**1. BUDGETARY REVIEW AND RECOMMENDATIONS REPORT (BRRR): DEPARTMENT OF PLANNING, MONITORING AND EVALUATION (DPME), AND BRAND SOUTH AFRICA: VOTE 8 DATED 16 OCTOBER 2019**

1. **BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Portfolio Committee) having considered the directive of the National Assembly as mandated by Section 5 of theMoney Bills Amendment Procedures and Related Matters Act, No. 9 of 2009 to consider and report on the Annual Reports of the Department of Planning, Monitoring and Evaluation (DPME) and Brand South Africa tabled by the Minister of Planning, Monitoring and Evaluation as follows:

1. **INTRODUCTION**

Parliament derives its mandate from the Constitution of the Republic of South Africa. The strategic objectives of the Portfolio Committee are informed by five strategic goals of Parliament. The functions of the Portfolio Committee on Public Service and Administration as well as Monitoring and Evaluation are as follows:

* Participating and providing strategic direction in the development of the legislation and thereafter passing the laws;
* Conducting oversight over the Executive to ensure accountability to Parliament towards achieving an effective, efficient, developmental and professional public service;
* Conducting public participation and engaging citizens regularly, with the aim to strengthen service delivery; oversee and review all matters of public interest relating to the public sector;
* Monitoring the financial and non-financial aspects of departments and its entities and ensuring regular reporting to the Committee, within the scope of accountability and transparency;
* Supporting and ensuring implementation of the Public Service Commission (PSC) recommendations in the entire public service
* Participating in international treaties which impact on the work of the Committee.
1. **PURPOSE OF THE BUDGETARY REVIEW AND RECOMMENDATIONS REPORT**

In terms of Section 5 of theMoney Bills Amendment Procedures and Related Matters Act, No. 9 of 2009 the National Assembly, through its Committees, must annually compile Budgetary Review and Recommendations reports (BRRR) that assess service delivery and financial performance of departments and may make recommendations on forward use of resources. The BRRR is also a source document for the Committees on Appropriations when considering and making recommendations on the Medium Term Budget.

Moreover, the Money Bills Amendment Procedures and Related Matters Act, section 5 (3) highlights focus areas on the budgetary review and recommendation report as:

* Providing an assessment of the department’s service delivery performance given available resources.
* Providing an assessment of the effectiveness and efficiency of the departments’ use and forward allocation of available resources; and
* Including recommendations on the forward use of resources.

**3.1** **Method**

The Portfolio Committee on Public Service and Administration compiled the 2018/19 BRRR using the following documents:

* The National Development Plan: Vision for 2030.
* Medium Term Strategic Framework 2015-2020.
* State of the Nation Address 2018.
* Strategic Plans of the DPME and Brand SA.
* National Treasury (2019) 4th Quarter Expenditure Report 2018/19 Financial Year, Pretoria.
* Annual Performance Plans of the DPME and Brand South Africa 2018/19.
* Annual Report of the DPME and Brand South Africa 2018/19.
* Auditor-General South Africa’s outcomes of audit findings 2018/19.
* The Portfolio Committee also met with the leadership of the Department and Brand South Africa.
1. **NATIONAL DEVELOPMENT PLAN VISION 2030**

The Department of Planning, Monitoring and Evaluation supports the National Development Plan’s objective of a government that is accountable and transparent. The Department’s focus is on strengthening accountability and improving coordination, and it works with the National Planning Commission to facilitate and monitor the implementation of the National Development Plan. The Department is responsible for mainstreaming the National Development Plan into the work of Government by drafting the Medium Term Strategic Framework to guide Government’s programme. The strategic framework includes 14 outcomes, which form the basis of the new performance agreements between the President and individual Members of Cabinet.

1. **MANDATE OF THE DEPARTMENT OF PLANNING, MONITORING AND EVALUATION**

The mandate of the Department of Planning, Monitoring and Evaluation is derived from section 85(2)(c) of the Constitution which provides the President to exercise authority over Members of Cabinet by coordinating the functions of state departments and administration. The primary aim of the Department is to improve government service delivery through planning, performance monitoring and evaluations. The DPME has the following key mandate:

* Facilitating the development of plans/delivery agreements for cross-cutting priorities or outcomes of Government, and monitor and evaluate the implementation of these plans/delivery agreements.
* Putting in place and managing guiding frameworks for strategic planning and annual performance planning in national and provincial departments.
* Monitoring the performance of individual national and provincial government departments and municipalities.
* Monitoring frontline service delivery.
* Managing the Presidential Hotline.
* Carrying out evaluations.
* Promoting good monitoring and evaluation practices in Government.
	1. **Department’s priorities over the medium-term**

The priorities for the 2018/19 Annual Performance Plan of the Department of Planning, Monitoring and Evaluation are informed by the National Development Plan as translated in the Medium Term Strategic Framework (MTSF) for 2014-2020. The DPME has, through its outcomes monitoring and evaluation work, developed a number of monitoring and evaluation tools to fulfil the functions below:

* Facilitating the development of plans or delivery agreements for the cross-cutting priorities or outcomes of Government.
* Assessing departmental Strategic Plans and APPs to determine and enhance their alignment with the NDP, MTSF, Delivery Agreements and the budget.
* Monitoring and evaluating the implementation of service delivery agreements.
* Monitoring the performance of individual national and provincial government departments and municipalities.
* Monitoring frontline service delivery across the public service.
* Managing the Presidential Hotline.
* Carrying out evaluations.
* Promoting good monitoring and evaluation practices in Government.
* Providing support to service delivery institutions to address blockages in delivery.
1. **DEPARTMENT’S PROGRAMME PERFORMANCE**
	1. **Department of Planning, Monitoring and Evaluation**

**6.1.1 Budget Allocated and Expenditure 2017/18**

The budget appropriated to the Department of Planning, Monitoring and Evaluation for 2018/19 financial year was R958 035 million. Expenditure for the department was R874 754 million for all the programmes which is an estimated of 91.3% budget spent. The variance was R83 281. The Department’s under-expenditure was realised on compensation of employees due to delays in implementing revised organisational structure. Under-expenditure on payments for goods and services and capital assets was primarily due to delays in securing additional office accommodation for the Department under Programme 1 and a surplus on wave of the National Income Dynamics Study under Programme 6, which impacted on expenditure on consultants in 2018/19.

In 2018/19 financial year, the Department had no rollovers and virement requested. During the year under review the Department reported R1 035 million on fruitless and wasteful expenditure related to ICT systems development and travel. R330 000 was still under investigation as at 31 March 2019. The Department reported irregular expenditure of R375 000 related to travel and conferences, and R152 000 was still under investigation.

The Department’s 3-year Human Resource Plan, which is aligned to the new organisational structure, was approved and is being implemented and monitored. The Department filled 88 posts in the 2018/19 financial year and managed to reduce the vacancy rate from 21% in March 2018 to 11.4% in March 2019. The Department experienced challenges in the turn-around times to fill vacant posts as a result of the non-availability of selection committee members due to their busy schedules. The Department was not able to maintain a low vacancy rate of 10% or below throughout the reporting period due to the fact that the staff establishment increased as a result of the revised organisational structure.

As part of workplace skills plan to ensure highly skilled staff is retained, the Department created 607 training opportunities to empower and upskill its employees. The Department awarded bursaries to 41 employees. In achieving 50% representation of females in Senior Management Service (SMS) and increasing the percentage of people with disabilities, female representation was at 58.6% and 47.7% females occupying SMS positions, respectively. The percentage of women in SMS is still below the acceptable norm of 50%. Achieving disability representation at SMS level remains a challenge despite efforts to attract disabled candidates. The Department has reduced staff turnover as compared to the previous years from 21% in March 2018 to 12% in March 2019.

**Table 1: Appropriation per programme (R’000)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Programme R'000** | **Final Appropriation** | **Actual****Expenditure** | **Variance/Over or under-expenditure** | **Shifting of funds** | **Virement** |
| 1. Administration | 170 840 | 151 077 | 19 763 | - | - |
| 2.National Planning Coordination | 81 470 | 63 920 | 17 550 | - | - |
| 3. Sector Monitoring | 62 235 | 45 319 | 16 916 | - | - |
| 4. Public Sector Monitoring & Capacity Development | 44 786 | 36 969 | 7 817 | - | - |
| 1. Frontline Monitoring
 | 63 317 | 59 077 | 4 240 | - | -  |
| 1. Evidence and Knowledge Systems
 | 46 763 | 34 104 | 12 659 | - | - |
| 1. National Youth Development
 | 488 624 | 484 288 | 4 336 | - | - |
| **Total** | **958 035** | 874 754 | 83 281 | - | - |

**Source: DPME Annual Report 2018/19**

**6.1.2 Programme Performance**

The Department has seven programmes in 2018/19 financial year organised as follows:

**6.1.2.1 Programme 1: Administration**

The main objective of the programme is to provide strategic leadership, management, administrative, financial and human resource services to enable the Department to achieve its strategic and operational goals. The programme’s key focus is to implement revised organisational structure and recruitment of key personnel, improve the quality of performance information, maintain good financial management practices to sustain clean audit outcomes and strengthen communication around the National Development Plan.

Programme 1 has spent R151.1 million of the allocated budget of R170.8 million, which is an estimated 88.4% in 2018/19 financial year. Programme 1 under-spent on sub-programme: Corporate Services and Financial Administration with R11.3 million, Departmental Management with R2.9 million and Ministry with R5.6 million. The total amount of under-expenditure was R19.7 million. The programme had seventeen (17) predetermined targets. Of total targets, the Department achieved thirteen (13) targets and four (4) were not achieved.

The average vacancy rate was at 11.4% and was above the 10% acceptable norm in the public service. The target was not achieved due to delays in filling some senior management posts in the sixth Administration. The Department developed a recruitment plan to fast track the appointment process. The Department appointed 6.9% (30 out of 430) of interns to expose graduates to the workplace and to generate a pool of candidates for filling of entry level posts. A total of 325 out of 341 employees submitted performance agreements to the Human Resource division. Of 317 staff, 304 employees submitted performance assessments to the Human Resource division.

The Department submitted the Annual Performance Plan to the National Treasury timeously, but not tabled in Parliament as per required schedule due to communique to table Annual Performance Plans (APPs) after the adoption of the Fiscal Framework by the sixth Administration. Four quarterly performance reports were submitted to the Executive Authority and National Treasury within 30 days at the end of the quarter. An annual communication plan was produced, but not approved by the Accounting Officer.

Section (1) (f) of the Public Finance Management Act, states that, “accounting officer of a department must settle all contractual obligations and pay all money owing, including intergovernmental claims, within the prescribed or agreed period”. In view of the above, the Department achieved 100% of the payment of valid invoices within 30 days. In fact, the Department processed payment to suppliers within 7 days. The Department achieved 95% of Senior Management Service (SMS) disclosing financial interest in terms of Chapter 3, C.1 of the Public Service Regulations (PSRs), to their respective Executive Authorities (EAs), particulars of all their registrable interests (e.g. companies and properties) not later than 30 April each year, in respect of the period 1 April of the previous year to 31 March of the current year.

**6.1.2.2** **Programme 2: National Planning Commission**

The purpose of the programme is to facilitate and coordinate macro and transversal planning across government and coordinate planning functions in the Department. The key objective of the programme is to institutionalise planning across government by providing guidance on short, medium and long term planning to support the implementation of the National Development Plan Vision 2030. In addition, the programme supports the work of the National Planning Commission (NPC).

The key focus of the Department on the programme was to finalise a framework on the institutionalisation long term planning. Furthermore, the programme must finalise the revision of planning frameworks and ensure the alignment of strategic plans, annual performance plans and Medium Term Expenditure Framework (MTEF) budget allocations with the Medium Term Strategic Framework (MTSF) priorities.

In addition, the Department continued to work with the Department of Rural Development and Land Reform (DRDLR) to finalise the transfer of the spatial planning Programme. The Department has been working on developing the National Spatial Development Framework (NSDF) with support from the National Planning Commission in order to guide the development of sub-frameworks.

The Department worked in collaboration with National Treasury to ensure that the national budget is directed towards the National Development Plan (NDP)/MTSF priorities. The Department was tasked to develop and implement planning frameworks to align strategic plans and annual performance plans to the frameworks and ensure the prioritisation of resources. The Department also conducts socio-economic impact assessments on new and existing legislation and regulations to ensure alignment with the NDP to mitigate unintended new policies.

Programme 2 has spent R45.3 million of the allocated budget of R62.2 million, which is an estimated at 78.5% in the 2018/19 financial year. The Department had fourteen (14) predetermined targets. Of all targets, ten (10) were achieved and four (4) not achieved. The Department had not achieved these targets: the Integrated Planning Bill, which was not finalised by March 2019, the National Spatial Development Framework and Annual Budget Mandate Paper.

The Department developed guidelines for the development of the NDP 5-year implementation plan. Furthermore, a guideline for integrated planning was developed and an assessment report on the review of the planning cycles. The Department achieved four research projects in support of the NPC. The Department submitted assessment reports on the second draft Annual Performance Plans to 45 national departments. Assessment includes the Annual Performance Reports of the departments in all nine provinces. The Department issued Guidelines for Quarterly Performance Reporting in both the national and provincial departments.

**6.1.2.3** **Programme 3: Sector Planning and Monitoring**

The purpose of the programme is to ensure government policy coherence and to develop, facilitate, support and monitor the implementation of sector plans and intervention strategies. The programme consists of the following two sub-programmes: Management: Sector Planning and Monitoring; Sector Monitoring and Intervention Support. The purpose of Sub-programme Sector Monitoring and Intervention Support is to provide support to sector planning functions and ensure government policy alignment in its goals. Also to facilitate, support and monitor the implementation of the MTSF, sector plans and of intervention strategies in priority areas.

Programme 3 has spent R45.3 million of the allocated budget of R62.2 million, estimated at 72.8% in 2018/19 financial year. The Department had ten (10) predetermined targets, nine targets were achieved and one (1) was not achieved. One target not achieved under Programme 3 was on comprehensive progress report on the implementation of outcomes of the Inter-Ministerial Committees which was not compiled. The Inter-Ministerial Committees on Distressed Mining Towns meeting not being held in the quarter resulted in the report not being produced as planned.

The Department reviewed and approved guidelines for the Programme of Action (POA) Monitoring System. The revised POA guidelines were utilised in the development of quarterly MTSF progress reports used at the Implementation Forums. The Department reviewed and approved guidelines for Outcomes Co-ordination. A total of 24 MTSF Outcomes reports have been produced and presented to Cabinet. The Department has developed a framework for monitoring the State Owned Enterprises (SOEs) and Development Finance Institutions (DFIs).

The Department was responsible to coordinate and monitor government departments in implementing projects and fast-tracking services through Operation Phakisa. The Department produced four (4) comprehensive Operation Phakisa Integrated Progress reports. With regard to the Distressed Mining Communities, the Department produced three comprehensive progress reports in a form of briefing notes on Special Presidential Package for the Revitalisation of Distressed Mining Communities and Labour sending areas.

**6.1.2.4** **Programme 4: Public Sector Monitoring and Capacity Development**

The purpose of the programme is to support the implementation of the NDP/Medium Term Strategic Framework (MTSF) by monitoring and improving the capacity of state institutions to develop and implement plans and provide services. The programme has three sub-programme which are Public Service Monitoring and Support, Local Government Monitoring and Support, and Capacity Development.

Programme 4 spent R36.9 million of the allocated budget of R44.8 million, estimated at 82.5% of 2018/19 financial year. The programme had six (6) predetermined targets and all were achieved. Among targets achieved was four MTSF outcomes reports produced and submitted to Cabinet and six public entities and SOEs performance analysed based on the approved framework. The Department approved a report on submission of Directors-General Performance Agreements adhering to Heads of Department Performance Management and Development System (HPMDS).

Monitoring adherence of payment of suppliers within 30 days in the public service remain the responsibility of the Department. A total of four monitoring reports on the payment of 30 days to service providers in the public service were produced on a quarterly basis. The Department achieved 100% of targets in the Planning Monitoring and Evaluation capacity development.

**6.1.2.5 Programme 5: Frontline and Citizen-Based Service Delivery Monitoring**

The purpose of the programme is to facilitate service delivery improvements through frontline and citizen-based monitoring and effective resolution systems. The programme is made of the following Sub-Programme: Citizen Based Monitoring, Executive Support Monitoring and Presidential Hotline.

Programme 5 spent R59.1 million of the allocated budget of R63.3 million, estimated at 93.3% in the 2018/19 financial year. The Department had five (5) predetermined targets for the financial year. Of the five total targets, four targets were achieved and one was not achieved. The Frontline Service Delivery Monitoring (FSDM) programme aims to strengthen monitoring and evaluation practices of field-level managers. The main aim of the FSDM was to demonstrate the value of on-site monitoring to selected types of facilities sectors. A total 412 monitoring visits were conducted by the Department in various government facilities.

The primary aim of the Citizen-Based Monitoring (CBM) programme is to support government to strengthen the voice in monitoring service delivery. It focuses on the experience of citizens in relation to government performance in order to improve accountability and service delivery. Four government institution were supported through Citizen-Based Monitoring.

The Department is responsible for managing the Presidential Hotline on behalf of the Presidency and supporting citizen and community-based monitoring. A total of 95% of targets in the Annual Presidential Hotline Enhancement Plan was achieved. The Department intended to conduct 20 visits and to produce area profiles/briefing notes/report on Siyahlola and Izimbizo on a quarterly basis. The Department undertook 20 visits and produced area profile/briefing notes on Siyahlola and Izimbizo.

**6.1.2.6 Programme 6: Evidence and Knowledge Systems**

The purpose of the programme is to coordinate and support the generation, collation, accessibility and timely use of quality evidence to support performance monitoring and evaluation across government; coordinate and support the generation, collation, access and timely use of quality evidence to support Performance Monitoring and Evaluation across government.

Programme 6 spent R34.1 million of the allocated budget of R46.8 million, estimated at 72.9% in the 2018/19 financial year. The programme had seventeen (17) targets for the financial year. Thirteen (13) targets were achieved and four (4) were not achieved. Targets not achieved include 2019-20 National Evaluation Plan, which was deferred for consideration by the 6th Administration to ensure it is aligned with the MTSF 2019-2024. Two evaluation reports were not produced. Moreover, the Department was unable to produce three (3) SOE Evaluation Plans. Development Indicators for 2017 report was not published and the 2018 Development Indicators dataset was also not produced.

Eight improvement plans were produced from National Evaluation Plan and five Provincial Evaluation Plans covering 2018/19. The Department verified sixty (60) Department Evaluation Plans as per MPAT assessment. In addition, the Department produced Ministerial Implementation Forums and Technical Implementation Forums and Gender Response Evaluations. Three National Income Dynamics Study (NIDS) research papers were developed and accessible through the DPME knowledge hub. Moreover, the Department developed fourteen (14) papers and disseminated through the DPME website.

**6.1.2.7 Programme 7: National Youth Development Programme**

***Note: Programme migrated to new department in 2019/20***

The purpose of the programme is to oversee youth development policy and its implementation and transfer funds to the National Youth Development Agency (NYDA). The programme consists of the following sub-programmes; National Youth Development, Youth Development Programmes and National Youth Development Agency. The sub-programme: NYDA is a conduit for the transfer of budget to the National Youth Development Agency.

Programme 7 spent R484.3 million of the allocated budget of R488.6 million, estimated at 99.1% in the 2018/19 financial year. The Department had two (2) predetermined targets, and all were achieved. The Department produced four National Youth Policy monitoring reports and mid-term evaluation report.

1. **BRAND SOUTH AFRICA**

**7.1 Mandate of Brand South Africa**

Brand South Africa (BSA) was established as a trust in 2002 and gazetted as a schedule 3A public entity in accordance with the PFMA No.1 of 1999. Its purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa; to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism.

BSA aims to make an indirect contribution to economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of the Nation Brand. BSAdevelops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.

* 1. **Budget allocated and expenditure**
		1. **Summary and Analysis of Annual Financial Statements**

Budget allocated to Brand South Africa was R201.8 million and with expenditure of R210.8 million. Brand South Africa incurred fruitless and wasteful expenditure of R1.5million. The majority of the disclosed fruitless and wasteful expenditure for the current year is prepayment of talent modules system (HR system) not implemented, related to Brand SA. Brand South Africa further incurred irregular expenditure in the prior year for two items amounting to R13 537 million.

The overall staff vacancy rate was 14%. The turnover rate is above 10% threshold, the increase in the vacancy rate is due to a combination of factors such as dismissals and the moratorium on new appointments for the eight vacant positions, due to proposed reconfiguration process. The overall turnover rate was 17.82% inclusive of two dismissals. With Executive Committee (Exco) staff turnover rate at 44% due to one resignation and one dismissal. In terms of gender representivity in Brand South Africa, 69.23% of staff is female and male was 30.77%. At the management level, female employees are at 52.38%. The entity currently has one employee with a disability, which translates to 2% of the people living with disability. In an effort to increase the number of people living with disabilities in the workforce, a database of service providers that deal with such recruitments is in place.

* + 1. **Programme Performance**

The BSA has three programmes which are as follows:

**7.2.2.1 Programme 1: Administration**

The programme seeks to provide management and leadership to develop standardised format of guidelines and templates to strengthen the means of verification and collecting and reporting on performance information. The programme had six predetermined targets for 2018/19 financial year. Of total targets, five was achieved and one not achieved.

**7.2.2.2** **Programme 2: Brand marketing and reputation management**

The programme seeks to develop and articulate a Nation Brand identity that will advance South Africa’s long-term reputation and global competitiveness. This includes a focus to research and monitor sentiment and performance of the National Brand to analyse trends and provide insights to inform decision making and communication; and then to both proactively and reactively communicate the country’s value proposition, values and highlight progress being made. The programme had eighteen predetermined targets in 2018/19 financial year. All targets were achieved.

* + - 1. **Programme 3: Stakeholder relationships**

The programme seeks to build and leverage collaborative partnership, to participate, to integrate and coordinate efforts and approaches to market the Nation Brand identity and promote the Nation’s value proposition and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation. The programme had seven predetermined targets.

1. **AUDITOR-GENERAL OUTCOMES**

**8.1 Predetermined objectives**

The Auditor-General (AG) audited the financial statements of the Department of Planning, Monitoring and Evaluation comprising of appropriation statement, the statement of financial position as at 31 March 2019. The financial statements are in accordance with Modified Cash Standards prescribed by National Treasury and the requirements of the Public Finance Management Act (PFMA).

**8.1.1 Predetermined objectives**

The Auditor-General did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes: National Planning Coordination, Frontline Monitoring, Evidence and knowledge systems and National Youth Development.

**8.1.2 Achievement of planned targets**

The AG referred to the annual performance report on page (s) 29 to 66 for information on the achievement of planned targets for the year under review and explanations provided for the achievement of a number of targets.

**8.1.3 Adjustment of material misstatements**

The AG identified material misstatements in the annual performance report submitted for auditing on the reported information. These material misstatements were on the reported performance information of programme 2: National Planning Coordination, Programme 5: Frontline Monitoring and Programme 7: National Youth Development. The management of the department subsequently corrected the misstatements. The AG did not identify any material findings on the usefulness and reliability of the reported performance information.

**8.1.4 Compliance with legislation**

The AG performed procedures to obtain evidence that the Department of Planning, Monitoring and Evaluation had complied with applicable legislation regarding financial matters, financial management and other related matters. The AG did not identify any instances of material non-compliance with specific matters in key legislation.

**8.1.5 Internal Controls**

Internal controls in the department were considered to be relevant to AG audit of the financial statements, reported performance information and compliance with applicable legislation. The AG did not identify any significant deficiencies in internal control.

1. **OBSERVATIONS AND KEY FINDINGS**

The Committee made the following observations and findings:

**The Department**

9.1 The Portfolio Committee notes that the Department of Planning, Monitoring and Evaluation (DPME) achieved *clean audits* in the consecutive years.

* 1. The Department of Planning, Monitoring and Evaluation achieved 95% of the planned targets. The Committee notes an explanation provided by the DPME that more additional responsibilities were given through the work of the Inter-Ministerial Committees and North West Province section 100 intervention which had an impact on the Department achieving 100% set targets.
	2. In terms of the Integrated Planning Framework Bill, the Committee notes progress made thus far with regard to the consultation processes. The Bill seeks to stabilize and ensure synergy in government planning across three spheres of government. The Committee urged the Department to find amicable solutions with regard to the objections raised by South African Local Government Association and Western Cape province on certain aspects in the Bill.
	3. The Committee welcomes and notes finalisation and Cabinet approval of the 25 Year Review of government to be launched by the President and published on the website in due course. The 25 Year Review document will this time around propose future plans and developments in relation to how government should provide services.
	4. The Committee further notes the delay in the approval of the Mandate Paper due to the National Election 2019 and is awaiting the sixth administration to set priorities for the five-year term of government. Mandate Paper is approved by the Ministerial Committee on Budget (MINCOMBUD) before implementation. Mandate Paper is a planning framework aimed at ensuring integration, better alignment between the budget, Government Programme of Action and Medium-Term Strategic Framework.
	5. The Committee notes the delays in transferring Spatial Planning Land Use Management Act (SPLUMA) and Spatial Planning function to the National Planning Commission, which was under the former Department of Land and Rural Development. The Committee notes that the matter was before Cabinet on 08 October 2019 to make a determination. Decision to be made on 16 October 2019 on the future of SPLUMA.
	6. The Committee recognises the role played by the DPME and the Director-General in the Presidency in assessing performance of the Directors-General and Heads of Department in the public service. Monitoring adherence of the timeframes encapsulated in the approved Policy on Performance Management and Development System for Senior Management was welcomed by the Committee as part of inculcating culture of performance in the public service.
	7. The reduction of vacancy rate was commendable, however, the Department was encouraged to maintain acceptable vacancy rate in the public service.
	8. The Committee welcomes the Department’s commitment to employ youth into internship programme to expose graduates to the workplace and to generate a pool of candidates for filling entry level positions.
	9. Payment of suppliers within 7 days other than prescribed 30 days was welcomed and commendable. The Committee urged the Department to monitor the implementation of the 30-day payment of valid invoices to suppliers in the entire public service and to share lessons on how to process payments timeously.
	10. The Committee welcomes the undertaking by the Department to develop a strategy to minimize litigation costs to Government, on which it would report and present to Parliament

**Brand South Africa**

* 1. The Committee notes the role of Brand South Africa in protecting the image and reputation of the country in order to attract and tourism and trade and to ensure competitiveness. However, the Committee appeals to Brand South Africa to ensure balanced reporting in terms of indicators used by organisations like the World Economic Forum, the World Bank, Amnesty International and the Mo Ibrahim Foundation.
	2. The Committee notes the vacancy rate at 14% in the 2018/19 financial year, and the staff turnover above 10% threshold due to moratorium on filling posts.
	3. Brand South Africa met a target to employ 2% of people with disabilities in the agency. which translate to 1 employee. The Committee urged Brand South Africa to commit in appointing more people with disabilities.
	4. The Committee was disappointed about the payment of suppliers in Brand South Africa after 56 days in 2018/19 financial as compared to 26 days in 2017/18 financial year. The Committee will monitor such regulatory compliance on a quarterly basis to ensure payment of valid invoices within 30-days.
	5. The Committee was disappointed about the Auditor-General audit outcomes at Brand South Africa and urged the agency to investigate and recoup all monies lost as a result of fruitless, wasteful and irregular expenditure incurred in the previous years.
	6. The Committee noted Brand South Africa’s participation in international fora and enjoined the entity to ensure a return on investment when it selects fora to participate in.

1. **RECOMMENDATIONS**

The Committee recommends the following:

**The Department**

* 1. The Department of Planning, Monitoring and Evaluation should take due consideration of all fundamental issues raised by stakeholders during the consultation phase on the Integrated Planning Framework Bill. The roles and responsibility of the three spheres should be clearly specified and be in spirit of Chapter 3 of the Constitution on Cooperative Government.
	2. The Department should ensure the finalisation and transfer of the Spatial Planning Land Use Management Act (SPLUMA) and Spatial Planning function to the National Planning Commission in order to reinforce capacity to develop and implement the National Spatial Development Framework. The Department should ensure alignment of the National Development Plan with the National Spatial Development Framework to guide future spatial planning developments in the country.
	3. The Department should intensify its monitoring activities in government facilities particularly in hospitals, Home Affairs, Police stations, and licensing departments. The Department should conduct more unannounced visits as a way of improving services to the citizens.
	4. The Department of Planning, Monitoring and Evaluation should monitor government departments in implementing the delivery outcomes and Medium Term Strategic Framework to determine whether the objectives of the National Development Plan are achieved to realise vision 2030.
	5. The Department should ensure internal controls are effective to curb wasteful and fruitless and irregular expenditure.
	6. The Committee requests the Department to develop case studies on Section 100 intervention of the Constitution as part of lesson learned to empower government to avoid recurrence in future concerning other provinces. Case studies have to guide and strengthen existing policies in the legislative frameworks to ensure good governance in public administration.
	7. The Committee requests Government across the public service to treat as a matter of urgency, where applicable, the appointment of boards immediately when they get dissolved or their term expires; and specifically the Department to finalise the process of appointing the Brand SA board.

**Brand South Africa**

* 1. Brand South Africa should collaborate with other institutions aimed to promote young people’s innovative ideas to business investors. Brand South Africa should expand its reach by including more rural youth in its initiative to inspire and instil pride among South Africans.
	2. Brand South Africa should ensure fair reporting in terms of world indicators to rank the country. Both positive and negative world’s ratings should be acknowledged and be reported on in pursuit of marketing the country’s image and to reflect the real outlook.
	3. Brand South Africa should investigate all cases identified in the Auditor General’s audit outcomes and report progress to the Committee in February 2020.

**The Portfolio Committee**

10.11 The Committee undertook to formulate the terms of reference (ToRs) on the briefing to be made by Brand South Africa on the *“Play Your Part”* programme.

1. **CONCLUSION**

The Portfolio Committee commends the Department of Planning, Monitoring and Evaluation in achieving *clean audits* over the consecutive years up to the 2018/19 financial year. However, the achievement of clean audits needs to be translated into improving service delivery across government through planning, monitoring and evaluation. During the period under review, the Integrated Planning Framework Bill has been developed to streamline how government should function. The Bill intends to establish a framework to integrate planning across government and to ensure alignment of sector plans in all spheres of government.

Brand South Africa will undertake coordinated initiatives to build South Africa’s reputation and to contribute to the country’s global competitiveness. Brand South Africa continues to build bridges across the continent.

Report to be considered.