

## **Budgetary Review and Recommendation Report of the Portfolio Committee on Women, Youth and Persons With Disabilities, Dated 23 November 2021.**

The Portfolio Committee on Women, Youth and Persons with Disabilities, having considered the annual and financial performance of the Department of Women, Youth and Persons with Disabilities on 9 November 2021, and the Commission for Gender Equality on 12 November 2021 and the National Youth Development Agency on 16 November 2021, reports as follows:

### **1. Introduction**

The COVID-19 pandemic severely impacted the world in 2020. South Africa was still reeling from the effects of the global financial crisis and the downgrades by rating agencies with devastating effects on the economy. In turn, the combination of these factors had a direct impact on the livelihoods of women, youth and persons with disabilities which is then further exacerbated by poverty. At present women constitute more than half of the South African population and the youth unemployment rate is the highest it has even been since the advent of democracy. Gender-based violence and femicide continues to ravage the country and has been deemed the silent pandemic. It is within this context that the Budget Review and Recommendations Report (BRRR) 2021 is compiled. The review and assessment of the Annual Reports for the Department of Women, Youth and Persons with Disabilities (hereafter referred to as the Department), the Commission for Gender Equality (CGE) and the National Youth Development Agency (NYDA).

After the 2019 national government elections, the President announced the appointment of a Minister and Deputy Minister in the Presidency for Women, Youth and Persons with Disabilities on 29 May 2019. On 26 June 2019, Schedule 1 of the Public Service Act was amended to establish the Department of Women, Youth and Persons with Disabilities (hereafter referred to as the Department). This entailed the reorganisation of the former Department of Women through the transfer of the functions and concomitant resources of persons with disability, and youth development from the departments of Social Development and Planning, Monitoring and Evaluation respectively.

A Memorandum of Understanding was concluded between the Department and the transferring departments regarding the management of budgets for the Youth Development and the Rights of Persons with Disabilities programmes would only be transferred to the Department on 01 April 2020 taking into account the National Macro Organisation of Government (NMOG) process. This Budget Review and Recommendations Report (BRRR) takes cognisance of these changes as the budget Vote 20 is now inclusive of the Rights of Persons with Disabilities Programme and the National Youth Development Programme which includes the transfer to the National Youth Development Agency (NYDA).

On 9 November 2021, the Committee was briefed by the Department on its Annual Report for 2020/21, as well as by the Auditor General of South Africa (AGSA). The Commission for Gender Equality (CGE) briefed the Committee on 12 November 2021 and the National Youth Development Agency (NYDA) on 16 November 2021.

### **2. Strategic Overview**

#### **2.1. Mandate and Purpose of the Department**

The Department's mission is to provide strategic leadership, advocacy, coordinate, monitor and evaluate mainstreaming country-wide programmes on women, youth and persons with disabilities. Its mandate is to lead on socio-economic transformation and implementation of the empowerment and participation of women, youth and persons with disabilities through mainstreaming, advocacy, monitoring and evaluation. Its ultimate vision is a transformed, inclusive society, free from all forms of discrimination and capable of self-actualisation.

As stated in the Estimates of National Expenditure (ENE) for 2020, the Department received its transfer from National Treasury via Vote 20, which at the time was inclusive of five programmes namely; Programme 1: Administration, Programme 2: Social Transformation and Economic

Empowerment (STEE) and Programme 3: Policy, Stakeholder Coordination and Knowledge Management (PSCKM); Programme 4: Rights of Persons with Disabilities and Programme 5: National Youth Development.

## **2.2 Mandate of the Commission for Gender Equality**

The Commission for Gender Equality (CGE) was established in 1996 according to the Commission for Gender Equality Act 39 (1996) to promote gender equality. In its efforts to monitor, lobby, educate citizens and encourage the equitable development of women and men, the CGE is compelled to undertake the following:

- To monitor and evaluate policies and practices of organs of State at any level, statutory bodies or functionaries, public bodies and authorities, and private businesses, enterprises and institutions;
- To cultivate an understanding of gender equality and the role and activities of the Commission through developing, conducting and managing information and education programmes;
- To evaluate whether Acts of Parliament (existing or proposed), systems of personal and family law or custom, systems of indigenous law, custom or practices or any other law, will affect the status of women, and to make recommendations to Parliament in this regard;
- To recommend to the National and Provincial Legislatures, any new legislation that would promote gender equality;
- To investigate on its own initiative or due to a complaint, any gender related issue;
- To maintain close relations with institutions that undertake similar work, and to facilitate cooperation in handling complaints;
- To interact with civil society to further the work of the Commission;
- To monitor compliance to international conventions, covenants and charters related to gender issues, and to submit reports to Parliament in this regard;
- To conduct research on gender related issues; and
- To consider recommendations, suggestions and requests made with regards to gender equality as received from any source.

## **2.3 Mandate of the National Youth Development Agency**

The National Youth Development Agency (NYDA) was established through the NYDA Act (No. 54 of 2008). It was established to be a single, unitary structure to deal with youth development issues at a national, provincial and local government level. The NYDA Act instructs the NYDA to promote a uniform approach to youth development by all organs of State, the private sector and non-government organisations. The NYDA derives its mandate from legislative frameworks which is inclusive of the NYDA Act (No. 54 of 2008), the National Youth Policy (2009-2014) and the Integrated Youth Development Strategy.

The NYDA Act (No. 54 of 2008) stipulates objectives of the Agency as follows:

- a) Develop an Integrated Youth Development Plan and Strategy for South Africa.
- b) Develop guidelines for the implementation of an integrated national youth policy and make recommendations to the President.
- c) Initiate, design, co-ordinate, evaluate and monitor all programmes aimed at integrating the youth into the economy and society in general.
- d) Guide efforts and facilitate economic participation and empowerment, and achievement of education and training.
- e) Partner and assist organs of state, the private sector and non-governmental organisations and community-based organisations on initiatives directed at the attainment of employment and skills development.
- f) Initiate programmes directed at poverty alleviation, urban and rural development and the combating of crime, substance abuse and social decay amongst youth.
- g) Establish annual national priority programmes in respect of youth development.
- h) Promote a uniform approach by all organs of state, the private sector and non-governmental organisations to matters relating to or involving youth development.

- i) Endeavour to promote, generally, the interest of the youth, particularly young people with disabilities.

From an oversight perspective, the Committee is therefore responsible for overseeing the Department which is inclusive of the Commission for Gender Equality (CGE) and the National Youth Development Agency (NYDA).

### **3. Purpose of the Budget Review and Recommendations Report (BRRR)**

The Money Bills Procedures and Related Matters Amendment Act (No. 9 of 2009) sets out the process that allows Parliament to make recommendations to the Minister of Finance to amend the budget of a national department. Section 5 (1) of the Money Bills Amendment Procedure and Related Matters Act, (No. 9 of 2009) requires that the National Assembly, through its Committee, must annually assess the performance of each national department. Section 5 (2) makes provision for the annual submission of the budgetary review and recommendations report (BRRR) for tabling in the National Assembly for each department. It is expected of the BRRR to report on the following:

- Assessment of the department's service delivery performance given the available resources;
- Assessments on the effectiveness and efficiency of the department's use and forward allocation of available resources; and
- May include recommendations on the forward use of resources.

### **4. Method**

In order to enable the Committee to take informed decisions on the performance of the Department for the financial year 2020/21, the Committee consulted the following reports and documents: Section 32 reports of National Treasury, the Department's Annual Report 2020/21, Reports of the Auditor-General of South Africa (AGSA), Report of the Department's Audit and Risk Committee (ARC), the 2020 State of the Nation's Address, the CGE's and NYDA's Annual Report for 2020/21. All of this information assisted the Committee in providing a holistic assessment of the Department, the NYDA and the CGE's performance for 2020/21 with reflections on the 1<sup>st</sup> Quarters of 2021/22.

In complying with Section 5 (2) of the Money Bills Amendment Procedure and Related Matters Act, (Act No 9 of 2009), the Portfolio Committee on Women, Youth and Persons with Disabilities held a meeting on the 9<sup>th</sup> November 2021 to consider the 2020/21 Annual Report of the Department of Women, Youth and Persons with Disabilities. The Office of the AGSA was invited to give input during the budget review and recommendation report process on the 9<sup>th</sup> November 2021 as well. As noted previously, the Committee was also briefed and deliberated on the quarterly reports for 2020/21 including the first quarter reports for 2021/22 of the Department, the NYDA and the CGE. As such, this report therefore includes those key issues that were identified by the Committee. Moreover, given the key policy imperatives such as the National Strategic Plan (NSP) on Gender-Based Violence and Femicide (GBVF) and the Economic Reconstruction and Recovery Plan that has been prioritised by Government during this period, these have also been taken into account as it directly impacts on women, youth and persons with disabilities in the country.

### **5. Outline of the Contents of the Report**

This report provides an analysis of the financial and programmatic performance of the Department, the NYDA and the CGE. Cognisance is taken of the reductions imposed on the budget allocated as well as revisions made to respective Annual Performance Plans and where relevant, commentary is provided in that regard. Moreover, the report not only reflects on the Annual Reports but examines the Committee's engagement with the entities for the year under review as well as the Q1 performance and what needs to be taken into consideration going forward. The report concludes with key observations and recommendations made by the Committee having engaged with the Department, the NYDA, the CGE, the AGSA and each of the Audit and Risk Committee's for each of the entities.

### **6. Overview of Key Policy Focus Areas - Strategic Priorities of Government**

#### **6.1 National Development Plan**

“The NDP Vision 2030 prioritises the significant role of women, youth and people with disabilities in our society. If these three groups are strong, our whole society will be strong. These are cross-cutting focus areas that need to be mainstreamed into all elements of South Africa’s developmental future and all programmes of government. They will inform interventions across the three pillars.”<sup>1</sup>

The Department indicates that its mandate is aligned to the National Development Plan and that it was engaging with the DPME on ensuring that the 7 national priorities informs the policy priorities for gender, youth and disability and includes indicators and targets into the NDP 5-year Implementation plan and MTSF 2019-2024. In turn, this would therefore inform the focus areas in the Strategic Plan for the next five years.

Furthermore, the Department maintains that its Country Gender Indicator (CGI) Framework which is the backbone of the monitoring mechanism of the Gender responsiveness Budgeting, Planning, Monitoring, Evaluation and Auditing (GRBPMEA) Framework has its foundation in the NDP, State of the Nation Address (SONA), Sustainable Development Goal (SDG) (5), Agenda 2063, Convention on the Elimination of all Forms of Discrimination (CEDAW), Beijing Platform of Action (BPfA), Solemn Declaration on Gender Equity in Africa, Protocol on Gender and Development, National Policy Framework for Women Empowerment and Gender Equality (NPFWEGE) and other regional and international instruments on women

Thus in implementing its programmes, the Department maintains that it aligned its indicators to respond and contribute to the principles of the NDP. This BRRR also examines the extent to which the Department has been able to do this for the year under review but also has a mid-point in the five-year term.

## 6.2 Medium-Term Strategic Framework (MTSF)

The Medium-Term Strategic Framework (MTSF) (2019-2024) for the 6<sup>th</sup> Administration identified the following seven priorities: (a) **Priority 1:** A capable, ethical and developmental state; (b) **Priority 2:** Economic transformation and job creation; (c) **Priority 3:** Education, skills and health; (d) **Priority 4:** Consolidating the social wage through reliable and quality basic services; (e) **Priority 5:** Spatial integration, human settlements and local government; (f) **Priority 6:** Social cohesion and safe communities and (g) **Priority 7:** A better Africa and world

All of the MTSF priorities are underpinned by three pillars namely; (a) Achieving a more capable state (b) Driving a strong and inclusive economy (c) Building and strengthening the capabilities of South Africans. The MTSF 2019-2024 aims to address the challenges of unemployment, inequality and poverty through three pillars outlined above. Moreover, the MTSF has also identified cross-cutting focus areas for women, youth and persons with disabilities which are implicitly linked to the National Development Plan (NDP). “Cross-cutting focus areas: The NDP Vision 2030 prioritises the significant role of women, youth and people with disabilities in our society. If these three groups are strong, our whole society will be strong. These are cross-cutting focus areas that need to be mainstreamed into all elements of South Africa’s developmental future and all programmes of government. They will inform interventions across the three pillars.”<sup>2</sup> The Department provided specific commitments with respect to each of the MTSF priorities identified and presented these to the Committee in May 2020.

## 6.3 State of the Nation Address 2020

The 2020 State of the Nation Address (SONA) followed on from the focus on gender-based violence (GBV) in the 2019 SONA in which the President reiterated that violence perpetrated by men against women was a crisis in the country that required urgent intervention. Following on the commitments made in 2019, the

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<sup>1</sup> Department of Planning, Monitoring and Evaluation, Republic of South Africa (2019) Medium Term Strategic Framework 2019-2024.

<sup>2</sup> Department of Planning, Monitoring and Evaluation, Republic of South Africa (2019) Medium Term Strategic Framework 2019-2024.

President indicated in the 2020 SONA that progress was made in several areas however did not elaborate on what that entailed. The specific GBV deliverables noted in the 2020 SONA pertained to three items. Firstly, the amendment of the Domestic Violence Act to better protect victims in violent domestic relationships. Secondly, the amendment of the Sexual Offences and Related Matters Act to broaden the categories of sex offenders whose names need to be included in the National Register for Sex Offenders. Thirdly, the introduction of legislation to tighten bail and sentencing conditions in cases that involve GBV. All of these have subsequently been dealt with by Parliament.

Besides reference to GBV in the 2020 SONA, President Ramaphosa stated that “the empowerment of women is critical to inclusive economic growth”. “Women’s economic empowerment and independence is a critical tenet to them being able to reclaim their power and leave abusive relationships and partnerships.”<sup>3</sup> Hence the link between GBV and economic empowerment is therefore an important one.

The President also outlined the following measures to ensure women’s access to economic opportunities namely;

- The introduction of the “SheTradesZA” platform to assist women-owned businesses to participate in global value chains and markets.
- R10 billion targeted funding by the Industrial Development Corporation and partners for funding women empowered businesses over the next 5 years.
- The Clothing and Textiles Master Plan which aims to create 121 000 new jobs in the retail-clothing textile and footwear sector over the next 10 years – women have historically dominated this sector and it is hoped that they will benefit from this plan as well.
- The prioritisation of women who have been farming on communal land as a target group for land restitution of state land for agricultural production.
- The economic empowerment of women through the African Union, working with member states on measures to promote financial inclusion, preferential procurement and preferential trade agreements for women.

With respect to youth, education and job creation featured strongly throughout the 2020 SONA. The President emphasised the challenges and some of the interventions underway to improve access to education and alleviate the staggering rate of unemployment amongst youth. He stated emphatically, “*We are confronted by the crisis of youth unemployment. More than half of all young people are unemployed. We need to make this country work for young people, so that they can work for our country.*”<sup>4</sup> The President also announced the implementation of the Presidential Youth Employment Intervention (PYEI) on the day as a means of addressing youth employment. To this end the President outlined the PYEI’s six priority actions to be implemented over the next five years to reduce youth unemployment as outlined below.<sup>5</sup>

- i. Creating pathways for young people into the economy, through building cutting-edge solutions to reach young people where they are – online, on the phone and in person. This will allow them to receive active support, information and work readiness training to increase their employability and match themselves to opportunities. Starting this month (February 2020), five prototype sites in five provinces will be launched that will grow to a national network reaching three million young people through multiple channels. This will allow them to receive active support, information and work readiness training to increase their employability and match themselves to opportunities.
- ii. A fundamental change in how young people are prepared for the future of work, providing shorter, more flexible courses in specific skills that employers in fast-growing sectors need.
- iii. Developing new and innovative ways to support youth entrepreneurship and self-employment.

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<sup>3</sup> Levendale, C (2021), Annual Report Overview 2020/21 Department of Women, Youth and Persons with Disabilities Parliament of the Republic of South Africa, Research Unit, 5 November 2021, p.6

<sup>4</sup> President Cyril Ramaphosa (2020) State of the Nation Address, 2020.

<sup>5</sup> Matthews, T (2020) Key issues from the 2020 State of the Nation Address (SONA) (Youth), Parliament of the Republic of South Africa, Research Unit



- iv. Scaling up the Youth Employment Service and working with TVET colleges and the private sector to ensure that more learners receive practical experience in the workplace to complete their training.
- v. Establishing the first cohort of a Presidential Youth Service programme that will unlock the agency of young people and provide opportunities for them to earn an income while contributing to nation building.
- vi. Lead a youth employment initiative which will be funded by setting aside 1% of the budget to deal with the high levels of youth unemployment. He added that this will be through top slicing from the budget, which will require redirection of resources to address the national crisis of youth unemployment.

In terms of education, the President spoke to progress made with the introduction of the three-stream curriculum model, heralding a fundamental shift in focus towards more vocational and technical education. He also referred to the building of 9 new TVET colleges; establishing a new University of Science and Innovation in Ekurhuleni; spending on student accommodation at universities and TVET colleges and access to bilateral student scholarship agreements enabling young people to go overseas each year for training in critical skills

The SONA priorities are primarily incorporated in the following Departmental programmes:

- Programme 2: Social Transformation and Economic Empowerment, which has as its objectives the development of intervention mechanisms for women's social empowerment and participation, as well as the development of mechanisms for engendered transformation through advancing measures for the empowerment of women towards a just society;
- Programme 4: National Youth Development, which aims to co-ordinate, support and facilitate youth development and empowerment; and
- Programme 5: Rights of Persons with Disabilities, which aims to promote, protect and empower persons with disabilities through the development and implementation of legislation, policies and programmes.

During the year under review, the Committee also requested the Department to report on progress in terms of what the President identified in its 2020 SONA and how the respective programmes were responding to these. Similarly, the CGE and NYDA was also requested to do the same in its quarterly report briefings to the Committee.

## **7. Department's Strategic Priorities**

### **7.1 Strategic Priorities as per Strategic Plan 2020-2025<sup>6</sup>**

The Department outlines the links between the 7 MTSF priorities, the NDP and SONA priorities by highlighting the alignment through the various outcomes and five-year targets that were identified in its Strategic Plan for 2020-2025 as outlined below.

#### **7.1.1 MTSF Priority 1: A Capable, Ethical and Developmental State**

Outcomes:

- Improved governance processes and systems for DWYPD
- Government-wide planning, budgeting, M&E addresses priorities relating to women's empowerment, youth development and the rights of persons with disabilities
- Gender, youth and disability rights machineries institutionalised
- Accessible and available evidence based knowledge and information on access to services, empowerment and participation for women, youth and persons with disabilities
- Revised legislative framework to respond to and enforce rights of women, youth and persons with disabilities
- Strengthened stakeholder relations and community mobilisation towards the realisation of women's empowerment, youth development and disability rights

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<sup>6</sup> Department of Women, Youth and Persons with Disabilities (2020) Strategic Plan 2020-2025

#### 7.1.2 MTSF Priority 2- Economic Transformation and Job Creation

- Equitable economic empowerment, participation and ownership for women youth and persons with disabilities being at the centre of the national economic agenda

#### 7.1.3 MTSF Priority 3- Education, Skills and Health

##### Outcomes

- Education: Improved rate of educational attendance and retention of young women and women with disabilities in public sector institutions
- Health: Improved health for women, youth and persons with disabilities
- Skills: Improved skills for women, youth and persons with disabilities

#### 7.1.4 MTSF Priority 4 - Consolidating the Social Wage through Reliable

##### Outcomes:

- The Department, working with the Department of Social Development and of Health, will co-develop and ensure implementation of a core package of essential psychosocial support and norms and standards for substance abuse, violence against women and children. Through the core package the department will ensure that 90% of victims of GBVF have access by 2024.
- The Department will develop different interventions to reduce GBVF among women, youth and persons with disabilities. One of the interventions is the National Strategic Plan to end GBVF which will be accompanied by a monitoring framework to ensure its implementation.
- The actual deliverables are covered under Priority 6 and the details on the specific deliverables will be outlined in the APP each year.

#### 7.1.5 MTSF Priority 5: Spatial Integration, Human Settlements and Local Government:

##### Outcomes:

- The department will lobby and support other department's infrastructure and neighbourhood development grants and tax rebates and new structures to incorporate universal design norms and standards. This will include retrofitting existing buildings, transport and Information and Communication Technology (ICT) systems and infrastructure to ensure universal design. It will also monitor compliance with the universal design, norms and standards.
- Furthermore, the department, through Programme 5 on Persons with Disabilities, will develop Frameworks on Disability Rights Awareness Campaigns.

#### 7.1.6 MTSF Priority 6- Social Cohesion and Safe Communities

##### Outcomes:

- Levels of marginalisation, stigmatisation and discrimination and violence against women, girls and persons with disabilities reduced
- Equal opportunities, inclusion and redress. The department contributes to Priority 6 through the Stakeholder Coordination and Outreach (SCO) sub-programme, which is responsible for coordinating sustained and visible initiative/ campaigns on gender to contribute to the target of 30 by 2024.

#### 7.1.7 MTSF Priority 7- A Better Africa and World

##### Outcomes:

- Strengthened women, youth and disability rights agenda within global, continental and regional platforms, institutions and engagements towards a better Africa and the world
- Gender equality, youth and disability agenda strengthened within multilateral institutions
- The department contributes to Priority 7 through the International Relations (IR) Directorate and the Research Policy and Knowledge Management, on international reporting

The Department had also identified the following strategic priorities for each of its programmes namely;

#### **Programme 1: Administration (Admin.)**

- Strengthened good governance that ensures the Department delivers on its mandate.
- Improved strategic financial management system in Department, enabling delivery on the mandate.
- Effective and appropriate Human and ICT and Physical Resource management, enabling delivery on its mandate.

**Programme 2: Social Transformation and Economic Empowerment (STEE)**

- Development and implementation of interventions to promote gender mainstreaming of socio-economic and governance programmes.
- A Department that advances women empowerment and gender equality.

**Programme 3: Policy, Stakeholder Coordination and Knowledge Management (PSCKM)**

- Promotion of gender-responsive knowledge and research, policy development, international relations, planning, monitoring and evaluation, stakeholder engagement, advocacy and outreach campaigns with respect to women's socio-economic empowerment and gender equality.

**Programme 4: Rights of Persons with Disabilities (RPD)**

- To promote, protect and empower persons with disabilities through the development and implementation of legislation, policies and programmes.
- To strengthen implementation of the White Paper on the Rights of Persons with Disabilities through the National Disability Rights Machinery.
- Strengthening of International Relations to promote the rights of persons with disabilities.

**Programme 5: National Youth Development Programme (NYD)**

- To coordinate, support and facilitate youth development and empowerment.

**7.2 Strategic Outcomes over MTSF Period**

The Department has identified the following strategic outcomes over the MTSF period:

- a) Improved governance processes and systems for the Department.
- b) Government-wide planning, budgeting, monitoring and evaluation to address priorities relating to women's empowerment, youth development and the rights of persons with disabilities.
- c) Ensuring the institutionalisation of gender, youth and disability rights machineries.
- d) Accessible and available evidence based knowledge and information on access to services, empowerment and participation for women, youth and persons with disabilities.
- e) Strengthened stakeholder relations and community mobilisation towards the realisation of women's empowerment, youth development and disability rights.
- f) A revised legislative framework to respond to and enforce the rights of women, youth and persons with disabilities.

**7.3 Strategic Priorities 2020/21**

According to the 2020 Estimates of National Expenditure, the Department intends focussing on the following over the medium term:

- a) reducing gender-based violence and femicide, and strengthening the national gender machinery;
- b) making interventions for economic empowerment;
- c) engaging in responsive government-wide planning, budgeting, monitoring and evaluation;
- d) ensuring compliance with international commitments;
- e) promoting the rights of people with disabilities; and
- f) supporting the development of young people.

The Department notes in its 2020/21 Annual Performance Plan that it is tasked with contributing towards increased participation in social and economic empowerment for women, youth and persons with disabilities. With regards to the CGE, "Over the medium term, the Commission will continue to advance legislation, policies and initiatives that create an enabling environment for the elimination of gender inequality. The Commission seeks to achieve this by conducting research, providing public education, addressing complaints, and influencing the development of relevant policies and legislation."<sup>7</sup>

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<sup>7</sup> National Treasury (2020) Estimates of National Expenditure, 2020, p.13



With regards to the NYDA, “Over the medium term, the Agency will focus on building capacity in its service delivery offices by providing IT infrastructure, furniture and human resources; and providing support services to ensure that young people gain direct access to markets, relevant entrepreneurial skills, and financial and non-financial support.”<sup>8</sup>

## **8. Policy Priorities for 2020/21**

Among the Department’s policy priorities in its 2020/21 Annual Performance Plan are the following:

- Undertaking to facilitate, foster and drive the mainstreaming and equality of women, youth and persons with disabilities into Government’s policies, governance, processes and programmes.
- Facilitating the coordination of government-wide gender responsive planning, budgeting, monitoring and evaluation.
- Strengthening the national machineries for all 3 sectors.
- Participating in international engagements on gender equality, youth and persons with disabilities.
- Undertaking sectoral interventions against gender-based violence.
- Leading the implementation of sanitary dignity programmes.
- Facilitating public participation activities, including dialogues with different sectors of women, youth and persons with disabilities.

## **9. General Overview and Assessment of Financial Performance for Department**

According to the Estimates of National Expenditure (2020), R778,5 million was allocated for Vote 20 for the Department of Women, Youth and Persons with Disabilities. Bearing in mind that in the previous financial year (FY) 2019/20, as per the adjusted 2019 Estimates of National Expenditure, it was indicated that the Department received a budgetary allocation of R244.398 million of which R85.2 million constituted the transfer payment to the CGE, leaving the Department with an operating budget of R159.221 million. However, the Rights of Persons with Disabilities Programme and the National Youth Development Programme was still located within the Department of Social Development and Department of Planning, Monitoring and Evaluation (DPME). Hence these programmes were officially transferred to the Department as of 1 April 2020 and as such Vote 20 saw a significant increase. Thus of the R778,5 million allocated it included the transfers to the CGE and NYDA for R89,9 million and R478,7 million respectively. Hence the Department would have been left with an operating budget of R209,7 million to undertake its programmes and meet its targets for 2020/21.

However, budget cuts were introduced in June and October 2020 on account of the impact of the COVID-19 pandemic. A further reduction to the budget then occurred again in October 2020. As per the Adjusted Budget for 2020, a second adjustment appropriation of R24,261 million was made. Hence, the Department saw a total budget cut of R157 million due to COVID-19 reprioritisations – this includes the budget cuts to its two reporting entities, namely the Commission for Gender Equality and the National Youth Development Agency. This resulted in the overall budget decreasing from R778 million to R621 million. When removing the budget allocations towards the CGE and NYDA, the Department was left with an operating budget of approximately R175 million with which to undertake its activities and operations and meet its targets for 2020/21.

The Department noted to the Portfolio Committee that reprioritisation was made in the following areas:

- Activities directly affected by the COVID-19 pandemic, including venues and facilities; catering; domestic and international travel, subsistence and accommodation;
- Reduction in the use of external service providers for technical expertise
- Increases in provision for tools of the trade to enable officials to work from home, strengthening ICT systems, including video conferencing etc.

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<sup>8</sup> Ibid, p. 26

Given that the Departmental Budget Vote 20 was now inclusive of Programme 4 and 5, a year-on-year comparison would not be a fair and accurate reflection of the nominal and real rand changes when inflation is taken into account when examining the money appropriated. Notwithstanding that, based on the financial statements in the Annual Report 2020/21, the Department's final appropriated budget was R620,976 million. This includes the amount of R446.435 million which constitutes the transfer payments to the CGE and NYDA. When removing these amounts, the Department is left with an actual operating budget of R174.541 million (when rounded off R175 million).

When examining the virements made or received between programmes for the year under review, what becomes apparent is that aside from the budget changes in programmes as a result of the budget reprioritisation process, there has also been additional programme budget changes. The Department reports a total of R8.067 million in virements from Programmes 2,3,4 and 5 to Programme 1 (Administration) in addition to an additional R3 million allocation for Compensation of Employees (Ministry sub-programme) to this programme, bringing the total budget increase for the Programme to R11.067 million. R2,791 million was moved from Programme 2 to Programme 1. R2,697 million was moved from Programme 3 to Programme 1. R1,042 million was moved from Programme 4 to Programme 1. R1,537 million was moved from Programme 5 to Programme 1. In summary, the following virements have been made in terms of financial line items:

- R2.061 million from Compensation of Employees (COE) from programmes 2,3 and 5 to programme 1
- R5.680 million from Goods and Services (G&S) from programmes 2,3,4 and 5 to programme 1 – primarily for office accommodation and computer services contracts
- R185 000 from Transfers and Subsidies in programme 4 to programme 1 - relating to costs for the payment of leave gratuities to staff who have resigned.

In examining the programme expenditure for 2021, the following table has been collated using the information the information provided in the Annual Report.

**Table 1: Total vs Operational Expenditure as at 31 March 2021<sup>9</sup>**

<b>Programme</b>	<b>Total budget as per Annual Report Appropriation Statement (incl. transfer payments)</b>	<b>Total Expenditure Incl. transfer payments</b>	<b>Budget per programme excluding transfer payments (operational budget)</b>	<b>Actual expenditure excluding transfer payments (operational expenses)</b>
<b>1. Administration</b>	R100.593m	R99 252m	R100.593m	R99.252m 98.6%
<b>2. Social Transformation &amp; Economic Empowerment</b>	R101.752m	R94.632m	R23.137 million (R101.752-CGE R78.615m)	R16 017m (R94 632m-CGE R78.615m) 69.2%
<b>3. Policy Coordination &amp; Knowledge Management</b>	R31.373m	R25.139m	R31.373m	R25.139m 80.1%
<b>4. Rights of Persons with Disabilities</b>	R11.983m	R8.196m	R11.983m	R8.196m 68.3%
<b>5. National Youth Development</b>	R375.275m	R375.182m	R7.455m (R375.275m – NYDA)	R7.362m (R375.182m- NYDA)

<sup>9</sup> Levendale, C (2021), Annual Report Overview 2020/21 Department of Women, Youth and Persons with Disabilities Parliament of the Republic of South Africa, Research Unit, 5 November 2021, p.10

			R367.820m)	R367.820m) 98.7%
<b>Total</b>	<b>R620.976million</b>	<b>R602.401m</b>	<b>R174.541m</b>	<b>R155.966m</b>
<b>Total under-expenditure = R18.575m</b>		<b>Total budget expenditure = 97%</b>		<b>Total expenditure, i.e. operational budget = 89.3%</b>

The table provides an overview of expenditure as at the end of the 2020/21 financial year. The following can be noted:

- When considering the overall expenditure of the Department based on its total appropriation of R620.976 million, it appears that the Department has spent 97% or R602.401 million of its budget.
- However, when considering the budget less the transfer payments to the CGE and NYDA, i.e. the operational budget (R174.541 million), the Department has spent 89.3% or R155.966 million of the operational budget.
- The bulk of the Department's operational budget was still allocated to its Administration Programme (Programme 1). This programme also consumed the largest expenditure (R99.252m) of the Department's operational budget which amounted to 64%.
- Total under-expenditure for the year amounts to R18.575 million.

The Department reports that it has requested the following roll-over funds from National Treasury:

- R2.135 million for Microsoft licence renewal
- R3.627 million earmarked for the establishment of the NCGBVF
- R2.750 million for a radio show programme

The key cost drivers were Compensation of Employees and Goods and Services. As such, 63.2% (R110,3 million) of the Department's operating budget has been spent on Compensation of Employees (CoE) and 24.7% has been consumed by Goods and Services (R43.243 million). In terms of spending under goods and services, the line items which have incurred greatest expenditure are listed in the table below.

**Table 2: Comparison of Key Cost Drivers between 2020/21 and 2019/20**

<b>Key Cost Driver</b>	<b>2020/21</b>	<b>2019/20</b>
Compensation of employees	R110.311 million	R89.013 million
Goods and services	R43.243 million	R62.144 million
- Property payments	R19.147 million	R12.811 million
- Travel & Subsistence	R6.078 million	R28.348 million
- Communication	R4.323 million	R3.194 million
- External Audit Costs	R3.235 million	R3.112 million
- Computer services	R2.870 million	R3.059 million

There has been a significant increase in property payments year on year from R12.8 million in 2019/20 to R19.1 million in 2020/21. While travel and subsistence remains a primary cost driver it has seen a marked decrease from 2019/20 when expenditure was at R28.3 million. The decrease is attributed to the COVID-19 lockdown restrictions.

In terms of spending under Goods and Services, the main cost drivers were travel and subsistence (R6,078 million), property payments (R19,147 million), expenditure for external audit costs (R3,235 million), Communication (R4,323 million) and Computer services (R2,870 million). These 5 line items consume 83% (R35,653 million) of the Goods and Services budget. Expenditure in this regard has been fairly consistent within the Department for these line items as 81% for these 5 line items were spent in 2019/20.

Looking at key cost drivers comparatively across the 2019/20 and 2020/21 financial years they remain fairly similar. Compensation of employees sees a significant increase from R89.013 million in 2019/20 to R110.311 million in 2020/21, while goods and services has decreased by R18.901 million. The

increase in spending on COE is possibly as a result of the staff and functions related to the Rights of Persons with Disabilities and National Youth Development programmes being officially absorbed into the Department for the first time.

The Department indicated that under-spending per programme was due to following reasons as cited in the table below:

**Table 3: Under-expenditure per programme for 2020/21**

<b>PROGRAMME</b>	<b>UNDER-EXPENDITURE</b>	<b>REASON FOR UNDER-EXPENDITURE</b>
<b>Programme 1: Admin</b>	R1.341 million	Furniture not procured and Microsoft licences renewal to be paid in 2021/22 financial year.
<b>Programme 2: STEE</b>	R7.040 million	National Council on Gender-based Violence and Femicide not being established, savings on travel and subsistence, venues and facilities, as well as content material relating to the NCGBVF not being printed.
<b>Programme 3: PCKM</b>	R6.234 million	Vacant post of Deputy DG PCKM, as well as unspent travel and subsistence funds and funds relating to public gatherings and engagements which could not take place due to lockdown restrictions.
<b>Programme 4: RPD</b>	R3.787 million	Vacant post of Chief-Director Governance and Compliance. Delays in implementation of research projects and legislative audits on disability rights. Unspent travel and subsistence, venues and facilities funds due to lockdown restrictions limiting in-person engagements.
<b>Programme 5: NYD</b>	R93 000-	No significant under-expenditure

Furthermore, the Department indicated that it utilised consultants on 8 projects throughout the financial year amounting to R2,525 million as outlined in the table below.

**Table 4: Use of consultants for 2020/21**

<b>Project Title</b>	<b>Total number on consultants that worked on the project</b>	<b>Estimated Duration (work days)</b>	<b>Contract Value in Rands (R'000)</b>
Health Risk Management	11	Ongoing	21
Competency Assessment	4	Ongoing	101
Appointment of Report Writers	1	1	52
Qualification Verification	5	Ongoing	18
Audit Committee	5	Ongoing	308
Common Wealth Youth Programme	1	1	1 529
Organisational Strategic Planning	1	2	75

Translators, Interpreters & Sign Language	5	1	421
<b>Total</b>	<b>33</b>	<b>-</b>	<b>2 525</b>

## 9.1 Expenditure Management for 2020/21

### 9.1.1 Irregular Expenditure

- The Department has incurred irregular expenditure to the amount of R41.525 million, R1.080 which was incurred in the 2020/21 financial year. This relates to the security contract which was awarded in 2018 for a period of 3 years. The department indicates that this contract came to an end on 31 December 2020 and no further irregular expenditure will be incurred in this regard.

### 9.1.2 Fruitless and wasteful expenditure

- The Department has not incurred any fruitless and wasteful expenditure during 2020/21, however previous expenditure relating to a case against a previously used travel agency is still on record and is currently with the State Attorney to consider possible recovery of funds (R11.787 million).

### 9.1.3 Unauthorised expenditure

- The Department did not incur any unauthorised expenditure during 2020/21. However, there is unauthorised expenditure from previous years that is awaiting authorisation. This amounts to R32.774 million.

### 9.1.4 Deviations

- The Department reported deviations amounting to R 16 049 271.84 for the financial year under review and the breakdown is as follows, see table below:

**Table 5: Deviations for 2020/21**

<b>Total number on consultants the worked on the project</b>	<b>Service Required</b>	<b>Contract Value in Rands (R'000)</b>
Tractor Outdoor, Pin Point Media, JC De Caux	Billboards in various Province for 16 days of Activism	R396 101,00
SANTACO	Taxi association - Branding of Taxi's in EC Province for 16 days of Activism	R98 800
Ovucommunication	Printing of Annual Report 2019/20 FY	R103 117,50
Ramza Media Consulting	Live broadcast Youth Development Launch	R98 000,00
Sugar Creek Trading	Extension of Office Accommodation	R15 255 468,84
Shereno Printers	Printing of the Annual Performance Plan 2021/22 FY	R97 784,50
<b>Total</b>		<b>R16 049 271.84</b>

\*Source (Department of Women, Youth and Persons with Disabilities, 2021)

It would appear that the majority of the deviations relates to payment to external services providers and the most was for extension of the lease agreement (R15 255 468,84) for the Hatfield office accommodation in Pretoria with Sugar Creek Trading.

## 9.2 2020/21 MTEF financial allocation

The Department still maintains that it has inadequate capacity in SCM and Finance that do not match the increased demand to support end users within the department linked to the integration of Youth and Rights of Persons with Disabilities. In addition, COVID-19 changing lockdown restrictions had an adverse impact on the spending patterns of the Department.

### **9.3 Concluding comments on financial performance**

The Department spent 89.1% of its operating budget and managed to achieve 76% (25/33) of its targets as per the revised APP reflected in the Annual Report 2020/21. The overall under-expenditure of R18,5 million for a Department with a relatively small budget is significant. This underspending in some programmes was as a result of activities that could not be undertaken due to COVID-19 restrictions including vacant positions that were not filled. In some programmes, particularly Programme 1, nearly 100% of budget has been spent, yet not all targets have been met. There has been approximately R 7 million in funds transferred to off-set over-expenditure in Programme 1. The Committee notes the work that was outsourced to consultants to deliver on targets and expenditure incurred despite a large cohort of staff within programmes. Most of the expenditure incurred was for Compensation of Employees and Goods and Services.

## **10. COMMISSION FOR GENDER EQUALITY (CGE)**

The CGE briefed the Committee during all the quarterly reports on its finances. A Commissioner's report was submitted to the Committee at every quarter.

Based on its constitutional mandate, the CGE's vision is to strive for "a society free from all forms of gender oppression and inequality", while its mission includes to "advance, promote, protect, monitor and evaluate gender equality through undertaking research, public education, policy development, legislative initiatives, effective monitoring and litigation". Its values are independence; professionalism; accountability; ethical behaviour; and teamwork.

The Commission's Strategic Framework translates its constitutional mandate into four strategic outcomes as outlined hereafter. In summary, the CGE set out to achieve 26 targets and achieved 25 (96%).

### **10.1 Strategic Outcome (SO) 1:**

The purpose of SO 1 is to evaluate legislation, policies, practices and mechanisms and make recommendations to bring about continuous improvements to advance gender equality. These have been achieved through the following sub-strategies:

- (i) To monitor and evaluate the promotion of gender equality and any relevant policies and practices of the public and private sector and report to Parliament.
- (ii) To initiate and review for the improvement of the legislative framework in all spheres of government that impacts on priority areas of gender equality.
- (iii) To conduct periodic performance assessments of priority Ministries, State institutions, Government departments, political parties and the private sector on the implementation of applicable legislation and policies that impact on gender equality.
- (iv) To evaluate the implementation and the effectiveness of the national justice facilities for gender discrimination.
- (v) To convene direct dialogues with relevant policy makers at national and provincial level on recommendations to promote gender equality contained in research reports and research activities.

According to the Annual Report 2020/21, this SO planned for 8 targets, all of which were achieved and 1 was exceeded as cited below.

- 16 Submissions on new and/or proposed legislation (exceeded by 2)
- 1 consolidated report on submissions made and the outcomes of engagements with Parliament and other key stakeholders on new and proposed legislation



- 1 Report on investigations, findings and recommendations regarding compliance and implementation of national gender transformation framework
- 1 consolidated report on implementation of findings and recommendations of previous year Gender Transformation report
- 1 stakeholder engagement on the findings and recommendations of the CEDAW report produced in the previous financial year
- 2 stakeholder engagements on the findings and recommendations of the SDGs report produced in the previous financial year
- 1 stakeholder engagement on the findings and recommendations of the Maputo Protocol report produced in the previous financial year
- Report on outcomes of engagements on findings and recommendations regarding compliance with international and regional treaties to advance gender equality

## **10.2 Strategic Outcome (SO) 2:**

The purpose of this SO is to evaluate legislation, policies, practices and mechanisms and make recommendations to bring about continuous improvements to advance gender equality. This SO has the following sub-strategies:

- To timeously investigate complaints of violations of gender rights and identify appropriate redress.
- To initiate investigations of systematic violations of gender rights in the public and private sector and identify appropriate redress.
- To develop a coordinated programme to promote equality.
- To initiate intervention for sustainable development and promotion of gender equality by addressing violations in the social cultural, political and economic security and human rights dimension.
- To collaborate with organs of state, civil society and other institutions for the effective development, protection, promotion and attainment of gender equality.

According to the Annual Report 2020/21, this SO planned to achieve 8 targets of which all were achieved and three targets were exceeded as cited below.

- Support materials for education and information programmes for the year on: Sexual and Reproductive Health Rights, Gender-based violence, Gender Mainstreaming, Harmful traditional practices and Substantive equality
- 36 gender mainstreaming interventions to lobby and influence decision-makers within public and private institutions
- 119 community radio slots implemented (target over-achieved by 47)
- 2 Social media campaigns
- 92 clinics held (target over-achieved by 20)
- 36 strategic engagements with like-minded organisations to promote gender equality
- 80% of complaints opened timeously attended to in terms of the complaints manual from registration to assessment of the complaint
- 2 monitoring reports on the implementation of findings and recommendations of systemic investigations conducted in 2019/2020

## **10.3 Strategic Outcome 3:**

The purpose of this SO 3 is to transform behaviour to respect and uphold gender equality and to further ensure effective and efficient social justice for victims of gender violations. This has been achieved through the following sub-strategies:

- To conduct annual reviews and audits of state compliance with obligations under the conventions, covenants and charters and to report a regular basis to Parliament and the Office of the Speaker of Parliament.

- To interact with and report to national, regional and international bodies on state compliance with conventions, covenants and charters acceded to or ratified.

According to the Annual Report 2020/21, this SO planned to achieve 4 targets and all were achieved as cited below.

- An updated status report on the country's response to addressing and combatting GBV taking into account new commitments made.
- An assessment report of the 6 months GBV Emergency Response Plan
- A status report on the country's response to addressing to enable and sustain women empowerment.
- Report on Traditional male circumcision and a report on Fatherhood and the rights of fathers.

#### **10.4 Strategic Outcome 4**

The purpose of this SO 4 is to build and sustain an efficient organisation, to effectively promote and protect gender equality.

According to the Annual Report 2020/21, this SO planned to achieve 6 targets and 5 were achieved as cited below.

- Consolidated report on the implementation of the 5-year HR Strategy
- Monitoring and Evaluation Plan drafted
- 2 Key strategic partnership agreements approved
- 1 Consolidated report on coverage through traditional and digital media
- Approved ICT and Knowledge Management Plan

#### **10.5 CGE'S BUDGET FOR 2020/21**

For the 2020/21 period, the Commission for Gender Equality received an initial budgetary allocation of R89,9 million which was a R4,6 million increase from 2019/20. However, the initial allocation was later reduced due to Budget Adjustments (R10,3 million in July 2020 and then again by R952k in October 2020) thus leaving the CGE within an operating budget of R78,615 million<sup>10</sup>. This is actually R11,246 million decrease from the 2019/20 financial year. Notwithstanding that, the CGE accrued sundry income of R1,4 million through interest income, asset disposals and airtime donation by SABC. This brought the CGE's total income to R80,010 909 million for the 2020/21 FY.

For the year under review, the CGE spent 95% (R76,085 756) of its budget thus an under-expenditure/surplus of R3,925 153 million. The Accumulated Surplus increased to R19,8 million mainly from the results of the current period R3,9 million reported in addition to the surplus retained from previous period yet to be spent. According to the CGE, a right to retain was granted by National Treasury upon application by CGE.

The greatest proportion of the Commission's budget was allocated to Compensation of Employees 69.7% (R55,826 995 million) and Good and Services (G&S) equating to 23.1% (R18,505 485 million). Most of the Commission's work is carried out by internal personnel and thus the main driver of spending is the Compensation of employees. The CGE had 101 funded positions for the year under review and a total of 87 employees as at the end of March 2021.

The main cost drivers under G&S were as follows:

- Report writing, Printing and Publishing (R3,022 756)
- Auditor-General remuneration (R2,728 263)
- Consulting and professional fees (R2,314 084)
- Office cleaning, Maintenance, Plants and Security (R2,296 120)

<sup>10</sup> National Treasury (2020) Adjusted budget summary

- Legal Fees (R1,301 710)

Together the aforementioned cost drivers amounted to R11,662 933 million (63%) of the total G&S expenditure.

The CGE also reports that R11,306 275 million (14.1% of total expenditure) was spent on the Commissioner's Programme; R22,830 959 (28.5% of total expenditure) was spent on Corporate Support Services and R48,873 675 million (57.3% of total expenditure) was spent on Service Delivery. The financial statements provided in the Annual Report for 2020/21 did not have a breakdown of the expenditure incurred for each Strategic Outcome against the budget allocated as outlined in the APP. Hence a comparative analysis cannot be provided in this regard.

In terms of irregular expenditure, the CGE recorded a total of R3,418 044 million for 2020/21. To this end, R2 753 340 million of was attributed to the payment of part-time Commissioners without the requisite time sheets. The CGE reported that this payment was made as a retainer in the absence of time sheets which were not regularly submitted to vouch for the actual time for remuneration. In addition, R455 036 was incurred for salaries for Commissioners' Personal Assistants (PAs), which was incurred in contravention of recruitment policies. Other irregular expenditure related to payments made to Telkom without a contract (R21 134), to Shusha Enterprises without a tax clearance certificate (R20 000) and an amount of R165 734 paid to Deloitte for "similar services procured individually" and Phumasambe Trading (R2 800) "supplier employed by the State".<sup>11</sup>

Fruitless and Wasteful Expenditure, incurred during the year under review amounted to R248 299 This related to a rental for WAN Services amounting to a total of R125 275 paid 3 months out of the lease period from which no services were received for the duration, an electronic Case Management System that was acquired and not brought into use amounting to a total of R113 266, and costs incurred on the recruitment process which was halted for the appointment of Commissioners' PAs amounting to a total of R9 758. 100.<sup>12</sup>

## 10.6 Human Resources

The Commission indicated that they had 101 funded posts during 2020/21 and a vacancy rate of 16% (16 vacancies). This is an increase the percentage of vacancies from the 2019/20 financial year when the vacancy rate was 15% (17 vacancies) and 10% (11 vacancies) in the 2017/18 financial year. This is a cause for concern. The CGE has previously indicated that while it recruits highly skilled personnel, it is hard to retain them due to its limited budget – staff often leave due to better financial offers which the CGE cannot compete with and this impacts on the CGE being able to achieve targets and activities set out in its mandate. The 16 vacancies as at 31 March 2020<sup>1</sup> were as follows:

- 2 Commissioners
- 2 IT/C
- 1 Legal-National
- 1 Research-National
- 4 Legal – Provinces
- 1 Education – Province
- 1 Administrator – Province
- 1 Office Assistant – Province
- 1 Finance
- 2 PA/Admin - National

The CGE had 87 employees during the period under review, of which 85 were permanent and 2 were temporary employees or interns. The majority of the CGEs employees are female 55/87 (63%). Under-representation of persons with disabilities within the CGE's administration is noted for an intervention through the Employment Equity plan in the next reporting cycle.

<sup>11</sup> Commission for Gender Equality (2021) Annual Report 2020/21, p.101

<sup>12</sup> Ibid p.101

Personnel expenditure amounted to R55,826 995 million for the year under review 2020/21. The highly skilled category (level 6-8, 9-12) constitute the majority of those employed in Core-service delivery programmes of the CGE, namely 69% (60 employees). A total of 73 employees received performance related rewards during the period under review resulting in expenditure of R 3,077 891 million.

During the period under review 12 employees received training (amounting to R104 848), 11 of whom were Commissioners and only 1 employee from the Professionally qualified occupational band.

A total of 15 employees left in 2020/21 compared to 20 employees that left the CGE during 2019/20. For the year under review, 1 was due to retirement, 1 due to death, 9 termination of service/resignation and 4 were due to expiry of contracts. The attrition was counter-balanced by recruitment of 10 new employees in the reporting period. The CGE reported only 1 disciplinary matter in the professionally qualified occupational band for the period under review.

## **11. NATIONAL YOUTH DEVELOPMENT AGENCY (NYDA)**

For the year under review, the NYDA briefed the Committee on all 4 quarterly reports in addition to Q1 of 2021/22. The quarterly reports included a focus on programme performance and financial health of the entity. Moreover, the NYDA tabled its Annual Report on 1 October 2021 and briefed the Committee with its Audit Committee on 16 November 2021.

In the period under review the NYDA had 25 Key Performance Indicators of which 14 were met whilst 10 were met and exceeded and 1 target was not met. This amounts to a 96% achievement of the planned targets in its Annual Performance Plan. The performance of the NYDA has remained fairly consistent since the previous FY 2019/20 where its achievement was also 96%. The next section examines the performance of the NYDA for each Programme in light of the Annual Report 2020/21.

### **11.1 Performance per Programme**

#### **11.1.1 Programme 1: Administration**

The purpose of this programme is to enable effective and efficient Agency capabilities for good governance and ethical leadership to support service delivery. Its key outcome is an efficient and effective Agency characterised by good corporate governance and ethical leadership.

This programme achieved 9 targets of which 2 targets were exceeded. The achievements were as follows:

- i. Produced 3 Quarterly Management Reports.
- ii. Implemented Annual Workplace Skills Plan
- iii. Developed and implemented Annual Procurement Plan and produced 3 Quarterly reports.
- iv. Sourced R88 364 452.00 funds from public and private sectors to support youth development programmes. (Target exceeded by more than R28 million)
- v. Established 4 SETA partnerships.
- vi. Signed 3 partnerships with technology companies. (Target exceeded by 1)
- vii. Reviewed and implemented ICT strategic Plan indicating 50% achievement.
- viii. Reviewed and implemented Integrated Communications and Marketing Strategy.
- ix. Produced and approved the NYDA Strategic Risk Register by Ops Exco

#### **11.1.2 Programme 2: Programme Design, Development and Delivery (PDDD)**

The purpose of the programme is to enhance the participation of young people in the economy through targeted and integrated economic programmes. It has two strategic outcomes namely;

- Increased access to socio-economic opportunities, viable business opportunities and support for young people to participate in the economy.
- Increased number of young people entering the job market trained.

This programme achieved 6/7 targets of which 6 targets were exceeded and 1 target was not met. One target was discontinued on account of the adjusted budget due to the impact of the COVID-19 pandemic which resulted in a revised APP. The achievements were noted as follows:

- 2316 youth owned enterprises were supported with financial interventions. Various interventions such as; Implementation of the Youth Micro-Enterprise Relief fund in response to the COVID-19 financial impact and implementation the 1000 business in 100 days' campaign which was funded by the Department of Small Business Development, led to the target being met and exceeded.
- The Voucher programme was suspended for 6 months due to system challenges thus leading to the target not being met as only 1873 youth were supported with Business Consultancy Services.
- 4859 youths were supported with non-financial business development interventions. Partnerships with municipalities led to the increase in the training numbers, thus, leading to the target met and exceeded.
- 8 653 Jobs were created and sustained through supporting entrepreneurs and enterprises. The target was met and exceeded due to implementation of the Youth Micro-Enterprise Relief Fund, in response to the COVID-19 financial impact.
- 4962 Jobs were facilitated through placements in job opportunities. This was an over-achievement due to a partnership established with the KZN Department of Transport which increased the number of beneficiaries that benefited from the expanded public works programme.
- 2790 young people were capacitated with skills to enter the job market, this led to the target being met and exceeded because there were partnerships established with municipalities to increase training targets.
- 3371 of young people capacitated with skills to participate in the economy, which is an over-achievement due to partnerships that were established with municipalities to increase the training targets.

The target which was not met related to the, *Number of youth supported with Business Consultancy Services*. This was not achieved because the voucher programme faced some ICT system challenges and on account of the implications of the COVID-19 pandemic that had a negative impact on the delivery of the programme.

### 11.1.3 Programme 3: National Youth Service

The purpose of the programme is facilitate and co-ordinate the effective and efficient implementation of the National Youth Service Programmes across all sectors of society. Mobilise Public, Private Sectors and Civil Society to unlock resources to support the National Youth Service Programmes. To engage young people in service to their communities to build the spirit of patriotism, solidarity, social cohesion and unity in diversity. The key outcome is increased co-ordination and implementation of NYS programmes across all sectors of society.

This programme achieved 5/5 targets of which 2 targets were exceeded. The achievements were noted as follows:

- Implemented the NYS Communication and Marketing Strategy.
- 38 National Youth Service projects were registered. The target was met and exceeded as some of the projects depended on the partnerships which had COVID-19 relief programs and there were projects that came from signed partnerships.
- 37 partnerships coordinated to deliver on NYS programmes, which exceeded the target because partners had COVID-19 relief programmes.
- Designed Presidential Youth Service Programme.
- Designed Higher Education Youth Service Programme

### 11.1.4 Programme 4: Research and Policy

The purpose focuses on fostering a mainstreamed, evidence based, integrated and result oriented youth development approach, through and monitoring and evaluation services, lobby and advocacy to bring on board key stakeholders to implement youth development programmes. The key outcome is to produce research and policy which influences change in youth sector and build sustainable relationships.

This programme achieved 4/4 targets for the year under review as cited below:

- i. Conducted 3 customer surveys.
- ii. Conducted 1 impact evaluation.
- iii. Produced Annual report on Government wide priorities.
- iv. Produced 2 youth status outlook reports

### **11.2 NYDA's Budget for 2020/21**

According to the ENE 2020, the original budget allocation was for R478,702 million which the NYDA would have received via a transfer from the Department under Vote 20 together with donor funds of R57,3 million and Interest on loan income, bringing the total operating budget to R545,002 million. The budget was then adjusted on 1 July 2020 on account of COVID-19 impact (reduced by R97 million) and then again a further reduction in October 2020 by R13,882 million to R367,820 million. Donor funds was also reduced by R25,650 million. Thus with the reduced donor funds (R27,938 million) and revenue from exchange transactions (R10, 697 million) for interest income, other income and gain on disposal of assets and liabilities the NYDA was left with a total revenue of R406,455 million for 2020/21.

The NYDA's total expenditure for the year was R411,212 million hence an over-expenditure of R4,756 million (101.2%). This deficit in the budget was attributed to depreciation, amortisation and asset write offs which the entity did not budget for. During the Q4 2020/21 briefing, the NDYA presented its annual expenditure by programme which was broken down e.g. Economic participation, Jobs, NYS, Universal access, Research and Policy etc. However, the Annual Report for 2020/21 reflects the following expenditure line items:

- Operating expenses R129,358 million
- Donor Funding Disbursements R27,938 million
- Finance costs R 54 million
- Project disbursements R197,922 million
- Grant Disbursements R55,940 million

Thus in terms of the expenditure line items, Project disbursements constituted 48.1% of the total expenditure followed by the operating expenses 31.5%. A comparison of what programmes were allocated versus what was spent as per the APP would have been a more valuable for the Committee as well given that this is what was examined at every quarter for the year under review.

### **11.3 Human Resources**

The NYDA had a staff compliment of 476 employees, 442 (93%) were permanent and 15 temporary employees. This amounted to R180,636 million for the year under review. The majority of staff, 60% (284) fell within the skilled technical occupational level with only 11 in the Executive and Senior management category. In terms of gender ratio, the NYDA has a dominant female work force 62% (295) and 181 males (38%).

During the year under review a total of 61 employees left the NYDA, 47 employees left due to the expiry of contracts, 2 were dismissed, 9 resigned and 1 retired. A total of 94 employees (56 Black females, 38 Black males) were funded by the NYDA bursary programme for undergraduate and post-graduate studies in the 2020 academic year. All 476 employees (top management, senior management, general staff) received performance rewards for the year under review which amounted to R9,549 million.

## **12. FINDINGS OF THE AUDITOR GENERAL OF SOUTH AFRICA (AGSA)**



The Department has received an unqualified audit opinion from the Auditor-General of South Africa (AGSA), with findings on expenditure management and compliance with legislation, specifically in relation to consequence management and internal control deficiencies. To this end, the AGSA highlighted the following key concerns with regards to the Department:

#### **12.1 Compliance with legislation**

- The AGSA noted that the consequence management non-compliance identified at the Department is the same as that reported in the prior year, although there has been improvement in the investigations, and some were only reported to DG after year-end.

#### **12.2 Expenditure Management**

- The AGSA found that the Department has materially underspent the budget by R18,5 million.
- The AGSA indicated that irregular expenditure incurred by the Department related to a contract that was identified as irregular in the previous year but last payments were made December 2020. To this end, the previous year irregular expenditure is under investigation.
- The AGSA noted that R3,2 million was overspend in the Minister's office in 2019-20 due to new positions being created in Ministry as a result of the NMOG process. The overspending was only reported to National Treasury after the end of the 2020/21 financial year due to lack of resource capacity to perform all the investigations. Hence the unauthorised expenditure was incurred.

#### **12.3 Internal Control Deficiencies (Compliance)**

- The AGSA found that senior management has not adequately or properly monitored compliance with laws and regulations. This could have led to the prevention of non-compliance.
- Management (DWYPD) did not ensure that investigations into unauthorized and irregular expenditure were conducted timeously. There were delays in concluding the investigations, and struggles with obtaining information for irregular expenditure incurred in prior years. To this end, the AGSA recommended that the DG should ensure that all irregular and unauthorized expenditure is investigated, and that disciplinary steps are taken against everyone (if any) who is found to be responsible to create a culture of accountability.
- The AGSA found concerns with proper record keeping as well as daily and monthly controls.

#### **12.4 Consequence management**

- The AGSA indicated a lack of sufficient appropriate audit evidence to indicate that disciplinary steps were taken against officials who had incurred irregular expenditure.
- The AGSA noted insufficient record keeping to support investigations into irregular expenditure.

#### **12.5 Information Technology (IT) Environment**

- *IT governance:* Management did not ensure the effective and efficient use of IT systems procured to enable the organisation to achieve its goals. The AGSA recommended that Management should enforce patch management policy and procedures and monitor for compliance.
- *IT system control:* IT controls pertaining to security management, user access management and IT service continuity were not effectively designed and implemented. The AGSA recommended that the audit recommendations should be implemented as a matter of urgency most of the issues identified have remained unresolved for a significant period of time.

#### **12.6 Credible performance reporting**

- Proper controls were not in place to ensure accurate performance reporting. This was due to a shortage of staff in the Department, and changes that were brought about by the revised Framework for Strategic Plans and Annual Performance Plans
- To this end, the AGSA recommended that Controls are put in place to ensure that achievements are properly reviewed against supporting documentation, and that the APR is prepared in line with the APP, and according to the framework (DWYPD and NYDA).

Secondly, the accounting officer (DWYPD) should ensure that more skilled staff are appointed in the division responsible for performance information.

With regards to the CGE, it received an unqualified audit opinion from the AGSA. The following matters were raised by the AGSA:

#### **12.7 Non-compliance with legislation**

- The AGSA noted that minimal progress has been made in the implementation of audit action plans, as audit action plans and recommendations were not taken seriously to allow improvement in monitoring compliance with laws and regulations.

#### **12.8 Internal control deficiencies**

- The AGSA found significant internal control deficiencies that resulted in the finding on compliance with legislation which is a repeat finding from the previous financial year.
- Findings have been raised on non-compliance with legislation, particularly as it relates to preparation of annual financial statements, as well as on internal control deficiencies. The AGSA states in its report that the financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by the PFMA, however material misstatements were subsequently corrected.
- In addition, internal controls were deficient - Leadership exercised inadequate oversight responsibility regarding financial reporting pertaining to disclosure items as well as related internal controls.
- In terms of internal governance processes, no progress has been made as evidenced by the nature of internal control deficiencies noted in the environment.

The CGE's Audit Committee agreed with the findings of the AGSA and it has noted some issues that were identified by the AGSA in the previous FY that has not been fully addressed for various reasons which management has stated. To this end, management has made further commitment to address the shortcomings noted and as such the ARC was satisfied that if those commitments can be implemented accordingly, the risk will be properly mitigated.

With regards to the NYDA, it received 7<sup>th</sup> clean audit opinion from the AGSA. Notwithstanding that, the following matters were raised by the AGSA:

#### **12.9 AGSA Findings for NYDA**

- The material findings on the performance information identified during the audit were adjusted by management.
- No significant deficiencies in the internal controls were identified.
- The number of management report findings were reduced from 13 (2019/20) to 9 (2020/21).
- The AGSA assessed the NYDA financial health as good despite the impact of the COVID-19 pandemic.

The AGSA recommended that the NYDA should ensure that controls are put in place to ensure that achievements are properly reviewed against supporting documentation, and that the Annual Report is prepared in line with the APP, and according to the framework.

The AGSA have considered the Annual Reports of the Department, the CGE and the NYDA recommended the following to the Committee:

(a) Monitor and regularly follow up with the executive authority and accounting officer/ authority on:

- progress on audit action plans put in place by the department and both entities monitor consequence management
- follow up with CGE and DWYPD on irregular, fruitless and wasteful expenditure incurred to ensure there is consequence management
- Audit recommendations on IT matters should be implemented as a matter of urgency most of the issues identified have remained unresolved for a significant period of time

- (b) The culture of consequence management should be enforced in the portfolio.

### **13. FINDINGS OF THE AUDIT AND RISK COMMITTEE (ARC)**

The Audit and Risk Committee (ARC) concurs with the audit findings. The Audit and Risk Committee noted that 12 findings are new findings and 10 are repeat findings. The repeat audit findings are mainly on Information Technology. The following areas for consideration/improvement/attention by the Department were highlighted by the ARC:

#### **13.1 Performance information**

With respect to *In-year management and quarterly reports* the ARC noted:

- In the 2020/21 financial year the audit did not identify material findings on the performance information of the Department.
- The material misstatements which were identified by the audit in the annual performance report of the Department were subsequently corrected and did not affect the audit report.
- Material misstatements emanated from the following two conditions:
  - (a) The Department reported against the second revised APP which was not re-tabled in Parliament.
  - (b) The Department then had to make adjustments in the performance report to be in line with the first revised APP.
- While the ARC is satisfied with the content and quality of the reports it has provided recommendations to management to improve the quality of the performance information and financial management reporting.

#### **13.2 Evaluation of ICT governance and IT environment**

- The ICT environment remains a high risk for the Department which could hinder the achievement of its objectives.
- Ineffective/outdated information technology architecture. Information Technology has been a challenge in the Department for some time. The ARC acknowledges that resources limitation is a factor to adequately address Information Technology challenges.
- A loss of a key Information Technology staff member due to COVID-19 contributed to non-resolution of Information Technology audit findings. The Department has since filled the vacant position of the key Information Technology staff member in the 2021/22 financial year.
- Non-existence of information backup and recovery systems technology.
- Adequacy and effectiveness of the information technology security controls. Management committed to address the information technology weaknesses in the 2021/22 financial year. Management indicated that the Department will migrate to cloud service by the end of the 2021/22 financial year. Most of the Information Technology related weaknesses will be resolved once the move to cloud is finalised.

#### **13.3 Unauthorised Expenditure**

- Inability of the Department to clear an overspending for previous financial years as follows
  - R27 million (2011/12)
  - R2,2 million (2015/16)
  - R3,6 million (2019/20)

#### **13.4 Irregular Expenditure (IE)**

- Inability of the Department to clear an IE of R40,3 million of which some of it dates back to the 2011/12 FY.
- The Audit and ARC concurs with the audit finding. "Sufficient appropriate audit evidence could not be obtained that disciplinary steps were taken against officials who had incurred irregular

expenditure as required by section 38(1)(h)(iii) of the PFMA.” Management’s response in this regard was as follows: - Management indicated that the Department does not have a dedicated unit or official (Internal Control Unit) to perform investigations on irregular expenditure. However, it has assigned the Directorate: Internal Audit to investigate irregular expenditure incurred in the department. An official was appointed on a fixed term contract to assist the Directorate: Internal Audit with the determination of facts on irregular expenditure incurred in the Department. Investigation on irregular expenditure could not be concluded by the end of 2020/21 financial year because there was three months’ period in which the project stopped due to unavailability of funds to re-appoint the contract worker.

- The Department made a commitment that the irregular expenditure investigation will be completed by the end of 2020/21 financial year and the process of implementing appropriate action based on the irregular expenditure investigation results will take place in the following (2021/22) financial year.
- The ARC noted in the beginning of the fourth quarter that it was most likely that the Department might not complete the investigation of irregular expenditure by the end of 2020/21 financial year. In the main the reason is that the Department is dependent on the savings in the budget of compensation of employees to extend the contract of the official who assists the Department with investigation of irregular expenditure.

### **13.5 Underspending**

- Underspending of R18,5 million mainly on goods and services as a result of planned activities could not be implemented due to COVID-19 restrictions.

### **13.6 Compliance with legal and regulatory provisions**

- The ARC is concerned with the slow pace with which irregular expenditure is being dealt with by the Department, which in turn is delaying consequence management where necessary.

### **13.7 Impact of COVID-19**

- The ARC notes that the Department remains vulnerable to the impact of COVID-19 on its operations and that it will continue to monitor the management of COVID-19 risks by the

### **13.8 Audit Action Plan**

- The Department has developed an audit action plan to guide the resolution of 2020/21 audit findings.
- The Audit and Risk Committee will monitor the progress made in resolving audit findings on a quarterly basis.

With respect to the CGE, its ARC noted the following:

### **13.9 Internal Audit**

- The ARC noted that shortcomings were identified by Internal Audit during the financial year and, management has put commitments to address these through implementation of a management audit action plan.
- In 2019/20 the Audit Committee was concerned about the adequacy of human resources within the Internal Audit function. It highlighted that CGE management has continuously appointed additional internal auditors at entry level to augment existing capacity management has once again committed to considering other sourcing arrangements when deemed necessary to ensure compliance with Internal Audit practice standards.

### **13.10 Internal controls and Irregular Expenditure**

- Whilst the ARC was generally satisfied with the key controls implemented and performance management reporting during the year under review, and acknowledged continuous improvement, it raised concerns regarding irregular expenditure.
- Notwithstanding the aforementioned, the ARC indicated, “Several deficiencies in the system of internal control were reported by Internal Audit and the Auditor General of South Africa. In most areas, the matters reported previously have been addressed. In the reporting period, a breakdown of internal controls worth noting that was brought to our attention was the payment of Part-time Commissioners without timesheets, which resulted in irregular expenditure.”<sup>13</sup>

<sup>13</sup> Commission for Gender Equality (2021) Annual Report 2020/21, p. 74

- It has commended the Commission for putting in place a management audit action plan to address risk and related issues as they arose. The system for internal control was therefore considered effective for the period under review.

With respect to the NYDA, its ARC noted the following:

#### 13.11 Internal control

The issues raised relate to drivers of internal control namely Human Resource Management and Information Communication and Technology. Notwithstanding that, the Audit Committee noted that the NYDA functioned in a highly controlled environment with adequate risk management systems.

The NYDA's ICT Governance has indicated a stable environment with regard to controls in ICT. There are approved ICT Policies and Frameworks that aligned with industry practices as well as perimeter defence techniques that have been implemented to protect internal and external environment. Notwithstanding that, the ICT findings related mainly to legacy systems. To this end, management resolved not to fund existing legacy system and fast track the implementation of the Enterprise Resource Planning (ERP) system which has subsequently gone live in July 2021. Internal Audit would conduct an ICT review of the ERP system and external audit will conduct their review in the 2022 audit cycle.

#### 13.12 Audit Findings

The NYDA reduced the audit findings from 13 in 2019/20 to 9 in 2020/21 as outlined in the table below.

**Table 6: Comparison of NYDA Audit findings 2019/20 & 2020/21**

Audit Area	No. of findings 2020/21	No. findings in 2019 / 2020
Annual Financial Statements	4	5
Annual Performance Report	1	2
Supply Chain Management	0	1
Internal Controls	2	2
Information Technology	2	1
Compliance with laws & Regulations	0	1
Governance	0	1
<b>Total Findings</b>	<b>9</b>	<b>13</b>

#### 13.13 Litigation

The NYDA has good systems in place to deal with litigation and whistle blowers matters. The Audit Committee noted three categories of litigation that related mainly to employee relation matter claiming compensation and service providers that were paid but did not render the service. To this end the Audit Committee recommended that the root cause be identified and addressed. In addition, the Audit Committee recommended that the litigation register should in future include, prospects of success and financial implications.

#### 13.14 Additional Audit Committee Recommendations

Having considered the challenges and performance of the NYDA for the year under review, the Audit Committee recommended the following:

- Management to consider reviewing the targets as they seem to be set low.
- The NYDA should consider relooking into the vision and the mission statements of the Agency in the future, as they both have no reference to economy, while the core mandate of the Agency speaks to upliftment of youth towards economic participation.
- The Agency should ensure compliance with the POPI act. The ICT report should indicate regular POPIA assessment, gap analysis, as well as the strategy to mitigate risks.

### 14. OVERVIEW AND ASSESSMENT OF SERVICE DELIVERY & FINANCIAL PERFORMANCE PER PROGRAMME

According to the Director General (DG) as cited in the Annual Report, the Department "out of 40 targets planned for both Original tabled and revised/Addendum tabled 2020/21, 25 (62.5%) (25/40)

targets were achieved while 15 (15/40) 37.5% were not achieved. This was a decrease of 22.5% on targets achieved in the financial year under review compared to 2019/20 financial year (85%), this was as a result of the revision of the APP due to COVID-19 Pandemic.”<sup>14</sup>.

However, this is not an accurate reflection of the Department’s performance for the year under review. Reasons in this regard will be explained. Following the COVID-19 reprioritisation budgets, the Department in July 2020 presented a revised Annual Performance Plan to the Portfolio Committee. It proposed changes/amendments to some targets as well as the delay of the implementation of others. New targets were also introduced for some programmes.

When comparing the original APP and the revised APP and calculating the number of targets, it appears that there were a total of 45 targets. Four of these 45 targets were discontinued, while 6 were not reported on. The Department notes the discontinued targets in its report but does not provide any information on the targets that have not been reported on. While the Department makes a year-on-year comparison of progress and indicates that there was a decrease in achievement, primarily as a result of the pandemic, it must be noted that in the 2019/20 annual report, only 3 programmes were reported on as not all budgets and functions had been fully transferred to the Department (i.e. programmes 4 and 5). Thus the comparison is not a fair one.

This section provides details of annual targets as per the original APP, the revised APP for each programme as well as an indication as to which targets have been reported on in the Annual Report. An indication is also provided of whether targets have been achieved or not. Of importance to note, is that there are instances where the revised targets have not been reported on, making a true evaluation of performance difficult but these are pointed out for each programme where relevant. Furthermore, there appear to be some confusion in reporting in certain programmes, i.e. the Department has reported on some of the revised or discontinued targets as unmet – this is problematic as the target has already been “eliminated”. As an example, in Programme 3, the Department indicated in July 2020 that it will discontinue this target. However, in the Annual Report it notes that, “Target not achieved and carried out as planned in original APP and discontinued from quarter 2. “

#### 14.1 Programme 1: Administration

The purpose of this Programme is to provide effective leadership, management and support services to the Department. In turn, it is supported by three Sub-Programmes: Departmental Management; Financial Management; and Corporate Management. The purpose of each sub-programme is as follows:

- **Departmental Management:** The purpose of this sub-programme is to provide executive support, strategic leadership and management to the Department.
- **Financial Management:** The purpose of this sub-programme is to provide and ensure effective, efficient financial management and supply chain services. This includes budget planning and expenditure monitoring; and the management of procurement, acquisition, logistics, asset, and financial transactions.
- **Corporate Management:** The purpose of this sub-programme is to provide effective human capital management, facilities and auxiliary management and ICT systems enablers for the Department.

In the Annual Report 2020/21, the Department indicates that there were no amendments or discontinued targets in Programme 1 and that the programme has continued with the planned targets as they were in the original APP. This is not entirely true as additional targets were presented in the July 2020 revised APP. The additional targets have not been reported on.

This programme planned to achieve 7 targets of which 3 (43%) were achieved and 4 were not achieved as reflected in the Annual Report. The four targets not achieved related to

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<sup>14</sup> Department of Women, Youth and Persons with Disabilities (2021) Annual Report 2020/21, p. 11



- Unqualified audit opinion on Predetermined Objectives and compliance matters
- Percentage of invoices that were not paid within 30 days
- Produced draft WEGE Bill
- Approved Master Information Technology Strategy and Plan (this target appeared in the original APP and was then amended in the revised APP to, Four quarterly progress reports on the planned 95% availability of ICT system produced. However, the latter target is reflected in the Annual Report)

2 Targets not reported on in Annual Report but appeared in the revised APP:

- Four progress reports on the implementation of business systems plan produced
- 100% of all disciplinary cases resolved within 90 days – one case still outstanding

With regards to the Department's strategy to overcome areas of underperformance, the Department indicated that it has been reorganised and contract workers appointed to create additional capacity to address performance gaps in the programme.

The total allocation for this programme was R93,3 million as per the initial Estimates of National Expenditure (ENE) 2020. The programme saw a significant increase to a final appropriation of R100.5 million as this included virements of R8,067 million from Programme 2, 3, 4 and 5. Thus an increase of R11,067 million from its initial budget to final appropriation. In addition, the programme still consumed the highest proportion (57.6%) of the Department's operational budget in 2020/21. The actual expenditure was R99,252 million, hence an under-expenditure of R1,341 million was recorded.

The key cost drivers for Programme 1 were as follows:

- Compensation of Employees accounted for 60.6% of the programme budget (R61,6m), an over-expenditure of R million incurred.
- Goods and Services accounted for 35.7% of the budget (R35,9m), an under-expenditure of R26 000 incurred.

With respect to the expenditure per sub-programme, the Ministry with a final appropriation of R25,106 million spent R25,111 million thus incurring an over-expenditure of R6 000.

The Department will be retaining the budget given the pressures on the ICT system, particularly due to video conferencing, working from home etc.

## 14.2 Programme 2: Social Transformation and Economic Empowerment (STEE)

The purpose of the programme is to manage policies and programmes that mainstream the social transformation and economic empowerment of women in South Africa.

The programme consists of the following sub-programmes namely;

- **Social Empowerment and Transformation:** the purpose of the sub-programme is to provide intervention mechanisms on policies and programme implementation for mainstreaming the social empowerment and participation of women towards social transformation.
- **Economic Empowerment and Participation:** the purpose of the sub-programme is to develop and implement intervention for mainstreaming the economic empowerment and participation of women towards economic transformation and development.
- **Governance Transformation, Justice and Security:** the purpose of the sub-programme is to provide guidance for enhancing existing systems and procedures, addressed barriers to the equal participation of women in the public and private sectors, and contributes to the elimination of gender-based violence.

In its revised APP presentation, the Department made a number of amendments to its original Programme 2 targets. It discontinued the target relating to an annual report on monitoring and evaluating public sector institutions, private sector and civil society and introduced the establishment

of provincial rapid response teams as a new target – this has not been reported on. In addition, it presented “NGM Coordination and Accountability Forum Bi-Annual Meetings” as a new reprioritised target. This too has not been reported on. It indicates in the Annual Report on page 43 that 4 new targets were added, when in fact 6 new targets were introduced but only 4 have been consistently reported on (as mentioned above).

With respect to the impact of COVID-19 on budget and activities, the Department indicated to the Committee on 8 July 2020 that the delivery methods for some targets have been adjusted to use alternative, remote methods instead of physical meetings and engagements. Budgets have been retained for key priority areas such as the establishment of the National Council on GBVF and related GBVF deliverables. In certain areas, the budgets for external service providers have been reduced.

For the year under review, this programme had initially planned for 6 targets but this was later adjusted to 10 targets as per the revised APP presented to the Committee. The Annual Report reflected 9 targets as per the revised APP of which and it achieved 6 (67%). The three unmet targets related to:

- Comprehensive National GBVF Prevention Strategy
- NCGBVF established
- NGM Coordination Framework approved

The 2 revised targets not reported on related to:

- NGM Coordination and Accountability Forum Bi-Annual Meetings
- Provincial Rapid Response teams established (The Department did however report on this target during quarterly report briefings)

With regards to strategies to overcome areas of underperformance, the Department indicated that there were no major deviations on most of the targets and where targets were not met it was due to unforeseen circumstances and capacity constraints. As such, the organisational structure has been reviewed to create the capacity needed. The Department also reflected on the changes to 2 targets (1 annual report developed on public sector institutions, private sector and civil society organisations monitored and evaluated on the implementation; NGM framework target amended) and the addition of 4 targets (10 National Departments' APPs have integrated GBVF-NSP 2020-2024 priorities; GBVF M&E system developed; Comprehensive National GBVF Prevention Strategy developed and Two biannual reports on the implementation of the GBVF-NSP produced).

#### *Commentary:*

The Department notes in terms of the following target: GBVF-NSP 2020-24 priorities integrated in to 10 APPs of National Departments, that it has met and exceeded the target of 10. It must be noted that when the reprioritised APP was presented to the Committee, the target was that GBVF-NSP 2020-24 priorities would be integrated into the APPs of **ALL relevant departments**.

In terms of this programme's operating budget i.e. excluding the transfer (R89,9 million) to the CGE, this programme was allocated R34,9 million as per the initial ENE 2020. Reductions amounting to R9,020 million was made to the programme in July and October 2020 on account of the COVID-19 pandemic. The final appropriation was R23,137 million due to a virement of R2,791million to Programme 1. The actual expenditure incurred was R16,017 million, 69.2% of its budget. Thus an under-expenditure of R7,120 million. The key cost drivers for this programme was as follows:

- Compensation of Employees accounted for 61.4% of the programme budget (R14,2m)
- Goods and Services accounted for 38.1% of the budget (R8,8m)

The Economic Empowerment & Participation sub-programme incurred the highest proportion of the expenditure for Programme 2, R4,361 million (27%) with an under-expenditure of R269 000.

### **14.3 Programme 3: Policy, Stakeholder Coordination and Knowledge Management (PSCKM)**

The purpose of programme 3 is to ensure policy and stakeholder coordination and knowledge management for the social transformation of women in South Africa.

The programme consists of the following sub-programmes:

- **Research, Policy Analysis and Knowledge Management:** the purpose of the sub-programme is to promote the development of gender sensitive research, position the department as a hub to content relating to the socio-economic empowerment of women, and conduct policy analysis to intervene in transformation for women's socio-economic empowerment and gender equality.
- **Stakeholder Coordination and Outreach:** the purpose of the sub-programme is to conduct stakeholder engagements and outreach initiatives to promote empowerment and inclusion of women, youth and persons with disabilities.
- **International Relations:** the purpose of the sub-programme is to promote international engagements on women, as well as ensure South Africa's compliance with international treaties on women.
- **Monitoring and evaluation:** the purpose of the sub-programme is to monitor and evaluate progress on the socioeconomic empowerment of women in line with national laws, and regional and continental and international treaties and commitments.

For Programme 3, the Department had originally presented 10 targets, however in July 2020 in its revised APP it had discontinued 2 targets, i.e. the target related to the integrated knowledge hub and the target relating to community mobilisation initiatives. The Department reports that 3 targets were unmet as a result of the revised APP, however, given that 2 of these relate to the discontinued targets, only 1 target was not achieved.

In terms of the impact of COVID-19 on budget and activities, certain targets (knowledge hub and evaluation) have been adjusted to allow for budget reductions and the delivery of targets over two years (2020/21-2021/2022). Targets such as community mobilisation have been removed due to the COVID-19 restrictions. The shift to virtual platforms may reduce the reach and impact of women's empowerment interventions compared to the pre-COVID-19 period.

This programme planned for 8 targets as per the revised APP and achieved 8.

The programme was allocated R49,2 million as per the initial ENE 2020. The budget was cut by R15,086 million in July and October 2020 due to COVID-19. The final appropriation was R31,373 million due to a virement (R2,697 million) to Programme 1. The actual expenditure incurred was R25,139 million, 80.1% of its budget. Notwithstanding the virement, this programme still incurred an under-expenditure of R6,234 million. The key cost drivers for this programme was as follows:

- Compensation of Employees accounted for 66.7% of the programme budget (R20,9m)
- Goods and Services accounted for 24.2% of the budget (R7,6m)

The sub-programme Stakeholder Coordination and Outreach incurred the half of the expenditure for Programme 3, R9,868 million (39%) with an under-expenditure of R1,767 million.

#### 14.4 Programme 4: Rights of Persons with Disabilities

The purpose of this programme is to oversee the implementation of programmes pertaining to persons with disabilities.

This Programme's sub-programme aim is stated as follows:

- Maintains and implements advocacy and mainstreaming guidelines and frameworks for the rights of people with disabilities.

The Department notes that two targets in the original APP were not achieved, one was discontinued and the other amended. This programme planned for 4 targets and achieved 2 (50%). The 2 (50%) targets not met were as follows:

- Legislative report for the development of the Disability Rights Bill produced.
- Frameworks on Disability Rights Awareness Campaigns as well as Framework on Self-Representation by Persons with Disabilities

The Department notes that in terms of strategy to overcome areas of underperformance within this programme, it stated that there were no major deviations on the targets. In addition, where targets were not met, this was due to unforeseen circumstances and capacity constraints and that the organisational structure has been reviewed to create capacity.

The programme was allocated R19,9 million as per the initial ENE 2020. The budget was reduced by R6,920 million on account of COVID-19 in July and October 2020 to R13,025 million. The final appropriation was R11,983 million due to a virement (R1,082 million) to Programme 1. The actual expenditure incurred was R8,196 million, 68.4% of its budget. Notwithstanding the virement, this programme still incurred an under-expenditure of R3,787 million. The key cost drivers for this programme was as follows:

- Compensation of Employees accounted for 70% of the programme budget (R8,262m)
- Goods and Services accounted for 30% of the budget (R3,644m)

#### 14.5 Programme 5: National Youth Development (NYD)

The purpose of this programme is to promote the development and empowerment of young people by reviewing the legislative framework and other interventions to advance youth rights over the medium term.

The programme consists of the following sub-programmes:

- **Management:** National Youth Development facilitates the development and implementation of national strategies and policies aimed at young people.
- **Youth Development Programme:** Oversees the transfer of funds to the NYDA.

The sub-programme Strategic Objectives are as follows:

- **National Youth Policy and Legislation Development:** Develop national youth policy, legislation, frameworks and strategies as well as ensure monitoring and evaluation thereof.
- **Stakeholder Engagement and Support:** Engagement and support youth stakeholders nationally and internationally; conduct oversight of the National Youth Development Agency; and facilitate transfer of funds to the agency.

The Department states that there were no amendments or discontinued outputs/targets in this programme as such the programme continued with the planned targets as they were in the original APP. However, has neglected to report on 2 additional targets as per the revised APP which it presented to the Committee in July 2020 these were as follows:

- National Youth Machinery framework developed
- Shareholder performance agreement between the Department and the NYDA developed.

As per the Annual Report for 2020/21, this programme planned for 5 targets and achieved all. The Department states that there were no deviations in all planned targets.

The programme was allocated R491,3 million as per the initial ENE 2020 with R478,7 million being transferred to the NYDA leaving the programme with an original allocation of R12,6 million to operate from. The programme's operating budget was then cut by R3,607 million on account of COVID-19 in July and October 2020. The final appropriation was R7,455 million due to a virement (R1,537 million) to Programme 1. The actual expenditure incurred was R7,362 million, 98.8% of its budget. This programme incurred a slight under-expenditure of R93 000. The key cost drivers for this programme was as follows:

- Compensation of Employees accounted for 74% of the programme budget (R5,475m)
- Goods and Services accounted for 26% of the budget (R1,887m)

## 14.6 Human Resources

The Department notes in its Annual Report as at 31 March 2021 that it had a vacancy rate of 8.5%, thus 12 vacancies of 142 approved funded posts. The Department indicates that COVID-19 restrictions delayed the recruitment and selection process. Furthermore, the Department had a total of 24 employees additional to the establishment. In terms of gender, 86 staff members are female (66.2%) and 44 are male (33.8%). 6 staff members are persons with disabilities (4.6% of staff complement).

As compared to the previous FY 2019/20 where it had 115 approved posts of which 109 were filled, resulting in a vacancy rate of 5.2%. In 2019/20 the Department had a total of 10 employees additional to the establishment which was an improvement on 2018/19 when the Department had 23 employees additional to the establishment.

In the year under review 2020/21, 18 out of the 24 posts additional to the establishment are in the Administration programme. Due to budget cuts and recommendations by the Budget Committee, the Department has reduced its headcount and the following 8 posts have been unfunded:

- i. DDG Rights of Persons with Disabilities (RPD)
- ii. Chief Director: Social Empowerment & Participation
- iii. Dir: Stakeholder Engagement, NYD (Subsequently filled through the transfer of the incumbent and concomitant funding of the Director Young Women Empowerment P30)
- iv. Branch Coordinator: RPD
- v. Community Outreach Officer: Office of the Deputy Minister
- vi. Assistant Director: Governance & Compliance, RPD
- vii. Admin. Officer: Social Transformation & Economic Empowerment
- viii. Personal Assistant: Policy Stakeholder Coordination Knowledge Management

Notwithstanding the aforementioned, four posts have been created additional to the establishment as part of the NCGBVF secretariat.

In terms of vacancies by critical occupations, the Department has a vacancy rate of 13.3% for legislators, senior officials and managers, with 39 or 45 posts. filled The Department had a turnover rate of 9.1%. In terms of people leaving and joining the Department during the financial year, a total of 13 staff left and 17 employees joined. To this end, 7 employees resigned, 2 were transferred to other departments, 1 secondment withdrawal and 1 had their contract expire. During the year under review, 1 disciplinary cases was finalised (2 males, 1 female), 7 grievances were lodged of which 5 were resolved, and 2 disputes lodged. One staff member has been placed on suspension for a total of 206 days, at a cost of R703 000.

Out of 39 staff in senior management, 30 had signed performance agreements. Among the reasons cited for this are invalid/unsigned agreement being submitted, a dispute with regards to the content of the performance agreement, late submissions and failure to meet prescribed requirements. No disciplinary steps were taken in this regard.

The majority of personnel in the Department's employ were in the Administration Programme (67), 19 posts filled Programme 2, 25 in Programme 3, 10 in Programme 4 and 9 in Programme 5. Eighteen of the 24 employees additional to the establishment were in the Administration programme. According to the Department of Public Services and Administration, Public Service Regulations of 2016, "Additional to the establishment appointments" usually occurs where the employment is as a result of absence of employee or increase in work which is usually limited to 12 months.

Of the 187 employees paid in 2020/21, 59 (32%) officials were in senior management added to another 101 (54%) fell within the highly skilled professional category.



The majority of employees (59) are employed in the Senior Management level (level 13-16), at an average cost of R972 900 per employee. Compensation of Employees in this salary band constitutes 52% of personnel costs

The Department indicates 77 employees had progressions to another notch within salary level and 3 employees received promotions to another salary level. Thus 80/126 (63.5%) employees received salary increases associated with performance. 40/80 (50%) of employees were legislators, senior officials and managers as well as professionals' staff categories. Of the 77 that received salary notches, 70 (90.9%) fell within the highly skilled (production and supervision) and senior management service.

#### 14.7 Concluding comments on service delivery performance

In examining the significant achievements which the Department noted in the 2020/21 Annual Report, the following have been highlighted:

- Maintained a vacancy rate of less than 10%
- Approved an HR plan
- Developed a MTEF HR plan
- Compliance to COVID-19 safety and regulations
- 4 reports on SDP produced
- Produced and coordinated implementation of NSP to end GBV
- Appointment of GBVF Secretariat (technical team) (approval for appointment was granted but actual appointments took place in 2021/22)
- Draft National Gender Framework developed (cited as unmet in table of Annual Report)
- Research report produced on Government priorities
- Analysed 12 National Government Departments Strategic Plans and APPs
- Produced Annual Monitoring Report
- 12 Stakeholder engagements conducted
- Legislative report and issue paper completed (cited as unmet in table in Annual Report)
- Annual Performance monitoring report on inclusion of persons with disabilities produced
- NYP reviewed and translated into 4 languages
- NYDA Act Amendment Bill finalised and approved by Cabinet as a discussion document
- 4 youth machineries convened

Thus of the notable achievements, 4 relate to compliance matters in the Administration programme and the rest are in relation to the core programmes 2-5. Anomalies in what the Department has highlighted as achievements has been pointed out above and discussed further in the observation section of this report.

#### 14.8 Summary: Finance and Service Delivery Performance Assessment

This section provides a synopsis of the service delivery performance against spending patterns for 2019/20-2020/21 as well as the 1<sup>st</sup> quarter of 2021/22 of the Department.

##### 14.8.1 General commentary

Of concern is the impact of the unmet targets from 2020/21 which totals 9 and the impact on the financial and programmatic performance of 2021/22 including the 2 unmet targets from Quarter 1 2020/21 as reflected in Table 6 below. Some of the unmet targets from 2019/20 were still unmet in 2020/21 like the establishment of the NCGBVF and the 2 Frameworks in Programme 4.

**Table 7: Targets Achieved per programme 2019/20 – 2021/22**

Programme	2019/20	2020/21	2021/22 (Q1)
Administration	11/14 (79%)	3/7 (43%)	3/4 (75%)
STEE	5/7 (79%)	6/9 (67%)	8/9 (89%)
PSCKM	11/12 (92%)	8/8 (100%)	11/11 (100%)



NYD	4/4 (100%)	2/4 (50%)	4/4 (100%)
RPD	1/3 (33%)	5/5 (100%)	5/5 (100%)
<b>Total</b>	<b>32/40 (80%)</b>	<b>24/33 (73%)</b>	<b>31/33 (94%)</b>

#### 14.8.2 Overview of performance for 2020/21

- When reflecting back on the Department's performance, in the 2018/19 FY, the Department planned 32 of which 22 targets (69%) were achieved and 10 targets (31%) were not achieved. In comparison to the 2019/20 FY, in which the Department planned for 40 targets, 32 targets (80%) were achieved and 08 targets (20%) were not achieved. This highlights the Department's fluctuation in performance but definitely its lowest since inception.
- "The Annual Report of the Department reports reflects 40 targets planned across its original and revised APPs, 25 met and 15 unmet. However, when comparing the original APP and the revised APP and calculating the number of targets, it appears that there were a total of 45 targets.
- **4/45 targets = discontinued, 6 = not reported on.** The Department notes the discontinued targets in its report but does not provide any information on the targets that have not been reported on. The lack of reporting on the 6 revised targets makes a true evaluation of the Department's performance difficult.
- When taking into account, targets as per the revised APP, there are 24/33 targets that were met as reflected in the Annual Report for 2020/21.
- While the Department makes a year-on-year comparison of progress and indicates that there was a decrease in achievement, primarily as a result of the pandemic, it must be noted that in the 2019/20 annual report, only 3 programmes were reported on as not all budgets and functions had been fully transferred to the Department (i.e. programmes 4 and 5). Thus the comparison is not a fair one.
- Programme 1 consumes the greatest proportion of the budget at 57%."<sup>15</sup>
- 3/7 targets (43%) were achieved in **Programme 1 Administration** for the year under review. As compared to the previous FY whereby 11 of 32 targets achieved were in Programme 1 Administration. All these targets are related to compliance matters.
- **Programme 2** achieved 6/9 targets (67%): EEP (1/1), SET (1/1), GTJS (4/7). According to the AR, 2 targets amended as per the revised APP and four annual targets were added.
- **Programme 3** achieved 8/8 targets (100%): PRKM (2/2), M&E (3/3), IR (2/2), SCO (1/1). According to the AR two annual targets were discontinued as per the revised APP and one annual target was amended.
- **Programme 4** achieved 2/4 targets (50%). According to the AR, "two targets in original APP were not achieved, one was discontinued and the other one amended". (p.57)
- **Programme 5** achieved 5/5 targets (100%). According to the AR, "There were no amendments or discontinued outputs/targets in programme 5, the programme continued with the planned targets as they were in the original APP." (p.64)
- In 2019/20, 15 targets were achieved in the core programmes. As compared to the current FY whereby 21 targets were achieved in the core programmes 2-5.
- Of the 21 targets achieved in the core programmes for 2020/21, these related to hosting webinars/workshops/events, coordinating programmes, reports produced, framework developed, attendance/participation at events, NYP reviewed and NYDA Act Amendment Bill finalised and approved by Cabinet as a discussion document.

#### 14.8.3 Overview of budget for 2020/21<sup>16</sup>

- "The 2020/21 financial year marks the first where the reallocated functions and budgets have been fully incorporated into the Department.
- In 2020/21, the Department's budget structure has changed to align with the reconfigured Department following the incorporation of the National Youth Development Programme from

<sup>15</sup>Levendale, C (2021) Department of Women, Youth and Persons with Disabilities Annual Report 2020/21: Highlights and Key Considerations Parliament of South Africa, Research Unit, 8 November 2021

<sup>16</sup> Levendale, C (2021) Department of Women, Youth and Persons with Disabilities Annual Report 2020/21: Highlights and Key Considerations Parliament of South Africa, Research Unit, 8 November 2021

the Department of Planning, Monitoring and Evaluation, and the Rights of Persons with Disabilities sub-programme from the Department of Social Development.

- The Department started the financial year with a budget of R778.5 million (including the transfer payments to the Commission for Gender Equality and the National Youth Development Agency).
- Transfer payments would amount to R568.8 million, leaving the Department with an operating budget of R209.7 million to undertake its programmes and meet its targets for 2020/21. However, government budgets were reprioritised towards funding to deal with the COVID-19 pandemic. Budget cuts were primarily effected between June and October 2020.
- The Department saw a total budget cut of R157.9 million due to COVID-19 reprioritisations – this includes the budget cuts to its two reporting entities, namely the Commission for Gender Equality and the National Youth Development Agency. This resulted in the overall budget decreasing from R778 million to approximately R621 million.
- When removing the budget allocations towards the CGE and NYDA, the Department is left with an operating budget of approximately R174 million with which to undertake its activities and operations and meet its targets.
- The Department reports a total of R8.067 million in virements from Programmes 2,3,4 and 5 to Programme 1 (Administration) in addition to an additional R3 million allocation for Compensation of Employees (Ministry sub-programme) to this programme, bringing the total budget increase for the Programme to R11.067 million.
- When considering the overall expenditure of the Department based on its total appropriation of R620.976 million, it appears that the Department has spent 97% or R602.401 million of its budget.
- However, when considering the budget less the transfer payments to the CGE and NYDA, i.e. the operational budget (R174.541 million), the Department has spent 89.3% or R155.966 million of the operational budget.
- Total under-expenditure for the year amounts to R18.575 million.”
- In terms of key cost drivers, 63.2% or R110.3 million of the Department's operating budget has been spent on compensation of employees and 24.7% has been consumed by goods and services (R43.243 million).
- In terms of spending under Goods and Services, the 5 main cost drivers were travel and subsistence (R6,078 million), property payments (R19,147 million), expenditure for external audit costs (R3,235 million), Communication (R4,323 million) and Computer services (R2,870 million). These 5 line items consume 81% of the Goods and Services budget.
- The bulk of the savings/unused funds in Programme 2-5 was used to offset expenditure in Programme 1.
- Irregular Expenditure: For the year under review, the Department incurred irregular expenditure of R1,080 million and no Unauthorised Expenditure and Fruitless and wasteful expenditure.

#### **14.8.4 Overview of budget for Q1 of 2021/22**

- According to the National Treasury 2021 Estimates of National Expenditure (ENE) released in February 2021, the Department under Vote 20, receives an annual appropriation of R763.5 million. The Department also facilitates two transfer payments to the Commission for Gender Equality (CGE) and the National Youth Development Agency (NYDA) respectively. As such for the 2021/22 FY, the Department would transfer R91,4 million to the CGE and approximately R471 million to the NYDA. Hence the transfers in total amounts to R562,2 million. As such the Department is left with an operating budget of approximately R201,2 million to undertake its programmes and meet its targets for 2021/22.
- The Department underspent on all five programmes: Programme 1 (Administration) spent the highest proportion of its programme budget (22 per cent) as well as the overall operational budget (10.7 per cent). Programme 2 spent the smallest proportion of its operational budget at 12 per cent or R3,9 million, followed by Programme 4 (Rights of Persons with Disabilities) which spent 12.3 per cent or R2.1 million. Across all programmes savings/underspending has been recorded, primarily as a result of vacancies and restrictions on travel and public engagements on account of the Covid-19 pandemic. The table below outlines the Overall Financial Performance - Per Programme as at 30 June 2021. This is followed by Table 8 of

the Overall Financial Performance - Economic Classification for the same period ending 30 June 2021.

**Table 8: Overall Financial Performance - Per Programme**

Programmes	Final Appropriation	Actual Expenditure as at 30 June 2021	Available Budget	Expenditure as % of Budget
	R'000	R'000	R'000	%
Administration	98 015	21 653	76 362	22.1%
Social Transformation and Economic Empowerment	32 865	3 959	28 906	12.0%
Policy Stakeholder, Coordination and Knowledge Management	40 634	5 800	34 834	14.3%
Rights to Persons with Disabilities	17 358	2 130	15 228	12.3%
National Youth Development	12 329	1 762	10 567	14.3%
<b>Sub-total Operational Appropriation</b>	<b>201 201</b>	<b>35 304</b>	<b>165 897</b>	<b>17.6%</b>
Commission for Gender Equality	91 376	22 845	68 531	25.0%
National Youth Development Agency	470 962	178 000	292 962	37.8%
<b>Total Appropriation</b>	<b>763 539</b>	<b>236 149</b>	<b>527 390</b>	<b>30.9%</b>

- Compensation of employees accounts for 55.2 percent of the budget and goods and services consumes approximately 42.6 percent. Nineteen percent of the goods and services budget has been allocated for consultants.

**Table 9: Overall Financial Performance - Economic Classification (Q1 2021/22)**

Programmes	Final Appropriation	Actual Expenditure as at 30 June 2021	Available Budget	Expenditure as % of Budget
	R'000	R'000	R'000	%
Compensation of Employees	111 284	27 424	83 860	24.6%
Goods & Services	85 807	7 195	78 612	8.4%
Transfers & Subsidies	223	30	193	13.5%
Machinery & Equipment	3 887	655	3 232	16.9%
<b>Sub-total Operational Appropriation</b>	<b>201 201</b>	<b>35 304</b>	<b>165 897</b>	<b>17.6%</b>
Departmental Agencies	562 338	200 845	361 493	35.7%
<b>Total Appropriation</b>	<b>763 539</b>	<b>236 149</b>	<b>527 390</b>	<b>30.9%</b>

- The Department did not incur unauthorised expenditure or fruitless and wasteful expenditure during the quarter under review. It did however incur irregular expenditure amounting to R187 220.00 which related to a payment made for the provision of branding material for the Department that was identified as irregular expenditure after checking the supporting

documents. The transaction was in relation to the 2020/21 financial year. The transaction was referred to Internal Audit for termination/investigation.

- The Department reported deviations amounting to R 74 555.75 as at 30 June 2021 owing to:
  - i. Cups and saucers with CMM branding for celebrations on 22 April 2021 – R 9 800.00
  - ii. Biometrics installation and activation at the ODG by Auxiliary Services – R27 325.73
  - iii. ICT training for network and server administration – R37 430.00

#### **14.8.5 Overview of performance for Q1 of 2020/21**

- A 95% achievement of targets set is recorded: The Department achieved 31 of the 33 targets. Programme 1 achieved 3/4 targets (75 percent). Programme 2 achieved 8/9 targets (89 percent). Programme 3 achieved 100 percent of its targets (11/11). The same applied to Programme 4 (5/5 targets) and Programme 5 (4/4 targets). Some targets that could not be achieved include those in relation to the payment of invoices within 30 days in Programme 1 and interventions to support economic empowerment and participation in Programme 2
- *Human Resources*: The vacancy rate (4 per cent) is well below the targeted 10 percent. The GBVF Secretariat was further capacitated with the appointment of Deputy Director, Research, Monitoring and Evaluation; Deputy Director, Coordination and Stakeholder Management and an Administrative Officer. The Director position was filled in July 2021.

## **15 COMMITTEE'S OBSERVATIONS**

Having interacted with the Department, the AGSA, the NYDA and the CGE, the Committee made the following observations:

### **Observations with respect to the Department of Women, Youth and Persons with Disabilities**

#### **15.1 General**

- a) The Committee commends the Department, the NYDA and the CGE for tabling the Annual Reports within the specified time.
- b) The Committee observed that 24/33 (73%) of the Department's targets were met and 27% (9/33) were not met as per the revised APP targets reflected in the Annual Report for 2021. This whilst 89.3% of the budget (i.e. its operating budget of R174,541 million) was spent (R155,966 million) with a surplus/under-expenditure of R18,575 million.
- c) The Committee observed that of the total appropriation as per Vote 20 (R620,76 million) which included the transfers to entities, 97% (R602,401 million) was spent.
- d) The Committee noted with concern the discrepancies in the reporting of targets against the revised APP within the annual report under review. The Department indicated that it had a total of 40 targets planned across its original and revised APPs and that 25 have been met and 15 not. However, when comparing the original APP and the revised APP and calculating the number of targets, it appears that there were a total of 45 targets. To this end, 4 of these 45 targets were discontinued, while 6 were not reported on. The Department noted the discontinued targets in the Annual Report but did not provide any information on the targets that have not been reported on. This was disconcerting for the Committee as the overall performance of the Department was not accurately reported and reflected.
- e) The Committee notes the ARC findings pertaining to performance information, which did not ultimately affect the audit report as management had subsequently corrected it on account of the audit having identified the problem. It remains disconcerting and is a reflection of poor management for omitting to re-table the second revised APP.
- f) The Committee questioned what of the 22 targets achieved within core programmes demonstrated the fulfilment of the Department's vision and mission.
- g) The performance of the Rights of Persons with Disabilities programme remains a key area of concern for the Committee. The majority of the targets met in Programme 1 relates to compliance matters in terms of the development and submission of reports yet it consumed the

largest proportion of the Department's budget and staff compliment. The Committee notes a total of 8 projects involved the use of external service providers that contributed to the achievement of targets for the Department amounting to R2,525 million.

- h) The Committee concurred with all of the findings and recommendations of the AGSA and the ARC.
- i) The Committee observed that the Department was not effectively implementing the AGSA recommendations and those of the ARC, hence the repeat findings. The Committee raised this as a major concern.
- j) *Late submission of reports:* The Committee welcomes the reports submitted as these relate to targets in the Annual Report. However, the Committee observes that the reports were submitted shortly before the Annual Report briefing which did not enable Members sufficient time to scrutinise the reports. This placed the Committee at a disadvantage from effectively conducting its oversight. Furthermore, the Committee notes the date of publication and that it only received the report 8 months later this despite repeated requests in the past to submit reports on completion as a body of evidence to the Committee. Late submission impedes oversight.

## 15.2 Policy imperatives

- a) The Committee questioned what the Department's contribution were achieving the MTSF priorities in 2020/21 based on the targets achieved.
- b) The Committee was unclear what the Department's assessment of how Government had delivered on its commitment to women, youth and persons with disabilities in light of the MTSF priorities for 2020/21. Notwithstanding that, the Committee observes the submission of the Department's *Annual Performance Monitoring Report (APMR) on Government performance on realising the rights of Women, Youth and Persons with Disabilities* (March 2021). The APMR provides progress on the implementation of the Medium Term Strategic Framework (MTSF) 2019-2024 with particular focus on the cross cutting indicators for Women, Youth and Persons with disabilities (WYPD) along the seven (7) priorities. Therefore, the APMR reports on women, youth empowerment, participation, and the promotion of the rights of persons with disabilities in line with the mandate of the Department. However, given the late submission of the report the Committee was unable to engage on its content.

## 15.3 Performance of Programme 1: Administration

- a) The Committee was concerned that in Programme 1, 57% of its targets were not achieved but 99% of its budget was spent and it had the largest staff cohort.
- b) **WEGE Bill:** The Committee noted that target on the WEGE Bill was not met as the Department was advised to withdraw the WEGE Bill. The Committee observed in the Annual Report that the draft Bill was not finalised due to capacity constraints in the legal services directorate but was reviewed and will be finalised in 2021/22. However, at the Q4 briefing the Committee was informed that the Department was advised to withdraw the Bill due to backlogs caused by COVID-19. The Committee remains concerned that the Bill is not being prioritised yet it was identified as a priority in the Department's Strategic Plan.

### 15.3.1 Human Resources

- a) *Skilled personnel vs Lack of capacity:* The Committee observed that of the 187 employees paid in 2020/21, 59 (32%) officials were in senior management plus 101 (54%) fell within the highly skilled professional category. Hence 160 officials within the employ of the Department, given their employment ranking, are meant to have the requisite skills to function at a high end level and as such the expectation would be that the Department should be able to yield the necessary deliverables in order to give effect to its mandate and achieve the goals it has set out. Yet the Department maintains that a lack of capacity was a key driver for not delivering on targets.
- b) *SMS cost:* The Committee observes that for the year under review, Senior Management constituted 52% (R57,405 million) of the personnel cost and the highly skilled (levels 6-8 and levels 9-12) 45% (R49,693 million).
- c) *Increase in staff cohort:* When comparing the staff establishment to the previous FY 2019/20, the Department had 109 funded posts, 42 (39%) officials were in senior management plus 90 (39%) fell within the highly skilled professional (production and supervision) category. The highly skilled and Senior Management cohort thus increased from 132 in 2019/20 to 160 officials 2020/21.



That's an increase of 28 employees but only 17<sup>17</sup> were new recruits. The Committee notes the anomaly. The Committee does also note the approval by DPSA and National Treasury for the shifting of funds to be ring-fenced for four fixed term contracts to establish the GBVF Secretariat.

- d) *Use of consultants*: The Committee noted that the Department continued to procure the services of consultants (33) during the year under review for 8 projects which was concerning given that the Committee consistently discouraged the Department from using external service providers given its limited budget. The reliance on service providers is disconcerting for the Committee given the large number of highly skilled professionals and senior managers (160 in total) in the Department as noted previously.
- e) *Vacancies*: The Department is commended for maintaining a vacancy rate below the targeted 10% with 8.5% for 2020/21 which was slightly up from the previous FY 2019/20 when it was 5.1%. Notwithstanding that, the Committee was dissatisfied with lack of capacity in Programme 4 (RPD) as it would appear that filling of these vacancies were not prioritised. Moreover, the Committee noted with concern that the Department had to reduce its headcount by 8 posts on account of the budget cuts. Three of these posts were located in Programme 4 namely; Deputy Director General, Branch Coordinator and an Assistant Director position.
- f) *Disciplinary cases*: The Committee noted with concern that staff members were on suspension for 206 days at a cost of R706 000 and questioned why the Department was not finalising the case. The Committee noted that the Department lost 2 cases at the CCMA and enquired about the subsequent outcomes financial and other in that regard.

### 15.3.2 Financial performance

- a) The Committee noted with concern the R18 million under-expenditure incurred by the Department. Whilst noting the reasons for the under-expenditure for each programme, the Committee remained resolute that surplus for the Department was massive given its limited budget and inability to deliver on all targets.
- b) *Roll-over funds*: The Committee notes the Department's request to National Treasury for the roll-over of funds related to the Microsoft licence renewal (R2,135 million); the establishment of the NCGBVF (R3,627 million) and for a radio show programme (R2,750 million)
- c) The Committee was concerned by the *Irregular Expenditure* incurred to the amount of R41.525 million. The Committee noted with concern the issue of the security contract and was pleased that the contract came to an end on 31 December 2020 as such no further irregular expenditure will be incurred in this regard. Notwithstanding that, the Committee was dissatisfied by the lack of consequence management pertaining to the irregular expenditure incurred in this regard as this also pointed to a lack of monitoring compliance issues in the Department, in this instance contract management.
- d) The Committee commends the Department for not incurring any *Fruitless and wasteful expenditure* during 2020/21. However, the Committee observed previous expenditure relating to a case against a previously used travel agency was still on record and is currently with the State Attorney to consider possible recovery of funds (R11,787 million).
- e) The Committee observed that the Department did not incur any *Unauthorised expenditure* during 2020/21 which is commendable. However, there is unauthorised expenditure from previous years that is awaiting authorisation. This amounts to R32.774 million.
- f) *Virements*: The Committee observed virements of R8,067 million from the core programmes to the administration programme, yet Programme 1 still over-spent which points to poor planning from the onset. Whilst the virements were allowed, the shifting of funds away from the core programmes is concerning.
- g) *Property payment*: The Committee noted with concern the exorbitant amount - R19,7 million spent on property payment with the same lessee in which the Department was locked in a protracted agreement via the DPWI and having assured the Committee previously that alternative and more reasonably priced accommodation would be sought before the lease expires.

### 15.3.3 Investigations

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<sup>17</sup> Department of Women, Youth and Persons with Disabilities (2021) Annual Report. See p. 96 Table 3.6.3. Recruitment for the period 01 April 2020 to 31 March 2021



- a) The Committee has noted with concern the slow progress of investigations as reported on by the AGSA and the ARC.
- b) The Committee welcomed the report from the Department and indicated that the AGSA and the ARC raised concerns pertaining to the delays in the handling of cases related to irregular and unauthorised expenditure. The Committee remained concerned about the impact these investigations would have on the overall performance of the Department and the need to resolve matters expeditiously.
- c) *Lack of dedicated official:* The Committee noted that the Department did not have a dedicated unit or official (Internal Control Unit) to perform investigations on irregular expenditure and that the Directorate: Internal Audit was assigned to investigate irregular expenditure incurred in the Department through an official that was appointed on a fixed term contract to assist. The Committee noted with concern that the investigation on irregular expenditure could not be concluded by the end of 2020/21 financial year because there was three months' period in which the project stopped due to unavailability of funds to re-appoint the contract worker. This was not reported to the Committee during its quarterly report briefings despite progress update on investigations being a standing item. Furthermore, given the significant under-spending and the virements from the core programmes to supplement Programme 1, it is unclear why funding was not reprioritised to ensure such a crucial exercise was completed. This points to poor management and once again a lack of consequence management.
- d) *Fraud and Corruption:* The Committee reiterated the importance of dealing with fraud and corruption therefore enquired whether there were any mechanisms in place to deal with such cases within the Department.
- e) *Lack of consequence management:* The Committee was concerned that no consequence management has been implemented with respect to repeat findings as well as investigations that are ongoing. Of particular concern was the irregular expenditure of R41 million incurred that related to security contracts and the need for a comprehensive report in this regard.

#### **15.3.4 Supply Chain Management (SCM)**

- a) The Committee noted with concern that the Department incurred irregular expenditure (IR) of R1,079 681.20 relating to non-compliance to applicable SCM regulations (p.14 as per the DG). However, the AGSA presentation (see slide 20) indicated an overall improvement in SCM compliance and that there were no material SCM findings for the year under review. It is unclear how the report of the AGSA on this matter resonates with what the DG has stated.
- b) The Committee remains concerned about the perpetual transgressions that occur and the lack of effective consequence management implemented that would deter officials from offending in this regard.

#### **15.3.5 ICT**

- a) The Committee noted with concern that the only ICT target to develop and approve Master Information System and Security Technology Plan (MITSSP) was not met. It is important to note that the Committee was alerted at the Q4 briefing that this target was removed from the Department's reprioritised APP but was still reported on.
- b) With respect to ICT governance and the IT environment, the Committee notes with concern the findings of the ARC and AGSA many of which are repeats from previous financial years. A secure and functional ICT is critically important for the Department given the changes in the work environment where there is a greater reliance to use technology and work remotely. Thus the non-existence of information back-up and recovery system technology along with ineffective and outdated IT technology is unacceptable and will directly impact on the work of the Department.
- c) The perpetual fraud and risk mitigation actions (7) that are not implemented as was reported by the Department for Q4 2020/21 and again in Q1 2021/22 due to the open vacancy of the ICT Director is concerning for the Committee.
- d) The Committee noted with concern that the Department's website was still not working. An inoperable virtual platform in which to access information about the Department creates a poor impression and image of the Department as one that is not accessible to the people.

#### **15.3.6 Governance and operational issues**

- a) *Leadership*: The Committee observed that stability had been brought to the Department with the appointment of the Accounting Officer, the Director General and other SMS appointments. Notwithstanding that, the vacant positions for senior management positions within the core programmes may have also contributed to problems for programmes to be led effectively. Despite the stability and the AGSA's indicating that there is an improvement in leadership and governance in the Department since the appointment of the DG the Committee remained sceptical given the lack of consequence management implemented.

## **15.4 AGSA & ARC**

### **15.4.1 AGSA Findings and Recommendations**

- a) The Committee noted with concern to the AGSA that the Department had not reported on 6 targets for the financial year 2020/21 as per the revised APP.
- b) *Compliance*: The Committee noted with concern the repeat finding of non-compliance with legislation as identified by the AGSA.
- c) *Repeat findings*: The Committee noted with concern the repeat findings by the AGSA and the repeated calls by the Committee itself for the Department to address particular matters which appeared not to be taken seriously as not all of these recommendations were implemented by the end of the financial year.
- a) *Lack of consequence management*: The Committee noted with concern the AGSA and ARC finding which relates to the lack of consequence management. This too is a repeat finding since the 5<sup>th</sup> Administration. The lack of consequence management could be attributed to the leadership within the Department. However, the latter was not identified as problematic by the AGSA or the ARC.
- b) The Committee commended the AGSA for noting ICT challenges in the Department and for the NYDA. In this regard, the Committee was concerned that the website of the Department was still not operational despite the appointment of a service provider as per the annual report under review.
- c) The Committee was concerned about the credibility of information given that AGSA audited only Programme 3 and whether this lack of credibility could then be applied more generally across the other programmes. In addition, the Committee asked what criteria was used to only audit Programme 3 of the Department as well as one programme each for the NYDA and the CGE.
- d) The Committee noted that AGSA indicated that there is an improvement in leadership and governance in the Department since the appointment of DG. However, the Committee was not convinced by the improvement cited given the performance of the Department for the year under review.
- e) The Committee noted with concern that there was irregular expenditure of R3 million in 2019/20 and R4,5 million in 2020/21 in the Department and sought advice from the AGSA on how the Department could avoid irregular expenditure in future.
- f) The Committee noted with concern that the Department under-spent by R18 million and enquired as to how has this affected the reporting of the AGSA.

### **15.4.2 Audit and Risk Committee (ARC):**

- a) The Committee acknowledges the findings and recommendations of the ARC. The Committee was concerned that the report of the Department was based on the revised APP that was not tabled and approved by Parliament and enquired as to whether the analysis of the ARC was conducted on the original APP of the Department or the revised APP.
- b) The Committee noted with concern the longstanding matter (since the inception of Department) of a senior member of management in the Department not reporting for duty and the challenges relayed to the Committee in this regard. The Committee sought more clarity from the ARC in this regard.
- c) The Committee noted with concern that the audit action plan and risk mitigating actions were not fully implemented by the Department. The Committee also raised its concerns about how effective the ARC's monitoring was over the Department and what remedial action was implemented if the Department did not comply with reporting requirements. In turn how this impacted on the nature of the relationship between the ARC and the Department.
- d) *Risk management*: The Committee commends the Department for having an approved Risk Policy and Strategy which is reviewed regularly by the Risk Management Committee (RMC). The

Committee noted with concern the ARC finding that the risk management function was under-resourced to function optimally to maximise its coverage of the risk exposure faced by the Department. This is a repeat finding from the previous FY 2019/20.

- e) *Audit outcomes:* The Committee noted with concern that there were still 6/26 audit outcomes that were not implemented from 2019/20 Findings (5 ICT, 1 Finance) when briefed by the Department on its Q4 report for 2020/21. The Department had previously reported the lack of a Labour Relations Officer was the reason for not being able to address issues and that the post would be prioritised in 2020/21. The most recent organogram of the Department submitted to the Committee still does not reflect such a post being filled. The Committee observes that the ARC concurred with the 12 findings which are new and 10 that are repeats. The Committee remains concerned by the repeat findings and the lack of progress in addressing the root cause of problems and resolving the issues identified.
- f) *Challenges:* The Committee noted the challenges the ARC identified as it related to the Department. Firstly, the inadequate capacity in SCM and Finance that do not match the increased demand to support end users within the Department linked to the integration of Youth and Rights of Persons with Disabilities. Secondly, COVID-19 changing lockdown restrictions had an adverse impact on the spending patterns of the department
- g) The Committee also enquired as to whether the website of the Department was operational.

## **15.5 Core Programmes**

### **15.5.1 Service delivery performance overall for core programmes**

- a) *Unmet Targets:* The Committee was concerned about the impact of the 9 unmet targets in 2020/21, the 6 targets not reported on and the subsequent unmet targets in Q1 of 2021/22.
- b) *Policy and Law Reform:* The Committee commends the Department for finalising the National Strategic Plan (NSP) on Gender-Based Violence and Femicide (GBVF) and the National Youth Policy (NYP). However, the Committee notes with concern that the Department has yet to introduce Bills it has proposed such as the NCGBVF, NYDA Amendment Bill and the Disability Bill.
- c) *Reports:* The Committee welcomes the reports submitted as evidence of the work achieved for the year under review. However, the Committee has repeatedly indicated that reports should be submitted for consideration at least one month after being finalised and published. Oversight is weakened when the Committee is not privy to products yielded by the Department as evidence of targets met.

### **15.5.2 Programme 2: STEE**

- a) The Committee noted that 2 targets were not reported in the annual report and in Programme 2 and enquired as to how were these targets were missed when compiling the report. The lack of reporting on these targets was highlighted to the Department at the Q4 2020/21 briefing.
- a) The Department is to be commended for achieving 6/9 targets for the year under review.
- b) The Committee observes that the interventions to support economic empowerment and participation of women, youth and persons with disabilities appeared to be once off events with no clear outcomes of follow-up.
- c) *Sanitary Dignity Programme (SDP):* The Department is to be commended for achieving the target producing 4 reports that outline progress on the national rollout of the enabling environment, enabling infrastructure and provincial sanitary dignity programmes in line with the Revised Sanitary Dignity Implementation Framework produced. Notwithstanding that, the Committee had previously raised concerns about Provincial Sanitary Dignity Committees that were not established in provinces; following-up on the corruption in Kwa-Zulu Natal (a progress report required in this regard e.g. misappropriation of funds for SDP); need for uniformity of funding models across provinces and ensuring that women, youth and persons with disabilities benefit through the SDP value chain.
- d) *Draft National Gender Machinery (NGM):* The Committee noted with concern that the target, Draft NGM Framework developed was not achieved as the target will be adjusted to include youth and persons with disabilities in the following FY. Whilst a GEYODI Framework is welcomed, the Committee is cognisant of the extremely slow pace the Department takes to develop and implement a framework/policy. [The Committee observes that the submission of the *Framework On South Africa's National Gender Machinery*, dated 2020. Given the late submission the

Committee has not had the opportunity to engage on the report. The Committee does observe in the concluding remarks that the “*Framework has sought to update the National Gender Policy Framework, as well as to strengthen and revive the structural mechanisms of the NGM. Cumulative restructuring of structures of the NGM have rendered the National Gender Policy Framework historically out-dated. In light of the manner in which processes of globalisation and liberalisation have, and continue to transform the way economic, social and cultural life is organised across the world and in South Africa – this Framework sets out what is expected of state and non-state agencies in the development of and shift to evidence-based and performance orientated systems, including how to make them gender-responsive in the process.*” However, this seems to be at cross-purposes to what has already been espoused in the Gender Responsive Planning Budgeting Monitoring Evaluation and Auditing Framework].

- e) *National Strategic Plan (NSP) on Gender-Based Violence and Femicide (GBVF)*: The Committee commends the Department for assessing 13 Government Departments APPs to determine whether NSP 2020-2024 priorities were incorporated. [The Committee welcomes the report submitted on this target. The information provided per Department/entity assessed is just over one page for each department/entity assessed. The summary is at a very basic level with general inferences but no comprehensive analysis.]
- f) *National Council on Gender-Based Violence and Femicide (NCGBVF)*: The Committee noted with concern that the Council has still not been established. This target was also not achieved in 2019/20 and the establishment was deferred to 2020/21. The Committee observes that approval of a technical support team to carry the secretariat work of the NCGBVF was approved instead but appointments were only made in 2021/22. Furthermore, the Committee notes that the establishment of the Council is subject to the promulgation of legislation. To this end, the Committee also observes that the Minister has subsequently gazetted the National Council on GBVF Bill.
- g) *Comprehensive GBVF Prevention Strategy*: The Committee notes with concern that the Prevention strategy was not developed. Given the scourge of GBVF the development and implementation of such an important policy is key aspect to combatting GBVF.
- h) *Provincial Rapid Response Teams*: The Committee notes with concern that this target was not reported on in the Annual Report 2020/21 but appeared in the revised APP and was reported on in the quarterly report briefings to the Committee.

### 15.5.3 Programme 3

- k) The Committee commends the Department for achieving 8/8 targets in this programme. It notes the anomaly of an unmet target (draft evaluation report on women empowerment), this target is one that the Department has amended. The Annual Report reflects the original target as unmet and the revised/amended target as met, however the reporting is essentially on the same target.
- l) *Annual Performance Monitoring Report*: The Committee commends the Department for achieving the target and producing *Annual Performance Monitoring Report (APMR) on Government performance on realising the rights of Women, Youth and Persons with Disabilities* dated March 2021. [The Committee observes the late submission of the report prior to the Annual Report briefing which did not allow for robust deliberation and engagement on the report.]
- m) *Report On Government Priorities: A gendered analysis of the impact of covid-19*: The Committee commends the Department for achieving the target and producing a report dated March 2021. [The Committee observes the late submission of the report prior to the Annual Report briefing which did not allow for robust deliberation and engagement on the report.]
- n) *Stakeholder engagements*: Whilst the Department is commended for hosting events, campaigns and various consultation forums these are important platforms for engagement, however the impact is not clear. The Committee maintains reflecting only on the number of attendees as beneficiaries is insufficient. Measuring the outcomes and subsequent impact of such initiatives is not apparent to the Committee based on what the Department has reported more so now that virtual platforms are being use to engage with stakeholders.
- o) *Gender Policy Priorities for 2019-2024, Country Gender Indicator Framework (CGI), GRPBMEA Framework*: The Annual Report does not reflect what the continuity of work entailed for targets related to the Gender Policy Priorities for 2019-2024, Country Gender



Indicator Framework (CGI), GRPBMEA Framework from the previous FY 2019/20 for which the Committee had deliberated on and provided extensive input. This was concerning. [Notwithstanding that, the reports submitted to the Committee the day prior to the Annual Report briefing does make reference to some of the aforementioned. However, given that the reports were submitted so late the Committee has not had the opportunity to scrutinise these reports.]

#### **15.5.4 Programme 4: Rights of Persons with Disabilities Programme**

- a) The Committee remains concerned about the Programme's sub-par performance as it only achieved 2/4 targets for the year under review. In the previous FY 2019/20 the programme met one target and this year it has achieved one more.
- b) *Under-expenditure*: The Committee questioned why the Department continued to underspend under Programme 4 given the limited budget in this Programme. The Committee also enquired at what point did the DG become aware of the risk of underspending in Programme 4 along with its senior management and what remedial steps did the accounting officer take to deal with this problem.
- c) The Committee is concerned about whether the Department is delivering on its mandate of promoting and upholding the rights of persons with disabilities given the poor performance of the Department in Programme 4. The Frameworks on Disability Rights Awareness and Self Representation have been ongoing unmet targets since the inception of the Department which is disconcerting.
- d) *Analysis of APPs*: The Committee noted that the Department reported it has analysed 12 government department strategic plans and APPs for responsiveness to the rights of persons with disabilities. [The Department submitted a 4-page document in relation to this target, "*Status Report on Disability Inclusion in Departmental Strategic Plans and APPS for 2021-2024*". The information contained in the document is a summary and overview of the work done in collaboration with the Department of Performance Monitoring and Evaluation. It is concerning that the product yielded, for the 2020/21 FY was a summary with very little detail and generic recommendations.] Whilst the Department is to be commended for achieving the target *Annual Performance monitoring report on inclusion of persons with disabilities produced*", it is unclear how this differs from the aforementioned report and it has yet to be submitted to the Committee for consideration.
- e) *Disability Rights Bill*: The Committee notes with concern that the Disability Rights Bill has yet to be developed.
- f) *Awareness Raising*: The Committee noted the period between the 3<sup>rd</sup> of November and the 3<sup>rd</sup> of December is the Disability Rights Awareness Month and questioned what the Department was doing during this period to raise awareness about the rights of persons with disabilities across the country.

#### **15.5.5 Programme 5: National Youth Development Programme**

- a) The Department is to be commended for achieving all 4 (100%) targets in this programme. However, the Committee noted with concern that 2 targets as per the revised APP was not reported on in the Annual Report 2020/21 namely; the National Youth Machinery Framework and the Shareholder Performance Agreement between the NYDA and the Department. Both these targets are critical for the Department as this regulate its interaction with key stakeholders.
- b) *National Youth Machinery*: The Committee commends the Department for convening 4 youth machineries during the period under review. However, the importance of these engagements is sharing what the outcomes were and the way forward. As the Department's website is not operational, access to information about such a forum is thus impaired. Moreover, in the absence of a National Youth Machinery Framework it is unclear how the Department convenes these gatherings, how they are constituted and what if any are the links with the National Gender Machinery and the Disability Machinery if any. As all of these structures reside in and are led by the Department.
- c) *NYDA Amendment Bill*: The Committee observed that a discussion document pertaining to the NYDA Amendment Bill was developed and sought more clarity in this regard.

#### **Observations with respect to the Commission for Gender Equality (CGE)**

## 15.6 CGE Matters

Notwithstanding the fact that the CGE is a Chapter 9 Institution, it only accounts to Parliament vis-a-vis the Portfolio Committee on Women, Youth and Persons with Disabilities Presidency and that the Department merely transfers its funds, the Committee deemed it important to note the following observations:

### 15.6.1 General

- a) The Committee commended the CGE for achieving 96% of its targets (25/26 targets) and not reducing the number of targets despite budget cuts due to COVID-19. The majority of these targets were service delivery related and only 1 target was not achieved in Strategic Outcome 4 pertaining to the administration.
- b) The Committee concurs with the findings and recommendations of the AGSA and the ARC.
- c) The Committee noted with concern the matter pertaining to attendance of Commissioners at Committee meetings in addition to monitoring the performance of Commissioners.

### 15.6.2 Governance

- a) The Committee noted with concern that 1 target was not met which related to a policy to regulate the interface between Commissioners and staff and wanted to know what is the interaction at operational level without the existence of such a policy. In addition, the Committee noted that this target and incomplete policy has been long overdue, two years in the making, despite reassurances from the CGE that it would be finalised. Furthermore, the Committee concurred with the ARC finding and recommendation pertaining to the need for role clarity between Commissioners and the administration of the CGE as the existing mechanisms and structures were not working optimally. To this end, the role of a company secretary should be explored.<sup>18</sup>
- b) The Committee noted with concern the nodes of conflict and contention between Commissioners as well as between Commissioners and the administration and the subsequent impact on employee relations and the operations of the CGE.
- c) The Committee noted its discontent with the CGE's lack of enforcement of internal controls and consequence management.
- d) The Committee observes that the Commission for Gender Equality's Audit and Risk Committee agreed with the findings of the AGSA, that some were repeat and or new findings.

### 15.6.3 Finance

- a) A key challenge in assessing the CGE's financial performance for 2020/21 was not being able to compare expenditure per Strategic Objective/Outcome. The CGE's 2020/21 Annual Performance Plan outlines the programme/ strategic objective allocation across the 4 objectives. For the year under review, the information in the Annual Report has not been presented in a corresponding manner, making it difficult to evaluate expenditure on targets/outcomes. Recently, the Audit Committee has submitted a report on its findings for the second quarter of 2020/21 and herein it notes the following: *"Performance Information and financial reporting not integrated - In contrast to the strategic plan that contains the budget estimates as per each outcome, the Commission's performance information reporting only shows what has been achieved without integrating budget information as to how much it costed the institution to meet the target in comparison to what was budgeted for."* This confirms the concern with the lack of appropriate reporting.
- b) The Committee noted with concern the irregular expenditure (R3,418 044) incurred and the fruitless and wasteful expenditure of R248 299. The Committee urged the Commission to guard against incurring irregular expenditure as well as fruitless and wasteful expenditure and to swiftly address irregularities and complete investigations in this regard.
- c) The Committee notes the impact of the adjusted budget on the CGE in terms of the R11,246 million on account of COVID-19. The Committee observed that the CGE spent 95% of its budget (R76,085 756) and therefore had an under-expenditure of R3,925 153. Furthermore, the

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<sup>18</sup> The Companies Act, No. 71 of 2008 defines a company secretary as **"an officer of the company"**. Company secretaries oversee the efficient administration and compliance of a company. Company secretaries are the primary source of advice on the conduct of the business.



Committee notes the CGE's possible surrender of the surplus funds which has been estimated to be R6,941 855 based on the computation and guidelines provided by National Treasury. Notwithstanding that, the Committee notes that the CGE intends to apply for permission to retain the whole surplus for use during the 2021/22 FY and it is expected that National Treasury will grant the application.

- d) *Fruitless and Wasteful Expenditure*: The Committee noted that R113 266 related to the electronic case management system which was procured but not used and was recorded as fruitless and wasteful expenditure. Clarity was sought in this regard as the Committee was informed at the Q4 briefing that the licence expired but a renewal was not granted. This was concerning. In addition, the WAN services amounting to R125 275 was paid for 3 months out of the lease period while no services were received.
- e) *Irregular Expenditure*: The Committee was also concerned about the irregular expenditure incurred for financial year 2020/21 which related to payment of part-time Commissioners without required time sheets, salaries of Commissioner's PA's which contravened recruitment policies, payments made to Telkom without a contract, to Shusha Enterprises without a tax clearance certificate and an amount of R165 734 paid to Deloitte for similar services.
- f) *Consequence management*: The Committee noted with concern the lack of consequence management. Members questioned whether any consequence management was implemented to deal with irregular and fruitless and wasteful expenditure as well as audit action plans not implemented and taken seriously.
- g) *Cases under investigation*: In terms of one of the cases under investigation as a result of irregular expenditure incurred, the Committee sought clarity in terms of what was meant by briefing outside the approved legal panel for Maphetho Attorneys as stated in the Annual Report.
- h) *Supply Chain Management (SCM)*: The Committee also enquired as to why the SCM processes were not followed for Mac Ndlovu Incorporated Attorneys and Emergency Growth CC and enquired as to what were these services procured and who authorises these services.

#### **15.6.4 Human Resources**

- a) *Vacancies*: The Committee noted with concern the vacancy rate for legal officers in the provinces as well as in ICT and questioned what the subsequent impact was on the operations of the CGE. Furthermore, the Committee also observed that 15 employees left the CGE and that no reasons for terminations were provided in the Annual Report. The exit of 2 senior managers and 7 employees in the professionally qualified occupational band was concerning as this would leave a skills gap in the organisation whose funded posts have already been decreased from 111 to 101.
- b) *Training and development*: The Committee noted that 11 Commissioners and 1 staff member received training and development and enquired why only 1 staff member was trained for the period under review despite the CGE's stated commitment to capacitate its employees.
- c) *Performance rewards*: The Committee observed that out of 87 staff, including Commissioners, 73 employees received performance rewards amounting to just over R3 million. The CGE indicated in its report that no Commissioners received performance-related rewards.

#### **15.6.5 Legal Services**

- a) The Committee noted that in the previous Annual Report for 2019/20 that the CGE's standing as a legal practice was withdrawn and that this in turn impacted on its case management. To this end, the Committee raised its concerns with the CGE that no submission was made at the time of the Legal Services Amendment Bill to Parliament in 2017 to motivate why the CGE should remain as a legal entity in order to perform certain acts or render a certain service as practising legal practitioners. However, it is unclear whether the matter has subsequently been resolved as this has not been reported on in the current Annual Report for 2020/21.

#### **15.6.6 Litigation**

- a) The Committee was concerned by the number of litigation cases by employees and enquired as to the costs incurred for the CGE given its limited budget.
- b) Furthermore, the Committee sought clarity on the nature of the cases and why these have persisted for such a protracted period.

- c) *Provident fund*: The Committee noted with concern the longstanding litigation matter related to payment of Provident fund to employees above the qualifying salary level which amounted to R5,128 132 as at 31 March 2021. The Committee questioned how this issue came about, whether the money would be recouped, whether consequence management was implemented and if the policy was subsequently corrected.

#### **15.6.7 Programme specific matters**

- a) *Case management*: The Committee was concerned about the low number of cases recorded for 2020/21 and that have been finalised. To this end, the Committee enquired about the time it took for a case to be finalised and what impression this leaves with the complainant about the services rendered by the CGE.
- b) *Forced sterilisation*: The Committee also requested an update on the work with the Department of Health regarding the Forced sterilisation report. In addition, the Committee asked whether the CGE has found a way-forward in terms of dealing with the report. The continuity of the work in this regard is important in seeking justice for the victims.
- c) *GBV*: The Committee enquired as to whether CGE monitored cases of gender-based violence and femicide in courts as this was deemed an important aspect of assessing the response by the criminal justice system in the fight against GBVF.
- d) *Disability*: The Committee enquired as to whether the CGE monitored issues related to matters pertaining to disability in government departments.
- e) *Boy-child project*: The Committee requested an update on the status of the boy child project and whether the Commission is still continuing with the project as this was an important component in the fight against GBVF.
- f) *Assessing Women's Representation and Participation in Traditional sector*: As a follow-up to work the CGE previously done in this sector during the 2018/19 FY, the Committee noted that there appeared to be a lack of coordinated approach to following through with what was identified as areas of concern. For example, what has the CGE subsequently done to deal with the lack of understanding and awareness on issues related to gender equality and transformation; limited representation and participation of women; royal families predominantly still appointing males more than females and the lack of legal enforcement (30% quota in female representation in membership of House of Traditional Leaders) or legal mechanisms to sanction failure to comply. The Committee noted some work in certain provinces with Traditional leaders, litigation and stakeholder engagements with traditional leaders but only in the Free State and Mpumalanga. This lack of continuity for such an important area of work persisted for the year under review despite it being raised by the Committee at quarterly report briefings for 2020/21.

### **15.7 Observations with respect to the National Youth Development Agency**

#### **15.7.1 General**

- a) The Committee commends the NYDA on receiving its 7<sup>th</sup> consecutive clean audit and achieving 96% of its targets.
- b) The Committee concurred with the AGSA and Audit Committee's findings and recommendations. To this end, the Committee agreed that whilst the majority of targets were reached and often exceeded these should be reassessed to determine whether these are too low and should be set higher.
- c) The Committee noted that the NYDA made reference to it needing to play a co-ordination role in the youth sector. The Committee sought clarity in this regard in terms of how the NYDA would give effect to this.
- d) The Committee observed that the AFS provided outlined in the Annual Report whilst detailed did not reflect budgetary allocation and expenditure per programme as was presented in the APP and at quarterly report briefings. This made it difficult for the Committee to assess how each programme had fared per SO based on what was allocated and what was eventually spent.

#### **15.7.2 Finance**

- a) The Committee commends the NYDA for not incurring irregular or wasteful expenditure for the year under review. Notwithstanding that, the Committee did note a slight regression in financial management and in compliance as per the Audit Committee findings.
- b) The Committee noted the investigations which the Chairperson of the Audit Committee elaborated on. It was important for the Committee to understand the nature of the investigations, the outcomes hereto and the cost incurred. The Committee was concerned about what the potential impact of the investigations was on the NYDA.
- c) The Committee commended the NYDA for monitoring service providers and initiating investigations in instances where services providers default on payments. This may negatively impact youth entrepreneurs who in turn do not receive the required service and or product.
- d) The Committee noted with concern the large amount of loans written off, in excess of R55 million and questioned how this can be prevented in future but also how best to support young entrepreneurs at present to avoid failure of their businesses. Hence the Committee asked what mitigation strategies have been implemented other than financial support to help young entrepreneurs whose businesses are struggling.
- e) The Committee noted disbursement of loans to staff and questioned how viable this was given its limited resources and whether repayment was with interest accrued. To this end, the Committee also questioned if the NYDA had a policy in place to deal with staff loans.

#### **15.7.3 ICT**

- a) The Committee noted that the implementation of the Enterprise Resource Planning (ERP) system was not completed by the end of 2020/21 and that regional managers were expected to monitor the roll out. Furthermore, the Committee sought clarity from the NYDA as it noted that there was an increase in intangible assets which was due to milestone payments for the ERP system under development. The NYDA informed the Committee at the meeting that the ERP system was finally implemented in Q2 of 2021/22 which pleased the Committee.
- b) The Committee noted that based on oversight taken by members during constituency, lack of functional tools of trade was identified which was concerning as this impeded youth's access to the services rendered. As such, the Committee enquired whether an audit of ICT equipment and infrastructure was undertaken and what the outcomes were. The NYDA in turn provided the Committee with an update in that regard.
- c) The Committee observed that a total of R37 million was spent on intangible assets related to software developed in house and software under development but no explanation provided and hence the Committee sought clarity in this regard.

#### **15.7.4 Litigation**

- a) The Committee noted that just over R1 million was spent on litigation which was concerning and questioned whether this was in relation to loans written off or due to investigations.

#### **15.7.5 Human Resources**

- a) The Committee observed that there were 2 dismissals, 9 resignations and 47 employees had their contracts terminated and questioned what impact this had on the operations of the NYDA.
- b) The Committee observed that 476 employees received performance rewards to the total value of R9,549 million. It is noteworthy that *all* staff in the NYDA were rewarded. An understanding of the performance management system applied within the NYDA would enable the Committee to gain insight into how performance rewards are allocated.

#### **15.7.6 Programme specific matters**

- a) The Committee reiterated the importance of return on investment by what the NYDA was spending and if this translated into increased employment opportunities for youth, sustainability of youth owned businesses and the nature of job preparedness for youth having accessed NYDA programmes.
- b) The Committee emphasised the importance of determining the impact of the programmes rendered by the NYDA to ascertain whether there is value for money; if it addresses youth unemployment and if it spurs economic growth. Moreover, the Committee reiterated the need for ongoing monitoring and evaluation as well as support rendered to recipients of grants.

- c) The Committee was concerned that the criteria for grants disbursement may not always be favourable to aspiring youth entrepreneurs as the outcome of assessment of his/her application is declined because the assessor feels the business proposal is not viable.
- d) The Committee was concerned about whether the amount allocated to grant recipients was adequate to support their businesses.
- e) The NYDA was commended for ensuring that youth with disabilities benefitted from programmes offered but at the same time asked how the NYDA ensured a fair distribution of its grants disbursements included youth with disabilities as beneficiaries.
- f) The Committee reiterated the importance of collaboration with the Department in particular the Sanitary Dignity Programme and sought more information as to how many young women were assisted in this regard.
- g) The Committee reiterated the importance of creating market linkage for young entrepreneurs as a means of not only establishing but growing their businesses'. To this end, the Committee acknowledged and commended the NYDA for its partnership with Clicks and Unilever and asked what were the outcomes hereto and whether market linkages were created for young entrepreneurs.
- h) The Committee questioned whether Government was doing enough to address youth unemployment in the country and if it was giving effect to the preferential procurement.
- i) The Committee was concerned that youth owned businesses could be facing financial difficulties on account of rendering services to Government but not being paid within the required 30 days. To this end, the Committee asked how the NYDA was monitoring and evaluating Government's performance in that regard.
- j) The Committee questioned the effectiveness of the Yes4Youth initiative and whether the NYDA was working collaboratively to strengthen the programme. The Committee observed that it would be important for the Committee to engage with CEO of this initiative in a joint meeting with the NYDA.

#### **15.7.7 Integrated Youth Development Strategy (IYDS)**

- a) The Committee commended the NYDA for the implementation of the IYDS and observed that there would be budgets attached to making it a success. To this end, the Committee enquired about which Departments are responsible for giving effect to the IYDS and what budgets have been assigned.
- b) The Committee enquired about the monitoring of the IYDS and which indicators have been identified in relation to each implementing department in that regard.

#### **15.7.8 Digital Economy**

- a) The Committee reiterated the importance of the growing nature of the digital economy and the potential for youth in this regard.
- b) The Committee noted that the NYDA and Government at large was not making significant progress as it related to youth in the digital economy. A key impediment noted was the high cost of network data and access for youth.

#### **15.7.9 Solomon Mahlangu Scholarship**

- a) The Committee observed that students were supported in lieu of this scholarship and enquired how many students, what the cost incurred was and what other support besides financial was being offered to these students. To this end, the Committee observed that students not only required financial support but other forms of support such as counselling, mentorship in order to succeed and that it was important for the NYDA to consider this.

## **16 RECOMMENDATIONS**

The Minister of Women, Youth and Persons with Disabilities should ensure that the following recommendations are implemented.

### **16.1 General**

- a) Greater emphasis should be placed on how the Department can give effect to its mandate and this can be achieved for the rest of the MTSF period by focussing more on outcomes and impact.
- b) Policy imperatives must be clearly defined within the Department and articulated within Government and all relevant stakeholders. Specific timeframes are required to finalise all outstanding frameworks/policies and Bills.

- c) The Department must adhere to reporting guidelines as required by laws and prescripts for its Annual Performance Plan, Annual Report and Quarterly reports and submit these timeously to the Committee for consideration.

## **16.2 Audit Action Plan**

- a) The Department should submit its final Audit Action Plan for the Committee's consideration.
- b) The AGSA and ARC recommendations should be taken seriously by the Department and implemented. Officials found not having implemented these recommendations must be held to account.
- c) The Department should clearly articulate how it intends addressing each of the findings identified and implementing the recommendations within a set time frame within the Audit Action Plan.

## **16.3 Financial performance**

- a) *In-Year Monitoring Reports*: The Department must continue to submit quarterly reports to the Committee in line with National Treasury Regulations.
- b) *Spending Trends*: The Committee recommends that the Department monitor spending patterns and ensure that this is in keeping with what has been outlined in the respective Strategic Plans and Annual Performance Plans. To this end, the Department is to provide the Committee with detailed financial reports for activities on a quarterly basis. These financial reports should clearly indicate the purpose of the activity as it relates to the objectives outlined in the APP and the expenditure incurred.
- c) *APP*: The Department must ensure that its APP is costed appropriately with a clear indication as to how and when it intends undertaking activities with corresponding costs.
- d) *Irregular expenditure, Fruitless and Wasteful Expenditure*: The Committee requests a comprehensive report on the investigations into irregular expenditure incurred for the period under review. The report should clearly indicate the sanctions brought against members responsible for irregular expenditure and fruitless and wasteful expenditure. The Department should further develop an action plan on steps to prevent irregular expenditure as well as fruitless and wasteful expenditure.
- e) *Investigations*: Committee awaits outcomes and reports in this regard and for a briefing until matters are concluded at every quarterly briefing. The Committee awaits comprehensive reports on all investigations.
- f) *Unauthorised expenditure*: The Department is urged to follow-up with SCOPA regarding the condonement of historical debt incurred and report back to the Committee accordingly.
- g) *Virements*: The Committee urges the Department to avoid virements from the core programme to administration. In the event, that virements have to be done this needs to be brought to the attention of the Committee for discussion during quarterly briefings.

## **16.4 Internal control and risk management**

- a) The Committee recommends that the Department must provide the Committee with a detailed report on the implementation of risk management controls which should include the staffing structure, risk management systems, challenges identified and remedial action.
- b) The Committee requires the Department's Audit and Risk Committee to brief the Committee at the Department's 2<sup>nd</sup> Quarter briefing of 2021/22 on the challenges identified and recommendations made.

## **16.5 AGSA & Audit and Risk Committee**

- a) The ARC should continue to monitor the implementation of the AGSA recommendations and its own, intervene when necessary with the senior management of the Department and report to the Committee on a quarterly basis in this regard. The Committee in turn will provide the ARC with feedback on the outcome of meetings held with the Department and what recommendations are expected to be implemented with specific time frames.
- b) ARC to submit its quarterly reports to the Committee for consideration after every meeting it has with the Department.

## **16.6 Human Resource**



- a) *Vacancies*: All key funded vacancies should be filled within the specified time allocation, in instances where this is not complied with, the Department should clearly identify within the quarterly reports to the Committee reasons for failure to comply and remedial action taken. The Department should submit a list of vacancies that have been prioritised and a time frame for filling the required posts particularly in IT and Programme 4.
- b) *Performance management*: The Committee recommends that the heads of Programmes provide quarterly reports of consequence management for the non-delivery of targets with a clear indication of the remedial action implemented. Each programme and sub-programme will be required to present progress to the Committee on a quarterly basis.
- c) *Use of consultants*: The Committee requests the Department to submit a report on how contract workers are managed internally.
- d) *Disciplinary cases and investigations*: The Department should submit a comprehensive report on all cases in the Department and brief the Committee accordingly.

### **16.7 Governance**

- a) The Committee reiterated the importance of compliance with the Public Finance Management Act and National Treasury Regulations by the Department and that failure of officials in this regard must be dealt with expeditiously. To this end, the Committee recommends that the Department reports on how it deals with transgressors and what remedial action is taken. This should be presented in the quarterly reports.
- b) The Committee remains concerned about the non-compliance and adherence to laws and prescripts by officials within the Department. The Department should consider including a specific key performance indicator and targets that addresses compliance to laws and prescripts.
- c) The Committee recommends that the Department report on the forensic investigation/s referred to by the AGSA to be submitted to the Committee on completion and Committee to be briefed on progress with regards to new investigations underway.
- d) *Supply Chain Management (SCM)*: The Committee recommends that the Department provides a monthly report on the Supply Chain Management (SCM) deviations and transgressions and what action steps were taken against officials who fails to comply with SCM policies. Where deviations were allowed, the motivation hereto should be clearly stipulated. The Department should consider identifying a specific key performance indicator with targets pertaining to SCM in its APP for 2022/23.
- e) *Investigations*: The Committee recommends that the Department briefs it (at Quarter 2 briefing for 2021/22) on the outcome of investigations that have been completed and indicate what progress has been made in terms of implementing recommendations and consequence management. Furthermore, the Department is expected to brief the Committee on progress with regards to investigations currently underway.

### **16.8 ICT**

- a) With regards to ICT governance and the IT environment, the Committee urges the Department to address matters related to inadequate ICT infrastructure and ICT control environment. Emphasis must be placed on the lack of ICT backup system and the disaster recovery system. The Department must allocate adequate budget toward ICT support operations.

### **16.9 Performance related recommendations**

#### **16.9.1 SMART principle**

- a) The Committee recommends that the Department must ensure the alignment between the Strategic Plan and its Annual Performance Plan which includes objectives and targets that are SMART and costed accordingly. Any changes to the APP must be brought to the attention of the Committee as soon as these are done with a clear indication of the HR impact and financial implications. The Department must update the Committee on the status of targets on a quarterly basis. Financial and performance reporting must be in-line with the tabled APP.
- b) The Department to provide the Committee with feedback from the AGSA on its review of the APP 2021/22 as well as 2022/23.

#### **16.9.2 National Gender Machinery (NGM)**



- a) The NGM is an important mechanism for stakeholder engagement as espoused in CEDAW to which South Africa is a signatory. Hence there is an obligation to have it established. The Department should expedite finalising the framework and implement it.

#### **16.9.3 Treaty compliance framework and timeframes**

- a) The Committee recommends that the Department should ensure that country reports are submitted within the specified timeframes as required by the relevant reporting bodies.
- b) The Committee recommends that the Department should report back to Parliament on feedback received on country reports, action plans developed in this regard as well as progress in terms of implementing recommendations.
- c) The Committee recommends that the Department must present all reports at an international level to the Committee at least one month before it undertakes the international trip.

#### **16.9.4 Reports**

- a) The Committee recommends that the Department brief the Committee on reports completed for 2020/21, 2021/22 and submit all outstanding reports (e.g. Biannual reports regarding NSP; monitoring and evaluation framework on NSP). The briefing should include what progress has been made since the completion of the reports.
- b) The Department is requested to submit all finalised reports one month after completion to the Committee for consideration.

#### **16.9.5 Legislative and Policy Reform**

- a) The Committee recommends that the Department should brief it on its legislative programme and outline what progress has been made in developing various Bills to be introduced and the timeframes hereto.
- b) The Committee urges the Department to finalise all outstanding policies and frameworks. The Committee placed emphasis on the Department finalising the Framework on Disability Rights Awareness and Self-Representation by Persons with Disabilities and the National Gender Policy Framework.
- c) The Committee recommends that the Department brief the Committee on a quarterly basis progress update on the development of reports/policies/frameworks/guidelines etc.

#### **16.9.6 GBVF**

- a) *NSP*: The Department to provide quarterly updates on the implementation of the NSP and respond in writing to outstanding matters raised by the Committee. The Department is urged to place greater emphasis on M&E of the NSP and report to the Committee accordingly.
- b) The Committee urges the Department to finalise the National GBVF Prevention Strategy and work collaboratively with stakeholders to ensure that it is also costed.
- c) *NCGBVF*: The Department to brief the Committee on the National Council on GBVF Bill that has been gazetted.
- d) *Secretariat*: The Secretariat/technical team to brief the Committee on progress made at Q2 2021/22 briefing.

#### **16.9.7 Sanitary Dignity Programme (SDP)**

- a) The Committee recommends that the Department ensure that young women and persons with disabilities benefit from the whole SDP value chain.
- b) The Committee requests the Department to submit a comprehensive progress report and the matters of concern raised by the Committee.
- c) The Committee recommends that the Department reports back on its monitoring and evaluation of the roll out of the sanitary dignity programme in provinces and its budgetary allocations on a quarterly basis.

#### **16.9.8 Rights of Persons with Disabilities (RPD) Programme**

- a) The filling of vacancies within this programme must be prioritised.
- b) The Department should submit quarterly and annual reports on the National Disability Machinery meetings.

- c) The Department should brief the Committee on the reports produced related to the analysis of APPs and the annual monitoring report on inclusion of persons with disabilities.
- d) The Department should expedite the development of the Disability Rights Bill and brief the Committee accordingly.

#### **16.9.9 National Youth Development (NYD)**

- a) The Department must work more collaboratively with the NYDA as part of a coordinated strategy to address youth unemployment in the country. The Department should submit a report that outlines how it intends giving effect to this recommendation with clear roles and responsibilities and time frames.
- b) The programme must brief the Committee on progress with regards to the NYDA Amendment Bill at the next Quarterly report briefing.
- c) The Department must report back on progress made with the National Youth Machinery Framework and the Shareholder Performance Agreement at the next quarterly report briefing.

#### **16.10 CGE**

The CGE should ensure that the following recommendations are implemented.

##### **16.10.1 Finance**

- a) *Audit Action Plan*: The CGE should develop an audit action plan that relates to the recommendations made by the AGSA. This action plan should address the root cause of the problems and reflect the AGSA and ARC findings/recommendations. It must be submitted to the Committee with the 2<sup>nd</sup> Quarterly Report for 2021/22.
- b) The CGE should provide quarterly progress reports on the implementation of its Audit Action Plan.
- c) The CGE should ensure that it maintains tight control over its fiscus and avoid over-expenditure in 2021/22.
- d) *Irregular expenditure (IE) and fruitless and wasteful expenditure (FWE)*: The CGE to provide a comprehensive report on investigations related to the IE and FWE, mitigating actions and consequence management implemented with the Q2 report for 2021/22.
- e) *Financial reporting*: The CGE must report on an annual and quarterly basis its expenditure per strategic objective in order for the Committee to conduct more astute oversight.
- f) *Surplus funds*: The CGE to report back to the Committee at the Q2 2021/22 briefing on progress made in requesting National Treasury to retain the estimated R6,941 855 million surplus funds that was accrued.

##### **16.10.2 Governance**

- a) The CGE should finalise its policy that pertains to interrelations between the administration and the Commissioners and this should be submitted to the Committee before the end of the 2021/22 FY.
- b) The CGE should finalise the Commissioner's Handbook and submit to the Committee on completion before the end of the 2021/22 FY.
- c) The CGE to provide report on mechanisms in place to account for hours worked by Commissioners, how these are recorded and accounted for.
- d) The CGE should strengthen its internal governance processes and the role of a company secretary should be explored as an interface between plenary and the Secretariat.

##### **16.10.3 Human Resources**

- a) The CGE should ensure that they retain staff members in order to retain institutional memory.
- b) The Committee recommends that the CGE conduct exit interviews as a means of understanding why staff leave in order to address areas of concern that is brought to the attention of management.

##### **16.10.4 Programme and performance**

- a) The CGE must prioritise the filling of vacancies for its legal units and that of the Parliamentary liaison officer.

- b) The CGE should finalise issues related to irregular and fruitless and wasteful expenditure as identified by the AGSA and ARC.
- c) The CGE should look at ways to deal with and improve case management so as to speed up the processes of closing cases and ensure continuous communication with complainants.
- d) The CGE should submit to the Committee, in writing, a comprehensive report on the 17% Provident fund issue; AG finding regarding 100 hrs worked by part-time Commissioners without time sheets; the compiling of annual report and on boy-child programme.
- e) The CGE to submit the completed Handbook and Policy on interface between Commissioners and administration to the Committee for consideration.
- f) The CGE must ensure that its "Performance Information and financial reporting are integrated". Quarterly and Annual Reporting should be in line with the tabled APP. The performance information reporting must reflect what has been achieved and not achieved as per each SO. In addition, it should be integrating the budget information by reflecting how much it costed the institution to meet the target in comparison to what was budgeted for.
- g) GBV: The CGE to report back to the Committee and provide a progress report regarding its monitoring of NSP in particular and submit a comprehensive report in this regard.

#### **16.10.5 Commissioners**

- a) The CGE to provide a report to the Committee about the attendance of Commissioners at Committee meetings and what is expected of Part-time Commissioners for attending meetings.
- b) The Commissioners were urged to work together and deal with conflict within the institution.
- c) Commissioners to continue to report on a quarterly and annual basis to the Committee on their deliverables in line with each Strategic Outcome as per the APP.

#### **16.11 NYDA**

The NYDA should ensure that the following recommendations are implemented.

##### **16.11.1 General**

- a) *Audit Action Plan*: The NYDA should develop an audit action plan that relates to the recommendations made by the AGSA and Audit Committee. This action plan should address the root cause of the problems raised. It must be submitted to the Committee with the 2<sup>nd</sup> Quarterly Report for 2021/22.
- b) The NYDA should provide quarterly progress reports on the implementation of its Audit Action Plan.
- c) *Reporting*: The NYDA must ensure that its "Performance Information and financial reporting are integrated". Quarterly and Annual Reporting should be in line with the tabled APP. The performance information reporting must reflect what has been achieved and not achieved as per each SO. In addition, it should be integrating the budget information by reflecting how much it costed the institution to meet the target in comparison to what was budgeted for.
- d) The NYDA should examine its targets and consider setting higher targets.
- e) The NYDA through the incumbent Board should address the negative perceptions of the NYDA through an integrated strategy that addressed the issues raised by youth on the ground.
- f) The NYDA should lobby for employment tax incentives for the employment of youth.

##### **16.11.2 ICT**

- a) The NYDA to provide a comprehensive report of the ICT audit of equipment and infrastructure to the Committee it has undertaken.

##### **16.11.3 Programme specific**

- a) The NYDA should focus on determining the impact of its programmes in the short, medium and long term.
- b) The NYDA should ensure ongoing monitoring and evaluation of its grants programme and provide young entrepreneurs with the necessary support required. These assessments should extend to 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> year of youth owned businesses.
- c) The NYDA should share their findings on how Government is performing in terms of employing youth and whether it is having effect to the preferential procurement policy.

- d) The NYDA should explore current best practice of aspiring youth businesses in provinces and attempt to replicate in other wards.
- e) The NYDA should explore how it can assist youth in accessing workplace infrastructure through identifying possible municipal buildings and through the Department of Public Works and Infrastructure where shared office space could be potentially utilised.
- f) The NYDA to submit all completed reports (research and other) to the Committee for consideration.
- g) The NYDA should focus on capacitating youth with skills and use existing networks to enable market linkages with big businesses and other key stakeholders within Government.
- h) The NYDA should ensure greater access to network data for youth as a means for benefitting from the digital economy.
- i) The NYDA should collaborate with Yes4Youth initiative in order to strengthen the programme in order to create more job opportunities for youth and enabling skills development opportunities for youth. In addition, the CEO of Yes4Youth to be invited by the Committee for a joint meeting with NYDA.
- j) The NYDA should assess sustainability of the National Youth Service (NYS) and forge links with its skills development programme.

The Committee hereby recommends the following for consideration by the Minister of Finance:

#### 16.12 National Treasury

- a) The Committee requests National Treasury to consider the condonation requests by the Department and the CGE.
- b) The Committee requests National Treasury to consider the requests for roll-over of funds for the Department and the CGE.
- c) Sanitary Dignity Programme: The Committee requests National and Provincial Treasury to provide a detailed report on the funding of the SDP.

### 17. SUMMARY OF REPORTING REQUESTS

**Table 10: Reporting requests**

Reporting matter	Action required	Timeframe	Dept.	CGE	NYDA
Quarterly reports	Written report Briefing	Every quarter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Audit outcomes - Details of audit action plan	Written report of audit action plan Briefing	Q2 2021/22 briefing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Progress report on audit action plan Briefing	Q2 2021/22 briefing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Forensic investigations	Written report Briefing	Quarterly	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Deviations	Written report Briefing	Quarterly	<input checked="" type="checkbox"/>		
HR: vacancies, dismissals, termination of contracts	Written report Briefing	Quarterly	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Country reports	Written report Briefing	Progress update at quarterly briefings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Impact reports of initiatives (campaigns, events, workshops, conferences etc.)	Written report	30 days after an event has taken place	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Reporting matter	Action required	Timeframe	Dept.	CGE	NYDA
Commissioners Handbook	Written report Briefing	Finalised within 3 months Briefing at Q2 2021/22		<input checked="" type="checkbox"/>	
Policy on interface between Commissioners and Administration	Report Briefing	Finalised before 31 March 2022 Briefing at Q2 2021/22		<input checked="" type="checkbox"/>	
Commissioner's performance per quarter	Written report Briefing	At every quarterly report briefing		<input checked="" type="checkbox"/>	

## 18. CONCLUSION

The Committee will endeavour to monitor the Department with respect to the implementation of recommendations made by the AGSA as well as the ARC and has committed to engaging jointly in future. The passing of the late Deputy Minister, Prof. Hlengiwe Mkhize has been a significant loss to the Department for which the Committee is cognisant of. The Committee pays tribute to the contributions made by the late Deputy Minister.

In conclusion, the Committee urges the Department, the CGE and the NYDA to take its recommendations seriously and implement these expeditiously.

**Report to be considered.**