Ms Manzini, unfortunately it was an oversight from my side. I should have immediately after the Chair allowed you to speak and then the Board Member closes.

I will suggest Honourable Members, so that there's a smooth flow of responses, that other administrative questions that we have asked that we receive them in writing from Brand SA and allow DM DPSA Honourable Chikunga to come in to lay the foundation on the presentation that

we're going to get and we proceed. But also with an understanding that as promised by DM DPME that they will come back to us in the near future in terms of the specification and details in terms of the deadlines and other related matters; we also give them that space within our program.

[01:35:52]

Secondly is that I will suggest, based on these two presentations, that we invite the North West in the form of the Premier or the DG, HoD in the office of the Premier to take us into confidence on what prevents them to comply with what is expected from them. And also to work around how do we assist each other in that space, together with the affected Premiers and the DGs that the report had presented. Because you can't say all have complied but only three haven't; that couldn't be. But I think as this body of an oversight we should also interact and assist the Executive in terms of National Government to ensure that the provinces and relevant DGs do take this exercise seriously because it does impact on the output of service delivery that we render to our communities.

[01:37:02]

Which equally goes to the issue ofI would suggest that assistance in terms of those vacancies, also we formally raise that one with the relevant Ministers because it overlaps with the Honourable Kubayi's department as well to say, 'can they speed up that? And I'm sure that also DPSA plays a crucial role to ensure that the reconfiguration of the Public Service also speaks to that, but it does start to have a milestone; noting that last week we're dealing with directly single Public Service legislative reforms. But all those processes we can't monitor them and oversight over them if there are no milestones and we're able to measure them in terms of their activities. Other than that allow me Honourable Members to allow DPSA, led by DM Chikunga to take us through...[sound quality bad]...a helicopter overview of the presentation and allow the DG or whoever she will identify to do the presentation.

Over to you.

[01:38:21]

Deputy Minister DPSA Sindisiwe Chikunga - Thank you very much Chairperson. Let me also acknowledge the presence of you, Chairperson, and the Honourable Members of the portfolio Committee. Also acknowledge DM Siweya of DPME, our Director-General Yoliswa Makhasi and senior management from DPSA and of course from DPME, if they're still with us here, and Brand South Africa.

[01:38:48]

Chairperson, I wanted also to extend the Minister's apology, Minister Senzo Mchunu; I did raise my hand but I think you did not see it. He too is attending a Cabinet meeting at this time and therefore we are extending his apology for not being in the meeting. However, we are here representing him as well.

Chairperson, the National Development Plan declares that the Public Service is central to government achieving our objective of improving the lives of our people through creating a conducive socio-economic environment through service delivery.

[01:39:34]

One of the objectives of the National Development Plan is to ensure that South Africa is an ethical and developmental state and that it has a full capacitated skilled and competent Public Service that can provide effective, efficient and sustainable service delivery.

Chairperson, for the purpose of today's portfolio Committee meeting we are expected as the Department to provide a status report to Members on the filling of vacancies at the level of HoDs in the Public Service. Can I just mention that section 3 (7) of the Public Service Act of 1994 stipulates that an Executive Authority has all those powers and duties necessary for 1) in the internal organisation of the department concerned including its organisational structure and establishment, the transfer of functions within that department, human resources planning, the creation and abolition of posts and provision for the employment and personal additional to the fixed establishment. And also the Executive Authorities have powers and duties necessary for the recruitment, appointment, performance management, transfer, dismissal and other career incidents of employees of that department including any other matter which relates to such employees in their individual capacities, and such powers and duties shall be exercised or performed by the Executive Authority in accordance with the Public Services Act.

[01:41:22]

So, Chair, the DPSA has been providing support to departments to ensure that they fill, in terms of monitoring and communicating to departments. Letters are issued to departments to remind them about filling their posts and encouraging them to meet the turnaround time of six months to fill the HoD post.

We have done this and more, which will be covered by the DG in her presentation.

We will therefore be requesting, Chair, the DG to take us through the presentation and after that we'll await questions from the Honourable Members and we will respond.

Thank you very much.

[01:42:10]

Honourable Chairperson Regina Mina Mpontseng Lesoma- Thank you Honourable DM Chikunga, over to you DG Yoli, over to you ma'am; thank you.

DPISA Director-General Yoliswa Makhasi – Thank you Deputy Minister, thank you Chairperson. Good morning to all Committee Members, including colleagues from Brand SA, DPISA as well as the DPME and the Board Members at Brand SA as well.

I will take the Committee briefly through the report. I have a colleague from DPISA, Mr Marcel Wilson, who will also be helping me with answering some of the questions.

This is work that falls under the Human Resource Development Unit in the Department. The purpose of this presentation is that we want to provide the status on vacancies at the level of Heads of Departments in the Public Service, which is basically DGs nationally and DGs in provinces, and Heads of Departments in provinces.

[01:43:17]

In terms of the regulatory framework, I think that we know the Constitution so I will not spend much time in relation to that except to highlight section 84(2)(e) as well as 85(2)(a) and 92 (1) of the Constitution as a founding basis in terms of this responsibility. And then we also highlight the Public Service Act where it gives Minister the responsibility for establishing norms and standards in relation to the functioning of the Public Service and all these other responsibilities that are given here including the conditions of service and labour relations, amongst others.

The Minister may also advise the President regarding the establishment or abolition of any Department, the designation of any such department and head thereof or the amendment of such designation.

[01:44:19]

Also here we are just highlighting that an Executive Authority which is the relevant Minister or Premier in a particular province or Department has powers and duties in order to do internal organisation of the department concerned, including the organisational structure, transfer of functions, but these are done in concurrence with MPSA, the recruitment, appointment, performance management, transfer, dismissal and other career incidents of that department guided by the prescripts that are in existence.

And we are also just highlighting here that the appointment and other career incidents of the Heads of Departments and government component shall be dealt with by the President if it's a head of a national department or national component, and by the Premier if it's ahead of a provincial government or a relevant government component in the province.

[01:45:22]

It's important to highlight that employment must be fair and efficient so our processes are very important in respect to that and in terms of our regulations, Regulation 65(7) of the Public Service Regulations 2016, states that a funded post shall be advertised within six months after becoming vacant and it shall be filled within 12 months after becoming vacant.

And I think this is very important because this is the measurement, this is the guide that we use when we assess these vacancies.

The role of the MPSA in relation to filling of Heads of Department posts; nationally the MPSA advises the President on National Directors-General and facilitate the Cabinet processes for filling posts at National government.

[01:46:17]

The MPSA also sets norms and standards to fill such posts in the Public Service.

Now, coming to the question of the Committee; the *vacancies*. We have highlighted in this table the vacancies; I will take the Committee Members in some detail.

The first department is Social Development; their post has been vacant since the 31st of May 2017, which gives us 45 months of vacancy which is way above the 12 months that is allowed in terms of regulation 65(7).

Public Service Commission; they've been vacant for a period of two months. I think this is...yes, for a period of two months now.

And the next one, so this is still within the vacancy and we will update later on in terms of progress with this one. National Treasury; they've been vacant since the 1st of October 2015. So we're looking at 65 months.

[01:47:16]

Water and Sanitation; 30th November 2017, 39 months.

Agricultural affairs, Land Reform and Rural Development for four months since 31st October 2020.

Military Veterans since 15th June 2018 at 33 months.

Small Business; 30th September 2018 at 29 months.

The Presidency since 31st August 2020 so there it's 6 months.

Communications and Digital Technologies since 30th June 2020; they're at 8 months.

Government Printing Works since 30th June 2016 they're at 69 months.

State Security Agency since 30th April 2018 they're at 35 months.

Government Pensions Administration Agency since 31st August 2020 they're at 6 months.

So you could see from here that the obvious ones that are above, they are way above the period; Department of Social Development, National Treasury, which is GTAC, Water and Sanitation, Military Veterans, Small Business...Communication, no, the DCDT is still within and the Presidency. Government Printing Works 69 months, and State Security agency 35 months.

The following departments have started their recruitment processes and have received the delegation of authority from the President. What is important about the delegation of authority is that the President delegates the Minister to start the process of recruitment.

[01:48:59]

So in this case Communications and Digital Technologies they submitted a Cabinet Memorandum to us and it is receiving attention in the Department.

Small Business Development, they've submitted a memorandum, I think now sometime in March; it is receiving attention with the Department.

Social Development we've been told that interviews have been held but the cab memo has not yet been submitted.

The Presidency, there was a delegation of authority issued. The Presidency is making a number of inquiries with us at the DPSA and so we're getting a sense that there's a process that is in place there but no submission yet that has been done.

[01:49:43]

Military Veterans; the Cabinet Memorandum was received but it was referred back due to non-compliance and they have since re-advertised the post in February 2021.

Agriculture Land Affairs and Rural Development; the delegation of authority issued, we have not heard from them yet.

National Treasury (GTAC) delegation issued, we have not heard from them yet.

Government Printing Works; delegation of authority issued. They've indicated they are working on a Cabinet memo; they've made some inquiries as well in the Department.

Government Pension Administration; they've received a delegation of authority by the 05th of March 2021.

The Public Service Commission; our Minister received a delegation of authority and we are working towards ensuring... Minister's office together with Public Service Commission is working towards ensuring that an advert is issued soon.

[01:50:43]

The following departments have not started their recruitment processes; there has been no request for delegation of authority to fill the posts. So our sense is that there's no movement at all here. This is Department of Water and Sanitation as well as State Security Agency.

Communication has gone out to all departments in December ...to all national departments who have not finalised the filling of their HoD posts.

The vacancies at Provincial level.

KZN has two vacancies; the Provincial Treasury for 8 months, KZN Transport for 10 months.

[01:51:19]

Northern Cape has 2... 4... 6... 7 vacancies. The one for Provincial Treasury is 76 months

Education - 6 months

Roads and Public Works - 9 months

Agriculture, Land Reforms and Rural Development - 16 months

Environment and Nature Conservation - 13 months

Economic Development and Tourism - 76 months

Health - 12 months.

So you can see that about one... two... three... four... five, of the positions are above, the timelines of 12 months. I'm counting the Health as well because it's on the 12 months now and we have not received any information that there is a recruitment process that has been concluded.

The next province Limpopo and they have two.

Education at 13 months and they have Social Development at 10 months. Education is above the 12 months period and Social Development is very close.

Free State, they have no vacant HoD posts.

[01:52:26]

Western Cape they have no vacant HoD posts.

North West, it's the Office of the Premier for 22 months

Agriculture and Rural Development - 5 months

Health - 14 months

Social Development - 28 months.

This morning I spoke to the administrator in North West because we've been supporting them as a Department to fill these vacancies because they are under administration. So we have an administrator in the Office of the Premier. So there is progress, I think, on all these 4 positions. But as you can see 3 of them are above the period and so there is an urgency that they need to push in respect of this, and they are aware of this.

[01:53:09]

Eastern Cape; Health - 5 months

Rural Development and Agrarian Reform – 29 months

Education – 2 months.

Mpumalanga, they have about 6 departments having vacancies.

Agricultural, Rural Development, Land and Environmental Affairs for 33 months

Public Works, Roads and Transport for 16 months

Economic Development and Tourism for 76 months

Education for 18 months

Health for 92 months

Co-operative Governance for 12 months.

Health hasn't had a permanent HoD since the 1st of June 2013 in Mpumalanga. This must be the longest frequency; I haven't done the test to check.

Gauteng; Community Safety has a vacancy for 12 months now.

Health for 5 months and

Economic Development for 3 months.

So Community Safety is going above the 12 months cut-off period.

[01:54:17]

Some of the observations we've made; there are 12 current vacant DG posts at National level and 27 vacant HoD posts Provincially.

In 5 of the Provincial departments the HoDs for Health is vacant and this is a major concern considering the service delivery issues around health that we are dealing with and the response to Corona countrywide.

[01:54:41]

Some of the *key challenges*:

The Departments are not complying with regulation 65(7) of the Public Service Regulations, so most of them as you can see are above the 12 months period regarding the time frames to fill the posts.

We received poor quality Cabinet Memoranda submitted by departments where there are inherent compliance issues following assessment at National.

If you were to ask Chair what is my biggest stress besides other issues at DPSA, this is one of the biggest stress areas because these poor quality Cabinet Memoranda come into the system and we have to quality check them, we have to give feedback to people. And the Ministers on this other side want to take this to Cabinet and they are impatient with the processes that we engage in. But we have done a number of interventions that I'll talk to in one of my last slides in respect to how we help the departments in this area.

In certain instances posts have been re-advertised up to three times due to poor HR support within the departments and due to non-compliance within departments. A simple area of non-compliance would be that you advertise the position and you shortlist people. And the requirements for the position are very clear, but you shortlist people who do not qualify, you interview people who do not qualify, and you recommend somebody who doesn't qualify for appointment. So you were aware from the entry point of the process. This matter should have been brought to the attention of the Panel. And sometimes when you ask the HR departments why did you even include somebody who doesn't qualify, then they say the Department wanted to interview the person. So there's nothing we could do as HR to stop it.

[01:56:36]

So now it gets stopped at the end of the process before it goes to Cabinet when it comes to DPSA. Because we wouldn't take it to the next step if the person that is qualified or there's some non-

compliances that we have picked up or there's some evidence that's missing, or there's no proof for the qualifications that the person claims to have on the CV.

So there are a number of things in the checklist that we look at. And the checklist is public and the protocols are public regarding this work.

[01:57:01]

Departments not following the Regulatory framework creating delays and having Cabinet memos referred back.

The risk imposed by acting for longer periods.

This is an obvious risk. If you have a position vacant for like 79 months, usually you will not have one person acting for that period because even acting is governed by regulations. So at a certain period you have to stop making one person act and look for another person to act. So there's no stability in the department and people who are acting generally are not as confident in terms of taking decisions and moving with processes and things forward in the department.

Some of the *interventions* we have, I've spoken about some of these interventions so I won't spend much time on these.

We communicate with departments on advertising and filling of posts on an ongoing basis. Some of the interventions we have put in place:

We have written letters to National departments and Provincial DGs to remind them about their vacancies and to advise them to ensure that these are filled urgently. We sent a letter in December to National departments and a letter to Provincial departments in 2021.

I need to highlight here, Chair, that some of the Provincial DGs who call, they would indicate that they're having challenges in that their Premier's are not deciding on appointments; because at the end it is the Premier who must decide on the appointments.

So they run with the process, working with the panels that have been appointed by the Premier until a stage where a submission is made to the Premier and there's no movement in relation to the appointment, and there's nothing the HoD can do beyond waiting and to keep on reminding the Premier.

[01:58:49]

Workshops held; we've held workshops in 2020 on the recruitment of Heads of Departments and Cabinet memo.

We had a virtual workshop for all departments' HRs and we invited the HoDs as well and DGs to that workshop. Some did attend, some sent their HR.

The Minister addressed FOSAD on the 1st of March on their leadership roles and responsibilities. And there was an engagement after this address by the Minister with FOSAD members, which is all DGs from Nationally and Provincially. And the DPSA DG also presented the compliance report.

Part of what I'm reporting here has already been shared twice with the DGs at the FOSAD level.

We have also issued a number of circulars relating to recruitment and correct application of the Regulatory framework in relation to recruitment of HoDs.

That's a list of some of the circulars that we have sent.

I must say, Chair, that it remains the prerogative of the relevant Executive Authority to advertise and fill these positions in their relevant departments in line with the regulations. So we as DPSA cannot advertise and fill positions for them, but we can only support.

[02:00:04]

END OF TRANSCRIPTION