



the cpsi

Government Component:
Centre for Public Service Innovation
REPUBLIC OF SOUTH AFRICA



CENTRE FOR PUBLIC SERVICE INNOVATION

VOTE NO. 10 ANNUAL REPORT 2019/2020 FINANCIAL YEAR

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

4IR	4 th Industrial Revolution
AAPAM	African Association for Public Administration and Management
AAPSIA	All Africa Public Sector Innovation Awards
AGSA	Auditor General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee of the CPSI
AUC STC 08	African Union Commission Special Technical Committee 08 (Public Administration, Housing and Local Government)
B-BBEE	Broad-Based Black Economic Empowerment
CAPAM	Commonwealth Association for Public Administration and Management
CEPA	Community on Expert in Public Administration
CPSI	Centre for Public Service Innovation
DCS	Department of Correctional Services
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
ED	Executive Director
EXCO	Executive Committee of CPSI
HR	Human Resources
ICT	Information Communication Technology
KZN	Kwa-Zulu Natal
MEC	Member of Executive Council
MoU	Memorandum of Understanding
MPSA	Minister for Public Service and Administration
NGO	Non-Governmental organisation
NDP	National Development Plan
NSG	National School of Government

NSI	National System of Innovation
OAG	Office of the Accountant General
OECD	Organisation for Economic Co-operation and Development
GCIO	Government Chief Information Officer
OPSC	Office of the Public Service Commission
PFMA	Public Finance Management Act
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PSCBC	Public Service Co-ordinating Bargaining Council
SADC	Southern African Development Community
SALGA	South African Local Government Accusation
SDGs	Sustainable Development Goals
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Services
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UNISA	University of South Africa
UNPAN	United Nations Public Administration Network

3. FOREWORD BY THE MINISTER



Mr Senzo Mchunu, MP
Minister for the Public Service and Administration

Over the past few decades, there has been an unprecedented growth in information communication technology (ICT) which effectively revolutionised the way in which business is conducted both in public and private institutions globally. This strongly justifies the urgency in which we, in government, should view the adoption of innovation as an integral part of our thinking and operation going forward. While innovation cannot be a panacea for all our challenges and while innovation is not only about ICT, it has certainly proven to be a catalyst for ideas and solutions that can optimise public sector performance and productivity, dealing with many of the service delivery challenges confronting our people on a daily basis.

It is of critical importance, therefore that as a government we galvanise our efforts through the Centre for Public Service Innovation (CPSI), to proactively maximise our pursuit of innovative solutions and programmes to improve performance and productivity in the public service. We need to modernise our various systems and processes in order to capacitate the public service to meet the needs of the citizens of South Africa. We need to intensify our efforts to embrace the 4th Industrial Revolution (4IR) and ensure equitable and fair access to the benefits it brings while at the same time making sure that as a country do not lag in development.

As the President outlined in his 2020 State of the Nation Address, our government remains irrevocably committed to upholding the covenant between itself and the citizens of this country. This is a covenant that is rooted in the strategic objective of our National Development Plan, which is to eliminate poverty and reduce inequality by 2030 and making considerable progress in achieving Agenda 63 of the African Union and the UN Sustainable Development Goals.

Our government, through the CPSI, has, over the years, made considerable strides in entrenching the culture and practice of innovation in the public sector to help improve service delivery. In carrying out this mandate, the CPSI has

continued to play a pivotal role in providing thought-leadership and practical guidance on how to maximise the impact of innovation in yielding viable solutions to the identified challenges.

However, we must benchmark ourselves with other countries globally to gauge our competence and the progress that we made in adopting the culture and practice of innovation to accelerate economic growth, development, and service delivery.

Looking at data from the Global Innovation Index, an international body involved in surveying how countries have embraced innovation and its impact in advancing growth and development, it is often discouraging to note that, despite its geographical size, the innovation of Africa is disproportionately minute and insignificant. We fared very badly compared to the Americas, particularly the United States and Canada, who are world leaders in innovation today, followed closely by Europe and Asia. In Asia, Singapore, which occupies the highest position, is a shining example of what innovation can do to improve citizens' livelihood.

Importantly, we need to take a leaf from countries that have proven to be trailblazers in innovation. For instance, thirty years ago, South Africa and South Korea were at the same level of development. However, the South Koreans worked hard and amongst other initiatives, invested in education without wasting time. As South Africans, we need to learn to focus on this to propel our country's development in the right direction. As it is, South Africa is said to be 25 years behind South Korea in development, which has resulted in a one-way trade stream with us buying from them benefited goods.

It is only when we turn against corruption - when we embrace high standards in the public service that we open up space for innovation. For our country to realise a complete turnaround, it requires progressive, visionary mentality and a concerted effort to free ourselves of the grips of corruption, sloth, and aversion to change. Being part of the global village requires that we ramp up our efforts to be competitive for the sake of South Africans who yearn for a better life.

The role of public servants

Innovation is, without a doubt, one of the key priorities of government if it is to achieve its priorities of sustainable socio-economic growth and development. However, admittedly, public servants have a critical role to play in supporting public sector reform in the adaption and practice of innovation in the country. They can help the government to improve its fiscal and performance imperatives by amongst others:

- Being agile and innovative to meet the demands and expectations of the 'new' public service.
- Striving for an ethical public service that values integrity. This includes all public servants, elected and appointed, in all spheres of our government and all entities.


- Being professional at all times and all respects in our line of duty.
- Combatting corruption which includes putting in place robust and relentless measures root corruption such as enforcing consequential management, strengthening the legal system.

Part of our commitment to build an effective and efficient public service requires a relentless effort to harness and embrace new and latest approaches such as design thinking and foresight to help us accelerate our transformation, growth and development. We need to consistently revisit our policy and regulatory environment to ensure flexibility and ongoing relevance to the present-day reality. This means being innovative and visionary enough to conjure up new solutions and approaches that respond to the prevailing realities.

The task of the CPSI should include exploring innovative ways of driving innovation and encouraging its application and practice throughout the public service. The CPSI needs to move beyond recognising talent by also providing thought-leadership and expertise to drive it. For that to happen, CPSI needs to be better positioned and resourced to make sure that they do their work effectively and efficiently. It needs to be capacitated to help the public service as a whole to nurture innovators and initiators that would take our country to a higher trajectory in terms of innovation.

As we wrap up the 2019/2020 financial year, the world was gripped in a global pandemic which saw countries and major economic hubs worldwide succumb under the strain presented by this unprecedented situation due to the Covid-19 pandemic. The Pandemic has once again asserted the need for innovation to solve many of the problems we face.

In conclusion, I acknowledge and congratulate the CPSI for its outstanding efforts in highlighting the importance of innovation and creativity as the key guiding principles for future growth and success of government's efforts to improve services to citizens. Innovation is beyond any doubt, an indispensable ingredient that will ensure that our government remains relevant and responsive in its efforts to deliver services successfully within the context of a technologically advanced citizenry.



Honourable Senzo Mchunu, MP
Minister for the Public Service and Administration

4. DEPUTY MINISTER STATEMENT



Ms Sindisiwe Chikunga, MP
Deputy Minister for the Public Service and Administration

As our government strives to fulfil its commitment to improve the lives of citizens, we need to be mindful and gravely concerned about some of the major setbacks such as poverty, unemployment and rampant corruption which continue to perpetuate the historical inequality and division amongst our people in South Africa. Further, we need to genuinely recognise the severity of these challenges and their adverse impact and the urgency to deal with them and thus improve the lives of citizens.

As government, we are aware of the crippling and debilitating circumstances that our people find themselves in because of the prevailing economic meltdown and of course, the COVID-19 global pandemic. In our country, as in many other countries, there is growing uncertainty about the future with widespread reduction of workers' salaries, growing job losses, sky-rocketing food prices and cost of living. Faced with such circumstances, the dependency by citizens on government for services has increased enormously. As a result, the government finds itself under immense pressure to find ways of balancing the act of delivering quality services using a shoestring budget due to this worsening economic outlook.

In order to tackle these challenges, we need to urgently find effective ways of stabilising and growing our economy to be able to generate more jobs and put our country on a growth trajectory as envisaged in Vision 2030 of our National Development Plan. We need to forge cross-sectorial partnerships and embrace innovation to secure our country's future, economic prosperity and quality of life. Key to this is fostering entrepreneurship to raise productivity, fostering competitiveness, meeting the challenges of globalisation in order to thrive as a nation within our environmental, geographic and demographic limits.

As government, we are aware of the centrality of our role in stimulating economic growth and development and more significantly our role as a developmental state, to intervene into our people's lives with vital services. This enormous task is fundamentally underpinned by a firm knowledge of the citizens' whereabouts as well as their actual needs. However, of critical

importance, is having in place an efficient and effective public service with the capacity to pursue this developmental agenda that our government is committed to.

To achieve these major commitments which are fundamental to our society's wellbeing requires of us to engage widely and share and exchange ideas on how we can optimally explore innovation to transform our public service and capacitate it to respond accordingly.

The Centre for Public Service Innovation (CPSI) bears a strategic mandate to provide thought-leadership to the public service on how it can leverage innovation to improve its performance and productivity. Innovation can enable the public service, government institutions and officials to function effectively and efficiently, smartly and flexibly with agility to enhance citizen access to services regardless of their demographics.

The CPSI recognises the value of innovation in the promotion and sustenance of administrative efficiency and good governance. As a result, part of the work of the CPSI is facilitating the development of an enabling environment within the public sector where innovation can thrive and promote accountability and transparency, strong anti-corruption and compliance measures and solid intergovernmental relations and a coordinated, integrated service delivery that knows no institutional boundaries.

Vision 2030 of the National Development Plan makes a strong case for strengthening of inter-governmental relations as a major policy and operational adjustment. These adjustments are aimed to help us achieve performance levels that will accelerate delivery on our developmental agenda.

Government institutions need to work together, across the three spheres. Strong inter-governmental relations can help us realise an integrated, collaborative and seamless policy, planning and implementation environment at all levels, from National, Provincial and Local level inclusive of the state entities.

In order to achieve this, the government needs to defy its pre-existing fears and bureaucratic inhibitions and adopt new and innovative and "out-of-box" approaches to its working culture and environment. As part of innovation, we need to be less afraid to open up and accept new ideas instead of perceiving them as a threat. This is participatory citizenship or active citizenship, which is one of the key elements of democracy.

Innovation draws on a wide variety of sources. It most definitely requires a strong scientific contribution, depending on the nature of innovative solutions and field of application. We talk in this instance about new technologies and the role of design in developing innovative products and services, hence our partnerships with the science-based sector and role-players. At the same time, it can emanate from the most unusual places sparked by a thought, some imagination and everyday challenges.

For that reason, it is important that we look beyond ourselves as government and cast the net further to include in our partnerships other sectors of society such as the private sector, SMMEs, academia and civil society. This will enable open, multi-lateral sourcing of contemporary ideas, models and practical solutions that will be instrumental in improving the lives of our people.

Our Ministry complements the CPSI for including youth in the developmental discourse. Youth possess a daring curiosity that can help us scale up higher levels of economic growth and investment. The CPSI has demonstrated the keenness in acknowledging and supporting young entrepreneurs and innovators. Through its Public Sector Innovation Trailblazer Programme and the Hackathon Programme, the CPSI has led the way in affording young people including coders, software developers and experts in other fields of information technology an opportunity to compete and share ideas on finding best solutions for identified service delivery challenge.

We profoundly congratulate the CPSI for its immense contribution in driving innovation and stimulating creativity and forward-thinking in the public sector. We further appreciate the pivotal role that the CPSI plays in creating awareness around the value of innovation as a key enabler of improved service delivery as well as good governance, transparency and accountability to citizens. As we deliver on our profound commitment to strengthen government's capacity to deliver on our key priority areas, we will continue to look up to the CPSI for practical solutions that will improve the lives of our citizens.



Honourable Sindisiwe Chikunga, MP
Deputy Minister for the Public Service and Administration

5. REPORT OF THE ACCOUNTING OFFICER



Ms Lydia Sebokedi
Executive Director (acting)

This Annual Report provides a review of the work of the CPSI for the 2019/20 financial year of government as ended on the 31st of March 2020. The 2019/20 financial year, as reviewed in this Annual Report, is the last year of the five-year Strategic Plan of the CPSI which began in 2015/2016.

The mandate of the CPSI entrusts the organisation with the responsibility to inculcate the culture and practice of innovation in the public sector in order to improve service delivery. This mandate supports the mandate of the Portfolio by holding the CPSI accountable for facilitating an innovation-friendly environment that is instrumental in building a progressive public sector of the future. This is also echoed in the vision of the CPSI to contribute in building a solution-focussed, effective and efficient public service through innovation.

The CPSI's role is therefore defined through the infusion of innovation as a transformative agent in reengineering and transforming the public sector to improve productivity and performance, particularly in service delivery. The CPSI does this through various programmes that entrench and nurture innovation in the public service.

Furthermore, the CPSI works with a multiplicity of partners in the research and development area to find solutions to persistent service delivery challenges. This is achieved by amongst others through the facilitation of pilot projects that demonstrate the value of innovative solutions, and through activities such as hackathons to create an enabling environment within the public sector to support and sustain innovation as a building block of a progressive public sector of the future. The CPSI also carries out research initiatives to provide thought-leadership in public sector innovation.

- **Overview of the operations of the department:**

The financial year under review did not go by without its fair share of challenges for the organisation while in pursuit of its mandate. First off, was the relocation of the CPSI from its offices in Centurion to the Batho Pele House, Heritage Building in Arcadia, Pretoria. In addition to the unanticipated challenges of moving, the organisation had to deal with challenges such as access to transversal systems and space allocation, amongst other things.

Towards the end of the financial year, the mandate of the CPSI underwent a

review, and this process will be finalised in the next financial year. The purpose of the review is to ensure that the CPSI is properly resourced to deliver on its mandate. In addition, during the year, our country, together with the whole world, was destabilised following the unexpected emergence of the Covid-19 Pandemic. This had profound consequences as regards our organisation's ability to perform its duties. However, due to hard work and resilience, we did our best to deliver on our promises through several programmes which are expanded further in this report.

Overview of the financial results of the department:

- **Departmental receipts**

Departmental receipts	2018/2019			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	4	5	(1)	5	5	-
Interest, dividends and rent on land	-	-	-	-	1	(1)
Financial transactions in assets and liabilities	5	8	(3)	-	-	-
Total	9	13	(4)	5	6	1

Departmental receipts for the 2019/2 financial year were generated from the commission on insurances and the recovery of the previous year's expenditure. Due to the nature of the activities undertaken by the Organisation, the core function of the CPSI is not to collect revenue.

- **Programme Expenditure**

Programme Name	2018/2019		2019/2020			
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1 Administration	19 908	18 394	1 514	20 986	14 779	6 207
2 Public Sector Innovation	16 122	15 328	794	17 451	15 077	2 374
Total	36 030	33 722	2 308	38 437	29 856	8 581

- **Virements**

During the period under review, no virements were required between programmes after the Adjusted Estimates.

Fund shift per Economic Classification

The Chief Financial Officer has assessed the overall expenditure of the organisation to recommend the appropriate movement of funds within programmes and sub-programmes and within the organisation's appropriation.

Appropriation per programme	2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation
	R'000	R'000	R'000	R'000
1. Administration	20 986	-	-	20 986
2. Public Sector Innovation	17 451	-	-	17 451
TOTAL	38 437	-	-	38 437

Appropriation per economic classification	2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	37 750	(207)	-	37 543
Compensation of employees	20 902	-	-	20 902
Goods and services	16 848	(207)	-	16 641
Transfers and subsidies	66	46	-	112
Departmental agencies and accounts	1	-	-	1
Households	65	46	-	111
Payments for capital assets	621	155	-	776
Machinery and equipment	328	135	-	463
Software and other intangible assets	293	20	-	313
Payment for financial assets	-	6	-	6
TOTAL	38 437	-	-	38 437

R207 000 was shifted from Goods and Services to accommodate R46 000 for payment on a claim against the state from a former employee and leave gratuities to a former employee, R155 000 procurement of Capital Equipment and R6 000 towards Payment of Financial Assets related to expenditure on damages to a hired vehicle.

Roll overs

No additional funding was received from roll-over funding during the year under review.

- **Unauthorised, Fruitless and Wasteful Expenditure**

During the 2019/20 financial year, the CPSI had no incidents of unauthorised, fruitless and wasteful expenditure.

- **Irregular Expenditure**

No irregular expenditure transactions were identified.

- **Public-Private Partnerships**

The CPSI did not participate in any Public-Private Partnerships during the 2019/20 financial year.

- **Discontinued activities/activities to be discontinued**

No activities will be discontinued in the 2020/21 financial year, however, due to Covid19-related challenges, the format of the annual Conference and Awards Programme will be revised and thus no physical event will be hosted.

- **New or proposed activities**

The CPSI's Strategic Plan for 2020-2025 and the Annual Performance Plan provide detail of the projects and activities of the organisation for the 2020/21 financial year.

- **Supply Chain Management**

The Supply Chain Management system and processes are fully implemented, supported by an approved policy regulating and guiding procurement initiatives and asset management in the CPSI.

Bid Committee structures, namely the Bid Specification Committee, Bid Evaluation Committee, and the Bid Adjudication Committee, are fully functional in line with the National Treasury guidelines on Supply Chain Management. These committees fulfil the role of compliance monitoring of the procurement process in terms of Treasury prescripts as well as internal organisational policies.

All Supply Chain Management Practitioners and Bid Adjudication Committee members have signed a code of conduct whereby, to the extent required by their position, they should declare any business, commercial and financial interests or activities undertaken for financial gain that may raise possible conflict of interest.

The CPSI continued to identify areas of supply chain management procedures where internal controls can be enhanced during the 2019/20 financial year. Measures to strengthen the prevention of irregular expenditure were implemented. These include:

- Enhancement of the acquisition checklists to include the checking and verification of acquisition batches before approval of orders, enhancements include the verification of actual receipt date and time of quotations and the verification of functionality evaluation required by the terms of reference, identification of local content procurement, pre-payments, and functionality assessments.

- **Gifts and Donations received in kind from non-related parties**

During the 2019/2020 financial year, the following in-kind sponsorships were received"

- R29 000 towards the travelling expenses for the adjudication of the competition for the Award for Innovation Management from the African Association for Public Administration and Management (AAPAM).
- R50 000 was received towards the GEMS Health Award category in the Annual Public Sector Innovation Awards Programme from the Government Employees Medical Scheme. (GEMS)
- Govtech through SITA funded travelling cost related to the CPSI's participation in the 2019 Govtech Conference amounting to R8 000.
- R6 000 was received towards the hosting of the Annual Public Sector Innovation Awards Programme from Huawei.
- R10 000 was received towards the hosting of the Annual Public Sector Innovation Awards Programme from Ikasi Solutions.

- **Exemptions and deviations received from the National Treasury**

No exemptions from the PFMA or Treasury Regulations or deviations from the financial reporting requirements were requested for the current and/or prior financial year.

- **Events after the reporting date**

The CPSI was required to contribute R6 million from the 2020/21 allocated budget to the Special Adjusted Budget to contribute towards the fight against the COVID-19 pandemic.

- **Other**

The report addresses no other material fact or circumstances that may affect the understanding of the financial state of affairs.

- **Acknowledgement**

In conclusion, I would like to express my heartfelt gratitude to our political principals, Minister for the Public Service and Administration, Mr Senzo Mchunu and Deputy Minister for the Public Service and Administration, Ms Sindisiwe Chikunga for their sterling leadership and support during the year under review.

As an organisation, we are excited about what the future holds under their leadership and guidance. I would also like to thank the former Accounting Officers of the CPSI, Ms Qinisile Delwa, Mr Lindani Mthethwa and Ms Lakela Kaunda for holding the fort during the course of the year. In addition, my gratitude also goes to the CPSI team for their contribution.

May I also acknowledge the Portfolio Committee on Public Administration, DPME and ARC for providing oversight on the work of the CPSI to ensure that we remain accountable to our people.

I present this report as the final outcome of the work of the CPSI team that remains committed to the improvement of service delivery through innovation.



Ms Lydia Sebokedi
Accounting Officer
Centre for Public Service Innovation

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

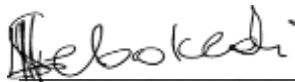
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2020.

Yours faithfully



Accounting Officer
Ms Lydia Sebokedi

7. STRATEGIC OVERVIEW

7.1. Vision

A solution-focussed effective and efficient public sector through innovation.

7.2. Mission

The CPSI entrenches the culture and practice of innovation in the public service through:

- Unearthing existing innovations for learning and replication;
- Researching, leading and promoting the development and testing of new innovations;
- Investigating and facilitating the replication and mainstreaming of innovations, and
- Providing content-driven platforms and products for public officials to adopt innovative approaches.

7.3. Values

CPSI's strategic direction is guided by the following values:

- **Nurturing:** The CPSI supports and encourages public sector institutions in their efforts to innovate, from unearthing innovative initiatives to replication and mainstreaming.
- **Recognition:** The CPSI publicly recognises and rewards innovators and innovative institutions, to acknowledge their contribution towards the improvement of service delivery and for further replication.
- **Partnering:** The CPSI values partnerships with other public sector entities, the private and non-governmental organisation (NGO) sectors, the South African National System of Innovation (NSI), and key global role-players within the space of public sector innovation.
- **Compassion and empathy:** The CPSI endeavours to respond to the needs of the citizens by addressing the root causes of service delivery failures in an empathetic manner.
- **Efficiency and effectiveness:** Efficiency and effectiveness remain core drivers for public sector innovation.
- **Knowledge sharing:** The CPSI applies the principles of a learning organisation through its innovation practices, platforms and programmes.

8. LEGISLATIVE AND OTHER MANDATES

The responsibility for public sector innovation is vested in the Minister who, in terms of section 3(1)(i) of the Public Service Act, is responsible for establishing norms and standards relating to transformation, reform, innovation and any other matter to improve the effectiveness and efficiency of the public service and its service delivery to the public.

The CPSI:

- Provides the Minister with independent, diverse, and forward-looking research findings and advice on innovative service delivery with a specific focus on the government's priorities;
- Enhances public service transformation and reform through innovation partnerships and projects; and
- Supports the creation of an enabling environment for innovation within the structures and agencies of the South African government (encouraging, learning and rewarding).

The function of the CPSI is thus to entrench a culture and practice of innovation in the public service through:

- Advancing needs-driven research and development;
- Unearthing, demonstrating, sharing on, encouraging and rewarding innovation;
- Testing, piloting, incubating new innovations and supporting the replication of innovative solutions; and
- Partnering with public, private, academic and civil society sectors to support the mandate of the CPSI.

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

The following departments and entities fall within the portfolio of the Minister for the Public Service and Administration:

- The DPSA;
- The NSG;
- The Office of the Public Service Commission (OPSC); and
- GEMS.

The CPSI has no oversight role over any entity reporting to the MPSA. The CPSI has a related party relationship with these entities. During the period under review, all transactions entered into with these entities were at arm's length. All relevant officials of the CPSI disclosed no related party transactions with any of the entities reporting to the Minister.

The organisation received its annual appropriation by means of a transfer from the DPSA. The DPSA and CPSI signed a Memorandum of Understanding (MoU) in relation to services, including those that the DPSA provides to the CPSI at no cost. These are set out in the Related Party Note to the Annual Financial Statements.

PART B: PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report. Refer to page 74 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1. Service Delivery Environment

Public sector innovation plays a significant role in enabling the government to deliver on its promises and improve service delivery. Globally public sector innovation saw many similar organisations close down due to various reasons, including dwindling resources and the need to reposition public sector innovation differently. Amongst these, is CAPAM which closed its doors. During the period under review, the CPSI also started to review its approach.

This was further compounded by the fact that the Public Sector Innovation arena is always characterised many opportunities and equally challenging barriers due to the nature of this field. Despite the many challenges the organisation faced during the year under review, the organisation was able to continue with its work.

Many new partnerships were formed with, amongst others, UNISA, SALGA, and GCIO in the DPSA. In addition, the organisation ramped up its partnership with youth, leading to many hackathons that yielded several potential solutions. Several solutions were also developed by coders that are employed in the public service – a practice that will be embraced going forward. One of the successes during this period under review was the introduction of new skills in the public service through mini-workshops that were held as part of the annual conference, wherein, for the first time, public servants were exposed to Foresight and Design Thinking approaches.

As in the previous financial year, the 2019/2020 financial year was also characterised by a sluggish world economic growth and Africa was not spared. The outbreak of the COVID-19 Pandemic and the declaration of the national Lockdown in March 2020 further worsened the service delivery environment that the organisation will encounter in the new financial year.

The above-mentioned service delivery environment called for a different mode of delivery as the country was faced with dwindling financial resources. As the financial year ended, the impact of the Pandemic was evident as the country went into lockdown.

2.2. Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Support solution development	Innovators Recipient departments/ institutions	Two development initiative supported Two hackathons supported	Two development initiatives supported Two hackathons supported	Two initiatives from previous year supported. Four hackathons supported
Replication of innovative solutions	Recipient departments/ institutions	Two solutions replicated	Two solutions replicated	One solution replicated

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation with recipient departments/ institutions	Regular consultations held	Consultations held with recipient departments/institutions as part of the replication programme and the development of solutions

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Use of knowledge platforms and products to disseminate innovation-related information	Annual participation in and utilisation of CPSI platforms	A conference, innovation workshops, award programme, and online journal were used to share information Awarding programme was held to unearth and share information on innovation

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Use info@cpsi.co.za to lodge external complaints	Use info@cpsi.co.za to lodge external complaints	E-mails received are forwarded to the relevant EXCO member for redress
Internally the grievance procedure is used	Use of Internal grievance procedure	A grievance co-ordinator has been appointed to handle or all grievance and forwards to the Labour relations unit

2.3. Organisational environment

The work of the CPSI is guided by the imperatives of the 6th Administration. The 2019/20 was an election year and new Political Principals were appointed to the Portfolio.

The organisation was faced with a number of challenges amongst which was the leadership vacuum due to the vacant Executive Director post, with four serving Accounting Officers in one financial year. Furthermore, with annual budget cuts, this required the organisation to make an introspection on its operations. The relocation of the CPSI to Batho Pele/Agrivaal Heritage building impacted negatively on the operations of the organisation. In addition, the move to Batho Pele House implied that there was less space for staff and some of the work the CPSI used to offer, for instance, the Multi-Media Innovation Centre was closed due to lack of space.

During the 2019/2020 performance year, the CPSI continued to operate with limited capacity. The organisation lost four resources due to the end of the General Budget Support Funds from National Treasury.

As part of the government-wide macro reorganisation of the State, the mandate and form of the CPSI is also under review. This has caused uncertainty of the future of the organisation and consequently several infrastructure projects as well as the filling of vacant posts were stalled to avoid possible wasteful expenditure.

2.4. Key policy developments and legislative changes

Towards the end of the performance, the Proclamation of the State of Disaster brought forth several Regulations that affected CPSI operations drastically, albeit this was at the end of the financial year.

3. STRATEGIC OUTCOME ORIENTED GOALS

The revised Strategic Plan for 2015/2020, states the following Strategic Outcome-Oriented Goal, aligned to government's priority outcomes:

"The culture and practice of innovation entrenched in the public sector"

Beyond the broader commitment to leverage innovation in support of the implementation of the NDP, the work of CPSI contributed to specific initiatives linked to the 12 priority outcomes of the fifth Administration, with a specific focus on Outcome 12, namely *"an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship."*

The Public Sector Innovation Awards Programme, for example, recognised and rewarded innovations that contributed to improving the efficiency and effectiveness of the public sector. In addition, the replication of these initiatives contributed to other Outcomes, such Outcome 2, *a long and healthy life for all*

South Africans. Our development initiatives are done through Open Innovation, where we worked closely with innovators and SMMEs with innovative solutions, thus directly contributing to job-creation and inclusive economic growth.

Our innovation capacity building workshops, the new Guide on Public Sector Innovation, as well as our participation in Open Data and Hackathon initiatives further contributed to building a development oriented public service whilst empowering citizens.

Through the introduction of Strategic Foresight and Design Thinking in amongst others, the Public Sector Innovation Conference, the CPSI supported the strengthening of important requirements for a public sector entering the Fourth Industrial Revolution (4IR), namely anticipatory governance, agility, adaptiveness and user centricity.

By partnering with development agencies such as the UNDP and participating in SADC and international engagements such as those of the AU, AAPAM and the OECD, the CPSI stayed abreast with the latest developments in the fields of innovation and governance. This also actively contributed in building a better Africa and a better world through innovation.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1. Programme 1: Administration

This programme provides strategic leadership, overall management and support to the organisation.

The programme comprises of the following three sub-programmes:

- **Strategic Management** provides administrative support to the Executive Director and coordinates implementation, monitoring, and reporting on the organisation's overall performance.
- **Corporate Resources Management** manages and monitors corporate resources, ICT; and security; and provides office support and auxiliary services.
- **The Office of the Chief Financial Officer** ensures compliance with all relevant financial management statutes and regulations, notably the Public Finance Management Act (PFMA), and oversees the effective financial and supply chain management of the organisation.

The strategic objectives of this programme for the year under review were as follows:

- **Effective Corporate Governance**

Strategic objectives, performance indicators, planned targets and actual achievements

During the period under review, the Programme achieved its targets of submitting four quarterly financial and non-financial reports and implementing the external audit recommendations. The Programme faced capacity constraints, challenges emanating for relocation from Centurion to the DPSA in 2019. Connectivity to the transversal systems could only be restored in July 2019, which required employees to work from the National Treasury call-centre in Centurion for more than four months to ensure compliance to prescripts in terms of the PFMA and other legislation.

Strategic objectives:

Programme Name					
Strategic objective	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Effective Corporate Governance	Unqualified audit outcomes	Unqualified audit outcomes on financial and non-financial information for 2018/19	Unqualified audit outcomes on financial and non-financial information for 2018/19	None	None

Performance indicators

Programme 1: Administration							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
Number of quarterly consolidated financial and non-financial reports free from material misstatements submitted to MPSA, DPSA, DPME and National Treasury as per	-	-	4 Quarterly financial reports submitted to MPSA, DPSA and National Treasury and non-financial reports submitted to MPSA, DPSA, DPME, and National Treasury as per required timeframes	4 Quarterly financial reports submitted to MPSA, DPSA and National Treasury and non-financial reports submitted to MPSA, DPSA, DPME, and National Treasury as per required timeframes	Achieved 4 Quarterly financial reports submitted to MPSA, DPSA and National Treasury and non-financial reports submitted to MPSA, DPSA, DPME, and National Treasury as per required timeframes	None	None
Percentage of external audit recommendations implemented	-	-	98% implementation of internal and external audit recommendations	100% implementation of external audit recommendations	Achieved 100% implementation of external audit recommendations	None	None

Strategy to overcome areas of under performance

No underperformance was identified in Programme 1: Administration

Changes to planned targets

There were no changes made to the indicators and targets during the reporting period.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2018/2019			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Management	3 460	2 861	599	4 130	3 140	990
Corporate Resource Management	10 743	10 113	630	10 542	5 504	5 038
Office of the Chief Financial Officer	5 705	5 420	285	6 314	6 135	179
Total	19 908	18 394	1 514	20 986	14 779	6 207

4.2. Programme 2: Public Sector Innovation

This programme drives service delivery innovation in the public sector in line with government priorities.

This programme comprises the following three sub-programmes:

- **Research and Development** leads the development of potential innovative models and solutions. The component thus investigates service delivery challenges, identifies potential solutions and, where suitable solutions cannot be found and initiate the development of innovative solutions to address the identified challenge(s).
- **Solution Support and Incubation** facilitates the demonstration, replication and mainstreaming of innovative solutions for the public sector.
- **Enabling Environment** nurtures and sustains an enabling environment, which entrenches a culture and practice of innovation in the public sector through innovative platforms and products.

The strategic objective of this programme for the year under review was as follows:

- **Improve the effectiveness and efficiency of public sector service delivery**

STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Faced with a number of challenges, including capacity constraints in programme two, the CPSI achieved the under-mentioned.

Our highlights for the year in the review include the following:

Replication Programme

- Through this programme, we successfully replicated the maternal health records project from Prince Mshiyeni Hospital (KZN) in Bertha Gxowa Hospital (GT).

Research and Development Projects

- Although no new solution was developed during the period under review, the CPSI concluded Phase One of the Home Affairs Real-time Service Delivery Monitoring Project. Once finalised, it will provide business intelligence capabilities for the Department of Home Affairs to monitor its front-desk services in real-time.
- For two consecutive years, the CPSI continued to support youth digital skills development through the Hackathons and partnering with youth organisations, such as Geekulcha, an ICT organisation, to promote and acknowledge the critical role that youth can play in ICT to find innovative solutions for service delivery challenges. In addition, these young developers and solution providers are also potential public servants of the future, and as such, the CPSI is promoting a culture of innovation and problem-solving amongst the youth.

Partnerships and Networks

- Thriving partnerships is key to any public sector innovation programme. Accordingly, the CPSI continues to put much emphasis on forging strong partnerships with government institutions such as health, safety and security amongst others. That way, the CPSI becomes an invaluable resource for the whole of government that also enjoys a cross-sector reach that bridges institutional boundaries. Furthermore, the CPSI partners with institutions within the National System of Innovation, such as the Gauteng Innovation Hub, the Technology Innovation Agency and the National Advisory Council on Innovation, amongst others.
- The CPSI provides services and solutions that respond to identified service delivery challenges and their root causes while nurturing and sustaining a public service innovation and learning culture. Most importantly, it ensures a consolidated commitment by frontline departments to leverage innovation as an enabler for improved citizen access to vital government services.

- The CPSI further maintains strong relations with international organisations such as the OECD and UN to ensure that we stay on par with global innovation thinking and practices.

- **Innovation Knowledge Platforms**

The CPSI continued to coordinate robust innovation knowledge platforms as part of its efforts to inculcate the culture and practice of innovation in the public sector. Through these platforms, innovation approaches, solutions and models are shared across all spheres of government to avoid re-inventing the wheel.

Below is a snapshot of platforms hosted during the period under review:

- **The Annual Public Sector Innovation Conference:** The 13th Annual Public Sector Innovation Conference was hosted on behalf of the Minister for Public Service and Administration in Gauteng on the 28-29 November 2019. This innovation conference serves as a platform for innovators amongst public officials to share best practices and to form cross-sectoral partnerships for replication of solutions to service delivery challenges.
- The theme of the 2019 conference was *“Public sector Innovation, Design Thinking and Foresight to Accelerate the achievement of the Government’s Seven Priorities.”*
- Through this conference, public servants were exposed to design thinking and foresight skills through mini sessions held as part of the conference.
- **The Annual Public Sector Innovation Awards Programme:** This year-long programme culminated in an Awards Ceremony held on the 29 November 2019. This programme serves to unearth, recognise and showcase the wealth of innovation in the public sector in the form of projects that have improved the lives of citizens.
- The Awards programme also provides a rich source of projects for possible replication where similar challenges exist, thereby preventing wastage of government resources through the reinvention of the wheel.
- **Ideas that Work: The South African Public Sector Innovation Journal.** For the first time, this journal was published online. The journal is an important compendium of information and knowledge on public sector innovation aimed at encouraging learning and sharing of expertise in the public service.
- **Public Sector Innovation Workshops:** In line with our mandate to inculcate the culture and practice of innovation in the public sector, the CPSI conducted a number of innovation workshops in different provinces, to encourage public officials to think and practice innovation in their work in order to solve service delivery challenges.

PERFORMANCE INDICATORS

Programme 2: Public Sector Innovation							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/20	Comment on deviations
Number of innovative solutions developed to address service delivery challenges			Piloting of two innovative solutions initiated. Project planning and scoping concluded	Two (2) innovative solutions developed	Not achieved Consultation on innovative solutions to be developed held	No new solutions were developed in the period under review.	No new solution was taken into a piloting phase due to the longer than anticipated duration of the piloting of the two projects from the previous performance cycles, which demanded the full capacity of the unit
Revised Pocket Guide to Innovation in the South African Public Sector disseminated through existing platforms			Pocket Guide to Innovation in the South African Public Sector revised	Revised Pocket Guide to Innovation in the South African Public Sector disseminated	Achieved Revised Pocket Guide to Innovation in the South African Public Sector disseminated	None	None
Number of innovative solutions facilitated for replication	Two (2) CPSI award winning projects were facilitated for replication: <ul style="list-style-type: none"> • Saving Blood, Saving Lives was replicated at Far East, Tembisa and Leratong Hospitals • High Volume Cataract Project was replicated at Bheki Mlangeni Hospital 	Two (2) CPSI award winning and/or other innovation projects that were identified and supported for replication were not initiated. The replication of the Revenue Enhancement	Two (2) innovative projects facilitated for Replication <ul style="list-style-type: none"> • Vulamanzi • e-Recruitment 	Two (2) innovation solutions facilitated for replication	Not achieved One (1) Innovative solution facilitated for replication (Maternity Filing Project-Bertha Gxowa Hospital)	One (1) Innovative solution (The Standing Boxes) was not replicated by 31 March 2020	The delivery of the Standing Boxes was not finalised by the end of the financial year due to delays in manufacturing. The Standing boxes will be delivered to the Free State replication site in

Programme 2: Public Sector Innovation							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/20	Comment on deviations
		<p>Project was identified and supported but the project could not yet be initiated due to late approvals in the implementing departments in Limpopo</p> <p>Mpumalanga Tele-Radiology (link between Mpumalanga and Gauteng Department of health) was identified as a project to be replicated, a project Charter and Plan developed but could not be initiated due to leadership changes at the Gauteng Department of Health. The project was handed over to a new person in February 2018 which affected the</p>					the 2 nd quarter of 2020/2021

Programme 2: Public Sector Innovation							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/20	Comment on deviations
		implementation plan. Gauteng further intended to merge the project with a larger initiative, contributing to the delay into the new financial year					
Number of knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector	-	-	Six (6) knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector, Namely: Annual Public Sector Innovation Conference <ul style="list-style-type: none"> Public Sector Innovation Awards Four (4) Sector Specific workshops on Leading Innovation in the Public Service 	Six (6) knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector	Achieved Six (6) knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector, Namely: Annual Public Sector Innovation Conference <ul style="list-style-type: none"> Public Sector Innovation Awards Four (4) Sector Specific workshops on Leading Innovation in the Public Service 	None	None
The "Ideas that Work": The South African Public Sector Innovation Journal published	Two (2) editions (Volume 7 Issue 1 and 2) of "Ideas that Work": The South African Public Sector Innovation Journal were	Two (2) editions (Volume 8 Issue 1 and 2) of "Ideas that Work": The South African	One (1) edition (Volume 9 Issue 1) of "Ideas that Work": The South African Public Sector	Volume 10 of "Ideas that Work": The South African Public Sector	Achieved Volume 10 of "Ideas that Work": The South African Public Sector	None	None

Programme 2: Public Sector Innovation							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/20	Comment on deviations
to encourage learning	published with 5 case studies in each Journal. The Journals were disseminated to various stakeholders	Public Sector Innovation Journal were published	Innovation Journal published	Innovation Journal published	Innovation Journal published		
Number of SADC or international programmes participated in to profile and strengthen national and regional capacity	The CPSI participated in two (2) regional and international programmes: • The 16th session of the United Nations Committee of Experts in Public Administration (CEPA) on 17-22 April 2016 • The AUC STC 08 Second Ordinary Session to manage the delivery of the 2016 All Africa Public Sector Innovation Awards (AAPSIA) on 6-10 December 2016	The CPSI participated in two (2) regional and international programmes: The 16th Session of the United Nations CEPA 23 – 27 April 2017 in New York. The 38th African Association of Public Administration and Management (AAPAM) Roundtable Conference in Morocco on 3-12 November 2017	The CPSI co-hosted and Participated in the SADC UNPAN workshop was held on 28-29 June 2018 in Mauritius. Attended a study tour to benchmark the UK public sector innovation system on 24 February – 2 March 2019. The team also participated in the 2019 Global Government Forum on innovation as part of the study tour	Participation in two (2) SADC or International innovation programmes	Achieved The CPSI participated in the following SADC or International innovation programmes: - 59th Session of the OECD Public Governance Committee on 15-17 April 2019 in Paris - Continental Africa Public Service Day on 17-24 June 2019 in Kenya - Commonwealth Africa Innovation Accelerator Programme on 24 - 26 June 2019 in Seychelles - Innovation and Digital Transformation of the Public Sector in France from 20-24 January 2020	Participation in two (2) additional international innovation programmes	The CPSI participated in two additional programmes to support MPSA portfolio institutions

Strategy to overcome areas of under performance

New solutions developed:

New innovative solutions will be incorporated in the innovation research and development initiatives in the 2020/21 financial year.

Replication Programme:

Standing boxes will be delivered to the Free State replication site in the 2nd quarter of 2020/2021.

Changes to planned targets

There were no changes made to performance the indicators and targets during the reporting period.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2018/2019			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research and Development	3 624	3 532	92	4 544	4 244	300
Solution Support and Incubation	3 405	3 315	90	4 196	3 439	757
Enabling Environment	8 351	7 348	1 003	8 711	7 394	1 317
Total	15 380	14 195	1 185	17 451	15 077	2 374

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The CPSI made no transfer payments to public entities during the period under review.

5.2. Transfer payments to all organisations other than public entities

The CPSI made no transfer payments to any other organisation during the period under review.

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The CPSI did not paid any conditional grants or earmarked funds during the period under review.

6.2. Conditional grants and earmarked funds received

The CPSI did not received any conditional grants or earmarked funds during the period under review.

7. DONOR FUNDS

7.1. Donor Funds Received

The CPSI did not receive any donor funds during the period under review.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Not applicable.

PART C: GOVERNANCE

1. INTRODUCTION

The Centre for Public Service Innovation is committed and consistently maintains good governance practices, which are fundamental in the management of public finances and resources, and to ensure this; the organisation has a functional Audit and Risk Committee appointed. The committee ensures that governance principles are adhered to at all times and oversee the work and functioning of other governance structures. The Internal Audit Function "which is provided by the Department of Public Service and Administration" provides management with independent assurance on the effectiveness of the governance processes and functioning of the governance structures within the organisation.

2. RISK MANAGEMENT

The CPSI has throughout the year implemented and maintained an effective, efficient and transparent system of risk management as required in terms of PFMA Section 38 (a) (i). Management has, throughout the year, implemented a Risk Management Strategy. During the financial year, management has updated the organisation's risk profile. The CPSI Executive Committee members participate in the overall management of the risk management activities, while all other employees participate in the identification of risks in the organisation. The Audit and Risk Committee reviews and monitors risk management progress reports quarterly, while the Internal Audit Function provides assurance on the effectiveness of the risk management processes.

3. FRAUD AND CORRUPTION

The Centre for Public Service Innovation participates in and adheres to the approved Fraud and Corruption Prevention Policy and the Whistle Blowing Policy developed by the Department of Public Service and Administration as agreed in the Memorandum of Understanding.

The CPSI supports the National Anti-Corruption Hotline by encouraging all its employees to report any suspected activities of fraud and corruption. The CPSI is committed to investigating and reporting on all reported cases of fraud and corruption to the relevant institutions and authorities, depending on the outcome of the preliminary investigations.

4. MINIMISING CONFLICT OF INTEREST

The CPSI adheres to the conflict of interest codes as contained in Chapter 2, Part 2(2) of the Public Service regulations of 2016.

eDisclosure by SMS and designated employees is used to monitor possible conflict of interest. Furthermore, prior to bid committee meetings, members are required to declare any possible conflict of interest.

Selection and interview panel members are also required to declare their interest in any of the candidates during the recruitment process. The

declaration includes acknowledgement of possible disciplinary action being instituted should it be discovered that there was misinformation.

5. CODE OF CONDUCT

The CPSI adheres to the Code of Conduct as contained in Chapter 2, Part 1 (13) of the Public Service Regulations, 2016 and all CPSI employees are required to sign the code of conduct. In managing labour relations within the CPSI by the shared service agreement on internal labour relation services, the CPSI follows the processes as prescribed by the Public Service Co-Ordinating Bargaining Council (PSCBC) Resolutions for Managing of Grievances (PSCBC Resolution 14 of 2002) and the managing of disciplinary processes (informal and formal) as contained in PSCBC Resolution 1 of 2003.

The Code of Conduct acts as a guideline to employees regarding their conduct from an ethical point of view, both in their individual and professional capacity. It provides guidelines for their relationship with the legislature, political and executive office bearers, other employees and members of the public. It also spells out the spirit in which employees should perform their duties and what should be done to avoid conflict of interest. Compliance with the Code of Conduct enhances professionalism and helps to ensure confidence in the public service.

The Corporate Resource Management unit within the CPSI assists in the management of financial disclosures, the vetting and security clearance of employees and the ethical aspect of the Code of Conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

As a sub-tenant of the DPSA, CPSI participates in all Health and Safety programmes of the DPSA.

7. PORTFOLIO COMMITTEES

Date of the meeting	Matters raised by the Portfolio Committee	How the matters were addressed
02 July 2019	Briefing by the CPSI on the APPs for the 2019/2020 financial year	The presentation was made and answers to questions provided.
21 August 2019	Briefing by the CPSI on the performance of the first quarter of the 2019/2020 financial year	The presentation was made and answers to questions provided.
09 October 2019	Briefing by the CPSI on the Annual Report for the 2018/2019 financial year	The presentation was made and answers to questions provided.
19 February 2020	Briefing by the CPSI on the performance of the second and third quarters of the 2019/2020 financial year	The presentation was made and answers to questions provided.

8. SCOPA RESOLUTIONS

There were no SCOPA resolutions adopted in the 2019/2020 financial year.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

During the previous financial year 2018/19, the CPSI obtained a clean audit opinion with no emphasis of matters as discussed in a detailed audit report. The CPSI had only one finding in the prior-year audit, which related to the composition on the Audit and Risk Committee members. Two new appointments to the abovementioned committee were confirmed during September 2019.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Audit and Risk Committee only consisted of two members at year-end	2018/19	Additional two members were appointed in September 2019

10. INTERNAL CONTROL UNIT

The Centre for Public Service Innovation has established a system of internal control through policies and procedures in the areas of financial, supply chain and human resource management while acknowledging that there is room for improvement. The Internal Audit Function provides assurance on the adequacy and effectiveness of the system of internal control. Management has implemented the recommendations of the Internal Audit Function from various audit reports issued during the year. The Executive Committee and the Audit and the Risk Committee monitors the control improvement on a quarterly basis. Based on the overall assessment, management is confident that the CPSI's internal control environment is satisfactory.

9. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit

The Department of Public Service and Administration provides Internal Audit Services to the CPSI as agreed in the Memorandum of Understanding. The Internal Audit Function provides management with independent assurance and insight on the effectiveness of, among others; governance, the internal controls, risk management and financial management systems in order to assist the organisation in achieving its objectives. The Audit and Risk Committee oversee the work of the Internal Audit Function and has approved a risk-based internal audit plan that was executed during the year. Audit reports were presented to both management and the Audit and Risk Committee.

Audit and Risk Committee

The Audit and Risk Committee managed to successfully discharge its responsibilities as per the Public Finance Management Act and the Treasury

Regulation. The Audit and Risk Committee adopted a formal Terms of Reference as its Charter to regulate and govern its affairs.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms. Pumla Mzizi	<ul style="list-style-type: none"> - CA (SA) - BCom Honours in Transport Economics - BCompt Honours in BBusSc - Honours in Finance 	External	N/A	10 March 2016	--	4
Ms. Precious Mvulane	<ul style="list-style-type: none"> - CA and RA (SA) - Specialist Diploma in Auditing - BCom Honours in Accounting 	External	N/A	10 March 2016	--	4
Mr. Ameen Amod -	<ul style="list-style-type: none"> - Master of Business Administration - B. Com in Accounting and Economics - Chartered Director - Certified Internal Auditor (CIA) - Certified Government Auditing - Certification in Risk Management Assurance 	External	N/A	01 October 2019	-	2
Dr. Pritish Dallah	<ul style="list-style-type: none"> - Doctorate Information Technology(PhD)- Information Security: Privacy Domain - Masters (Information Technology); Honours (Bachelor of Science): Computer Science - Bachelor of Information Technology - Certified Information Systems Auditor (CISA) 	External	N/A	01 October 2019	-	2

Meeting attendance of Audit and Risk Committee members

The Audit and Risk Committee conducted four (4) meetings during the 2019/2020 financial year, as indicated in the tables below:

Meeting date	Ms Pumla Mzizi (Chairperson)	Ms Precious Mvulane	Dr. Ameen Amod	Dr. Pritish Dallah
29 May 2019	Present	Present	-	-
29 July 2019	Present	Present	-	-
10 December 2019	Present	Present	Present	Present
13 March 2020	Present	Present	Present	Present

10. AUDIT AND RISK COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2020.

Audit and Risk Committee Responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1. The Committee also reports that it has adopted appropriate formal terms of reference as its Audit and Risk Committee Charter, which is reviewed annually, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The systems of internal control are designed to provide assurance in achieving the organisational objectives through ensuring that assets are safeguarded, operations are effective and efficient, financial performance information is reliable, and there is compliance with laws and regulations.

The Audit and Risk Committee has provided oversight over the operations and business activities within the Centre for Public Service Innovation (CPSI). This was achieved through a quarterly reporting process by Management and reviews by Internal Audit as prioritised in the Risk-Based Annual Audit Operational Plan approved by the Audit and Risk Committee.

The Audit and Risk Committee is of the opinion that the systems of internal controls on high-risk issues were adequate and effective during the year under review and, where weaknesses have been identified this has been discussed with Management, and corrective measures were implemented.

Internal Audit

The Audit and Risk Committee is satisfied that the Internal Audit Function “which is provided by the Department of Public Service and Administration” is operating effectively and efficiently. The function has assisted the organisation in reducing the risks pertinent to the CPSI during the year under review. The Internal Audit Function completed its 2019/20 Annual Audit Plan as approved by the Committee. The Committee has played an oversight role over the work of Internal Audit during the year to ensure that the function is executed effectively and objectively. As a result, the Committee is satisfied with the assurance provided by Internal Audit on the adequacy, effectiveness, and efficiency of policies, procedures, including the integrity and reliability of both financial and non-financial information in safeguarding of assets.

Risk Management

The Centre for Public Service Innovation has complied with the requirements of both the PFMA and Treasury Regulations, in ensuring that a system of Risk Management is embedded into its operational activities. Management has during the year

under review updated the organisation's strategic risks. The organisation has developed and approved a risk management strategy and policy. The Committee has played an oversight role on the organisation's risk management processes through its quarterly meetings.

In-Year Management and Monthly/Quarterly Report

The Centre for Public Service Innovation has reported quarterly to the National Treasury as required by the PFMA. The Committee is satisfied with the quality of quarterly reports prepared and issued by the Accounting Officer during the year under review. The Committee has provided management with recommendations to improve the quality of the performance information and financial management reporting.

Evaluation of Financial Statements

The Audit and Risk Committee has:

- reviewed and discussed the interim financial statements to be included in the annual report, with Management and the Accounting Officer;
- reviewed the Auditor-General's report and Management's response in relation to the financial statements;
- reviewed the organisation's compliance with legal and regulatory provisions;
- reviewed the audited information on predetermined objectives to be included in the annual report;
- reviewed the audited financial statements for any significant adjustments resulting from the audit report, and
- reviewed the quality and timeliness of the financial information availed to the Committee for oversight purposes during the year such as interim financial statements.

Auditor-General's Report

The Committee has reviewed the organisation's implementation plan for audit issues raised in the previous year and are satisfied that the matters have been adequately resolved.

The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Pumla Mzizi

Ms Pumla Mzizi
Acting Chairperson of the Audit and Risk Committee
Centre for Public Service Innovation

11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not applicable to the CPSI
Developing and implementing a preferential procurement policy?	Yes	Included in the Supply Chain and Management Policy
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable to the CPSI
Developing criteria for entering into partnerships with the private sector?	No	Not applicable to the CPSI
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	No	Not applicable to the CPSI

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The information contained in this part of the Annual Report is prescribed by the Minister for the Public Service and Administration for all departments in the Public Service.

2. OVERVIEW OF HUMAN RESOURCES

Status of human resources in the department

In the year under review, the CPSI had a staff turnover employee of 13 percent, which represent one appointment and one transfer out of the department, five contracts that ended and one secondment that ended. The organisation had a filled establishment of 26 posts on the approved establishment and two employees additional to the establishment.

Human resource priorities for the year under review and the impact of these

During the 2019/20 financial year, the vacancy rate increased to 13.5% compared to 10.5% in the 2018/19 financial year. This is the result of four vacant posts at the end of the reporting period, compared to 2 vacant posts at the end of the 2018/19 financial year. The MPSA put a moratorium on filling of positions to allow the finalisation of an investigation on the repositioning of the organisation requested by the MPSA. This resulted in four funded vacant posts not being filled during the period under review.

No interns were absorbed into permanent positions during the last financial year. During the first half of the period under review, two interns appointed in the previous financial year's, resigned from the CPSI to take up permanent employment in the private sector.

The employment equity statistics at the end of the financial year were 7.1% in respect of persons with disabilities and 60% in respect of women at SMS level.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The CPSI has an approved human resources plan for 2017/2020 which expires in October 2020. All vacant funded positions in the CPSI were advertised in the DPSA vacancy circulars to encourage transparency and fair competition. These posts were, however, not filled when the moratorium on the filling of positions was affected during the second half of the period under review.

The Executive Director's post is vacant since 1 October 2018. The responsibilities of the post have been assigned to an employee seconded from the DPSA to the CPSI from October 2018 to June 2019 and another secondment from the Presidency from September 2019 to February 2020. The responsibilities of the posts were assigned to internal capacity during the periods June 2019 to September 2019 and February 2020 onwards.

Employee performance management

The CPSI has an approved performance management and development policy for all staff. 100% of SMS members entered into performance agreements for the period under review. The performance evaluations for 2018/19 were concluded, and the outcome of the assessments was communicated to staff in the third and fourth quarter of the financial year.

Employee wellness programmes

The CPSI invited the Government Employees Pension Funds and GEMS for sessions to promote employee wellness.

Achievements and challenges faced, as well as future human resource plans/goals

ICT capacity remains a challenge. The challenge will be addressed through entering in a revised Memorandum of Understanding on Shared Services between DPISA and the CPSI.

Future human resource plans

Future human resource plans include the improvement of compliance with the legislative framework and improved efficiency in HR processes and decision-making.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel Related Expenditure

The following tables summarise final audited personnel related expenditure by programme and salary band. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by Programme for the period 1 April 2019 and 31 March 2020

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	14 779	9 757	211	191	66%	696.93
Programme 2: Public Sector Innovation	15 077	10 192	281	200	68%	849.33
Total	29 856	19 949	492	391	67%	767.27

Table 3.1.2 Personnel costs by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	390	2%	2	195
Skilled (Levels 3-5)	828	4%	3	276
Highly skilled production (Levels 6-8)	3 307	17%	9	367
Highly skilled supervision (Levels 9-12)	7 476	37%	9	831
Senior and Top management (Levels 13-16)	7 948	40%	5	1 590
Total	19 949	100%	28	712

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme for the period 1 April 2019 and 31 March 2020

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical Aid as a % of personnel costs
Programme 1: Administration	6 519	67%	3	-%	180	2%	357	4%
Programme 2: Public Sector Innovation	6 523	64%	-	-%	163	2%	276	3%
Total	13 042	65%	3	0%	343	2%	633	3%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical Aid as a % of personnel costs
Lower skilled (Levels 1-2)	304	78%	-	-%	36	9%	47	12%
Skilled (Levels 3-5)	614	74%	-	-%	54	7%	104	13%
Highly skilled production (Levels 6-8)	2 601	79%	2	-%	136	4%	362	11%

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical Aid as a % of personnel costs
Highly skilled supervision (Levels 9-12)	4 205	56%	1	-%	31	0%	21	0%
Senior and Top management (Levels 13-16)	5 318	67%	-	-%	86	1%	99	1%
Total	13 042	65%	3	-%	343	2%	633	3%

3.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

The information is presented in terms of three key variables:

- programme
- salary band • critical occupations.

The vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by Programme as on 31 March 2020

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	18	14	22%	2
Programme 2: Public Service Innovation	12	12	0%	0
Total	30	26	13%	2

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2) cleaners/interns	2	2	0%	
Skilled) Levels 3-5) security officers	3	3	0%	-
Highly skilled production (Levels 6-8)	10	8	20%	1
Highly skilled supervision (Levels 9-12)	9	8	11%	1
Senior and Top management (Levels 13-16)	6	5	17%	-
Total	30	26	13%	2

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2020

Employment and vacancies by critical occupations	None
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3.3. Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it related to members of the SMS by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes.

Table 3.3.1 SMS post information as on 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	-	0%	1	100%
Salary Level 16	-	-	0%	-	0%
Salary Level 15	-	-	0%	-	0%
Salary Level 14	3	3	100%	-	0%
Salary Level 13	2	2	100%	-	0%
Total	6	5	83%	1	17%

Table 3.3.2 SMS post information as on 30 September 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	-	0%	1	100%
Salary Level 16	-	-	0%	-	0%
Salary Level 15	-	-	0%	-	0%
Salary Level 14	3	3	100%	-	0%
Salary Level 13	2	2	100%	-	0%
Total	6	5	83%	1	17%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months of becoming vacant
Director-General/ Head of Department	-	-	1
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	-	-	-
Salary Level 13	-	-	-
Total	-	-	-

Table 3.3.4 Reasons for not having complied with the funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Executive Authority decided to wait for the outcome of the Macro Organisation restructuring report. Secondments and internal capacity filled the post during the period under review.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2019 and 31 March 2020

No steps were taken during this period.

3.4. Job Evaluation

Within a nationally determined framework, Executive Authorities may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded, if applicable.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of posts on approved establishments	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts Downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	2	-	0%	-	-	-	-
Skilled (Levels 3-5)	3	-	0%	-	-	-	-
Highly Skilled production (Levels 6-8)	10	-	0%	-	-	-	-
Highly Skilled supervision (Levels 9-12)	9	-	0%	-	-	-	-
Senior Management Service Band A (level 13)	2	-	0%	-	-	-	-
Senior Management Service Band B (level 14)	3	-	0%	-	-	-	-
Senior Management Service Band C (level 15)	1	-	0%	-	-	-	-
Senior Management Service Band D (level 16)	-	-	0%	-	-	-	-
Total	30	-	0%	-	-	-	-

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020

Total number of employees whose positions were upgraded due to their posts being upgraded	None
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020

Total number of employees with salary levels higher than those determined by job evaluation	None
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Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020

Total number of employees whose salary levels exceeded the grades determined by job evaluation	None
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3.5. Employment Changes

This section provides information on changes in employment during the financial period. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupation.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period - 1 April 2019	Appointments and transfers into department	Terminations and transfers out the department	Turnover rate
Lower Skilled (Levels 1-2)	2	-	-	0%
Skilled (Levels 3-5)	3	-	-	0%
Highly Skilled (Levels 6-8)	9	-	1	11%
Highly Skilled supervision (Levels 9-12)	7	-	-	0%
Senior Management Service Band A	2	-	-	0%
Senior Management Service Band B	3	-	-	0%
Senior Management Service Band C	-	-	-	0%
Senior Management Service Band D	-	-	-	0%
Contracts additional to the establishment				
Lower Skilled (Levels 1-2)	2	-	2	100%
Skilled (Levels 3-5)	-	-	-	0%
Highly Skilled (Levels 6-8)	1	-	-	0%
Highly Skilled supervision (Levels 9-12)	1	-	-	0%
Senior Management Service Band A	-	-	-	0%
Senior Management Service Band B	-	-	-	0%
Senior Management Service Band C	1	-	1	100%
Senior Management Service Band D	-	-	-	0%
Total	31	1	4	13%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2019 and 31 March 2020

Critical occupation	Number of employees at beginning of period - 1 April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
None	-	-	-	

Table 3.5.3 reason why staff left the department for the period 1 April 2019 and 31 March 2020

Termination type	Number	% of Total Resignations
Death	-	0%
Resignation	2	29%
Expiry of contract	-	43%
Dismissal - operational changes	-	0%
Dismissal - misconduct	-	0%
Dismissal - inefficiency	-	0%
Discharged due to ill-health	-	0%
Retirement	-	0%
Transfer to other Public Service Departments	1	14%
Other	1	14%
Total	4	100%
Total number of employees who left as a % of total employment		13%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2019 and 31 March 2020

Occupational	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
None	-	-	-		-

Table 3.5.5 Promotions by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Employees 1 April 2019	Promotions to another salary level	Salary bands promotions as % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Lower skilled (Levels 1-2)	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-	-
Senior and Top management (Levels 13-16)	-	-	-	-	-
Total	-	-	-	-	-

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L13-16 Legislators, senior officials and managers	1	-	-	1	2	-	-	1	5
L9-12 Professionals	4	-	-	-	5	-	-	-	9
L6-8 Technicians and associates professionals	2	-	-	-	6	-	-	1	9
L3-5 Clerks	2	-	-	-	1	-	-	-	3
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
L2 Elementary occupations	-	-	-	-	2	-	-	-	2
Totals	9	-	-	1	16	-	-	2	28
Employees with disabilities	2	-	-	-	-	-	-	-	2

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L15 Top Management	-	-	-	-	-	-	-	-	-
L13-14 Senior Management	1	-	-	1	2	-	-	1	5
L9-12 Professionally qualified and experienced specialists and mid-management	4	-	-	-	5	-	-	-	9
L6-8 Skilled technical and academically qualified workers, junior management supervisors	2	-	-	-	6	-	-	1	9

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
foreman and superintendents									
L3-5 Semi-skilled and discretionary decision making	2	-	-	-	1	-	-	-	3
L2 Unskilled and defined decision making	-	-	-	-	2	-	-	-	2
Total	9	-	-	1	16	-	-	2	28

Table 3.6.3 Recruitment for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L15 Top Management	-	-	-	-	-	-	-	-	-
L13-14 Senior Management	-	-	-	-	-	-	-	-	-
L9-12 Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
L6-8 Skilled technical and academically qualified workers, junior management supervisors foreman and superintendents	-	-	-	-	-	-	-	-	-
L3-5 Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
L2 Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L15 Top Management	-	-	-	-	-	-	-	-	-
L13-14 Senior Management	-	-	-	-	-	-	-	-	-
L9-12 Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
L6-8 Skilled technical and academically qualified workers, junior management supervisors foreman and superintendents	-	-	-	-	-	-	-	-	-
L3-5 Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
L2 Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L15 Top Management	-	-	-	-	-	-	-	-	-
L13-14 Senior Management	-	-	-	-	-	-	-	-	-
L9-12 Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
L6-8 Skilled technical and academically qualified workers, junior management supervisors	1	-	-	-	-	-	-	-	1

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
foreman and superintendents									
L3-5 Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
L2 Unskilled and defined decision making	-	-	-	-	2	-	-	-	2
Total	1	-	-	-	2	-	-	-	3
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
None	-	-	-	-	1	-	-	-	1

Table 3.6.7 Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
L13-16 Legislators, senior officials and managers	1	-	-	-	1	-	-	-	2
L9-12 Professionals	2	-	-	-	4	-	-	-	6
L6-8 Technicians and associates professionals	-	-	-	-	4	-	-	1	5
L3-5 Clerks	4	-	-	-	2	-	-	-	6
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	4	-	-	-	4
L2 Elementary occupations	-	-	-	-	-	-	-	-	-
Totals	7	-	-	-	15	-	-	1	23
Employees with disabilities	2	-	-	-	-	-	-	-	2

3.7. Signing of Performance Agreement by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements

by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreement by SMS members as on 31 May 2019

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % total number of SMS members
Director-General/ Head of Department	1	-	-	0%
Salary Level 16	-	-	-	0%
Salary Level 15	-	-	-	0%
Salary Level 14	3	3	3	100%
Salary Level 13	2	2	2	100%
Total	6	5	5	100%

Table 3.7.2 Reason for not concluded Performance Agreements for all SMS members as on 31 May 2019

Reasons
Not applicable

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2019

Reasons
None

3.8. Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of (race, gender and disability), salary band and critical occupation.

Table 3.8.1 Performance Rewards by race, gender and disability for the periods 1 April 2019 to 31 March 2020

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employees
African					
Male	5	11	45%	75	15
Female	11	16	69%	170	15
Asian					-
Male	-	-	0%		-
Female	-	-	0%		-
Coloured					-
Male	-	-	0%		-
Female	-	-	0%		-
White					-
Male	-	1	0%		-
Female	1	2	50%	7	7
Total	17	30		252	15

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 to 31 March 2020

Salary Band	Beneficiary Profile		Cost			Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employees	
Lower Skilled (Levels 1-2)	1	2	50%	4	2	0.02%
Skilled (Levels 3-5)	2	3	67%	12	4	0.06%
Highly Skilled production (Levels 6-8)	5	9	56%	45	5	0.23%
Highly Skilled Supervision (Levels 9-12)	9	9	100%	191	21	0.96%
Total	17	23	74%	252	15	1.26%

Table 3.8.3 Performance Rewards by critical occupation for the periods 1 April 2019 to 31 March 2020

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employees
None					

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the periods 1 April 2019 to 31 March 2020

Salary Band	Beneficiary Profile		Cost			Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employees	
Band A	-	2	-	-	-	-
Band B	-	3	-	-	-	-
Band C	-	-	-	-	-	-
Band D	-	-	-	-	-	-
Total	-	5	-	-	-	-

3.9. Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2019 and 31 March 2020

Salary band	01-Apr-19		31-Mar-20		Change	
	Number	% of total	Number	% of total	Number	% of total
Lower Skills (Level 1-2)	-	0%	-	0%	-	0%
Skilled (Levels 3-5)	-	0%	-	0%	-	0%

Salary band	01-Apr-19		31-Mar-20		Change	
	Number	% of total	Number	% of total	Number	% of total
Highly skilled production (Levels 6-8)	-	0%	-	0%	-	0%
Highly skilled supervision (Level 9-12)	-	0%	-	0%	-	0%
Top and Senior management (Levels 13-16)	-	0%	-	0%	-	0%
Total	-	0%	-	0%	-	0%

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2019 and 31 March 2020

Salary band	01-Apr-19		31-Mar-20		Change	
	Number	% of total	Number	% of total	Number	% of total
None	-	0%	-	0%	-	0%

3.10. Leave Utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the Public Service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total of employees using sick leave	Average days per employees	Estimated Cost (R'000)
Lower Skills (Level 1-2)	33	97%	4	12%	8	16
Skilled (Levels 3-5)	57	82%	4	12%	14	51
Highly skilled production (Levels 6-8)	89	67%	10	29%	9	106
Highly skilled supervision (Level 9-12)	64	83%	11	32%	6	185
Top and Senior management (Levels 13-16)	26	77%	5	15%	5	120
Total	269	79%	34	100%	8	478

Table 3.10.2 Disciplinary leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total of employees using sick leave	Average days per employees	Estimated Cost (R'000)
Lower Skills (Level 1-2)	-	-	-	0%	-	-
Skilled (Levels 3-5)	-	-	-	0%	-	-
Highly skilled production (Levels 6-8)	-	-	-	0%	-	-

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total of employees using sick leave	Average days per employees	Estimated Cost (R'000)
Highly skilled supervision (Level 9-12)	-	-	-	0%	-	-
Top and Senior management (Levels 13-16)	-	-	-	0%	-	-
Total	-	-	-	0%	-	-

Table 3.10.3 Annual leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days taken	Number of Employees using annual leave	Average employee
Lower Skills (Level 1-2)	74	4	19
Skilled (Levels 3-5)	75	4	25
Highly skilled production (Levels 6-8)	230	10	23
Highly skilled supervision (Level 9-12)	198	11	18
Top and Senior management (Levels 13-16)	135	5	27
Total	712	34	21

Table 3.10.4 Capped leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average days of days taken by employee	Average leave per employee as on 31 March 2017
Lower Skills (Level 1-2)	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (Level 9-12)	-	-	-	-
Top and Senior management (Levels 13-16)	1	1	1	1
Total	1	1	1	1

Table 3.10.5 Leave pay-outs for the period 1 January 2019 to 31 December 2019

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-outs for 2019 due non-Utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service for 2019	-	-	-
Current leave pay-out on termination of service 2019	69	4	17
Total	69	4	17

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
No employees were identified, the introduction of a measure to protect HIV positive employees against discrimination.	None

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Chapter 4 part 3, regulation no. 55 of the Public Service Regulations, 2016? If so, provide her/his name and position.	X		Director: Corporate Services.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.		X	No dedicated unit but the functions are part of the Corporate Resource Management.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/service of this Programme.	X		To raise awareness in relation to issues of health and promoting a healthy lifestyle.
4. Has the department established (a) committee(s) as contemplated in Chapter 4, part 3, regulation no. 55(2)(d) of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	No employees were identified; the establishment of a committee is not required.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Caution was taken to this matter during the development of various policies
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of those measures.		X	No employees were identified, the introduction of a measure to protect HIV positive employees against discrimination was not needed.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		Health screening was conducted by GEMS.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion Programme? If so, list these measures/indicators.		X	

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020

Subject matter	Date
Total number of Collective agreements	None

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020

Outcomes of disciplinary hearings	Numbers	% of total
Correctional counselling	-	0%
Verbal warning	2	75%
Written warning	1	25%
Final written warning	-	0%
Suspended without pay	-	0%
Fine	-	0%
Demotion	-	0%
Dismissal	-	0%
Not guilty	-	0%
Case withdrawn	-	0%
Total	3	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of total
None	-	0%

Table 3.12.4 Grievances logged for the period 1 April 2019 and 31 March 2020

Grievances	Number	% of total
Number of grievances resolved	-	0%
Number of grievances not resolved	-	0%
Total number of grievances lodged	-	0%

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2019 and 31 March 2020

Disputes	Number	% of total
Number of disputes upheld	1	100%
Number of disputes dismissed	-	0%
Total number of disputes lodged	1	100%

Table 3.12.6 Strike actions for the period 1 April 2019 and 31 March 2020

Total number of persons working days lost	None
Total costs working days lost	None
Amount recovered as a result of no work no pay (R"000)	-

Table 3.12.7 Precautionary suspensions for the period 1 April 2019 and 31 March 2020

Number of people suspended	-
Number of people whose suspension exceeded 30 days	-

Average number of days suspended	-
Cost of suspension (R"000)	-

3.13. Skills Development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
L13-16: Legislators, senior officials and managers	Female	3	-	12	-	12
	Male	2	-	9	-	9
L9-12: Professionals	Female	5	-	16	-	16
	Male	4	-	8	-	8
L6-8: Technicians and associate professionals	Female	7	-	8	-	8
	Male	2	-	6	-	6
L3-5: Clerks	Female	1	-	2	-	2
	Male	2	-	10	-	10
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
L2: Elementary occupations	Female	2	-	6	-	6
	Male	-	-	-	-	-
Sub Total	Female	18	-	44	-	44
	Male	10	-	33	-	33
Total		28	-	77	-	77

Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
L13-16: Legislators, senior officials and managers	Female	3	-	1	-	1
	Male	2	-	1	-	1
L9-12: Professionals	Female	5	-	4	-	4
	Male	4	-	2	-	2
L6-8: Technicians and associate professionals	Female	7	-	5	-	5
	Male	2	-	-	-	-
L3-5: Clerks	Female	1	-	2	-	2
	Male	2	-	4	-	4
	Female	-	-	-	-	-

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Service and sales workers	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
L2: Elementary occupations	Female	2	-	4	-	4
	Male	-	-	-	-	-
Sub Total	Female	18	-	-	-	-
	Male	10	-	-	-	-
Total		28	-	23	-	23

3.14. Injury on Duty

Table 3.14 Injury on duty for the period 1 April 2019 and 31 March 2020

Nature of injury on duty	Number	% of total
Required basic medical attention on duty	-	-
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
Total	-	-

3.15. Utilisation of Consultants

The following tables relates to information on the utilisation of consultants in the Department. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice,
- The drafting of proposals for the execution of specific tasks, and
- The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15. 1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020

Projects title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Audit and Risk Committee Member for CPSI	2	1	31 636.00
Audit and Risk Committee Member for CPSI	2	1	31 636.00

Projects title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Audit and Risk Committee Member for CPSI	2	1	11 504.00
Audit and Risk Committee Member for CPSI	2	1	37 388.00
Audit and Risk Committee Member for CPSI	2	1	39 364.00
Audit and Risk Committee Member for CPSI	1	2	35 424.00
PILIR, monthly HRM fees May 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees March 2019 based on 34 heads at a unit price of R11.27	1	1	383.18
PILIR, monthly HRM fees April 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees August 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees September 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees October 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees November 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees December 2019 based on 31 heads at a unit price of R11.80	1	1	365.80
PILIR, monthly HRM fees February 2020 based on 31 heads at a unit price of R10.86	1	1	336.66
PILIR, monthly HRM fees March 2020 based on 31 heads at a unit price of R10.86	1	1	336.66
The development of an innovative, low-cost referral system for Health	1	1	100 000.00
The development of real-time monitoring of service delivery at Home Affairs service points.	1	1	100 000.00
Sound and DJ Services during the 2019 Innovation Awards dinner	1	1	17 500.00
Hire of Audio Visual technician and equipment during the 2019 CPSI Innovation Conference	12	2	230 000.00
Hire of Audio Visual technician and equipment during the 2019 CPSI Awards Ceremony	8	1	509 687.98
Casual workers for asset move	6	3	9 156.96
Casual workers for asset move	4	3	6 104.64
Casual workers for asset move	2	1	1 017.40
Hire an automated delegate automated registration system during the 2019 CPSI Innovation Conference	1	2	26 787.50
Hire an automated delegate automated registration system during the 2019 CPSI Innovation Conference	12	2	26 787.50
Relocation of telephone services	1	1	5 433.75
Relocation of telephone services	1	1	37 421.00

Total number of projects	Total number of consultants that worked on project	Total Duration (work days)	Total Contract value in Rand
27	70	34	1 260 466

Table 3.15. 2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Projects title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
The development of an innovative, low-cost referral system for Health	100%	100%	1
The development of real-time monitoring of service delivery at Home Affairs service points.	100%	100%	1
Sound and DJ Services during the 2019 Innovation Awards diner	100%	100%	1
Hire of Audio Visual technician and equipment during the 2019 CPSI Innovation Conference	100%	100%	9
Hire of Audio Visual technician and equipment during the 2019 CPSI Awards Ceremony	25.10%	10.03	5
Hire an automated delegate automated registration system during the 2019 CPSI Innovation Conference	100%	100%	1
Hire an automated delegate automated registration system during the 2019 CPSI Innovation Conference	100%	100%	12

Table 3.15. 3 Report on consultants' appointments using Donor funds for the period 1 April 2019 and 31 March 2020

Projects title	Total number of consultants that worked on project	Duration (work days)	Donor and Contract value in Rand
None	-	-	-

Total number of projects	Total individual consultants	Total Duration work days	Total Contract value in Rand
None	-	-	-

Table 3.15. 4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individual (HDIs) for the period 1 April 2019 and 31 March 2020

Projects title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	-	-	-

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2019 and 31 March 2020

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	-	-	-	-

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (levels 9-12)	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-
Total	-	-	-	-

PART E: FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR GENERAL

Report of the auditor-general to Parliament on vote no.10 Centre for Public Service Innovation

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Centre for Public Service Innovation (CPSI) set out on pages **79 to 123** which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Centre for Public Service Innovation as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA).

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the government component in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited Supplementary Schedules

The supplementary information set out in pages **124 to 127** does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion on them.

Responsibilities of accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the government component's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the government component or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

In accordance with the Public Audit Act of South Africa 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the government component. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the government component enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the government component for the year ended 31 March 2020:

Programmes	Pages in the annual performance report
Programme 2 – Public Sector Innovation	30 – 38

I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 2 – Public Sector Innovation

Other matter

I draw attention to the matter below.

Achievement of planned targets

Refer to the annual performance report on pages **28 to 38** for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the government component's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

30 September 2020



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

**ANNUAL FINANCIAL STATEMENTS FOR
GOVERNMENT COMPONENT: CENTRE FOR PUBLIC
SERVICE INNOVATION**

**For the year ended
31 March 2020**

CENTRE FOR PUBLIC SERVICE INNOVATION

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

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CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Appropriation per programme									
	2019/20							2018/19	
Voted funds and Direct charges	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	20 986	-	-	20 986	14 779	6 207	70.4%	19 908	18 394
2. Public Sector Innovation	17 451	-	-	17 451	15 077	2 374	86.4%	16 122	15 328
Total	38 437	-	-	38 437	29 856	8 581	77.7%	36 030	33 722
Departmental receipts				6				13	
Aid assistance				-				3 081	
Actual amounts per Statement of Financial Performance (Total Revenue)				38 443				39 124	
Add: Aid assistance					-				2 209
Actual amounts per Statement of Financial Performance Expenditure					29 856				35 931

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	37 750	(207)	-	37 543	29 262	8 281	77.9%	35 164	33 058
Compensation of employees	20 902	-	-	20 902	19 949	953	95.4%	19 425	18 791
Salaries and wages	18 721	(214)	-	18 507	17 726	781	95.8%	17 189	16 747
Social contributions	2 181	214	-	2 395	2 223	172	92.8%	2 236	2 044

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Goods and services	16 848	(207)	-	16 641	9 313	7 328	56.0%	15 739	14 267
Administrative fees	215	(5)	-	210	91	119	43.3%	119	113
Advertising	334	89	-	423	269	154	63.6%	307	306
Minor assets	92	36	-	128	102	26	79.7%	37	31
Audit costs: External	1 588	42	-	1 630	1 629	1	99.9%	1 119	1 110
Catering: Departmental activities	108	273	-	381	350	31	91.9%	125	92
Communication (G&S)	396	(67)	-	329	285	44	86.6%	393	320
Computer services	2 289	(401)	-	1 888	951	937	50.4%	1 479	1 046
Consultants: Business and advisory services	713	144	-	857	391	466	45.6%	1 031	1 014
Contractors	826	100	-	926	870	56	94.0%	1 287	1 270
Consumable supplies	451	53	-	504	465	39	92.3%	281	230
Consumable: Stationery, printing and office supplies	297	14	-	311	180	131	57.9%	235	157
Operating leases	4 126	-	-	4 126	-	4 126	-	4 366	4 365
Property payments	311	11	-	322	50	272	15.5%	421	417
Travel and subsistence	2 946	(358)	-	2 588	1 912	676	73.9%	2 373	2 230

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	329	182	-	511	492	19	96.3%	273	86
Operating payments	677	(206)	-	471	281	190	59.7%	542	409
Venues and facilities	1 150	(114)	-	1 036	995	41	96.0%	1 351	1 071
Transfers and subsidies	66	46	-	112	109	3	97.3%	177	175
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Departmental agencies	1	-	-	1	-	1	-	1	-
Households	65	46	-	111	109	2	98.2%	176	175
Social benefits	65	5	-	70	69	1	98.4%	176	175
Other transfers to households	-	41	-	41	40	1	97.6%	-	-
Payments for capital assets	621	155	-	776	479	297	61.7%	679	480
Machinery and equipment	328	135	-	463	460	3	99.4%	412	319
Other machinery and equipment	328	135	-	463	460	3	99.4%	412	319
Software and other intangible assets	293	20	-	313	19	294	6.1%	267	161
Payment for financial assets	-	6	-	6	6	-	100.0%	10	9

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Total	38 437	-	-	38 437	29 856	8 581	77.7%	36 030	33 722

PROGRAMME 1: ADMINISTRATION									
	2019/20							2018/19	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. STRATEGIC MANAGEMENT	4 130	-	-	4 130	3 140	990	76.0%	3 460	2 861
2. CORPORATE RESOURCE MANAGEMENT	10 266	276	-	10 542	5 504	5 038	52.2%	10 743	10 113
3. OFFICE OF THE CHIEF FINANCIAL OFFICER	6 590	(276)	-	6 314	6 135	179	97.2%	5 705	5 420
Total	20 986	-	-	20 986	14 779	6 207	70.4%	19 908	18 394

	2019/20							2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 430	(55)	-	20 375	14 465	5 910	71.0%	19 468	18 139
Compensation of employees	10 659	-	-	10 659	9 757	902	91.5%	9 917	9 638

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Salaries and wages	9 464	(66)	-	9 398	8 659	739	92.1%	8 706	8 579
Social contributions	1 195	66	-	1 261	1 098	163	87.1%	1 211	1 059
Goods and services	9 771	(55)	-	9 716	4 708	5 008	48.5%	9 551	8 501
Administrative fees	36	4	-	40	37	3	92.5%	41	38
Advertising	1	(1)	-	-	-	-	-	-	-
Minor assets	71	27	-	98	95	3	96.9%	33	31
Audit costs: External	1 588	42	-	1 630	1 629	1	99.9%	1 119	1 110
Catering: Departmental activities	47	(13)	-	34	29	5	85.3%	48	32
Communication (G&S)	258	(74)	-	184	177	7	96.2%	254	201
Computer services	1 165	57	-	1 222	950	272	77.7%	1 461	1 028
Consultants: Business and advisory services	316	(56)	-	260	191	69	73.5%	349	334
Contractors	53	7	-	60	59	1	98.3%	201	200
Consumable supplies	202	17	-	219	201	18	91.8%	90	68
Consumable: Stationery, printing and office supplies	205	(12)	-	193	129	64	66.8%	129	77
Operating leases	4 126	-	-	4 126	-	4 126	-	4 366	4 365
Property payments	311	11	-	322	50	272	15.5%	421	417
Travel and subsistence	935	(88)	-	847	740	107	87.4%	598	506
Training and development	192	24	-	216	211	5	97.7%	185	18

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments	178	2	-	180	157	23	87.2%	156	76
Venues and facilities	87	(2)	-	85	53	32	62.4%	100	-
Transfers and subsidies	1	45	-	46	43	3	93.5%	161	159
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Departmental agencies	1	-	-	1	-	1	-	1	-
Households	-	45	-	45	43	2	95.6%	160	159
Social benefits	-	4	-	4	3	1	75.0%	160	159
Other transfers to households	-	41	-	41	40	1	97.6%	-	-
Payments for capital assets	555	10	-	565	271	294	48.0%	269	87
Machinery and equipment	262	10	-	272	271	1	99.6%	170	79
Other machinery and equipment	262	10	-	272	271	1	99.6%	170	79
Software and other intangible assets	293	-	-	293	-	293	-	99	8
Payment for financial assets	-	-	-	-	-	-	-	10	9
Total	20 986	-	-	20 986	14 779	6 207	70.4%	19 908	18 394

CENTRE FOR PUBLIC SERVICE INNOVATION

APPROPRIATION STATEMENT
for the year ended 31 March 2020

SUBPROGRAMME: 1.1: STRATEGIC MANAGEMENT									
	2019/20							2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 130	(90)	-	4 040	3 050	990	75.5%	3 310	2 721
Compensation of employees	3 240	-	-	3 240	2 430	810	75.0%	2 624	2 354
Goods and services	890	(90)	-	800	620	180	77.5%	686	367
Transfers and subsidies	-	-	-	-	-	-	-	134	133
Households	-	-	-	-	-	-	-	134	133
Payments for capital assets	-	90	-	90	90	-	100.0%	16	7
Machinery and equipment	-	90	-	90	90	-	100.0%	16	7
Total	4 130	-	-	4 130	3 140	990	76.0%	3 460	2 861

SUBPROGRAMME: 1.2: CORPORATE RESOURCE MANAGEMENT									
	2019/20							2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 710	388	-	10 098	5 356	4 742	53.0%	10 479	10 024
Compensation of employees	3 334	276	-	3 610	3 606	4	99.9%	3 653	3 649
Goods and services	6 376	112	-	6 488	1 750	4 738	27.0%	6 826	6 375
Transfers and subsidies	1	4	-	5	3	2	60.0%	1	-

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

SUBPROGRAMME: 1.2: CORPORATE RESOURCE MANAGEMENT									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Households	-	4	-	4	3	1	75.0%	-	-
Payments for capital assets	555	(116)	-	439	145	294	33.0%	253	80
Machinery and equipment	262	(116)	-	146	145	1	99.3%	154	72
Software and other intangible assets	293	-	-	293	-	293	-	99	8
Payment for financial assets	-	-	-	-	-	-	-	10	9
Total	10 266	276	-	10 542	5 504	5 038	52.2%	10 743	10 113

SUBPROGRAMME: 1.3: OFFICE OF THE CHIEF FINANCIAL OFFICER									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 590	(353)	-	6 237	6 059	178	97.1%	5 679	5 394
Compensation of employees	4 085	(276)	-	3 809	3 721	88	97.7%	3 640	3 635
Goods and services	2 505	(77)	-	2 428	2 338	90	96.3%	2 039	1 759
Transfers and subsidies	-	41	-	41	40	1	97.6%	26	26

CENTRE FOR PUBLIC SERVICE INNOVATION

APPROPRIATION STATEMENT
for the year ended 31 March 2020

SUBPROGRAMME: 1.3: OFFICE OF THE CHIEF FINANCIAL OFFICER									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	-	41	-	41	40	1	97.6%	26	26
Payments for capital assets	-	36	-	36	36	-	100.0%	-	-
Machinery and equipment	-	36	-	36	36	-	100.0%	-	-
Total	6 590	(276)	-	6 314	6 135	179	97.2%	5 705	5 420

PROGRAMME 2: PUBLIC SECTOR INNOVATION									
Sub programme	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. RESEARCH AND DEVELOPMENT	4 544	-	-	4 544	4 244	300	93.4%	4 233	3 842
2. SOLUTION SUPPORT AND INCUBATION	4 196	-	-	4 196	3 439	757	82.0%	3 754	3 633
3. ENABLING ENVIRONMENT	8 711	-	-	8 711	7 394	1 317	84.9%	8 135	7 853
Total	17 451	-	-	17 451	15 077	2 374	86.4%	16 122	15 328

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17 320	(152)	-	17 168	14 797	2 371	86.2%	15 696	14 919
Compensation of employees	10 243	-	-	10 243	10 192	51	99.5%	9 508	9 153
Salaries and wages	9 257	(148)	-	9 109	9 067	42	99.5%	8 483	8 168
Social contributions	986	148	-	1 134	1 125	9	99.2%	1 025	985
Goods and services	7 077	(152)	-	6 925	4 605	2 320	66.5%	6 188	5 766
Administrative fees	179	(9)	-	170	54	116	31.8%	78	75
Advertising	333	90	-	423	269	154	63.6%	307	306
Minor assets	21	9	-	30	7	23	23.3%	4	-
Catering: Departmental activities	61	286	-	347	321	26	92.5%	77	60
Communication (G&S)	138	7	-	145	108	37	74.5%	139	119
Computer services	1 124	(458)	-	666	1	665	0.2%	18	18
Consultants: Business and advisory services	397	200	-	597	200	397	33.5%	682	680
Contractors	773	93	-	866	811	55	93.6%	1 086	1 070
Consumable supplies	249	36	-	285	264	21	92.6%	191	162
Consumable: Stationery, printing and office supplies	92	26	-	118	51	67	43.2%	106	80
Travel and subsistence	2 011	(270)	-	1 741	1 172	569	67.3%	1 775	1 724
Training and development	137	158	-	295	281	14	95.3%	88	68

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments	499	(208)	-	291	124	167	42.6%	386	333
Venues and facilities	1 063	(112)	-	951	942	9	99.1%	1 251	1 071
Transfers and subsidies	65	1	-	66	66	-	100.0%	16	16
Households	65	1	-	66	66	-	100.0%	16	16
Social benefits	65	1	-	66	66	-	100.0%	16	16
Payments for capital assets	66	145	-	211	208	3	98.6%	410	393
Machinery and equipment	66	125	-	191	189	2	99.0%	242	240
Other machinery and equipment	66	125	-	191	189	2	99.0%	242	240
Software and other intangible assets	-	20	-	20	19	1	95.0%	168	153
Payment for financial assets	-	6	-	6	6	-	100.0%	-	-
Total	17 451	-	-	17 451	15 077	2 374	86.4%	16 122	15 328

SUBPROGRAMME: 2.1: RESEARCH AND DEVELOPMENT									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 478	(6)	-	4 472	4 173	299	93.3%	4 150	3 760

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

SUBPROGRAMME: 2.1: RESEARCH AND DEVELOPMENT									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Compensation of employees	3 348	-	-	3 348	3 319	29	99.1%	3 058	2 712
Goods and services	1 130	(6)	-	1 124	854	270	76.0%	1 092	1 048
Transfers and subsidies	-	-	-	-	-	-	-	16	16
Households	-	-	-	-	-	-	-	16	16
Payments for capital assets	66	-	-	66	65	1	98.5%	67	66
Machinery and equipment	66	-	-	66	65	1	98.5%	67	66
Payment for financial assets	-	6	-	6	6	-	100.0%	-	-
Total	4 544	-	-	4 544	4 244	300	93.4%	4 233	3 842

SUBPROGRAMME: 2.2: SOLUTION SUPPORT AND INCUBATION									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 183	(41)	-	4 142	3 385	757	81.7%	3 460	3 355
Compensation of employees	3 053	-	-	3 053	3 051	2	99.9%	2 839	2 836
Goods and services	1 130	(41)	-	1 089	334	755	30.7%	621	519

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

SUBPROGRAMME: 2.2: SOLUTION SUPPORT AND INCUBATION									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies	13	1	-	14	14	-	100.0%	-	-
Households	13	1	-	14	14	-	100.0%	-	-
Payments for capital assets	-	40	-	40	40	-	100.0%	294	278
Machinery and equipment	-	40	-	40	40	-	100.0%	126	125
Software and other intangible assets	-	-	-	-	-	-	-	168	153
Total	4 196	-	-	4 196	3 439	757	82.0%	3 754	3 633

SUBPROGRAMME: 2.3: ENABLING ENVIRONMENT									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8 659	(105)	-	8 554	7 239	1 315	84.6%	8 086	7 804
Compensation of employees	3 842	-	-	3 842	3 822	20	99.5%	3 611	3 605
Goods and services	4 817	(105)	-	4 712	3 417	1 295	72.5%	4 475	4 199
Transfers and subsidies	52	-	-	52	52	-	100.0%	-	-
Households	52	-	-	52	52	-	100.0%	-	-
Payments for capital assets	-	105	-	105	103	2	98.1%	49	49

CENTRE FOR PUBLIC SERVICE INNOVATION

**APPROPRIATION STATEMENT
for the year ended 31 March 2020**

SUBPROGRAMME: 2.3: ENABLING ENVIRONMENT									
Economic classification	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	-	85	-	85	84	1	98.8%	49	49
Software and other intangible assets	-	20	-	20	19	1	95.0%	-	-
Total	8 711	-	-	8 711	7 394	1 317	84.9%	8 135	7 853

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2020

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	20 986	14 779	6 207	29.6%
Public Sector Innovation	17 451	15 077	2 374	13.6%

Per economic classification:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	20 902	19 949	953	4.6%
Goods and services	16 641	9 313	7 328	44.0%
Transfers and subsidies				
Departmental agencies and accounts	1	-	1	100.0%
Households	111	109	2	1.8%
Payments for capital assets				
Machinery and equipment	463	460	3	-
Software and other intangible assets	313	19	294	93.9%
Payments for financial assets	6	6	-	-

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2020

The expenditure for the period of the 1st of April 2019 to the 31st of March 2020 amounted to R29.856 million or 77.68% of the appropriation of R 38.347 million for the year.

Compensation of employees

An amount of R19.9 million was spent up to the 31st of March 2020 (95.41 % of the compensation budget);

The spending is lower (R953 000) than anticipated as a result of the vacant Executive Director's post since 2018; the position was filled through secondments from the DPSA until June 2019, and again from a secondment from the Presidency from September 2019. The secondment from the Presidency ended on the 14th of February 2020. For the remainder of the financial year, the post was filled through the internal capacity. The CPSI has another three vacant posts that were in the process of being filled. The positions will not be filled due to the pending organisational review of the CPSI. Two of these three vacant posts are currently occupied by officials, appointed additional to the establishment, on lower than projected notches. These vacancies resulted in savings from differences in notch levels for the 2019/20 financial year and the vacant post since October 2019.

Goods and Services

An amount of R 9.31 million was spent on Goods and Services for the same period; (55.96 percent of the Goods & Services budget); the expenditure is lower than projected.

Office accommodation (R4, 322 million): The CPSI's relocation to the DPSA Batho Pele/Agrivaal Building resulted in some areas of underspending the financial year. Funds projected for the lease accommodation were planned to be redirected to tenant installation, upgrading long-overdue infrastructure, and maintenance of the building as per the MoU with DPSA. This could not be invested in during the year due to the pending organisational review of the CPSI.

Computer Services: The CPSI financial system at the DPSA/ Agrivaal Building was only reconnected to the transversal systems at SITA during July 2019. All financial transactions were performed at the SITA's offices in Centurion from March 2019 to the 08th of July 2019. For this reason, transaction costs incurred were lower than anticipated and resulted in an underspending at the end of the financial year.

There was lower than anticipated spending on travel and accommodation at the projects were mainly Gauteng-based. Further savings were made due to the non-achievement of the target on the development of new solutions and that the online publishing of the Public Sector Guide was done in-house, which led to lower spending.

Lower travel and accommodation costs were incurred as the Annual Public Service Innovation Conference and the Awards Ceremony were held in Gauteng, leading to savings. In addition, staff would have travelled to the conference and award ceremony on different dates, but because they were held back to back, the travel and accommodation costs were much less. Further savings were made on non-employee foreign travel since the UNPAN workshop was not held, due to the loss of capacity.

The Awards Finalists Workshop was not held during 2019, as part of the Awards Programme, but finalists attended the conference instead. Due to the small number of entries received for the awards, fewer site visits were conducted, further cutting down on venue, travel and accommodation costs.

The revamp of the website, estimated at R450 000, was not incurred. This expenditure will not be incurred, pending the organisational review of the CPSI.

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2020

The publication of the journal online further saved printing costs of R200 000.

Payment of goods and services for one of the replication projects was not made due to the failure by the service provider to deliver goods by the end of March 2020. The outbreak of COVID 19 worsened this, and the lockdown that followed.

The Service Provider could not source some of the materials to complete the custom-made Standing Boxes for Cerebral Palsy children for the replication site in the Free State.

Transfers and Subsidies

An amount of R69 000 was spent on the payment of leave gratuities to four former employees under transfers and subsidies to households. A further amount of R40 000 was spent on an arbitration award to a former employee. The shortfall in this economic classification will be funded from savings under Goods and services.

Machinery and Equipment

An amount of R479 000 was spent on the Purchases for Capital Assets. This expenditure is R279 000 lower than the anticipated at year-end as a direct result of the pending organisational review of the CPSI.

CENTRE FOR PUBLIC SERVICE INNOVATION

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
REVENUE			
Annual appropriation	1	38 437	36 030
Departmental revenue	2	6	13
Aid assistance	3	-	3 081
TOTAL REVENUE		38 443	39 124
EXPENDITURE			
Current expenditure			
Compensation of employees	4	19 949	18 791
Goods and services	5	9 313	14 267
Aid assistance	3	-	2 146
Total current expenditure		29 262	35 204
Transfers and subsidies			
Transfers and subsidies	7	109	175
Aid assistance	3	-	63
Total transfers and subsidies		109	238
Expenditure for capital assets			
Tangible assets	8	460	319
Intangible assets	8	19	161
Total expenditure for capital assets		479	480
Payments for financial assets	6	6	9
TOTAL EXPENDITURE		29 856	35 931
SURPLUS FOR THE YEAR		8 587	3 193
Reconciliation of Net Surplus for the year			
Voted Funds		8 581	2 308
Annual appropriation		8 581	2 308
Departmental revenue and NRF Receipts	13	6	13
Aid assistance	3	-	872
SURPLUS FOR THE YEAR		8 587	3 193

CENTRE FOR PUBLIC SERVICE INNOVATION

STATEMENT OF FINANCIAL POSITION
as at 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
ASSETS			
Current Assets		8 624	3 207
Cash and cash equivalents	9	8 457	2 983
Prepayments and advances	10	-	218
Receivables	11	167	6
TOTAL ASSETS		8 624	3 207
LIABILITIES			
Current Liabilities		8 624	3 207
Voted funds to be surrendered to the Revenue Fund	12	8 581	2 308
Payables	14	43	27
Aid assistance unutilised	3	-	872
TOTAL LIABILITIES		8 624	3 207
NET ASSETS		-	-
TOTAL		-	-

CENTRE FOR PUBLIC SERVICE INNOVATION

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2020

NET ASSETS		2019/20	2018/19
	Note	R'000	R'000
Capitalisation Reserves			
Opening balance		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		-	-
Closing balance		-	-
Retained funds			
Opening balance		-	-
Closing balance		-	-
Revaluation Reserves			
Opening balance		-	-
Closing balance		-	-
TOTAL		-	-

CENTRE FOR PUBLIC SERVICE INNOVATION

CASH FLOW STATEMENT
for the year ended 31 March 2020

		2019/20	2018/19
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		38 443	39 124
Annual appropriated funds received	1	38 437	36 030
Departmental revenue received	2.1	5	13
Interest received	2.2	1	-
Aid assistance received	3	-	3 081
Net decrease in working capital		73	65
Surrendered to Revenue Fund		(2 314)	(1 546)
Surrendered to RDP Fund/Donor		(872)	(120)
Current payments		(29 262)	(35 204)
Payments for financial assets		(6)	(9)
Transfers and subsidies paid		(109)	(238)
Net cash flow available from operating activities	15	5 953	2 072
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(479)	(480)
Net cash flows from investing activities		(479)	(480)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash flows from financing activities		-	-
Net increase/ (decrease) in cash and cash equivalents		5 474	1 592
Cash and cash equivalents at beginning of period		2 983	1 391
Cash and cash equivalents at end of period	16	8 457	2 983

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1.	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	Going concern The financial statements have been prepared on a going concern basis.
3.	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4.	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	Comparative information
5.1.	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
5.2.	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
6.	Revenue
6.1.	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.
6.2.	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund unless stated otherwise.

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

	Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.	Expenditure
7.1.	Compensation of employees
7.1.1.	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
7.1.2.	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
7.2.	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
7.3.	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
7.4.	Leases
7.4.1.	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
7.4.2.	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
8.	Aid Assistance
8.1.	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor is recognised as a payable in the statement of financial position.
8.2.	Aid assistance paid

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

	Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
9.	<p>Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
10.	<p>Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost. Prepayments (not expensed) to non-governmental entities are made in advance due to a contractual obligation and are expensed on receipt of appropriated funds from the relevant Aid Assistant, where applicable. Prepayments (expensed) to suppliers are made from budgeted funds and recognized from the first day of the next month of which the payments were processed for the duration of the prepaid good or services. The expenditure related to the prepayments is expensed at the end of each quarter of the financial year.</p>
11.	Financial assets
11.1.	<p>Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
12.	<p>Payables Payables recognised in the statement of financial position are recognised at cost.</p>
13.	Capital Assets
13.1.	<p>Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
13.2.	<p>Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p>

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

	<p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
13.3.	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
14.	Provisions and Contingents
14.1.	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
15.	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
16.	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p>

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

	<p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
17.	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
18.	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
19.	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

1. Annual Appropriation

Programmes	Final Appropriation	2019/20 Actual Funds Received	Funds not requested/ not received	Final Appropriation	2018/19 Appropriation Received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	20 986	20 986	-	19 908	19 908	-
Public Sector Innovation	17 451	17 451	-	16 122	16 122	-
Total	38 437	38 437	-	36 030	36 030	-

	Note	2019/20 R'000	2018/19 R'000
2. Departmental revenue			
Sales of goods and services other than capital assets		5	5
Interest, dividends and rent on land		1	-
Transactions in financial assets and liabilities		-	8
Departmental revenue collected		6	13
Sales of goods and services other than capital assets	2.1	5	5
Interest, dividends and rent on land	2.2	1	-
Transactions in financial assets and liabilities	2.3	-	8
Departmental revenue collected		6	13
2.1. Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		5	5
Other sales		5	5
Total		5	5
2.2. Interest, dividends and rent on land	2		
Interest		1	-
Total		1	-
2.3. Transactions in financial assets and liabilities	2		
Receivables		-	3
Other Receipts including Recoverable Revenue		-	5
Total		-	8

Departmental receipts for the 2019/20 financial year were generated from the commission on insurances, parking fees and the recovery of the previous year's expenditure. Due to the nature of the activities undertaken by the Organisation, the core function of the CPSI is not to collect revenue. Funds received in May 2017 for a sponsored trip in 2016/17 were paid to revenue.

The decrease of 54% from 2018/19 to 2019/20 is as a result of the once-off recovery of previous year's expenditure in the 2018/19 financial year.

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
3. Aid assistance			
Opening Balance		872	120
Transferred from statement of financial performance		-	872
Paid during the year		(872)	(120)
Closing Balance		-	872
3.1. Analysis of balance by source	3		
Aid assistance from RDP		-	872
Closing Balance		-	872
3.2. Analysis of balance	3		
Aid assistance unutilised		-	872
Closing balance		-	872
3.3. Aid assistance expenditure per economic classification			
Current		-	2 146
Transfers and subsidies		-	63
Total aid assistance expenditure		-	2 209
4. Compensation of employees			
4.1. Salaries and Wages			
Basic salary		13 042	12 090
Performance award		252	250
Service-Based		-	10
Compensative/circumstantial		109	458
Other non-pensionable allowances		4 323	3 939
Total		17 726	16 747
4.2. Social Contributions			
Employer Contributions			
Pension		1 587	1 457
Medical		633	584
Bargaining council		3	3
Total		2 223	2 044
Total compensation of employees		19 949	18 791
Average number of employees		28	34
5. Goods and services			
Administrative fees		91	113
Advertising		269	306
Minor assets	5.1	102	31
Catering		350	92
Communication		285	320
Computer services	5.2	951	1 046

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

	Note	2019/20 R'000	2018/19 R'000
Consultants: Business and advisory services		391	1 014
Contractors		870	1 270
Audit cost – external	5.3	1 629	1 110
Consumables	5.4	645	387
Operating leases		-	4 365
Property payments	5.5	50	417
Travel and subsistence	5.6	1 912	2 230
Venues and facilities		995	1 071
Training and development		492	86
Other operating expenditure	5.7	281	409
Total		9 313	14 267
5.1. Minor assets	5		
Tangible assets		102	31
Machinery and equipment		102	31
Total		102	31
5.2. Computer services	5		
SITA computer services		513	599
External computer service providers		438	447
Total		951	1 046
5.3. Audit cost – External	5		
Regularity audits		1 629	1 110
Total		1 629	1 110
5.4. Consumables	5		
Consumable supplies		465	230
Household supplies		184	60
IT consumables		31	6
Other consumables		250	164
Stationery, printing and office supplies		180	157
Total		645	387
5.5. Property payments	5		
Municipal services		37	383
Property management fees		-	19
Property maintenance and repairs		2	1
Other		11	14
Total		50	417
5.6. Travel and subsistence	5		
Local		1 595	1 835
Foreign		317	395
Total		1 912	2 230
5.7. Other operating expenditure	5		

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

	Note	2019/20 R'000	2018/19 R'000
Other		281	409
Total		281	409

Additional notes to Note 5: Goods and Services

Item	Notes
• Minor assets	The procurement on Minor asset in 2019/20 included items such as External Hard drives and heater/coolers for employees. These items are not recurring procurement in nature and expenditure will differ from year to year.
• Catering	Expenditure incurred in catering in 2018/19 mainly relates to catering during ARC, Ministerial, Project, EXCO, Hackathon, and other organizational meetings.
• Consultants: Business and advisory services	The payment to ARC members decreased by 42% in 2019/20 due to the vacant positions of two members. Expenditure relating to Consultancy services decreased as a result of two payments to the Innovation Hub for the development of an innovative, low-cost Referral System for Health and Real-time Monitoring of Service Delivery System at Home Affairs service points than was done in the 2018/19 financial year.
• Consumables	Expenditure includes cleaning material, IT consumables, stationery, printing paper and procurements from Government Printers. Increase mainly to the procurement of cleaning material and paper for use in the new premises.
• Operating leases	The CPSI is making use of the Heritage Building at no cost.
• Property payments	During 2018/19 property payments from water and electricity were settled, the only expenditure incurred related to the final electricity account for the Centurion building.
• Training and development	the CPSI's middle management all attended the NSG advance management course.

6. Payments for financial assets

Debts written off	6.1	6	9
Total		6	9

6.1. Debts written off

Other debt written off			
Damage vehicles		-	9
Tax debt		6	-
Total debt written off		6	9

7. Transfers and subsidies

Households	Annexure 1A	109	175
Total		109	175

Note	2019/20 R'000	2018/19 R'000
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CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

8. Expenditure for capital assets

Tangible assets		460	319
Machinery and equipment	25.1	460	319
Intangible assets	26.1	19	161
Software		19	161
Total		479	480

8.1. Analysis of funds utilised to acquire capital assets – 2019/20

	Voted Funds	Aid assistance	TOTAL
Tangible assets	460	-	460
Machinery and equipment	460	-	460
Intangible assets	19	-	19
Software	19	-	19
Total	479	-	479

8.2. Analysis of funds utilised to acquire capital assets – 2018/19

Tangible assets	319	-	319
Machinery and equipment	319	-	319
Intangible assets	161	-	161
Software	161	-	161
Total	480	-	480

8.3. Finance lease expenditure included in Expenditure for capital assets

Tangible assets	25		
Machinery and equipment		66	79
Total		66	79

9. Cash and cash equivalents

Consolidated Paymaster General Account	8 447	2 978
Cash on hand	10	5
Total	8 457	2 983

	Note	2019/20 R'000	2018/19 R'000
10. Prepayments and advances			
Travel and subsistence		-	218
Total		-	218

10.1. Prepayments (Not expensed)

	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year prepayments	Balance as at 31 March 2020
Goods and services	10	-	-	-	-	-

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

Total					
	-	-	-	-	-
Note	Balance as at 1 April 2018	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year prepayments	Balance as at 31 March 2019
	R'000	R'000	R'000	R'000	R'000
10					
Goods and services	272	(324)	-	52	-
Total	272	(324)	-	52	-

10.2. Prepayments (Expensed)

	'Balance as at 1 April 2019	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2020
	R'000	R'000	R'000	R'000	R'000
Goods and services	22	(86)	-	85	21
Capital assets	151	(87)	-	8	72
Total	173	(173)	-	93	93

Prepayments (Expensed)	'Balance as at 1 April 2018	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2019
	R'000	R'000	R'000	R'000	R'000
Goods and services	18	(273)	-	277	22
Capital assets	63	(65)	-	153	151
Total	81	(338)	-	430	173

11. Receivables

		2019/20			2018/19		
Note	Current	Non- current	Total	Current	Non- current	Total	
	R'000	R'000	R'000	R'000	R'000	R'000	
Claims recoverable	43	-	43	-	-	-	
Recoverable expenditure	13	-	13	5	-	5	
Staff debt	111	-	111	1	-	1	
Fruitless and wasteful expenditure	-	-	-	-	-	-	
Total	167	-	167	6	-	6	

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

11.1. Claims recoverable

	Note	2019/20 R'000	2018/19 R'000
Claims recoverable	11		
National departments		43	-
Total		43	-

11.2. Recoverable expenditure (disallowance account) 11

Damages to rented vehicles		6	-
SARS reversals of over deductions		7	-
Tax debts by former employees		-	5
Total		13	5

11.3. Staff debts

	11		
Subsistence debts		-	1
Salary debts		111	-
Total		111	1

11.4. Fruitless and wasteful expenditure

	11		
Opening balance		-	-
Less amounts recovered		-	(2)
Transfers from note 22 Fruitless and Wasteful expenditure		-	2
Total		-	-

12. Voted funds to be surrendered to the Revenue Fund

Opening balance		2 308	1 533
Transfer from statement of financial performance (as restated)		8 581	2 308
Paid during the year		(2 308)	(1 533)
Closing balance		8 581	2 308

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

Transfer from Statement of Financial Performance (as restated)		6	13
Paid during the year		(6)	(13)
Closing balance		-	-

14. Payables – current

Clearing accounts	14.1	43	27
Total		43	27

14.1. Clearing accounts

Salaries: Income Tax		33	25
Salaries: Pension		10	2
Total		43	27

CENTRE FOR PUBLIC SERVICE INNOVATION

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	<i>Note</i>	2019/20 R'000	2018/19 R'000
15. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		8 587	3 193
Add back non cash/cash movements not deemed operating activities		(2 634)	(1 121)
(Increase)/decrease in receivables		(161)	12
Decrease in prepayments and advances		218	54
Increase/(decrease) in payables – current		16	(1)
Expenditure on capital assets		479	480
Surrenders to Revenue Fund		(2 314)	(1 546)
Surrenders to RDP Fund/Donor		(872)	(120)
Net cash flow generated by operating activities		5 953	2 072
16. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		8 447	2 978
Cash on hand		10	5
Total		8 457	2 983
17. Capital Commitments			
Capital Commitments		-	-
Total		-	-

This note is different from the previous financial as required by the MCS Chapter 14, par .64 that requires for a department to disclose its commitments for capital expenditure as at the reporting date. In disclosing the commitments, the department shall differentiate between different classes of capital assets.

18. Accruals and payables not recognised

18.1. Accruals

Listed by economic classification

	30 days	30+ days	Total	Total
Goods and services	170	-	170	136
Total	170	-	170	136

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Listed by programme level			
Administration		130	81
Public Sector Innovation		40	55
Total		170	136

18.2. Payables not recognised

Listed by economic classification

	30 days	30+ days	Total	Total
Goods and services	-	-	-	2

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Listed by economic classification	30 days	30+ days	Total	Total
Transfers and subsidies	-	-	-	63
Total	-	-	-	65

Listed by programme level	Note	2019/20 R'000	2018/19 R'000
Public Sector Innovation		-	65
Total		-	65

19. Employee benefits			
Leave entitlement		481	539
Service bonus		544	538
Performance awards		149	281
Capped leave		74	73
Total		1 248	1 431

Included in the leave entitlement is negative leave amounting to R28,620.13 as at 31 March 2020 relating to vacation leave taken in advance by employees

20. Lease commitments

20.1. Finance leases **

2019/20	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	94	94
Later than 1 year and not later than 5 years	-	-	-	174	174
Total lease commitments	-	-	-	268	268

2018/19	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	59	59
Total lease commitments	-	-	-	59	59

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	Note	2019/20 R'000	2018/19 R'000
21. Irregular expenditure			
21.1. Reconciliation of irregular expenditure			
Opening balance		782	754
Add: Irregular expenditure - relating to current year		-	28
Less: Prior year amounts condoned	21.2	(7)	-
Closing balance		775	782
 Analysis of closing balance			
Current year		-	28
Prior years		775	754
Total		775	782
		2019/20 R'000	
21.2. Details of irregular expenditure condoned			
Incident	Condoned by (relevant authority)	R'000	
Failure to comply with the procurement procedure Three cases confirmed as irregular expenditure due to non-compliance to the Cash Management Policy that normal petty cash request should not exceed R750.00 per case	Accounting Officer	3	
Failure to comply with CPSI Travel Policy Four cases were as irregular expenditure in 2017/18 due to non-compliance to the CPSI Travel Policy (paragraph 6.7.3) to obtain prior approval for payment of additional expenses incurred on a trip.	Accounting Officer	4	
Total		7	

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	Note	2019/20 R'000	2018/19 R'000
22. Fruitless and wasteful expenditure			
22.1. Reconciliation of fruitless and wasteful expenditure			
Opening balance		14	8
Fruitless and wasteful expenditure – relating to current year		-	8
Less: Amounts written off		-	(2)
Closing balance		14	14
Analysis of awaiting resolution per economic classification			
Current		14	14
Total		14	14
23. Related party transactions			
	Note	2019/20 R'000	2018/19 R'000
In kind goods and services provided/received			
DPSA advises the CPSI on technical and procedural issues related to personnel security checks, vetting and security awareness		-	-
DPSA provides to the CPSI messenger services twice a week		-	-
DPSA provides to the CPSI technical and procedural advice in relation to information communication technology management		-	-
CPSI makes use of the virtual private network of the DPSA		-	-
DPSA provides to the CPSI internal labour relations functions and services		-	-
DPSA provides to the CPSI internal employee wellness services		-	-
DPSA assists the CPSI with technical and procedural advice in relation to human resource management and development		-	-
DPSA provides to the CPSI technical and procedural advice on matter retaining to financial management and administration and supply chain management		-	-
DPSA provides to the CPSI internal audit and risk management services		-	-
DPSA provides to the CPSI legal function and services		-	-
DPSA provides to the CPSI after-hour security services from 25 February 2019		-	-
DPSA provides to the CPSI frontline reception services from 25 February 2019		-	-
CPSI utilises the DPSA's networks infrastructure installed in the Agrivaal/Batho Pele Building and server room on 5th Floor from 25 February 2019		-	-

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	Note	2019/20 R'000	2018/19 R'000
CPSI utilises the Ground and 1st floor Office accommodation and allocated storerooms of the Agrivaal building from 25 February 2019 at no cost		-	-
The Presidency paid the difference between salary level 16 and 15 for a secondment to the CPSI for the period 9 September 2019 to 16 February 2020		275	-
Total		275	-

The CPSI has a related party relationship with each of the public sector entities that fall within the portfolio of the Minister for the Public Service and Administration. This includes the National School of Government (NSG), the Office of the Public Service Commission (OPSC), the Department of Public Service and Administration (DPSA), and the Government Employee Medical Scheme (GEMS). During the period under review, all transactions entered into with these entities were at arm's length. The CPSI has a Memorandum of Understanding on Shared Services with the DPSA. The DPSA and CPSI signed a Memorandum of Understanding in relation to services that the DPSA will provide the CPSI at no cost; these are set out above. During the period of review, all transactions entered into with NSG, OPSC and GEMS were at arms' length.

24. Key management personnel

	No. of individuals	2019/20 R'000	2018/19 R'000
Executive Director	2	1 182	1 390
Executive Management	4	5 373	5 242
Total		6 555	6 632

During the period under review, the CPSI's Executive Director post was vacant. An acting Executive Director was seconded from DPSA until June 2019, June to September 2019 internal capacity was appointed in the acting position, September 2019 to February 2020 the post was filled by a secondment from the Presidency, and February 2020 until further notice, internal capacity was again appointed in the acting position.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

25. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2020

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery And Equipment	7 492	-	394	(653)	7 233
Computer equipment	2 141	-	377	(393)	2 125
Furniture and office equipment	3 270	-	-	(201)	3 069
Other machinery and equipment	2 081	-	17	(59)	2 039
Total Movable Tangible Capital Assets	7 492	-	394	(653)	7 233

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Machinery and equipment	9	150

Assets were lost by officials and during the move and are currently under investigation to determine possible negligence from employees

25.1. Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2020

	Cash R'000	Non-cash R'000	(Capital work- in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year R'000	Total R'000
Machinery And Equipment	460	-	(66)	-	394
Computer equipment	377	-	-	-	377
Other machinery and equipment	83	-	(66)	-	17
Total Additions To Movable Tangible Capital Assets	460	-	(66)	-	394

CENTRE FOR PUBLIC SERVICE INNOVATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

25.2. Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2020

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
Machinery And Equipment	-	653	653	-
Computer equipment	-	393	393	-
Furniture and office equipment	-	201	201	-
Other machinery and equipment	-	59	59	-
Total Disposal Of Movable Tangible Capital Assets	-	653	653	-

25.3. Movement for 2018/19

Movement tangible capital assets per asset register for the year ended 31 March 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery And Equipment	7 277	-	240	(25)	7 492
Computer equipment	1 975	-	166	-	2 141
Furniture and office equipment	3 221	-	49	-	3 270
Other machinery and equipment	2 081	-	25	(25)	2 081
Total Movable Tangible Capital Assets	7 277	-	240	(25)	7 492

25.4. Minor assets

Movement in Minor Assets Per the Asset Register for The Year Ended 31 March 2020

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	1 010	-	1 010

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	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Value adjustments	-	-	-	1	-	1
Additions	-	-	-	94	-	94
Disposals	-	-	-	(121)	-	(121)
TOTAL MINOR ASSETS	-	-	-	984	-	984

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	550	-	550
Total Number Of Minor Assets	-	-	-	550	-	550

Minor Assets under investigation

	Number	Value R'000
Machinery and equipment	10	15

Minor assets were lost by officials and during the move and are currently under investigation to determine possible negligence from employees

Movement in minor assets per the asset register for the year ended 31 March 2019

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	980	-	980
Additions	-	-	-	30	-	30
TOTAL MINOR ASSETS	-	-	-	1 010	-	1 010

CENTRE FOR PUBLIC SERVICE INNOVATION

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	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	584	-	584
Total Number Of Minor Assets	-	-	-	584	-	584

26. Intangible Capital Assets

Movement in intangible capital assets per asset register for the year ended 31 March 2020

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	665	-	19	-	684
Total Intangible Capital Assets	665	-	19	-	684

26.1. Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2020

	Cash R'000	Non-cash R'000	(Development work-in- progress current costs) R'000	Received current, not paid (Paid current year, received prior year R'000	Total R'000
Software	19	-	-	-	19
Total Additions To Intangible Capital Assets	19	-	-	-	19

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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26.2. Movement for 2018/19

Movement in intangible capital assets per asset register for the year ended 31 March 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	504	-	161	-	665
Total Intangible Capital Assets	504	-	161	-	665

27. Immovable Tangible Capital Assets

Movement for 2018/19

Movement in Immovable Tangible Capital Assets Per Asset Register for The Year Ended 31 March 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings And Other Fixed Structures	806	-	-	(806)	-
Non-residential buildings	806	-	-	(806)	-
Total Immovable Tangible Capital Assets	806	-	-	(806)	-

CENTRE FOR PUBLIC SERVICE INNOVATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

ANNEXURE 1A
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2018/19
	Adjusted Appropriation Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Household Employment and Social Benefits: Leave Gratuity	-	-	69	69	69	100%	175
Claim against the state	-	-	40	40	40	100%	-
Total	-	-	109	109	109		175

CENTRE FOR PUBLIC SERVICE INNOVATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1B
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name Of Organisation	Nature Of Gift, Donation Or Sponsorship	2019/20	2018/19
Received in kind		R'000	R'000
African Association for Public Administration and Management (AAPAM)	Sponsorship towards the travelling expenses for the adjudication of the competition for the AAPAM award for innovation management	29	25
Govchat	Sponsorship towards the hosting of the Annual CPSI Public Sector Innovation Awards Programme	-	10
Government Employees Medical Scheme	Sponsorship towards the GEMS Health Award category in the Annual CPSI Public Sector Innovation Awards Programme	50	50
GovTech - Sita	Sponsorship towards the travelling expenses for a presented at the conference	8	-
Huawei	Sponsorship towards the hosting of the Annual CPSI Public Sector Innovation Awards Programme	6	-
Ikasi Solutions	Sponsorship towards the hosting of the Annual CPSI Public Sector Innovation Awards Programme	10	10
MTN and Blackberry	Sponsorship towards the hosting of the Annual CPSI Public Sector Innovation Awards Programme	-	5
United Nations Development Programme	Sponsorship towards the hosting of SADC UNPAN Workshops	-	130
United Nations Development Programme	Sponsorship towards travelling expenses for CPSI's participation in the Empowered Futures Programme	-	35
TOTAL		103	265

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1C
STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on/by 31 March	Closing balance
Received in cash		R'000	R'000	R'000	R'000	R'000
European Union	Unlocking Public Service Innovation	872	-	-	872	-
TOTAL		872	-	-	872	-

CENTRE FOR PUBLIC SERVICE INNOVATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year-end 2019/20*	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019	Receipt date up to six (6) working days after year-end	Amount
DEPARTMENTS	R'000	R'000	R'000	R'000	R'000	R'000		R'000
National Department Science and Technology	43	-	-	-	43	-	-	-
Total	43	-	-	-	43	-		