**3. REPORT OF THE SELECT COMMITTEE ON TRANSPORT, PUBLIC SERVICE AND ADMINISTRATION, PUBLIC WORKS AND INFRASTRUCTURE ON BUDGET VOTE 11: PUBLIC SERVICE AND ADMINISTRATION AND ON THE STRATEGIC PLAN AND ANNUAL PERFORMANCE PLAN 2022-23 OF THE DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION, DATED 18 MAY 2022**

The Select Committee on Transport, Public Service and Administration, Public Works and Infrastructure, having considered the Strategic Plan, Annual Performance Plan and Budget (Vote 11: Public Service and Administration), reports as follows:

**1. INTRODUCTION**

The Select Committee on Transport, Public Service and Administration, Public Works and Infrastructure (the Committee) considered the 2022/23 budget of the Public Works and Infrastructure (“the department”) on 11 May 2022. In preparation for this report, the Committee was briefed on the revised Strategic Plan, the 2022/23 Annual Performance Plan (APP) and 2022/23 Budget Allocations of Public Works and Infrastructure and Centre for Public Service Innovation (CPSI).

**2. BUDGET FOR 2022/23**

The Department of Public Service and Administration’s overall budget allocation for 2022/23 is R540.3 million in 2022/23 financial year, compared to the adjusted allocation of R531.7 million in 2021/22. This represents an increase of 1.62 per cent in nominal terms. However, in real terms the total budget for the Department decreased by -2.48 per cent between the 2021/22 and 2022/23 financial years. The main cost drivers of the department are Programme 1: Administration (R245.2 million); followed by Programme 5: Government Service Access and Improvement (R102.3 million) and Programme 3: Negotiations, Labour Relations and Remuneration Management (R106.9 million). The Department’s total budget over the MTEF period is R1.7 billion. An estimated 54 per cent (R888.5) of this is allocated to compensation of employees and 8.3 per cent (R137.3 million) is earmarked for transfer payments to the Centre for Public Service Innovation. An additional R5.1 million in 2022/23 is allocated to compensation of employees to cover costs arising from the 2021/22 public sector wage agreement.

**3. OBSERVATIONS AND KEY FINDINGS**

The Committee identified the following matters in relation to Budget Vote 11:

* 1. The Department launched the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit (PA-EID-TAU) which was established to improve ethical and anti-corruption policy, strengthen ethical infrastructure, discipline management and synchronisation of all three levels of public administration. The Committee was concerned about the impact of the new Unit in tackling corruption and improving discipline management in the public administration. A debate persists around its independence and whether it is well placed within the DPSA rather than positioned in the Public Service Commission.
	2. The Committee noted the developments towards the amending of the Public Service Act of 1994 which, among others, seek to transfer powers of the human resource management from the Executive Authority to the Accounting Officers.
	3. The Committee welcomed the development of the Job Competency Framework in the public service together with the outline on the Occupational Dictionary. The Committee anticipated that the Occupational Dictionary would prevent maladministration in job adverts for senior management positions designed to fit a particular candidate.
	4. The Committee welcomed the Minister’s announcement that government is embarking on a process of aligning bargaining processes with the season of wage negotiations in the public sector. It also welcomed the near-conclusion process of wage negotiations for the 2022/23 financial year, set before the end of June 2022.
	5. The Committee noted with concern that the department is lagging behind with the employment of women in senior management positions, youth and persons living disabilities.
	6. The Department continues to lead in digital transformation in the public service and that its business operations model has to be geared towards modernisation of its business.
	7. The Committee acknowledged that across the public service there is a lack of standardisation and Public Service Regulations are not complied with. Productivity in the public service is low and public service is seen as being unresponsive to the demands of the citizens

**4. RECOMMENDATIONS**

The Committee recommends that the Minister, through the Department, should ensure the following:

4.1 The fast-tracking the amendments to all due legislation earlier than 2023 to ensure that all administrative, management and governance systems are streamlined. This will give Parliament ample time to finalise its legislation within its term. Amending the Public Service Act of 1994 should include the establishment of the roles and responsibilities of the Head of Administration as one of the interventions encapsulated in the National Development Plan to manage career incidences of Heads of Department and other senior positions.

4.2 The Department should also finalise the second phase of regulations on the Public Administration Management Act of 2014 in order to give effect to comprehensive implementation of the Act. The department should, therefore, report on these activities at the latest by March 2023.

4.3 The enforcement of the implementation of the Public Service regulations across the public service to ensure uniformity and standardisation of government administrative business process. The department should strengthen its monitoring capacity to monitor and enforce laws relating to sound administration and governance in order to make government responsive.

4.4 The Department should develop similar timeframe with the Financial Disclosure Framework on the lifestyle audits. Financial Disclosure Framework and Lifestyle audits should complement each other in order to address reluctance or slow pace of conducting lifestyle audits in the public service which will include other organs of state.

4.5 The Department should provide more resources to the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit (PA-EID-TAU) established to improve ethical and anti-corruption activities in the public administration. The Unit should be an independent body responsible for fighting corruption and assisting government departments who are unable to finalise disciplinary cases within 60/90 days.

4.6 Regarding the finalisation of disciplinary cases within a timeline of 90 days and some suspensions taking longer than 60 days without holding disciplinary hearings, the Committee requested the department to constantly monitor the trends in the departments and in provinces. Moreover, it must assist struggling government departments who are unable to resolve disciplinary cases within required stipulated period. The Technical Assistance Unit should play its role in this regard.

4.7 Government as an employer and the Public Service Co-ordinating Bargaining Council should swiftly finalise wage negotiations for the 2022/23 financial year to avoid delaying the process which impacts on the morale of the public servants. Government should adopt a new approach of wage negotiation for the forthcoming years in order to incorporate salary adjustments in the tabling of the national budget by the Minister of the National Treasury.

The Committee recommends that the Council approve the budget of the Department of Public Service and Administration. [The DA reserved its position on the report and abstained.]

Report to be considered.