**Report of the Portfolio Committee on Public Service and Administration on the Annual Performance Plans (Apps) 2023/24 and the Budget Vote 9 of the Department of Planning, Monitoring and Evaluation, Dated 05 May 2023**

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, Monitoring and Evaluation (DPME) and Brand South Africa tabled 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 allocations are 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 the 03rd May 2023, 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 2023/24 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’s role is to lead the development of the National Development Plan’s (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-Year Implementation 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 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 2023/2024 financial year

The Department has the following activities planned for 2023/24:

**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 the 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 *National* *Planning 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 Service* *Monitoring and Capacity Development* sub-programme in the *Public Sector Monitoring and Capacity* *Development* 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.

**5.8** **Conducting 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 Planning* *Coordination* 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 2023/24 financial year is R475.8 million, which is a decrease compared to R481.2 million allocated in the 2022/23 financial year. This represents an increase of 10.1 per cent in nominal terms. However, in real terms the total budget for the Department decreased by -5.88 per cent between the 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 67.6 per cent (R1 billion) of the total budget over the medium term.

The Department will focus on supporting the implementation of the NDP, coordinating planning programmes across government, and monitoring and evaluation to support the implementation of government programmes and priorities. The Department is tasked with facilitating the implementation of the NDP. Over the medium term, the commission plans to participate in and initiate three research projects in support of the implementation of the NDP while engaging all social partners and forging new partnership. The work will be facilitated by the commission’s secretariat through an allocation of R138.3 million over the medium term in the National Planning Coordination.

In general, the department’s budget has slightly decreased in the 2023/24 financial year compared to the 2022/23 financial year. All five programmes have received insignificant budget increases. The Department staff composition is 59.6% women, 50% youth and 2.2% people with disability. Women in senior management position accounts for 52.4% of the staff complement.

**Table 1: Budget per programme**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Budget** | | | | **Nominal Rand change** | **Real Rand change** | **Nominal % change** | **Real % change** |
| **R million** | **2020/21** | **2021/22** | **2022/23** | **2023/24** | **2022/23-2023/24** | | **2022/23-2023/24** | |
| **Programme 1: Administration** | 156.5 | 176.0 | 194.3 | 193.0 | 19.5 | 12.4 | 12.46 per cent | 7.93 per cent |
| **Programme 2: National Planning Coordination** | 64.7 | 57.2 | 86.3 | 84.6 | -7.5 | -9.8 | -11.59 per cent | -15.16 per cent |
| **Programme 3: Sector Monitoring Services** | 57.4 | 57.2 | 71.3 | 69.5 | -0.2 | -2.5 | -0.35 per cent | -4.37 per cent |
| **Programme 4: Public Sector Monitoring and Capacity Development** | 75.4 | 75.1 | 84.9 | 85.6 | -0.3 | -3.3 | -0.40 per cent | -4.41 per cent |
| **Programme 5: Evidence and Knowledge Systems** | 32.6 | 31.2 | 44.4 | 43.1 | -1.4 | -2.7 | -4.29 per cent | -8.15 per cent |
| **TOTAL** | **387.1** | **396.7** | **481.4** | **475.8** | **10.1** | **-5.9** | **2.61 per cent** | **-1.52 per cent** |

Source: Estimates of National Expenditure 2023

1. **PROGRAMME PERFORMANCE**

The Department has five 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 R193.0 million for the 2023/24 financial year compared to R194.3 million in the 2022/23 financial year. This represents a slight decrease of 12.4 per cent in nominal change. However, in real terms the total budget for Programme 1 has increased by 19.5 per cent between the 2022/23 and 2023/24 financial years.

The budget spending is directed towards ensuring 100% compliance of submission of financial interests by all designated employees within the specified time frames. In addition, it maintains a vacancy rate within the Public Service Regulations requirement of 10% or less annually. The Department intends to ensure that all valid invoices are paid within 30 working days on average. The Department intends to procure from previously disadvantaged individuals to empower them by ensuring 40% of women, 30% of youth and 7% of people with disabilities are given business opportunities. The Department further aims to continue to achieve gender equity target of 50% women in SMS level.

* 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 programme will produce a report on monitoring the National Development Plan Indicators and Targets. Furthermore, it will produce a synthesis report on all research projects to review and support implementation of the NDP. The Department intends to produce a stakeholder engagements report on the NDP implementation. In addition, the Department will produce the National Planning Commission Annual Report by June 2023. The programme under the National Planning Coordination intends to develop Budget Prioritisation Framework to ensure alignment of planning and budgeting processes. The branch will produce 42 assessments reports received national institutions strategic plans and annual performance plans.

The Department will further produce guidelines for national and provincial Quarterly Performance Reporting system (QPRS). The Department plans to develop business case on the automation of the planning system. A report on the Development Planning legal framework and consolidate report on initiatives to improve specialization will be produced. The branch will commence with the development of drafting the Medium-Term Strategic Plan for 2024-2029. It will also develop a 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 Department plans to develop the Integrated Planning Framework Act Regulations and Norms and Standards. Moreover, it will revise 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 Programme develops, 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 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 3 is R69.5 million for 2023/24 financial year compared to R71.5 million in the 2022/23 financial year. This represent a slight decrease of -0.34 per cent in nominal change. However, in real terms the total budget for Programme 3 has decreased by -2.50 per cent between the 2022/23 and the 2023/24 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 MTSF review outlining progress toward reducing unemployment, poverty and inequality.

The Department will produce two integrated assessment reports on the implementation of the Operation Phakisa Delivery labs. It will further conduct 20 self-assessments by end of the financial year. The programme intends to produce improvement 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 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 R85.6 million for the 2023/24 financial year compared to R84.9 million in the 2022/23 financial year. This represent a slight decrease by -0.39 per cent in nominal change. However, in real terms the total budget for Programme 4 has decreased by -3.32 per cent between the 2022/23 and the 2023/24 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. The branch will, as part of improved accountability of government in the implementation of service delivery programme and projects, produce two reports in this respect. As part of the President’s commitments in monitoring the State Owned Enterprises (SOEs), two SOEs performance report on the selected SOE contributing towards the MTSF will be developed.

The programme will produce two annual and mid-term overview reports on the status of frontline performance and citizen engagement. Furthermore, the budget will be used to produce a number of submissions and evaluation of performance agreements for ministers and directors-general/heads of departments. The Department will produce two biannual reports on the socio-economic impact of District Development Model. The branch aims to produce four performance reports for the Presidential Hotline Performance. Moreover, eight reports will be produced for planning, monitoring and evaluation capacity development plan.

* 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 for Programme is R43.1 million for the 2023/24 financial year compared to R44.4 million in the 2022/23 financial year. This represent a decrease of -4.29 per cent in nominal change. However, in real terms the total budget for Programme 5 has decreased by -1.4 per cent between the 2022/23 and 2023/24 financial years. The programme will produce integrated evidence reports in support of the country’s developmental agenda. The branch intends to produce a report on technical evidence support. Functioning phase 1 and phase 2 software solution packages will be developed and piloted.

1. **Brand South Africa**

**8.1** **Legislative 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 Africa 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 2023/24**

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 R219.5 million for 2023/24 and R229.4 million for 2024/25 financial years. The budget continues to increase by a small margin.

**8.2** **Programme 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 R106.4 million for the 2023/24 financial year. The budget will be spent on a number of activities, including the 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 and 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 R94.1 million in the 2023/24 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 impacting on 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 R18.9 million for the 2023/24 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 notes the Annual Performance Plans 2023/24 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 in society. The Department’s APP places an emphasis on monitoring SONA commitments, among which is to accelerate economic recovery and implement structural economic reforms to create sustainable jobs.

* 1. The Department has over the past two years developed Monitoring and Evaluation Tool for the measurement of the 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 needs to communicate results of the District Development Model Monitoring and Evaluation Tool to all relevant stakeholders in the service delivery chain across the three spheres of government.
  2. The Department was charged with the responsibility of ensuring alignment of Medium-Term Strategic Framework of the National Development Plan with departmental strategic and annual performance plans. The Department scrutinises the plans on an annual basis prior to submission of the annual performance plans to Parliament. There is a trend observed whereby some government departments continue tabling changed strategic and annual performance plans without consultation with the Department of Planning, Monitoring and Evaluation. All strategic and annual performance plans have to be subjected to scrutiny by the Department to ensure alignment.
  3. Having previously developed the Mandate Paper (Budget Prioritisation Framework), the Department continues to experience a disjuncture between planning and budget alignment of government departments. The Mandate Paper was developed with the aim to establish the strategic framework for decision-making on budget priorities. Departments seem not to be guided by the Mandate Paper when prioritising on government programmes.
  4. The Department’s monitoring and evaluation findings and recommendations on departments are not implemented. There is a need to develop a mechanism to encourage departments to consider DPME recommendations as a tool to guide policy and implementation.
  5. The Department is charged with the responsibility to assist the Office of the Presidency in managing the Heads of Department Performance Management Development System. The Department was concerned about compliance and quality of the performance agreement submitted. There is a need to review Heads of Department PMDS policy.
  6. The committee notes with concern the reluctance of some national departments and metropolitan municipalities to embrace the District Development Model activities.
  7. Capacity constraints at the National Planning Commission remain a challenge due to losing funded positions as a result of Covid-19 pandemic. The Department has to be given additional funding to appoint staff in the National Planning Commission.
  8. The Committee welcomes 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.
  9. The Committee noted that the auditor general has identified various planning weaknesses, such as poor performance indicators in local government and in the provincial and national government which results in an inability to monitor the actual performance of programmes and their impact.
  10. The Committee noted that performance indicators of the Department are largely having reports as indicators of whether the Department has performed on a particular area or not, but the challenges is that such indicators do not reflect the actual outcomes of the work the Department undertakes.

**Brand South Africa**

* 1. The Committee notes that Brand SA management and the Minister in the Presidency will update the Committee about the developments regarding the possible merger between the institution and Tourism SA.

* 1. Brand SA’s possible merger caused a high vacancy rate. 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 notes resignation of key employees to greener pastures due to uncertainty concerning job security and the merger.
  2. Brand SA doubled its efforts with limited resources by rolling out the *Play Your Programme* in rural areas as part of promoting its footprint locally.
  3. Brand SA has to continue to make an impact through marketing, communications and reputation of the nation brand. Government departments have to be trained in packaging government messages in order to sell the country’s brand.

1. **RECOMMENDATIONS**

The Portfolio Committee recommends the following to the Department of Planning, Monitoring and Evaluation and Brand South Africa for 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 piloting the District Development Model.
  2. The Department should conduct workshop on the Policy Framework on the Integrated Planning with all government departments.
  3. The Department together with the Department of Cooperative Governance and Traditional Affairs should develop mechanisms to enforce all spheres of government to fully participate in the District Development Model. The District Development model will improve coherence and coordination across the three spheres of government.
  4. 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 in order to feed and incorporate lessons learned into the upcoming 2024-2029 MTSF. This will also help with the 2024-29 MTSF addressing challenges experienced during the 2019-2024 MTSF.
  5. 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.
  6. 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.
  7. The Department of Planning, Monitoring and Evaluation together with the Department of Public Service and Administration should devise a strategy to ensure compliance with Policy on the Heads of Department Performance Management Development System and improvement with regard to the quality of performance agreements.
  8. The Department should develop outcomes based indicators to assess the impact of its recommendations and policy interventions where applicable, and for an example be ensure that 90% of reported matters are resolved by responsible departments or processed by the DPME to reflect the level of performance.
  9. The Department should develop a mechanism to help the state institutions to develop performance indicators to measure outcomes and impact of programmes.

**Brand South Africa**

* 1. Brand South Africa should continue to discharge its mandate to positively influence and enhance the perception of the Nation Brand by balancing its local and international branding.
  2. The Ministry in the Presidency 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 ensure that that the DPME’s focus should mainly be on monitoring implementation of the NDP to inform a review of the national planning footprint, which was informed by Government’s Programme of Action and the Medium Term Strategic Framework. The achievement of the NDP requires collaboration, 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