



Custodian of Good Governance

Fact Sheet on the State of the Public Service 2011

Vision

A champion of public administration excellence in democratic governance in South Africa.

Mission

To promote the constitutionally enshrined democratic principles and values of the Public Service by investigation, research, monitoring, evaluating, communicating and reporting on public administration.



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Fact Sheet on the State of the Public Service 2011

Published in the Republic of South Africa by:

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National Anti-Corruption Hotline Number for the Public Service:
0800 701 701 (Toll-Free)

Compiled by Branch: Monitoring and Evaluation
Distributed by Directorate: Communication and Information Services
Printed by: Silowa Printers

ISBN: 978-0-621-41094-5
RP: 226/2012

TABLE OF CONTENTS

ACRONYMS	iii
FOREWORD	iv
INTRODUCTION	I
Principle 1: A High Standard of Professional Ethics must be Maintained	3
Principle 2: Efficient, Economic and Effective Use of Resources must be Promoted	11
Principle 3: Public Administration must be Development Oriented	19
Principle 4: Services must be provided Impartially, Fairly, Equitably and without Bias	24
Principle 5: People's Needs must be Responded to and the Public must be Encouraged to Participate in Policy-Making	28
Principle 6: Public Administration must be Accountable	32
Principle 7: Transparency must be Fostered by Providing the Public with Timely, Accessible and Accurate Information	39
Principle 8: Good Human Resource Management and Career Development Practices, to Maximise Human Potential, must be Cultivated	43
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	49
CONCLUSION	53
Appendix A: List of Sources Consulted	56

ACRONYMS

<i>Acronym</i>	<i>Definition/Description</i>
A-G	Auditor-General
CDW	Community Development Workers
DPSA	Department of Public Service and Administration
EPWP	Expanded Public Works Programme
FPP	Fraud Prevention Plan
Framework	Human resource planning strategic framework
HRPs	Human Resource Plans
HoDs	Heads of Department
IDP	Integrated Development Plan
NACH	National Anti-Corruption Hotline
NPC	National Planning Commission
PAIA	Promotion of Access to Information Act, 2000, Act 2 of 2000
PAJA	Promotion of Administrative Justice Act, 2000, Act 3 of 2000
PSC	Public Service Commission
SASSA	South African Social Security Agency
SMS	Senior management service
UNICEF	United Nations Children's Fund

FOREWORD

We are proud to present this tenth edition of the State of the Public Service Report, even though in a slightly down-scaled fact sheet format.

This year saw intense engagement by Parliament's Portfolio Committee on Public Service and Administration on the previous, 2010 edition of the report. The Portfolio Committee honestly assessed the report and made specific proposals for future reports. This edition tries to respond to the Portfolio Committee as one of the key stakeholders of the PSC.



This year also saw the publication of the National Planning Commission's diagnostic review and we are proud to note that the NPC drew extensively on reports of the PSC for their "Institutional and Governance Diagnostic".

We hope that our work, and especially this Fact Sheet on the State of the Public Service, will continue to add to the debate on public administration and the central role it plays in the development of South Africa. We also hope that this assessment of the state of affairs in the Public Service will stimulate thinking on building a unique and effective public administration in South Africa that can serve the needs of its citizens.

A handwritten signature in black ink, appearing to read 'B Mthembu'.

MR B MTHEMBU

CHAIRPERSON: PUBLIC SERVICE COMMISSION

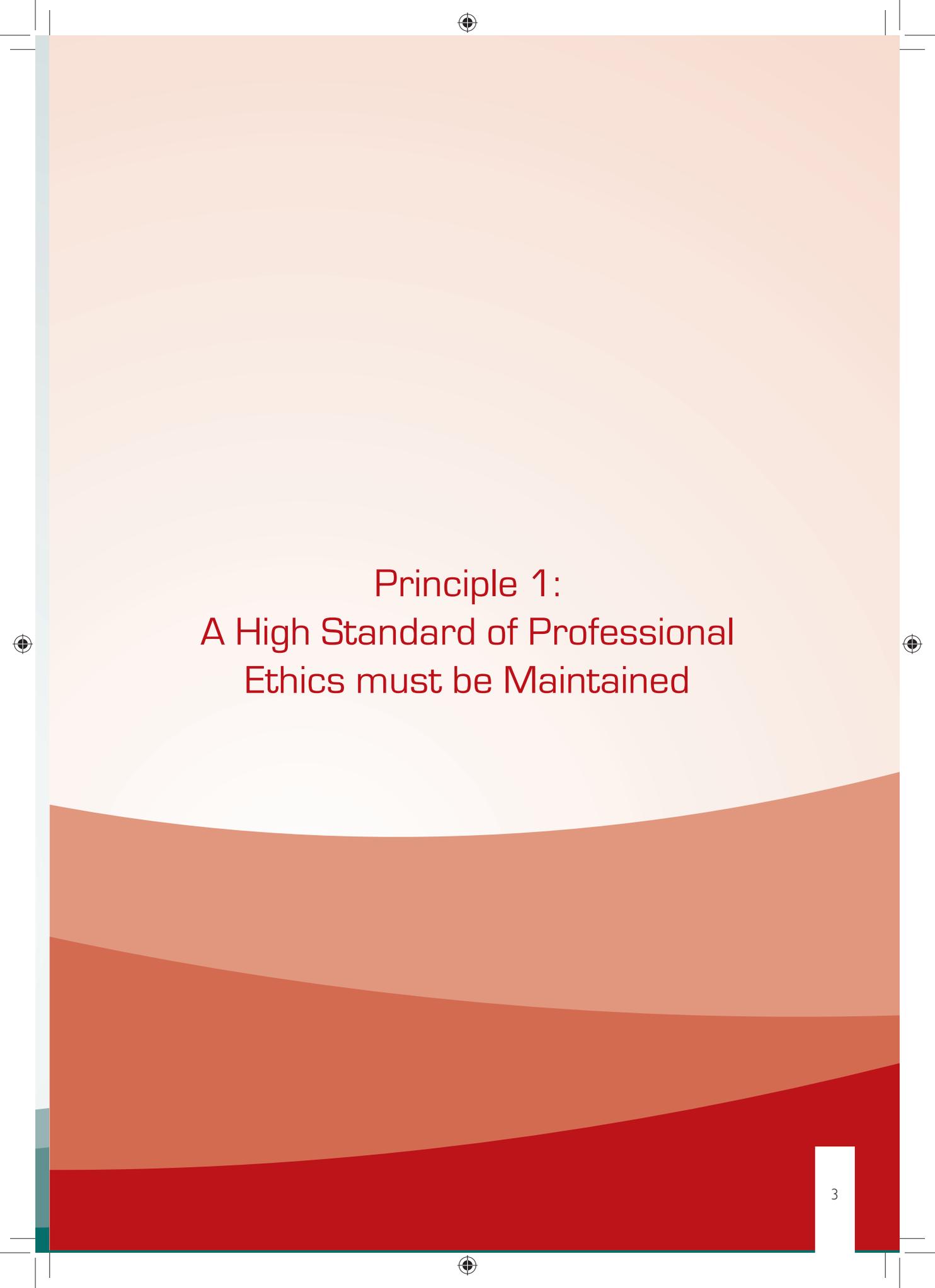
INTRODUCTION

The Public Service Commission (PSC) is required by section 196(4)(e) of the Constitution “to provide an evaluation of the extent to which the values and principles in section 195 are complied with” in the Public Service. The PSC, therefore, uses the nine values as the frame for its analysis.

In previous editions of the State of the Public Service (SOPS) report a central theme was used as a special focus of the report. So, for instance, was the theme for the 2010 edition “*Integration, Coordination and Effective Public Service Delivery*” and the 2009 edition “*The State of Readiness of the Public Service for 2010 and beyond*”. Parliament’s Portfolio Committee on Public Service and Administration has since proposed that the State of the Public Service be assessed through the nine values and principles using a consistent set of indicators. The Portfolio Committee also found that there was a tension in the report between the theme and using indicators to measure the performance of the Public Service. This edition of SOPS, therefore, is strictly an indicator-based report and no longer addresses a central theme. Thirty three indicators are used. The analysis is provided in a Fact Sheet format.

The indicators are biased towards the work of the PSC, but sources other than the work of the PSC are also used. The SOPS report draws from and synthesises findings of the PSC in other reports. This report by its nature, therefore, does not contain the detail, including specific findings per department that is contained in the underlying reports. It also does not make specific recommendations to specific implementing authorities.

The rest of the report is structured according to the nine values. We hope that the indicators we have used provide valuable insights into the state of the Public Service.



Principle 1:
A High Standard of Professional
Ethics must be Maintained

In the State of the Nation Address the President pronounced that the fight against corruption continues.¹ The President mentioned that about R44 million has been recovered from public servants who are illegally benefiting from housing subsidies, while the cleaning of the social grants system of fraud is also continuing.² Continuing in the same vein, in most of the State of the Province Addresses the nine Premiers mentioned their stand against corruption and how important it is to root it out.

In its fight against corruption the government has promulgated legislation and put in place measures – an integrity infrastructure – to try and discourage the scourge of corruption. Sad to say that even with these measures in place reports of alleged corruption and maladministration continue to dominate in particular the print media.

In this chapter the following indicators are used to assess the state of the integrity infrastructure:

- Minimum Anti-Corruption Capacity in departments
- Feedback from departments on cases referred to them from the National Anti-Corruption Hotline (NACH)
- Compliance with the Disclosure of Financial Interest Policy
- Number of cases of Financial Misconduct
- The PSC's Monitoring and Evaluation System scores
- The State of Professional Ethics in the North West Province

A recent audit by the Department of Public Service and Administration (DPSA) into the internal corruption capacity of national and provincial departments highlights interesting findings. The study focussed on all the national and provincial government departments, using 105 indicators to rate departments on their performance on levels of compliance with the Minimum Anti-Corruption Capacity requirements. In essence the instrument used in the audit measured the extent to which departments successfully implemented anti-corruption management initiatives. The audit found that 84% of the departments had an anti-corruption policy in place and yet only 47% of the departments had compiled an implementation plan – meaning those departments fell in the weak category.³ The audit did not rate the effectiveness of compliance – in other words whether the initiative worked.⁴ Further findings show that leadership commitment played a significant role and affected the scores between higher rated departments and lower rated departments. Significantly the role of leadership affected the following:⁵

1 Republic of South Africa. State of the Nation Address by His Excellency Mr. Jacob G. Zuma.

2 Republic of South Africa. Department of Public Service and Administration. Minimum Anti-Corruption Capacity Requirements. An audit of the internal anti-corruption capacity of national and provincial departments. July 2010.

3 Ibid.

4 Ibid.

5 Ibid.

- Whether top management has communicated visibly on anti-corruption;
- Whether there is a committee mandated to provide oversight over anti-corruption work and whether this committee meets regularly;
- Whether a member of top management champions anti-corruption initiatives; and
- Whether there is a budget for anti-corruption work.

The above points indicate that where leadership took a strong position around anti-corruption it was taken seriously within the highly rated departments. Interestingly the audit suggests that of those departments who scored higher than 80% all have dedicated anti-corruption or integrity management units. These departments are the South African Revenue Service, Department of Trade and Industry, Department of Correctional Services, Department of Cooperative Governance, and the National Prosecuting Authority. Where senior managers have oversight and buy-in, plan better and review programmes they outperformed other departments by a significant margin. Some of the DPSC's findings correlate with the findings in the third Biennial report of the PSC on the NACH.

The PSC through its management of the NACH has analysed the number of cases received since inception of the hotline. The third Biennial report states that for the period 2004/05 to 2010/11 the NACH received 106799 calls of which 7922 were of alleged corruption. These cases were referred to both national and provincial departments as well as public entities.⁶

Table I.1: Cases of alleged corruption referred to national and provincial departments and public entities from 01 September 2004 to 31 August 2010

Departments	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	Total	Feedback-received	Cases closed
Provincial Departments	390	498	566	747	868	744	198	4011 (51%)	1 547 (39%)	904 (23%)
National Departments	207	540	542	653	877	612	114	3545 (45%)	1 321 (37%)	854 (24%)
Public Entities	3	8	19	69	112	74	81	366 (4%)	80 (22%)	63 (17%)
Total	600	1046	1127	1469	1857	1430	393	7922 (100%)	2 948 (37%)	1 821 (23%)

Source: *Measuring the effectiveness of the NACH: Third Biennial Report*

Table I.1 above shows that of the cases referred to departments, feedback was received for 2948 (37%). Observations in the third biennial report suggest that the slow feedback rate could be attributed to a lack of investigative capacity by departments or it could be due to a lack of accountability by senior managers to deal effectively with referred NACH cases.⁷ As indicated earlier on, where senior managers take a strong stance against corruption, departments tend to fare better with implementing MACC.

⁶ Republic of South Africa. Public Service Commission. *Measuring the Effectiveness of the National Anti-Corruption Hotline: Third Biennial Report*. June 2011.

⁷ *Ibid.*

The strategy to refer cases reported to the NACH for investigation to departments is premised on the assumption that departments have the capacity to deal with cases. The feedback rate on the NACH cases clearly indicates that departments do not have the capacity. This raises doubts on whether the strategy of MACC is working or whether centralised capacity, for instance in Offices of the Premier, should rather be created.

At departmental level, in the spirit of encouraging transparency, SMS members are required to submit and disclose their financial interest. The PSC has in terms of the Public Service Regulations, the responsibility to assess the financial disclosure forms in order to identify conflicts of interest and advise executive authorities accordingly.⁸ In the fact sheet on the financial disclosures for the financial year 2009/10 a concern is raised that the level of compliance does not improve, and in fact has never been more than 50% over the last three financial years.⁹ According to the fact sheet on the financial disclosures, provinces with high compliance rates are the Western Cape, Northern Cape (80%) and Limpopo (77%). Provinces with the lowest compliance rate are the North West (39%), Gauteng (21%) and Free State (18%). Whilst compliance is a challenge, the PSC has put in place a mechanism for scrutinising the disclosure forms to identify cases of potential conflict of interest. The PSC has scrutinised 30% of the disclosures to look at amongst other things, the declaration of directorships and partnerships in companies through verification of information against the Companies and Intellectual Property Commission database, as well as the declaration of properties through verification of information against the Deeds Registration database.

The use of public resources continues to dominate debates within and outside government. The number of reported cases of financial misconduct is one indicator of the state of affairs in this regard. In terms of section 85(1) (a) and (e) of the Public Finance Management Act, 1999, Act 1 of 1999, cases of financial misconduct must be reported to the PSC. There has been a steady increase in the number of cases of financial misconduct over the last few years, from 434 in 2001/02 to 1 135 in 2009/10 – see **Figure 1.1** on the following page.¹⁰

8 Republic of South Africa. Public Service Commission. Fact Sheet on the Financial Disclosure Framework for the 2009/2010 Financial Year. November 2010.

9 Ibid.

10 Republic of South Africa. Public Service Commission. Overview on Financial Misconduct for the 2009/10 financial year. December 2011.

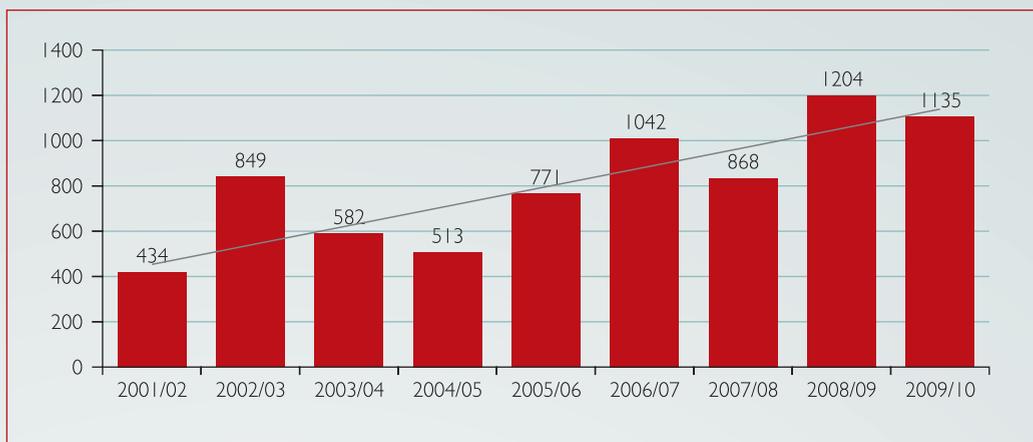


Figure I.1: Number of reported cases of financial misconduct for the years 2001/02 to 2009/10

The cost of financial misconduct varies greatly but also shows an increase, from about R120 million in 2004/05, to R346 million in 2009/10 – see **Figure I.2** below.

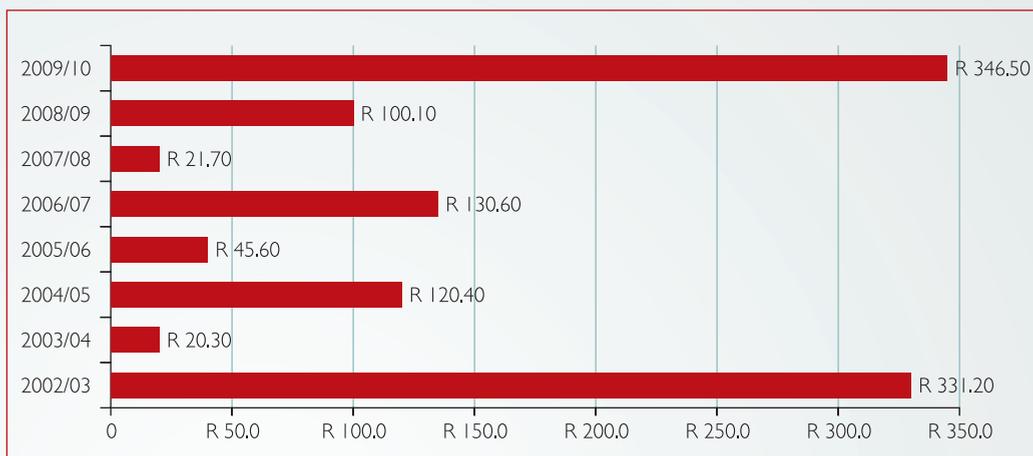


Figure I.2: Total cost of financial misconduct per financial year

These figures can be interpreted in two ways: On the one hand there was definitely an increase in the number of cases, showing a higher incidence of corruption and a decline in professional ethical conduct. However, the fact that cases are reported and are in the open tells that departments are increasingly dealing with the matter. The PSC went to considerable effort to verify this data. In the 2008/09 financial year, for the first time, the PSC conducted data verification at selected departments in respect of the financial misconduct reports. The PSC established that the departments experienced numerous challenges which affected the data integrity. To overcome these challenges the PSC forwarded in June 2009 a circular to all heads of national and provincial departments, highlighting the challenges identified.

Furthermore, the PSC provided guidance to national and provincial departments on what should be taken into consideration when reporting finalised financial misconduct cases to the PSC. The challenges point to the fact that although cases are reported, systems and procedures to deal with this matter are still not fool proof. This is also shown by the fact that very little of the money involved in financial misconduct is recovered – only 12.8% in 2009/10 – see **Figure 1.3** below. To conclude: The incidence of financial misconduct is increasing whilst the systems and procedures to deal with it is patchy.

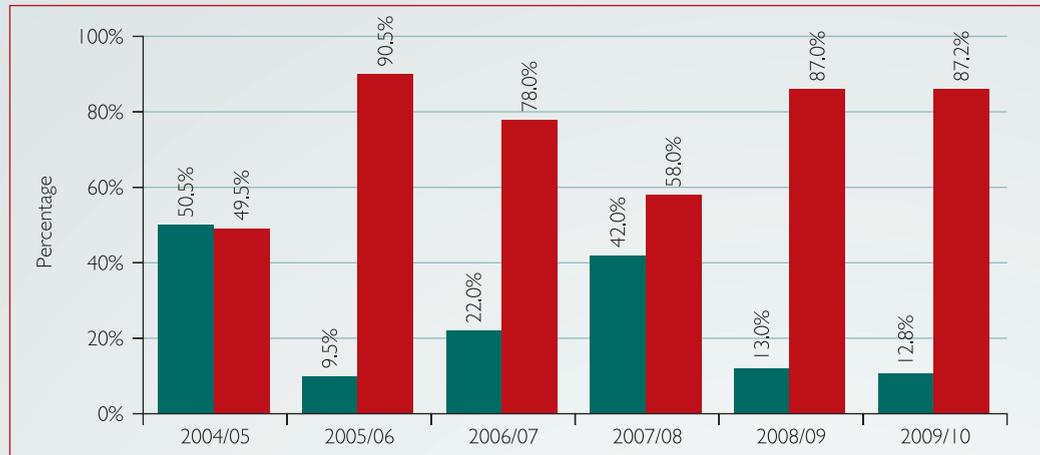


Figure 1.3: Percentage of the amounts recovered by departments vs. the amounts not recovered over the past six financial years

The PSC annually evaluates the institutional performance of a sample of departments using performance indicators for each of the nine values. The indicator for the value of professional ethics is “Cases of misconduct where a disciplinary hearing has been conducted, comply with the provisions of the Disciplinary Code and Procedures for the Public Service.” The average score for the 30 departments assessed in the 2009/10 financial year against this indicator was 60%.¹¹ However, the score for departments’ capacity to deal with discipline cases was only 48%. A further concern is that departments exceeded the range of 20 to 80 working days required by the Public Service Disciplinary Code and Procedures. Only 10 departments complied with this timeframe – see **Table 1.2** below.¹² A recent report by the PSC on precautionary suspension in the Public Service indicates that generally there was non-compliance with the prescribed 60 days period to institute a disciplinary hearing. One of the reasons provided was that investigations take too long to complete.¹³ A worrying factor was the capacity and competence of senior managers and employer representatives and, therefore, no proficient people to preside over the cases.¹⁴ The financial implications for the

11 Republic of South Africa. Public Service Commission. *Seventh Consolidated Public Service Monitoring and Evaluation Report – Evaluation Cycle 2009/2010*.

12 *Ibid.*

13 Republic of South Africa. Public Service Commission. *Report on Management of Precautionary Suspension in the Public Service*. June 2011.

14 *Ibid.*

2009/10 financial year highlight a combined amount of R45 million paid as remuneration to employees on precautionary suspension.¹⁵

Table 1.2: Time frames for resolving discipline cases

% of sampled misconduct cases finalised within the range of 20-80 working days	Number of departments which complied with standard
80% – 100%	10
60% – 79%	5
40% – 59%	4
20% – 39%	3
Less than 20%	8
Total	30

The PSC also conducts an annual assessment of the state of professional ethics in a province. In 2011 the assessment was done in the North West province.^{16/17} Essentially these reports assess the measures put in place for the combating and prevention of corruption and the promotion of a high standard of professional ethics. Some of the findings of the North West report were the following:

- Six departments have established dedicated anti-corruption units.
- Only five of the 12 departments provided every official with a copy of the Explanatory Manual on the Code of Conduct.
- Ten departments have Fraud Prevention Plans (FPPs) and all these departments have a senior manager responsible for the implementation of such FPPs.
- The total number of departments that conduct risk assessments is 11 out of 12.
- All departments utilise the provincial anti-corruption strategy/policy. Departments have no tailor-made policies, suited to their particular needs.
- Out of 12 departments, only six have developed departmental policies on whistle-blowing.
- The Province has a vibrant Provincial Anti-Corruption Forum (PACF), which was established and launched in 2003.
- Only five departments indicated that they have procedure manuals for the investigation of fraud and corruption.
- Only four of the twelve departments have a dedicated budget to ensure effective investigation of corruption.
- Six departments have databases on reported cases of fraud and corruption.

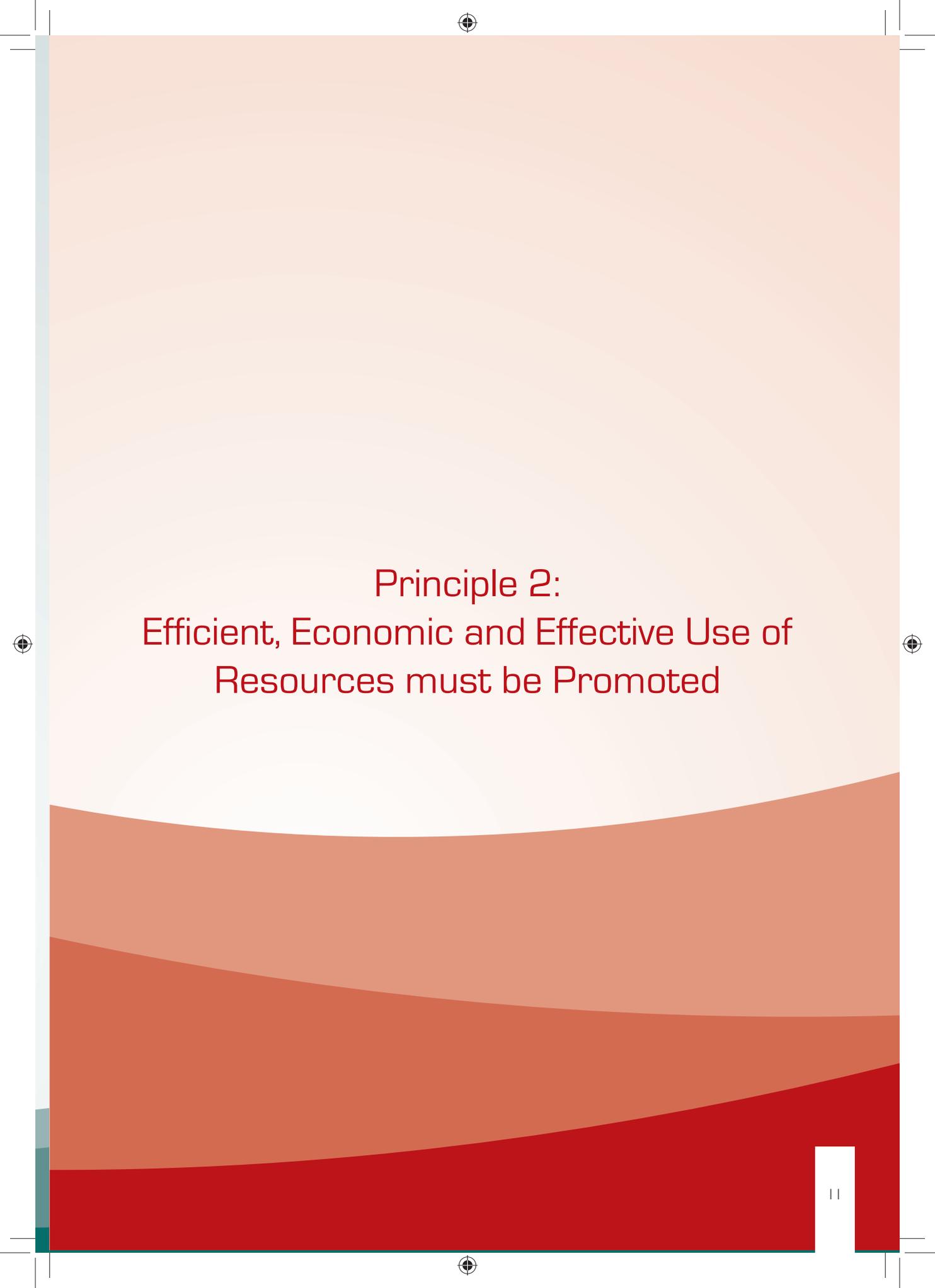
15 Republic of South Africa. Public Service Commission. Report on Management of Precautionary Suspension in the Public Service. June 2011.

16 Republic of South Africa. Public Service Commission. An Assessment of the State of Professional Ethics in the North West Provincial Government. September 2011.

17 The other reports in the series are:
 Assessment of Professional Ethics in the Free State. March 2007.
 KwaZulu-Natal. 2007.
 Limpopo. March 2009.
 Western Cape. May 2010.

- According to the departments, corruption cases are dealt with in the respective departments without fear or favour. However, examples of prosecuted cases, as part of the outcome of disciplinary hearings, are not contained in the departments' 2005/06 or 2006/07 annual reports, which would have lent credence to this claim.

It is imperative that ethics continue to be maintained in the Public Service. Corruption unfortunately dents not only government's image but also the country's image. The tasks performed by departments to encourage transparency and curb corruption should not be viewed in isolation but should be coordinated towards the bigger goal of government to discourage and combat corruption. The effectiveness of the ethics infrastructure needs to be constantly reviewed. In the spirit of the outcomes approach we need to ask whether the plethora of measures is really working.



Principle 2:
Efficient, Economic and Effective Use of
Resources must be Promoted

Assessing whether government is performing efficiently, economically and effectively is complex and needs to be linked to strategic planning, budgeting, performance monitoring and evaluation, and service delivery.¹⁸ The efficient, economic and effective use of resources implies a relationship between the outputs and outcomes produced by the Public Service and the resources (inputs) used so that a judgement can be made on the value for money that was achieved. In the Public Service a direct relationship between outputs and inputs, for instance by calculating unit costs and comparing that to some benchmark, can in most instances not be drawn. So, careful judgement on whether resources have not been wasted and whether policy objectives have been achieved is required.

Two indicators are used to draw some conclusions about performance against this principle:

- How departments and municipalities have spent their budgets; and
- Whether they have produced the outputs listed in their annual performance plans.

Effectiveness is not easily measurable by simply reviewing expenditure patterns since one has to look beyond the spending of a budget to whether the budget has reached the end-user. However, the PSC assumes that departments that have good systems for budgetary control and for verifying progress against planned outputs are more likely to be effective than those that have not.¹⁹

The indicator of expenditure against budget (to show percentages of over- and under-expenditure) shows whether departments prepare credible budgets and whether expenditure occurred during the year in an orderly and planned manner. A generally accepted margin is that under-expenditure should not be more than 2% and that no over-expenditure should occur. In the 2009/10 financial year only four provinces managed to stay within this margin. In the financial year ending 31 March 2011 only two provinces stayed within this margin. However, none of the provinces had over-expenditure in 2011, an improvement from the previous year when three provinces had over-expended their budgets – see **Table 2.1** below. However, the situation with regard to total provincial expenditure masks fairly big variations on departmental level with many departments with under-expenditure of more than 10%.

Table 2.1: Provincial spending situation as at 31/03/2010 and 31/03/2011: Pre-audited (over)/under expenditure as a % of adjusted budget

Province	Expenditure trends	31 March 2010	31 March 2011	
		Total expenditure	Total expenditure	Capital expenditure
Eastern Cape		(1.5)%	3.4%	36.2%
Free State		2.9%	3.8%	32.7%

¹⁸ Republic of South Africa. Public Service Commission. State of the Public Service Report 2004.

¹⁹ Republic of South Africa. Public Service Commission. Seventh Consolidated Monitoring and Evaluation Report – Evaluation Cycle 2009/2010.

Province	Expenditure trends	31 March 2010	31 March 2011	
		Total expenditure	Total expenditure	Capital expenditure
Gauteng		(2.0)%	2.4%	21.5%
KwaZulu-Natal		(3.1)%	4.8%	10.4%
Limpopo		1.0%	0.3%	4.9%
Mpumalanga		0.7%	2.1%	17.9%
Northern Cape		2.5%	3.6%	15.2%
North West		1.5%	2.4%	4.6%
Western Cape		1.8%	1.0%	1.8%
Total		(0.5)%	2.8%	15.7%

Source: National Treasury

When expenditure is further analysed according to economic classification, over-expenditure on compensation of employees is many times made up for by under-expenditure on capital assets. In the 2010/11 financial year under-expenditure on capital assets ranged from 1,8% (Western Cape) to 36,2% (Eastern Cape) – see **Table 2.1** above – with huge variations on the departmental level. Under-expenditure on capital assets shows a lack of capacity to properly cost capital projects and plan and manage projects from concept to detailed planning to implementation, and to plan the cash flows of the project over this life cycle.

Service delivery and job creation is also negatively affected by huge under-expenditure on some of the conditional grants to provinces – see **Table 2.2** below. This is especially true of the EPWP Incentive Grant to provinces for the Infrastructure Sector.

Table 2.2: Conditional Grants to Provinces: 2010/11

Grants	R thousand	Adjusted appropriation	Audited outcome	Difference adjusted appropriation	Difference %
EPWP Incentive Grant to provinces for the Infrastructure Sector		331 004	182 407	148 597	44.89%
Education Infrastructure Grant		4752 263	3389 073	1363 190	28.69%
Hospital Revitalisation Grant		4020 667	3568 103	452 564	11.26%
Comprehensive Agricultural Support Programme Grant		862 365	828 707	33 658	3.90%
Human Settlement Development Grant		12898 312	12898 312	0	0.00%

Source: National Treasury

The under-expenditure of national departments was 2,30% in 2010/11 (see **Table 2.3** below) but this also masks great variation on departmental level, from 11,78% over-expenditure by the Department of Home Affairs to 33,28% under-expenditure by the Department of Communications.

Table 2.3: Summary of expenditure of National Departments as per Annual Financial Statements 2010/11

Departments	R thousand	Adjusted ap- propriation	Audited outcome	Difference adjusted ap- propriation	Difference %
Central Government		61778 826	61889 614	(110788)	-0.18%
Financial and Administration Services		42570 678	41510 822	1059 856	2.49%
Social Services		159306 532	153742 975	5563 557	3.49%
Justice, Crime Prevention and Security		110318 576	109484 288	834 288	0.76%
Economic Services and Infrastructure		92364 011	88997 990	3366 021	3.64%
Total appropriation by vote		466338 623	455625 689	10712 934	2.30%

Source: National Treasury

As with the provincial departments, the performance with regard to spending on capital assets is worse, ranging from 58,3% of the budget to 95,7% of the budget – see **Table 2.4** below.

Table 2.4: Expenditure against budget of national departments according to economic classification: 2010/11

Departments	R thousand	Final ap- propriation	Actual ex- penditure	Expenditure as a % of final appropriation
Central Government	Current payments	11859 937	12375 845	104.4%
	Payments for capital assets	2161 619	1895 981	87.7%
Financial and Administrative Service	Current payments	71879 502	69876 416	97.2%
	Payments for capital assets	137 691	80 303	58.3%
Social Services	Current payments	5558 692	4637 945	83.4%
	Payments for capital assets	179 172	129 605	72.3%
Justice and Protection Services	Current payments	99602 693	99047 676	99.4%
	Payments for capital assets	6320 213	6045 886	95.7%
Economic Services and Infrastructure	Current payments	12724 504	11892 241	93.5%
	Payments for capital assets	3380 184	3059 173	90.5%

Source: National Treasury

The National Treasury indicated that there is a problem with the credibility of budgets at the municipal level. A variance of more than 5% between expenditure and operating budget is viewed by the National Treasury as an indication that the original budget was not credible. 174 Municipalities (out of 283) under-spent their operating budgets by more than 5% – see **Table 2.5** on the following page.²⁰ According to the National Treasury this indicates that “(a) the budgets were over ambitious; (b) there were management problems in implementing the budget; or (c) the municipality did not collect the revenue to fund the expenditure.”²¹

20 Republic of South Africa.NationalTreasury. Local Government Budgets and Expenditure Review 2011.Page 84.

21 Republic of South Africa.NationalTreasury. Local Government Budgets and Expenditure Review 2011.Page 84.

Table 2.5: Over and under expending of municipal operating budgets for the financial year ended 30 June 2010

Province	Over			On target		Under		
	More than 15% over	10% to 15% over	5% to 10% over	0% to 5% over	0% to 5% under	5% to 10% under	10% to 15% under	More than 15% under
Eastern Cape	5	-	1	17	1	14	4	3
Free State	3	-	-	-	2	15	1	4
Gauteng	-	1	-	-	3	4	1	6
KwaZulu-Natal	5	-	3	3	9	23	8	10
Limpopo	6	1	-	8	3	5	5	2
Mpumalanga	3	1	-	5	2	9	-	1
Northern Cape	2	-	-	7	3	15	4	1
North West	2	-	3	3	1	12	1	2
Western Cape	3	-	-	1	2	12	5	7
Total	29	3	7	44	26	109	29	36

With regard to local government revenue and expenditure municipalities should at least maintain a positive cash position that is, not run an overdraft. The norm applied by the National Treasury is that municipalities should have enough cash on hand to cover three months of average operational expenditure. If not, it indicates that they are in financial distress. At 30 June 2010, 98 municipalities (out of 283) reported that they had enough cash on hand to cover three months of operational expenditure. However, there were 96 municipalities with a cash coverage ratio of less than one month. This is, however, an improvement from the 140 municipalities that were in this position in 2008/09.²²

The service delivery capacity of municipalities is directly related to how they spend their capital budgets. **Table 2.6**²³ below shows the over-/under-expenditure on their capital budgets for the 283 municipalities. (The norm applied by National Treasury in the case of capital expenditure is that the variance between expenditure and budget should not be more than 10%). In the 2009/10 financial year 51 municipalities out of 283 were outside this norm. This indicator points to issues of unfunded budgets, lack of technical management capacity to implement, failure to appropriately prioritise budgets and poor costing of services and projects.²⁴

Table 2.6: Over and under expending of municipal capital budgets for the 4th quarter ended 30 June 2010

Province	Over			On target		Under		
	More than 15% over	10% to 15% over	5% to 10% over	0% to 5% over	0% to 5% under	5% to 10% under	10% to 15% under	More than 15% under
Eastern Cape	5	-	1	21	1	14	3	-
Free State	1	-	1	1	-	21	-	1

22 Republic of South Africa. National Treasury. Local Government Budgets and Expenditure Review 2011. Page 61.

23 Republic of South Africa. National Treasury. Local Government Budgets and Expenditure Review 2011. Page 85.

24 Republic of South Africa. National Treasury. Local Government Budgets and Expenditure Review 2011. Page 85.

Province	Over		On target				Under	
	More than 15% over	10% to 15% over	5% to 10% over	0% to 5% over	0% to 5% under	5% to 10% under	10% to 15% under	More than 15% under
Gauteng	2	-	-	2	-	10	1	-
KwaZulu-Natal	7	3	2	5	2	37	3	2
Limpopo	3	1	-	6	1	17	1	1
Mpumalanga	1	-	1	5	-	14	-	-
Northern Cape	4	-	-	10	-	15	1	2
North West	-	-	-	3	-	21	-	-
Western Cape	1	-	-	1	-	20	5	3
Total	24	4	5	54	4	169	14	9

The under-spending is also particularly reflected in the spending on municipal conditional grants – see **Table 2.7** below.²⁵ This indicator is important because specific national objectives are pursued through conditional grants. It should be noted, however, that the situation in 2009/10 has improved considerable compared to 2008/09.

Table 2.7: Spending on conditional grants to municipalities

Conditional Grant	% Expenditure for financial year		
	2006/07 Expenditure as a % of allocation	2008/09 Expenditure as a % of allocation	2009/10 Expenditure as a % of allocation
Municipal Infrastructure Grant	90%	43.4%	78.9%
Local Government Financial Management Grant	34%	36%	110.9%
Municipal Systems Improvement Grant	67%	34.4%	94.3%
National Electrification Programme (Municipal Grant)	79%	53.4%	86.4%

The expenditure performance of departments should be considered in relation to the production of outputs. In its annual assessment of the institutional performance of a sample of departments the PSC uses information from departments' annual reports to assess the achievement of outputs. **Table 2.8 below** shows the number of planned outputs for each of the 51 departments assessed by the PSC in the last two evaluation cycles (2009/10 and 2010/11) and the percentage of outputs achieved.

Table 2.8: Outputs planned and achieved 2009/10 and 2010/11 evaluation cycles

	Planned	Achieved	% Achieved
2009/10 Evaluation Cycle			
Communication	44	1	2%
National Department of Human Settlements	261	199	76%
Eastern Cape Human Settlements	159	116	73%
Eastern Cape Provincial Treasury	217	151	70%
Free Education	69	46	67%

25 Republic of South Africa. Financial and Fiscal Commission. 2012/13 Submission for the Division of Revenue: Technical Report. July 2011.

	Planned	Achieved	% Achieved
Free Human Settlements	278	138	50%
Gauteng Education	37	29	78%
Gauteng Local Government & Human Settlements	53	2	4%
Gauteng Office of the Premier	50	42	84%
KwaZulu-Natal Human Settlements	27	8	30%
KwaZulu-Natal Local Government & Traditional Affairs	135	82	61%
Limpopo Local Government and Housing	169	94	56%
Mpumalanga Co-operative Governance & Traditional Affairs	188	139	74%
Mpumalanga Human Settlements	114	98	86%
Northern Cape Co-operative Governance & Human Settlements	92	31	34%
Northern Cape Provincial Treasury	85	42	49%
North West Agriculture	80	37	46%
North West Economic Development and Tourism	127	78	61%
North West Education*	150	75	50%
North West Finance	142	94	66%
North West Health	368	223	61%
North West Housing	0**	0	0%
North West Office of the Premier	194	51	26%
North West Public Works	299	177	59%
North West Social Development	77	15	19%
North West Sport, Arts & Culture	146	56	38%
North West Transport	185	110	59%
Western Cape Education	42	19	45%
Western Cape Housing	185	131	71%
Western Cape Provincial Treasury	256	197	77%
Total 2009/10	4229	2481	59%
2010/11 Evaluation Cycle			
Department of Agriculture, Forestry and Fisheries	144	44	31%
Department Rural Development and Land Reform	32	4	13%
Department Science and Technology	86	65	76%
Statistics South Africa	161	122	76%
Eastern Cape Office of the Premier	293	187	64%
Eastern Cape Agriculture and Rural Development	626	417	67%
Free State Office of the Premier	152	74	49%
Free State Department of Agriculture	1066***	605	57%
Gauteng Office of the Premier	50****	42	84%
Gauteng Agriculture and Rural Development	200	123	62%
KwaZulu-Natal Office of the Premier	41	21	51%
KwaZulu-Natal Agriculture Environmental Affairs and Rural Development	262	127	48%
Limpopo Office of the Premier	48	26	54%
Limpopo Agriculture	319	246	77%
Mpumalanga Office of the Premier	100	52	52%
Mpumalanga Agriculture, Rural Development and Land Administration	356	217	61%
Northern Cape Office of the Premier	268	138	51%
Northern Cape Agriculture, Land Reform and Rural Development	233	159	68%
North West Office of the Premier	194****	51	26%
Western Cape Office of the Premier	66	38	58%

	Planned	Achieved	% Achieved
Western Cape Agriculture	249	160	64%
Total 2010/11	4946	2918	59%
Total for 2 cycles	9175	5399	59%

* 2008/09 figures

** Department did not report on performance against pre-determined objectives.

*** Objectives set on the activity level.

**** 2009/10 figures

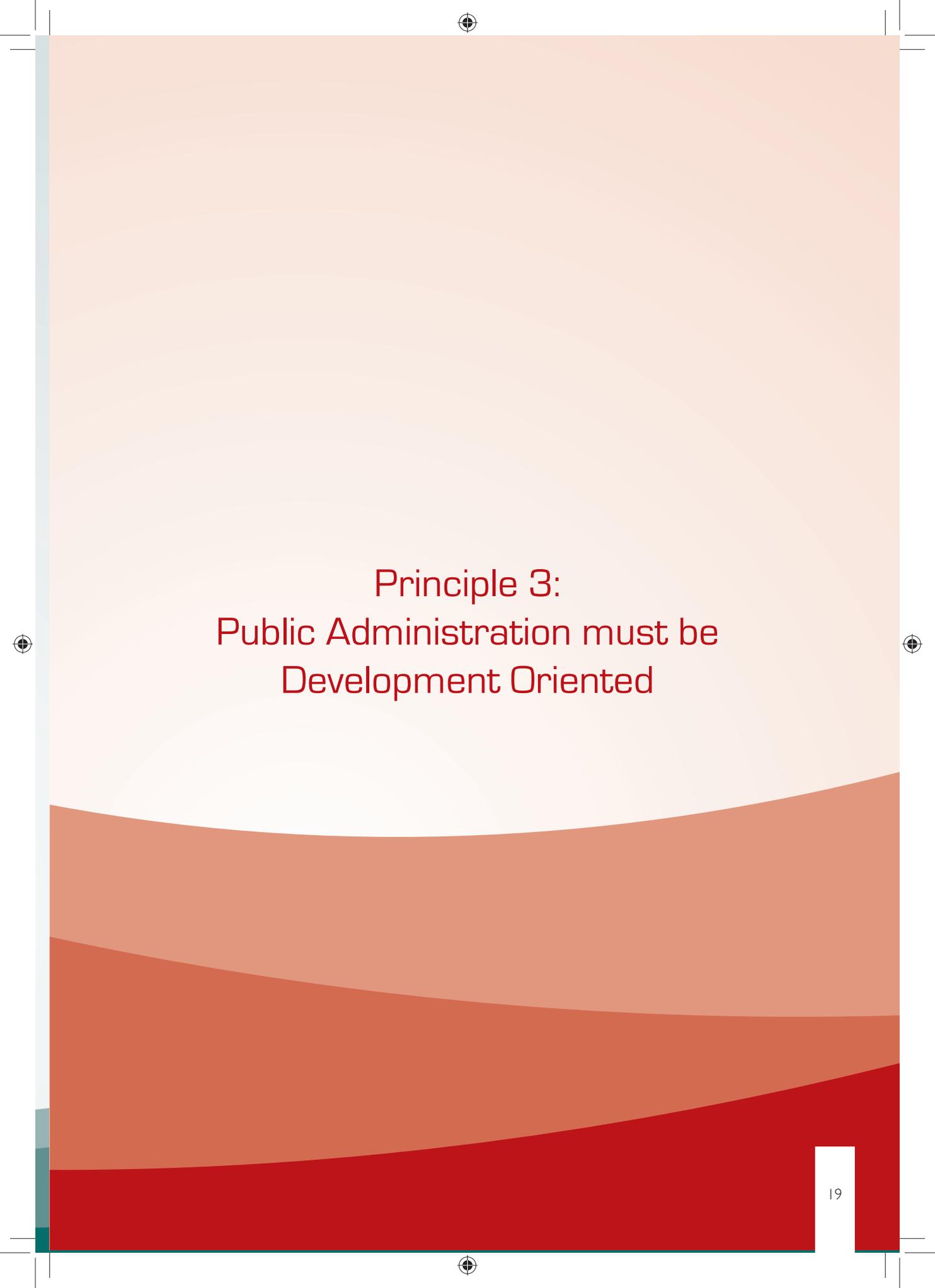
The following observations can be made from **Table 2.8**:

- The average performance over the two cycles was 59%.
- Departments spend near to 100% of their budgets but achieve only 59% of their outputs, suggesting some inefficiency in expenditure.
- Departments list hundreds of outputs in their Annual Performance Plans.

With so many outputs it is difficult to arrive at an overall judgement of performance. Many of the outputs are furthermore, not final outputs and not directly related to services or benefits to citizens (or the benefit is not clear). A better judgement of performance would have been possible if departments reported only on a few key outputs or outcomes. The Presidency has since outlined 12 outcomes on which the government has to deliver. Most government departments have to align their programmes to the 12 outcomes and report in line with the outcomes. The State of the Public Service Report 2010 makes mention that the work currently undertaken by the Presidency around performance outcomes should prove useful by helping departments think beyond outputs and realise that what they really need to bring about are better social and economic benefits.²⁶ However, Annual Performance Plans and annual reports are not yet aligned to the outcomes approach, as reflected by the hundreds of outputs.

Over the last few years the quality of budget and expenditure information has improved substantially. The sustained attention on this matter has led to more credible budgets and better expenditure management. Similarly, a good start has been made to publish performance information on the output level and steps have been taken to consolidate information around key outcomes. The quality of information is also improving, also as a result of the Auditor-General (A-G) audits of performance against pre-determined objectives. These are management tools that will result in higher levels of efficiency, economy and effectiveness over time. Departments are already much more accountable for their expenditure and the delivery of outputs.

26 Republic of South Africa. Public Service Commission. State of the Public Service Report. 2010.



Principle 3:
Public Administration must be
Development Oriented

The NPC in its diagnostic overview asserts that the developmental state model positions the state at the centre of efforts to transform society²⁷. This is in contrast with the view that the state merely creates the conditions for development and that the private sector should make the main investment decisions. However, this implies that the state, and the Public Service as an important organ of state, has the capability to drive development.

In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- Impact of social grants.
- Access to basic services.
- Unemployment.
- Job creation under the EPWP.
- The PSC's M&E scores for this principle.
- Capacity to undertake evaluations (as an aspect of development capabilities).

The provision of social grants remains a critical intervention by government to assist poor and vulnerable households to access cash. Statistics from the South African Social Security Agency (SASSA) indicate that the total number of social grants as at 30 June 2010 stood at 14 343 110.²⁸ According to the SASSA statistical report the Child Support Grant accounts for the highest proportion of grants (9848 728) paid to beneficiaries, followed by the Old Age Grant (2599 787). Research conducted by the Department of Social Development and the United Nations Children's Fund (UNICEF) highlights that social grants reduced poverty and inequality.²⁹ This is significant since most beneficiaries of the grants are pensioners and single women who are looking after children. The NPC's diagnostic review reports also state that gains from the social grants system include reduced poverty and inequality as well as improved school attendance. The University of Johannesburg's Centre for Social Development has concluded detailed research on the effects of CSGs in poor communities. The area covered by the study is Doornkop, an old township in Soweto that consists of informal housing. Most surveyed households in the area received one or two grants and 65% of people indicated that they would not have been able to survive without them.³⁰ The poverty headcount index, using a R524 poverty line index, decreased from 58% in 2000 to 49% in 2008. Analysis from the NPC Development Indicators Report highlights that the decline in poverty headcount is largely due to an increase in social grant uptake.³¹ Whilst some of the relationships may not be linear, this suggests a bigger contribution towards development of the poor than simply the income enhancement effect of the grant.

27 Republic of South Africa. The Presidency. National Planning Commission. *Diagnostic Overview*.

28 Republic of South Africa. South African Social Security Agency. *Statistical report on social grants. Report no. 31. 30 June 2010*.

29 Republic of South Africa. Department of Social Development, SASSA and UNICEF. *Child Support Grant Evaluation: Qualitative Research Report, Pretoria*.

30 Naidoo, Prakash. *Social Grant*. Financial Mail. September 30, 2011.

31 Republic of South Africa. The Presidency. *Development Indicators. 2010*.

Access to services such as sanitation and potable water are important development indicators. The NPC Development Indicators Report shows that 93.8% of households have access to potable water and households with access to sanitation have increased to 79.9%. The Presidency notes that for both water and sanitation South Africa is likely to reach its 2014 Millennium Development Goals (MDGs) of universal access to these amenities. This is encouraging, since access to both these amenities improves the quality of life in households significantly. Firstly, access to clean water saves time especially for households who in the past had to fetch water a distance away from their dwellings. Secondly, decent sanitation provides households with dignity.

A further development goal by government is that of job creation. This is perhaps the toughest challenge yet and one where the promises of the developmental state have not been fulfilled. Unemployment remains high and has increased in the last few quarters. In his 2011 State of the Nation Address, President Zuma read that unemployment and poverty persist despite the economic growth experienced in the past ten years. He further mentioned that government has declared 2011 a year of job creation through meaningful economic transformation and inclusive growth.³² In various provincial addresses the Premiers have also outlined their plans to create jobs indicating that this is a national crisis. The quarterly labour survey (July 2011) shows that unemployment rate was 25.7%.³³ (This is according to the narrow definition of unemployment – the percentage excludes the number of discouraged work-seekers.) The findings by the quarterly labour survey highlight the challenge that the country faces with regards to unemployment.

At present the EPWP remains an important vehicle through which government is trying to create jobs. The National Diagnostic Review indicates that an estimated 1 million short-term jobs have been created through the EPWP in its first five years (2004/05 to 2008/09).³⁴ **Table 3.1** below shows the number of work opportunities created through the EPWP Infrastructure Programme.

Table 3.1: EPWP Infrastructure Programme work opportunities

Target	2004/05	2005/06	2006/07 (Q2)	2007/08	2008/09	Cumulative Total	Total as % of 2009 Target
750 000	158 277	103 343	136 035	236 951	377 356	1 011 962	134.9%

The table above shows that government has exceeded the set target for the infrastructure programme. The NPC, however, commented on the temporary nature of the jobs as well as the fact that the jobs offered little training.³⁵ The benefits of these short-term jobs provide additional social relief to complement other relief measures and cannot be viewed

32 Republic of South Africa. State of the Nation Address by His Excellency Jacob G. Zuma. February 2011.

33 Republic of South Africa. Statistics South Africa. Quarterly Labour Survey. July 2011.

34 Republic of South Africa. The Presidency. National Planning Commission. Diagnostic Overview. 2011.

35 Ibid.

as pulling beneficiaries out of poverty.

In the context of a fact sheet on the state of the Public Service a key question is whether the developmental state, especially through the Public Service, which is a central element of the state, has the capabilities to deliver on its promise. Essentially, for the state to deliver on its mandate it needs functioning institutional structures and competent leadership.³⁶

The PSC annually assesses some key capabilities of the Public Service, using a specific monitoring and evaluation instrument with specific indicators and standards for this principle. The PSC's indicator for this principle is the success with which departments implement poverty reduction projects. The standards applied are beneficiary participation in the design, governance and monitoring of projects, the application of good project management standards by departments, the alignment of projects with Integrated Development Plans (IDPs) at local government level, whether departments institutionalise the lessons learnt from their successes and failures, and whether the objectives of the projects were achieved. The PSC evaluated all the agriculture departments in 2010/11. The ten agriculture departments achieved an average score of 94% against these standards. This suggests that capabilities are certainly being built in the Public Service.³⁷ However, in a separate report of the PSC on an evaluation of the Comprehensive Agricultural Support Programme³⁸ the PSC found that the criterion for success for these projects applied by the departments was delivery of the main output of the programme, namely farm infrastructure, to the farms, not the outcome of successful farming that could give a sustainable income stream to the beneficiaries. The capabilities that the state would need to achieve success at the outcome level is of a different order and the management of these agricultural projects, on which the PSC's findings were based, will certainly have to change drastically if this higher level outcome objectives are to be achieved.

A key capability of the Public Service, in the view of the PSC, is monitoring and evaluation in the Public Service and the country generally. M&E is important for accountability as well as organisational learning. The capacity to evaluate, learn from evaluation findings and improve programmes is a key element of development orientation. In this regard the PSC has started a series of meta-evaluations – evaluating evaluations commissioned by departments. So far the experience with this work of the PSC is quite positive, because many good evaluations are available in the Public Service and the recommendations coming from such evaluations could contribute substantially to the improvement of the relevant programmes, if these recommendations are taken seriously by departments and implemented (which in some cases they are not). In the case of the EPWP the PSC found that several evaluations are available, namely case studies, a baseline study (describing the

36 *Ibid.*

37 Republic of South Africa. Public Service Commission. Consolidated Monitoring & Evaluation Report on the Departments of Agriculture – Evaluation Cycle 2010/2011.

38 Republic of South Africa. Public Service Commission. Evaluation of the Comprehensive Agricultural Support Programme. 2011.

situation at the start of the programme), a longitudinal study (tracking the impact of the programme on beneficiaries' lives compared to the baseline and after they have exited the programme) and a very good mid-term review.³⁹ With regard to a meta-evaluation of a review commissioned by the Department of Rural Development and Land Reform of the Land Reform for Agricultural Development (LRAD) programme⁴⁰, the PSC found that –

- *“it is a credible piece of evaluation that would contribute generally to the on-going land reform debate in South Africa and to the land redistribution challenges in particular; and*
- *critical findings and recommendations were made, which would contribute to solutions to the land reform challenges in the country, if implemented.”*

Similarly, in a meta-evaluation of a study commissioned by the Department of Social Development of its projects and services in the 22 Integrated Sustainable Rural Development Programme (ISRDP) and Urban Renewal Programme (URP) nodes⁴¹, the PSC found that –

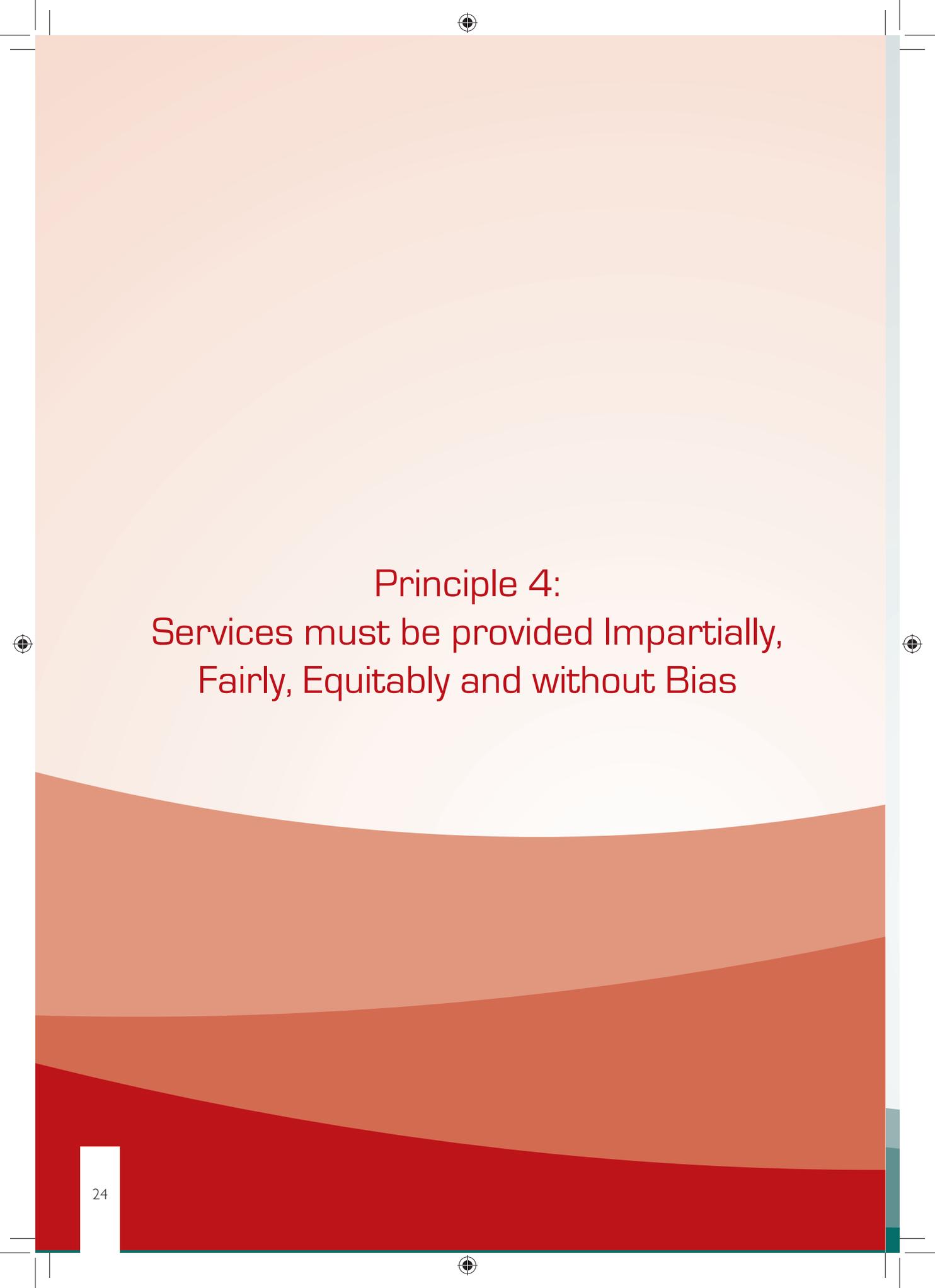
“a major benefit of the study was a systematic identification of the factors that determine the success of these types of projects, of what worked and did not work, and this provides an invaluable knowledge base for the design of programmes and projects in future.”

These meta-evaluations paint a positive picture with regard to good evaluations that are already available in the Public Service and the impact these can have on building the development capabilities (or orientation) of the Public Service.

39 Republic of South Africa. Public Service Commission. *A Meta-Evaluation of the Mid-Term Review of the Expanded Public Works Programme*. March 2009.

40 Republic of South Africa. Public Service Commission. *A Meta-Evaluation of a Review of Land Redistribution for Agricultural Development (LRAD) Project Performance (2001-2006)*. June 2011.

41 Republic of South Africa. Public Service Commission. *A Meta-Evaluation of the Second Evaluation of Department of Social Development projects and services in the 22 ISRDP and URP nodes*. December 2011.



Principle 4:
Services must be provided Impartially,
Fairly, Equitably and without Bias

Service provision remains a critical component of government delivery to South African citizens. Each of the concepts expressed in this principle has a distinct meaning, all of which taken together set a very high standard for the providers of Public Services.⁴²

In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- Compliance with the Promotion of Administrative Justice Act
- Equity in district-level per capita Primary Health Care Expenditure
- Equity in municipal per capita spending by province
- Equity in education outcomes

With regard to the impartiality and fairness of the administrative decisions that daily affect the rights of people a legislative framework has been put in place, namely, the Promotion of Administrative Justice Act (PAJA), 2000, Act 3 of 2000. The Act gives people the right to request the reasons for administrative decisions and to have the reasons reviewed by a court.⁴³ The monitoring and evaluation framework administered by the PSC under this principle checks whether departments' decisions comply with all PAJA requirements. The PSC's Seventh Consolidated M&E report states that of the 30 departments evaluated for the 2009/10 evaluation cycle, an average of 50% was scored against this principle.⁴⁴ Half (15) of the departments were rated excellent and 3 departments scored poor against this principle.

With regard to equity there is no legislation that specifically enforces equity. However one may measure it, for instance, through the allocation of resources. South Africa remains a highly unequal society and government's service provision has not up to now addressed this meaningfully.

The democratic government inherited a health system characterised by inequality not only in resource allocation but also in service provision, and this resulted in particular challenges when providing services and service provision being skewed. In their 2011 State of the Province addresses, various premiers highlighted the focus of strengthening primary healthcare in their respective provinces. For example, the Premier in Gauteng in her address⁴⁵ indicated that the province would embark on a campaign to promote primary healthcare with the hope of bringing healthcare closer to people. Other issues mentioned in the State of the Province addresses include the extension of operating hours, the management of queues and the reduction of waiting time.

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

43 *Ibid.*

44 Republic of South Africa. Public Service Commission. *Seventh Consolidated Public Service Monitoring and Evaluation Report – Evaluation Cycle 2009/2010*.

45 Republic of South Africa. Gauteng Legislature. *State of the Province Address by Gauteng Premier Nomvula Mokonyane. Johannesburg, 21 February 2011*.

The South African Health Review 2010 indicates that there has been an increase in health spending in the public sector in general.⁴⁶ Data shows that spending in the public sector increased by 16.7% annually between 2005/06 and 2008/09.⁴⁷ The data also shows that on average R434 was spent per person visiting a primary health care facility in 2009/10 compared to an average of R253 per person during the financial year 2001/02. This indicates that spending on primary care has doubled on a per capita basis.

Yet, whilst there has been an upward trend in health spending in general, data for provincial and district health spending per capita shows huge inequities. At provincial level, per capita primary health care expenditure ranges from R566 to R367. The Western Cape spent an average of R566 per capita during 2009/10, followed by Gauteng at an average of R480 and Mpumalanga at an average of R454 per capita. At the lower end of the scale KwaZulu-Natal spent R367 per capita and the Free State R369. But it is at the district level that the disparities are the most pronounced as shown in **Table 4.1**. Spending on primary health care ranges from R811.8 per capita to R215.8 per capita, showing huge inequalities. So, the quality of health care depends much on where you live. Whilst it appears that funding has steadily increased in the area of primary health care, challenges around the quality and accessibility to health care still remain for many poor South African households. This inequality has furthermore not changed much since the 2005/06 financial year. The better off districts spend three times as much as the poorer districts and this ratio has remained more or less the same since the 2005/06 financial year.

Table 4.1: Equity in district-level per capita Primary Health Care Expenditure: 2001–2009: real 2009/10 prices

Financial year	2011/12	2005/06	2006/07	2007/08	2008/09	2009/10
Per capita expenditure						
SA average	253.3	308.3	323.9	352.5	394.3	433.6
Highest	573.0	529.1	599.3	730.4	755.8	811.8
Lowest	61.2	146.4	175.1	243.7	236.3	215.8
Ratio (highest/ lowest)	9.4	3.6	3.4	3.0	3.2	3.8

The second focus is on the access to services such as water, electricity and sanitation. Spending patterns by municipalities for these services seem to have mirrored health spending. Data for this indicator was sourced from the Revenue and Expenditure Trends in Local Government and the focus here is on spending per capita. With regards to basic water the Census (2001) and Community Survey (2007) show an increase in the number of households with access to piped water in all the nine provinces. The three rural provinces with the lowest access to water were Eastern Cape (70.4%), followed by KwaZulu-Natal (79.4%) and Limpopo (83.6%).⁴⁸ The Review notes that in comparison to Gauteng and the Western Cape these three provinces made the most progress in percentage terms or

46 Health Systems Trust. *South African Health Review*. 2010.

47 Republic of South Africa. National Treasury. *Provincial Budgets and Expenditure Review 2005/06 – 2011/12*. Published September 2009.

48 Republic of South Africa. National Treasury. *Local Government Budgets and Expenditure Review*. 2011.

increase in access. The progress could be attributed to a large number of households who are now able to access water and who did not have service at all prior to 1994.⁴⁹ Both the Census data (2001) and the Community Survey (2007) show that households with access to flush toilets had increased from 49.1% in 2001 to 55.1% in 2007.

Yet despite this progress there is huge inequities in local government per capita spending, ranging from R1993 in Limpopo to R6609 in Gauteng – see **Table 4.2**. This again shows that the level and quality of local government services that a citizen will get depend much on where he or she lives.

Table 4.2: Equity in municipal per capita spending by province: 2009/10

National	EC	FS	GAU	KZN	LIM	MPU	NC	NW	WC
4 208	3029	3336	6609	3929	1993	2764	3701	2 668	6 167

In the case of education, although the spending per learner is fairly equal, huge differences in education outcomes still result in an unequal system. A very large proportion of schools struggle to produce good results. If schools are measured against their ability to produce mathematics and science passes, then only 400 (7%) high schools out of 6000 are responsible for half of the mathematics passes at the 50% level and only 350 (5.8%) high schools for half the science passes at the 50% level.⁵⁰ A paper presented by a representative from the Presidency at the South African Monitoring Evaluation Association Conference states that government is currently spending about R8000 per child.⁵¹ The concern as stated above is that the education outcomes are far below par. The Presidency indicated that in 80% of schools the quality of education is inadequate; the country scores at the bottom of all international tests for literacy and mathematical ability.⁵² The figures for the 2010 matric class indicate that 544 817 students wrote mathematics of which 30% obtained a fifty percent and above pass. This is an increase of 1% from the 2009 results. Two hundred and six thousand students wrote physical science of which 18% obtained a pass of 50% and higher. The results show that only a handful of pupils leave school with an expectation of many opportunities.

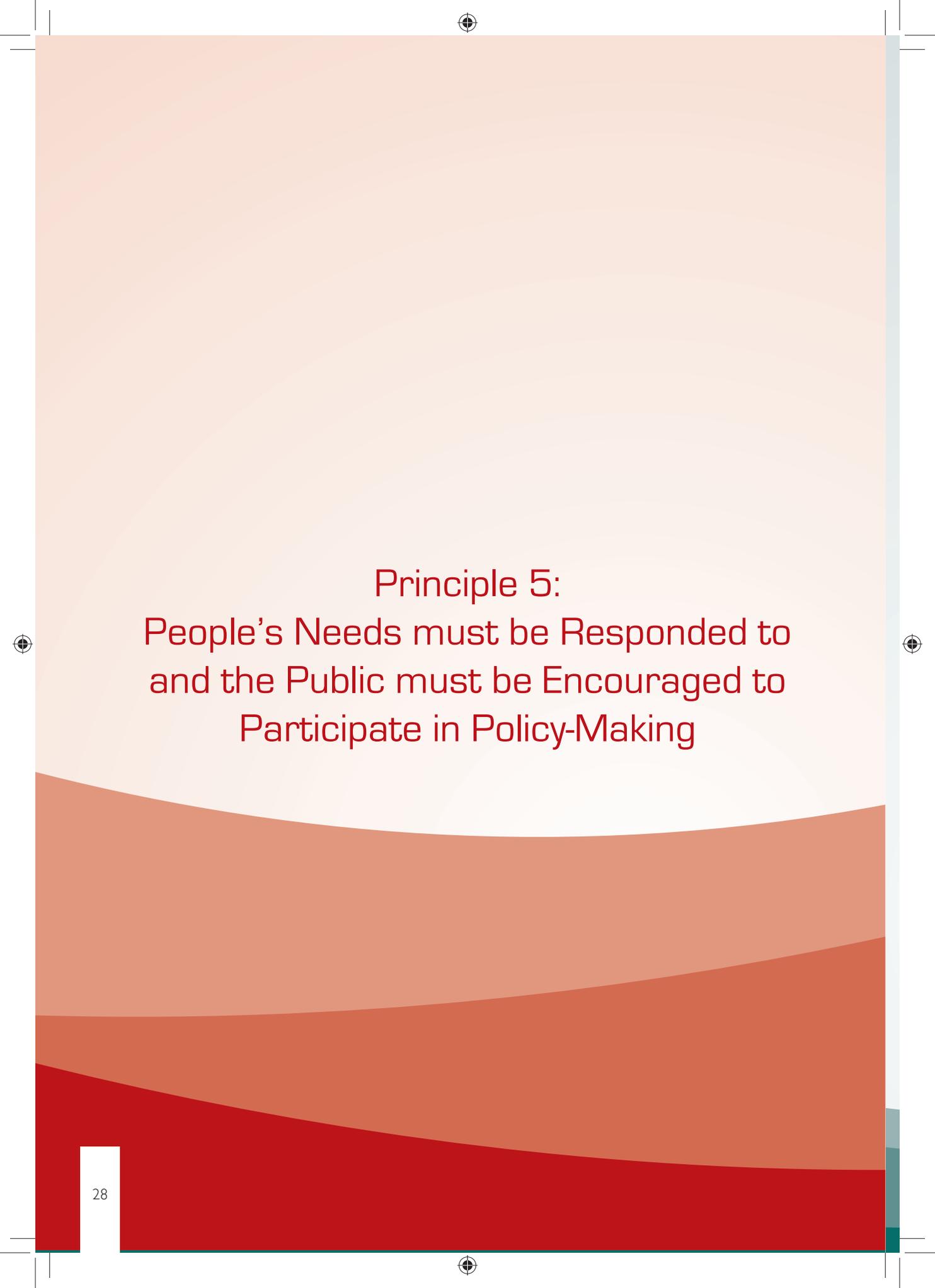
Ideally, the norms and standards applicable to public services should be fairly equal across the country. From the above indicators, despite progress in access to services, it is clear that this ideal is still far from being achieved. Even though this ideal will require changes at the societal level and the economic structure of the country, the way the Public Service is arranged can make a huge contribution to this objective. However, even applying the same standards across the Public Service will require innovative approaches and deep-going changes in the culture and capabilities of the Public Service across the system.

49 Ibid.

50 Simkins, C. 2010. *The maths and science performance of South Africa's public schools: Some lessons from the past decade.* Centre for Development and Enterprise.

51 Third Biennial South African Monitoring and Evaluation Association Conference.

52 Ibid.



Principle 5:
People's Needs must be Responded to
and the Public must be Encouraged to
Participate in Policy-Making

In the previous SOPS Report a number of public participation initiatives were discussed. This was to highlight the strides that the government has taken to involve citizens in policy making and address service delivery needs. Challenges to effective public participation remain. The President expressed appreciation for the input received from various quarters of the public when preparing the State of the Nation Address for 8 February 2011. The inputs came through mediums of communication such as Facebook and Twitter. The President mentioned the importance for ordinary South African to continue engaging and providing feedback to government.⁵³ Whilst the State of the Nation Address may not be used as a yardstick to measure participation in policy-making, the fact that the President has used the address to acknowledge ordinary citizens' contribution indicates that government considers citizen participation as important.

Government has put in place a number of mechanisms for the public to engage. At national level, Cabinet approved the new Public Participation Programme outreach initiative previously known as Izimbizo.⁵⁴ The Public Participation Programme is essentially an executive mechanism. It seeks to include all stakeholders during outreach campaigns to various communities. It also seeks to synergise all other participation efforts such as the Presidential Hotline and IDP hearings. Through this programme ministers and deputy ministers are required to commit to at least ten public engagements, including repeats and follow-ups.⁵⁵

Various reviews of existing participatory frameworks indicate that there are positives that have been achieved in promoting public participation in policy making. In the previous SOPS (2010), mention was made of the successes that the CDW programme, for example, have had in responding to community needs and linking them to services such as social grants, ID book applications and obtaining birth certificates. However, CDWs did not play a meaningful role in community development.

In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- The PSC's M&E System scores.
- The effectiveness of the ward committee system on local government level.
- PSC's Citizen Satisfaction Survey scores.

The PSC annually evaluates a sample of departments on their performance against this principle. In the 2009/10 cycle 30 departments were assessed and 21 in the 2010/11 cycle.

53 Republic of South Africa. *State of the Nation Address by His Excellency Jacob G. Zuma. 8 February 2011.* (<http://www.presidentcy.gov.za>).

54 Republic of South Africa. *Government Communication and Information System. Implementation Principles & Protocol for the Public Participation Programme. 2010.*

55 *Ibid.*

The departments' performance for these two cycles against the standards applied for this principle is reflected in **Table 5.1** below. The results indicate that whilst the majority of departments indicated that they used some system of public participation, these systems essentially have two major weaknesses. The first weakness is a lack of feedback to citizens and the second a lack of records from Departments to show that they have considered inputs from the public.⁵⁶ Only 47% of the 51 departments showed that they responded to inputs.

Table 5.1: Departments' compliance against the specific standards of Principle 5 (PSC's M&E System)

Evaluation cycle	Standards	An approved policy/ guideline on public participation in policy-making is in place	Procedures for soliciting inputs from the public is in place	Inputs are responded to and used
2009/10 evaluation cycle ⁵⁷		47%	74%	38%
2010/11 evaluation cycle ⁵⁸		35%	86%	56%
Average performance of 51 departments		41%	80%	47%

A worrying feature is that despite the PSC's recommendations made during previous assessments, some departments still do not have an approved policy or guideline on public participation in policy-making.⁵⁹ Such policies are important because the right approach to public participation depends on the context of the department and departments need to consider carefully what objectives they want to achieve through public participation.

At local level the mechanisms that have been created to promote public participation include the ward committee system, CDWs and the IDP process. The ward committees have been established to perform a variety of functions, including disseminating information to community members. A recent study on the functioning and effectiveness of ward committees by the European Union highlights interesting findings with regard to the role of the ward committee. The study mentions that ward committees in South Africa are up and running, but not making an impact on municipal decision-making and are not effective channels for engaging with the public.⁶⁰ The study raises a number of observations and highlights the challenges facing the ward participatory system. Two issues stand out: Firstly, the public views engaging on a face to face level as a better system for discussing issues and getting their needs met (even though they feel the system is not working); and secondly

56 Republic of South Africa. Public Service Commission. *Seventh Consolidated Public Service Monitoring and Evaluation Report. Evaluation Cycle 2009/10.*

57 Republic of South Africa. Public Service Commission. *Seventh Consolidated Monitoring and Evaluation Report. Evaluation Cycle 2009/10.*

58 Republic of South Africa. Public Service Commission. *Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.*

59 *Ibid.*

60 GFA Consulting group in Consortium with Development Network, PDG and TNS Research Survey. *The functioning and effectiveness of ward committees in South Africa. Research Report. February 2011.*

the ward committee system and municipality are viewed by communities as not able to deliver. This is a serious observation in the light of recent service delivery protests – a sign of dissatisfaction. Also interesting is the fact that ward committee members seem to rank their performance higher than the public, especially those members of the public who have come into contact with the ward committees (and are in a better position to judge).

Of concern in the report is that the ward committees are viewed differently by different role-players. For example, municipal officials see ward committees playing mostly an advising and communicating role and not a developmental role, whilst the public sees them as playing a representation and developmental role, especially as regards service delivery. If communities view ward committees as playing a developmental and representation role it suggests that they may expect much more from ward committees than what they perceive to be getting. For example, the community may expect the ward committee to be influential in projects that will benefit them. If ward committees fail this leads to the frustration and then protests that the country has experienced.

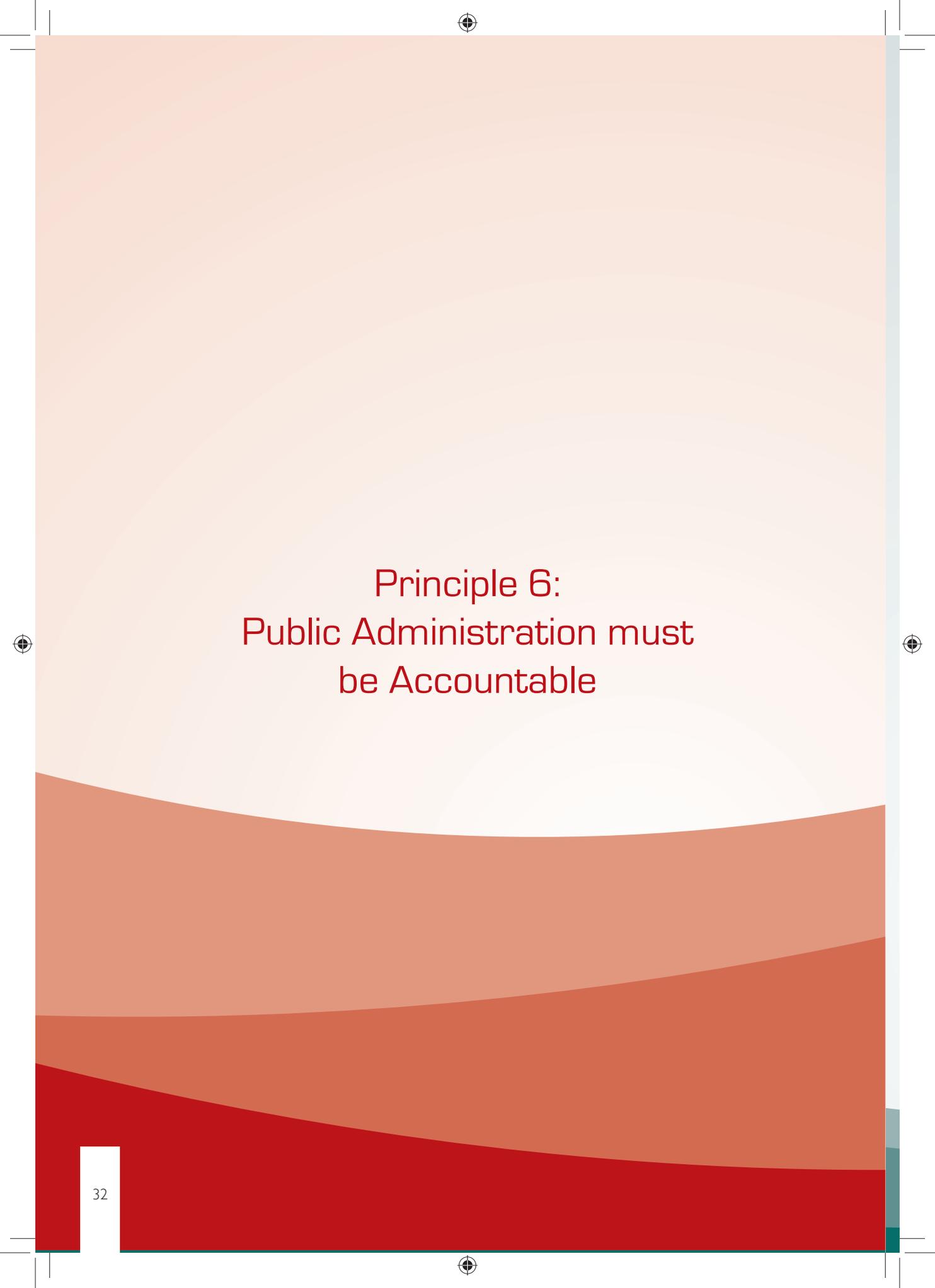
The EU study also provides interesting findings with regard to the dynamics around the local participatory system. For example, the report states that where the local participatory system is working it is linked to a competent ward councillor.⁶¹ Another observation is that where the ward councillor and ward committee are strong they are able to influence the IDP process. This shows the dynamics that may be at play with this type of participatory system. It is noteworthy to mention that where the mechanisms are complementing each other they are likely to achieve maximum gain.

The PSC in their citizen satisfaction findings (May 2011) showed that both timeliness and redress were rated low by service users across the departments that were targeted for the survey. The average percentage for the 36 departments was 23.6%.⁶² This suggests that where service users were not happy with some aspect of the service there was little or no explanation provided.

Public participation in South Africa is still too much of a public relations exercise – inputs are solicited from the public but there is little evidence of how this influenced public policy or service delivery design. It is clear that ward committees have only been successful in the exception. This is not only the fault of the public administration but also the apathy of the public. The public participation model in South Africa is still emergent and alternative approaches need to be tested in practice.

61 GFA Consulting group in Consortium with Development Network, PDG and TNS Research Survey. *The functioning and effectiveness of ward committees in South Africa. Research Report.* February 2011.

62 Republic of South Africa. Public Service Commission. *Citizens Talk. A Citizen Satisfaction Survey Report.* July 2011.



Principle 6:
Public Administration must
be Accountable

Accountability is an important principle since it requires that the Public Service opens its business or operations for public examination. It can be argued that this principle is perhaps much more relevant than it was in the past because more and more South Africans are demanding that government accounts for its actions and in particular how it serves the citizens and how it spends its resources.

In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- The proportion of HoDs who were evaluated of those who qualified to be evaluated.
- The filing of performance agreements.
- The PSC's M&E system scores.
- The 2009/10 audit outcomes of national and provincial departments and municipalities.

The Heads of Department(HoDs) as administrative heads are responsible for the overall operation of departments and need to account on behalf of the Department. In addition, the HoDs interface with the Executive Authority and this place them in a unique position. The introduction of the delivery agreements with Ministers having to account to the President, indirectly stresses the importance of the HoD in their role of accounting on behalf of their respective departments. This accounting includes policy outcomes as well as the maintenance of policies and procedures and the overseeing of control systems.⁶³

First we look at the evaluations of HoDs. A technical brief by the PSC indicates that during the 2008/09 financial year, there were 31 HoDs in national departments who qualified to be evaluated and only four were evaluated.⁶⁴ In the 2009/10 financial year at national level, there were 16 HoDs who qualified to be evaluated. As at end October 2011, only two performance assessments were held for the 2009/10 financial year. The technical brief states that this is the worst non-compliance rate the PSC has ever reported since the inception of the HoD evaluation framework during the 2001/02 financial year.⁶⁵ At provincial level 72 HoDs qualified to be evaluated for the 2008/09 financial year of which only twenty nine (40%) were evaluated.⁶⁶ **Table 6.1** below provides a compliance rate on evaluations for the 2008/09 and 2009/10 financial years.

63 Republic of South Africa. Public Service Commission. *Seventh Consolidated Public Service Monitoring and Evaluation Report – Evaluation Cycle 2009/10.*

64 Republic of South Africa. Public Service Commission. *Technical Brief on the Evaluation of Heads of Department for the 2008/09 financial year. June 2011.*

65 *Ibid.*

66 *Ibid.*

Table 6.1: HoD evaluations – compliance rate: 2008/09 and 2009/10

2008/09 cycle				2009/10 cycle			
National and Provincial level	Total number of HODs qualifying for evaluation	Number of evaluations conducted	Out-standing	National and Provincial level	Total number of HODs qualifying for evaluation	Number of evaluations conducted	Out-standing
National	31	4	27	National	16	2	14
Provincial HoDs							
Eastern Cape	9	6	3	Eastern Cape	5	0	5
Free State	8	0	8	Free State	3	0	3
Gauteng	12	1	11	Gauteng	0	0	0
KwaZulu-Natal	9	0	9	KwaZulu-Natal	9	1	8
Limpopo	8	2	6	Limpopo	2	0	2
Mpumalanga	5	3	2	Mpumalanga	5	1	4
Northern- Cape	5	3	2	Northern Cape	5	0	5
North West	11	10	1	North-West	8	0	8
Western Cape	5	4	1	Western Cape	5	5	0
Total Provincial HoDs	72	29	43	Total Provincial HoDs	42	7	35
Total all HoDs	103	33	70	Total all HoDs	58	9	49

Table 6.1 above also shows that at Provincial level there is also a decline in the number of HoDs evaluated. Some of the provinces performed worse than others, for example, Free State, Gauteng and KwaZulu-Natal. The best compliance was for the Eastern Cape, Northern Cape, North West and the Western Cape. In some of the provinces some HoDs did not qualify as they were only acting or newly appointed.⁶⁷

Unfortunately the picture is no different when it comes to the filing of performance agreements of HODs. A compliance rate of 78% was obtained for both the National and Provincial departments over the last three financial years. At provincial level provinces such as the Western Cape, Mpumalanga and Gauteng responded much better than others – See **Table 6.2** below. Again, a worrying trend with the non-compliance rate of HoDs.

Table 6.2: Filing of Performance Agreements

Financial year	Performance agreements	National: Number of performance agreements				Provincial: Number of performance agreements			
		Received	Outstanding	% Received *	Acting HODs	Received	Outstanding	% Received *	Acting HODs
2009/2010		23	11	68%	9	47	26	64%	36
2010/2011		31	4	89%	5	75	12	86%	21

⁶⁷ Republic of South Africa. Public Service Commission. Technical Brief on the Evaluation of Heads of Department for the 2008/09.

Financial year	National: Number of performance agreements				Provincial: Number of performance agreements			
	Received	Outstanding	% Received *	Acting HODs	Received	Outstanding	% Received *	Acting HODs
2011/2012	32	10	76%	5	78	15	84%	18
	Average		78%		Average		78%	

Source: Technical brief on the filing of Performance Agreements of HODs 2011/2012. * Own calculations

Currently performance agreements of HoDs are filed with the PSC. The PSC annually prepares a technical brief on the Evaluation of HoDs. This is done through the reporting of compliance statistics on the number of evaluations of HoDs that have been completed within the Public Service.

Interestingly, the Western Cape in consultation with the PSC during the 2009/2010 evaluation of HODs included a new element in evaluating the HODs using a process closely aligned to that provided for in the Framework managed by the PSC.⁶⁸ The block evaluation system was introduced and it has since proved to be effective, where all qualifying HODs are evaluated on an agreed date by members of the relevant cabinet cluster. This has proved to be a good model for the Western Cape government.

In the previous SOPS it was acknowledged that the filing of performance agreements had been delayed because of new appointments. Mechanisms need to be put in place to ensure that the filing takes place timeously as performance agreements and evaluation of the performance of the incumbent of the key post of HoD are important accountability mechanisms.

In assessing performance against accountability the M&E framework looks at five standards that are applied to establish whether departments do in fact promote accountability – refer to **Table 6.3** on the following page for the standards and the performance over two evaluation cycles.

68 Republic of South Africa. Public Service Commission. Report on the Implementation of the Performance Management and Development System for Senior Managers in the Western Cape Province. February 2011.

Table 6.3: Departments compliance against the specific standards of principle 6

Standards Evaluation cycle	Adequate Internal financial controls are in place	An operational performance management system is in place	A thorough risk assessment has been done	Fraud Prevention Plan	
				Plan is in place	% Strategies implemented
2009/10 evaluation cycle ⁶⁹	52%	88%	86%	77%	53%
2010/11 evaluation cycle ⁷⁰	64%	95%	91%	91%	52%
Average performance of 51 departments	58%	92%	89%	84%	53%

The overall average performance score obtained by the 51 evaluated departments in the 2009/10 and 2010/11 cycle is 75%. Of the 51 departments, 21 (41%) obtained an excellent score between 81%-100%.⁷¹ It has also been noted that most departments have put in place performance management systems for all departmental programmes. This is a positive finding and will certainly assist the departments with monitoring their activities. However, the score of 92% against this standard simply means that departments had a performance management system in place and it says nothing about the quality of the performance information. The finding of the A-G in this regard is that in the case of 25 out of 35 national departments performance information did not comply with regulatory requirements, was not useful or not reliable. The same apply to 72% of provincial departments.

The scores in **Table 6.3** reflect fairly good compliance but the quality of compliance is unsatisfactory. For instance, 84% of departments had a FPP but only 53% of the strategies of those plans were implemented.

A further component of accountability is that of a clean administration. The A-G's general reports provide a good picture on whether departments are keeping a clean administration or not. The audit outcomes for 2009-2010 indicate that 54% of national departments obtained a financially unqualified audit with findings.⁷² **Table 6.4** shows the percentage figures with regard to the 2008/09 and 2009/10 financial years.

69 Republic of South Africa. Public Service Commission. Seventh Consolidated Monitoring and Evaluation Report. Evaluation Cycle 2009/10.

70 Republic of South Africa. Public Service Commission. Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.

71 Republic of South Africa. Public Service Commission. Seventh Consolidated Public Service Monitoring and Evaluation Report – Evaluation Cycle 2009/2010; and Republic of South Africa. Public Service Commission. Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.

72 Republic of South Africa. National Treasury. Listing of audit outcomes.

Table 6.4: National Departments – Audit Outcomes

Financial year	Audit opinion	Financially unqualified with findings on Predetermined objectives (PDO)	Qualified opinions	Financially unqualified with no findings
2008/09		46%	37%	17%
2009/10		54%	34%	12%

Source: 2009/10 PFMA audit outcomes

The 2009/10 financial year audit outcomes show some improvement. Of all the national departments 54% obtained a financially unqualified opinion for the 2009/10 financial year in comparison to 46% in 2008/09. There was a regression in clean audits to 12% in comparison to 2008/2009 when 17% of national departments obtained a clean audit.⁷³ Whilst the Auditor General has commended national departments on the steady improvement a caution is given on the short-comings that limit government from achieving clean audits.

When it comes to provincial audits for the 2008/09 and 2009/10 financial years, the audit opinions show that there was a reduction in unqualified audit opinions, which is a regression in performance. On the positive side the number of qualified opinions came down and the number of clean audits increased. See **Table 6.5** below.

Table 6.5: Provincial Departments – Audit Outcomes

Financial year	Audit opinion	Financially unqualified with findings on Predetermined objectives (PDO)	Qualified opinions	Financially unqualified with no findings
2008/09		70%	25%	4%
2009/10		61%	20%	11%

Source: 2009/10 PFMA audit outcomes

The consolidated general report on the local government audit outcomes for 2009/10 indicates that 57 (24%) of 237 municipalities (46 audits were outstanding by 31 January 2011) improved on their 2008-09 audit outcomes, for 165 the audit opinion remained unchanged and 15 regressed.⁷⁴ Only 127 (45%) of 283 municipalities received an unqualified audit opinion. The audit outcomes for municipalities for 2008/09 and 2009/10 are shown in **Table 6.6** on the following page.

73 Republic of South Africa. Auditor-General South Africa. General Report on the national audit outcomes 2009-2010.

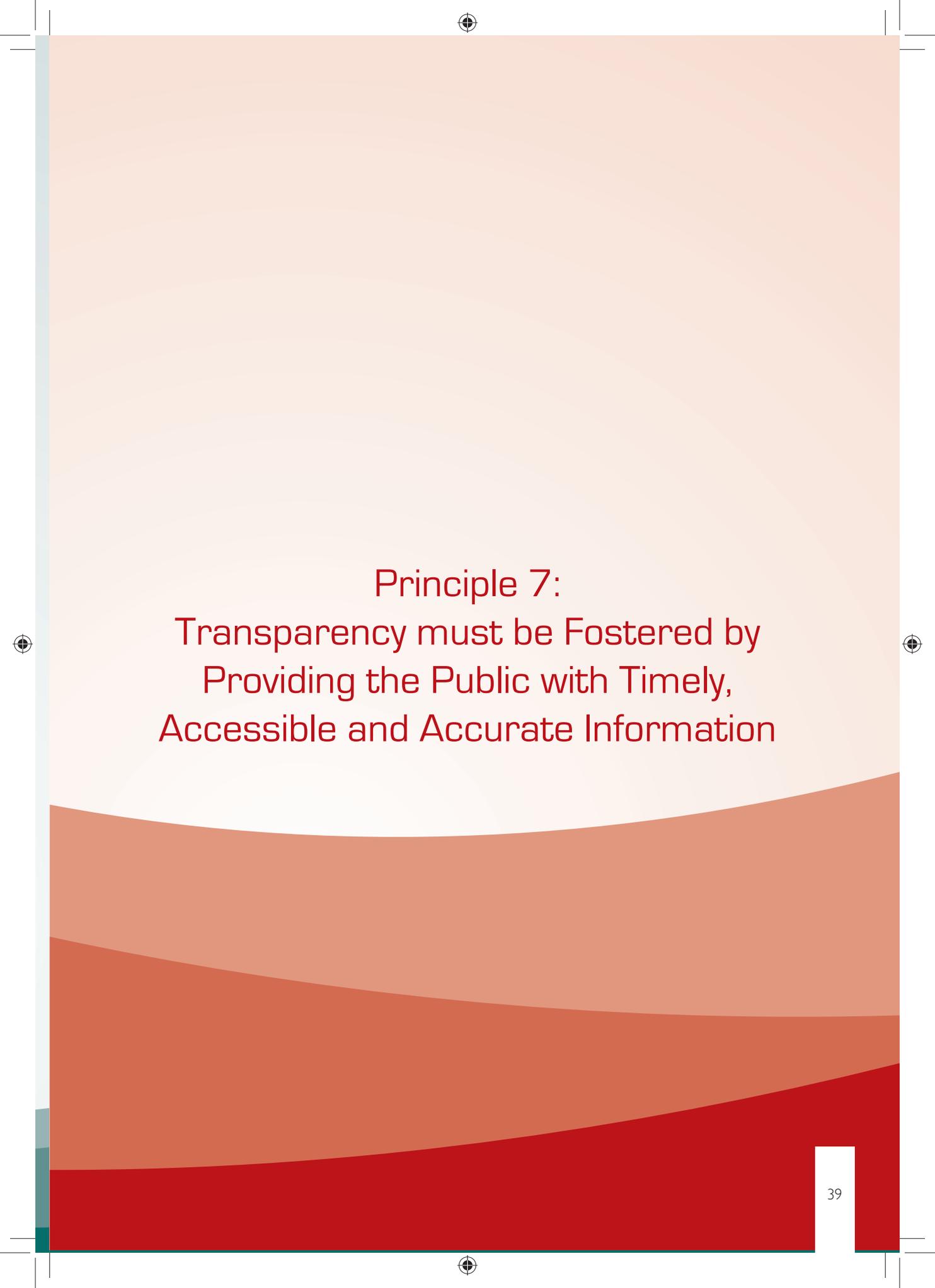
74 Republic of South Africa. Auditor-General South Africa. Consolidated General Report on the Local Government Audit Outcomes. 2009-2010.

Table 6.6: Municipalities' Audit Outcomes

Audit outcomes	Financial year	Municipalities	
		2008-09	2009-10
Disclaimer of opinion		103	53
Adverse opinion		10	7
Qualified opinion		50	50
Financially unqualified report with findings on predetermined objectives and/or compliance with laws and regulations*		113	120
Financially unqualified report with no findings on predetermined objectives or compliance with laws and regulations*		4	7
Total number of audits reported on		280	237
Number of audit reports not issued by 31 January 2011		3	46
Total number of audits		283	283

Source: Consolidated general report on the local government audit outcomes 2009-10

Measured against the indicators used in this chapter the performance with regard to accountability is fairly dismal. The performance of very few HoDs is evaluated. The compliance with the filing of Performance Agreements is only 78%. Only 66% of the national departments, 72% of provincial departments and only 54% of municipalities obtained an unqualified audit opinion. The PSC's M&E scores for accountability are better but this is more a reflection of having systems and plans in place than these systems and plans necessarily being useful for accountability purposes.



Principle 7:
Transparency must be Fostered by
Providing the Public with Timely,
Accessible and Accurate Information

Transparency fosters openness and also embodies the principle of accountability.

In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- The PSC's M&E System scores.
- The international Open Budget Index.

In its mandate to monitor and determine whether departments promote transparency the PSC assesses the quality of departmental annual reports as well as compliance with the Promotion of Access to Information Act, 2000, Act 2 of 2000 (PAIA). The annual report is a key accountability mechanism, but it only serves to promote transparency if pertinent and useful information is given to the reader. It should enable the reader to assess the performance of a department. The key requirement for annual reporting comes from the Public Finance Management Act, 1999, Act 1 of 1999, which requires in section 40(3) (a) that accounting officers must report on performance against predetermined objectives. The National Treasury has also issued guidelines to make sure that the subjects covered by annual reports are standardised.

The standards that the PSC uses to assess annual reports are that they should be attractively and clearly presented and be accessible to the reader, the content should cover at least 90% of the areas prescribed by the National Treasury and they should clearly report on performance against predetermined objectives. The evaluation found that 98% of the annual reports were presented attractively, whilst reporting on performance scored 81%. However, with regard to the quality of performance information, see the references to the auditing of performance against pre-determined objectives by the A-G in the previous chapter. See also the Chapter on Principle 2 with regard to reporting on outputs. Departments scored an average of 40% when it came to the content areas prescribed by the National Treasury, which is rated poor according to the PSC's framework – refer to **Table 7.1** on the following page.

The second indicator assesses elements related to the implementation of PAIA and they are:

- The appointment of a deputy information officer to deal with requests for access to information;
- The publication of a manual on access to information; and
- Putting procedures in place to deal with requests for access to information.

The evaluation found that only 61% of the departments had managed to appoint a deputy information officer, 35% of departments were found to have a manual on access

to information, and 62% had managed to put procedures in place to deal with requests for access to information – refer to **Table 7.1** below. It is worrying that 35% of the 51 sampled departments did not have a manual on access to information in place. This implies that citizens are not provided with a guideline on what to do if they want to obtain or are denied information from these departments.

Table 7.1: Departments’ average scores against the specific standards of principle 7

Standards Evaluation cycle	Departmental Annual Report			Promotion of Access to Information Act		
	Presentation	Content	Reporting on performance	Appointed DIO	Manual on access to information	Procedures for access to information are in place
2009/10 evaluation cycle ⁷⁵	96%	40%	79%	44%	30%	53%
2010/11 evaluation cycle ⁷⁶	100%	40%	82%	78%	40%	70%
Average performance of 51 departments	98%	40%	81%	61%	35%	62%

The South African Human Rights (SAHRC) Commission in its 2010 annual report raised a concern with regard to the adequacy of systems in relation to PAIA.⁷⁷ The report states that although some of the departments comply, there are doubts about the veracity of departments’ reports to the SAHRC. This suggests that the reports are accepted at face value by the SAHRC as the accuracy of the information could not be checked. The SAHRC reports that there was a decline in the national and provincial departments in the number of requests for information. The SAHRC suggests that it could be because of low levels of implementation, poor response rates and a concomitant drop in requestor confidence.⁷⁸ The SAHRC indicates that low compliance in relation to PAIA suggests that it is not accorded the same priority as other legislation. Of concern is that there are no sanctions against any government departments that do not comply.

Transparency also suggests that governments need to be open around issues of budgeting. This would also involve providing the public with timely, accessible and accurate information. The Open Budget Index (2010) notes that South Africa scored the highest score (92) of the ninety four countries that were surveyed.⁷⁹ The Open Budget Index promotes public access to budget information and the adoption of accountable budget systems. South

75 Republic of South Africa. Public Service Commission. *Seventh Consolidated Monitoring and Evaluation Report. Evaluation Cycle 2009/10.*

76 Republic of South Africa. Public Service Commission. *Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.*

77 South African Human Rights Commission. *Annual Report 2010.*

78 *Ibid.*

79 www.openbudgetindex.org, 2010.

Africa's score indicates that the government provides the public with extensive information on the central government's budget and financial activities assessed by the survey.⁸⁰

Departments' annual reports are attractive documents and departments pay considerable attention to the quality of their annual reports. However, the PSC has reservations about whether annual reports enable the reader to arrive at a summary judgement of performance – the reader can easily get lost in the detail. This reservation is supported by the A-G's findings on his audits of performance against pre-determined objectives. On the other hand, South Africa scored excellently on the Open Budget Index with regard to the provision of budget information. It must be concluded that a wealth of information is available in South Africa, but it is probably not as user-friendly as it can be, both from the perspective of gaining access to information and interpreting the information.

80 *Ibid.*

Principle 8:
Good Human Resource Management and
Career Development Practices, to Maximise
Human Potential, must be Cultivated

Good Human Resource (HR) Practices should ensure that the Public Service recruit and retain its share of the best skills available in the country. It should also encourage and promote the staff morale and productivity of the Public Service.

In this chapter the following indicators are used to assess the state of HR Practice in the Public Service:

- The submission of HR Plans by departments.
- The PSC's M&E system scores.
- The time it takes to fill a vacant post.
- Recruitment and selection practices in respect of Section 57 managers and municipal managers.

HR Planning is a tool to predict the demand for all categories of skills in the future, compare demand to the envisaged supply of skills and develop strategies that will ensure that the Public Service will be able to employ the staff it needs to achieve its strategic goals.

The capability of the Human Resource Management (HRM) support function in the Public Service is generally very low.⁸¹ For instance HR Planning units were not able to understand the HR implications of strategic plans and to predict future HR needs, and were consequently not able to devise credible HR strategies to meet those needs.⁸² To move to higher levels of capability the DPSA introduced a new HR Planning policy.⁸³ However, to build the type of capabilities that will facilitate the introduction of innovative HR strategies and processes is not a question of simply introducing a new policy. Therefore, the approach used was to first put the basics in place and then move to higher levels of capability from this foundation. Important elements of the approach included the following:

- Improving levels of compliance. **Table 8.1** on the following page shows how the number of departments who have submitted approved HR plans to the DPSA has increased. Levels of compliance are also increased through the attention of the A-G since non-compliance can lead to audit qualifications.
- Analysing plans submitted and providing feedback to departments.
- Creating a community of planners and institutionalizing this through fora and steering committees. These fora were used to workshop key elements of the HR planning toolkit, to present good practice examples and address implementation challenges.
- Creating accredited experiential training courses.

81 See our analysis in the State of the Public Service Report 2010.

82 Republic of South Africa. Department of Public Service and Administration. Development of interventions to improve the quality of human resource planning at departmental level in the Public Service: Research Report. 2008.
Republic of South Africa. Department of Public Service and Administration. First Aggregated Report on Human Resource Plans in the Public Service. 2009.

83 Republic of South Africa. Department of Public Service and Administration. HR Planning Strategic Framework Vision 2015 for the Public Service. 2009.

Table 8.1: Number of approved HRPs submitted to the DPSA

Departments	2008/09		2009/10		2010/11	
	Yes	No	Yes	No	Yes	No
National Departments	23	11	28	12	29	10
Eastern Cape	2	11	11	1	11	1
Free State	3	9	3	9	4	8
Kwa-Zulu Natal	7	7	8	6	8	5
Gauteng Province	4	9	4	9	11	2
Limpopo	11	0	11	0	11	0
Mpumalanga	9	2	9	2	10	1
North West	4	7	5	6	7	4
Western Cape	7	5	8	4	9	3
Northern Cape	12	0	12	0	12	0
Total submitted	82	61	99	49	112	34
	143		148		146	

Departments are at least submitting HR plans. Whether these plans make a real difference to the employment situation of the Public Service has not been properly assessed. As soon as compliance levels have increased, focus could shift to the more sophisticated forecasting and modeling aspects of HR planning and devising effective strategies to attract top skills (remembering that even the most sophisticated forecasting does not produce creative strategies). This will increase the value derived from HR planning, namely to ensure that the Public Service attracts top-ranking skills in all staff categories.

Of the 51 departments that were assessed through the PSC's M&E system during the 2009/10 and the 2010/11 evaluation cycles, the average performance was 51% in relation to compliance with the requirements for HRM and career development practices – refer to **Figure 8.1** on the following page.⁸⁴

84 Republic of South Africa. Public Service Commission. Seventh Consolidated Monitoring and Evaluation Report. Evaluation Cycle 2009/10; and Republic of South Africa. Public Service Commission. Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.

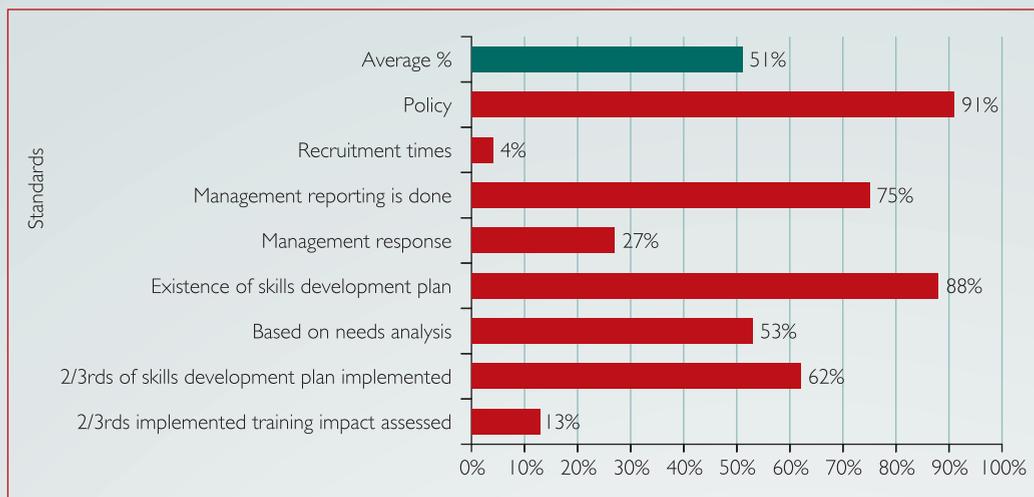


Figure 8.1: Principle 8: % Average performance of 51 departments against each standard

Figure 8.1 above also says a lot about the quality of compliance. All departments have a recruitment policy in place (high compliance) but when the efficiency of recruitment processes is tested by recruitment times, the performance is dismally low (poor quality of compliance). Similarly there is high compliance with management reporting on recruitment, but management take no action on those reports. Lastly, departments have Workplace Skills Plans, but they score lower with regard to the implementation of those plans and very few departments assessed the impact of that training (and it should not be assumed that training necessarily led to better performance). The indicators in Figure 8.1 with regard to HR Development are corroborated by a new study by the PSC in 2011 on Human Resource Development Practices in the Public Service.⁸⁵

In the M&E reports particular focus is placed on the filling of vacant posts. Findings from the departments that were evaluated show that it took 51 departments an average of 163 calendar days, from the date the post was advertised to the date the candidate assumed duty, to fill the assessed sample of 807 vacant posts – refer to **Table 8.2** on the following page. This is far beyond the PSC's 90 calendar day standard⁸⁶. It took departments 189 days just to advertise the post. One reason for this is that departments' post establishment records are not up to date and that before a component head can advertise a post, somebody else must first certify that the post is funded and may be advertised. This means that heads of component do not have control over their post establishment.

⁸⁵ Republic of South Africa. Public Service Commission. *Assessment of the Human Resource Development Practices in the Public Service*. June 2011.

⁸⁶ Republic of South Africa. Public Service Commission. *Seventh Consolidated Public Service Monitoring and Evaluation Report. Evaluation Cycle 2009/2010 and Republic of South Africa. Public Service Commission. Consolidated figures from 21 individual Monitoring and Evaluation Reports. 2010/11 evaluation cycle.*

Table 8.2: Average recruitment time

Evaluation Cycle	Total number of sampled vacant posts assessed	Number of sampled posts filled within the PSC's standard of 90 days	Average calendar days to fill a vacancy		
			Between the date the post became vacant and was advertised	Between the date the post was advertised and the candidate assumed duty	To fill a vacancy
2009/10 evaluation cycle	501	51	191	172	363
2010/11 evaluation cycle	306	25	187	154	341
Average performance of 51 departments⁸⁷	807	76 (9.4% of sampled posts)	189	163	352

The PSC has also recently assessed recruitment and selection practices in respect of Section 57 managers and municipal managers.⁸⁸ The recruitment process starts with the advertising of a post on the approved establishment. Some municipalities indicated that they advertise according to the approved establishment whilst others indicated that they also advertise posts that were not on the approved establishment. Positions were also often filled at a lower or higher level than those that appeared on the approved establishment. Indiscriminate hiring in many cases led to a bloated and unaffordable organisation structures and financial difficulties for the municipality. This is confirmed by the National Treasury's local government expenditure review – see **Table 8.3** below.⁸⁹

Table 8.3: Vacancies in Category B (local) and C (district) municipalities: 2008/09

Currently employed	Approved positions	Funded vacancies	Unfunded vacancies	Appointments to non-existent positions*
110 694	144 114	22 482	28 770	17 832

* Calculated as follows: (currently employed + funded vacancies + unfunded vacancies) - approved positions

The PSC further found that –

- Only 18% of the sampled municipalities developed and implemented a Human Resource Plan.
- 89% of the sampled municipalities had Employment Equity Plans in place. However, this high percentage of compliance did not translate to the representation of a high number of women and persons with disabilities in the senior management echelons of municipalities.
- 96% of the sampled municipalities had developed and implemented recruitment and

⁸⁷ Republic of South Africa. Public Service Commission. Consolidated figures from 51 individual Monitoring and Evaluation Reports. 2009/10 and 2010/11 evaluation cycles.

⁸⁸ Republic of South Africa. Public Service Commission. Report on the Assessment of Recruitment and Selection Practices in respect of Section 57 Managers and Municipal Managers. March 2011.

⁸⁹ Republic of South Africa. National Treasury. Local Government Budgets and Expenditure Review: 2006/07 – 2012/13. Published in 2011.

selection policies. An assessment of the policies against the Recruitment and Selection Toolkit of the PSC, however, showed that these documents ranged from basic to comprehensive.

- 20 out of 27 sampled municipalities had strategies in place to attract and retain scarce skills.
- Councillors who often had no in-depth knowledge of and insight into the job content formed part of selection committees. However, 52% of the sampled municipalities did conduct reference checking and 33% subjected candidates to competency tests.

The overall picture is one where compliance levels are increasing but the quality of compliance is still poor. The development of HR policy, and reporting on its compliance, appears to have not generated the outcomes expected: that of a properly recruited, managed, and well-motivated Public Service. The traditional reliance on HR policy or standard management practices has neither maximized human potential nor generated creative work places. With regard to the efficiency of routine HR processes recruitment times are in excess of 5 months. This picture also applies to the local government level. Recruitment processes at local government level go wrong right from the start with many appointments to non-existent positions.

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

The NPC in the Diagnostic Review has openly discussed issues and complexities surrounding South African institutions and its workforce when it comes to representivity. In order to address the imbalances of the past, policies around employment had to be effected. Affirmative action as a policy has been instrumental in addressing the appointment of black professionals, in particular senior positions. In this chapter the following indicators are used to reflect on the performance of the Public Service against this principle:

- Achievement of representivity targets.
- The PSC's M&E system scores.

The diagnostic review indicates that by 2004, the composition of the public service reflected the country's demographics and nearly 75% of all public servants were black.⁹⁰ **Table 9.1** below provides percentages on employees at SMS level by race in the Public Service, as at 21 September 2011.

Table 9.1: % Employees at SMS level by race in the Public Service as at 21 September 2011

Province/ National	Race				
	African	Asian	Coloured	Total Black	White
Eastern Cape	82%	4%	6%	92%	8%
Free State	80%	2%	4%	86%	14%
Gauteng	73%	7%	9%	89%	11%
KwaZulu-Natal	74%	13%	1%	88%	12%
Limpopo	94%	2%	1%	97%	3%
Mpumalanga	89%	3%	1%	93%	7%
North West	82%	3%	3%	88%	12%
Northern Cape	59%	4%	27%	90%	10%
Western Cape	18%	3%	44%	65%	35%
National Departments	65%	7%	7%	79%	21%
Average	72%	5%	10%	87%	13%

The Black (African, Asian and Coloured) percentages indicate that all provinces have surpassed the national target of 75% with the exception of the Western Cape. Whilst government has made strides in addressing representation of the previously disadvantaged as indicated by the percentages above, there are still gaps when it comes to addressing the targets for female senior managers as well as people living with disabilities. **Table 9.2** on the following page provides provincial and national percentages with regard to gender representivity at SMS level.

90 Republic of South Africa. The Presidency. National Planning Commission. Diagnostic Review. June 2011.

Table 9.2: Employees at SMS level by gender in the Public Service as at 21 September 2011

Province/ National	Gender	
	Female	Male
Eastern Cape	35%	65%
Free State	32%	68%
Gauteng	39%	61%
KwaZulu-Natal	38%	62%
Limpopo	40%	60%
Mpumalanga	37%	63%
North West	38%	62%
Northern Cape	34%	66%
Western Cape	33%	67%
National Departments	39%	61%
Average	37%	63%

The percentages in the above table indicate that in all the provinces there is still a lot of effort that needs to be put in achieving the set target of 50% for women at senior management level. The backdrop of this representation also has to take cognisance of the development and training of senior managers in totality.

The appointment of people living with disabilities, on the other hand, seems to be a challenge.

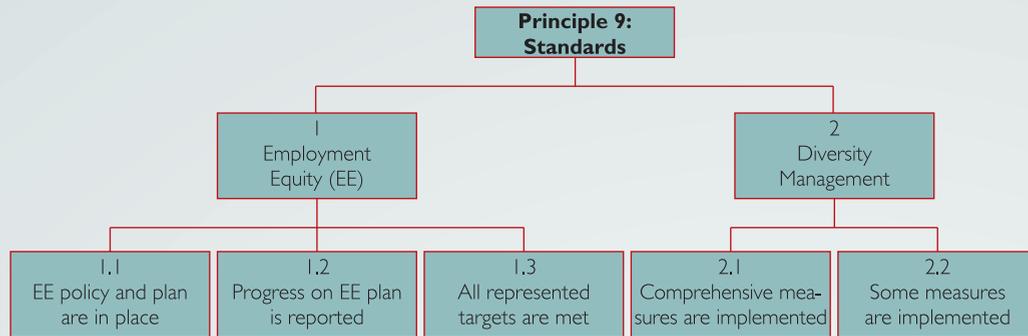
Table 9.3 below provides total number of people living with disabilities employed at provincial as well as national level.

Table 9.3: Total number of people living with disabilities employed at provincial as well as national level

Province/ National	Number of staff		
	No. of Staff	No of persons with Disabilities	%
EC	145 782	571	0.39%
Free State	60 630	134	0.22%
Gauteng	152 835	199	0.13%
KwaZulu-Natal	202 977	279	0.13%
Limpopo	124 021	348	0.28%
Mpumalanga	73 502	286	0.38%
North West	58 696	239	0.40%
Northern Cape	23 149	44	0.19%
Western Cape	78 483	248	0.31%
National Departments	406 201	2 449	0.60%
Total	1326 276	4797	0.36%

The statistics provided in **Table 9.3** above show that the target set for employing people with disabilities is far off from being reached. It seems that the *Job Access Strategic Framework on the Recruitment, Employment and Retention of Persons with Disabilities in the Public Service*, the official Public Service policy in this regard, has not yet rendered results.

The Monitoring and Evaluation cycle report for the 2009/10 cycle shows a mix of results. In evaluating the Principle 9, the M&E framework assesses standards on Employment Equity (EE) as well as Diversity Management. Both of these standards are further measured utilising sub-standards as indicated below.



The thirty (30) departments that were evaluated in 2009/10 obtained an average score of 39% - which is rated poor for this principle. The poor score is attributed to the fact that only 3 departments, namely the Northern Cape Provincial Treasury, the North West Department of Education, and the Western Cape Department of Housing achieved a performance rating of 70%, whilst 16 departments' performance varied between poor (7 departments) and no performance (9 departments).⁹¹

Representation cannot be addressed in isolation or whilst neglecting important aspects of human resource development. The Public Service needs to have holistic strategies around training and development as well as retention strategies. A balance also needs to be struck around filling of posts which may be vacant for a long time because a black candidate is not available.⁹² This may compromise service delivery.

91 Republic of South Africa. Public Service Commission. Seventh Consolidated Monitoring and Evaluation Report – Evaluation Cycle 2009/2010.

92 Republic of South Africa. The Presidency. National Planning Commission. Diagnostic Review. June 2011.

Conclusion

The following key conclusions can be drawn from the foregoing chapters:

With reports on corruption remaining constantly in the media, a key question is whether all the measures to prevent and fight corruption – the so-called integrity infrastructure – are really working. The effectiveness of all the elements of the infrastructure needs to be constantly assessed. Two such elements are the NACH and the policy on Minimum Anti-Corruption Capacity. The strategy to refer NACH cases for investigation to departments is premised on the assumption that departments have the capacity to deal with cases. Departments' rate of feedback on cases referred to them for investigation by the PSC and an audit by the DPSA of Minimum Anti-Corruption Capacity suggest that departments do not have the capacity. This raises doubts on whether the strategy of Minimum Anti-Corruption Capacity is working or whether centralised capacity, for instance in Offices of the Premier, should rather be created.

In the area of the service delivery and programme performance, good progress has been made with performance reporting. Auditor-General audits of performance against pre-set objectives make a huge contribution to this. However, departments report on hundreds of outputs and it is sometimes difficult to arrive at a summary assessment of performance. This raises doubts about the user-friendliness of the reports. has not yet adjusted to the outcomes approach, which would focus attention on the key things that government needs to achieve and which is expressed in a form easily understandable to citizens and would enable citizens to assess the performance of government.

Good progress has been made to improve the capabilities of the Public Service with regard to development orientation. However, the achievement of outcomes requires capabilities of a different order. Much of the Public Service is still focussed on the immediate deliverable.

It is common cause that South Africa remains a highly unequal society. To achieve equity will require changes at the societal level and the economic structure of the country. The way the Public Service is arranged can, however, make a huge contribution to this objective. However, to apply the same norms and standards across the Public Service to achieve greater levels of equity will require innovative approaches and deep-going changes in the culture and capabilities of the Public Service across the system.

Public participation in South Africa is still too much of a public relations exercise – inputs are solicited from the public but there is little evidence of how this influenced public policy or service delivery design. The public participation model in South Africa is still emergent and alternative approaches need to be tested in practice. The PSC is uniquely placed to make a contribution in this area.

A major focus will have to be placed on increasing the compliance levels with regard to the evaluation of HoDs. The leadership performance of these centrally placed officers plays a

key role in the development of the Public Service and the current low compliance levels need to be addressed urgently.

With regard to HR practices the overall picture is one where compliance with policies and standard practice is increasing but the quality of compliance is still poor. The development of HR policy, and reporting on its compliance, appears not to have generated the outcomes expected: that of a properly recruited and managed, and well-motivated Public Service. The traditional reliance on HR policy or standard management practices has neither maximized human potential nor generated creative work places. This is, therefore, an area where innovative solutions are required.

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