

**MINISTRY: PUBLIC SERVICE AND ADMINISTRATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DATE: 11 OCTOBER 2019**

**QUESTION NO.: 1138**

**MRS M O CLARKE (DA) TO ASK THE MINISTER OF PUBLIC SERVICE AND ADMINISTRATION**

(1) (a) On what grounds were performance bonuses paid out to employees of government departments that recorded adverse audit outcomes and/or did not reach key performance indicators in the past three financial years, (b) which of the specified departments paid out performance bonuses in each of the specified financial years and (c) what was the total cost of the performance bonuses in each case;

(2) (a) what number of government departments do not have employment agreements in place, (b) what steps is his department taking in this regard, (c) how do the specified departments conduct performance assessments and (d) have any of the departments paid out performance bonuses in each of the past three financial years;

(3) what amount did each government department spend on paying performance bonuses in each of the past three financial years? **NW2298E**

**REPLY**

1. (a) The general rules for the awarding of performance bonuses are contained in the Incentive Policy Framework issued by the Minister for the Public Service and Administration. Performance bonuses are awarded to employees who receive a performance rating of significantly above the expectation. The authority to grant performance bonuses resides with the Executive Authority or as delegated to the Head of the Department.

Therefore, the DPSA is not in a position to respond to the question regarding the grounds for the payment of bonuses by departments who recorded adverse audit outcomes and/or did not reach key performance indicators in the past three financial years.

According to the published reports of the Auditor General for the past five years (i.e. 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018), the National Department of Environmental Affairs and the Free State Department of Agriculture and Rural Development each received an adverse audit outcome for the 2016/2017 performance cycle (Annexure B on Audit findings attached). The DPSA will write to the affected departments to request an explanation.

1. The two affected departments, (National Department of Environmental Affairs and Free State Department of Agriculture and Rural Development) paid performance bonuses during the 2016/2017, 2017/2018 and 2018/2019 financial years.
2. The amount paid for performance bonuses for the last three financial years was R45 769 407.95 and R5 036 752.95, respectively.

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| Name of Department | 2016/2017 | 2017/2018 | 2018/2019 | Total |
| National Department of Environmental Affairs | \*R14588100.00 | R16189906.95 | 14991400.00 | R45769407.95 |
| Free State Department of Agriculture and Rural Development | \*R1555018.62 | R2474891.16 | R1006684.17 | R5036752.95 |

*\*Adverse audit outcome*

1. The DPSA Circular dated 23 January 2013, requires all departments to capture information on the signing of performance agreements for members of the Senior Management Service and non-SMS employees on or before 31 June annually.
2. According to the information extracted from the PERSAL system, all departments have captured their information on the signing of performance agreements for the 2018/2019 performance cycle.
3. The DPSA monitors and report on the level of compliance with the signing of performance agreements. Letters will be sent to non-compliant departments, when such is identified.
4. Performance assessments are conducted based on the signed performance agreement which contains the performance measures. The performance assessments are subjected to a half-yearly and annual review. The performance ratings or scores are further subjected to a moderation process and recommendations are made to the relevant Executive Authority on the outcome of performance.
5. Departments have awarded performance bonuses to eligible employees. The detailed list of performance bonuses paid by departments is attached as Annexure A.
6. Government departments paid performance bonuses for the 2016/2017, 2017/2018 and 2018/2019 financial years. The detailed list of the performance bonuses paid by departments is attached as Annexure A as extracted from the PERSAL system.