**Report of the Portfolio Committee on Public Service and Administration on the Annual Performance Plans (Apps) 2023/24 and the Budget Vote 12 of the Public Service Commission, Date 05 May 2023**

1. **BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Portfolio Committee) having considered the directive of the National Assembly to consider and report on the Strategic Plan, Annual Performance Plan and Budget allocations of the Public Service Commission tabled by the Minister of Public Service and Administration in terms of the Public Finance Management Act (Act No 1 of 1999), 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 plan, the Committee ensured that the Public Service Commission’s plan and budget allocation serve the needs and aspirations of the citizens. 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 02nd May 2023, the Committee considered presentation on the Annual Performance Plan and budget allocation of the Public Service Commission (PSC). This report summarises presentation received from the PSC, focusing on the 2019/24 Strategic Plan and 2023/24 Annual Performance Plan and Budget as well as allocations over the MTEF.

1. **OVERVIEW OF THE PUBLIC SERVICE COMMISSION**

The PSC is an independent institution established in terms of Chapter 10 of the Constitution. It derives its mandate from Section 195 and 196 of the Constitution, 1996, which set out the values and principles governing public administration, which should be promoted by the PSC, as well as the powers and functions of the PSC. The PSC is required by the Constitution to exercise its powers and to perform its functions without fear, favour or prejudice. The Constitution links the PSC’s independence firmly with its impartiality and no organ of state may interfere with the functioning of the PSC.

The PSC is vested with custodial oversight responsibilities for the Public Service and monitors, evaluates and investigates public administration practices. It also has the power to issue directions regarding compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals. The PSC is accountable to the National Assembly and to Provincial Legislatures and must annually report on its activities and performance to these two institutions.

1. **LEGISLATIVE MANDATE**

The PSC is a constitutional oversight body, established in 1996, primarily to promote “a high standard of professional ethics in the public service”. The PSC operates in terms of the PSC Act 1997. The Act provides for the regulation of the PSC with regard to:

1. The constitution of the PSC.
2. Appointment of Commissioners.
3. Designation of the Chairperson and Deputy Chairperson.
4. Conditions of appointment of Commissioners.
5. Removal from office of Commissioners.
6. Functions of the PSC (inspections, inquiries, etc.)
7. Rules according to which the PSC should operate.
8. The Office of the PSC (OPSC); and
9. Transitional arrangements with regard to service commissions (created under the Interim Constitution).
10. **STRATEGIC GOALS OF THE PSC**

The strategic goals of the PSC for 2019-2024 are as follows:

* 1. **Promoting the implementation values and principles**

The PSC has a constitutional mandate to promote and monitor compliance with constitutional values and principles in the course of rendering of services to the public. The promotion of the constitutional values and principles is aimed at fostering a positive behavioural change in the public servants and the Public Service in order to ensure that services are delivered in a responsive, caring and ethical manner, among other things.

In order to ensure the continuity over the MTEF period, the commission plans to conduct 50 quantitative evaluation reports in 2020/21 and 12 qualitative evaluations in each of the remaining years of the MTEF period. The purpose of these reports and evaluations is to assess departments’ compliance with constitutional values and principles with a view to promoting a culture of excellence in the public service. Quantitative indicators are used to establish whether systems are in place, while qualitative indicators aim to establish whether those systems assist in effecting change.

* 1. **Promoting professional ethics in the public service**

In terms of Section 195 of the Constitution, the PSC is required to promote professional ethics in the Public Service. Given this Constitutional mandate, the PSC would raise ethics awareness through the promotion of Code of Conduct in the public service ethical leadership dialogues and commemoration of international events such as the International Anti-Corruption Day.

* 1. **Public Administration Investigations**

The PSC will, over the MTEF, continue to conduct investigations as a way of holding public service accountable in exercising their functions. A variety of access mechanisms have been established by the PSC to promote accountability and encourage a culture of reporting ethics-related issues, accountability-related issues such as appointment, procurement and financial irregularities, non-compliance with Public Service legislation and policy, service delivery and professionalism-related issues such as bias/impartiality, unfairness, discrimination and prejudice, and performance-related issues such as incapacity, incompetence, lack of training/capacitating and lack of representivity.

* 1. **Management of the Public Sector National Anti-Corruption Hotline**

Public Sector National Anti-Corruption Hotline (NACH) is another mechanism established by government to prevent and combat corruption. Government has introduced the NACH for departments, public entities and local government in 2004 through a Cabinet Decision of 14 August 2003. The investigation or resolution of the NACH cases has been a challenge since its inception and has been an MTSF commitment for a number of years and departments are expected to resolve 80% of cases lodged with the NACH per quarter. The PSC would over the MTSF monitor the resolution of these cases.

* 1. **Management of the Financial Disclosure Framework**

In terms of Regulation 21(1)(a) of the Public Service Regulations, 2016, the PSC is required to scrutinise the financial disclosure forms of Members of the SMS. The purpose of the scrutiny is to assess compliance with the requirement to disclose all financial interests and also establish whether the involvement of officials in any activities of the companies could lead to conflicts of interest.

The scrutiny of the financial disclosure forms involves the verification of information provided in the financial disclosure forms against the information contained in the Companies and Intellectual Property Commission Deeds Registry and the National Traffic Information System databases. The PSC also assesses the extent to which SMS members are engaged in work outside their normal employment in the relevant Departments.

* 1. **Disciplinary Proceedings on Financial Management**

In terms of the Public Finance Management Act, 1999 (PFMA) read in conjunction with Treasury Regulations, 2002, accounting officers of departments are required to report on the outcome of completed disciplinary proceedings on financial misconduct, to amongst others, the PSC. The PSC will over the MTEF monitor and evaluate, amongst others, how departments are managing financial misconduct, which is part of ensuring that the Public Service maintains a high standard of professional ethics. The PSC will continue to produce on annual basis an overview of completed disciplinary proceedings in respect of financial misconducts. The overview is aimed at reflecting on action taken by departments institutionalising consequence management on cases of financial misconduct.

1. **KEY STRATEGIC PRIORITIES 2023/24**

The key strategic priorities of the Vote were set for 2023/24 are explored below:

* 1. **Leadership Stability**

Leadership stability is regarded as one of the central pillars of a well-functioning organisation. While the vacancies in the Commission have impacted on the PSC’s ability to function optimally, the PSC welcomed the appointment of the Chairperson and Deputy Chairperson of the Public Service Commission by the President and noted that significant progress was made to fill the two existing vacancies for Mpumalanga and National Office.

* 1. **Visibility of the PSC**

The PSC has identified the need to increase its visibility. The integrated communication and stakeholder management strategy of the PSC includes amongst other key activities, media and stakeholder interactions, which will go a long way in increasing its visibility.

* 1. **Review of PSC Governance**

In keeping with the repositioning priorities, the PSC is also embarking on a review of its Rules to ensure that these are aligned with the various public service reforms and ensure overall organisational efficiency and effectiveness. In addition to the legislative reforms, the PSC will establish a Rapid Response function that will focus on speedily resolving matters brought to the PSC. Furthermore, the PSC has established an Institutional Development and Governance Committee to support the outcome of a ‘strong and well-functioning PSC’.

* 1. **Organisational Efficiencies**

A strong and well-functioning PSC is one of the key strategic outcomes of the PSC to deliver on its mandate. To this end, a number of intervention have been put in place to focusing on the following priority areas:

* Organisational Design and Operating Model
* Review of Policies and Standard Operating Procedures
* Performance Management and Capacity Building
* Information Communication Technology
* Organisational Structure
  1. **Promoting an ethical Public Service**

In order to eliminate the grave threat posed by corruption against the country’s democratic values and its vision of being an ethical and developmental State, an extensive National Anti-Corruption Strategy 2020-2030, that calls on all stakeholders to take responsibility for ethical leadership, was launched in 2020. Accordingly, cultivating and fostering a culture of reporting in which citizens understand the negative impact of corruption and where individuals are empowered to report any devious or corrupt activities they become aware of, is a strategic objective of the Anti-Corruption Strategy. As the custodian of the National Anti-Corruption Hotline (NACH) and one of the bodies to whom a protected disclosure can be made in terms of the Protected Disclosures Act, the PSC has a responsibility to adequately protect whistle-blowers and to ensure that citizens are willing to become partners in the fight against corruption. This is in line with the SONA undertaking of stepping up the protection of whistle blowers.

* 1. **Maintaining a Grievance Management platform**

As the leading arbiter of grievances in the Public Service, the PSC serves around 1.2 million+ public servants. The challenge is that collective agreements regulating the lodging of grievances by services departments and educator’s direct employees to refer unresolved matters to relevant bargaining councils, in spite of the employees’ constitutional rights to refer their grievances to the PSC. The existence of specialised units and ombud bodies in some departments require employees to escalate grievances that have not been resolved within departments to such structures. The PSC will continue to publish reports and factsheets on grievance management in the Public Service, as well as engage with departments individually and collectively on key topical issues that are identified during the investigation of grievances and the monitoring of grievance trends in the Public Service.

* 1. **Conducting Public Administration Investigations**

The PSC cannot predict the number of requests for investigations into public administration practices and must frequently reprioritise its planned activities to accommodate priority cases referred to it. In the past year, the demand for investigations increased in comparison to the previous year. At the same time, the complexity of investigations has also intensified, whereas the number of investigators (6 at national and at 7 provincial level) have not increased. The capacity of investigators to focus on investigations is furthermore negatively impacted by the need for them to spend substantial time defending challenged reports or providing evidence during disciplinary hearings emanating from reports, as well as preparing investigation files for audit purposes. Consistency and uniformity in the handling of complaints will be ensured through the process of reviewing the existing PSC Rules on conducting investigations, and the establishment of standard operating procedures for the handling of complaints lodged with the PSC.

* 1. **Promoting and evaluating compliance with the constitutional values and principles (CVPs) in the Public Service**

The promotion of the CVPs is aimed at fostering a positive behavioural change in public servants and the Public Service to ensure that services are delivered in a responsive, caring and ethical manner, among other things. The PSC needs to ensure through its promotional work that Government follows a values-driven approach rather than just a compliance approach that would tick the right boxes in terms of the indicators of the different constitutional values and principles. These values should talk to the needs of the people and the services they deserve, especially those that were previously excluded from receiving the services they deserved.

The PSC reviewed its Guide on the Constitutional Values and Principles Governing Public Administration. The aim was to promote mutual understanding of the values, principles and concepts to ensure that they are embedded and mainstreamed in the daily work of public servants, irrespective of the functional area in which they work in Government.

**6.11 Managing the Public Sector National Anti-Corruption Hotline**

Over 56% of the cases reported to the NACH in the 2020/21 financial year were reported by anonymous whistle-blowers. The majority of the case reports related to social grant fraud involving pension, disability and child support grants committed by members of the public, as well as officials. The consequences in the occurrences of social grant fraud are two-fold. Not only is there a financial implication when a loss occurs, but the actual beneficiary who qualified to receive the grant suffers. Therefore, the South African Social Security Agency must strengthen its internal controls in the management of social grants.

The PSC will continue to manage the NACH as a mechanism to report fraud and corruption in the Public Service. To maximise its utilisation in the combating and prevention of corruption, the NACH needs to be operationalised 24 hours a day throughout the year. Access to the NACH by the public and public officials would ensure the realisation of the capable, ethical and developmental state through the reporting of fraud and corruption.

* 1. **Managing the Financial Disclosure Framework (FDF)**

In terms of Regulation 18(1) of the Public Service Regulations, 2016, all members of the Senior Management Service (SMS) in the Public Service are required to disclose all their registrable interests annually to their respective Heads of Department (HoDs), by no later than 30 April each year. The Medium Term Strategic Framework (MTSF) envisages 100% compliance with the disclosure of interests.

In terms of Regulation 21(1)(a) of the Public Service Regulations, 2016, the PSC is required to verify the financial disclosure forms of members of the SMS. The purpose of the scrutiny is to assess compliance with the requirement to disclose all financial interests and also establish whether the involvement of officials in any activities of the companies could lead to conflicts of interest. The PSC will continue to conduct scrutiny of the financial disclosure forms of SMS members but will adopt a risk-based approach to doing this. Particular focus will be on topical and critical issues prevailing at a particular point in time. The PSC will also explore the possibility of automating the scrutiny process in line with the Fourth Industrial Revolution (4IR).

* 1. **Conducting disciplinary proceedings on financial misconduct**

The PSC will continue to produce on an annual basis an overview of completed disciplinary proceedings in respect of financial misconduct. The overview is aimed at reflecting on actions taken by departments institutionalising consequence management

1. **BUDGET ALLOCATION 2023/24**

The Public Service Commission’s overall budget allocation for 2023/24 is R292.1 million, compared to R288.6 million in 2022/23. This represents an increase of 1.21 per cent in nominal terms. However, in real terms the total budget for the Commission decreased by -3.52 per cent between the 2022/23 and 2023/24 financial years. This is due to the impact of compensation of employees as well as investigations on grievances and site inspections that the PSC must conduct. The budget of the Commission is divided into four programmes, namely Administration; Leadership and Management Practices; Monitoring and Evaluation; and Integrity and Anti-Corruption. The main cost drivers of the Commission are Programme 1: Administration (R140.5m) and Programme 4: Integrity and Anti-Corruption (R57.9m). Programme 1 experiences a decrease in nominal and real terms, whilst the allocation to Programme 4 experiences a nominal increase of 3.95 per cent when considering the impact of inflation. Programme 1 caters for all the nine Commissioners and their tasks.

The Commission will continue to investigate grievances related to labour or human resources lodged by public servants to their respective departments and finalise 85 per cent of them by recommending appropriate actions within 30 days of receipt. This is budgeted for in Leadership and Management Practices programme, which has an allocation of R154.7 million over the medium term.

The Commission is further tasked to conduct investigations following the receipt of complaints from the public or its own accord. Complaints could be related to among other things corruption, appointment and procurement irregularities and the conduct of public servants. The objectives of investigations is to identify shortcomings and or wrongdoings and provide redress to citizens through the effective and efficient delivery of public services. The Commission will continue to manage the functioning of the national anti-corruption hotline and conduct research and advocacy work to promote professional ethics in the public service.

**Table 1: Overall budget allocation for 2023/24 financial year**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Allocation** |  | **Nominal Rand change** | **Real Rand change** | **Nominal % change** | **Real % change** |
| **R million** | **2022/23** | **2023/24** | **2023/24** | | **2023/24** | **2023/24** |
| **Programme 1: Administration** | 143,2 | 140,5 | -2,7 | -9,3 | 1,89 per cent | -6,47 per cent |
| **Programme 2: Leadership and Management Practices** | 48,1 | 49,4 | 1,3 | -1,0 | 2,70 per cent | -2,09 per cent |
| **Programme 3: Monitoring and Evaluation** | 41,6 | 44,3 | 2,7 | 0,6 | 6,49 per cent | 1,52 per cent |
| **Programme 4: Integrity and Anti-Corruption** | 55,7 | 57,9 | 2,2 | -0,5 | 3,95 per cent | -0,91 per cent |
| **TOTAL** | **288,6** | **292,1** | **3.5** | **-10,1** | **1,21 per cent** | **-3,52 per cent** |

**Source: National Treasury (2023)**

1. **PROGRAMME PERFORMANCE**

The PSC has four programmes whose budget and activities are as follows:

* 1. **Programme 1: Administration**

The purpose of this Programme is to provide overall management of the PSC and centralised support services. The budget for Programme 1 decreased from R143.2 million in 2022/23 to R140.5 million in 2023/24. This represents a -6.47 per cent increase in real terms in the budget allocation between 2022/23 and 2023/24. The programme is one of the three major cost drivers under this Vote, consuming 48.09 per cent of the overall allocation. It is also the only programme that experiences a real percentage decrease. The main cost drivers under this programme are the Chief Financial Officer (R45.4m); Corporate Services (R29.1m); Property Management (R25.5m) and Public Service Commission (R24.8m). More than half of the allocation to the programme R78.3 million (55.72 per cent) is for compensation of employees. These sub-programmes, which are related to the actual management of the Commission, than to the core mandate, warrant this allocation as they compose the function of Programme 1: Administration.

The programme take 50 per cent of the bulk of the budget due to the budget of the Chairperson, Deputy Chairperson and 12 national and provincial Commissioners being part of Programme 1. Furthermore, the PSC has centralised its support function and as a result, the budget for Administration is high as it includes the budget for centralised support services e.g accommodation costs, SITA services, training, internal audit, operation lease payments etc. For the first year of the MTEF, a total budget of R140.5 million will be utilised to ensure that the PSC achieves the outputs for Programme 1 whilst at the same time providing high level strategic direction to the PSC.

The budget allocated for Programme 1 will be spent on developing the strategic and annual performance plan for the PSC. The PSC intends to receive unqualified audit opinion in 2023/24 financial year. The Commission intends maintaining vacancy rate within the 10% threshold. In this financial year the Commission will improve its visibility of the PSC through conducting four outreach programme. The Commission intends submitting the Public Service Commission Bill to Parliament in the fourth quarter. The repositioning of the PSC is critical in pursuit of an effective and efficient Commission. The PSC Bill, once assented into an Act, will augment the PSC’s repositioning. In addition, the approval of the revised PSC Organisational Structure will also contribute to the repositioning.

* 1. **Programme 2: Leadership and Management Practices**

The Leadership and Management Practices (Programme 2) is responsible for promoting sound Public Service leadership, human resource management, labour relations and labour practices. The programme has two sub-programmes, namely: Labour Relations Improvement, and Leadership and Human Resource Reviews.

The budget allocation for Programme 2 increased from R48.1 million in 2021/22 to R49.4 million in 2023/24. In real terms the budget allocation to Programme 2 decreased by -2.09 per cent between 2022/23 and 2023/24, as much as it nominally increased by 2.70 per cent. This programme consumes the third largest portion (16.91 per cent) of the overall budget. The bulk of the Programme’s budget (R23.7 million) is allocated to the Programme Management: Leadership and Management Practices sub-programme, which provides overall management of the programme. In line with Government initiatives to build an Ethical, Capable and Developmental State, the PSC will focus on professionalisation of the Public Service through promoting meritocracy and ethical conduct in the areas of Human Resource Management (HRM) and Leadership practices. It is important to note that effective HRM and Leadership practices would contribute towards sound labour relations, employee productivity and organisational performance. Furthermore, the PSC will support the establishment of the administrative Head of the Public Service, as this is an essential step in professionalising the Public Service and managing the career incidents of Heads of Departments and other senior management service members.

The other main cost driver under the Programme is Labour Relations Improvement (R14.7m), which is responsible for promoting labour relations and practices through the timeous investigation of properly referred grievances and the provision of best practices in the public service. The Commission plans to address grievances and complaints arising from the reorganisation process, and induct new Heads of Department and Executive Authorities with the aim of strengthening compliance with the principles of reorganisation and effective public administration.

* 1. **Programme 3: Monitoring and Evaluation**

The main purpose of the programme is to improve the functionality of the Public Service through institutional and service delivery evaluation. Programme 3 accounts for 15.16 per cent (R44.3 million) of the Commission’s total budget vote in 2023/24. Between 2022/23 and 2023/24, the budget allocation to Programme 3 increased by 6.49 per cent in nominal terms, and by 1.52 per cent in real terms. The main cost drivers of the Programme are Programme Management: Monitoring and Evaluation, at R24.8 million and Service Delivery and Compliance Evaluations, at R9.9 million. The reduced allocated budget of R44.3 million for the 2023/24 financial year is an indication that government is raising less revenue than expenditure requirements. In the previous financial year, the programme received an allocation of R45.0 million following the adjustment.

The PSC conducts service delivery inspections at various service points in order to influence positive behavioural change in the manner in which services are rendered in the Public Service by public servants. Service delivery inspections are regarded as a fact-finding exercise to observe and get first-hand information on service delivery.

Programme 3 is confronted with an inadequate budget to conduct more inspections on the implementation of service standards and will thus focus at selected facilities. Programme 3 will also put a concerted focus on measuring the impact of the changes in public administration practices in order to scale the adherence to the Constitutional Values and Principles in the public sector and impact thereof. Continuous engagement with key stakeholders is a best strategy that Programme 3 will embark on in order to promote the CVPs.

In line with the Constitutional imperative of building an ethical and values-driven public service, the PSC will continue to promote the CVPs both within government departments and other state institutions through the implementation of service standards at selected facilities, producing reports on Section 196 (4)(e), facilitation of Citizens Forums and studies on the effectiveness of government for service delivery over the MTEF period. The PSC is planning to deliver its outcome for “A well-coordinated and functioning M&E system for the PSC by continuing with the promotion of the CVPs. The PSC aims to ensure through its promotional work, that a values-driven approach rather than only compliance and rules approach that stick to tick the right boxes is implemented. This means finding a balance between the rules and the application of the Bill of Rights in the Constitution.

The PSC will further exercise oversight mandate of ensuring efficiency and effectiveness in the delivery of services by conducting service delivery inspections. Inspection seek to provide deep stick analysis of service delivery as experienced by service users, yet provide the PSC with an opportunity to propose improvements within departments. The PSC facilitate Citizens Forums to find solutions for service delivery challenges and conduct studies into effectiveness of government for service delivery to propose measures to ensure effective and efficient performance within the public service.

The main contribution of the PSC through the discharge of its monitoring and evaluation function will be on improved leadership, governance and accountability, functional, efficient and integrated government and professional, meritocratic and ethical public administration. This contribution will be realised through monitoring of departmental compliance with Constitutional Values and Principles (CVPs) in order to ensure that the Public Service is responsive to the needs of the citizens. One of the mechanisms the PSC intends to use to measure the responsiveness of the Public Service is monitoring departmental performance against their respective service standards. The PSC’s work on building stronger institutions will be complemented by service delivery inspections, so that the institutions can also be evaluated from the perspective of the citizen so that solutions to real world service delivery problems can be developed.

The PSC will produce two position papers on public administration practices and ten reports on service delivery inspections. A total of nine Citizen Forums will be conducted across the country and two studies will be conducted on the effectiveness of government support for service delivery. The PSC will produce report on section 196(4)(e) regarding the performance functions which include any finding it may make and directions and advice and provide evaluation of the extent to which the values and principles are compiled with. The Commission will monitor the implementation of the plan for the National Framework towards the Professionalisation of the public sector. The Commission will be monitoring and producing reports on the performance of the departments.

* 1. **Programme 4: Integrity and Anti-Corruption**

The Integrity and Anti-Corruption programme is responsible for undertaking public administration investigations, promoting a high standard of professional ethical conduct amongst public servants and contributing to the prevention and combating of corruption. The budget allocation for Programme 4 accounts for 19.82 per cent share or R57.9 million of the total budget vote in 2023/24. In 2023/24, the allocation for Programme 4 increased by 3.95 per cent in nominal terms, but in real terms, it decreased by -0.91 per cent.

The main cost drivers under this programme are Programme Management: Integrity and Anti‐Corruption at R24.0 million and Professional Ethics at R21.6 million, respectively. There has been a decrease in the number of complaints lodged and closed by the PSC over a four-year period. This may be attributed to the departments putting in place their own complaints mechanisms, including reporting lines and investigative capacities, as required by the Minimum Anti-Corruption Capacities (MACC) established by Cabinet. This shows the effectiveness of the Programme, although the issue of addressing public service employees conducting business with the State is progressing slower than anticipated.

The budget will contribute in speeding up the finalisation of 85% of complaints within 90 working days upon receipt of a valid complaint by an investigative officer. The Commission will produce ten investigation reports as contemplated in section 196 (4)(f)(i)(iii) and (iv) of the Constitution. The programme will further produce oversights reports on the implementation of the ethics framework and four articles on the promotion of professional ethics. The PSC will conduct twenty engagements on the ethics framework and held twelve constitutional values and principles engagements. Lastly, the Commission will report 90% of National Anti-Corruption Hotline cases referred within seven days of receipt of case reported.

1. **OBSERVATIONS AND FINDINGS**

The Portfolio Committee identified the following matters in relation to the Budget Vote 12:

* 1. The Committee notes and welcomes the Annual Performance Plan for the 2023/24 financial year of the Public Service Commission. The strategic plan covers most of the functions of the Commission as encapsulated in section 196 of the Constitution. The Committee further notes new performance indicators across three main programmes of the PSC’s strategic focus mainly contributing towards building a Professionalisation of the public service that responds timely, efficiently and effectively to the needs of the citizens.
  2. The Committee notes the PSC’s work in finalising the legislative reforms project to be introduced to Parliament in the 2023/24 financial year. The Bill will allow the Commission to be supported by a Secretariat that is independent of government in order to strengthen its independence. Currently the Director-General of the PSC is appointed through section 12 of the Public Service Act, 1994, thus making him/her part of employees under the Public Service. Appointment of the PSC Director-General through Public Service Act and participation in the FOSAD structure compromise the independence of the commission.
  3. The Committee further notes existing vacancies of the Commissioners in Mpumalanga, and North West provinces. The Committee was wary of Section 3(2)(a) of the Public Service Commission Amendment Act, 1997 which stipulates that such posts have to be filled within a 60-day period of becoming vacant.
  4. The PSC capacity in the provincial offices needs to be reinforced, as each province is allocated staff complement of 10 employees to cover the work of provincial departments. Provincial departments are responsible for the implementation of government policies and programmes and it is where service delivery suffers. Therefore, 10 staff members per provincial PSC are not sufficient to investigate, monitor and evaluate the provincial programmes.
  5. The Committee compliments the PSC for enhancing its visibility in the country through media platforms and particularly in monitoring government facilities. The PSC was urged to be more visible on the ground in assisting citizens to receive government services. Social media platforms have to be considered as a way of communicating PSC work to popularise and create platforms for discussion about the public discourse.
  6. The PSC together with the Committee has to devise a strategy to ensure that specific recommendations emanating from the Commission’s reports are tabled in the National Assembly for debating and processing. Tabling of the reports in the National Assembly will assist the PSC in the implementation of the recommendations and follow through. Portfolio Committees concerned can also get an opportunity to acquaint themselves with these recommendations, so that it is not the sole responsibility of the Committee to interrogate, monitor and follow up on these recommendations.
  7. The Committee welcomes developments concerning the PSC’s constant monitoring of competency levels of Human Resource Management practitioners and managers on decisions they make during recruitments of personnel. The monitoring of all role players in the recruitment system will ensure that competent and skilled personnel are appointed based on merit.
  8. The Committee further welcomes the PSC envisaging to monitor the implementation of the National Framework on the Professionalisation of the public sector.

1. **RECOMMENDATIONS**

The Portfolio Committee recommends that the Public Service Commission undertake the following activities:

* 1. The PSC should speed up the finalisation of the legislative reforms project, which seeks to allow the institution to be supported by the Secretariat independent of government in order to strengthen the Commission, especially when the Commission acquired back the status of a fully-fledged budget vote. The Bill should be tabled in Parliament between the second and third quarter of the 2023/24 financial year in order to allow parliamentary processes to unfold.
  2. The PSC should consult with the Premiers and Speakers of the Provincial Legislatures on a continuous basis to discuss the work of the PSC, which includes fast tracking of appointments of the Commissioners within a required timeframe as per section 3(2)(a) of the Public Service Commission Act, 1997.
  3. The PSC should review its organisational structure with the intention to strengthen capacity in the provincial offices in order to cover a wide spectrum of provincial departments as well as making an impact on the citizens in the provinces.
  4. The PSC should develop a position paper on performance management focusing on the measurement of outcomes and impact to ascertain the quality of expenditure.

**For the Committee**

* 1. Having received the PSC’s tabled reports in Parliament and referred to the Committee for processing, the Committee must develop summarised reports for the tabling and debate in the National Assembly as a way of presenting the findings and recommendations of the PSC’s work. Debated reports will assist in entrenching a culture of accountability by the Executive Authority.

1. **CONCLUSION**

The independence of the Public Service Commission will reaffirm its powers and enable it to perform its functions without fear, favour or prejudice in the interest of the maintenance of effective and efficient public administration. Therefore, the Committee supports the recommendation of PSC budget allocation to be part of Parliament budget vote in order to restore its independence. As much as the Commission accounts to the Portfolio Committee on Public Service and Administration, the PSC conducts investigation, monitoring and evaluation in a wide spectrum in various government departments and there are reports that necessarily do not fall within the mandate of the Committee. Therefore, if tabled reports can be debated in the National Assembly and legislatures this will assist with the implementation of the recommendations by various government departments.

**The Portfolio Committee recommends as follows:**

That the House adopt and approve the Budget Vote 12 of the Public Service Commission.

Report to be considered