**Report of the Select Committee on Transport, Public Service and Administration, Public Works and Infrastructure on Budget Vote 9: Planning Monitoring and Evaluation and 2023-24 Annual Performance Plan of the Department of Planning, Monitoring and Evaluation, Dated 24 May 2023**

The Select Committee on Transport, Public Service and Administration, Public Works and Infrastructure, having considered the revised Strategic Plan, Annual Performance Plan and Budget Vote (9): Planning, Monitoring and Evaluation of the Department of Planning, Monitoring and Evaluation, reports as follows:

1. **INTRODUCTION**
	1. The Select Committee on Transport, Public Service and Administration, Public Works Infrastructure (the Committee) considered the 2023/24 budget of the Department of Planning, Monitoring and Evaluation (“the Department”) 10 May 2023. In preparation for this report, the Committee was briefed on the revised Strategic Plan, 2023/24 Annual Performance Plan (APP) and 2023/24 Budget Allocations of the Department.
2. **Revised Strategic Plan and 2023/24 Annual performaNce plan**
	1. The Department’s targets stretch across all spheres of government including its public entities. It will conduct an assessment of forty – two (42) assessment reports on national institutions’ Strategic Plans and Annual Performance Plans and a report on six provinces’ Strategic Plans and Annual Performance Plans.
	2. In supporting its data and information requirements, the Department will be focused on the automation of the processes, Management Information System environment and Document management System to maintain and enhance a secured stable ICT infrastructure.
	3. The Department will conduct a research report to review and support Implementation of the NDP. It will further finalise one consolidated Stakeholder Engagements Report on NDP implementation. The target for both indicators has however been reduced from four (4) in previous years to one (1) during the current financial year.
	4. Related to the various Spatial Development imperatives, the Department will complete one (1) consolidated report on initiatives to spatialise government planning. This will foster an approach of ensuring that spatial equity is mainstreamed into planning processes.
	5. The Department’s key Strategic Plan Targets include the 100% District Development Model integrated as a primary planning tool in the system of planning.
3. **2023/24 Budget Allocation and Medium Term Expenditure Framework**
	1. The PSC has a budget allocation of R1.4 billion over the MTEF period. Expenditure on Compensation of Employees accounts for an estimated 67.6 per cent
	(R1 billion) of the total budget over the medium term. The PSC 2023/24 total budget of R475.8 million is a 1.2% reduction of its 2022/23 total budget of R481.4 million.
	2. The Department reported that it anticipated a shortfall on CoE for the current financial year and over the MTEF due to the 2023/24 wage increases.
	3. The Department is mandated with facilitating the implementation of the NDP. This is carried out by the National Planning Commission and its secretariat, which is tasked with providing an independent and critical view of the country’s developmental trajectory, monitor its implementation, and provide feedback and guidance. This 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 programme.
	4. The Department will continue to develop the centralised data management system, which is expected to provide users – including government departments, members of the public and academics – with an improved interface for accessing, retrieving, analysing and reporting on government performance information. To develop the system, R9.6 million is allocated over the medium term in the Evaluation, Research, Knowledge and Data Systems subprogramme in the Evidence and Knowledge Systems programme.
4. **OBSERVATIONS AND KEY FINDINGS**
	1. An explanation was sought on the increased allocation towards the Administration programme whilst there is a reduction in the allocation towards Public Sector Monitoring and Capacity Development programme. The Department responded that it appoints specialists who are able to implement the Department’s mandate without having to outsource and Cost of Employment allocations are under the Administration programme. The Department did however add that it had lost twenty - nine (29) funded positions as part of the COVID - 19 budget reprioritisation process and requested the Committee to note its concern that further budget cuts will affect the ability of the Department to execute its mandate.
	2. The 2019 review of the National Development Plan (DP) identified that “in the absence of a social compact around advancing the NDP, or at least a shared implementation and monitoring framework, it is difficult to account for the contribution (or lack thereof) of the private sector, organised labour, or civil society”. The Department reported that it has recommended that in addition to the overarching social compact, sector compacts should be concluded to guide all social partners in a particular sector.
	3. The Department has been working closely with the Department of Co-Operative Governance in respect of the first generation District Development Model One - Plans including engaging with provinces on lessons learnt and identifying aspects that requiring further strengthening. Such aspects include that all government (across the three spheres) budgets and strategic priorities for a particular area must find expression in such One - Plans and that catalytic projects must be identified by districts.
	4. The 2019 review also found that only 30% of the actions required to implement the National Development Plan were on track. Least progress has been made in respect of NDP outcomes related to poverty, inequality and unemployment. The Department is in the process of finalising its ten (10) year review of the NDP.
	5. Through various approaches (e.g. Monitoring and Evaluation Theory of Change) and techniques (e.g. triangulation of qualitative and quantitative data) the Department charts its effect on departmental outcomes and ensures the credibility of its findings. The introduction of a universal health care system such as the National Health Insurance system, for example, emanates from recommendations of the Department.

1. **recommendations**

The Committee recommends that the Minister should ensure that the Department:

* 1. Monitor indicators in relation to Department (across the three spheres) budget expenditure and strategic focus in rural areas.
	2. The framework for monitoring municipality’s to be developed by the PSC should cover political interference in the administration and should also identify legislative measures necessary to allow MECs and Ministers to intervene at an earlier stage, before service delivery in a municipality has completely collapsed.
	3. Performance and accountability measures should be put in place for Acting HOD’s and DG’s who are not required to enter into performance agreements.
	4. In its annual review of the Annual Performance Plans of departments, DPME should express itself on whether the targets set by departments reflect a response to the need to accelerate the attainment of the NDP outcomes.

The Committee recommends that the Council approve the budget of the Department of Planning, Monitoring and Evaluation. [The DA reserved its position on the report and abstained and the EFF voted against the adoption of the report.]

Report to be considered.