**REPORT OF THE PORTFOLIO COMMITTEE ON PUBLIC SERVICE AND ADMINISTRATION ON THE ANNUAL PERFORMANCE PLANS (APPS) 2022/23 AND THE BUDGET VOTE 9 OF THE DEPARTMENT OF PLANNING, MONITORING AND EVALUATION, DATED 06 MAY 2022**

1. **BACKGROUND**

The Portfolio Committee on Public Service and Administration(hereinafter referred to as the Portfolio Committee) having considered directive of the National Assembly to consider and report on the Strategic Plans, Annual Performance Plans and Budget allocations of the Department of Planning, Monitoringand Evaluation (DPME) and Brand South Africatabled by the Minister in the Presidency for Planning Monitoring and Evaluation in terms of the Public Finance Management Act (Act No 32 of 2003), reports as follows:

1. **INTRODUCTION**

Parliament plays an important role in overseeing planning and performance of government departments and public entities as well as Chapter 9 and 10 institutions. The Public Finance Management Act, section 27 stipulates that the Minister must table the annual budget for a financial year in the National Assembly before the start of the financial year. Subsequent to that the Money Bills Amendment Procedures and Related Matters Act, No. 9 of 2009, section 10 (1) (c) clearly stipulates that the relevant members of Cabinet must table updated strategic plan and annual performance plan for each department, public entity or institution, which must be referred to the relevant Committee for consideration and reporting.

In considering the strategic and annual performance plans, the Committee ensured that the Department of Planning, Monitoring and Evaluation and Brand South Africa plans and budget allocationsare in line with Medium Term Strategic Plan 2019/24. Budget allocation serves as a key instrument for government to promote socio-economic development. Budget allocation plays a critical role as an economic instrument of the government to reflect on the country’s socio-economic policy priorities by translating priorities and political commitments into expenditures. Budget serves as a vital tool to operationalise government activities towards the achievement of its intended priorities. Furthermore, the budget highlights the constraints and trade-offs in policy choices.

On 03rd May 2022, the Committee considered presentations on the Annual Performance Plans and budget allocation of the Department of Planning, Monitoring and Evaluation and Brand South Africa. This report summarises the presentations received from the Department of Planning, Monitoring and Evaluation and Brand South Africa, focusing on the 2019/24 Strategic Plans and 2022/23 Annual Performance Plans and Budget as well as allocations over the MTEF.

1. **OVERVIEW OF THE DEPARTMENT OF PLANNING MONITORING AND EVALUATION**

The Department of Planning, Monitoring and Evaluation plays a direct, guiding role in government’s long term planning, strategic planning and annual performance planning. This role requires providing evidence-based input on crosscutting issues that have long-term implications for development. The Department’srole is to lead the development of the NDP Five-Year Implementation Plan to provide a medium term roadmap, which will inform the basis for developing Five-Year departmental plans that will guide the realisation of the NDP priorities. Development of NDP Five-YearImplementation Plan will serve as a monitoring framework linked to the Programme of Action reporting system

The purpose of the NDP Five-Year Implementation Plan is to advance and guide medium and short-term planning that is responsive to the attainment of the NDP priorities leading to 2030. The NDP Five-Year Implementation Plan will allow for the coordination and alignment of priorities across the spheres of government and non-government stakeholders and assist in integrating all components of national development into mainstream planning processes.

1. **LEGISLATIVE MANDATE**

The mandate of the Department is derived from Section 85(2) of the Constitution of the Republic of South Africa which stipulate that “the President exercises the executive authority, together with the other members of the Cabinet, by (b) developing and implementing national policy and (c) coordinating the functions of state departments and administration. Based on the Constitutional mandate embedded in section 85(2), the following are the key mandates of the DPME:

* Supporting the National Planning Commission.
* Facilitating the implementation of the National Development Plan (NDP) through the development of sector specific and outcome‐specific medium-term plans and delivery agreements, and monitoring and evaluating the implementation of these plans.
* Ensuring the alignment of departmental strategic and annual plans and budget allocations with government’s medium-term strategic framework.
* Monitoring the performance of individual national and provincial government departments and municipalities, and facilitating targeted intervention programmes.
* Monitoring frontline service delivery and managing the Presidential Hotline.
* Developing and implementing the annual national evaluations plan and supporting the national evaluations system; and
* Promoting good planning, monitoring and evaluation practices in government.

# Overview of the 2022/2023financial year

The Department has the following activities planned for 2022/23:

**5.1 Reviewing the NDP**

The NDP was adopted as a guide to achieving South Africa’s goals, broadly in terms of socioeconomic development, and specifically in terms of eliminating poverty, creating jobs and reducing inequality by 2030. The National Planning Commission was tasked with reviewing some aspects of the NDP to address certain implementation challenges. Over the medium term, this review is expected to assess the capacity and capability of the State in measuring the implementation of the NDP. Related activities are set to be carried out in the *Management: National Planning Coordination* sub-programme in the *National Planning Coordination* programme.

**5.2** **Revised Medium Term Strategic Framework**

The MTSF is a critical component of the National Planning System and provides the platform for NDP implementation and the translation of national priorities into the budget framework as well as sectoral and institutional plans. The MTSF was approved by Cabinet in October 2019. It was officially launched with the SONA for implementation in June 2020. The central objective of the MTSF is to achieve a better life for all South Africans by addressing the triple challenges of unemployment, inequalities and poverty and focus on thematic government priorities:

* Priority 1: A Capable, Ethical and Developmental State
* Priority 2: Economic Transformation and Job Creation
* Priority 3: Education, Skills and Health
* Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
* Priority 5: Spatial Integration, Human Settlements and Local Government
* Priority 6: Social Cohesion and Safe Communities
* Priority 7: A better Africa and World

**5.3 Improving and strengthening government planning and coordination**

The Department is mandated to improve and strengthen government’s planning and coordination. This involves: ensuring the implementation of government’s medium-term strategic framework, which is implemented in five year cycles to allow for revisions, and serves as a roadmap for achieving goals linked to NDP outcomes; and conducting assessments of national departments’ draft strategic and annual performance plans to ensure alignment with the medium-term strategic framework and the NDP. In this regard, in each year over the medium term, the Department expects to produce 47 assessment reports. Based on the outcomes of these assessments, the Department will, in consultation with the National Treasury, identify delivery priorities for the funding of national departments. Related activities are carried out in the *Planning Coordination* sub-programme in the *NationalPlanning Coordination* programme.

**5.4** **Supporting implementation of short-term and medium-term goals**

Tracking the performance of the short-term and medium-term goals of Government’s 2019‐2024 medium-term strategic framework is a core function of the Department. Accordingly, over the MTEF period, the Department will engage national and provincial departments, government agencies and key state-owned entities to assess their implementation of the priorities and indicators of the medium-term strategic framework, and identify performance gaps and interventions to address underperformance. In this regard, the Department plans to produce two reports per year over the medium term for submission to Cabinet.

**5.5** **Monitoring and supporting implementation**

Over the medium term, Government’s 2020-2024 medium-term strategic framework will form the basis of using the Programme of Action monitoring system, which will identify critical actions to be taken by government towards achieving the NDP’s vision while enabling direct links between the NDP, and departmental strategic and annual performance plans. Through the programme of action monitoring system, the Department will report to Cabinet bi-annually regarding the implementation of Government’s 2020-2024 Medium-Term Strategic Framework.

These activities are carried out in the Outcomes Monitoring and Support sub-programme in the

Sector Monitoring Services programme. Due to a growing demand from parliamentary committees and Cabinet, over the medium term, the Department plans to intervene and support the implementation of government policies and programmes at various levels of the service delivery value chain, particularly in provinces placed under administration and in areas of social unrest. Also, the Department will fast-track the implementation of government policies and programmes in critical development issues through Operation Phakisa Monitoring Services programme.

**5.6** **Developing intervention programmes to support service delivery**

The Department plans to produce two reports per year over the MTEF period to monitor the impact of policy priorities in relation to actual service delivery through various frontline monitoring programmes, including targeted site visits, citizen-based monitoring and the Presidential Hotline. To enhance capacity over the medium term, the Department plans to assess the performance of government departments, agencies, state-owned enterprises and local government. This will include the development of a new monitoring model to replace the management performance assessment tool, and support the annual development and assessment of performance agreements of Heads of Department. These activities will be carried out in the *Public ServiceMonitoring and Capacity Development* sub-programme in the *Public Sector Monitoring and CapacityDevelopment* programme.

**5.7 MTSF and the District Development Model**

Localisation of the MTSF should take place by ensuring that all departments (national and provincial) are submitting details on the geospatial location of their projects and interventions on an ongoing basis. This will also include the cascading of and localisation of MTSF interventions within the local government sphere in Metropolitan and District Municipalities. The localisation of the MTSF is centred on embedding an iterative process that is both top down and bottom up across the spheres towards cumulative contribution towards achieving the targets of the MTSF and attaining the desired outcomes and impacts of the MTSF.

**5.8Conducting research and evaluations**

The Department’s ongoing focus is on maximising the use of its evaluations and research to generate rapid and relevant evidence to inform planning and monitoring, and appropriate interventions. As such, over the medium term, the Department plans to work towards improving research and knowledge, and maintain evidence-based policy development, planning, implementation and monitoring by providing support for data management. This will be achieved by developing and monitoring the implementation of a national evaluation plan, and conducting evaluations and research to support the planning and monitoring activities of the *National PlanningCoordination* and *Sector Monitoring Services* programmes. Accordingly, in each year over the medium term, the Department plans to produce 10 evidence reports on indicators related to evaluations, and research and development.

1. **BUDGET ALLOCATION**

The Department of Planning, Monitoring and Evaluation’s overall budget allocation in the 2022/23 financial year is R470.9 million, which is an increase as compared to R459.2 million in the 2021/22 financial year. This represents an increase of 17.84 per cent in nominal terms. However, in real terms the total budget for the Department increased by only 12.34 per cent between 2022/23 and 2023/24 financial years. The spending focus of the Department over the medium term will be on compensation of employees, which accounts for an estimated 66.8 per cent (R952 million) of the total budget over the medium term. The budget for the compensation of employees increased when the President appointed a second Deputy Minister to the Ministry in the Presidency. The appointment of the second Deputy Minister resulted in additional expenditure for the Department, which was not budgeted for. Spending on consultants to drive projects within the department also contributes a notable portion of spending at 7.8 per cent (R111.1 million) of the department’s budget over the medium term.

The main aim of the department is to address the country’s development priorities through the coordination and institutionalisation of an integrated government planning system. Over the medium term, the department will support the development of government strategy for alleviating poverty, unemployment and inequality and assist in facilitating a conversation among key stakeholders to lead a social compact on issues of development. In order to complement this work, the department aims to finalise the Integrated Planning Framework Bill in 2022/23, which is intended as founding legislation for the department to lead to the establishment of an institutional framework for predictable planning across all spheres of government. These activities will be carried out within an allocation of R119.7 million over the MTEF period in the Planning Coordination subprogramme in the National Planning Coordination programme.

In general, the department’s budget has slightly increased in the 2022/23 financial year as compared to the 2021/22 financial year. All five programmes have received insignificant budget increases. The Department staff composition is 56% women, 50% youth and 2% people with disability. Women in senior management positions accounts for 51% of the staff complement.

**Table 1: Budget per programme**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Budget** | | | | **Nominal Rand change** | **Real Rand change** | **Nominal % change** | **Real % change** |
| **R million** | **2021/22** | **2022/23** | **2023/24** | **2024/25** | **2021/22-2022/23** | | **2021/22-2022/23** | |
| **Programme 1: Administration** | 190.8 | 190.4 | 189.5 | 198.0 | -0.4 | -8.6 | -0.21 per cent | 12.29 per cent |
| **Programme 2: National Planning Coordination** | 80.1 | 84.6 | 83.1 | 86.8 | 4.5 | 0.9 | 5.62 per cent | 1.07 per cent |
| **Programme 3: Sector Monitoring Services** | 66.5 | 69.4 | 67.9 | 71.0 | 2.9 | -0.1 | 4.36 per cent | -0.13 per cent |
| **Programme 4: Public Sector Monitoring and Capacity Development** | 80.5 | 83.1 | 83.8 | 87.6 | 2.6 | 0.1 | 3.23 per cent | -1.22 per cent |
| **Programme 5: Evidence and Knowledge Systems** | 41.3 | 43.3 | 42.9 | 44.3 | 2.0 | 0.1 | 4.84 per cent | 0.33 per cent |
| **TOTAL** | **459.2** | **470.9** | **466.8** | **487.8** | **11.6** | **-7.6** | **17.84 per cent** | **12.34 per cent** |

Source: Estimates of National Expenditure 2022

1. **PROGRAMME PERFORMANCE**

The Department hasfive programmes, which are as follows:

* 1. **Programme 1: Administration**

The main objective of the programme is to provide strategic leadership, management, administrative, financial and human resource services to enable the Department to achieve its strategic and operational goals. The Programme’s key focus is to implement revised organisational structure and recruitment of key personnel, improve the quality of performance information, maintain good financial management practices to sustain clean audit outcomes and strengthen communication around the National Development Plan.

The budget allocated for Programme is R190.4 million for 2022/23 financial year as compared to R190.8 million in the 2020/21 financial year. This represent a decrease of -0.21 per cent in nominal terms. However, in real terms the total budget for Programme 1 has increased by only 12.29 per cent between 2021/22 and 2022/23 financial years. Budget allocated will be spread into three sub-programmes, which are Ministry, Departmental Management, Corporate Services and Financial Management. A large portion of the budget of R136.8 million of the total amount in this programme is allocated to sub-programme: Corporate Services and Financial Administration. The budget on Ministry Support will remain the same over the MTEF as compared to the previous financial years.

The budget spending is directed towards ensuring 100% compliance of submission of financial interest by all designated employees within the specified time frames. In addition, maintain vacancy rate within the Public Service Regulations requirements for 10% or less annually. The Department intends to ensure all valid invoices are paid within 30 working days on average, failure to adhere to set timeframe results into the disciplinary cases instituted against the non-performer. As part of legislative requirements, the Department will produce four quarterly implementation reports against the annual performance plan.

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

The purpose of the Programme is to develop, implement planning frameworks, and facilitate the alignment of the planning and budgeting functions across government and in the Department. The key objective of this Programme is to ensure the achievement of the NDP’s objectives by 2030, through developing an annual budget prioritisation framework, embedding the national spatial development framework in the strategic and annual performance plans of national and provincial departments over the medium term.

The Programme further intends to coordinate planning functions across government by assessing the alignment of the strategic and annual performance plans of national and provincial departments and public entities with Government’s 2019-2024 Medium-Term Strategic Framework annually. In addition, the Programme has to assess alignment of provincial growth and development plans with local government’s Integrated Development Plans and, in turn, with Government’s 2019-2024 Medium-Term Strategic Framework annually.

The budget allocated to the Programme is R84.6 million for the 2022/23 financial year as compared to R80.1 million in the 2021/22 financial year. This represents an increase of 5.62 per cent in nominal change. However, in real terms the total budget for Programme 2 has increased by only 1.07 per cent between 2021/22 and 2022/23 financial years. The spending focus under sub-programme National Planning Coordination is R47.0 million,which will ensure alignment of the provincial growth with the MTSF 2019-2024 and performance plans of the national and provincial departments. Under this programme, the department will promote alignment between strategic and annual performance plans and the Revised MTSF 2019-2024 and the integration of relief and recovery plans. Furthermore, the programme will conduct assessments on Strategic and Annual Performance Plans to ensure alignment with the Revised MTSF and the South Africa Economic Reconstruction and Recovery Plan (ERRP).

The programme will produce report on monitoring the National Development Plan Indicators and Targets. Furthermore, it will produce synthesis report on all research projects to review and support implementation of the NDP. The Department intends to produce stakeholder engagements report on the NDP implementation. In addition, the Department will produce the National Planning Commission Annual Report by June 2022.The programme under the National Planning Coordination will develop Budget Prioritisation Framework and produce 42 assessments reports received from national institutions’ strategic and annual performance plans.

The Department will further produce consolidated assessment reports for six provinces and guideline for national and provincial Quarterly Performance Reporting system (QPRS). The Department plans to develop concept note of the planning system. The development of concept note for the scoping of the automated planning system of government will assist in the outline of developing the plans. The programme will develop ten (10) Geospatial Intelligence System (GIS) showing specialisation of government interventions. The Department will be coordinating the process towards the drafting of the updated Integrated Planning Framework Bill (IDFB) so as facilitate the harmonisation of national long, medium and short-term planning. The revised IDFB will strengthen the state’s capacity to implement country priorities and achieve targets, including those relating to the Economic Reconstruction and Recovery Plan. The Department plans to develop Integrated Planning Framework Act Regulations and Norms and Standards. Moreover, revised guidelines on Localisation of Government Plans in the District Development Model.

* 1. **Programme 3:Sector Monitoring Services**

The purpose of the Programme is to ensure government policy coherence. The Programmedevelops, facilitates, supports and monitors the implementation of sector plans and intervention strategies. The main objectives of the programme are to ensure the effective implementation of government’s 2019-2024 Medium-Term Strategic Framework by monitoring the achievement of targets in priorities 1 to 5 and priority 7 and reporting on progress to Cabinet twice in a year. Furthermore, it monitors and reports on the achievement of targets in the performance agreements between the President and Ministers annually, and supports, where and when required for the development and implementation of special intervention programmes.

The budget allocated for Programme three is R69.4 million for 2022/23 financial year as compared to R66.5 million in the 2021/22 financial year. This represent an increase of 4.36 per cent in nominal change. However, in real terms the total budget for Programme 3 has decreased by only -0.13 per cent between 2021/22 and 2022/23 financial years. The programme will produce implementation monitoring reports on government’s 2019-2024 medium-term strategic framework. The Department intends to produce two consolidated outcomes reports (MTSF reports) and one Mid-term Strategic Framework reviews outlining progress toward reducing unemployment, poverty and inequality.

The Department will produce three integrated assessment reports on the implementation of the Operation Phakisa Delivery labs. It will further conduct 20 self-assessments by the end of the financial year. The programme will produce four improvements plans concerning Local Government Management Self-Assessment. The Department will begin to monitor the implementation of the Gender Based Violence Framework and reports will be produced on a quarterly basis.

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

The purpose of the Programme is to support the implementation of the Medium-Term Strategic Framework by monitoring and improving the capacity of state institutions to develop and implement plans, and provide services. The main objective of the Programme is to strengthen state governance, efficiency, effectiveness and equity through: monitoring the achievement of targets related to Priority 6 of Government’s 2019-2024 Medium-Term Strategic Framework, and reporting on progress to Cabinet twice in a year. Furthermore, it develops and implements the new performance and capabilities analytical framework by March 2021 by ensuring the alignment of the performance agreements of Heads of Department with Government’s 2019-2024 Medium-Term Strategic Framework.It will be supporting assessments conducted on Heads of Department annually. Also, the Programme monitors service delivery through regular frontline monitoring visits, citizen-based monitoring and the Presidential Hotline, and reporting thereon.

The budget allocated for Programme is R83.1 million for 2022/23 financial year as compared to R80.5 million in 2021/22 financial year. This represent a slight increase of 3.23 per cent in nominal terms. However, in real terms the total budget for Programme 4 has decreased by only -1.22 per cent between 2021/22 and 2022/23 financial years.

The programme intends to produce two status reports on the implementation of the Ministerial Performance Management Development System. The Department will again develop a monitoring report on the implementation of the Heads of Department Performance Management Development System. Due to the COVID-19 disaster, the scope of the monitoring framework had to include COVID monitoring. In this regard, two reports will be produced on monitoring COVID-related matters. As part of the President’s commitments in monitoring the State Owned Enterprises (SOEs), two SOEs performance reports on the selected SOEs contributing towards the MTSF will be developed.

The programme will produce two annual and midterm overview reports on the status of frontline performance and citizen engagement. Furthermore, the budget will be used to compile submissions on and evaluation of performance agreements for ministers and directors-general/heads of department. The District Development Model(DDM) is a method that seeks to improve the coherence and impact of government service delivery, and is the proactive response to the issues that have hampered society. In 2021/22 financial year, the Department committed to produce oversight, monitoring reports on the implementation of the District Development Model, which is piloted in three district municipalities in Limpopo, KwaZulu Natal and Eastern Cape provinces. In the 2022/23 financial year, the Department will produce two biannual reports on the socio-economic impact of DDM.

* 1. **Programme 5: Evidence and Knowledge Systems**

The purpose of the Programme is to coordinate and support the generation, collation, accessibility and timely use of quality evidence to support performance monitoring and evaluation across government. The main objective of the programme is to support the planning and monitoring roles of the Department by developing and implementing the national evaluation plan annually, conducting research and evaluations in key policy areas as identified annually, and producing relevant evidence reports. It also improves knowledge management in the Department through the development and implementation of a departmental knowledge and evidence hub.

The budget allocated to the Programme is R43.3 million for 2022/23 financial year as compared to R41.3 million in 2021/22 financial year. This represents an increase of 4.84 per cent in nominal terms. However, in real terms the total budget for Programme 5 has increased by only 0.33 per cent between 2021/22 and 2022/23 financial years. The spending focus under this programme is to generate and collate evaluations, research and data from across government; also to develop a DPME Knowledge Hub and knowledge management system, including systems and protocols within DPME for sharing data and systems for research and analysis. The programme will produce a technical system design of the Centralised Data Management and Analytical System (CDMAS) and Evidence-Based Technical to be provided to government Institutions. The programme will produce integrated evidence reports in support of the country’s developmental agenda.

1. **Brand South Africa**

**8.1Legislative Mandate and Policy**

The mandate informing Brand South Africa (BSA) is derived from the organisation’s Trust Deed. BSA was established as a trust in 2002 and gazetted as a schedule 3A public entity in accordance with the PFMA No.1 of 1999. Brand South Africa is an entity tasked with delivering integrated Marketing, Communication, Reputation management solutions and interventions as it markets the South African Brand locally and abroad. Its purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa; to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism.

BSA aims to make an indirect contribution to economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa.In the next five years, BSA will continue to be the authority on the Nation Brand through development and implementation of proactive and coordinated marketing, communications and reputation management strategies. The entity will achieve this by developing and articulating a South Africa Nation Brand identity that will advance South Africa’s long-term positive reputation and global competitiveness. Brand SA Strategic Plan responds to changing domestic and international realities.

**8.1.1 Brand SA objectives for 2022/23**

1. Developing and articulating a South Africa Brand identity that will advance South Africa’s long-term positive reputation and global competitiveness.
2. Building individual and institutional alignment to and supporting the brand in South Africa, and pride and patriotism amongst South Africans.
3. Seeking to build awareness and the image of the brand in other countries.
4. Seeking the involvement and cooperation of various government departments, public entities, the private sector, the non-governmental sector and civil society in achieving this objective.

8.1.2 Brand South Africa’s main source of revenue is the Government Grant. Budget allocation of the Brand South Africa is transferred under the budget vote of the Government Communication Information System. Brand South Africa received a budget of R218.1 million for 2022/23, R219.5 million for 2023/24 and R229.4 million for 2024/25 financial year.The budget has declined by approximately 9% from financial year 2017/18 to financial year 2021/22.

**8.2Programme Performance**

The BSA has three main programmes, namely:

1. **Programme 1: Administration**

The Programme seeks to provide strategic leadership, management and support services to the core business functions of Brand South Africa and is overall responsible for ensuring sound governance, high performance and optimal utilization of available capital and resources.

The budget allocated for Programme 1 is R106.9 million for 2022/23 financial year. The budget will be spent on a number of activities, includingthe implementation of organisational corporate identity; reporting to Board of Trustees on status of policy governance; policy and procedures awareness workshop;100% payment of valid invoices to suppliers within 30 days from date of receipt of invoice;and drafting and tabling of the Annual Performance Plan to the Executing Authority in Parliament. Brand SA intends to submit four reports to the Board of Trustees on the applicable legislative framework.

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

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

Programme 2 has been allocated a budget of R89.4 million in the 2022/23 financial year. Programme 2 is the core function of BSA. The budget will be spent on various activities, which include among others, marketing campaigns that illustrate the attractiveness of the national Brand to reach all domestic and international audiences; Play Your Part ambassador engagements supported, integrated reputation and communication activities implemented for strategic platforms domestically, constitutional awareness campaigns and global South Africans activities implemented in the key markets. Brand SA will analyse global reputation and competitiveness indices for National Brand performance monitoring and track South Africa’s global reputation and brand familiarity. The budget will also be used for conducting research reference groups and communication pieces that globally position country positively.

Furthermore, it will publish thought leadership pieces that position the country positively and content pieces aimed at domestic and international media to promote a positive narrative of the Nation Brand. Brand SA will review and respond to relevant issues impactingon the Nation Brand in line with the reputation management strategy. The entity plans to have Play Your Part ambassador engagements and four constitutional awareness campaigns.

1. **Programme 3: Stakeholder relationships**

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

The Programme has a budget allocation of R21.8 million for 2022/23 financial year. The budget will be spent on the following activities:collaborative activities implemented with local and/or foreign public sector, civil, and business stakeholders domestically and collaborative activities implemented targeted strategic markets aimed at positioning the country positively internationally.

1. **OBSERVATIONS AND KEY FINDINGS**

The Committee observed the following matters in relation to Budget Vote 8, to which the Department must give attention:

* 1. The Committee noted and considered the Annual Performance Plans 2022/23 for the Department of Planning, Monitoring and Evaluation and of Brand South Africa. The Departmental APP provides a pragmatic framework in pursuit of vision of improving government outcomes and impact on society. The Department’s APP placesan emphasis on monitoring SONA commitments, among which is to fightcorruption,the COVID-19 pandemic, accelerating economic recovery and implementing structural economic reforms to create sustainable jobs.
  2. The Department has announced its intention of repositioning its business operating model, which will result into the reconfiguration of the organisational structure. The organisational structure will be tailor-made to the revised mandate ofstrengthening efforts to cover numerous aspects including monitoring framework tool for measuring performance of the Medium Term Strategic Framework deliverables of the NDP.
  3. The Department developed a Monitoring and Evaluation Tool for the measurement of the piloted District Development Model to determine the efficacy of the model with the aim of improving coherence and coordination across three spheres of government. The Department together with the Department of Cooperative Governance and Traditional Affairs has to provide a comprehensive pilot report to determine whether the model will make an impact in terms of service delivery.
  4. Concerning the Zondo Commission report and its implementation, the Department has to develop a monitoring framework to ensure that all recommendations directed to government departments are implemented to close down existing gaps either in policy or implementation.
  5. The Committee noted that the Department wasproactive and was, therefore, asked to collaborate with other government departments in monitoring service delivery programmes. The Committee was concerned about poor workmanship in government construction projects, which was witnessed during floods in Kwa-Zulu Natal Province whereby newly built bridges collapsed as a result.
  6. The Department integrated new platforms to the traditional email and telephone system of the Presidential Hotline. Moreover, the Department piloted integration of Mobile App and a USSD code as a platform to the Presidential Hotline precisely to give citizens options with Government. The Committee was of the view that this introduction of App will increase the number of people using the Presidential Hotline and ensure interoperability with other hotlines in government to ensure better coordination of calls referrals.
  7. The Department has been involved in the monitoring of the Operation Phakisa aimed at fast-tracking delivery programmes to assist in implementing the objectives of the NDP in the ocean economy and health. The Department has to provide the Committee with a comprehensive report in order to determine the efficacy of the Operation Phakisa and to establish if the programme is creating jobs.
  8. The Department administered the Development Indicators to ensure the system is interlinked with Stats SA data by ensuring collaboration in determining what needs to be measured and ensuring the uniformity of indicators. Development indicators has to be linked to Stats SA Integrated Indicator Framework.
  9. The Committee welcomed the Department’s development of the Policy Framework on the Integrated Planning to improve institutionalisation and harmonisation of the planning system aimed towards improving results. The Committee was of the view that the development of the Policy will see the finalisation of the Integrated Planning Framework Bill.
  10. The Committee further noted the continuation of the Budget Prioritisation Framework (Mandate Paper), which was discontinued by the department in the past two years. The Mandate Paper will assist Government in the alignment of resource allocations and institutional plans.
  11. The Committee noted that the Department will continue to monitor the implementation of 2019-2024 revised MTSF targets and indicators and other key priorities set forth in the Economic Reconstruction and Recovery Plan.
  12. The Committee was concerned about slow pace of developing monitoring tool to monitor State Owned Enterprises and Development Finance Institutions as announced by the President. The delay in developing the tool, which will help to produce an Integrated report on the SoEs and frameworks is not justifiable since the monitoring report will assist in improving governance in these institutions.

**Brand South Africa**

* 1. The Committee notedthe progress made thus far by the Board of Trustees in developing arguments in favour or opposing the merger of Brand South Africa with Tourism South Africa. However, the Committee noted the objection by the Board on the merger. The Committee further noted that the matter was before the Cabinet to decide the fate of the institution. The Committee was optimistic that thetwo Ministers (of DPME and Tourism) together with Cabinet members willconclude on this ongoing discussion of a possible merger between Tourism SA and Brand SA, as this impacts on the effectiveness and efficiency of the two institutions.
  2. Brand SA possible merger has caused a high vacancy rate of 23% since the moratorium on the filling of critical posts over atwo-year period. There was a high turnover rate, inability to review organisational structure and low staff morale due to the institution being job insecure. The Committee further noted the exit of key employees to greener pastures due to uncertainty concerning job security and the merger.
  3. Brand SA doubled its efforts with limited resources byrolling out the *Play Your Programme* in rural areasas part of promoting its footprint locally.
  4. Brand SA continues to implement audit action plan,in particular its internal controls with the aim of getting acceptable audit outcome and making an impact through marketing, communications and reputation of the nation brand.

1. **RECOMMENDATIONS**

The Portfolio Committee recommends the following to the Department of Planning, Monitoring and Evaluation and Brand South Africafor implementation:

* 1. The Department should implement the Policy Framework on the Integrated Planning to improve institutionalisation and harmonisation in the planning system aimed towards improving results. Implementation of the Policy Framework should assist the Department to strengthen areas to be incorporated in the Integrated Development Planning Framework Bill together with lessons learnt in pilotingthe District Development Model.
  2. The Department together with the Department of Cooperative Governance and Traditional Affairs should provide to a Joint Committee meeting of these portfoliosa comprehensive report on the piloted District Development Model to determine the efficacy of the model with the aim of improving coherence and coordination across the three spheres of government.
  3. The Department should develop a monitoring framework tool directed at the Zondo Commission Report to ensure that all recommendations onvarious government departments are implemented and thus monitored and evaluated to close existing policy and implementation gaps.
  4. The Department should collaborate and coordinate its monitoring activities with implementing departments to ensure that service providers provide quality services, especially in the construction services as environmental disasters cause havoc.
  5. Regarding Frontline and Citizen-Based Monitoring, the Department should plan together, collaborate and coordinate monitoring activities with the Department of Public Service and Administration and Public Service Commission concerning frontline monitoring services and citizen-based monitoring to avoid visiting same facilities. It has been discovered that all three institutions have similar programmes without better coordination.
  6. The Department should continue to monitor the implementation of the 2019-2024 revised MTSF targets and indicators and other key priorities set forth in the Economic Reconstruction and Recovery Plan.
  7. The Department should ensure that the MTSF Monitoring and Reporting System tool assists in assessing performance of the departments and is used in compiling reports on the progress made to determine whether Government is on track to deliver on the objectives of the NDP.
  8. The Department should move swiftly in developing an Integrated Report on State Owned Enterprises and monitoring framework as announced by the President. This will help to facilitate a quick turnaround of these enterprises.
  9. The Department was urged to align most of its resources towards monitoring government departments in the implementation of MTSF deliverables of the NDP and for purpose of assessing performance of individual departments which will serve as evidence-based information during performance assessment of Ministers and Heads of Department.

**Brand South Africa**

* 1. Brand South Africa should continue to discharge its mandate to positively influence and enhancethe perception of the Nation Brand in balancing its local and international branding.
  2. The Ministry of Planning, Monitoring and Evaluation should move with speed in its consultations to decide on the outcome of the merger of the Brand SA and Tourism South Africa. Fast tracking the merger will assist both institutions to stabilise and improve staff morale. However, the reconfiguration process should not result in job losses and weakened mandates.
  3. Brand South Africa should continue to improve its footprint in the provinces to make itself publicise and promote its mandate and programmes.
  4. Brand SA should, with its limited resources, ensure that all provinces are visited and apprised through the *Play Your Part Programme* intended to benefit young people.

1. **CONCLUSION**

The Department’s mandate of improving and strengthening government-wide planning as well as monitoring and evaluating government performance is satisfactorily carried through. One critical aspect of the Department is to monitor the implementation of the MTSF to assess government performance. The Committee will continue to exercise oversight to ensurethat that the DPME focus should mainly be on the monitoring implementation of NDP to inform a review of the national planning footprint, which was informed by Government’s Programme of Action andthe Medium Term Strategic Framework. The achievement of the NDP requirescollaboration, integration and cooperation across all levels of government, including the private sector. The Department has a critical role to play in providing a snapshot of government’s performance on an annual basis. The District Development Model has been piloted in three provinces, namely; KZN, Limpopo and Eastern Cape.Lessons learnt have to be used to improve the model and roll it out in other 44 district municipalities in the country.

**The Portfolio Committee recommends as follows:**

That the House adopts and approves the Budget Vote 9 of the Department of Planning, Monitoring and Evaluation.

Report to be considered