PSC

Custodian of Good Governance

MEDIUM TERM STRATEGIC PLAN
2010/11 – 2012/13

Public Service Commission
February 2010

FOREWORD

In terms of Treasury Regulations the Accounting Officer of an institution is required to prepare a strategic plan for the forthcoming Medium Term Expenditure Framework (MTEF) period. This strategic plan guides the work of the Public Service Commission (PSC) and serves as a basis for an assessment of its performance by stakeholders over the MTEF period 2010/11 to 2012/13.

This Medium Term Strategic Plan (MTSP) is the first produced under the new leadership of the PSC, following the appointment of the new Chairperson of the PSC, Dr R Mgijima and the new Deputy Chairperson, Ms P Tengeni. We used this milestone as an opportunity to critically look at how to improve and grow as an organisation in order to deepen our effectiveness as the custodian of good governance. We did this through various planning sessions, and these have helped us to reposition the PSC to be even more responsive to Government priorities and new developments in public administration in the country.

Being an institution created by the Constitution and vested with a custodial oversight responsibility for the Public Service, the PSC will during the MTEF period continue to independently investigate, monitor and evaluate the way government conducts itself as required by the Principles set out in Chapter 10 of our Constitution. This oversight work will target the key areas of public service performance which are important for institutionalizing and sustaining good governance. Through this work, the PSC will further improve the quality of oversight information it provides to Parliament and advice it provides to the Executive.

In order to ensure greater impact of the work of the PSC, a strategic approach aimed at intensifying the uptake of our findings and recommendations will be adopted. This approach will see the PSC having targeted engagements with stakeholders on its oversight work through an array of mechanisms including roundtable discussions and workshops. Through these engagements, the PSC hopes to find common ground with its stakeholders in terms of addressing and implementing measures to attain good governance and administration throughout the Public Service.

I hope this MTSP demonstrates the PSC's response to assisting the Public Service to achieve a culture of good governance, underpinned by the values and principles of public administration contained in the Constitution.

MASHWAHLE DIPHOFA

DIRECTOR-GENERAL: OFFICE OF THE PUBLIC SERVICE COMMISSION

TABLE OF CONTENTS

CHAPTER 1: MEDIUM TERM CONTEXT AND STRATEGIC ORIENTATION

1.1 BACKGROUND

The Public Service Commission (PSC) is an independent and impartial institution, established in terms of the Constitution, 1996 and its powers and functions are, amongst others, to investigate, monitor and evaluate the organization, administration and personnel practices of the Public Service. Its mandate also entails the evaluation of the achievements, or lack of these in Government programmes. Moreover, the PSC promotes measures to ensure effective and efficient performance within the Public Service and promotes the values and principles of public administration as set out in section 195 of the Constitution, throughout the Public Service.

1.2 MISSION STATEMENT

The PSC's vision and mission are derived from the values and principles of public administration laid down in the Constitution, 1996 [Section 195 (1) (a) – (i)].

1.2.1 Vision

The PSC is an independent and impartial body created by the Constitution to enhance excellence in governance within the Public Service by promoting a professional and ethical environment and adding value to the public administration that is accountable, equitable, efficient, effective, corrupt-free and responsive to the needs of the people of South Africa.

1.2.2 Mission

The PSC aims to promote the constitutionally enshrined democratic principles and values in the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research processes, it will ensure the promotion of excellence in the governance and the delivery of affordable and sustainable quality services.

1.3 LEGISLATIVE MANDATE

The PSC derives its mandate from sections 195 and 196 of the Constitution, 1996. Section 195 sets out the values and principles governing public administration, which should be promoted by the PSC. These values and principles are:

- The promotion of a high standard of professional ethics.
- The efficient, economic and effective use of resources.
- A development-orientated public administration.
- The provision of services in an impartial, fair and equitable way, without bias.
- Responding to people's needs and encouraging the public to participate in policy-

making.

- Accountable public administration.
- Fostering transparency.
- The cultivation of good human resource management and career-development practices.
- A representative public administration with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past.

1.4   KEY FOCUS AREAS AND POLICY DEVELOPMENTS

This section gives an overview of some of the key focus areas and policy developments of the PSC over the MTEF period.

1.4.1   Labour Relations Improvement

Sound labour relations are important for stability in the work environment and for effective performance. The PSC has over the years evolved into a key and effective player in the resolution of grievances in the Public Service and the promotion of good labour relations. During 2009/10, a total number of 563 grievances were referred to the PSC (as at 31 January 2010). Of these, the PSC could not consider merits of 336 cases as the internal grievance procedure within the departments had not been exhausted. The ineffectiveness identified within departments to comply with the time frame in terms of which a grievance should be resolved, remains a hampering aspect in the timeous resolution of grievances in the Public Service. In an attempt to track grievance patterns within the Public Service, the PSC will continue to conduct research on grievance trends, and identify the main causes of grievances then make recommendations to address these.

Currently, grievances of heads of department are dealt with in terms of Rule H as contained in the Grievance Rules, issued in Government Gazette No 25209 of 25 July 2003, read with section 35 of the *Public Service Act*, 1994. Section 31 of the *Public Service Amendment Act*, 2007, provides for heads of department to lodge their grievances directly with the PSC. However, the latter section has not taken effect to give the PSC an opportunity to put in place Rules for Heads of Department to lodge grievances directly with it. The PSC has submitted draft Rules to the Department of Public Service and Administration for inclusion in the SMS Handbook.

The Public Service is dependent on sound labour relations for the promotion of its service delivery objectives. In furthering its investigative research in the area of labour relations, the PSC intends to embark on various research projects during the MTSF period. In the 2010/11 financial year, the PSC will assess collective bargaining to determine its impact on service delivery in the Public Service and review the management of precautionary suspensions in the Public Service to assess its effectiveness and the cost to the State.

The PSC will continue to engage with strategic stakeholders with a view to create partnerships in pursuance of its role in labour relations. The strategic partnership already

established with the Public Service Co-ordinating Bargaining Council (PSCBC) will continue to be strengthened through, amongst others, the co-hosting of the Second Labour Relations Conference for the Public Service. Although the PSC planned to hold the Conference in the 2009/10 financial year, it had to be postponed due to commitments from the side of the PSCBC to hold the Public Service Summit during this period. The Conference will thus be held in August 2010 and the PSC will be cooperating with the PSCBC on activities emanating from this Conference.

1.4.2 Leadership and Human Resource Reviews

The PSC is strategically placed to support processes that enhance the quality of public service leadership. This is being done through the implementation of the Framework for the Evaluation of Heads of Department (HoDs), providing advice on the quality of the Performance Agreements (PAs) of HoDs and reporting compliance trends to key stakeholders. In the State of the Nation address presented on 11 February 2010, the President reiterated that Cabinet Ministers will be held accountable by entering into Delivery Agreements with himself. This will be cascaded down to HoDs. The PSC believes that sound PAs and effective performance management are important elements of a structured process of scrutiny and support for HoDs, and that this area of work should, therefore, continue to receive attention.

Over the years, the PSC has produced a series of evaluations on the implementation of the Performance Management and Development System (PMDS) and successfully conducted assessments in the Eastern Cape, the North West, Northern Cape and Limpopo provinces. The concerns found in all of these studies are that if performance management is not taken seriously at the highest level of administration, one can assume that a similar trend permeates all levels within the departments. If a key instrument for improving service delivery, such as the PMDS, is not used effectively, and not supported by the administrative and political leadership of departments, it shows a lack of commitment to the very mechanisms set up to improve service delivery. Given the above challenges, the PSC will extend the study to the Western Cape Province during the current MTSF period.

Effective service delivery is highly dependent on human resource management. Not surprisingly, the strengthening of the skills and human resource base is a strategic imperative of Government and as such the PSC continues to focus on strategic human resource reviews, and providing advice on best practice. Given the strategic impetus of human resource management in the Public Service, the PSC will assess Human Resource Development practices and evaluate the extent of employee satisfaction within the workplace, as well as its implications for job turn-over within the Public Service. The PSC will furthermore extend its evaluation of public administration practices to the local sphere of government by focusing on its recruitment and selection practices of its senior managers. The assessment will contribute to a better understanding of the challenges and good practices that exist in this area in municipalities, and the steps that can be taken to improve current practice.

1.4.3 Governance Monitoring

The PSC has grounded its Monitoring and Evaluation (M&E) activities through a Transversal M&E System which has been operational since 2001 and 131 departments have been assessed. This system evaluates departments against a specific set of indicators and standards that assess the performance of departments against the nine values in section 195 of the Constitution. The departments identified for the 2010/11 financial year include Agriculture and Offices of the Premier in the Provinces.

The PSC also plans to review this system in the 2010/11 financial year to ensure that it remains relevant and that an appropriate balance is struck between compliance with good administrative practice on the one hand and service delivery outcomes on the other. This is in line with Government's outcomes approach that emphasizes the achievement of priority outcomes and the alignment of all administrative and service delivery processes to the outcomes to be achieved. The review will also ensure that the recommendations emanating from the system add more value to public administration.

The PSC will continue with programme evaluations in the field of poverty reduction, which remains a priority of government. In the 2010/11 financial year the focus of programme evaluations will be the agricultural sector, because of its critical role in rural development, which is one of the priorities of government. Programme evaluations also give the PSC the opportunity to evaluate whether the selected programmes are achieving their outcome objectives and complement the monitoring that the PSC does by means of its Transversal M&E System.

A flagship product of the PSC is its annual State of the Public Service report. This report synthesises the findings of the PSC and other reputable sources on the state of the public service in a particular year. For the 2010/11 financial year, the theme of this report will be *Innovating for Effective Public Service Delivery.* Much of the improvement in public administration is achieved through innovation and the PSC hopes, through linking its assessments to this theme, to highlight good practice in all the areas of the nine values governing public administration. This year the PSC will also complement this report with brief fact sheets on the state of the public service in selected provinces.

1.4.4 Service Delivery and Compliance Evaluations

The President at his State of the Nation Address declared 2010 the year of action where government will work harder, faster and smarter. In light of this declaration, PSC will during the current MTSP conduct projects which will seek to establish the impact government programmes have on the lives of people. In this regard, the PSC believes that the satisfaction levels of citizens say a lot about the effectiveness of government's programmes. Accordingly, during this MTEF period, the PSC will continue to strengthen its citizen satisfaction survey methodologies through the application of South Africa-specific key drivers of citizen satisfaction. It is hoped that the views obtained from such surveys will continue to assist the departments in their efforts to improve service delivery.

In the spirit of the year of action, during the current MTSP, the PSC will also tailor its projects to be in line with the theme *Innovating for Effective Public Service Delivery.* Informed by this theme, the PSC will assess the effectiveness of agencification in service delivery in selected sectors. It is hoped that the findings of the study will assist government in ensuring that where they are established, agencies can indeed serve as effective mechanisms of service delivery.

The PSC will intensify its work on the inspection of service delivery sites to ensure that information on the quality of service delivery is gathered first-hand and reported. In this regard, during 2010/11 the PSC will inspect service delivery at the Department of Police focusing on detective services at the police stations. The inspections will, among others, assess the nature and challenges faced by police officers involved in the detective services and the availability of resources needed to ensure effective detective services. A project of this nature will contribute towards one of the government's five priorities which is to deal with crime decisively.

1.4.5   Public Administration Investigations

The PSC conducts public administration investigations of own accord, on receipt of complaints lodged by the public servants and the public through various access mechanisms, and following requests by the Executive, Parliament and the Provincial Legislatures. These investigations relate to maladministration, allegations of corruption, maladministration and poor service delivery. Through investigations the PSC reports on compliance with national norms and standards, provide advice on best practice and recommend corrective actions that must be undertaken by departments.

Since the implementation of the PSC's Complaint Rules in 2000 there has been a steady increase in the number of complaints lodged with the PSC, from 45 in 2004/2005 to 96 in 2009/2010. In addition, since the inception of the National Anti-Corruption Hotline (NACH), service delivery related complaints lodged with the NACH have decreased from 757 lodged in 2005/2006 to 145 lodged in 2009/2010. Service delivery complaints emanating from the NACH were not anticipated at the time of the establishment of the NACH due to the fact that the NACH was instituted primarily for combating corruption. However, complainants have increasingly been encouraged to lodge service delivery complaints with the respective departments.

In order to establish trends in respect of complaints lodged with the PSC, an analysis of the number of complaints lodged, their origin, nature and status will be undertaken. The analysis provides useful information to Parliament, the legislatures, the Executive and Public Service leadership on areas of risk in the Public Service. As part of its investigative research into public administration practices, the PSC has since 2001 reported on financial misconduct in the Public Service on an annual basis. These reports have heightened awareness of the negative impact of financial misconduct on service delivery and it is the hope that departments will address the issues, and in so doing, promote greater accountability and transparency in financial management. The PSC will again publish a Report on Financial

Misconduct for the financial year 2009/2010. This should assist departments in strengthening risk management, and in formulating responsive fraud prevention plans.

1.4.6 Professional Ethics

The fight against crime and corruption is one of the five priorities of Government. This priority has been a concern of the PSC since 1997 when, through its efforts, the Code of Conduct for the Public Service was promulgated. The Code of Conduct is an instrument in promoting integrity and anti-corruption awareness amongst public servants. In addition to the Code of Conduct, the PSC also launched the National Anti-Corruption Hotline (NACH). The NACH is managed by the PSC and has been in operation since September 2004, with tangible results achieved in the relatively short period of its existence. Since its inception, 7185 cases of alleged corruption have been reported. Due to the number of complaints referred, departments have been placed under severe strain with regards to their investigative capacity. As a result, the finalization of investigations is taking longer than would reasonably be expected. From the investigations conducted on the cases referred to departments, the PSC has received feedback on 2567 cases and 1247 cases have been closed. Hence, considering the feedback the PSC has received and the minimal amount of cases closed against those referred, it is evident that departments are found wanting in their ability to conclude investigations.

Encouragingly though, irrespective of the lack of investigation capacity, notable achievements have been made since the establishment of the NACH. Some of the successful investigations have resulted in disciplinary action being taken against officials. As a result, sanctions such as dismissal were imposed on employees found guilty of misconduct and large sums of money involved in the acts of corruption have been recovered. Therefore the NACH continues to play a strategic role in the fight against corruption. In order to speed up the investigation of cases the PSC plans to roll out a web-enabled system in the 2010/11 financial year. The PSC will also conduct some investigations itself.

The PSC has since 1999 been responsible for the management of the Financial Disclosure Framework (FDF) for senior managers. The objective of the FDF is to manage the potential conflicts that may exist between a senior manager's private interests and public responsibilities in order to ensure that actual conflicts of interest do not occur. The PSC has since the inception of the Framework placed major focus on ensuring compliance with the submission of financial disclosures which is a regulatory requirement in terms of Chapter 3 of the Public Service Regulations. Over the last three years there has been a steady decline in compliance from 87% in 2006/07, to 85% in 2007/08, to 81% in 2008/09. The PSC remains of the firm view that only a 100% compliance rate would be acceptable.

During the 2008/2009 financial year, the PSC shifted its focus to the scrutiny of the financial disclosure forms in order to identify potential conflicts of interest. Because of non-compliance with the Framework and the identified cases of potential conflicts of interest, the PSC recommended to the responsible Executive Authorities that action be taken where applicable. To enhance the scrutiny process the PSC will commence with research on how to conduct lifestyle audits, and a concept document will be produced in the 2010/2011

financial year. The PSC will then, during the 2011/2012 financial year do a lifestyle audit on a sample of senior managers in the Public Service.

The PSC will continue to perform a secretariat function for the National Anti-Corruption Forum (NACF), an anti-corruption coalition that promotes dialogue and collective action against corruption amongst the different sectors of South African Society. The role of the PSC is instrumental in the implementation of the National Anti-Corruption Programme (NACP). In this regard the PSC will coordinate a project to develop a National Integrity System to further the debate on the promotion of integrity in the Public Service.

The PSC has also taken a province specific approach in assessing the state of professional ethics in the Public Service. During 2010/11 an assessment of the state of professional ethics in the North West Province will be conducted. The assessment will be repeated in other provinces over the MTEF period.

1.5   CONTEXTUAL CHALLENGES

The PSC is faced with serious budgetary and human resource limitations as it pursues its oversight, investigative, promotional and directional role. As a result, in the past it had to rely on donor funding for some of its key outputs. The advent of a Single Public Service will also impact negatively on the resources of the PSC. The contextual challenges that the PSC encounters in fulfilling its mandate are accordingly outlined below:

1.5.1   Limited resources to execute PSC's mandate

Since the work of the PSC is knowledge-based and, therefore, human resource intensive, budget restrictions put a severe limitation on the amount of work that the PSC can produce. Over the past MTEF periods the average growth of the PSC's budget has been 7.7% and the PSC has not received additional funding for the next MTEF period. The total staff compliment of the PSC is only 234. Per capita the PSC therefore has approximately one staff member for every ± 5000 public servants, excluding the local sphere of government.

The PSC has already put measures in place to do more with less by, amongst others, reducing the number of outputs on its workplan, standardising evaluation frameworks and processes and making maximum use of available staff. However, some of its work needs to be implemented at greater scale (for example by inclusion of more departments in samples, collecting more original data, increasing the analytical scope of projects and investigating more corruption cases itself instead of referring them to departments), and the necessary scaling up can only be done if more resources are made available.

Given that the role of the PSC covers the whole spectrum of public administration, the organisation faces serious budgetary and human resource limitations as a result of which it will not have the "scrutiny reach" it needs to discharge its supportive oversight function to Parliament.

1.5.2 Advent of a Single Public Service

The introduction of a Single Public Service as envisaged in the Public Administration Management Bill will have significant implications for the financial and human resource capacity of the PSC. The passing of the Bill will see the extension of the PSC's mandate to local government which will entail that the PSC would have to perform its oversight work in respect of local government. It is anticipated that this will result in a significant increase in the work of the PSC. The PSC, in this strategic plan, has taken into consideration the extended mandate, and foresees that much of its work in this area will rely on substantial additional budgetary and human resources being made available. The intervention of relevant stakeholders has already been requested to, on behalf of the PSC, solicit additional funding in order for the PSC to carry out its mandate.

1.5.3 Supporting Regional Integration

The PSC has played a pivotal role in the establishment and launch of the African Public Services Commissions (AAPSComs), where the Chairperson of the PSC was appointed as the first President of the AAPSComs and the Office of the PSC as secretariat. The establishment of AAPSComs has been achieved at an incredible pace and the PSC is confident that through the AAPSComs good governance in the public services throughout Africa will be promoted. The fact that the Office of the PSC has been appointed as secretariat of the Association, however, has significant financial and human resource implications.

CHAPTER 2: MEDIUM TERM STRATEGIC FRAMEWORK OF THE PSC

The PSC's medium term strategic framework is aimed at ensuring that the PSC meets the stated objectives in line with its mandate. Therefore, the strategic framework is firmly based on the main functions and powers of the PSC in terms of section 196(4) of the Constitution, 1996.

2.1   STRATEGIC FOCUS AREAS

The organisational structure of the PSC is designed around its strategic objectives and consequently its functional areas are:

2.1.1   Branch: Leadership and Management Practices

The purpose of the Branch Leadership and Management Practices is to promote sound Public Service leadership, human resource management, labour relations and labour practices. The Branch consists of the following two Chief Directorates:

Leadership and Human Resource Reviews

- The purpose of this Chief Directorate is to promote a high standard of Public Service leadership and encourage best practices in human resource policies.

Labour Relations Improvement

- The purpose of this Chief Directorate is to enhance public service labour relations and management practices.

2.1.2   Branch: Monitoring and Evaluation

The purpose of the Branch Monitoring and Evaluation is to establish a high standard of service delivery, monitoring and good governance in the Public Service. The Branch consists of the following two Chief Directorates:

Governance Monitoring

- The purpose of this Chief Directorate is to promote good governance and improve governance practices in the Public Service.

Service Delivery and Compliance Evaluations

- The purpose of this Chief Directorate is to improve service delivery through public participation and monitoring of quality audits.

2.1.3 Branch Integrity and Anti-Corruption

The purpose of the Branch Integrity and Anti-Corruption is to undertake public administration investigations, promote a high standard of professional ethical conduct amongst public servants and contribute to the prevention and combating of corruption. The Branch consists of the following two Chief Directorates:

Public Administration Investigations

- The purpose of this Chief Directorate is to undertake audits and investigations into public administration practices.

Professional Ethics

- The purpose of this Chief Directorate is to promote a high standard of ethical conduct among public servants and contribute to preventing and combating corruption.

2.1.4 Branch Corporate Services

The purpose of the Branch Corporate Services is to manage, organise and provide administrative support to the PSC and the Office.

2.2 SUMMARY OF MEASURABLE OBJECTIVES, EXPECTED OUTCOMES, MEASURES AND TARGETS OF THE PSC'S PROGRAMME DURING MTSF PERIOD

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
BRANCH: LEADERSHIP AND MANAGEMENT PRACTICES					
Purpose: Promote sound Public Service leadership, human resource management, labour relations and labour practices					
Measurable Objective: Improve Public Service labour relations, practices and policies, monitor the standard of Public Service leadership, and evaluate human resource policies					
CHIEF DIRECTORATE: LABOUR RELATIONS IMPROVEMENT	To enhance Public Service labour relations and management practices	Grievances finalised within 3 months from date of receipt	Grievance management in the Public Service	Grievance management in the Public Service	Grievance management in the Public Service
		Fact sheet produced	Trend analysis on grievance resolution in the Public Service for the 2009/2010 financial year produced	Trend analysis on grievance resolution in the Public Service for the 2010/2011 financial year produced	Trend analysis on grievance resolution in the Public Service for the 2011/2012 financial year produced
		Report with recomendations	The management of grievances evaluated to identify best practices	Management of acting appointments in the Public Service evaluated	Research report on labour relations in the Public Service produced
		Conference hosted	Labour Relations Conference hosted	Preparations for the Labour Relations conference	Labour Relations Conference hosted
		Research Paper produced	Comparative study of collective bargaining in the Public Service conducted	Research report on labour relations in the Public Service produced	Research report on labour relations in the Public Service produced
		Report with recomendations	Report on the management of precautionary suspensions in the Public Service produced	Research report on labour relations in the Public Service produced	Research report on labour relations in the Public Service produced
		Legal advice provided	Legal support to the PSC and the Office provided	Legal support to the PSC and the Office provided	Legal support to the PSC and the Office provided
Regional Integration	To render secretariat service to the Association of African Public Services Commission	• Minutes of meetings approved • Website updated	Secretariat support rendered to the Association of African Public Services Commission (AAPSComs)	Secretariat support rendered to the AAPSComs	Secretariat support rendered to the AAPSComs
CHIEF DIRECTORATE: LEADERSHIP AND HUMAN RESOURCE REVIEWS	To promote a high standard of Public Service leadership and encourage best practices in human resource policies	Report with recommendations	Human Resource Development practices in the Public Service assessed	Retention strategies in the Public Service evaluated	A research report on human resource practice in the Public Service produced
		Report with recommendations	Employee satisfaction in the Public Service assessed	A research report on human resource practice in the Public Service produced	A research report on human resource practice in the Public Service produced
		Report with recommendations	Requests for investigations into human resource practices in the Public Service responded to	Requests for investigations into human resource practices in the Public Service responded to	Requests for investigations into human resource practices in the Public Service responded to

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
		Report with recommendations	The implementation of the Performance Management Development System for Senior Managers in the Western Cape Province assessed	The implementation of the Performance Management and Development System for Senior Managers in a Province assessed	The implementation of the Performance Management and Development System for Senior Managers in a Province assessed
		Report with recommendations	The implementation of recruitment and selection practices in local government assessed	The effectiveness of learnership and internship programmes within selected departments assessed	A research report on human resource practice in the Public Service produced
		• Advice provided to EAs on the quality of PAs in accordance with the SMS Handbook • Technical briefs produced	HoDs Performance Agreements (PAs) monitored and evaluated	HoDs PAs monitored and evaluated	HoDs PAs monitored and evaluated
		• Guidelines published • All qualifying HoDs evaluated • Technical briefs produced	HoD evaluation process managed and strengthened	HoD evaluation process managed and strengthened	HoD evaluation process managed and strengthened
		Advice provided to EAs on the performance of their departments	Organisational Performance Assessment Framework applied	Organisational Performance Assessment Framework applied	Organisational Performance Assessment Framework applied
		Report with recommendations	HoD evaluation process reviewed		
BRANCH:	**MONITORING AND EVALUATION**				
Purpose:	**Establish high standard of service delivery, monitoring and good governance in the Public Service**				
Measurable objective:	**Improve governance practices and conduct service delivery assessments in the Public Service**				
CHIEF DIRECTORATE: GOVERNANCE MONITORING	Improve governance and service delivery by providing departments with monitoring and evaluation information and analysis	• Reports with recommendations • Theme approved	State of the Public Service assessed	State of the Public Service assessed	State of the Public Service assessed
		• Reports with recommendations • Compliance with accepted research and M&E standards	Reports on the evaluation findings of departments' adherence to the Constitutional Principles of Public Administration produced	Reports on the evaluation findings of departments' adherence to the Constitutional Principles of Public Administration produced	Reports on the evaluation findings of departments' adherence to the Constitutional Principles of Public Administration produced
		Report with recommendations	Consolidated M&E Reports produced	Consolidated M&E Reports produced	Consolidated M&E Reports produced
		Reviewed assessment framework	Transversal PSM&ES Assessment framework reviewed and implemented	Transversal PSM&ES Assessment framework fine tuned as necessary	Transversal PSM&ES Assessment framework fine tuned as necessary
		Fact sheet produced	Fact sheet on the state of the Public	Fact sheet on the state of the Public	Fact sheet on the state of the Public

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
			Service in a province produced	Service in a province produced	Service in a province produced
CHIEF DIRECTORATE: SERVICE DELIVERY AND COMPLIANCE EVALUATIONS	To promote improved service delivery through public participation and monitoring of quality audits	Report with recommendations	Citizen Satisfaction Survey conducted based on the key drivers of citizen satisfaction	Citizen Satisfaction Survey conducted based on the key drivers of citizen satisfaction	Citizen Satisfaction Survey conducted based on the key drivers of citizen satisfaction
		Report with recommendations	Consolidated Report on Inspections in the Department of Health produced	Consolidated Report on Inspections conducted during 2010/11	Consolidated Report on Inspections conducted during 2011/12
		Report with recommendations	Inspections conducted in the Department of Police focusing on Detective Services at the Police Stations	Inspections conducted in the Department of Justice and Constitutional Development focusing 5 Master of High Courts and selected Magistrate courts in 4 provinces(focusing on family courts	Service Delivery Inspections conducted
		Report with recommendations	The effectiveness of *Batho Pele* in public service delivery assessed	The implementation of the Template on Public Participation supported	The implementation of the Template on Public Participation supported
		Report with recommendations	The role of agencification on public service delivery in selected sectors evaluated	A research report on service delivery improvement measures produced	A research report on service delivery improvement measures produced
		Oversight guide produced	Oversight guide on the organization of Public Service	Assessment of the organization of the Public Service in one province	Assessment of the organization of the Public Service in one province
BRANCH:	**INTEGRITY AND ANTI-CORRUPTION**				
Purpose:	**Undertake public administration investigations, promote a high standard of ethical conduct amongst public servants and contribute to preventing and combating corruption**				
Measurable Objective:	**Combat corruption and maladministration, and promote professional ethics within the Public Service**				
CHIEF DIRECTORATE: PUBLIC ADMINISTRATION INVESTIGATIONS	To undertake audits and investigations into public administration practices	• Reports with findings and recommendations • Best practices identified	Investigation conducted of complaints lodged and requests emanating from: • The Commission (proactively) • Executive Authorities • Public servants • Anonymous complaints/ whistle-blowers; eg National Ant-Corruption Hotline	Investigation conducted of complaints lodged and requests emanating from: • The Commission (proactively) • Executive Authorities • Public servants • Anonymous complaints/ whistle-blowers; eg National Ant-Corruption Hotline	Investigation conducted of complaints lodged and requests emanating from: • The Commission (proactively) • Executive Authorities • Public servants • Anonymous complaints/ whistle-blowers; eg National Ant-Corruption Hotline
		Report with recommendations	Report on Financial Misconduct for the 2009/2010 financial year produced	Overview on Financial Misconduct for the 2010/2011 financial year produced	Report on Financial Misconduct for the 2011/2012 financial year produced
		Report with recommendations	Trend analysis on complaints lodged with the PSC during the 2009/2010 financial year produced	Trend analysis on complaints lodged with the PSC during the 2010/2011 financial year produced	Trend analysis on complaints lodged with the PSC during the 2011/2012 financial year produced

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
CHIEF DIRECTORATE: PROFESSIONAL ETHICS	To promote profess-sional ethics and integrity and prevent and combat corruption in the Public Service	Advice provided to Executive Authorities	Management of Asset Register	Management of Asset Register	Management of Asset Register
		Concept document developed	Concept Document on lifestyle audits produced	The management of conflicts of interest at local government level evaluated	Lifestyle audits on a sample of SMS Members in the Public Service conducted
		• Case referral system in place • Reports with findings and recommendations • Workshops conducted	National Anti-Corruption Hotline (NACH) managed	NACH managed	NACH managed
		Report with recommendations	Biennial assessment of the effectiveness of the NACH conducted	One research project in the area of corruption prevention and combating produced	Biennial assessment of the effectiveness of the NACH conducted
		Web-enabled NACH system launched	Web-enabled NACH system rolled out	Web-enabled NACH system managed and strengthened	Web-enabled NACH system managed and strengthened
		Report with recom-mendations	State of integrity in 3 National Departments assessed	State of integrity in selected departments assessed	State of integrity in selected departments assessed
		Report with recom-mendations	State of professional ethics in the North West Province assessed	State of professional ethics in a Province assessed	State of professional ethics in a Province assessed
		Minutes of meetings approved	Secretariat support provided to the National Anti-Corruption Forum	Secretariat support provided to the National Anti-Corruption Forum	Secretariat support provided to the National Anti-Corruption Forum
		Reports with recom-mendations	Projects of the National Anti-Corruption Programme (NACP) co-ordinated	Projects of the National NACP co-ordinated	Projects of the NACP co-ordinated
		Promotional material produced Workshops conducted	Ethics awareness in the Public Service intensified and Code of Conduct promoted	Ethics awareness in the Public Service intensified and Code of Conduct promoted	Ethics awareness in the Public Service intensified and Code of Conduct promoted
BRANCH:	**CORPORATE SERVICES**				
Purpose:	**Manage, organise and provide administration support to the PSC and its Office**				
Measurable objective:	**Provision of logistical and management support through efficient human resources management, accountable financial management, effective communication and information technology service**				
Internal Audit	To improve internal controls	Internal controls in place	Internal audit coverage plan developed and implemented	Internal audit coverage plan developed and implemented	Internal audit coverage plan developed and implemented
		Updated Gift Register	Gift Register managed	Gift Register managed	Gift Register managed
Financial Manage-ment and Admini-stration	To promote sound financial management	Funds surrendered to the National Treasury do not exceed 2%	Expenditure against budget monitored	Expenditure against budget monitored	Expenditure against budget monitored
			Project budgeting and costing undertaken	Project budgeting and costing undertaken	Project budgeting and costing undertaken

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
		Increased funding for PSC work plan activities	Adequate funding for PSC work plan activities obtained	Adequate funding for PSC work plan activities obtained	Adequate funding for PSC work plan activities obtained
		• Financial transactions accurately recorded • Clean audit report	Financial reports that fairly and accurately present the financial position of the PSC	Financial reports that fairly and accurately present the financial position of the PSC	Financial reports that fairly and accurately present the financial position of the PSC
		Performance information reported	Quarterly Report on performance information	Quarterly Report on performance information	Quarterly Report on performance information
Supply Chain Management	To ensure accountable supply chain management	Updated asset register	Asset register maintained	Asset register maintained	Asset register maintained
		SCM policy adhered to Service level agreements in place	Supply chain management implemented	Supply chain management implemented	Supply chain management implemented
		Logistics policies complied with	Logistics policies implemented	Logistics policies implemented	Logistics policies implemented
Property Management	To improve Property Management	• Office accommodation leases procured on time • Rental and municipal levies paid • Problems identified and addressed	Properties/ physical properties managed	Properties/ physical properties managed	Properties/ physical properties managed
Security Services	To provide effective and efficient security management	Access control measures implemented	Visitors and documents screened	Visitors and documents screened	Visitors and documents screened
		Upgraded security system	Security systems installed in selected regional offices	Security systems installed in selected regional offices	Security systems installed in selected regional offices
		Risks and threats minimised through handling of emergencies	Security Policy and Contingency Plan implemented and monitored	Security Policy and Contingency Plan implemented and monitored	Security Policy and Contingency Plan implemented and monitored
Communication and Information Services	To strengthen inter-nal communication	Bi-monthly newsletters produced	Internal PSC newsletter developed	Internal PSC newsletter developed	Internal PSC newsletter developed
		Information and Learning Sessions held	Information and Learning Sessions held	Information and Learning Sessions held	Information and Learning Sessions held
		Minutes drafted and approved	Secretariat support provided to MANCO and other OPSC events	Secretariat support provided to MANCO and other OPSC events	Secretariat support provided to MANCO and other OPSC events
		Updated Intranet	PSC intranet managed	PSC intranet managed	PSC intranet managed
		• On-line support provided timeously • Properly equipped resource centre	Information Resource Centre equipped with relevant material	Information Resource Centre equipped with relevant material	Information Resource Centre equipped with relevant material

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
	To enhance the corporate image of the PSC	Corporate identity manual produced	Corporate Identity Manual developed	Corporate Identity Manual developed	Corporate Identity Manual developed
		PSC reports standardised	Printing and related requirements managed	Printing and related requirements managed	Printing and related requirements managed
		Annual Report produced that adheres to the Treasury Guidelines	PSC Annual Report developed	PSC Annual Report developed	PSC Annual Report developed
		Annual Report to Citizens produced	Annual Report to Citizens developed	Annual Report to Citizens developed	Annual Report to Citizens developed
	To strengthen external communication	Media liaison activities successfully coordinated	Media relations managed	Media relations managed	Media relations managed
		PSC Magazine produced	PSC Magazine developed	PSC Magazine developed	PSC Magazine developed
		PSC work communicated to stakeholders	Advocacy support provided to the PSC	Advocacy support provided to the PSC	Advocacy support provided to the PSC
	To ensure com-pliance with the Promotion of Access to Information Act (PAIA)	Manual produced which adheres to PAIA	Annual Review of Section 15 Notice and Promotion of Access to Information Manual conducted	Annual Review of Section 15 Notice and Promotion of Access to Information Manual conducted	Annual Review of Section 15 Notice and Promotion of Access to Information Manual conducted
Information Technology	To provide effective and efficient IT support	• Network connectivity at 90% uptime • Logged faults resolved within 4 hours	IT infrastructure, systems and services maintained	IT infrastructure, systems and services maintained	IT infrastructure, systems and services maintained
		Cost effective telephony services provided	Internet Protocol Telephony (IP Telephony) implemented		
		• Data centrally stored and archived • Data protection and recovery simplified	Storage Access Network (SAN) technology implemented	SAN maintenance	SAN infrastructure review and upgrade
		Increased productivity and lower communications costs	Virtual Fax implemented	Virtual Fax maintenance	Virtual Fax infrastructure review and upgrade
Human Resource Management	To promote efficient and effective HR planning	Vacancies filled within 3 months after becoming vacant	Vacancies timeously filled	Vacancies timeously filled	Vacancies timeously filled
		PWDs to comprise at least 2% of staff	Employment of People with Disabilities (PWDs)	Employment of People with Disabilities (PWDs)	Employment of People with Disabilities (PWDs)

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
		employed Women to comprise at least 50% of staff employed at management level	Employment of women in all management levels	Employment of women in all management levels	Employment of women in all management levels
		HR Policies approved	HR Policies revised and implemented	HR Policies revised and implemented	HR Policies revised and implemented
Human Resource Development	To establish and manage the men-torship programme	Mentorship programme in place	Mentorship programme in the OPSC implemented	Mentorship programme in the OPSC implemented	Mentorship programme in the OPSC implemented
	Development and training of the workforce	Workplace Skills Plan produced Annual Training Report produced	Workplace Skills Plan and the Annual Training Report developed	Workplace Skills Plan and the Annual Training Report developed	Workplace Skills Plan and the Annual Training Report developed
	To encourage usage of the Employee Wellness Programme (EWP)	EWP utilisation improved	EWP promote, monitored and evaluated	EWP promote, monitored and evaluated	EWP promote, monitored and evaluated
	To contribute to social cohesion	Events hosted	National and International Special events and programmes commemorated in line with the National Calendar of Events from the Presidency (Special Programmes)	National and International Special events and programmes commemorated in line with the National Calendar of Events from the Presidency (Special Programmes)	National and International Special events and programmes commemorated in line with the National Calendar of Events from the Presidency (Special Programmes)
	To implement the Employee Per-formance Manage-ment and Improve-ment System (EPMIS) and Performance Management and Development System (PMDS)	EPMIS and PMDS implemented	EPMIS and PMDS linked to the OPSC's objectives, and applied in a sound, reliable and objective manner	EPMIS and PMDS linked to the OPSC's objectives, and applied in a sound, reliable and objective manner	EPMIS and PMDS linked to the OPSC's objectives, and applied in a sound, reliable and objective manner
	To improve service delivery with measurable standards	Approved service standards adhered to Approved Service Delivery Improvement Plan (SDIP)	Implementation and monitoring of service delivery standards facilitated Compile the SDIP for 2011/12	Implementation and monitoring of service delivery standards facilitated Compile the SDIP for 2012/13	Implementation and monitoring of service delivery standards facilitated Compile the SDIP for 2013/14
	To promote sound	Adherence to prescribed	Discipline and grievances in the	Discipline and grievances in the	Discipline and grievances in the

Key Performance Area	Objective	Indicators	2010/11	2011/12	2012/13
	labour relations in the OPSC	time frames	OPSC managed	OPSC managed	OPSC managed
		Consultations conducted with organised labour on matters of mutual interest	OPSC Departmental Bargaining Chamber supported	OPSC Departmental Bargaining Chamber supported	OPSC Departmental Bargaining Chamber supported

CHAPTER 3: INSTITUTION BUILDING AND SUPPORT

The institution building and support structure of the PSC functions in terms of the legislative and policy framework applicable to the Public Service. It provides office support services, manages departmental personnel and finances, ensures effective communication and information technology, as well as exercises control over assets and infrastructure.

3.1 HUMAN RESOURCES

The high quality and volume of the work of the PSC is still disproportionate to the size of its establishment. The approved staff establishment of the PSC is 248, including Commissioners. Due to the relatively low increase in funding for the compensation of employees, the organogram of the PSC has remained the same as last year.

As at 31 January 2010, 18 posts were vacant, including 4 posts of Commissioner. The PSC has continued to ensure that vacant posts are filled timeously. However, during the second half of the 2009/10, the PSC placed on hold the filling of vacant posts due to budgetary constraints.

Furthermore, the Minister for the Public Service and Administration approved that the maximum cap of 1% of the wage bill for the purpose of pay progression be increased to 2% without any additional funding being provided by the National Treasury for this purpose. This will undoubtedly have serious financial implications for the PSC.

The PSC once again requested additional funding from the National Treasury to improve its capacity constraints but to no avail. The lack of additional funding from the National Treasury resulted in the PSC being unable to adequately address its human capital needs as well as the high expectations from its stakeholders.

The table below provides a breakdown of the levels of employees and the race and gender per level within the organisation as at 31 January 2010:

LEVEL	AFRICANS			COLOUREDS			INDIANS			WHITES			SUB TOTAL		TOTAL
	F#	M*	T+	F#	M*	T+	F#	M*	T+	F#	M*	T+	F#	M*	
01 to 08	54	33	**87**	6	1	**7**	2	0	**2**	3	1	**4**	65	35	**100**
09 to 12	33	28	**61**	2	3	**5**	2	0	**2**	5	7	**12**	42	38	**80**
13 to 16	13	24	**37**	1	2	**3**	1	2	**3**	4	3	**7**	19	31	**50**
TOTAL	**100**	**85**	**185**	**9**	**6**	**15**	**5**	**2**	**7**	**12**	**11**	**23**	**126**	**104**	**230**

  # = Female   * = Male   + = Total

In January 2010, females represented 40% (16) of the total staff compliment of SMS members (40). The decline was as a result of two female SMS members who left the employ of the PSC. The total number of female employees increased from 116 in March 2009 to 126 in January 2010 which translated to 54.8 of the total staff compliment. The PSC has decided to focus specific attention on gender representivity at all levels within the organisation. As of 31 January 2010, the PSC had in its employ six people with disabilities, which translated to 2.7% of the total staff compliment. The PSC has therefore exceeded the national target of 2% by 0.7%. The PSC will continue to demonstrate its commitment to the employment of people with disabilities especially at middle and senior management service levels.

The PSC's human resource needs for research, professional and technical competencies are steadily being improved through the development of skills of its employees. Despite budgetary constraints, the PSC managed to send 70 officials to attend various training courses. The PSC will continue to develop its human capital and will implement a retention strategy to enable it to deliver on its mandate.

Improving the human resource capacity in the PSC will reduce work overload and stress levels of employees. In addition, in order to improve staff morale to deliver on the organizational mandate and to cultivate a spirit of camaraderie amongst staff, the performance of staff is evaluated on a regular basis, an Employee Wellness Programme has been implemented, and information sessions are hosted regularly.

3.2   INTERNAL AUDIT AND RISK ANALYSIS

Given the size of the organization, the PSC has outsourced its internal audit function to SAB&T. The contract is for the period of 36 months effective from 01 October 2007. SAB&T assists the PSC in accomplishing its objectives to evaluate and improve the effectiveness of the organisation's risk management, internal control as well as governance processes.

In order to actively monitor the risk appetite of the PSC, to prevent and detect fraud, a Fraud Prevention and Risk Management Committee was established in 2008. The Committee meets on a quarterly basis. It facilitates the implementation of the Fraud Prevention Plan, as well as the Risk Management Strategy, and reports to the Audit Committee.

3.3   INFORMATION TECHNOLOGY DEVELOPMENT

The investment made on Microsoft Enterprise (Licensing Agreement) by the PSC has enabled it to develop an electronic database using Microsoft SharePoint Server infrastructure. During the current financial year, the PSC successfully defined and documented the business processes for the development of an electronic database

system management for the Financial Disclosure Framework (FDF). Furthermore, an electronic database for the Implementation of PSC Recommendations has been developed.

The aforesaid Information and Communication Technology (ICT) business processes development requires the PSC to embark on the implementation of a consolidated and interoperable Storage Access Network (SAN) that will play a very important role in the OPSC overall storage strategy. The Storage and Archiving Solution saves critical space on file servers by seamlessly moving files to alternative storage devices without any impact on the end-user. There are currently five possible sources of data to be stored and archived that is, the FDF data, Implementation of PSC Recommendations data, E-mail data and the Electronic Filing System data.

In order to use ICT efficiently the PSC will also implement Internet Protocol (IP) Telephony. The IP telephony will ensure the delivery of convergence network of telephony services, voice and data through internet protocol to achieve cost reduction and integration of services.

3.4   FINANCIAL REPORTING AND CORPORATE MANAGEMENT

3.4.1   CORPORATE GOVERNANCE AND MANAGEMENT

The PSC continues to have appropriate governance structures which are established to promote accountability. These are:

Public Service Commission Plenary

Plenary is the highest decision making body of the PSC and is constituted by the 14 Commissioners. All policy decisions of the PSC are taken at Plenary. The DG of the OPSC and officials designated by him are present at meetings of the PSC and are fully participative members of such meetings to support and advise the PSC on its functions. Plenary meetings are held at least once every quarter.

Executive Committee

The Executive Committee (EXCO) comprises Pretoria based Commissioners, one Provincially-based Commissioner attending on a six-monthly rotational basis and the Executive Management of the Office of PSC. It meets monthly to consider and make operational decisions within the parameters of the policy framework including ad-hoc projects. These are subsequently ratified at full plenary where all the Commissioners are present.

Specialist Teams

The Specialists Teams comprise selected Senior Officials from the Office of the PSC as well as selected Commissioners. These meet on a quarterly basis to consider progress on projects and related issues. There are four (4) Specialists Teams, namely:

- Leadership and Management Practices
- Monitoring and Evaluation
- Integrity and Anti-Corruption
- Institution Building and Strategic Operations

Executive Management Committee

This Committee consists of Executive Management from the Office of the PSC. It meets on a monthly basis to consider policy and management issues affecting the Office of the PSC.

Management Committee

This is a Forum comprising Executive and Senior Managers from the Office of the PSC. The purpose of this Forum is to discuss project related issues and to engage on the strategic planning exercise as well as to give feedback to Senior Managers on policy and management decisions taken at the other governance structures. This Forum meets on a quarterly basis.

3.4.2 FINANCIAL MANAGEMENT

Sound financial management continues to be a hallmark in running the organisation. Year in and year out this is demonstrated in its unqualified audits, internal structures such as Budget and Procurement Committees, and its expenditure trends.

Since the introduction of the project costing model in 2006, all project proposals submitted to the PSC are accompanied by a detailed costing of the relevant project. This is to provide accurate information relating to projects, budgets prior to the approval of a project.

3.4.3 SUPPLY CHAIN MANAGEMENT

In order to maintain its track record of unqualified audits, the PSC continues to implement strong control measures regarding the acquisition of goods and services. All bids awarded with a value of more than R100 000 are presented to the Institutional Building and Strategic Support Team on a quarterly basis with a view of strengthening and enhancing accountability. In order to ensure proper supplier rotation and transparency, quotations above R30 000 are evaluated by the Bid Evaluation Committee.

A proper supplier database has been set-up to enforce the rotation of suppliers as well as the promotion of Black Economic Empowerment (BEE) enterprises and Historically Disadvantaged Individuals (HDIs).

3.5   COMMUNICATION AND INFORMATION SERVICES

The PSC has made strides in ensuring that its research work contributes to sound public administration and reaches a wider audience through various communication tools such as media and exhibitions. Furthermore, the PSC has vigorously engaged stakeholders on its work through knowledge sessions, roundtable discussions and workshops. Likewise, Reports published by the PSC are tabled in Parliament and Provincial Legislatures timeously in accordance with Section 196 (4)(e) of the Constitution, 1996.
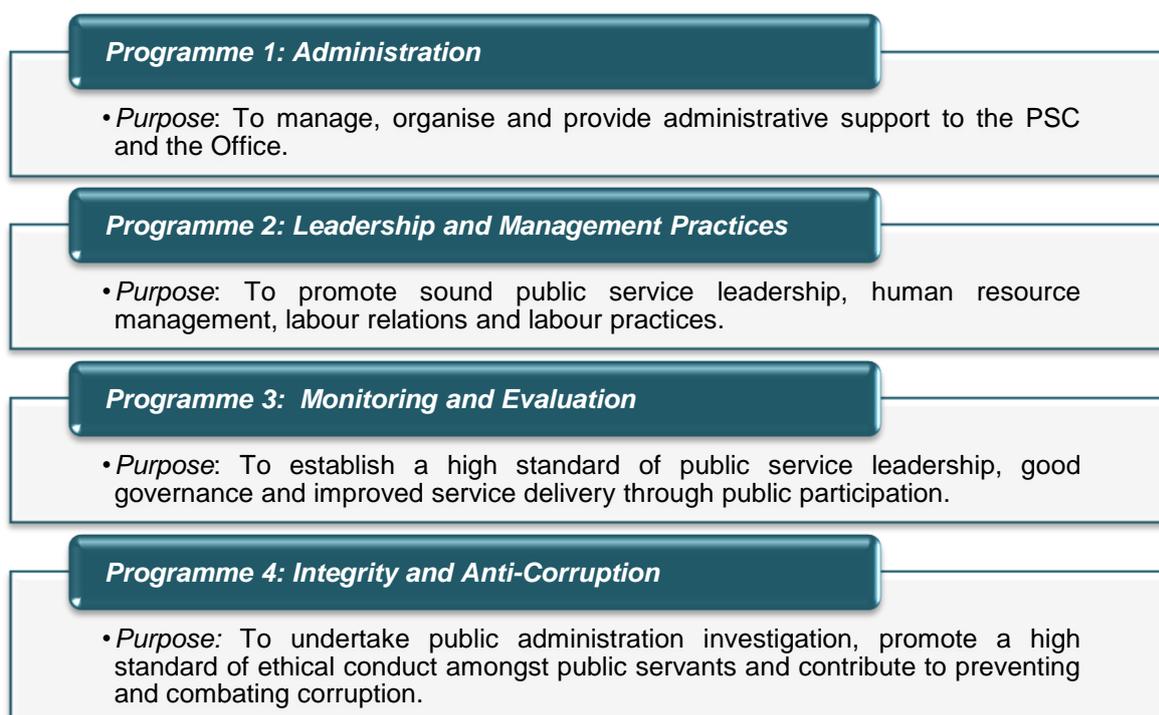
In its endeavor to further enhance internal communication, information sessions aimed at exchanging ideas as well as celebrating key national events are held. Similarly, a management newsletter conveying information pertaining to key organizational developments is produced.

CHAPTER 4: MEDIUM TERM EXPENDITURE FRAMEWORK

4.1 MEDIUM TERM EXPENDITURE FRAMEWORK ESTIMATES

4.1.1 PSC's programme structure

The PSC's programme structure is divided into four programmes, namely:

Programme 1: Administration

- *Purpose*: To manage, organise and provide administrative support to the PSC and the Office.

Programme 2: Leadership and Management Practices

- *Purpose*: To promote sound public service leadership, human resource management, labour relations and labour practices.

Programme 3: Monitoring and Evaluation

- *Purpose*: To establish a high standard of public service leadership, good governance and improved service delivery through public participation.

Programme 4: Integrity and Anti-Corruption

- *Purpose:* To undertake public administration investigation, promote a high standard of ethical conduct amongst public servants and contribute to preventing and combating corruption.

4.1.2 Distribution of funds amongst the four programmes

The following tables give an indication of the distribution of funds amongst the four programmes as well as the distribution according to the economic classification of expenditure over the medium term:

EXPENDITURE ESTIMATES PER PROGRAMME

PROGRAMME	2010/11	2011/21	2012/13
	R'000	R'000	R'000
1. Administration	67 878	73 899	76 684
2. Leadership and Management Practices	21 150	22 825	23 755
3. Monitoring and Evaluation	21 805	23 424	24 309
4. Integrity and Anti-Corruption	22 933	25 364	26 484
TOTAL	**133 766**	**145 512**	**151 232**

EXPENDITURE ESTIMATES PER ECONOMIC CLASSIFICATION OF EXPENDITURE

ITEM	2010/11	2011/21	2012/13
	R'000	R'000	R'000
Compensation of employees	102 584	113 455	118 483
Goods and services	30 395	31 227	31 919
Transfers to foreign government and internal organizations	40	45	45
Payment for capital assets	747	785	786
TOTAL	**133 766**	**145 512**	**151 232**

4.1.3 Expenditure trends

Expenditure is set to increase at an average annual rate of 8.6% over the MTEF period, due to additional funds received for capacity and salary increases.

Additional amounts of R3, 090 million, R3, 606 million and R3, 911 million were allocated for 2008/09, 2009/10 and 2010/11 respectively, due to inflation related adjustments on compensation of employees and payments for capital assets.

The PSC has continued to operate within the confines of limited resources. However, these limited resources were further reduced by R1, 951 million, R3,574 million and R5, 433 million over the MTEF period as a result of the deterioration of the current global economic environment and the domestic economic outlook.

Compensation of employees, which on average accounts for 76% of the programme's expenditure, will continue to grow at an average annual rate of 6.91% over the MTEF, contributing to the growth of total expenditure.

4.1.4 Proposed acquisition of fixed or movable capital assets

The PSC does not plan to acquire fixed or movable capital assets over the MTEF period.

4.1.5 Proposed acquisition of financial assets or capital transfers

The PSC does not plan to acquire financial or capital assets over the MTEF period.

4.2 MULTI-YEAR PROJECTIONS OF INCOME AND PROJECTED RECEIPTS

The following table sets out the PSC's estimated receipts over the medium term:

ITEMS	2010/11	2011/21	2012/13
	R'000	R'000	R'000
Sale of goods and services	40	42	44
Interest	28	30	32
Financial transactions in assets and liabilities	181	192	198
Total	**249**	**264**	**274**

The PSC receives very small amounts of money from other sources of income. Only small commissions are received from financial institutions as a result of deductions from employees' salaries on their behalf.

Financial transactions include the capital repayment of loans on bursaries, fees charged for parking facilities and private use of telephone.

A more detailed breakdown of expenditure and anticipated outputs for the PSC is reflected in the Estimates of National Expenditure for 2009, Vote 10.

CHAPTER 5:   CONCLUSION

The PSC has compiled this Medium Term Strategic Plan (MTSP) in line with the Estimates of Public Expenditure. Although the PSC has in the past managed to achieve beyond its actual capacity, this is not sustainable. The impact of the resource constraints confronted by the PSC in fulfilling its mandate are outlined in this MTSP and, among others, shows that the PSC needs to strengthen labour relations, promote Public Service leadership, strengthen M&E, intensify professional ethics and strengthen capacity to manage the NACH. The PSC will also have to manage other challenges such the need to deepen stakeholder relationships and engagement, as well as the global economic crisis.

Notwithstanding the challenges faced, the PSC will, through the MTEF period, aim to ensure that it meets the stated objectives in line with its mandate. In so doing, this strategic framework is firmly based on the main functions and powers of the PSC in terms of section 196(4) of the Constitution, 1996.