



State of the
Public Service Report
2008

Issued in the Republic of South Africa by the

PUBLIC SERVICE COMMISSION

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Custodian of Good Governance

STATE OF THE PUBLIC SERVICE REPORT 2008
A Mid-Term Review of Public Service Transformation

Published in the Republic of South Africa by:



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THE PUBLIC SERVICE COMMISSION (PSC)

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It is with a sense of pride that I present this seventh edition of the State of the Public Service Report. The report comes against the background of a country that has gone through fourteen years of democratic rule, throughout which the guiding vision was the creation of a better life for all. An important part of the South African experience has always been the practice of reflection and taking stock, and it is appreciated that by constantly assessing where we come from and what we have been able to achieve that we will be able to improve on our efforts in going forward. I am proud to head a Constitutional body whose core mandate is to support this process of critical reflection and engagement, particularly around how the Public Service, as an implementation engine of the programmes of government, is performing.

This report builds on previous editions of the SOPS series, which has now become a centre-stage and highly cited document on Public Service performance. The questions asked in this report on how Public Service delivery has evolved since 2004 are questions that are generally in the minds of many members of society. Our country is fortunate in that the framework for assessing performance is prescribed in terms of the 9 Constitutional Values and Principles for public administration. The Values and Principles remain enduring. Being enduring, these Values and Principles should continue to shape public administration for many years to come.

In reading this report we would expect that you get a good sense of the progress that has been made during the first part of government's third term of office. You would also gain an appreciation that much more needs to be done, and that the quality and speed of service delivery has to be accelerated. It is through such acceleration that the current government can consolidate its service delivery legacy as it prepares to hand over the baton and usher in a new term of office.

I trust that you find this report useful in your deliberations and that it helps to sustain the discourse on what good governance means in practice in our country.

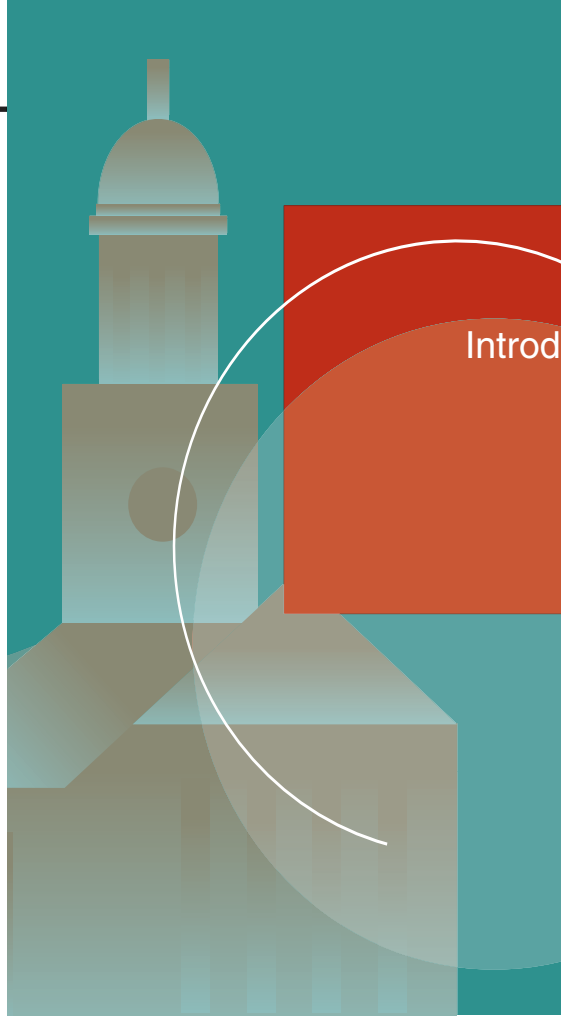
A handwritten signature in black ink, which appears to read 'Sangweni'.

Professor Stan Sangweni
Chairperson: Public Service Commission

A-G	Auditor-General
ADP	Accelerated Development Programme
APRM	African Peer Review Mechanism
BBBEE	Broad-based Black Economic Empowerment
BEE	Black Economic Empowerment
CDW	Community Development Workers
DOJCD	Department of Justice and Constitutional Development
DPSA	Department of Public Service and Administration
EA	Executive Authority
EAP	Employee Assistant Programme
ENE	Estimates of National Expenditure
GWM&ES	Government Wide Monitoring and Evaluation System
HoD	Head of Department
HRM	Human Resource Management
ISD	Institutions Supporting Democracy
MDG	Millennium Development Goals
MTEF	Medium Term Expenditure Framework
NACF	National Anti-Corruption Forum
NACH	National Anti-Corruption Hotline
NACP	National Anti-Corruption Programme
NPM	New Public Management
PA	Performance Agreement
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PMDS	Performance Management Development Systems
PoA	Programme of Action
PSC	Public Service Commission
PWDs	People with Disabilities
RDP	Reconstruction and Development Programme
SASSA	South African Social Security Agency

SAMDI	South African Management Development Institute
SDIP	Service Delivery Improvement Plan
SMS	Senior Management Services
SOPS	State of the Public Service Report

PUBLIC SERVICE COMMISSION



Introduction

A Mid-Term Review of Public Service Transformation

Introduction

The Public Service has undergone various transformation processes since the advent of democratic rule in 1994. As an institution entrusted with the mandate to, among others, promote the values and principles of public administration enshrined in Chapter 10 of the Constitution,¹ the Public Service Commission (PSC) has, throughout this period, provided insightful reports on the progress of this transformation. In addition, the PSC has annually consolidated findings from its oversight activities as well as other selected initiatives to produce a State of the Public Service (SOPS) report. The SOPS report provides a high level analytical overview of the performance of the Public Service and has become a critical source document in this regard.

This report is the seventh edition of the SOPS reports produced by the PSC. With the third term of office for the democratic government coming to an end in 2009, the PSC deemed it fit to focus this edition of SOPS on an overview of Public Service transformation since the beginning of this term. Guided by this focus, the report identifies key milestones, critical issues that have shaped Public Service transformation as well as recurring concerns and draws attention to specific considerations for accelerating implementation in the remaining period of this term of office for government. Organized according to the 9 Constitutional values and principles of public administration, the report draws primarily from the findings of the PSC over the period 2004 to 2007, and supplements these with relevant findings and conclusions from other sources.

The State of the Public Service Reports : 2004 - 2007

As high level overviews that annually analyse Public Service performance, SOPS reports are a useful reference source from which to identify and review key performance trends over time. Accordingly, this report draws from the SOPS reports released since 2004 to inform its midterm review. For each of the Constitutional values and principles, the report provides a synopsis of key observations and suggestions from previous SOPS reports, and uses these as a basis for identifying recurring themes for analysis and follow up.

The PSC has, for each of its SOPS reports since 2004, identified a pertinent theme on which to base its analysis and recommendations. The 2004 edition of the SOPS report, for example, focused on progress achieved in broad terms in the first decade of democracy. While acknowledging the progress made, the report observed that it

¹ Republic of South Africa. Constitution of the Republic of South Africa. Act 108 of 1996.

was important to "...shift to another phase, one in which the good features of our State are consolidated and built upon while those areas needing attention are systematically addressed".² Overall, the report indicated that the key challenges were around improving the efficiency of the Public Service and getting its various components to work together more effectively. Through SOPS 2004 the PSC looked back at a decade of Public Service transformation, thus creating a meaningful base from which to carefully consider what could be done better during the second decade.

Following on the above retrospective report, in 2005 the PSC released an edition of SOPS which was forward looking, identifying key challenges for the Second Decade of Democracy as well as proposing stepping stones to guide implementation.³ The report concluded that a coherent policy and institutional base had been created, and that authentic efforts had been made to ensure implementation. However, the report noted that there was still a need to consolidate and improve the implementation of the public management frameworks and to address negative workplace cultures that were hampering Public Service effectiveness.

The challenges identified in the above reports highlighted the importance of the Public Service to acquire and demonstrate the necessary capacity. Accordingly, in 2006 the PSC released its next edition of the SOPS report under the theme *Girding the Public Service with the Appropriate Capacity for Effective Service Delivery and Adherence to the Values of the Constitution*.⁴ While recognizing the multi-faceted nature of capacity, the report emphasized the critical role of human resource capacity and how it can be optimally used to improve the performance of government. The report noted that significant progress had been made to put in place the necessary legislative, normative and regulatory framework. The challenge was to ensure that the Public Service enhances its capacity to effectively implement these frameworks on a sustained basis.

However, efforts to build Public Service capacity must be guided by the priorities which government seeks to deliver on. In this regard, the PSC recognized that the promotion of growth and development has been a high priority for government from the inception of our democracy. All organs of the State as well as business and civil society are expected to actively participate in processes that will lead

² Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2004.*

³ Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2005.*

⁴ Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2006.*

to the achievement of this priority, and thus raise the standard and quality of life of citizens. Guided by this priority, the PSC in 2007 released its sixth edition of the SOPS report under the theme *Promoting Growth and Development through an Effective Public Service*.⁵

The 2007 SOPS report noted that significant milestones have been achieved in such areas as economic growth, the lowering of inflation, and improving the international competitiveness as well as governance ratings of the country. Other areas of progress that the report noted are the establishment of various legal frameworks, policies and programmes that guide good governance. However, the report pointed out that the Public Service needed to deepen the implementation of its programmes in such a manner that they can impact effectively on the well-being of citizens. An important consideration in this regard would be to focus on those aspects of public administration that are important high impact areas for deepening growth and development.

Collectively, the SOPS reports mentioned in the foregoing, raise certain key recurring issues on which the PSC has consistently raised concerns regarding the pace of progress in Public Service transformation. These include how departments report on results (in addition to outputs), the manner in which poverty reduction projects are being managed and integrated, the extent to which the fairness and impartiality are being promoted through the effective implementation of the Promotion of Administrative Justice Act, the involvement of citizens in policy-making and implementation, adherence to human resource management policies, and the achievement of representivity targets (especially with regard to the employment of people with disabilities). It is now necessary and opportune to take stock and review the progress the Public Service has made since 2004 to improve its performance.

Focus of this report

This Report provides a mid-term review of Public Service transformation since 2004. The overall term of office for government is five years, which means that starting from 2004 the mid-term for the current government would effectively be the first quarter of 2007. However, for purposes of this report, the analysis considers the period starting from 2004 to the rest of the 2007 calendar year as the mid-term. The Report looks at the key transformation priorities that were

⁵ Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2007*

set for the Public Service in 2004, assesses the progress made towards achieving them, and highlights the challenges that still lie ahead. Such a review is necessary to facilitate a grounded appreciation of the milestones that have been achieved to date and to identify areas of concern which government should particularly pay attention to as its current term of office draws to a close.

Outline of the report

The next section of this report provides an overview of the different phases of Public Service transformation in the country since 1994. This is then followed by nine sections, each of which takes an individual Constitutional value and principle and assesses the progress made towards the transformation of the Public Service since 2004. The last section of the report provides concluding remarks and highlights key considerations for enhancing Public Service transformation.

PUBLIC SERVICE COMMISSION

Key Public Service
Transformation
Phases Since 1994

Introduction

The transformation of the South African Public Service has been a pressing priority for government following the transition to democratic rule in 1994. This should not come as a surprise given that the Public Service is a key institution through which government interfaces with the public to deliver services, and it was, therefore, found necessary to transform it in such a manner that it can be oriented towards the vision, values and principles of the new democratic dispensation. In this regard, a key consideration was that the country "...cannot lay hold of an apartheid or colonial state machinery and try to use it to achieve what would in fact be an anti-thesis of what that state was..."⁶ Post apartheid South Africa, therefore, required the creation of a new order and the Public Service that was inherited in 1994 was inappropriate for this order.⁷

Since 1994 the Public Service has undergone a number of transformation processes that sought to reposition it as a key implementation arm of the state. These transformation processes can be divided into three broad phases, namely, the Rationalisation and Policy Development phase (1994 - 1999), the Modernisation and Implementation phase (1999 - 2004) and the Accelerated Implementation phase (2004 - current).⁸ This three-phase delineation is provided in order to highlight the key transformation concerns that characterised the different periods, leading up to and including the mid term period, which is the focus of this report. These phases are also an important background against which to understand the various observations and suggestions made by the PSC's SOPS reports during the current term of democratic government.

Rationalisation and Policy Development (1994 - 1999)

The first open and non-racial democratic elections in South Africa took place in 1994 following a negotiated settlement involving various political groups. Mr. Nelson Mandela became the first President following the elections, and this period is generally regarded as an era of "a nation seeking reconciliation and unity after decades of racial and political tensions".⁹ Measures, therefore, had to be put in place to ensure that the pace and direction of transformation is in keeping with the cherished ideals of reconciliation and nation-building. In this regard, one of the immediate priorities was to rationalise the Public Service into one institution to replace the 11 disparate racially- and

6 Netshitenzhe, J. *Government Communication in Public Service Transformation and the African Renaissance*. 11 May 1999.

7 *Ibid.*

8 Note: There is an overlap from one phase to another because of alignment to the country's electoral periods which start in April every 5 years.

9 Dickow, H and Moller, V. *South Africa's Rainbow People, National Pride and Optimism: A Trend Study*. *Social Indicators Research*, 59 (2). pp. 175-202. 2002.

ethnically-based public services inherited from the apartheid establishment. Alongside this rationalisation process, an important complementary priority was the revision of existing policies to create the necessary regulatory and legislative frameworks that are in line with the imperatives of the new democratic establishment. Most of the transformation efforts of this period were guided by the White Paper on the Transformation of the Public Service which was published in 1995.¹⁰ The White Paper sought to set a framework for “...a transformed Public Service which is representative, coherent, transparent, efficient, effective, accountable and responsive to the needs of all”.¹¹

Guided by the above vision, the White Paper identified the following eight key transformation priorities:

- Rationalisation and restructuring of the Public Service.
- Institution building and management to promote greater accountability and organisational and material effectiveness.
- Representivity and affirmative action.
- Transforming service delivery to meet basic needs and redress past imbalances.
- Democratisation of the state.
- Human resource development.
- Improved employment conditions and labour relations.
- The promotion of a professional service ethos.

Given that at the time the White Paper came into effect it was only a year since the new government had come into office, it was recognised that more legislative and normative frameworks would still follow to further sharpen the transformation trajectory of the Public Service. Indeed, the White Paper was followed by a range of other legislative instruments, including the Constitution,¹² the White Paper on Transforming Public Service Delivery,¹³ and the White Paper on Affirmative Action in the Public Service,¹⁴ among others. The development of these policies ensured that by the time of the second term of democratic government, the legislative foundation had already been laid to facilitate reconciliation and rationalise the Public Service into a single institution.

¹⁰ Republic of South Africa. Department of Public Service and Administration. *White Paper on the Transformation of the Public Service*. November 1995.

¹¹ *Ibid.*

¹² Republic of South Africa. *The Constitution of the Republic of South Africa. Act 108 of 1996.*

¹³ Republic of South Africa. Department of Public Service and Administration. *White Paper on Transforming Public Service Delivery*. 1997.

¹⁴ Republic of South Africa. Department of Public Service and Administration. *White Paper on Affirmative Action in the Public Service*. 1998.

Modernisation and Implementation (1999 - 2004)

The second national democratic elections were held in 1999, and these led to Mr. Thabo Mbeki taking over as the next President of South Africa. Given what had already been put in place during the first phase of transformation, this new term of office for the democratically elected government was seen as that of delivery.¹⁵ During this period the Public Service transformation agenda was taken further through implementation and the introduction of processes that sought to promote modernisation in administration and service delivery.

Through the introduction of, among others, Public Service Regulations,¹⁶ amendments to the Public Service Act,¹⁷ the Public Finance Management Act,¹⁸ Treasury Regulations¹⁹ and a number of collective agreements reached between government and organised labour, greater space was provided for Executing Authorities and Heads of Department to be responsible for the overall running of their respective departments. This decentralisation was introduced in order to empower departments to exercise decision-making authority and thus strengthen the service delivery value chain. The creation of a policy framework and institutional arrangements for electronic government also took shape, and this sought to enable the Public Service to take advantage of the opportunities for efficiency and effectiveness that could be derived from the use of Information Technologies.²⁰

While all these initiatives were being undertaken, there was, nonetheless, recognition of the fact that the Public Service transformation process was still far from over.²¹ Accordingly, the following key priorities were identified for the second term of democratic government:²²

- Rightsising the Public Service;
- Raising the skills levels within the public sector and retaining professional staff;
- Improving management, financial accountability and service delivery;
- Combating corruption and the abuse of public resources;

¹⁵ Note: See for example, Dickow, H and Moller, V. *South Africa's Rainbow People, National Pride and Optimism: A Trend Study. Social Indicators Research*, 59 (2). pp. 175-202. 2002.

¹⁶ Republic of South Africa. Department of Public Service and Administration. *Public Service Regulations*. 2001.

¹⁷ Republic of South Africa. Department of Public Service and Administration. *Public Service Act*. 1994.

¹⁸ Republic of South Africa. National Treasury. *Public Finance Management Act. Act 1 of 1999*.

¹⁹ Republic of South Africa. National Treasury. *Treasury Regulations*. 2001.

²⁰ Republic of South Africa. Department of Public Service and Administration. *Electronic Government - The Digital Future: A Public Service IT Policy Framework*. February 2001.

²¹ Mbeki, T. *President of the Republic of South Africa. The State of the Nation Address by the President of the Republic of South Africa. National Assembly*. 4 February 2000.

²² Adapted from Mbeki, T. *The State of the Nation Address by the President of the Republic of South Africa. National Assembly*. 4 February 2000.

- Improving efforts to further motivate/improving the morale of all public sector workers; and
- Increasing the proportion of public funds spent on investment.

The above constitute a basic reference point for transformation efforts following the second democratic elections in 1999. However, ensuring that these priorities are effectively implemented proved to be a more challenging task. Adherence to key pieces of legislation remained inadequate, and capacity constraints slowed down the implementation of departmental plans and programmes. Going forward, what was required, therefore, was a deepening of the implementation process.

Accelerating Implementation (2004 - to date)

At the beginning of the second decade of democracy in 2004, it was generally acknowledged that the key policy frameworks for transformation had been put in place.²³ An important follow up step was to consolidate the gains made and to accelerate implementation. In order to provide a strategic focus for such consolidation and acceleration, the electoral mandate given to government set out clear objectives with targets for the period ending in 2009.²⁴ The targets were clustered around the following broad themes:

- A growing economy;
- Sustainable livelihoods;
- Access to services;
- Comprehensive social security;
- Crime and corruption;
- Constitutional rights and governance; and
- Cooperation with Africa and the World.

In line with the emphasis on implementation, the electoral mandate also underscored the importance of creating the necessary capacity to achieve the above objectives. Guided by this mandate, President Thabo Mbeki announced in his 2004 State of the Nation Address that “we do not foresee that there will be any need for new and major policy initiatives. The task we will all face during the decade ahead will be to ensure the vigorous implementation of these policies, to create the winning people-centered society of which [former President] Nelson Mandela spoke.”²⁵

²³ Note: See for example, Republic of South Africa. *The Presidency. Towards a Ten-Year Review. Synthesis Report on the Implementation of Government Programmes. 2003.*

²⁴ Republic of South Africa. *The Presidency. A Planning Framework for Government. Medium-Term Strategic Framework. Undated.*

²⁵ Mbeki, T. *President of the Republic of South Africa. State of the Nation Address to the Houses of Parliament, Cape Town, 8 February 2004.*

SOPS reports produced by the PSC at the time echoed these sentiments and acknowledged that while challenges still remained, progress had been made as well. The PSC went even further to provide pointers towards the transformation priorities that needed attention post-2004. These included:²⁶

- Beefing up the capacity of the state to deliver.
- Strengthening public management.
- Fostering and nurturing Public Service Leadership.
- Accelerating service delivery.
- Achieving social development and addressing poverty through mechanisms that promote greater public participation.

The second decade of democracy was, therefore, largely viewed as a time to act. Based on an assessment by government that “the tide ... [had]...turned”, a key focus for the new term of office was “...to take this tide at the flood, further to progress towards the achievement of the goals for which so many of our people sacrificed.”²⁷

Any assessment of the post-2004 transformation phase should, therefore, take into account the implementation focus that was pointed out by government. This approach does not necessarily suggest that no further pieces of legislation were introduced after 2004. Indeed, it should be noted that during this period other policy changes were also introduced. Notably, the Public Service Act was amended,²⁸ and a new Bill on the creation of a Single Public Service is underway.²⁹ These legislative developments were arguably the most profound since the policy changes introduced in the mid- to late 90s. However, the legislative review initiatives did not constitute a major focus of the transformation process after 2004.

Conclusion

The Public Service remains a key institution through which government can realise its commitment to bettering the lives of citizens. As an important implementation agency of the state, the Public Service has received a lot of attention since 1994 through efforts to position it to better deliver on the priorities of government.

It is, therefore, fitting that as the third term of democratic government

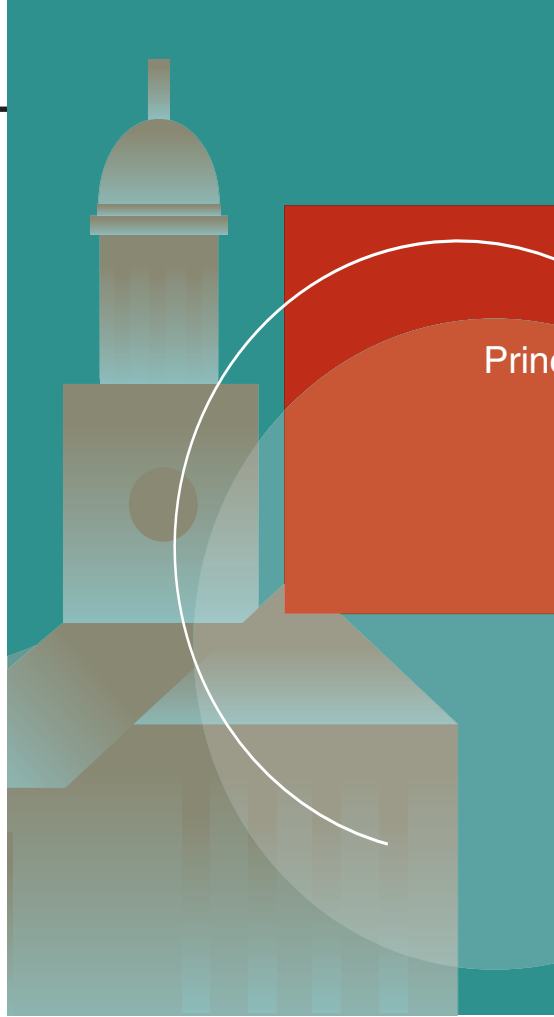
26 Republic of South Africa. Public Service Commission. *State of the Public Service Report*. 2004.

27 Mbeki, T. President of the Republic of South Africa. *State of the Nation Address at the Opening of Parliament*. Cape Town. 14 February 2003.

28 Republic of South Africa. Department of Public Service and Administration. *Public Service Act Amendment Bill*. 2007.

29 Republic of South Africa. Department of Public Service and Administration. *Draft Single Public Service Bill*. 2007.

nears its end, there is an assessment which reflects on the progress that has been made with the deepening of the transformation agenda of Public Service. The assessment should also highlight what still needs to be done as the country approaches the new term of government that is due to start in 2009.



Principle 1

A High Standard of Professional
Ethics must be Maintained

Introduction

The global discourse on good governance is underpinned by a call for governments to be proactive in fighting the spread of corruption and in promoting integrity-driven forms of administration. In this context, state institutions such as the Public Service are expected to serve as exemplars and promote and maintain a high standard of professional ethics. Achieving this standard requires a strong ethics infrastructure supported by enabling policies and a commitment to implement. In South Africa, as with other areas of the transformation agenda of the Public Service, by 2004 government had managed to put in place a range of key policy instruments and normative frameworks necessary to promote and support a high standard of professional ethics. In addition, South Africa has committed itself to a range of multi-lateral anti-corruption agreements and has acceded to various international instruments on anti-corruption. Collectively, these developments have helped shape the ethical identity of the Public Service and resonated with government's commitment to ethical administration.

As the end of the third term of democratic government approaches, it is crucial that the gains made towards building an integrity-driven Public Service are consolidated and that there is a deepening of implementation. This consolidation is particularly important in the current context where there are reports that suggest that public confidence in the country's institutions and leaders has dropped.³⁰ The risk is that government may be making strides in promoting ethical administration, but in the mind of the public there may be a sense that the standard of ethics is deteriorating instead of improving. These perceptions may not always be supported by the actual experiences of the public,³¹ but their potential impact on social cohesion and nation building should not be underestimated. The remaining period leading up to the 2009 elections will have to be used optimally to address the real causes of this drop in public confidence if a legacy of a government that has remained committed to fighting corruption is to be left.

Mid-Term review

In keeping with the general post-2004 focus on deepening implementation, important milestones were realised in the fight against corruption. One of these was the promulgation of the Prevention and Combating of Corruption Activities Act, 2004 (Act 12 of 2004). The Act is aimed at preventing and combating corrupt activities and provides for specific requirements for reporting corruption.³² Among others, the

³⁰ Institute for Justice and Reconciliation. *Transformation Audit: Leadership and Legitimacy*. 2007.

³¹ Mattes, R. *Good News and Bad News: Public Perceptions of Crime, Corruption and Government*. *Crime Quarterly* (18). 2006.

³² Republic of South Africa. *Prevention and Combating of Corrupt Activities Act*. Act No. 12 of 2004.

Act criminalises corruption and corrupt activities and outlines investigative measures for dealing with such activities. The passing of the Act strengthened the legislative base for fighting corruption as the country entered the second decade of democracy.

In promoting the Act among the public it was important to move away from the technical legal jargon and release user-friendly guidelines. Accordingly, a set of guidelines on the implementation of the Act was published to simplify the content of the Act and to make the public aware of their responsibilities and obligations in dealing with corruption.³³ The release of the Guidelines was, therefore, a useful step in the direction of empowering the public and deepening collaboration in anti-corruption efforts.

Possibly the most visible and collaborative anti-corruption effort post 2004 was the creation of the National Anti-Corruption Hotline (NACH). Prior to 2004, there were different department-specific and provincial hotlines for this purpose, a practice which led to poor coordination and inefficient implementation.³⁴ The NACH provides a 'one-stop' mechanism for members of the public to report acts of corruption and creates an opportunity for different role-players to cooperate better in receiving and handling allegations of misconduct. Indeed, the NACH has turned out to be a widely used mechanism to report corruption, and each year the PSC has witnessed an increase in the level of its utilisation.

The strong partnership dimension characteristic of South Africa's fight against the spread of corruption continued during this period, and manifested further when parties to the National Anti-Corruption Forum (NACF) - government, business and civil society - adopted a National Anti-Corruption Programme (NACP) in June 2005.³⁵ The NACP was developed to give effect to key resolutions from the Second National Anti-Corruption Summit held in March 2005. The adoption of the programme was a first, and represented a deepening of commitment by the parties to heighten their cooperation in the fight against corruption. Not only did the NACP give expression to practical projects that adequately took advantage of the partnership approach promoted by the Forum, but it gave more action-oriented content to the strategies of the NACF, and created a yard-stick through which the progress of the Forum could be assessed.³⁶

³³ National Anti-Corruption Forum. *Guide to the Prevention and Combating of Corrupt Activities*. 2007.

³⁴ Republic of South Africa. Public Service Commission. *Measuring the Effectiveness of the National Anti-Corruption Hotline*. 2007.

³⁵ Republic of South Africa. Department of Public Service and Administration. *Report on the Review and Impact Assessment of the Extent to which Departments and Organisational Components have Complied with the Minimum Anti-Corruption Requirements*. 2007.

³⁶ Ramsingh, O and Dobie, K. *Case Study on the South African National Anti-Corruption Forum*. Undated.

The post-2004 ethics landscape also witnessed a shift in the emerging debates. While there still remained a strong focus on anti-corruption efforts, increasingly attention turned towards deepening the debate on the complex nature of potential conflicts of interest. Prior to 2004, most of the focus in this regard was the implementation of the Financial Disclosure Framework for senior managers, in terms of which senior managers in the Public Service are required to disclose their financial interests regarding, among others, shares, directorships, property, and remunerated work outside the Public Service. However, there has since been a process of much deeper engagement on this matter, effectively raising the debate beyond a narrow focus on declaring potential conflicts of interest. While encouraging, the PSC remains disappointed by the limited movement on the policy options it proposed in the area of conflicts of interest.³⁷

Sustained engagement on ethical integrity is important especially as the country has also taken firm moves in the direction of voluntarily opening itself to public scrutiny. A defining moment in this regard was in 2006 when South Africa became the eighth country to be voluntarily reviewed through the African Peer Review Mechanism (APRM).³⁸ In the country's trajectory towards promoting good governance, this has marked an important and bold step, especially because the process involves systematic public scrutiny from a range of local stakeholders as well as assessors from other parts of the African continent. The APRM Country Report commended South Africa on the anti-corruption institutions and pieces of legislation that have been put in place. However, the Report further noted that while tangible results have been achieved, capacity constraints have compromised effective implementation.³⁹

Beyond the APRM process, it would be important to maintain the momentum of systematic public scrutiny. Regionally, the Mo Ibrahim Index of African Governance offers a mechanism for heightened scrutiny on government practices. Developed and implemented under the auspices of the Mo Ibrahim Foundation, the Index measures progress in 48 Sub-Saharan countries in terms of safety and security, the rule of law, transparency and corruption, participation and human rights, sustainable economic development, and human development.⁴⁰ In a report that was released in 2007 (using 2005 data), the Index rated South Africa fifth (after Mauritius, Seychelles, Botswana and Cape Verde).⁴¹ While there is prize money awarded as part of the

³⁷ Republic of South Africa. Public Service Commission. *Report on Managing Conflicts of Interest in the Public Service*. 2006.

³⁸ Note: The APRM was developed as part of the New Partnership for Africa's Development, and is an instrument through which member states of the African Union volunteer to be reviewed to establish compliance with specified values, principles and codes of good governance.

³⁹ The New Partnership for Africa's Development. African Peer Review Mechanism. APRM Country Review Report No. 4. *Country Review Report Republic of South Africa*. May 2007.

⁴⁰ Mo Ibrahim Foundation. *Ibrahim Index of African Governance*. 2007. (<http://www.Moibrahimfoundation.org>).

⁴¹ *Ibid.*

application of the Index, the principle of encouraging good governance efforts should be the bigger reward.⁴² The strides made thus far in South Africa bode well for the inculcation of ethical integrity in public administration, and a key issue for the country is the readiness and willingness to learn from past experience to strengthen our efforts.

Notwithstanding some significant milestones, the road to an integrity-driven Public Service has not been easy. In tracking developments on this road, the PSC has over the years made important observations regarding progress as shown in the synopsis contained in **Table 1** below.

Table 1: Synopsis of issues raised in previous SOPS reports

Year	Key Observations and Suggestions
2004	<ul style="list-style-type: none"> The National Anti-Corruption Strategy calls for departments to put a legislative framework in place, and the well regarded Prevention and Combating of Corrupt Activities Bill will be passed. Departments need to improve their processing of cases of financial misconduct. The minimum anti-corruption capacity for departments must be strengthened and more training on applied ethics should be provided. Partnerships with civil society have been slow to become operational. Hotlines through which allegations of corruption can be reported should be consolidated into a single national service.
2005	<ul style="list-style-type: none"> A basic ethics infrastructure is in place, but its implementation is inadequate. The usage of the National Anti-Corruption Hotline (NACH) demonstrates widespread public interest in fighting corruption. Almost half of senior managers failed to submit forms disclosing their financial interests, and no clear steps have been taken to address the situation.
2006	<ul style="list-style-type: none"> Cooperation with the private sector and civil society has improved. The NACH has bolstered capacity of the Public Service to identify acts of corruption. Whistle blowing mechanisms need to be strengthened. At 70%, compliance with Financial Disclosures Framework is inadequate. Departments should strengthen their investigative capacity as well as capacity to deal with cases of financial misconduct.
2007	<ul style="list-style-type: none"> A sound internationally recognised framework has been instituted to promote a strong culture of ethics. However, implementation of the frameworks and strategies requires attention. Important to also address the potentially harmful effects of perceptions-based measures of incidents of corruption. It is also necessary to appreciate the bigger challenge of improving the moral fibre of society so that public servants are less vulnerable to being corrupted by the public. Only 66% of senior managers disclosed their financial interests for the 2005/6 financial year.

The table above clearly provides a picture of some recurring challenges in the promotion of a high standard of professional ethics in the Public Service. Key among these is the capacity of departments to deal with cases of alleged corruption. In this regard, the PSC has

⁴² Note: The prize comprises US\$ 500,000 per annum for a period of 10 years and US\$ 200,000 per year thereafter. In addition, an amount up to US\$ 200,000 per annum is made available for 10 years towards the winner's public interest activities.

consistently raised concerns about the low rate of feedback received from departments on the cases that have been referred to them, as shown in **Table 2** below.⁴³

Table 2: Allegations of corruption reported to the NACH⁴⁴

National Department/ Province	2004-2005		2006-2007	
	No. of alleged cases	% of Feedback Received	No. of alleged cases	% of Feedback Received
National Departments	1 125	32 %	1 595	30 %
Eastern Cape	218	75 %	273	60 %
Free State	75	25 %	112	41 %
Gauteng	328	13 %	477	15 %
KwaZulu-Natal	144	11 %	199	3 %
Limpopo	87	59 %	151	54 %
Mpumalanga	128	74 %	287	39 %
Northern Cape	116	28 %	30	50 %
North West	17	24 %	137	42 %
Western Cape	59	76 %	94	51 %
Overall Provincial Total	1 172	40 %	1 760	39 %
Country Total	2 297	36 %	3 355	35 %

Overall, feedback was received in only 36% of the cases referred to departments between 2004 and 2005, and this figure dropped to 35% in respect of 2006 and 2007. An encouraging trend can be found in the Eastern Cape where the feedback rate throughout the mid-term period has always been among the highest. The feedback rate of the province was 75% for 2005 and 2006 (which was the second highest after the Western Cape). Although the feedback rate for the province dropped to 60% in 2006/7, it was still the highest relative to national departments and the other provinces. Therefore the overall picture is unsatisfactory. The feedback rates suggest that over the mid term, departments have generally not been able to strengthen their capacity to deal with cases of alleged corruption. Whilst departments are obliged to create investigative capacity in terms of the Minimum Anti-Corruption requirements issued by Cabinet, it is evident that some of them have not as yet complied.⁴⁵ While so many cases of alleged corruption remain unresolved, the perceptions of a corrupt Public Service will remain.

⁴³ Note: Table constructed on the basis of data from the PSC's Case Management System of the National Anti-Corruption Hotline as at November 2007. "Feedback" means progress made with the investigation of an allegation.

⁴⁴ Ibid.

⁴⁵ Republic of South Africa Public Service Commission. *Measuring the Effectiveness of the National Anti-Corruption Hotline (NACH)*. 2007.

Rather than just accept that departments were unwilling to address this worrying situation, the PSC attempted to understand the underlying reasons. The PSC studies show that the capacity challenges faced by departments with respect to handling allegations of corruption are multi-faceted. It was found in KwaZulu-Natal, for example, that not enough resources were being made available to create posts and employ staff for this purpose.⁴⁶ Where posts had been created, they were mostly at salary levels 6 - 8 (State Administration Officers) and 9 - 12 Assistant/Deputy Directors).⁴⁷ These resource limitations are also compounded by weaknesses in systems and procedures. In the Free State, it was found that only two departments had investigative procedures in place.⁴⁸ Processes to ensure timely referral of cases to departments were also found to be unsatisfactory. In KwaZulu-Natal, some cases only reached the point of investigation six months after they had been referred to the province by the PSC.⁴⁹

With such limited resources being availed, it cannot be expected that departments will be able to build the required investigative capacity to deal with cases of alleged corruption. All these institutional constraints compromise the effectiveness of the NACH as well as government's overall anti-corruption drive.

Constraints on departmental capacity also emerge in managing potential conflicts of interest among officials. Trends in the management of conflicts of interest among senior managers show that departments face capacity limitations in achieving the effective implementation of the Financial Disclosure Framework for senior managers. As shown in the synopsis contained in **Table 3** on the next page, the PSC has during the period under review continued to monitor and report on the implementation of the Framework and compliance levels have always been below the required target of 100%.

⁴⁶ Republic of South Africa. Public Service Commission. *Assessment of Professional Ethics in KwaZulu-Natal*. 2007.

⁴⁷ *Ibid.*

⁴⁸ Republic of South Africa. Public Service Commission. *Assessment of Professional Ethics in the FreeState*. 2007.

⁴⁹ Republic of South Africa. Public Service Commission. *Assessment of Professional Ethics in KwaZulu Natal*. 2007.

Table 3: Trends in financial disclosures (2004/5 to 2006/7)

National Department/ Province	2004-2005		2005-2006		2006-2007	
	No. of Forms Received	% Received	No. of Forms Received	% Received	No. of Forms Received	% Received
National Departments	4 955	77 %	2 025	56 %	2 821	70 %
Eastern Cape	284	68 %	262	62 %	360	71 %
Free State	135	49 %	113	38 %	328	93 %
Gauteng	592	40 %	537	80 %	731	88 %
KwaZulu-Natal	326	65 %	505	83 %	443	69 %
Limpopo	220	62 %	364	93 %	401	90 %
Mpumalanga	147	75 %	213	96 %	195	78 %
Northern Cape	73	61 %	53	40 %	154	92 %
North West	263	95 %	267	99 %	292	100 %
Western Cape	270	30 %	258	78 %	358	94 %
Provincial Total	2 310	61 %	2 572	74 %	3 262	86 %
Overall Total	7 265	62 %	4 597	73 %	6 083	85 %

Source: PSC Financial Disclosures Database as at November 2007.

For the period 2004 to 2007, the level of compliance with the Financial Disclosure Framework remained below 100%. The average for 2004/05 was 62%, followed by 73% in 2005/06 and 85% in 2006/07.⁵⁰ Although these figures reflect an increase in the rate of compliance, they still remain an indictment on the political and administrative leadership. In fact, by the end of November 2007, five national departments had a compliance rate of 0%, which means that not even a single disclosure form was submitted to the PSC. The PSC has previously drawn attention to these concerns and made proposals for improvement.⁵¹ These proposals included the introduction of penalties for non-compliance with the Framework and the linking of the Framework to the Performance Agreements of managers.

The continued failure by some managers to disclose their financial interests and the lack of a sense of urgency among EAs to deal with the matter suggest an unwillingness to encourage an ethos of administrative leadership. The executive needs to act decisively on this issue or accept the perceptions that there is an unwillingness to manage conflicts of interest. Without these disclosures being made, the Public Service is being put at risk as the potential conflicts of interest of senior managers cannot be timeously identified and managed.

⁵⁰ Republic of South Africa. Public Service Commission. Report on the Management of Conflicts of Interest through Financial Disclosures. May 2007.

⁵¹ Ibid.

Conflicts of interest are fairly rampant. Apart from designated employees being directors in companies that in turn do business with government,⁵² another conflict of interest that may arise is that of dual employment. A recent study undertaken by the PSC raised questions on the neutrality of public servants who also serve as full-time or part-time councillors.⁵³ Focusing on Limpopo and the Western Cape, the study found that there is a legislative gap in the management of public servants who are elected as municipal councillors. The current framework regulating the election of public servants as councillors is also not adhered to in all instances by departments. The PSC feels very strongly that the practice of dual employment of public servants should be entirely discontinued. Alternatively, the DPSA should amend the Public Service Act to, among others, include conditions under which public servants can be elected to serve as municipal councillors.⁵⁴

If one adds the rising debate on “cooling off periods”⁵⁵ to the issues of financial disclosures and dual employment, the PSC’s view that there needs to be a further strengthening of policy in terms of the scope of the South African conflict of interest system is confirmed.⁵⁶ The absence of clear regulations on these matters only clouds the otherwise strong messages of a Public Service that promotes a high standard of professional ethics.

Another consistently strong message from government has been the importance of effective partnerships between government and other role players in the fight against corruption. As the ethics infrastructure of the country was being initiated during the first decade of democracy, there was already recognition that fighting corruption is complex and thus requires cooperation between departments as well as stakeholders outside government who may have specialised skills. However, despite the existence of the NACF at the national level, this model has not been successfully replicated among the provinces.⁵⁷ This was one of the findings of the 2006 PSC investigation into the ethics and anti-corruption infrastructure in the Free State Province. The study found that a Provincial Anti-Corruption Forum as well as a Strategy did not exist. In KwaZulu-Natal a Forum has been established but does not include civil society.⁵⁸ These findings show that the co-operative approach to fighting corruption has not been systematically

52 Republic of South Africa. Auditor-General. *Report on the Declaration of Interest by Ministers, Deputy Ministers and Government Employees*. 2006.

53 Republic of South Africa. Public Service Commission. *Report on the Investigation into the Management of Public Servants in terms of Prevailing Provisions who are Elected as Municipal Councillors in the Limpopo and Western Cape Provinces*. 2007.

54 *Ibid.*

55 Note: This practice generally refers to situations where an employee takes up employment with an organisation with which s/he had direct or significant dealings during her/his last year of office.

56 Republic of South Africa. Public Service Commission. *Report on Managing Conflicts of Interest in the Public Service*. 2006.

57 Republic of South Africa. Public Service Commission. *Assessment of Professional Ethics in the Free State*. 2007.

58 Republic of South Africa. Public Service Commission. *Assessment of Professional Ethics in KwaZulu-Natal*. 2007.

cascaded to provincial level. Unless there is such a collaborative approach and resolve to address corruption, the impact of efforts to boost the ethical fibre of the Public Service may be compromised.

The PSC believes that at the heart of many of the gaps that still exist regarding the country's anti-corruption efforts is the lack of a national integrity system. Although important building blocks such as regulations, normative frameworks, hotlines and international agreements have been put in place, their impact is compromised if they are not located within a coherent national system which reflects how the different efforts relate to and complement one another. Such a system will also facilitate better collaboration between the different anti-corruption agencies of government to obviate a duplication of efforts and promote efficiency and effectiveness. It is through this system that the adage "the sum is bigger than the parts" would come true because there would be better alignment and complementarity between the different instruments and actors. On the eve of the publication of this review, preparations for the Third National Anti-Corruption Summit are underway. Indications are that the Summit will seek to deliberate on the creation of an integrated integrity framework.⁵⁹ It is hoped that the Summit will be used effectively as an opportunity to set in motion this framework.

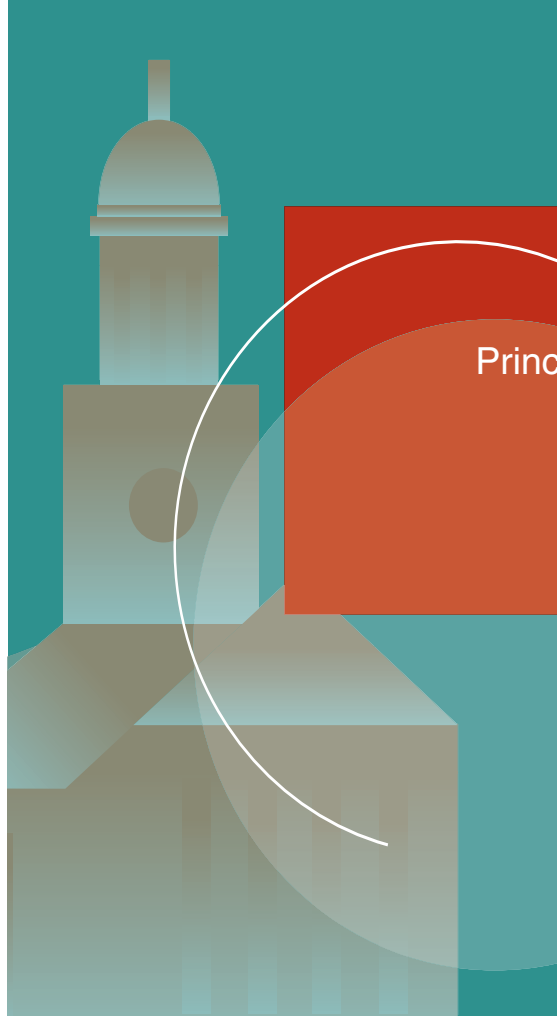
Accelerating Delivery towards 2009 and Beyond

As the third term of the current government draws to a close, it is critically important that concrete steps are taken to deal with those aspects of professional ethics in which progress has been inadequate to date. Firstly, departments must ensure that, as a quick win, all their senior managers complete and submit their Financial Disclosure Forms. Where a 100% submission rate is not achieved, there should be concrete evidence to show that the senior managers who ignore this regulatory requirement have been dealt with by the EA. Secondly, departments should ensure that they acquire and utilise the capacity that is required to identify, investigate and deal with instances of unethical conduct. The time has come to commit to such capacity building by allocating as much resources as possible to departments. Without the minimum anti-corruption capacity the requirements stipulated by Cabinet may not be achieved. Current attempts to create anti-corruption capacity in departments are not bold enough and unless a critical mass of resources is availed to departments, progress will remain highly unsatisfactory.

⁵⁹ National Anti-Corruption Forum. Media Release. 30 August 2007.

Thirdly, the executive should take concrete steps to close the legislative gaps that still exist in the country's ethics infrastructure. These include the gaps relating to the dual employment of public servants and adoption of a comprehensive policy framework on the management of conflicts of interest. Clear timelines should be set for this process and communicated to Parliament to facilitate political oversight of the process.

Finally, parties to the NACF must ensure that the coming National Anti-Corruption Summit is more than a talk shop. The Summit must provide for an opportunity to assess the progress and shortcomings of our collective anti-corruption efforts. The assessment should take into account the workplan agreed to at the second National Anti-Corruption Summit. In addition, the Summit must inspire a concerted effort to address these shortcomings and deepen the implementation of anti-corruption interventions.



Principle 2

Efficient, Economic and Effective
use of Resources must be
Promoted

Introduction

Adherence to the principle of effectiveness, economy and efficiency in Public Service delivery is an important and yet complex area of public administration. On the one hand, it is recognised that public resources are finite and that the priorities they should fund are immense. It is, therefore, important to ensure that the limited resources available are spent in ways that achieve more value for money. However, on the other hand, it is also recognised that the products and services provided by the Public Service are complex. Among others, this complexity arises out of the fact that in delivering services, the Public Service also pursues social objectives (such as equity) which may not always readily render themselves to simple cost-benefit analyses. In order to achieve such social objectives, the Public Service may at times spend resources in ways that some may view as inefficient. However, this may actually be a necessary intervention through which past inequities can be redressed more effectively.

A further aspect of the complexity of Public Service delivery is that sometimes the real benefits only become discernable after a long period when some may have even forgotten the costs that were initially incurred. When the Public Service invests in teacher training, for example, the real benefits of this investment can only be established over time when the quality of teaching and learning improves as reflected in the achievements of learners. As Smith and Street correctly put it, “contemporary performance is to some extent dependent on previous investment, and contemporary inputs are to some extent invested for future outputs”.⁶⁰

Amidst the rising influence of ideas advanced by the New Public Management (NPM) since the 1980s,⁶¹ public managers need to be even more vigilant to avoid an uncritical focus on efficiency and economy without any regard for effectiveness. The NPM generally promotes the adoption of private sector practices such as the introduction of competition among service providers through term contracts, and a focus on outputs and results rather than processes. However, if Public Service managers uncritically adopt NPM principles, they may end up pursuing narrow efficiency gains which do not address other important performance dimensions that are relevant to their respective contexts.

⁶⁰ Smith, P.C. and Street, A. *Measuring the Efficiency of Public Services: The Limits of Analysis*. *Journal of the Royal Statistical Society*. 2005.

⁶¹ Note: NPM is used to generally refer to certain administrative reform doctrines adopted by a number of countries in the late 70s and early 80s. See for example, Hood, C. *A Public Management for All Seasons?* *Public Administration*. Vol. 69. 1991.

Half way into the third term of office for the democratically elected government, it is opportune to take stock of the measures that the Public Service has put in place since 2004 to promote the efficient, economic and effective use of resources. In this process, it would be equally important to ensure that the measures put in place are adequately sensitive to the complexities of public service delivery.

Mid-Term Review

The foundation for greater awareness around the importance of efficiency, effectiveness and economy was built during the first decade of democracy through, among others, the introduction of the Public Finance Management Act (PFMA),⁶² Treasury Regulations⁶³ and the Medium Term Strategic Framework. Post-2004, an important priority was to build on this solid regulatory foundation and ensure improved implementation by building in a more nuanced focus on effectiveness, efficiency and economy. In this regard, the Minister for Public Service and Administration reported to Parliament that “our Public Service simply has to get better at doing whatever it does. We need to achieve better results with the same resources and the same people. This requires a renewed focus on effectiveness across the entire public sector.”⁶⁴ Such public pronouncements were indications that during its third term of office, the democratic government intended to prioritise the creation of public value through better service delivery.

One of the important developments in this regard was introduced in 2004 when nationally uniform sector-specific budget structures were implemented. In terms of this important budget reform, all budgets for departments within the same sector (for example, education or public works) would be organised according to the same structure across all provinces.⁶⁵ This development sought to simplify budget structures, and facilitate comparisons of performance data between provinces. Through these uniform budget structures, departments within the same sector could reflect on each other's resource allocation and utilisation patterns, a process which would facilitate benchmarking and in the long run contribute to economy, efficiency and effectiveness.

⁶² Republic of South Africa. National Treasury. Public Finance Management Act. Act 1 of 1999.

⁶³ Republic of South Africa. National Treasury. Treasury Regulations. 2001.

⁶⁴ Fraser Moleketi, G. J. Minister for Public Service and Administration. Budget Vote Speech. 21 June 2004.

⁶⁵ Republic of South Africa. National Treasury. 2007. Provincial Budgets and Expenditure Review: 2003/04-2009/10. 2007.

Simplifying budget structures did detract focus from improving the quality of performance data generated and reported by departments. In 2007 National Treasury published a Framework for Managing Programme Performance Information, which, among others, clarifies definitions and standards for performance information and seeks to improve the way departments plan, monitor and report on their performance.⁶⁶ The Framework should serve as an important guide for the Public Service, and if used properly it will improve the quality of reporting on performance and support informed decision-making.

The above developments have built on the pre-2004 legislative foundation by promoting a gradual and yet noticeable shift from narrow compliance based performance reporting to a more qualitative engagement with the public value that is being created through service delivery. Indeed, the period under review has seen greater awareness of the need to examine what value for money means in the context of public service delivery.⁶⁷ In this process departments have been encouraged to ensure that they focus not just on the rand cost of public services but on their quality and the difference they make towards the well-being of citizens.⁶⁸

The need to promote a better understanding of public value should also be understood within the context of the increasing funds government has been allocating to national and provincial departments. This allocation increased from R306 billion in 2004/05 to R391 billion in 2006/07.⁶⁹ However, increased allocations do not help support improved efficiency and effectiveness if departments under spend the funds they receive. Encouragingly, during this period the Public Service witnessed an overall decrease in under spending, suggesting that departments were progressively starting to overcome their spending difficulties.⁷⁰

Notwithstanding the above important milestones, the performance of the Public Service has, during the period under review continued to be inadequate in certain areas as is evidenced by the tracking of progress by the PSC reflected in **Table 4** on the next page.

⁶⁶ Republic of South Africa. National Treasury. *Framework for Managing Programme Performance Information*. 2007.

⁶⁷ Republic of South Africa. Public Service Commission. *Report on the Evaluation of the Batho Pele Principle of Value for Money in the Public Service*. 2007.

⁶⁸ Note: See, for example, Manuel T. Minister of Finance. Republic of South Africa. *Budget Speech 2006/15 February 2006*.

⁶⁹ Republic of South Africa. National Treasury. *Provincial Budgets and Expenditure Review:2003/04 - 2009/10*. 2007.

⁷⁰ Republic of South Africa. Public Service Commission. *State of the Public Service Report*. 2005.

Table 4: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • The Medium Term Expenditure Framework and the Medium Term Strategic Framework have been introduced to help departments define and measure objectives. • Resources are not optimally used due to a lack of co-ordination. • Performance management should interlink performance budgeting and monitoring and evaluation components.
2005	<ul style="list-style-type: none"> • Few departments relate their annual reports to their budgets and most need a comprehensive management information system to capture progress. • The Public Service is starting to overcome its difficulties in spending its funds. • There is limited understanding of the difference between outputs and outcomes, and training is needed.
2006	<ul style="list-style-type: none"> • The reporting formats for Annual reports are being used, and these reports show the extent to which resources are used efficiently and effectively. • Financial controls such as internal audits units are not functioning optimally. • 61% of departments reviewed by the Auditor-General in 2004/5 were unable to align their strategic plans, annual and financial reports. • Whilst there has been a decrease in the percentage of unauthorised, irregular and wasteful expenditure, the amounts remain very high.
2007	<ul style="list-style-type: none"> • There has been a substantial increase in social spending, especially on education. • The capacity to spend remains a concern where under spending for national departments have gone up, but is on the decrease for the provinces. • The amount of unauthorised, irregular, fruitless and wasteful expenditure went up three times over the previous year. • There are uneven spending patterns within departments, with most funds being spent at the end of the financial year. This shows that funds are not being managed optimally.

As **Table 4** above shows, progress over the period under review has been uneven, and there are specific recurring challenges that need to be watched closely in the remaining part of government's term of office. One of these is the need to ensure proper alignment of planning, expenditure and reporting as this facilitates a monitoring of efficiency and effectiveness by linking planned outputs and outcomes to achievements. In particular, such alignment makes it possible to link achievements to planned expenditure.

The inadequate integration of plans and activities noted in 2004⁷¹ has continued to be a cause for concern, although certain improvements have been realised. In 2004/05 it was found that in 61% of the

⁷¹ Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2004.*

departments reviewed by the Auditor-General (A-G), performance information contained in annual reports was not aligned to the information contained in the strategic plans and the Estimates of National Expenditure (ENE).⁷² The following year (2005/06) saw a marked improvement in this regard with only 29% of the departments reviewed lacking alignment in terms of annual reports versus strategic plans and the ENE.⁷³ In 2006/07, in only 9% and 25% of national and provincial departments respectively were material inconsistencies found between reported performance information and the objectives contained in strategic plans and the ENE.⁷⁴

The above observations suggest that over the mid-term, the Public Service has generally improved in terms of ensuring better alignment between planning and reporting. However, from the rate of progress reported it can also be observed that there are still departments in which the institutional practice of meaningfully accounting for what you promised to deliver on has yet to take root.⁷⁵ Institutionalising good practice in this regard lays a good foundation for effectiveness, efficiency and economy by creating links between planned activities, the resources allocated to these activities and the achievements made. Ultimately it is this practice that will facilitate a better appreciation of how value for money can be achieved.

Of critical importance is for the Public Service to also improve the reliability of performance data by ensuring that there is consistency in the content of reports from one period to the next. However, National Treasury has found that there remain major variances between the data reported by departments in their quarterly reports and the data published in annual reports.⁷⁶ This means that different reports by the same department give conflicting information on performance, and that, therefore, a reader's understanding of what the department has achieved will depend on which report is being looked at. Such variances suggest that in monitoring the quality of performance information, it is important to ensure that there is consistency in what is being reported from one period to the next. These inconsistencies compromise the reliability of the performance data and lead to a loss of confidence in the reports provided by the departments. While it is envisaged that following National Treasury's release of a *Framework*

⁷² Republic of South Africa. Auditor-General. *General Report on Audit Outcomes for 2004 - 05 (RP 223 2005)*.

⁷³ Republic of South Africa. Auditor-General. *General Report on Audit Outcomes for 2005 - 06 (RP 247 2006)*.

⁷⁴ Republic of South Africa. Auditor-General. *General Report on Audit Outcomes of National and Provincial, Public Entities and Constitution Institutions for the Financial Year 2006 - 2007. December 2007*.

⁷⁵ *Ibid.*

⁷⁶ Republic of South Africa. National Treasury. *2006. Provincial Annual Report Review as a Performance Measure for 2005/06*.

for *Managing Programme Performance Information*,⁷⁷ further improvements in the quality of performance data will be realised, this is a matter that requires close attention during the remaining years of the government's current term of office.

A tighter alignment of objectives, strategy and performance reports should in time also facilitate a better understanding of how the spending patterns of departments impact on the achievement of key service delivery goals. These spending patterns provide useful insights into whether departments spend the funds they receive within the budget parameters approved by Parliament. Although over the period under review departments showed progress in dealing with problems of under spending, the PSC's SOPS reports have noted with concern that some under spending was continuing to take place. **Table 5** shows trends in over- and under spending between 2004/05 and 2006/07.

Table 5: Trends in over- and under spending from 2004/05-2006/07⁷⁸

National/ Provincial	Expenditure 2004/05			Expenditure 2005/06			Expenditure 2006/07		
	Adj Budget R'000	Act Exp R'000	% Devi- -ation	Adj Budget R'000	Act Exp R'000	% Devi- -ation	Adj Budget R'000	Act Exp R'000	% Devi- -ation
National Departments (total)	371,686	368,460	0,9	422,963	416,684	1,5	476,329	470,156	1,3%
<i>Provincial Departments</i>									
Eastern Cape	31,273	30,929	1,1	23,946	23,642	1,3	27 530	26 923	2,2%
Free State	13,489	12,928	4,2	11,112	10,684	3,9	11 883	12 297	-3,5%
Gauteng	31,207	30,333	2,8	27,631	27,107	1,9	35 136	34 748	1,1%
KwaZulu-Natal	38,994	39,091	-0,2	33,340	33,321	0,1	37 429	36 955	1,3%
Limpopo	25,616	24,969	2,5	21,375	20,914	2,2	23 722	23 908	-0,8%
Mpumalanga	13,788	13,170	4,5	12,035	11,610	3,5	12 832	12 690	1,1%
Northern Cape	4,642	4,757	-2,5	3,998	3,955	1,1	4 510	4 569	-1,3%
North West	15,881	15,057	5,2	13,535	13,144	2,9	15 532	15 017	3,3%
Western Cape	18,671	18,252	2,2	16,992	16,767	1,3	19 458	18 850	3,1%
Total for Provincial Departments	193,561	189,486	2,1	163,964	161,144	1,7	188 031	185 957	1,1%
Total for the Public Service	565,247	557,946	1,3	586,927	577,828	1,6	663 360	656 113	1.1%

⁷⁷ Republic of South Africa. National Treasury. *Framework for Managing Programme Performance Information*. 2007.

⁷⁸ Table provided by National Treasury on 07 December 2007.

Over the period 2004/05 to 2006/07, departments have generally continued to under spend their funds at a rate of between 1% and 2% of the budget. However, specific percentages for individual provinces reveal worrying trends. For example, under spending in the Western Cape increased from 1,3% in 2005/6 to 3,1% in 2006/7, a trend that indicates that some funds may be lying unused while there remains pressing service delivery needs in the province. Other provinces such as the Free State and the Northern Cape reversed their trends from under spending to overspending. Material over- and under spending represent a gap between planning and implementation and can thus not be in the interest of efficient and effective service delivery. The country cannot afford to have funds being returned unspent given the backlogs that still exist in the provision of basic services. As the President noted, "...it is a fact that 8 million people are still without portable water. Many more are without electricity and sanitation".⁷⁹ This under spending suggests that it is not necessarily a lack of funds that is preventing the delivery of such basic services but appropriate capacity to use existing resources efficiently and effectively.

Progress in achieving acceptable expenditure patterns should be understood within the context of the commitment to give citizens better value for money. A full appreciation of this commitment is required to inform the overall orientation of public administration in the country. The Public Service still has a long way to go in this area, especially when cognisance is taken of a PSC study which found, among others, that it was still difficult for departments to determine if they are delivering value for money.⁸⁰ The challenge departments face is largely in terms of being rigorous in the collection, analysis and reporting of non-financial performance data.

However, as attention is being paid to spending patterns, it is equally important to ensure that accountable spending processes are being followed. In this regard, a recurring concern over the period under review has been the practice of unauthorised, irregular, fruitless and wasteful expenditure. This practice has been on the rise, in the process leading to more and more funds being expended ineffectively and inefficiently. In terms of national departments expenditure that fell in this category in 2003/04 was R142,1 million.⁸¹ This amount decreased to R83,8 million in 2004/05 and then more than doubled in 2005/06 when it reached R266,7 million.⁸² Such forms of expenditure are not in the interest of efficiency, effectiveness and economy, and it

⁷⁹ Mbeki, T. President of the Republic of South Africa. State of the Nation Address. Joint Sitting of Parliament. 9 February 2007.

⁸⁰ Republic of South Africa. Public Service Commission. Report on the Evaluation of the Batho Pele Principle of Value for Money in the Public Service. 2007.

⁸¹ Republic of South Africa. Auditor-General. General Report on Audit Outcomes for 2003 - 04 (RP 211 2004).

⁸² Republic of South Africa. Auditor-General. General Report on Audit Outcomes of National and Provincial, Public Entities and Constitution Institutions for the Financial Year 2006 - 2007. December 2007.

is very worrying that the amounts involved continue to be so high.

The ability to spend is reliant on the capacity and conduct of public servants. It requires a mindset which is alert to the risks of lack of financial discipline. It would not be far-fetched to suggest that the discipline to manage personal finances is an important part of the foundation that one requires in order to effectively manage large public funds. Where one's personal finances are poorly managed, there are also likely to be doubts about the honesty and integrity with which public funds will be managed. A PSC study has found that a number of public servants are failing to manage their own personal finances effectively. The study found that 20% of all public servants had made garnishee related payments during 2006/07.⁸³ This suggests that many public servants are over-indebted and thus default on repayments to their creditors, leading to the courts ordering them to honour the payments. The total debt owed to micro-lenders by public servants was R13,3 million during 2006/07, 25% of which was attributed to employees based in national departments.⁸⁴ Such apparent inaptitude to manage personal finances raises uncertainties about the effectiveness with which departmental budgets can be managed.

Some of the allocations to departments include very large amounts targeted for infrastructure spending. With the country now making preparations to host the 2010 Soccer World Cup, infrastructure spending has been raised even further, with the 2007 budget projecting a R416 billion earmarked for this purpose over the medium term.⁸⁵ The country cannot afford to have these funds managed inappropriately. Infrastructure spending is a key lever for economic growth, and in a developmental context such growth is important for improved service delivery and then achievement of social objectives. Efficiency, effectiveness and economy will, therefore, remain crucial imperatives for Public Service transformation in general, and the role of public servants in particular.

Concerns about a lack of financial discipline among public servants should also be understood against the background of the risks that such officials pose in terms of acts of financial misconduct. The PSC has observed a big increase in the cases of financial misconduct reported by departments.⁸⁶ For the 2003/04 financial year, the total number of cases reported was 582, which decreased to 513 in 2004/05, only to up massively to 771 and 1042 in 2005/06⁸⁷ and 2006/07⁸⁸, respectively. While these trends should not necessarily be

83 Republic of South Africa. Public Service Commission. Draft Report on the Indebtedness of Public Servants. 2007.

84 Ibid.

85 Manuel, T. Minister of Finance. Republic of South Africa. Economic Policy and South Africa's Growth Strategy. 19 March 2007.

86 Republic of South Africa. Public Service Commission. Report on Financial Misconduct for the 2005/2006 Financial Year. 2007.

87 Ibid.

88 Republic of South Africa. Public Service Commission. Report on Financial Misconduct for the 2006/2007 Financial Year. 2008.

interpreted to suggest that financial misconduct is on the increase, they should be a source of concern for a Public Service that seeks to promote efficiency and effectiveness. The impact of such acts becomes even more evident when one considers the amount of money they involve. In 2003/04, the total amount involved was just over R20m, which increased drastically to close to R121m in 2004/05 and then came down to about R45m in 2005/06. By all counts these are massive resources that the Public Service cannot afford to misappropriate. What is even more worrying is that in most of the cases, departments could not provide any indication of whether they have been able to institute criminal or any other proceedings against the offending employees, which means that chances of recouping some of the money involved are limited.

Accelerating Delivery Towards 2009 and Beyond

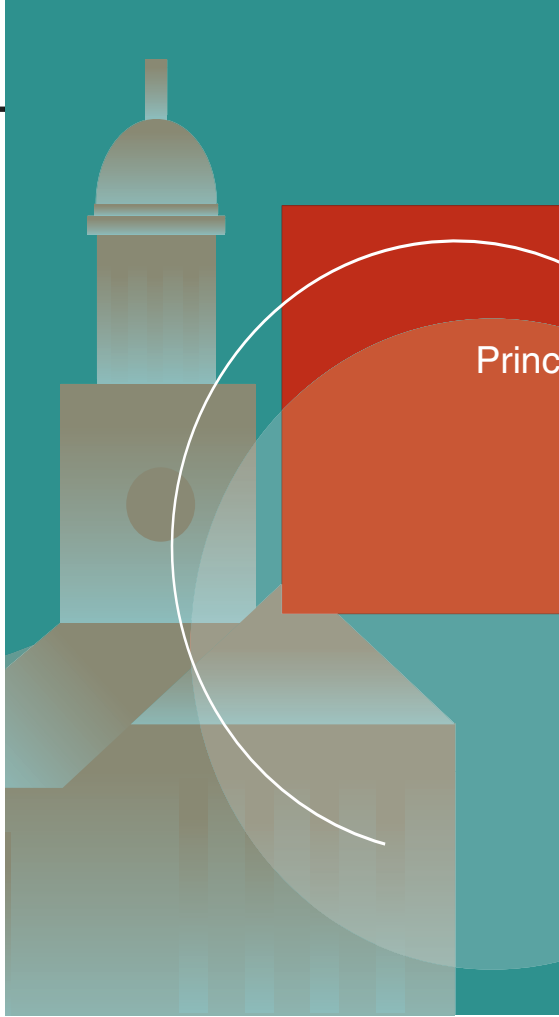
The Public Service has made good progress with putting frameworks and policies in place to incrementally improve the quality of performance information. However, it is apparent that departments still need to strengthen their monitoring of non-financial data and its link to expenditure to ensure a strengthening of the quality of performance reporting. Frameworks to guide such reporting are in place and a critical step would be to ensure capacity at departmental level to generate the required information which, in its analysis, links financial and non-financial data so that progress on efficiency, effectiveness and economy can be properly accounted for. Such monitoring would also help assess the progress being made in the delivery of key government services which are at the heart of creating a better life for all.

In order to further promote an institutionalisation of efficiency and effectiveness, National Treasury should provide a guideline on how to understand and monitor value for money in Public Service Delivery.

Given the growing importance of credible performance data, it is crucial for institutions that place reporting demands on departments (such as National Treasury, the PSC, and the A-G, among others) to coordinate and streamline their requirements. Without such coordination, the information demands placed on departments may end up being burdensome. In addition, there may be a duplication of information requirements, a practice which may not be in the interest of optimising the use of state resources.

In order to bring to an end the practice of unauthorised, fruitless, irregular and wasteful expenditure, departmental performance management and disciplinary processes (including the performance evaluation of Heads of Department) should decisively deal with officials who incur such unacceptable forms of expenditure. In addition, incidents of such expenditure should be seriously taken into account when departmental budget votes are being passed by Parliament to ensure that departments that are implicated begin to face certain sanctions regarding the funds they are allocated in subsequent years.

As part of tightening up the processes of dealing with financial misconduct, departments need to ensure that they also increase the rate of recovering money from the offending officials. It is not enough to simply demote, warn, suspend or dismiss these officials. The money involved should be recovered and returned to the fiscus.



Principle 3

Public Administration must be
Development Oriented

Introduction

Development orientation as a Constitutional value and principle has been at the centre of many debates on the role of the state and the policies that should be put in place to support this role. The PSC believes that in the South African context, the principle of development orientation requires state institutions to ensure that in their programmes and policies they prioritise the creation of a better life for the people. The democratic government has promoted this orientation from the time of the first term of office, by among others, adopting the Reconstruction and Development Programme (RDP) in 1994.⁸⁹ In the years that followed, a range of policies and programmes were designed and implemented to give impetus to the promotion of development, and all of these efforts assumed a new sense of urgency with the adoption of the eight Millennium Development Goals (MDGs) and their accompanying targets.

With government's third term of office now coming to an end, a key question to be addressed is how to increase in a sustainable manner the pace of implementing the current policies and programmes. This question is particularly important considering recent concerns that certain important pillars on which growth and development rest are beginning to experience challenges. One such important pillar is an energy strategy for a reliable and sustainable power supply in support of productive economic activities and a better quality of life. Recent power outages in the country have raised questions about how reliable our energy supply is and the implications thereof for growth and development. Similar concerns are being raised in certain quarters about the sustainability of the country's water supply, including the capacity to monitor and maintain the existing infrastructure.⁹⁰

The above issues need urgent attention to ensure that the gains realised since the advent of democratic rule can be consolidated into a sustainable legacy that future governments can build on. The role of the Public Service in this process cannot be overemphasised. A development oriented Public Service must leverage its administrative wherewithal and resource base and use these in such a manner that they help to invigorate the implementation of programmes that promote growth and development. The results of such growth and development should become particularly visible in the reduction of poverty and the improvement of the quality of life of people.

⁸⁹ Republic of South Africa. *The Presidency. The White Paper on Reconstruction and Development. 1994.*

⁹⁰ Note: See, for example, Hendricks, L.B. *Minister of Water Affairs and Forestry. Republic of South Africa. Media Release: Response to the Sunday Times Article. 4 February 2008.*

Mid-Term Review

Addressing poverty and its root causes has remained a critical objective guiding the country's development efforts. Government's strategy towards creating a better life for all has ridden on the back of a strong economy which has been growing at an average rate of just under 5% since 2004.⁹¹ This growth has enabled government to increase its public spending by over 9% per annum since 2004,⁹² in the process expanding the delivery of services in such areas as housing, education, income support and primary health. It is also worth pointing out that in order to push for even better progress, government set for itself development targets that were higher and more ambitious than those contained in the MDGs. For example, while the MDGs target the halving of poverty by 2015, South Africa intends to meet this objective a year earlier in 2014. **Box 1** below provides a summary of the MDGs.

Box 1: The Millennium Development Goals⁹³

1. Eradicate extreme poverty and hunger.
2. Achieve universal primary education.
3. Promote gender equality AND empower women.
4. Reduce child mortality.
5. Improve maternal health.
6. Combat HIV/AIDS, malaria and other diseases.
7. Ensure environmental stability.
8. Develop a global partnership for development.

There is a lot to be proud of in terms of what government has achieved in the realisation of its development goals,⁹⁴ although decisive measures are necessary to ensure the consolidation of the gains. In education, for example, government adopted a policy on no-fee schools in terms of which schools in poor communities can allow learners to enrol without paying fees.⁹⁵ This policy will effectively see 55,2% of all public schools opening their doors to the poor and thus doing away with the financial barriers to basic education.⁹⁶

The broadening of access to services has also been achieved in the provision of piped water which now reaches 88% of the population,⁹⁷ basic sanitation facilities which by 2006 were enjoyed by 70% of the population,⁹⁸ and the delivery of subsidised houses which reached two million units by 2007.⁹⁹

91 Republic of South Africa. National Treasury. Budget Review. 2007.

92 Manuel, T. Minister of Finance. Republic of South Africa. Budget Speech. 21 February 2007.

93 Republic of South Africa. Millennium Development Goals: Mid Term Country Report. September 2007.

94 Ibid.

95 Republic of South Africa. National Treasury. Provincial Budgets and Expenditure Review. 2003/04 - 2009/10. 2007.

96 Ibid.

97 Manuel, T. Minister of Finance. Republic of South Africa. Medium Term Budget Policy Statement. 2007.

98 Republic of South Africa. The Presidency. Development Indicators Mid-Term Review. Undated.

99 Republic of South Africa. National Treasury. Estimates of National Expenditure. 2007.

The momentum for poverty reduction was also boosted by the introduction of the Expanded Public Works Programme set out to create work and training opportunities between 2004/05 to 2008/09. Between April 2004 up till the end of September 2007, 854 406 net work opportunities were created. This is a 77% achievement against the target of 1 112 000 that had been set. The programme also has a capacity building component, and the overall number of person-days of training provided since commencement is 3,6 million. In this regard the project achieved 23% towards its 15,5 million person-days of training target.¹⁰⁰

A lasting legacy that government has introduced to reduce poverty is the provision of social grants to qualifying individuals based on a means-test. This measure has been in place since 1994, but the period after 2004 saw a marked increase in the amount of money spent on social assistance as well as the beneficiaries from this. Social assistance now reaches close to 12 million beneficiaries, up from 8 million in 2004.¹⁰¹ Considering that the total estimated population is 46 million, it means that about 25 % of the country's population receives social grants of one form or another. The rapid increase in the beneficiaries of social grants suggests that what was initially intended as a safety net has over time turned into a highly resourced intervention covering a large section of the population.

Amidst the growing concerns about the unsustainability of an ever increasing social security budget, government has taken a critical step of initiating the development of a comprehensive poverty reduction strategy. This step seeks to promote a cluster approach towards poverty reduction in order to facilitate greater integration between the activities of different state institutions.

However, addressing poverty also requires clarity regarding how poverty should be measured. This clarity helps create benchmarks against which progress can be measured over time. As a signatory to the 1995 Copenhagen Declaration on Social Development, South Africa undertook to have in place a specific poverty line by 1996.¹⁰² Yet it wasn't until 2007 that an important step was taken in this regard with the introduction of proposals on a national poverty line for South Africa.¹⁰³ Once finalised, the matrix will serve as a common reference point for determining who the poor are and how interventions should accordingly be tailored. As the clock ticks towards the 2015 overall

100 Republic of South Africa. Department of Public Works. *Expanded Public Works Programme. Second Quarterly Report-Year 4. Financial Year 2007/08.*

101 Republic of South Africa. The Presidency. *Development Indicators Mid-Term Review. Undated.*

102 Studies in Poverty and Inequality Institute. *The Measurement of Poverty in South Africa Project: Key Issues. 2007.*

103 Manuel, T. Minister of Finance. Republic of South Africa. *Budget Speech. 21 February 2007.*

target of the MDGs, it is important that there is a shared understanding of whether we are making adequate progress as a country to achieve these goals. Therefore the need for a national poverty line cannot be overstressed as a useful element of measures to promote such a shared understanding.

However, caution needs to be exercised to ensure that the national poverty line, once developed, does not lead to oversimplifying the lived experiences of the poor into numeric data. For this reason, the adoption of a poverty line must of necessity also be accompanied by an explanation of how it should be used and which other indicators should be taken into consideration.¹⁰⁴ Without this explanation, the risk exists that the poverty line will promote narrow conceptions of what it means to be poor, and thus lead to ineffective intervention strategies.

In order to ensure effective poverty reduction interventions, it is also important to have a full appreciation of the different programmes and projects that departments are implementing and their strengths and weaknesses. In 2007, the PSC completed the development of a database on poverty reduction programmes and projects.¹⁰⁵ Given the dynamic nature of the programmes and projects that are implemented, it is necessary for the database to be kept updated so that it remains a reliable source of information on the nature and extent of government poverty reduction initiatives. A partnership approach with other coordinating institutions such as the Department of Social Development is necessary to ensure that the database is kept up to date.

Collectively, the above developments represent important milestones in terms of promoting a development-oriented Public Service. However, the PSC has, through its previous SOPS reports made certain observations which should be noted and reflected upon in order to accelerate implementation efforts. These observations are summarised in **Table 6** on the next page.

¹⁰⁴ *Studies in Poverty and Inequality Institute. The Measurement of Poverty in South Africa: Key Issues. 2007.*

¹⁰⁵ *Republic of South Africa. Public Service Commission. Report on an Audit of Government's Poverty Reduction Programmes and Projects. 2007.*

Table 6: Synopsis of observations and suggestions made in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • Social grants remain a major instrument for addressing poverty and provide a primary source of income for vulnerable households. • Whilst many poverty alleviation programmes are implemented they are generally not properly monitored. Better co-ordination of these projects is required to increase their impact. • The absence of an overarching national development strategy hampers Public Service development efforts which remain dispersed and fragmented.
2005	<ul style="list-style-type: none"> • Many poverty alleviation projects are not well managed and do not have sufficient beneficiary participation. • An integrated public service should also be redefined, in which the three separate spheres of government are successfully linked.
2006	<ul style="list-style-type: none"> • Social grants, which stood at 10 million beneficiaries in 2005 is expected to increase to 12 million when the qualifying age changes to 14 years. These grants contribute to more than half the income of the poorest 20% of the population. • Projects managed by departments fail to be integrated into local development plans and properly targeted. • Service delivery capacity should improve with the unified public service. • There is a need to move beyond transfer payments to improve economic growth - the question of sustainability is important.
2007	<ul style="list-style-type: none"> • The lack of an official poverty matrix makes decisions difficult, and a national dialogue on this is required. • There have been major efforts to supplement income poverty through measures that improve livelihoods. • Social security now accounts for R70b and reaches over 10 million beneficiaries. This has improved the quality of life. • Efforts to improve the capacity of the Public Service to effectively plan and implement poverty reduction programmes should also be strengthened.

The PSC has over the years raised concerns about the manner in which poverty reduction projects are being implemented. Part of the implementation weaknesses are the non-involvement of beneficiary communities in the planning and implementation of programmes. Through the application of its Transversal M and E System, the PSC has established that departments generally do not adopt project management approaches that allow for effective beneficiary participation and alignment of projects with local development plans.¹⁰⁶ Although a few encouraging examples in this regard have recently begun to emerge, these are far and few between.

For instance, when a sample of 16 departments was assessed using the Transversal M and E System in 2006/07, a few of the departments provided insightful pointers that suggested that they had made

¹⁰⁶ Republic of South Africa. Public Service Commission. Fourth Consolidated Public Service Monitoring and Evaluation Report. October 2007.

progress in their attempts to involve beneficiary communities in the development projects, and in the adoption of credible project management approaches.¹⁰⁷ An example in this regard is the Department of Social Development in the Eastern Cape which, through the use of participatory rural appraisals, ensured improved involvement of project beneficiaries. There are many benefits for beneficiary involvement, not the least of which is ensuring relevance of projects and shifting the ethos from one that is underpinned by a passive and extractive relationship with government to one that is active and contributory on the part of beneficiaries.

The coordination of the poverty reduction programmes has also remained a recurring challenge to government departments. Given that the various programmes target the same communities, coordination is key to obviate a duplication of efforts and optimise the use of the resources deployed in the programmes. It is hoped that the National War Room for a War Against Poverty announced by President Mbeki will go a long way towards improving the scope and quality of coordination.¹⁰⁸ The War Room must seek to bring together key government institutions working on poverty reduction together with non-governmental organisations and business to collectively put in place targeted poverty reduction interventions.¹⁰⁹

In order to generate more information on the types of projects implemented and their progress, in 2007 the PSC published an overview evaluation of Government's Poverty Reduction Programme.¹¹⁰ The PSC has followed up this work with targeted evaluations of selected programmes and projects. One of the key observations regarding some of these projects is that adequately rigorous assessment information on their success is not available, though case study based research has been done.¹¹¹ Available data is largely about expenditure and the number of beneficiaries, not about the actual benefits.

There is, however, evidence that suggests that the poverty reduction programmes that are being implemented are making a difference.¹¹² Most importantly, beneficiary surveys indicate that targeted beneficiaries value the projects. For example, in a sample of beneficiaries of land reform projects who participated in a PSC study, 85% of them indicated that their households were generally better off since they joined the projects. The PSC believes that although such

¹⁰⁷ Republic of South Africa. Public Service Commission. *Fourth Consolidated Public Service Monitoring and Evaluation Report*. October 2007.

¹⁰⁸ Mbeki, T. President of the Republic of South Africa. *State of the Nation Address*. Joint Sitting of Parliament. Cape Town. 8 February 2008.

¹⁰⁹ *Ibid.*

¹¹⁰ Republic of South Africa. Public Service Commission. *Report on the Evaluation of Government's Poverty Reduction Programme*. 2007.

¹¹¹ *Ibid.*

¹¹² *Ibid.*

perception-based statistics may not always represent the real impact of the projects, they do indicate that the projects are adding some value to the poverty reduction strategy of government. A key consideration is to ensure that there is a sense of realism as to what the deliverables from these projects are. It cannot be expected that the transfer of land in the short term will produce primary economic activity that helps sustain families. Even large scale commercial agriculture does not become economically viable in the short term. What can be expected, however, is that land transfer creates a sense of ownership and pride, restores dignity especially in restitution cases, partly contributes to household incomes, and does provide a productive asset that can grow over time.

A deepening of the practice of monitoring and evaluation of government's poverty reduction programmes is essential to improve our understanding of their progress and challenges. It is through credible monitoring and evaluation data that government can draw lessons from experience and improve implementation going forward. In addition to its monitoring and evaluation activities, the PSC is exploring the value and feasibility of undertaking meta-evaluations particularly on poverty reduction programmes. Such evaluations will help in the critique and subsequent improvement of current evaluation practices as well as provide more information on the impact of government's poverty reduction programmes.

Accelerating Delivery Towards 2009 and Beyond

The adoption of a development orientation by government departments requires greater coordination of efforts in terms of planning, implementation and the generation of appropriate performance data. It would be important to identify the good practices that certain departments are beginning to follow in this regard and to use these, where applicable, for wider application in the Public Service.

However, as measures are being undertaken to reduce poverty, a twin challenge that continues to rear its head is inequality. What this means in practice is that the rate at which income poverty is being reduced is actually outpaced by the increase in income for the relatively rich sections of the community.¹¹³ To illustrate the stark realities in this regard, it is estimated that real per capita income of the poorest 10% of the population is R734, compared to R70 144 for the richest 10%.¹¹⁴

¹¹³ Republic of South Africa. *The Presidency. Development Indicators: Mid-Term Review. Undated.*

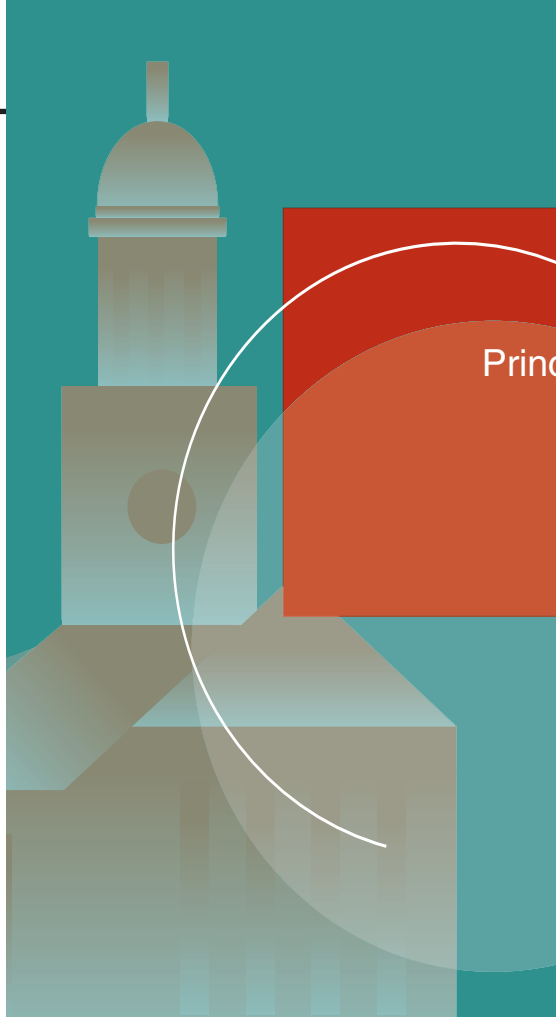
¹¹⁴ *Ibid.*

Attention would, therefore, need to be paid to this trend to ensure that the gains of poverty reduction are not cancelled out by the consequences of persistent income inequality.

In the remaining period of the current term of office of government, it is going to be very crucial to also pay attention to the infrastructure that government has created to support development. Unless the infrastructure that has been created to support energy supply, the provision of piped water, the improvement of the country's roads network, among others, is buttressed, the many gains realised to date may be reversed in future.

The work that has been initiated to develop and implement a comprehensive poverty reduction strategy should also be accelerated. In this process, lessons and experiences from other African countries should be tapped into to ensure that the strategy and its implementation are strengthened.

Effective implementation will also require on-going monitoring and evaluation. The database developed by the PSC on poverty reduction projects and programmes should be kept up to date to ensure that the information it contains remains current.



Principle 4

Services must be provided
Impartially, Fairly, Equitably and
without Bias

Introduction

The nature and history of society in South Africa imposes two critical but potentially contradictory requirements on public administration. On the one hand, the democratic ideals of equality before the law as enshrined in the Constitution require the promotion of impartiality and a lack of bias. At the same time there is also a recognition that years of apartheid rule have led to serious inequalities between different groups and as a result the Constitution stipulates that “to promote the achievement of equality, legislative and other measures designed to protect and advance persons, or categories of persons, disadvantaged by unfair discrimination, may be taken.”¹¹⁵ As a key implementing arm of the state, the Public Service is expected to work with these requirements and effectively manage the potential tensions that may arise when applying them.

Not surprisingly, the Public Service's adherence to the principles of fairness, impartiality and lack of bias has been watched closely. The Promotion of Administrative Justice Act (PAJA)¹¹⁶ provides the framework for assessing this principle which acts as a benchmark for impartiality, fairness, equity and non-biasness. There remains a growing awareness by the citizenry of their rights to hold government to account. Evidence of this growing awareness manifests in the service delivery protests and the demand that public institutions apply a very informed and grounded approach to fairness, equity and impartiality.

Experience in the promotion of whistle-blowing in the Public Service suggests that fear of victimisation is an important factor affecting the public's involvement in reporting allegations of corruption.¹¹⁷ The possibility of fear of victimisation impacting on PAJA implementation should, therefore, not be ignored. The democratic state is trying to create a society that is indeed vigilant, and which is able to hold government accountable. Should citizens not exercise this right and responsibility for fear of reprisals or a belief that complaints lodged will not be addressed, it would be very easy for the state to regress to tendencies of the old era when it was feared and unaccountable. This must be avoided at all costs, and providing examples to the public of where their individual actions made a difference in terms of improving performance is perhaps the best incentive for citizens to continue with their scrutiny function.

In the remaining period of government's third term of office, there is

¹¹⁵ Republic of South Africa. *The Constitution of the Republic of South Africa, 1996. Act 108 of 1996.*

¹¹⁶ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Administrative Justice Act. Act 3 of 2000.*

¹¹⁷ Republic of South Africa. Public Service Commission. *State of the Public Service Report. 2006.*

going to be a need to ensure that the potential tensions between fairness and equity are strategically managed. As the country's democracy matures, it should be expected that there will also be growing awareness among the public of their rights and the obligations of the state. State institutions should, therefore, position themselves to serve an increasingly rights-conscious public.

Mid-Term Review

Government's efforts to promote fairness, impartiality and equity have yielded important achievements in certain areas. By 2006, inequality between races had dropped to 41% (compared to 45% in 2004),¹¹⁸ a gradual and yet important improvement in the country's efforts of promoting redress and social cohesion. In 2007 it was found that black households had a larger share of personal disposable income (46%) than whites (40.4%), which is a turn-about from 1960 when whites earned 69.4%.¹¹⁹ Although the sad reality of poverty still faces many communities, the reduced inter-racial inequalities should be acknowledged. This achievement is a manifestation of the impact removing discrimination has had on unleashing the economic potential of previously disadvantaged individuals.

The economic prospects of previously disadvantaged individuals were further improved by measures such as the Broad-Based Black Economic Empowerment (BBBEE) strategy of government.¹²⁰ The average share of BEE in transactions involving mergers and acquisitions is estimated at 15% and totalled R56 billion in 2006.¹²¹ These are substantial resources, and although there are growing sentiments which suggest that BBBEE may be exacerbating intra-racial inequality, its impact on reducing inequality between racial groups should still be acknowledged.¹²²

In addition to the creation of economic opportunities, government has also achieved good progress in ensuring equitable access to education.¹²³ Success is evident at the tertiary level where Africans are now acquiring post matriculation qualifications at a faster rate than other South Africans and comprise more than 60% of university and university of technology (formerly known as 'technikon') students.¹²⁴

The effective utilisation of the socio-economic opportunities created by

118 Republic of South Africa. The Presidency. Development Indicators Mid-Term Review. Undated.

119 The Institute for Justice and Reconciliation. Employment and Industrial Policy. Economic Transformation Audit. 2006.

120 Republic of South Africa. Department of Trade and Industry. South Africa's Economic Transformation: A strategy for Broad-Based Economic Empowerment. Undated.

121 Republic of South Africa. The Presidency. Development Indicators Mid-Term Review. Undated.

122 The Institute for Justice and Reconciliation. Employment and Industrial Policy. Economic Transformation Audit. 2006.

123 Republic of South Africa. Public Service Commission. State of the Public Service Report. 2007.

124 The Institute for Justice and Reconciliation. Economic and Industrial Policy. Economic Transformation Audit. 2006.

government requires a strong institutional base that the public can rely on for support. Among the institutions that play an important role in this regard are the country's Institutions Supporting Democracy (ISDs). These institutions are the cornerstone of democracy and serve as the eyes and ears of the public in ensuring equity, fairness, impartiality and lack of bias. In 2007, Parliament initiated a review of these institutions. Focusing on institutions such as the Public Protector, the South African Human Rights Commission, and the Public Service Commission, the review was a crucial and timely development in the country's efforts of promoting fairness and impartiality.¹²⁵

In fulfilling their respective mandates, ISDs are required to act in an impartial way. Given this requirement, these institutions must be open to scrutiny to inspire confidence in their credibility and ability to fulfil their constitutional obligations. The PSC welcomed the review and also saw it as an opportunity for introspection on the part of the ISDs, a practice that can only further strengthen the safeguarding of the public interest. It is, therefore, important that these institutions are assessed to ensure that the purpose for which they were established is not compromised.

Another important institution in the promotion of fairness and impartiality is the judiciary. There has been debate around the transformation of the judiciary to reflect the demographic composition of the country. While for some it was important for the state to intervene and ensure that such transformation takes place, for others this move was viewed as interference motivated by pervasive agendas.¹²⁶

The judiciary is not necessarily part of the Public Service, but its role in ruling on the fairness and impartiality of other parties is very crucial in terms of inspiring confidence in the justice system of the country. If not dealt with decisively, the debate on transformation in the judiciary may end up impacting on such public confidence. The implications of developments such as this should not be undermined. The key hallmarks of all oversight bodies are their independence and impartiality, which must be protected.

In addition to a credible institutional base for supporting impartiality

125 Asmal, K. Address to Representatives of 11 Chapter 9 and Associated Institutions. Parliament. 20 October 2006.

126 Hoffman, P. The Strategy and tactics for reforming the Judiciary. The FW De Klerk Foundation. June 2007.

and fairness, enabling legislative frameworks should also be in place. In order to buttress the country's legislative instruments for entrenching fairness and impartiality, the PAJA¹²⁷ was introduced in 2000. Given that the Act has now been in place for over 7 years, it is important that its effectiveness is assessed. Whilst the period after enactment was rightly dedicated to awareness-raising, it was found that this did not translate into behavioural change - in particular how managers exercised their decision-making function. This prompted the Department of Justice and Constitutional Development (DOJCD) to work directly with departments to help infuse PAJA considerations into decision-making processes.

The DOJCD adopted a workflow analysis approach that mapped administrative processes in order to identify points of decision-making and stipulate the actions required, all of which were supported by a hands-on training programme.¹²⁸ The issues focused on in this training were about the fair and unbiased provision of service delivery.¹²⁹ These include land use, objections from neighbours, re-zoning of land, selling of stands, building inspections, health inspections, registration of indigents, application for housing subsidies, supply chain management, the appointment of personnel and business licensing. All of these areas tend to be relatively vulnerable to corruption and bias, and by focusing on them and ensuring that the points of decision-making are subject to transparency, decision-making is less likely to be tainted. Emerging from these support exercises were encouraging examples of success in the South African Social Security Agency (SASSA), where better operational and decision-making procedures were put in place and the Masters Office where a systematic amendment of all service delivery processes was undertaken.¹³⁰

The implementation of PAJA was further supported through its translation into the 11 official languages and its incorporation into the "Know Your Service Rights" booklet, which is part of a bigger campaign to educate the public about their service rights.¹³¹

It is hoped that the above measures, together with the current requirements that PAJA should be included in the Service Delivery Improvement Plans (SDIPs) of departments, will help institutionalise the promotion of fair and impartial administrative actions in the Public Service. There is, however, also a need to focus on the specific recurring challenges that tend to inhibit the effective implementation of frameworks for fairness and impartiality. A synopsis of these is provided on the next page.

¹²⁷ Republic of South Africa. *Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)*.

¹²⁸ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Administrative Justice Act Administrator's Guide*. July 2006.

¹²⁹ Republic of South Africa. Department of Justice and Constitutional Development PAJA e-newsletter. Edition 3/2007.

¹³⁰ Republic of South Africa. Department of Justice and Constitutional Development PAJA e-newsletter Edition 1/2007.

¹³¹ Republic of South Africa. Department of Public Service and Administration *Know your Rights booklet*. 2007.

Table 7: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • Compliance with the provisions of the PAJA is uniformly disappointing. • The Batho Pele principles have been introduced to address service delivery improvement. Their impact is yet to be seen. • Implementing PAJA and Batho Pele requires capacity, which is inadequate at present. • Departments are expected to specifically address how they will implement service delivery improvement plans in their Annual Reports. This is not done adequately across government.
2005	<ul style="list-style-type: none"> • Awareness on PAJA amongst the public and civil society is very low. There is still an inability to improve compliance with the PAJA. • The PAIA is also important, as it grants citizens the right of access to information held. • A Batho Pele Survey showed that very few departments had standards that could be measured or were able to address complaints. This is a challenge in implementing Batho Pele. • Developing service standards is important as it defines the levels of delivery that departments are expected to achieve. Most departments lack these.
2006	<ul style="list-style-type: none"> • The implementation of the PAJA remains highly unsatisfactory. Given that it is now in existence for 6 years, these findings are a cause for concern. • A study of sector policing shows that a lot more needs to be done to ensure equitable access to resources for Community Policing Forums.
2007	<ul style="list-style-type: none"> • The PAJA compliance at departmental level is low, with only 27% of departments assessed showing an ability to meet the element of fairness in decision-making, and only 9% of the sample being compliant by providing reasons for an adverse decision. • Whilst opportunities have grown for historically marginalised groups, vestiges of past inequality remain.

The most obvious recurring challenge is the low compliance with PAJA, which despite being in operation for 7 years now, shows little improvement in uptake by departments. The problem has been compounded by the fact that very few departments have service standards, and when citizens attempt to complain, redress mechanisms are either not available or ineffective. It may be for this reason that invoking PAJA to hold government to account by citizens has been very low. It would appear that the high investment in raising levels of awareness and providing training have not translated into a commensurate improvement in how decision-making is carried out.

Based on a sample of 53 departments evaluated by the PSC on the PAJA compliance, it was found that the majority of departments were not meeting the basic compliance requirements. These include putting in place a clear plan for implementing PAJA, communicating administrative decisions and their reasons to the people affected, and creating opportunities for people affected by administrative decisions to make representations.¹³²

There have been a few exceptions to this generally bleak picture. For example, among the departments included in the 2006/07 sample, the Department of Public Enterprises performed quite well. In this case, all administrative decisions assessed in the Department had been taken by duly authorised officials in terms of departmental delegations, and the decisions were appropriately communicated to those affected so that such stakeholders could make representations in case they wanted to do so. The National Department of Labour and the Gauteng Department of Community Safety also performed well in the implementation of PAJA. The sample of administrative decisions obtained from these departments and assessed by the PSC showed that it was guided by clear criteria and legislative provisions to ensure that there is no bias and unfairness.

There are reasons for the generally weak result found around PAJA compliance. These relate primarily to the implementation environment.¹³³ The most pertinent reason pointed to is that there is an absence of sanctions and the fact that PAJA¹³⁴ implementation is hampered by members of the public being generally reluctant to challenge government for fear of victimisation. Therefore, instead of members of the public exercising their rights and holding departments accountable as provided for in PAJA, they pull back and avoid standing up for good administrative practice. However, other PSC studies have also shown that because of inadequate complaints handling and redress mechanisms in the Public Service, members of the public find it difficult to come forward and raise their concerns with government departments.¹³⁵ It is, therefore, important to look beyond victimisation when examining measures to enhance PAJA implementation.

¹³² Republic of South Africa. Public Service Commission. *Fourth Consolidated Public Service Monitoring And Evaluation Report*. October 2007.

¹³³ Republic of South Africa. Public Service Commission. *Report on the Compliance with the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)*. December 2006. Pretoria.

¹³⁴ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Access to Information Act, 2000*.

¹³⁵ See for example, Republic of South Africa. Public Service Commission. *Citizens Satisfaction Survey: Criminal Justice Sector, 2005*; and Republic of South Africa. Public Service Commission. *Evaluation of the Implementation of the Batho Pele Principle of Redress*. 2007.

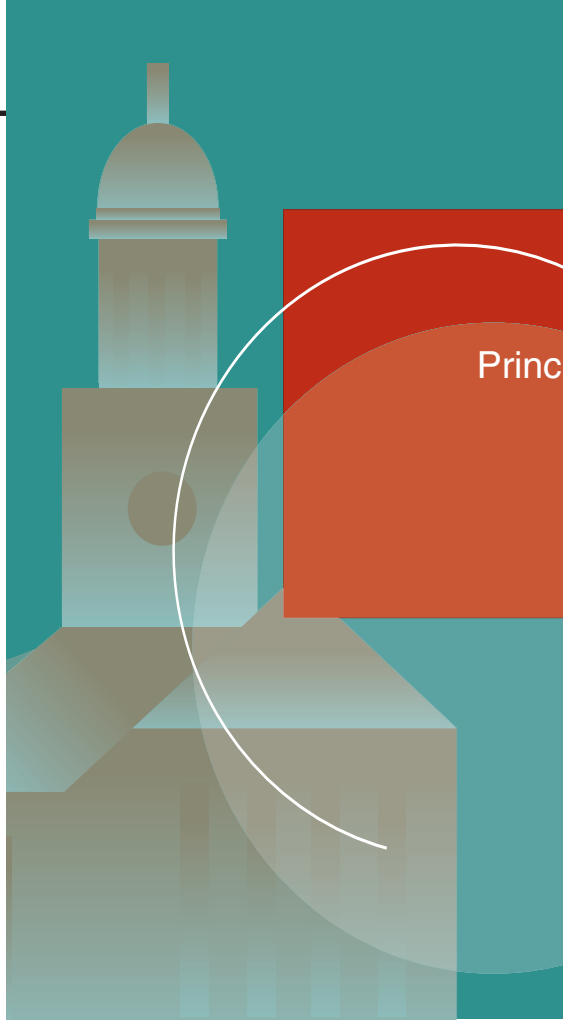
**Accelerating
Implementation
Towards
2009**

The promotion of fairness, impartiality and lack of bias has been put on a sound legislative footing, and the key issue going forward is to prioritise implementation. In order to enhance implementation, departments need to honestly reflect on their own specific circumstances that hinder implementation and address these accordingly. The provisions of PAJA can serve as a guide regarding specific processes and procedures that should be in place.

A further area for attention is the need to educate the public regarding their rights with respect to fairness, impartiality and lack of bias. The Department of Public Service and Administration (DPSA) is planning to embark on a “know your rights campaign” for the public, and it would be important for the campaign to also include issues of fairness and impartiality.¹³⁶

Attached to knowing your rights must be the ability to ensure that complaints and recourse mechanisms are functional, and that these inspire confidence amongst citizens that their concerns will be addressed timeously and seriously. The perception of the Public Service as being unfriendly and insensitive to genuine concerns can only be dispelled when there is enough evidence to show that concerns are addressed timeously and properly.

¹³⁶ Republic of South Africa. Department of Public Service and Administration. Report on the Implementation of Batho Pele. 2004.



Principle 5

People's Needs must be
Responded to and the Public
must be Encouraged to
Participate in Policy-Making

Introduction

The struggle to entrench the right public participation in governance predates South Africa's democratic transition. It was at the centre of the fight against apartheid rule.¹³⁷ Mass mobilisation of communities was common at the time, and as the day of democracy dawned, "the post-apartheid government needed no convincing [about] the virtues of participatory governance mechanisms."¹³⁸

With this background, it should come as no surprise that public participation was enshrined in the Constitution as one of the values and principles of public administration. Equally important also is the fact that given its history, ours is a citizenry that not only values but also expects public participation. Practically, this means that if state institutions do not institutionalise and adequately promote public participation, citizens are likely to find other ways to express themselves and attract attention, even if this involves using less constructive mechanisms.¹³⁹

Recently, some citizens have found alternative ways to draw attention to the need for public participation through service delivery protests and rising activism. This development should come as a signal to government that effective communication and public participation must remain a fundamental priority.¹⁴⁰ Otherwise the challenges evident in, among others, the municipal demarcation battles in Merafong which have now reached the Constitutional Court¹⁴¹ for arbitration may remain. A key part of these battles is about what constitutes consultation, and how citizens get involved in decisions which affect their lives.

Taking the above into consideration, there is a need to carefully examine existing processes of public participation with a view to strengthening them and amplifying the voices of citizens.

Mid-Term Review

A key feature of the period under review was a series of unprecedented local protests by different communities. These protests begun in 2004 and some of them continued right through to 2007.¹⁴² Different possible reasons have been advanced to explain why these protests took place,¹⁴³ but what cannot be ignored is the strong message they have sent out about the need to revisit and

137 Friedman, S. *Participatory governance and citizen action in post-apartheid South Africa*. Discussion Paper. International Institute of Labour Studies. 2006.

138 *Ibid.*

139 Republic of South Africa. *Reflections and Human Rights: Decade of the South African Constitution (Act 108 of 1996)*.

140 Residents continue housing and service delivery protests. 6 September 2007. www.internafrica.org

141 Republic of South Africa. Constitutional Court of South Africa. *Merafong Demarcation Forum and Others v President of the Republic of South Africa and Others CCT41/07*. 04 September 2007. <http://www.constitutionalcourt.org.za/site/home.htm>.

142 Botes, L, Lenka, M et al. University of the Free State. *The New Struggle: Service Delivery-Related Unrest in South Africa*. Handisa Media. Undated.

143 *Ibid.*

reinforce participatory governance. In this regard, some introspection is necessary to ensure that government reflects honestly on questions such as “Are we using existing opportunities to communicate to our communities? And where they are lacking, are we creating new innovative ways to talk to them, to inform them of plans and to keep them up-to-date on progress?”¹⁴⁴ Given that some of the protests continued well into 2007, there is reason to assume that decisive action is still necessary to ensure that government-community relationships are stabilised in the interest of good governance and effective Public Service delivery.

One of the mechanisms government has continued to use to strengthen its relationship with communities is *Izimbizo*. As forums at which government interacts with communities, *Izimbizo* have been conducted every year since their adoption by Cabinet in 2000.¹⁴⁵ Although there has been good progress with the implementation of *Izimbizo*, some challenges have also been observed. For example, research conducted¹⁴⁶ for the APRM indicates that whilst this form of citizens' engagement remains innovative, it has both advantages and disadvantages. Its advantage lies in its ability to easily and rapidly draw in members of the public to articulate their problems and expectations and also to hear government policy proposals, achievements and failures. The disadvantage and a critical challenge is that there is usually no feedback loop for communities to track whether their concerns are addressed or not.¹⁴⁷ The PSC has, through its previous editions of the State of the Public Service Report raised these observations, and it is important for institutions responsible for the coordination of *Izimbizo* to ensure that effective measures are put in place to address these gaps.

In order to further improve the interface between government and the citizens, the government introduced the concept of community development workers in 2003.¹⁴⁸ The main purpose was to employ officials who would be a link between government (across all spheres) and communities, to ensure that communication about the services that government offers reaches communities.¹⁴⁹ There are currently 3 000 Community Development Workers (CDWs) deployed in all the participating municipalities (about 2 000 municipal wards).¹⁵⁰ In the

¹⁴⁴ Hangana, N. Deputy Minister for Provincial and Local Government. Republic of South Africa. Address at the Institute for Local Government Management Annual Conference. Cape Town. 2005.

¹⁴⁵ Republic of South Africa. Government Communication and Information System. *Bua News*. 28 October 2003.

¹⁴⁶ Centre for Policy Studies. *A Developmental Democracy? Democracy and Political Governance Discussion Paper Prepared for Phase One of the South African APRM* January 2006. <http://www.aprm.org.za/docs/APRMiscussionPaperFinal12.pdf>.

¹⁴⁷ *Ibid.*

¹⁴⁸ Mbeki, T. President of the Republic of South Africa. *State of the Nation Address*. Joint Sitting of Parliament. Cape Town. February 2003.

¹⁴⁹ Republic of South Africa. Department of Public Service and Administration. *Proceedings of the 1st CDW Conference held in Gallagher Estate*. 11 - 12 June 2007.

¹⁵⁰ *Ibid.*

past the work of the CDWs was on assisting communities to access government services such as pensions, child support grants, and applications for birth certificates and identity documents. Their work now also includes participation in local development initiatives.¹⁵¹ The CDW Programme has made a contribution in promoting public participation. However, there are challenges that still need to be addressed to strengthen their effectiveness. Key among these is the development and implementation of clear monitoring and evaluation processes to assess their progress and impact, and to systematically draw out lessons for future improvements.¹⁵²

Table 8: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • Whilst departments have stated commitment to public participation, this is rarely supported by formal policies and procedures. • National departments perform better than their provincial counterparts in promoting public participation in policy-making. The “Exco meets the people” has been successful and could be replicated elsewhere. • The PSC made efforts to involve citizens in assessing government performance through Citizen Satisfaction Surveys. Users of services were generally satisfied with the exception of outcomes based education, Emergency Medical Rescue Services, the housing subsidy and social development processes.
2005	<ul style="list-style-type: none"> • The PSC piloted Citizen Forums whereby citizens are invited to participate in assessing service delivery. These were successful resulting in the identification of a number of low cost, practical suggestions for improving service delivery. • Systems for managing public participation tend to be informal and ad hoc, although genuine efforts have been made to incorporate public inputs where these are sought. • The Public Service must internalise the importance of public participation and consultation and make these integral to its workings. • A clear national policy and guidelines on public participation in policy-making are needed.
2006	<ul style="list-style-type: none"> • The Izimbizo led by the Presidency have become a regular feature. However, this now needs to be integrated into the daily work of the Public Service in a systematic manner. • Citizens Forums, piloted by the PSC, now need to be institutionalised. • Departments need to build their capacity to monitor how effective their systems at public participation are.
2007	<ul style="list-style-type: none"> • A remaining key challenge is taking the inputs received from communities forward. • Redress mechanisms remain inadequate. There is a need for more dialogue to deepen the understanding of different mechanism of public participation.

¹⁵¹ Republic of South Africa. Department of Public Service and Administration. Annual Report 2006/2007.

¹⁵² Republic of South Africa. Department of Public Service and Administration. Proceedings of the 1st CDW Conference held in Gallagher Estate. 11 - 12 June 2007.

While the above milestones are crucial, the PSC has also made other important observations about public participation since 2004, and a synopsis of these is provided in **Table 8** on the previous page. The table indicates that the efforts towards making government processes more participatory and transparent have not reached a point where their performance can be categorised as successful. This view is borne out by the fact that whilst the imperative for participatory government is contained in policy and other documents, apart from the politically driven Izimbizo, there has been reluctance by government departments to follow suite and engage with citizens in their implementation processes.

A recurring challenge on public participation has been the lack of guidelines prescribing minimum levels of consultation. Such guidelines are particularly important given that the Public Service is still experiencing a challenge of engendering a common understanding of participatory governance. For example, in a recent study by the PSC,¹⁵³ it was found that despite the definitions of consultation provided by the White Paper on Transforming Public Service Delivery (1997), definitions advanced by most departments reflect a potential misalignment with what was intended in the White Paper. Departments' understanding of consultation included information sharing, conferences and surveys/research. The introduction of minimum consultation guidelines, to be produced by the DPSA, will ensure that definitional differences do not end up diluting the quality of consultation required in the Public Service.

A further recurring challenge for the Public Service has been the lack of redress mechanisms. In terms of the Batho Pele Principle of Redress, when complaints are made to government departments, citizens should receive a sympathetic, positive response.¹⁵⁴ However, departments have generally not succeeded in putting in place and implementing effective redress mechanisms. By their own admission, there is still more to be done in this area, with only 5% of national and 2% of provincial departments rating themselves as excellent in the implementation of redress mechanisms.¹⁵⁵

Effective redress mechanisms are important in helping the public to understand the workings of departments. Without these, it can be expected that citizen satisfaction with the services of departments will be impacted negatively. Since 2003, the PSC completed 4 Citizens Satisfaction Surveys focusing on selected services provided by

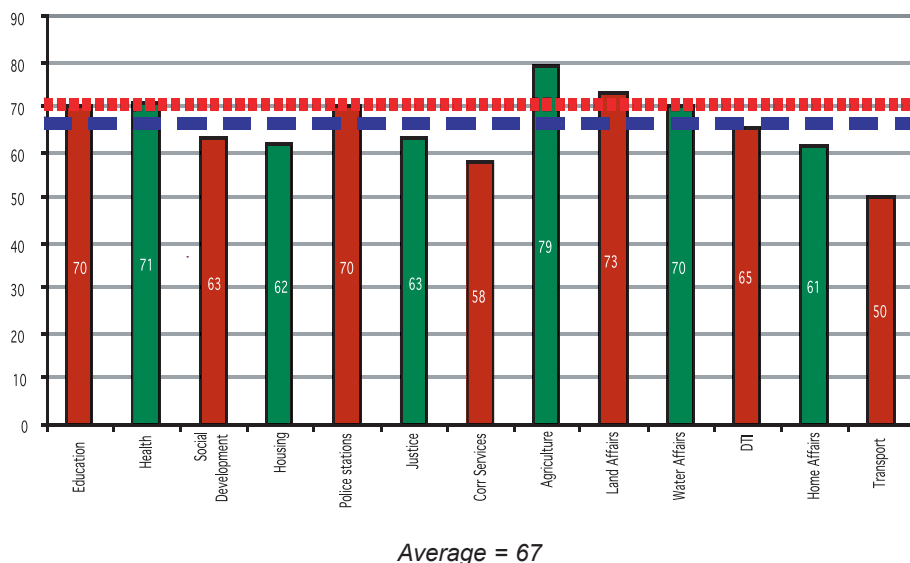
153 Republic of South Africa. Public Service Commission. Report on the Implementation of the Batho Principle of Consultation in the Public Service.

154 Republic of South Africa. Department of Public Service and Administration. White Paper on Transforming Public Service Delivery. 1997.

155 Republic of South Africa. Public Service Commission. Report on the Implementation of the Batho Principle of Redress in the Public Service. 2007

specific departments. The surveys helped to generate information on progress in meeting citizens' expectations and thus provide some useful insights into what citizens regard as the successes and challenges facing departments in providing services. Figure 1 below shows the satisfaction levels per department based on the specific services that were surveyed. It shows that the average satisfaction level is 67%, with the lowest being Correctional Services (58%), followed by Home Affairs (61%) and Housing (62%).

Figure 1: Comparison of Satisfaction Scores¹⁵⁶



Since these are average ratings, a closer look at detailed scores per department raises important issues that decision-makers should attend to. For example, although Police Stations scored an average of 70% in terms of citizens' satisfaction levels, this is largely because citizens were generally satisfied with the administrative services offered, such as verifying documents. However, satisfaction levels with crime related services (such as reporting crime or following up on cases previously reported) were very low, with only 44% of respondents indicating that they were satisfied.

Satisfaction levels are sometimes informed by the expectations that citizens have of departments. Sometimes these expectations may be unrealistic, but if the departments put in place effective consultation mechanisms, they would clarify the feasibility of meeting these

¹⁵⁶ Republic of South Africa. Public Service Commission. Citizen Satisfaction Survey. Economic and Infrastructure Service Sector. September 2006.

expectations. Effective consultation and engagement with communities is going to be particularly important for the implementation of critical priorities such as crime prevention. Crime remains a key concern for many South Africans and efforts to prevent it can benefit substantially from a partnership approach involving government, communities and business. To expect that the problem can only be solved by government alone is unrealistic.

The private space within which crime sometimes occurs means that such situations are often difficult to police. If there is community participation, such 'inside' information and intelligence can be fed to police to act. Although there has been a consistent call for community participation in fighting crime, this does not appear to have yielded an adequately enthusiastic response.¹⁵⁷ The reported murder rate of close on 20 000 per annum, and the reported rape rate of 52 000 per annum should serve as a wake up call for strengthening collective action against crime.¹⁵⁸

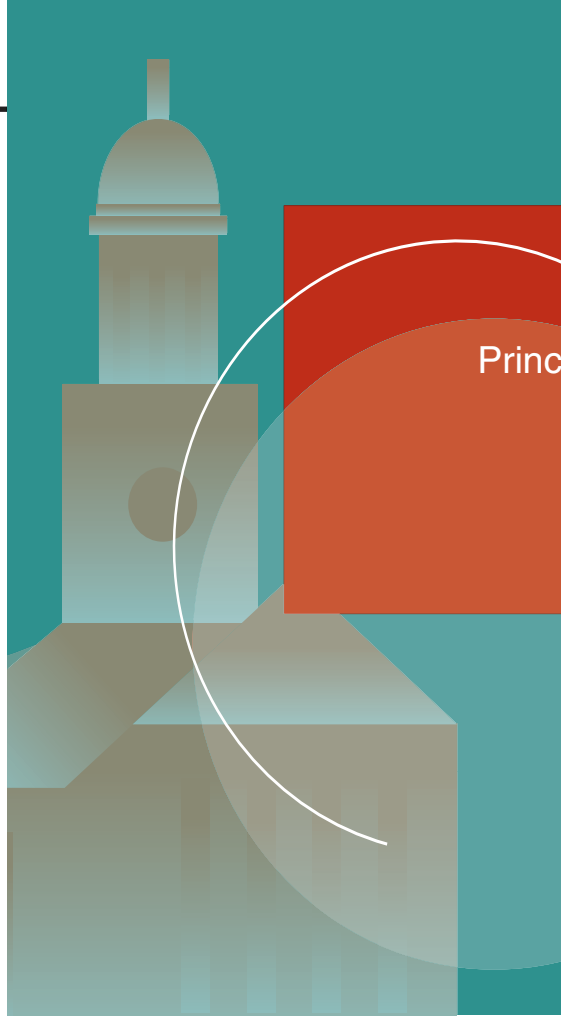
Accelerating Delivery Towards 2009 and Beyond

The challenges highlighted in this principle suggest the need for a rethink of systems for public participation. Most critically, as part of government's Programme of Action, a process should be undertaken to embark on an honest stock-taking exercise, looking at how public participation can be heightened. There are already compelling findings available to suggest that such participation requires attention. Given that citizens are becoming increasingly aware of their rights, the acceleration of the implementation of participatory mechanisms is an even more pressing requirement. There is a menu of options for the departments to choose from that have been produced over the mid-term such as Citizen Forums and Citizen Satisfaction Surveys. The uptake of these has unfortunately been inadequate and should be improved upon.

One other option is to revisit the early experiences of government when there were high levels of public engagement around the "green" and "white" paper formulation process. What was positive about the period and which should be reinforced now is that there was much consensual understanding of what was expected.

157 South African Crime Statistics 2006/7: the Good and the Bad, 16 July 2007. www.institute-for-security-studies.org.

158 South African Police Service. Crime Information Analysis Centre. Crime Statistics for South Africa (1994-2004).



Principle 6

Public Administration must be
Accountable

Introduction

A key transformation priority for the post-apartheid Public Service in South Africa has been the promotion of accountability. Accountability involves an obligation on the part of public officials to be answerable for what they deliver and how they deliver. In other words, it is not only enough to account for performance, but rather there should also be accountability for how this performance takes place.

In order to facilitate and achieve accountability, government has put in place various instruments. These include the publication of annual reports, the application of performance management and development systems, and policies such as the PAJA¹⁵⁹ and the Promotion of Access to Information Act (PAIA)¹⁶⁰ which allows citizens certain levels of unfettered access to information held by departments.

The effective implementation of the above instruments is a key priority given that there are heightened expectations locally and internationally regarding improved accountability. After three terms of democratic government, state institutions will need to demonstrate that government has effectively used the time it has had in office to lay a solid foundation for an accountability-driven public administration.

Mid-Term Review

One of the key instruments for accountability in the Public Service is the system for performance management and development. Through the system, performance expectations are clarified and opportunities are created to provide feedback on performance as well as address areas of weakness. As part of efforts to ensure improved accountability, the Performance Management and Development System (PMDS) for Senior Managers were amended in 2006. In terms of these amendments, senior managers are, among others, required to incorporate all the Batho Pele principles into their work plans and Performance Agreements (PAs).¹⁶¹ Prior to 2006, Batho Pele was just a normative framework with no concrete links to the accountability processes of senior managers. This amendment was in response to growing concerns that the implementation of Batho Pele was not being adequately institutionalised by departments and that the PMDS should be used as a lever to deepen implementation.¹⁶² The amendment was, therefore, an important step towards raising the accountability stakes for the implementation of Batho Pele.

¹⁵⁹ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Administrative Justice Act. Act No. 3 of 2000.*

¹⁶⁰ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Access to Information Act. Act No. 2 of 2000.*

¹⁶¹ Note: The Batho Pele Principles were introduced in the Public Service in 1995 as part of the White Paper on Transforming Public Service Delivery.

¹⁶² Note: See for example, Republic of South Africa. Department of Public Service and Administration. *Report on the Implementation and promotion of Batho Pele. June 2004.*

In an effort to also deepen accountability for the management of the resources assigned to departments, in 2006 government further introduced an amendment in the PMDS for senior managers which stipulates that "...no cash bonus may be paid to an accounting officer (irrespective of level) who materially over or under spends on her/his budget."¹⁶³ This requirement underscores the importance of accountable financial management, and it effectively disqualifies Heads of Department (HoDs) from receiving financial performance rewards if the departments they are responsible for under or overspend.

However, the practice of over or under spending is but one element of financial management. Senior managers are required to account properly for the entire financial management value chain. One of the most common measures to establish progress with this accountability has been the reports on the regularity audits. Despite the heightened focus on accountability, the audits conducted by the A-G still reflect that departments receive qualified audit opinions. These findings suggest that the A-G identified certain significant concerns with the way these departments manage the resources assigned to them. Moreover, some departments have received a qualified audit opinion for at least four years in a row.¹⁶⁴

The perceived lack of action from the Executive to address this problem impacts negatively on public confidence in the accountability systems of the Public Service. Where the A-G has expressed a qualified audit opinion, there is reason for management and the executive to be seriously concerned and to be accordingly called to account. Hopefully, the recent call by Cabinet for affected EAs and HoDs to urgently address the weaknesses that give rise to the qualified audit findings will result in the much needed action in this area.¹⁶⁵ This move by Cabinet is certainly a positive one, although it should have been taken earlier given the long history of qualified audit opinions in some departments. However, the administrative and executive leadership concerned still has a full financial year ahead of them during which to get their act together and effect improvements that will leave their departments on a sound financial footing.

Effective accountability also needs to be supported by a strong monitoring and evaluation base which ensures that appropriate performance information is collected regularly, analysed and reported on. During the period under review an important development in this area was the development of a Government Wide Monitoring and

¹⁶³ Republic of South Africa. Department of Public Service and Administration. *Senior Management Service Handbook, Chapter 4, as amended in 2006.*

¹⁶⁴ Note: See Table 13 on page 58.

¹⁶⁵ Republic of South Africa. *Statement on the Cabinet meeting of 22 January 2008.* www.info.gov.za/speeches.

Evaluation System (GWMES) through which capacity, it is hoped, will be created to deliver useful information on the performance of government as a whole.¹⁶⁶ Since the System was not fully running by the end of 2007 as initially intended, it is too early to pronounce on it. Hopefully it will provide a much needed direction to departments on institutionalizing M and E in the Public Service.

Collectively, the above important milestones are expected to add some momentum to the accountability efforts of the Public Service. Measures like these should not be undermined because they contribute to the promotion of a common idiom on accountability in the Public Service. Given that human resource and financial management are decentralised to departments, such a common idiom is important in ensuring that departments work towards achieving the same compliance standards.

The PSC is also concerned that over the period under review, certain critical gaps continued to exist in the accountability processes of departments. **Table 9** below provides a synopsis of these observations.

Table 9: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • There are capacity challenges in terms of financial management skills necessary for accountability. • The implementation of departmental risk management and fraud prevention plans needs to be prioritised.
2005	<ul style="list-style-type: none"> • The Public Service is characterised by under spending. However the problem has been reduced significantly. • Some departments have continued to receive qualified audit opinions for a period of four years in succession. • Public financial management systems will have to achieve the highest level capability set by the A-G and cases of poor service delivery or financial management should be regarded as unusual.
2006	<ul style="list-style-type: none"> • The number of national departments that received qualified audit opinions has risen from 5 in 2003/2004 to 7 in 2004/2005. • Departments should improve the quality of their financial controls as well and implement comprehensive fraud prevention plans. • Departments need to engage the A-G on their findings to curb repeated qualified audit opinions.
2007	<ul style="list-style-type: none"> • The HoD Evaluations System is still not utilised optimally as an accountability mechanism. • Some departments do not have accountability measures for performance management.

¹⁶⁶ Republic of South Africa. The Presidency. Proposal and Implementation Plan for a Government-Wide Monitoring and Evaluation System. September 2005.

Table 9: Continued

Year	Key observations and suggestions
	<ul style="list-style-type: none"> • Departments continue to receive qualified audit opinions. There is an increase in the number of issues raised under 'emphasis of matter' by the A-G during the past three years. • The Executive should play a much more proactive role in the facilitation of the performance evaluation.

From the Table above, it is evident that the issue of qualified audit opinions has remained a source of concern throughout the period under review. Trends in the audit opinions given to departments show that the Public Service has yet to adequately deal with the financial management weaknesses that give rise to such audit opinions.

Table 10 below shows trends in qualified audit opinions from 2004/05 to 2006/07.

Table 10: Number of qualified audit opinions¹⁶⁷

Department	Opinion	2004/05	2005/06	2006/07
National departments	Adverse	None	none	None
	Disclaimer	None	1	1
	Qualified	7	11	11
Provincial departments	Adverse	None	2	3
	Disclaimer	None	12	4
	Qualified	None	50	44

The number of qualified audit opinions for national departments increased from 7 departments in 2004/05 to 12 in 2006/07. In the case of provincial departments, although the number of qualified opinions decreased from 64 in 2005/06 to 51 in 2006/07, the rate of the decrease is still not good enough and confirms that too many departments are not meeting the required standards. Indeed, although the number of departments receiving qualified audit opinions may not have increased at provincial level, it is still of concern that such incidents of qualifications exist in the first place. What is even more worrying is that some of these departments have actually been receiving a qualified audit opinion for at least four (4) years in a row. **Table 11** on the next page reflects the number of departments who have received qualified audits since 2004.

¹⁶⁷ Republic of South Africa. Auditor-General. General Report on Audit Outcomes of National and Provincial, Public Entities and Constitution Institutions for the Financial Year 2006 - 2007. December 2007.

Table 11: Departments that have received qualified audits¹⁶⁸

Department	2003/04	2004/05	2005/06	2006/07
Correctional Services	√	√	√	√
Defence	√	√	√	√
Home Affairs	√	√	√	√
Health	√	√	√	√
Justice			√	√
Labour		√	√	√
Land Affairs			√	
Transport		√	√	
Water Affairs and Forestry	√		√	√
Independent Complaints Directorate			√	
Public Works				√

The above trends raise important questions about the seriousness with which government's system of accountability is being taken. What is it that is being done to ensure that the concerns that lead to such qualifications are being addressed? Who is being held accountable for such consistently poor audit outcomes? For how much longer is this trend going to continue and what is its impact on service delivery? While it may not be possible to generalise on the challenges that the above departments face, the time has come to seriously reflect on these matters in the interest of effective and accountable public administration.

The recurring concerns about the financial accountability of departments find correlation with the manner in which PAs and performance assessments are utilised as management tools. Given the emphasis on accountability through the PMDS, the poor compliance of departments with the System has continued to be an indictment on the political and administrative leadership of the Public Service.

PSC's studies suggest that the implementation of the PMDS has continued to be inadequate over the period 2004/05 to 2006/07. For example, a study focusing on the Departments of Education and Social Development at both national and provincial levels found that on average more than 50% of senior managers did not conclude PAs for the 2004/05, 2005/06 and 2006/7 financial years.¹⁶⁹ There were instances where performance rewards were granted to certain officials

¹⁶⁸ *Ibid.*

¹⁶⁹ Republic of South Africa. Public Service Commission. *Report on the Audit into the Granting of Performance Rewards in the Departments of Education and Social Development at both National and Provincial Levels. 2007.*

who had not even concluded PAs.¹⁷⁰ In addition, it was also found that some PAs were concluded late during the respective financial year and some even after the financial year. The late conclusion of PAs does not commit the employees towards achieving the objectives of their components and ultimately the department. Similar findings were made in 2006 in a study that focused on the Departments of Correctional Services, Home Affairs and Labour.¹⁷¹ This is despite these three departments having recurring qualified audit opinions (see **Table 11**).

The PMDS as an accountability tool becomes even more crucial at the level of HoDs. Sadly, the similar irregular practice found in the departments mentioned above is also prevalent among HoDs. For the 2007/08 financial year, only 16% of national and 13% of provincial HoDs entered into and filed their PAs with the PSC by the due date of 30 June 2007.¹⁷² A PA that is concluded late does not really serve the purpose for which it was intended. If a PA is to clarify performance expectations between an employee and his/her supervisor and serve as a basis for performance assessment and personal development, there is no point signing one once the financial year is over.

Encouragingly, the PSC has found that the irregular practice of paying performance incentives without conducting performance appraisals is not prevalent at the level of HoDs.¹⁷³ This suggests that where HoDs have not been evaluated, the practice is to also accept that they forfeit any chances that they may have had to receive performance rewards.

Table 12: Submission of PAs of HoDs¹⁷⁴

YEAR	NATIONAL			PROVINCIAL			% Received
	Number received	Number outstanding	Number of HoDs Acting	Number received	Number outstanding	Number of HoDs Acting	
2004/05	24	12	01	63	39	03	63%
2005/06	31	04	02	71	24	11	77%
2006/07	27	08	03	73	17	17	80%
2007/08	20	15	3	69	24	15	70%

Table 12 above shows that during the period 2004/05 to 2007/08, there has not been a single year in which all HoDs have entered into PAs as required by the PMDS. The trends have been improving since 2004, but the fact that there are HoDs who still manage to complete a

¹⁷⁰ *Ibid.*

¹⁷¹ Republic of South Africa. Public Service Commission. *An Audit into the Granting of Performance Rewards: Departments of Correctional Services, Home Affairs and Labour*. 2006.

¹⁷² Republic of South Africa. Public Service Commission. *Fact Sheet on the Filing of Performance Agreements for the 2007/8 Financial Year*. July 2007.

¹⁷³ Republic of South Africa. Public Service Commission. *Draft Report on the Payment of Performance Incentives without Performance Appraisals being Conducted*. 2008.

¹⁷⁴ Information obtained from PSC records on the submission of PAs for the period 2004/5 to 2007/08 as at 30 November 2007.

whole financial year without entering into a PA is worrying. HoDs are supposed to lead by example and drive performance management and development throughout their departments. If they themselves are non-compliant, it is highly probable that those reporting to them may be non-compliant as well.

The PSC believes that it is an indictment on the Executive and HoDs that something as basic as completing PAs is ignored to a point where the President finds it necessary to elevate it to one of the key priorities in the State of the Nation Address.¹⁷⁵ The country cannot afford a situation where the signing of PAs ends up being considered within the same suite of priorities as accelerating economic growth and revamping the criminal justice system, among others.

Non-compliance by HoDs is sadly not limited to PAs only but extends to performance appraisals as well, as shown in **Table 13** below.

Table 13: Trends in the evaluation of the performance of HoDs¹⁷⁶

YEAR	NATIONAL				PROVINCIAL				% eval
	qualif	eval	not eval	vac /act	Qualif	eval	not eval	vac/ act	
2004/05	22	15	07	15	55	32	23	50	61
2005/06	24	12	12	13	62	35	27	44	55
2006/07	27	08	20	11	73	07	66	35	14

As **Table 13** above shows each year there are HoDs who qualify to be evaluated but do not get evaluated. For example, for the 2004/05 performance cycle seven national and twenty three (23) provincial HoDs were not evaluated. The trend became worse the next year when 12 (50%) of the HoDs at national and 27 (or 44%) at provincial level did not get evaluated. The PSC has over the years raised concerns on these low levels of compliance, but no significant improvements have occurred. Indeed, more recently the PSC introduced cut-off points in terms of which it will not facilitate the appraisal of the performance of HoDs if these take place long after the relevant performance has passed.¹⁷⁷ This has, however, not resulted in improved compliance levels by HoDs.

Ultimately, the performance management of HoDs requires prioritisation and close coordination between HoDs and the respective EAs, without which the process will be compromised. The blame should, therefore, fall squarely at the doors of both the HoDs and the

¹⁷⁵ Mbeki, T. President of the Republic of South Africa. State of the nation Address. Joint Sitting of Parliament. 8 February 2008.

¹⁷⁶ Information obtained from PSC records on the Evaluation of the Performance of HoDs covering the 2004/05 to 2006/07 performance cycles as at 29 February 2008.

¹⁷⁷ Republic of South Africa. Public Service Commission. Guidelines for the Evaluation of Heads of Department for the 2006/07 Financial Year. 2007.

EAs. The recent call by Cabinet on EAs and HoDs to address the causes of qualified audit opinions should find expression in this area as well. This is particularly important to ensure that following the 2009 elections, EAs do not inherit a backlog of outstanding performance appraisals which demand their attention at a time when they should be focusing on the new electoral mandate.

Accelerating Delivery Towards 2009 and Beyond

The PSC has over the years drawn attention to aspects of accountability that require attention in the Public Service. Going forward, the PSC believes that there needs to be an honest consideration of why qualified audit opinions continue to persist in certain departments, and why performance management at the level of HoDs is still not receiving adequate attention. Is it because Parliament is not holding the Public Service accountable enough and does not demand explanations and concrete interventions in areas of non-compliance, or is it because there are fundamental difficulties that the Departments are facing and are genuinely trying to address? There may be many other reasons, but as the third term of democratic government draws to a close, these issues must be tackled and resolved. There are other areas of accountability (such as the generation of performance data and the preparation of annual reports) where measures are being taken to ensure improvement and where progress is being made. There is thus no reason for the cycle of qualified audits and poor performance management not to be broken decisively.

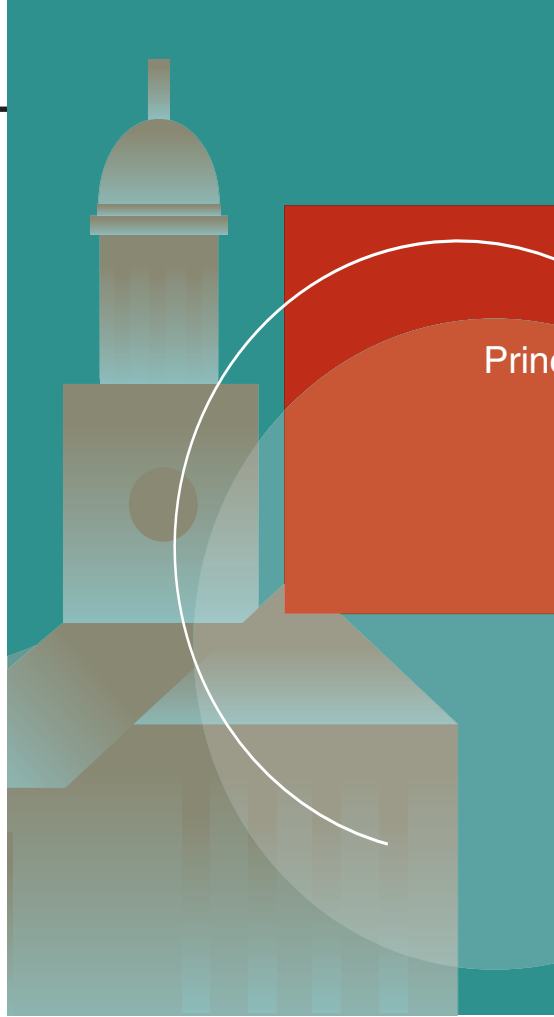
The PSC has previously proposed that a roundtable discussion be convened to create an opportunity for the Executive and HoDs to assess the challenges they face in insuring the effective implementation of performance management and development practices. This roundtable should be convened as a matter of urgency.

PAs must be entered into timeously as required by Public Service prescripts, failing which both the HoDs and EAs concerned should be called to account by Parliament. The PSC currently produces a fact sheet on compliance with PAs after the due date of June each year, and this can be used as a basis to call HoDs and EAs to account.

There should also be a careful examination of PAs as a management tool in the Public Service. Such an examination should help to

establish whether some of the implementation challenges currently experienced are perhaps not as a result of inherent weaknesses with the PA as a tool.

The use of organisational performance should also be considered to provide further insight into the performance of departments. Such tools will improve the quality of the evaluation, as both the individual and organisational dimensions of performance would be considered.



Principle 7

Transparency must be Fostered
by Providing the Public with
Timely, Accessible and Accurate
Information

Introduction

Transparency remains a cornerstone for the successful implementation of transformative legislation. Indeed, transparency is a crucial enabler which facilitates adherence to the rest of the Constitutional values and principles of public administration. For example, the transparent sharing of information by government enables the public to participate from an informed perspective in policy-making and implementation. In addition, sharing information in this way facilitates accountability as the activities of government departments are put out to public scrutiny.

However, organisations the world over tend to grapple with how to strike a balance between transparency and the provision of information which, for one reason or another, should be protected.¹⁷⁸ Faced with the uncertainty of whether to disclose information or not, and faced with stakeholders who also do not always know where to draw the line, organisations (including governments) find themselves manifesting behaviour that may create impediments to transparency.¹⁷⁹

These are essentially global pressures for transparency, to which the South African Public Service is not immune. The Public Service is expected to make information available on own accord and upon demand, and this expectation will continue to grow as the democratic dispensation comes of age and the public becomes more involved in governance processes. Unless the Public Service equips itself to deal with these expectations, it may find itself increasingly failing the transparency litmus test.

Mid-Term review

Requirements for transparency in the Public Service are built into specific legislation. Post-2004 the focus has been on strengthening implementation of existing measures while also introducing new ones where necessary. A key shift has been in how departmental annual reports have been reconfigured to serve as an effective mechanism of transparency. The content of the reports is gradually showing a change from reporting on activities to focusing on outputs,¹⁸⁰ and there is already a vibrant debate that seeks to lift reporting to the level of outcomes. This debate is essential to ensure that the important questions which relate to effectiveness and public value in Public Service delivery are addressed.

Although annual reports are important, they only get published five

¹⁷⁸ Pasquier, M and Villeneuve, J. *Organisational Barriers to Transparency: a Typology and Analysis of Organisational Behaviour Tending to Prevent or Restrict Access to Information*. *International Review of Administrative Sciences*. (73(1)). Sage Publications. March 2007.

¹⁷⁹ *Ibid.*

¹⁸⁰ Republic of South Africa. *Public Service Commission. State of the Public Service Report. 2007.*

months after the end of the financial year, thus suggesting the need for other in-year reporting mechanisms. One such mechanism was introduced in 2004 in the form of government's Programme of Action (PoA). The PoA is published on government's website and progress on implementation is updated every two months.¹⁸¹ Although the PoA covers only a limited set of performance areas relative to what government as a whole does, it has nonetheless become a critical information source on the implementation of the commitments that the President announces in the annual State of the Nation Address.

However, it should be pointed out that for information to be usable, it should be organized and availed in easily accessible forms. In this regard, the introduction of an electronic directory of government services has come as a welcome initiative to provide a one-stop hub of information for the public.¹⁸² The significance of the Directory lies in the fact that it is organised according to the actual services rather than the departments that offer them. The Directory lists services according to specific categories of user (for example, services for foreign nationals), and each of these has specific sub categories such as birth, death and social benefits.

The reality is that when a member of the public wants to interact with government, what are important to them are the service they need and not the name of the department that offers the service. Thus, if services are organised according to departments (as was the case previously with the blue pages of the Telephone Directory), searching for information becomes complicated as it literally requires a prior understanding of the mandate and functions of each of the departments.

Despite the above milestones, there are a number of areas that require attention as shown in **Table 14** below.

Table 14: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • The language used in the annual reports is not always simple or accessible and easily understood. • On their own annual reports are not adequate transparency tools. There is a need to find additional methods of reporting to the public. Annual reports should directly reflect plans presented in the National Expenditure Estimates. This will allow performance and expenditure to be clearly compared to plans and budgets. • High level of illiteracy and a general failure to access government communication and information is a challenge.
2005	<ul style="list-style-type: none"> • The annual reports were not well structured, simplified, streamlined and written in plain simple language.

181 <http://www.gov.za>

182 <http://www.services.gov.za>.

Table 14: Continued

Year	Key observations and suggestions
2005	<ul style="list-style-type: none"> • Annual reports do not directly reflect plans presented in the National and Provincial Expenditure Estimates and allow for a clearer comparison of performance against plans and projects. • There is a need to use the annual report as useful sources of information rather than just regarding them as public relations documents.
2006	<ul style="list-style-type: none"> • The legislation and regulations for promoting transparency are already in place. • What is needed is lacking was capacity by the Public Service to comply with legislation. • The format and the content of Annual Reports have improved significantly. But an area of improvement is writing the reports in simple language that is accessible to the ordinary members of the public.
2007	<ul style="list-style-type: none"> • The capacity of the Public Service to provide information is still a challenge. This is particularly the case with information requested by individuals (compared to general information released through reports). • Only 23% of the Departments had appointed Deputy Information Officers. This has compromised the right of the public to access information and gets proper responses.

The picture painted above is that significant progress has been made in terms of the quality of annual reports. However, there are still weaknesses with full adherence to the Treasury Guidelines¹⁸³ in preparing annual reports where departments do not fully report on the achievement of strategic objectives. These weaknesses are particularly evident in provincial departments, a matter which should raise concerns given that the bulk of Public Service delivery is provided by provincial administrations.¹⁸⁴

Many of the weaknesses in the ability of departments to be transparent enough are a result of ignoring certain basic requirements that are provided for in policy. One such requirement is the appointment of Deputy Information Officers in terms of the provisions of the PAIA.¹⁸⁵ An intervention as basic as this would immediately allow the department to have another point of contact for the public through which information can be accessed.

An additional requirement which could be a quick win to supplement annual reports is the development of an annual citizens report as provided for in the White Paper on the Transformation of Public Service Delivery.¹⁸⁶ This is essentially a brief report, which in simple language, often produced in local languages, explains what a department does, how it has met its service standards and how it intends to improve its services. Basic as they are, these reports

¹⁸³ Republic of South Africa. National Treasury. *Treasury Regulations for Departments, [and] Constitutional Institutions, Public Entities, Parliaments and Provincial Legislatures*. March 2001.

¹⁸⁴ Republic of South Africa. Public Service Commission. *State of the Public Service Report*. July 2004.

¹⁸⁵ Republic of South Africa. Department of Justice and Constitutional Development. *Promotion of Access to Information Act*. 2000.

¹⁸⁶ Republic of South Africa. Department of Public Service and Administration. *White Paper on the Transformation of Public Service Delivery*. 1997.

provide a very accessible and yet informative source of information. Sadly, very few departments seem to have found it necessary to produce these reports. In a study conducted by the PSC, not a single national department could confirm that it had produced such a report, and only 18 provincial departments had produced them.¹⁸⁷ Here, the Public Service is clearly missing a good opportunity to improve its transparency by using a fairly easy and basic tool.

Due credit should, however, go to Limpopo and the Free State where departments generally produce Annual Citizens' Reports.¹⁸⁸ In fact, departments in provinces often also go a step further and present the reports on the annual Batho Pele day, a day on which departments invite members of the public to events which seek to raise awareness on the importance of putting people first in Public Service delivery. Attendance at these events is usually good, thus ensuring that the Departments share their information with more citizens. An added advantage in this regard is that on this day the report is actually presented and not just distributed, thus ensuring that citizens who are not literate can also have access to the information contained in the report.¹⁸⁹

Departments need to appreciate that mechanisms that promote access to information in return also boost public confidence in government institutions. Opinion surveys show that public confidence in government tends to increase around the time of general elections, a pattern that is likely attributable to the vast information that is usually disseminated during that time.¹⁹⁰ If this extent of information dissemination could be sustained throughout the year, its impact on public confidence could also be optimised.

Public confidence is also influenced by the transparency with which government manages the private contributions that members of the public may, for one reason or another, want to offer public servants. Given the fine line that may exist between gifts and bribes, the public needs to be assured that there are clear institutional frameworks and practices that regulate such private contributions, and that the integrity, impartiality and fairness of public servants is not compromised in this process. It is against this background that the PSC has noted with concern that there appears to be inconsistencies in the current legislative framework governing the receipt of gifts by public servants.¹⁹¹ While the Code of Conduct requires the receipt of gifts to be done with the express written approval of the HoD, the Financial

¹⁸⁷ Republic of South Africa. Public Service Commission. Draft Report on the Implementation of the Batho Pele Principle of Openness and Transparency in the Public Service. 2008.

¹⁸⁸ Ibid.

¹⁸⁹ Ibid.

¹⁹⁰ Republic of South Africa. The Presidency. Development Indicators Mid-Term Review. Undated.

¹⁹¹ Republic of South Africa. Public Service Commission. Draft Report on the Management of Gifts in the Public Service. 2008.

Disclosure Framework does not explicitly require such written approval but simply obliges senior managers to disclose gifts valued at R350 and above.¹⁹²

The current inconsistencies create risks for the Public Service because public servants may end up using what would boil down to personal and often inconsistent judgements when they are offered gifts. Such discretion becomes even riskier considering that only 4 in 10 departments keep gift registers and that even where registers are kept there has not been a practice of making them available to public scrutiny. Transparency in the receipt of gifts is to some extent practised at the level of Parliament because there is a section of the Register of Members' Interests that is made public.¹⁹³ There is not a similar provision for public servants. Considering the magnitude of some of the gifts received,¹⁹⁴ there is case to require more transparency in this regard while still having due regard for the individuals' right to privacy and confidentiality.

Accelerating Delivery Towards 2009 and Beyond

There are clear quick wins that the Public Service should immediately attend to in order to deepen transparency through the provision of information. The development of Annual Citizens' Reports should be something that each department commits itself to starting this financial year. In addition, the appointment of Deputy Information Officers should be fast-tracked to ensure that there is a clear assignment of duties to officials who should provide information to the public. However, in addressing these two aspects, departments would need to also ensure that they strengthen their basic record-keeping processes so that accurate information can be available.

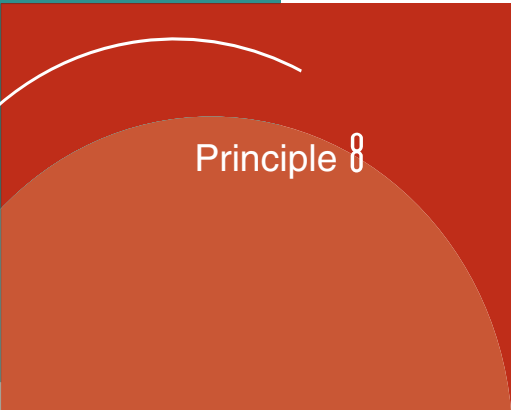
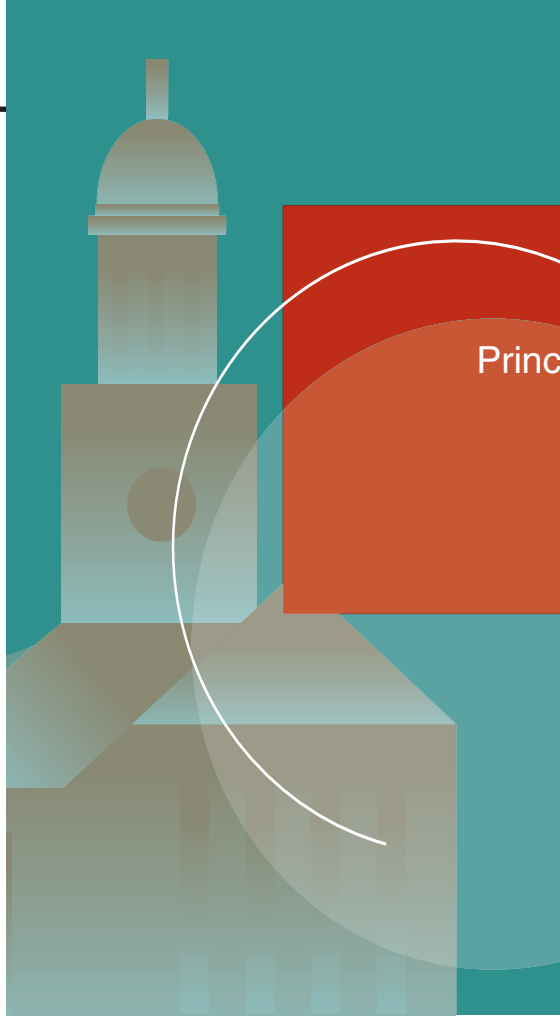
The need to strengthen the alignment of plans and reports has been raised consistently and decisive steps are required in this area. Departments are required to develop annual work plans and produce quarterly reports against these work plans, and there is no reason why this information should not be published on the department's websites. Subjecting these documents to public scrutiny will encourage departments to ensure closer alignment between their plans and reports.

The frameworks for managing the receipt of gifts by public servants should also be reviewed to ensure that there is consistency in what the different pieces of legislation provide for. In addition, departments must ensure that they put in place and maintain accurate gift registers for their employees.

¹⁹² *Ibid*

¹⁹³ Republic of South Africa. Parliament of the Republic of South Africa. Code of Conduct.

¹⁹⁴ Note: In one incident, a public servant received a bursary for their daughter to the value of R60 000.



Principle 8

Good Human Resource Management and Career Development Practices, to Maximise Human Potential, must be Cultivated

Introduction

It is generally accepted that public servants are key in determining how well the policies of government are implemented. As the interpreters and implementers of policy, the levels of skill and motivation of public servants entrusted with the task of realising government objectives determines the achievement of government priorities. It is, therefore, important to ensure that the human resource management value chain is appropriately strengthened to optimise the potential of employees. If this task is properly fulfilled, it should translate in a highly skilled cadre of public servants who indeed translate policy into effective programmes, thus improving the quality of life of citizens.

In order to support the effective management of human resources, the South African Public Service has sought to shift away from past management practices which were more compliance driven, impersonal, non-development and authoritarian. The new approach aims to harness human potential through practices that privilege diversity, emphasise peer support, institute lifelong learning, promote professionalism and recognise and reward good performance. Such a strategic approach goes to the heart of accelerating transformation and service delivery for the benefit of the people of South Africa.¹⁹⁵

The application of this strategic approach has, however, given rise to the need to build strong capacity within departments. During the remaining period of government's third term of office, an important consideration would be to ensure that departments consolidate their capacity to implement the strategic frameworks for human resource management, and to urgently address those areas where progress is unsatisfactory.

Mid-Term Review

The transformation foundation that was laid during the first decade of democracy was carried forward post-2004 through implementation and the introduction of further complementary policy instruments. One of the key developments in this regard has been the need to create a meaningful balance between centralised and decentralised functions. More specifically, there have been indications that the balance between decentralisation and centralisation of functions is being re-examined. An amendment of the Public Service Regulations on/for the process of organisational restructuring, which until now led to sharp disparities between departments, has been one of the steps

¹⁹⁵ Fraser-Moleketi, G.J. Keynote Address at the International Resource Management Conference. "Building Public Sector Human Resource Capacity in a Developmental State." July 2007.

taken in this direction. In terms of this amendment, it is now mandatory for departments to consult with the DPSA before they finalise their organograms.¹⁹⁶ The amendment to the regulations essentially seeks to reintroduce consistency in the manner in which departments review their organisational establishments.

Ensuring greater consistency and coherence in organisational practices within a decentralised context requires strong administrative leadership in departments. Government recognised the importance of such leadership, and accordingly, there has been a sustained focus on strengthening the management echelon of the Public Service. Following the introduction of the Senior Management Service (SMS) dispensation on 1 January 2001 by means of the promulgation of Chapter 4 of the Public Service Regulations, 2000,¹⁹⁷ government focused on the introduction of measures to create a sustainable pool of middle managers to compete for senior management positions. In this regard, a Generic Competency Framework was finalised during 2005 and an Accelerated Development Programme (ADP) for middle managers introduced the following year. The ADP targets middle managers from designated groups particularly women and people with disabilities to prepare them for the challenges of functioning in senior management.

One of the challenges that the senior management echelon has to deal with is to ensure that policies and implementation frameworks developed by government are adequately informed by and address the contextual realities that exist in local communities. This requires senior managers who are in touch with service delivery dynamics at local level, and who can critically reflect on these dynamics to benefit policy and implementation. In order to address this need, an action learning training programme called *Khaedu* was implemented.¹⁹⁸ *Khaedu* represents an important step towards ensuring that senior managers' stay in touch with the public administration dynamics that exist at the level of service delivery sites. It is, however, important for the DPSA to keep monitoring the programme to ensure that it effectively addresses the purpose for which it was intended.

However, even with appropriate training interventions such as *Khaedu*, senior managers may not be effective in their management of the human resource value chain if the environment within which they work

¹⁹⁶ Public Service Regulation. Chapter 1, part 3 b(2) which states an EA shall determine in consultation with the Minister the departments organisational structure in terms of its core and support functions.

¹⁹⁷ Public Service Regulation. Chapter 4. Senior Management Service dispensation, 1 January 2000.

¹⁹⁸ *Khaedu* is a TshiVenda word which means "challenge"

is not enabling. Effective HR components in departments are fundamental to the creation of such an enabling environment. In this regard, an important milestone to reposition the human resource function in the Public Service took place in 2006 with the approval by Cabinet of various interventions for implementation. These include the development of generic organisational structures for Human Resource Management (HRM) components, the design of a competency framework for HRM components, the development of performance indicators for the HRM function and the establishment of a forum for human resource practitioners to facilitate collective learning through an on-going exchange of experiences.¹⁹⁹

The successful implementation of all these new developments will require, among others, a stable environment in which there are sound relationships between government and organised labour. Going into 2004, government and organised labour continued to strengthen labour relations through the use of the collective bargaining structures established for this purpose. Many resolutions were made and implemented, covering a range of areas such as multi-year wage increase agreements, medical aid, housing allowances, and pension benefits.

However, in 2007 the country witnessed a massive Public Service strike which emanated from a breakdown in the negotiations between government and organised labour. Lasting for just over a month, this was perhaps the longest uninterrupted public service strike since the dawn of democracy in South Africa. When the strike eventually came to an end, different conclusions were drawn about its success or otherwise. The PSC believes that whatever conclusions different parties arrive at on this matter, there must be a very important message that this experience is sending to government and organised labour: It is for the parties to have an honest reflection on what went wrong. Future collective bargaining will have to be informed by the sobering lessons from this experience.

In addition to reflecting on the strike experience, other recurring challenges also need the attention of the Public Service as it consolidates its achievements and prepares for a new term of government. A synopsis of these is provided in **Table 15**.

¹⁹⁹ Pretorius, L.P. Presentation to EPCM Steering Committee on Re-positioning HR for Strategic Human Resource Management in the Public Service. 4 October 2007.

Table 15: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • Work organisation in the Public Service remains hierarchical and innovation resistant, with the future requiring flatter, modern and team based approaches. • The elimination of rank and leg promotion has left career paths undefined and makes the prospect for promotion and advancement unclear. • HIV/AIDS threatens to place enormous pressure on the workplace. • A progressive and comprehensive Public Service policy has been adopted and promoted, but its implementation is patchy and needs to be monitored. • Decentralisation and the delegation of authority relating to HRM to lower levels have proved problematic. It may be necessary to revoking these delegations if needed.
2005	<ul style="list-style-type: none"> • Many departments have draft policies on recruitment and selection which still have to go through internal processes. Vacancy rates remain high. • A study estimated that 10% of public servants may be affected by AIDS, with a quarter possibly dying by 2012. • A shortage of skilled personnel faces both the private and public sector, and attention must be paid to how enhance the meaning and skills of public servants. • Problems exist with how training is provided. A more sophisticated human resource planning capacity is required that addresses issues such as assessments and evaluations, career-pathing, performance management and retention and conditions of service.
2006	<ul style="list-style-type: none"> • Recruitment and selection, performance management, human resource planning, HIV/AIDS and employment equity still need more attention. • The capacity to manage performance management remains a problem. • There continues to be a premature referral of grievances to the PSC. • The role of labour relations officers remains unclear, and management needs to exercise its responsibility in dealing with disciplinary matters rather than abdicating it to labour relations officers. • The Employee Assistance Programmes (EAP) are still weakly integrated into programmes such as HIV and AIDS.
2007	<ul style="list-style-type: none"> • The Public Service needs to improve its capacity for better administrative compliance and management held accountable. • The average turn-over rate of the Public Service between 2001 and 2002 was 8, 5%. • The management of poor performance remains a problem and there is a lack of capacity to hold managers accountable. • A richer appreciation from human resource components is needed of the strategic importance of their functions to the overall functioning of departments. • An urgent priority is to accelerate the development and retention of priority skills in the Public Service.

The effective utilisation of human resources requires sound monitoring of how they are recruited, deployed, managed and developed. In this regard, one of the critical responsibilities of management is to ensure

that post establishments of their departments are kept up to date in line with their service delivery requirements, and that vacant posts are filled as soon as possible. A PSC study on vacancy rates in the Public Service estimated that there were either 88 329 or 330 987 funded vacant posts, depending on whether you use information from PERSAL or departments themselves.²⁰⁰ This represents a difference of 242 664 vacancies (73%) between the two data sources. The table below provides a breakdown of this information.

Table 16: Total number of posts versus funded vacant posts²⁰¹

National/ Province	Total no. of posts as per PERSAL	No. of posts vacant as per PERSAL	No. of posts vacant as reflected by departments	% Deviation
Eastern Cape	174 225	52 469	4 383	92%
Limpopo	152 158	42 509	3 910	91%
Free State	81 559	25 078	2 950	88%
Northern Cape	30 255	9 167	1 924	79%
Gauteng	161 538	37 461	8 961	76%
Western Cape	87 181	15 320	3 868	75%
North West	76 397	19 045	5 238	73%
Mpumalanga	93 097	26 259	8 417	68%
KwaZulu-Natal	227 122	49 104	18 682	62%
National	349 869	54 575	29 990	45%
TOTAL	1 433 401	330 987	88 323	73%

The table above shows a deviation between data provided by PERSAL and the data provided by the departments. A discrepancy/deviation of 73% shows a lack of reliable information to serve as a basis for effective decision-making, budgeting and human resources planning. In Limpopo and the Eastern Cape, the discrepancy in the data is even higher than 90%. The PSC believes that the challenge facing the Public Service in this area is two-pronged. Firstly, there is a need to improve the accuracy and reliability of data support so that meaningful planning and decision-making can take place. Secondly, there is a need to systematically identify non-funded vacant posts so that the monitoring of vacancy rates can be based on funded posts only. Technically, a post does not exist at all if it is not funded. Therefore, keeping such posts in the same pool with those that are funded compromises the reliability of data on vacancy rates.

Reliable records and timely follow up become particularly important

²⁰⁰ Republic of South Africa. Public Service Commission. Report on the Audit on Vacancy Rates in National and Provincial Departments. October 2007.
²⁰¹ Ibid.

when one deals with the resolution of grievances. The PSC has also been monitoring the resolution of grievances in the Public Service as one of the key indicators of the maturity of the practice of HRM. Trends in this regard are reflected in **Table 17** below.

Table 17: Number of grievances reported by Provincial and National Departments from January 2005 to June 2006.²⁰²

Origin of Grievances	January to June 2005	July to Dec 2005	January to June 2006	Total
National Departments	146	337	621	1 104
Eastern Cape	308	145	101	554
Free State	149	198	106	453
Gauteng	154	156	136	446
KwaZulu-Natal	157	210	132	499
Limpopo	412	127	58	597
Mpumalanga	55	62	30	147
Northern Cape	No Report	27	47	74
North West	81	171	67	319
Western Cape	101	131	51	283
Total Provinces	1 417	1 227	728	3 372

Table 17 above shows a remarkable increase in the number of grievances reported by national departments and a substantial decline in grievances reported by the provincial departments. These trends suggest that there are still fairly high levels of dissatisfaction among public servants. It would be imperative for departments to closely monitor the reasons behind the grievances and address these accordingly.

Key among these is the poor implementation of effective recruitment and selection processes. There continues to exist inordinate delays in making appointments. Despite standards being in place these are largely not met, with the PSC's Monitoring and Evaluation System's survey showing that for the samples of departments assessed between 2000 and 2007, only one department met the 3-month requirement of filling all of its posts.²⁰³ The DPSA estimates that the average period for filling posts is 15 months.²⁰⁴

Departments explain these delays with reasons ranging from slowness in conducting job evaluations, protracted decision-making processes on

²⁰² Republic of South Africa. Public Service Commission. Annual Report on Grievance Trends. 2007.

²⁰³ Republic of South Africa. Public Service Commission. Fourth Consolidated Monitoring and Evaluation Report. 2007.

²⁰⁴ Republic of South Africa. Department of Public Service and Administration. Public Management Watch. Provincial and Sectoral Analysis. June 2007.

whether to fill a post or not, and inability of the responsible staff component to handle the workload.²⁰⁵ PSC studies further show that progress in the timely filling of posts is also hindered, among others, by lack of effective recruitment policies and delegation of authority, and inadequate reporting to management to facilitate decision-making.²⁰⁶

With such weaknesses in recruitment and selection processes, it is very crucial to prioritise skills development across the Public Service to create a solid base on which the management and operations of departments can rest. Effective training and development requires systematic planning which takes into consideration the needs of the particular department, the current skills profile and the resources that are available. In the PSC's experience, departments have yet to optimise the use of skills development plans as a strategic management tool to guide skills development. In an attempt to see how the SMS is progressing, the PSC conducted research on the training provided for senior managers. It found that the current process whereby managers were expected to reflect and identify their own training needs was in practice not successful, and almost a third of managers did not identify professional or technical knowledge or skills. Furthermore, 20% of managers had not identified any core management criteria to be trained in. Managers also claimed that their training improved their own performance, but actual results of their performance showed that it was not as significant as they rated it to be. It would thus appear that the practice of leaving these training decisions to the manager and supervisor concerned is ineffectual, and more objective criteria are required.²⁰⁷

A further recurring challenge for the Public Service is the scourge of HIV and AIDS. The Public Service needs to be justly concerned about the impact of this pandemic as it is the largest employer in the country.²⁰⁸ In 2004 HIV prevalence rate amongst educators in public schools was 12.7%,²⁰⁹ or around 50 000 educators. This is likely to have a profound implication for the Public Service as educators decline in supply.²¹⁰ Indeed, this challenge applies to other sectors as well and requires a deepening of the implementation of HIV/AIDS policies and programmes.

205 Republic of South Africa. Public Service Commission. *Third Consolidated Public Service Monitoring and Evaluation Report. Research Cycle 2005/2006. March 2007.*

206 Republic of South Africa. Public Service Commission. *Report on the Audit on Vacancy Rates in National and Provincial Departments. October 2007.*

207 Republic of South Africa. Public Service Commission. *Report on the Evaluation of the Training needs of Senior Managers in the Public Service. January 2008.*

208 Buthelezi G. *Fighting AIDS in the Workplace*, pp. 36-37 Launch Edition 2001. Service Delivery Review. Department of Public Service and Administration.

209 Rehle, T and Shisana, O. *The impact of antiretroviral treatment on AIDS mortality*. Education Labour Relations Council. 2005.

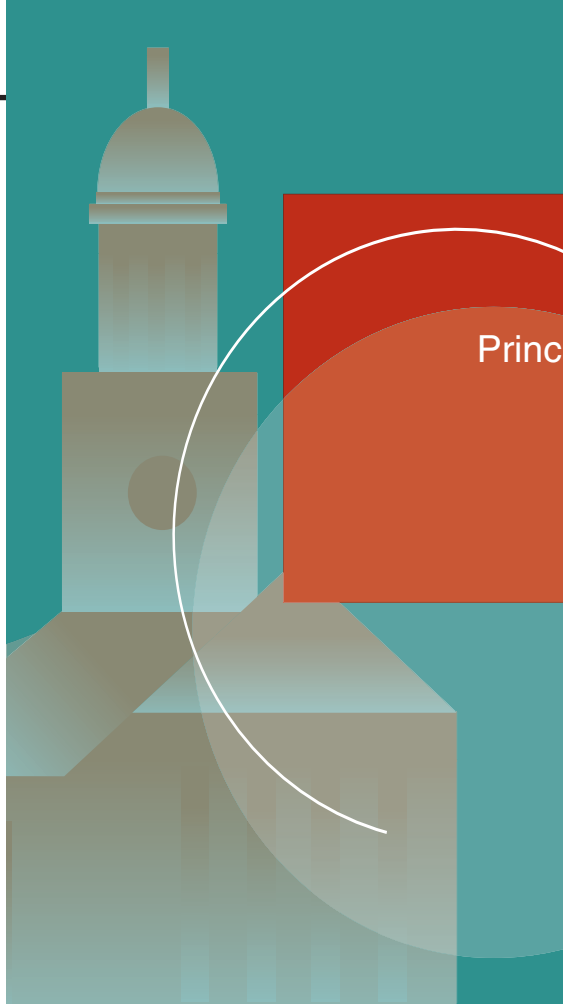
210 *Siyayinqoba Beat it. Episode 25 - Teachers and HIV.* www.beatit.co.za/episode25.php.

**Accelerating
delivery
towards 2009
and beyond**

In the build-up to 2009, it is crucial for the Public Service to target two important levers for strengthening human resource management. Firstly, greater attention will need to be paid to HRM units within departments to accelerate their effectiveness. As the corporate backbone of the development, interpretation and application of HRM Policies, these units have to rise to the occasion and champion meaningful implementation of policies in their respective departments. The many implementation weaknesses that continue to exist after 14 years of transformation suggest that these units are themselves not adequately capacitated.

The second lever to be targeted is to instil upon line managers the commitment to play their role in HRM. This task includes the full range of HR functions that is generally considered to be outside their domain. A sustainable movement for change towards effective HRM requires that these two levers be properly positioned to play their respective and collective roles in departments.

It is also very important for the ADP to receive support from HoDs, and for the DPSA and South African Development and Management Institute (SAMDI) to monitor and evaluate the implementation thereof so that appropriate decisions can be taken where necessary to enhance the Programme.



Principle 9

Public Administration must be Broadly Representative of the South African People, with Employment and Personnel Management Practices Based on Ability, Objectivity, Fairness and the Need to Redress the Imbalances of the Past to Achieve Broad Representation

Introduction

The Constitution requires the Public Service to ensure that in its composition, it mirrors the South African population in all its diversity. The objective in this regard is not just been to meet numerical targets, which are important in that they show visible change, but also to build a dynamic work environment which draws on the different types of groups which the population comprises.

In giving effect to this Constitutional requirement, the Public Service is also expected to ensure that there is people empowerment so that representivity and diversity do not become ends in themselves. These requirements are challenging, and the Public Service has over the years put in place different measures to address them. These include regulatory frameworks such as the White Paper on Affirmative Action in the Public Service, the setting of generic numeric targets to be achieved, and the provision of training.

The effectiveness of the above measures needs to be considered carefully so that implementation can be strengthened. This consideration is particularly crucial at this juncture given that questions are now being asked about whether government's affirmative action (AA) policy is still necessary.²¹¹ There are also debates around whether AA is in fact not perpetuating class divisions.²¹² In a way, these are old questions that were particularly prevalent soon after democratisation in 1994, but they have been resuscitated after a few years of relative quiescence. Emotive as it may be, this debate challenges organisations to adopt a diversity management perspective that transcends a narrow focus on numeric targets, and the Public Service will similarly have to build this perspective. In the remaining term of government serious consideration must have to be given to these issues in terms of the role played by government in nation building.

Mid-Term Review

The most visible success of our democracy has been the extent to which the Public Service currently reflects the demographic composition of the country. The racial composition of the Public Service now largely mirrors the country's demography, evident in the table on the next page.

²¹¹ Jongens, C. *Perceptions of employment equity implementation at a major South African multi-national financial corporations*. Postamble 2(1) 2006. p.42.
²¹² Ndlelyana, M. *Human Sciences Research Council Review*. Volume 5 No. 4, November 2007.

Table 18: Race representivity in the Public Service²¹³

Year	National (%)				Provincial (%)			
	African	Asian	Coloured	White	African	Asian	Coloured	White
2004	74	4	9	14	64	5	9	22
2005	75	3	10	12	67	3	11	19
2006	79	3	9	9	69	3	11	17
2007	80	3	9	9	71	3	11	16

As **Table 18** above shows, race representivity has continued to improve throughout the period 2004 to 2007. For example, at national level the percentage for African employees increased from 74 in 2004 to 80 in 2007. At provincial level, the percentages for African employees increased from 64 in 2004 to 71 in 2007. These figures suggest that the rate at which race representivity is increasing is higher at the national level compared to the provincial. This is an important observation given that provinces carry the largest slice of the staff establishment of the Public Service, and it is, therefore, necessary for them to manifest better progress than national departments. **Table 19** below disaggregates these figures across the provinces.

Table 19: Disaggregation of race representivity in the Public Service²¹⁴

National/ Provincial	RACE	2004 (%)	2005 (%)	2006 (%)	2007 (%)
NATIONAL	Blacks	78	81	83	85
	Whites	22	19	17	15
Eastern Cape	Blacks	95	95	95	95
	Whites	5	5	5	5
Free State	Blacks	82	82	82	83
	Whites	18	18	18	17
Gauteng	Blacks	79	79	80	82
	Whites	21	21	20	18
KwaZulu-Natal	Blacks	94	94	95	96
	Whites	6	6	5	4
Limpopo	Blacks	97	97	97	97
	Whites	3	3	3	3
Mpumalanga	Blacks	90	90	92	92
	Whites	10	10	8	8
Northern Cape	Blacks	82	82	92	90
	Whites	18	18	8	10
North West	Blacks	54	91	83	86
	Whites	46	9	17	14
Western Cape	Blacks	80	80	79	81
	Whites	20	20	21	19

213 Table constructed using data supplied by the Department of Public Service and Administration.

214 Table constructed using data supplied by the Department of Public Service and Administration

There has also been progress in meeting the 30% gender representativity in the Public Service as is evident in **Table 20** below.

Table 20: Disaggregation of gender representativity in the Public Service²¹⁵

National/ Provincial	GENDER	2004 (%)	2005 (%)	2006 (%)	2007 (%)
NATIONAL	Female	31	34	34	35
	Males	69	66	66	65
Eastern Cape	Female	65	65	67	68
	Males	35	35	33	32
Free State	Female	59	59	60	60
	Males	41	41	40	40
Gauteng	Female	59	67	67	67
	Males	41	33	33	33
KwaZulu-Natal	Female	65	65	66	67
	Males	35	35	34	33
Limpopo	Female	54	54	56	57
	Males	46	46	44	43
Mpumalanga	Female	61	61	62	62
	Males	39	39	38	38
Northern Cape	Female	60	60	62	63
	Males	40	40	38	37
North West	Female	64	62	60	61
	Males	36	38	40	39
Western Cape	Female	64	64	67	64
	Males	36	36	33	36

It should be noted that the pace of the progress for gender representativity has been slower compared to the area of race representativity. This is a cause for concern given that the representativity target for woman in middle and senior management has now been increased to 50%. If it took departments such a long time to achieve the first target of 30%, it may take them even longer to meet the new target. The issue of gender representativity (together with other recurring challenges reflected in Table 21 below) will need to be watched closely. However, it is hoped that, in the period that lays ahead departments will take decisive steps to accelerate gender representativity. The Minister for Public Service and Administration has suggested eight principles on women empowerment which should be included in departmental action plans,²¹⁶ and HoDs are encouraged to institutionalise the implementation of these principles. The principles include, among others, the provision of adequate resources to

²¹⁵ Table constructed using data supplied by the Department of Public Service and Administration.

²¹⁶ Republic of South Africa. Ministry for Public Service and Administration. Head of Department's 8-Principle Action Plan for Promoting Women's Empowerment and Gender Equality within the Public Service Workplace. Undated.

advance gender equality, incorporating gender perspectives into all the work of departments, and meeting equity targets.

Table 21: Synopsis of issues raised in previous SOPS reports

Year	Key observations and suggestions
2004	<ul style="list-style-type: none"> • The performance of labour relations components within departments requires attention. • Representivity is challenge, particularly people with disability and women in the senior management positions. • The current human resource management framework is incomplete in areas of career-pathing and performance management.
2005	<ul style="list-style-type: none"> • Compliance with AA is better at national than provincial level. • Generally black people are now well represented at the senior management level, but women continue to be underrepresented at that level. • Gender representativity at the middle management level remains a problem, as is the under representation of people with disabilities at all levels remaining the biggest problem. • Diversity management remains a challenge in terms of ensuring that the various groups are on board in terms of skills required for the job. • Oversight Parliament and Provincial Legislatures should consistently monitor and evaluate representivity.
2006	<ul style="list-style-type: none"> • Women continue to be underrepresented at the senior management level. • Recruitment and selection practices were not sufficiently focused on attracting people with disabilities. There was a lack of innovation in recruiting people with disabilities. • The implementation of AA is fraught with tension which compromises the capacity of the Public Service to implement recruitment standards in a situation of open competition. • The current recruitment practices need to be augmented and complemented by objective; competency based testing as a determiner for employment. This will raise the bar and help dispel notions of unfairness.
2007	<ul style="list-style-type: none"> • The Public Service has generally done well in terms of achieving workplace representativity. • The representivity of females at senior management has reached the target of 30% in most departments. • A key finding of gender mainstreaming was that there needed to be organisational climate that brings the marginal into the core business of the department. • The Public Service should address the challenges that delay the achievement of workplace representivity and integration of woman and people with disability.

The achievement of gender representivity has continued to face challenges at the SMS level. **Table 22** on the next page provides a disaggregation to illustrate the extent of the challenge in this regard.

Table 22: Gender representivity at SMS level in the Public Service²¹⁷

National/ Provincial	Total Male	%	Total Female	%	Total African	%	Total SMS Members
NATIONAL	2 564	66	1 338	34	2 838	73	3 902
Eastern Cape	343	69	155	31	402	81	498
Free State	266	72	103	28	237	64	369
Gauteng	539	67	266	33	565	70	805
KwaZulu-Natal	449	68	208	32	522	79	657
Limpopo	295	66	155	34	415	92	450
Mpumalanga	178	71	75	30	220	87	253
North-West	189	65	104	35	250	85	293
Northern Cape	120	71	49	29	145	86	169
Western Cape	285	76	89	23	200	53	374
TOTAL	5 228 (67%)		2 542 (33%)		5 794 (73%)		7 770

As **Table 22** above shows, progress has been steady but less impressive when it comes to representivity of women, in particular at the management level. The drawing of women into the decision-making management level has contributed towards changing the inherited patriarchal nature of the Public Service. Breaking down the patriarchal culture in our society will still take time and in this period prejudices continue to be felt by women. Despite this, there has been notable success given that the Public Service at the dawn of democracy was typically white and male. At 33% female representivity in the management echelon, the Public Service has a challenge lying ahead in terms of achieving the targets set by Cabinet, namely 50% by 2009. Provinces such as the Free State, Northern Cape and the Western Cape will have an even bigger task since their representivity is still below the 30% that Cabinet had set for 2005.

One would have expected that this momentum would also be carried through to the area of disability. Unfortunately this has not been the case and the problem persists with the modest target of 2% not being met. An area where not much progress has been achieved, however, is in the area of disability, as shown in **Table 23** on the next page. Of the total number of employees, there are only 2 099 persons with disability employed, or 0,2%.

²¹⁷ Table constructed with data provided by the Department of Public Service and Administration.

Table 23: Disability representativity²¹⁸

National Departments and Provinces	Total no. of staff	No. of persons with disabilities employed	Percentage of persons with disabilities
National Departments	279 578	674	0.2%
Eastern Cape	123 286	280	0.2%
Free State	56 715	87	0.2%
Gauteng	123 976	104	0.1%
KwaZulu-Natal	180 359	251	0.1%
Limpopo	113 397	263	0.2%
Mpumalanga	67 440	143	0.2%
Northern Cape	21 145	28	0.1%
North West	57 610	70	0.1%
Western Cape	72 596	199	0.3%
Total	1 096 102	2 099	0.2%

In order to promote a better and more grounded appreciation of the challenges departments face in the achievement of disability representivity, the PSC held public hearings. This process allowed people with disabilities (PWDs) to come in contact with key decision-makers and present a personal and lived experience of their difficulties. It was the first time such an approach was used to solicit information from this group.

The PSC's research found that the challenge of achieving disability representivity requires the Public Service to adopt a unique and holistic approach which involves a review of circumstances that would make the employment of PWDs more favourable. Such an approach should not only focus on policies, processes and numeric targets. Instead there needs to be a conscious effort to effect a change of attitudes and behaviour so that the commitment to implement policies can be secured.

Specifically, the PSC's research found that few people with disabilities apply for posts. This is partly due to the lack of targeted recruitment by departments. In addition, however, there also seems to be reluctance on the part of people with disabilities to disclose their status. This reluctance may be due to the accompanying stigmatisation. The PSC also found that resource limitations were seen as a constraint by departments to ensure a reasonable accommodation of people with disabilities. In addition, the nature of certain occupations seems to prevent people with disabilities from applying due to the job requirements.

²¹⁸ Table constructed with data provided by the Department of Public Service and Administration.

The problem is compounded by the lack of good partnerships with organisations for people with disabilities, and the fact that there is no central database for people with disabilities from which to source potential applicants. Ultimately, though, senior managers need to demonstrate the commitment to promote disability equity and ensure that there are specific retention strategies targeted at people with disabilities.

Accelerating delivery Towards 2009 and Beyond

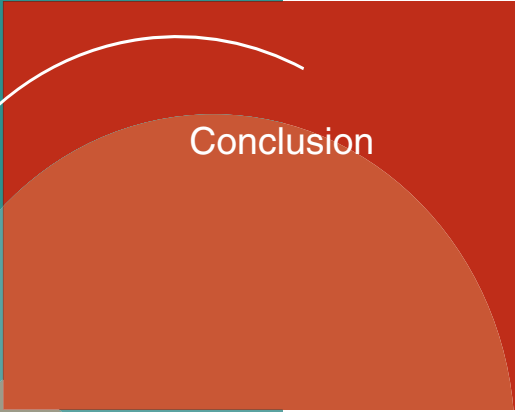
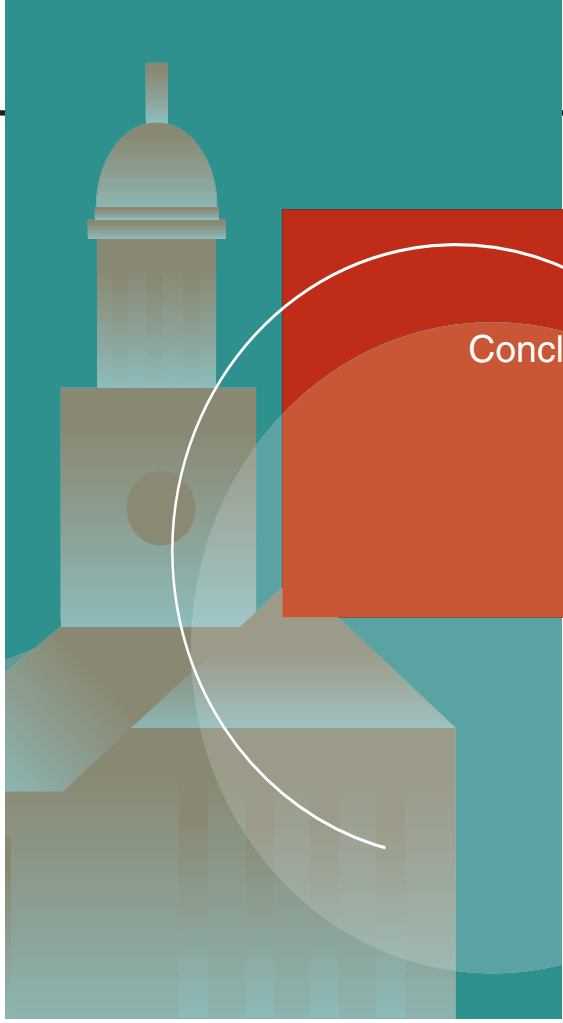
There is reason to celebrate the progress made regarding race representivity in the Public Service. However, there is equally reason to be worried about the progress being made with gender mainstreaming and disability representivity. Over the remaining period of government's third term of office, it is going to be absolutely crucial to take decisive steps on these matters. Already, there are many studies that have been conducted and concrete recommendations that have been made in this regard, and what is required now is the resolve to accelerate implementation.

In order to improve the recruitment of people with disabilities, awareness creation, targeted advertising, accelerating skills amongst people with disabilities and improving resource allocations through the MTEF is required. There is also a need to develop a central database for people with disabilities and for senior managers to promote disability equity. The development of retention strategies as well as strategic partnerships is also important.

In the area of gender mainstreaming, the Public Service needs to take a much more strategic approach, which while focusing on the achievement of numeric targets, would also address issues such as family friendly policies, improved gender relations in the workplace and institutional changes in the areas of new skills and working methods that support the institutionalisation of a gender perspective into mainstream activities of the Public Service.

It is important that the representativity continue to be monitored, as it is very easy for the hard earned gains to be eroded if vigilance is not maintained. It is also important that diversity management receive attention, and that the efforts to create dynamic, co-operative and productive work place cultures are genuine.

PUBLIC SERVICE COMMISSION



Much to be Proud of

This report has captured progress made in the transformation of the Public Service since the beginning of the second decade of democracy. The Public Service has now had sufficient operational experience in implementing new policies and the problems that emanated from this process have been raised in previous PSC reports. Progress across the nine (9) Constitutional values and principles has been uneven, but overall, Public Service transformation continued to gain momentum during the second decade of democracy.

In the cardinal area of professional ethics, recognised as pivotal to the moral fabric of the Public Service and through it society as a whole, one commends the rapid pace with which South Africa integrated with global anti-corruption bodies to the point where it is today a leader in the field. A strong partnership dimension has resulted in a consensual model that has brought together government, business and civil society with a common resolve to fight corruption. The focus on potential conflicts of interest of key decision-makers has deepened the debate and we witness a shift from narrow compliance issues to discussions on what does this mean for taking public administration forward. By subjecting itself to the APRM the country walked the talk around its statements about good governance. The recurring concern remains the poor follow-up on cases reported to the NACH, and unless this is addressed as a matter of urgency, an innovative intervention of government may fail.

There have been improvements in how resources are managed brought about due to greater compliance with the PFMA. The simplification and standardisation of budgets has been an important improvement, as it allows for better benchmarking and monitoring of expenditure. There have also been improvements in the quality of performance information, which once again translates into better decision-making. Notwithstanding this progress, the alignment of planning, expenditure and reporting needs to improve. The reliability of performance data also needs to improve. With regard to under and over-expenditure, the problem continues and there remain concerns that funds are not always spent in an efficient and effective way. Many public servants lack discipline when it comes to managing personal finance and are in debt. This inaptitude raises questions about their competence when it comes to managing departmental budgets.

Perhaps the area where the Public Service has contributed the most to tangibly improving the quality of lives of its citizens is through its development orientation. This has taken the form of measures to reduce inequality so as to meet the MDG. Improvement in educational access, better infrastructural services and the provision of meals through the school nutritional programme have helped to reduce poverty. More importantly, the social assistance programme has been expanded, with 25% of the population in receipt of some form of grant. These programmes have been shown to make a difference. It is important that these gains are not offset by persistent income inequality.

The country has made great strides in providing services that are fair, impartial and equitable. However, these concepts only become absolute once the process of levelling the playing fields has been completed, and this means interventions to privilege certain groups in order to eventually achieve broader societal equality. Efforts at targeted discrimination have been successful in that there are now lower levels of inter-racial inequality, which is an outcome of greater access to education and BBEE. The PAJA continues to be an important legal framework to ensure that decisions meet certain quality standards that mark them as fair. However, implementation of PAJA requirements is a concern as it continues to not be properly implemented. The public needs to be more aware of its rights, and through exercising these, a more fair and responsive Public Service should emerge.

It is unfortunate that the Public Service has not managed to perform successfully in entrenching public participation measures, resulting in high levels of citizen dissatisfaction and unrest. There are clearly differing interpretations as to what constitutes adequate consultation and consensus is required around this to prevent the current impasse experienced. The intervention of the CDWs appears to be successful, with their role evolving from information provision to mediation and empowerment. Citizen satisfaction surveys show that general satisfaction levels are negated by poor feedback mechanisms, particularly in the Criminal Justice Sector. The acceleration of the implementation of participatory mechanism is a pressing requirement.

Perhaps the greatest benefit of accountability is the value this has in ensuring that no person or institution is above the law. Our Public Service, often portrayed as a model for good governance, is expected

to meet high standards of accountability from citizens and the international community. This imperative is particularly pronounced given the apartheid legacy. Several mechanisms have been instituted to drive accountability, especially around contracting for performance, but these continue to pose problems around implementation. A more proactive role is required on the part of the Executive and senior management to accelerate implementation.

Transparency, as a complementary element to accountability, also plays a vital role in promoting good governance, and through it citizens are able to engage on the performance of the state. Reporting mechanisms, such as the annual reports have been configured to serve as a mechanism for transparency, and have evolved from reporting activities to outputs, which is the real measure of delivery on the ground. The PoA serves as an important transparency-inducing mechanism, and helps citizens to judge actual performance against plans. The Public Service is encouraged to make public other types of reports such as quarterly reports and Annual Citizens Reports required by the White Paper on Transforming Public Service Delivery.

It is accepted that the quality of public servants is decisive in ensuring that government meets its strategic objective. This recognition has resulted in a shift in South Africa towards a more empowering approach to human resource management that emphasises lifelong learning and which seeks to inculcate professionalism. Measures have been instituted to produce a pool of skilled middle managers from designated groups to feed into the SMS levels. These measures need to be supported to ensure that representivity and diversity at senior management level are not compromised.

Diversity management is particularly important in South Africa given the nature of the political transition the country has gone through. In this context, there is a need to achieve workplace representivity whilst at the same time ensuring that other groups are not alienated. The main success has been the broader achievement of racial representivity. There is progress in the employment of women, particularly at senior management levels, but more effort is required to up the pace of representivity in time to meet the target of 50% set for 2009.

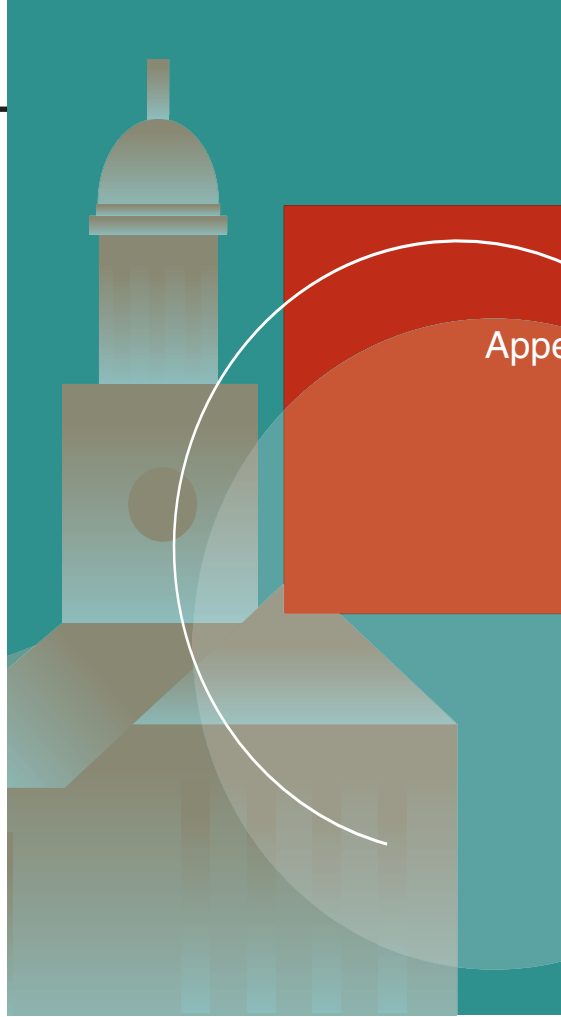
A recurring failure in the area of representivity is with regard to recruiting people with disabilities. Clear strategies are required to achieve the representivity targets. The development of centralised data bases for people with disabilities, together with changed attitudes are some of the key considerations that the Public Service should attend to in this regard.

Compounding the problem of an effective public service are the high vacancy levels. The Public Service needs to improve the manner in which it keeps on vacancies. Conflicting data on the number of vacancies weakens the reliability of the information base on which management and the Executive should act. Recruitment and selection processes also need urgent improvement to reduce the time taken to fill posts.

Looking Ahead

For the remaining period of the electoral term, it is important to ensure a focused attention on matters that will ensure the greatest impact. This a period of coordination, consolidation and acceleration, and frameworks for directing such action already exist through instruments such as the MDG, the APRM Report and the various oversight reports that the PSC has generated. It should, therefore, be possible to have better targeting of the transformation interventions of the Public Service going forward. Areas for attention include reinforcing the pillars that support growth and development to ensure that the gains achieved can be sustained. These pillars include mechanisms for efficient and sustainable energy utilisation, water provision and investment in infrastructure. There are also clear quick wins such as improving citizen engagement, greater compliance with ethics frameworks, and decisive measures to improve accountability through effective performance management and monitoring. It is through such targeting that the Public Service can indeed 'take the tide to the flood'.

As part of fulfilling its Constitutional mandate, the PSC will continue to generate evidence on the performance of the Public Service to advise Parliament and the Executive on progress and to, among others, draw attention to areas of concern. It is hoped that such reports by the PSC will be utilised to inform decision-making and by so doing contribute towards better public administration.



Appendix

List of recent Public Service
Commission and other useful
Reports

List of recent Public Service Commission and other useful Reports**INTRODUCTION**

1. Republic of South Africa. Constitution of the Republic of South Africa. Act 108 of 1996.
2. Republic of South Africa. Public Service Commission. State of the Public Service Report. 2004.
3. Republic of South Africa. Public Service Commission. State of the Public Service Report. 2005.
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1. Institute for Justice and Reconciliation. Transformation Audit: Leadership and Legitimacy. 2007.
2. Mattes, R. Good News and Bad News: Public Perceptions of Crime, Corruption and Government. Crime Quarterly (18). 2006.
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5. National Anti-Corruption Forum. Media Release. 30 August 2007.
6. Ramsingh, O and Dobie, K. Case Study on the South African National Anti-Corruption Forum. Undated.
7. Republic of South Africa. Auditor General. Report on the Declaration of Interest by Ministers, Deputy Ministers and Government Employees. 2006.
8. Republic of South Africa. Department of Public Service and Administration. Report on the Review and Impact Assessment of the Extent to which Departments and Organisational Components have complied with the Minimum Anti-Corruption Requirements. 2007.
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11. Republic of South Africa. Public Service Commission. Assessment of Professional

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 13. Republic of South Africa. Public Service Commission. Report on Managing Conflicts of Interest in the Public Service. 2006.
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