

Vote 10

Public Service and Administration

R thousand	2006/07			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	325 610	442 426	-	116 816
<i>of which:</i>				
Current payments	323 027	362 710	-	39 683
Transfers and subsidies	409	75 670	-	75 261
Payments for capital assets	2 174	4 046	-	1 872
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of Public Service and Administration			

Aim

The aim of the Department of Public Service and Administration is to lead the modernisation of the public service by assisting government departments to implement their management policies, systems and structural solutions, within a generally applicable framework of norms and standards, to improve service delivery.

Changes to programme purposes and measurable objectives

No changes were made to programme purposes or measurable objectives

Adjusted Estimates of National Expenditure 2006

Table 10.1: Public Service and Administration

Programme	2006/07						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	52 137	-	-	8 321	-	8 321	60 458
2. Integrated Human Resource Management and Development	38 579	-	-	(4 117)	-	(4 117)	34 462
3. Management of Compensation	100 667	-	-	(1 441)	70 000	68 559	169 226
4. Information and Technology Management	24 714	-	-	(694)	14 017	13 323	38 037
5. Service Delivery Improvement	65 737	-	-	(1 098)	1 400	302	66 039
6. Public Sector Anti-Corruption	24 124	13 000	-	(944)	-	12 056	36 180
7. International and African Affairs	12 683	-	18 399	1 765	-	20 164	32 847
8. Planning, Monitoring and Evaluation	6 969	-	-	(1 792)	-	(1 792)	5 177
Total	325 610	13 000	18 399	-	85 417	116 816	442 426

Table 10.1: Public Service and Administration (continued)

R thousand	2006/07						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	323 027	13 000	18 399	(7 133)	15 417	39 683	362 710
Compensation of employees	93 463	-	-	-	-	-	93 463
Goods and services	229 564	13 000	18 399	(7 133)	15 417	39 683	269 247
Transfers and subsidies	409	-	-	5 261	70 000	75 261	75 670
Provinces and municipalities	147	-	-	(58)	-	(58)	89
Departmental agencies and accounts	2	-	-	(2)	-	(2)	-
Foreign governments and international organisations	260	-	-	225	-	225	485
Public corporations and private enterprises	-	-	-	5 030	70 000	75 030	75 030
Households	-	-	-	66	-	66	66
Payments for capital assets	2 174	-	-	1 872	-	1 872	4 046
Machinery and equipment	1 908	-	-	2 037	-	2 037	3 945
Software and other intangible assets	116	-	-	(15)	-	(15)	101
Land and subsoil assets	150	-	-	(150)	-	(150)	-
Total	325 610	13 000	18 399	-	85 417	116 816	442 426

Details of adjustments to Estimates of National Expenditure 2006

Roll-overs – R13 million

Programme 6: Public Sector Anti-Corruption

R13 million has been rolled over for hosting the Global Forum V on Fighting Corruption and Safeguarding Integrity and the Africa Anti-Corruption meeting.

Unforeseeable and unavoidable expenditure – R18,399 million

Programme 7: International and African Affairs

R18,399 million has been allocated to the African Peer Review Mechanism for the extensive mobilisation activities around the programme.

Virements

Table 10.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(33)	8 354	
Current payments	-	6 764	
Compensation of employees	-	4 591	Funds shifted from compensation of employees (in programmes 2, 4 and 8) will be used for various critical posts that were filled, and for pay progression and performance awards.
Goods and services	-	2 173	Funds shifted from goods and services (in programmes 3, 5 and 8) will be used for finalising the department's relocation.

Table 10.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
Transfers and subsidies	(33)	56	
Provinces and municipalities	(28)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	(5)	-	Payments for foreign subscriptions have been centralised under programme 7 for recording and consolidation purposes.
Households	-	56	Funds shifted from gifts and donations under transfers to foreign governments and international organisations (in programmes 2, 3, 4, 6 and 8) will be used for gifts presented to DPSA officials with the opening of the new building.
Payments for capital assets	-	1 534	
Machinery and equipment	-	1 534	Funds shifted from software and other intangible assets (in programme 3) and goods and services (in programme 5) will be used for finalising the department's relocation.
2. Integrated Human Resource Management and Development	(4 178)	61	
Current payments	(4 144)	-	
Compensation of employees	(4 043)	-	Savings are due to vacant posts. Critical posts are being filled in a phased manner over three years.
Goods and services	(101)	-	Incorrectly classified funds have been shifted to machinery and equipment in programme 1.
Transfers and subsidies	(34)	9	
Provinces and municipalities	(13)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	(21)	-	Savings were made on gifts and donations.
Households	-	9	Funds shifted from transfers to foreign governments and international organisations (in this programme) will be used for gifts presented to DPSA officials with the opening of the new building.
Payments for capital assets	-	52	
Machinery and equipment	-	14	Funds shifted from transfers to provinces and municipalities (in this programme) will be used to buy additional computers due to increased appointments.
Software and other intangible assets	-	38	Funds shifted from goods and services (in this programme) will be used to buy additional software due to increased appointments.
3. Management of Compensation	(6 478)	5 037	
Current payments	(6 407)	-	
Compensation of employees	(724)	-	Savings are due to vacant posts. Critical posts are being filled in a phased manner over three years.
Goods and services	(5 683)	-	With Treasury approval, R5 million was reclassified to GEMS. R683 000 was saved on consultancy services.
Transfers and subsidies	(13)	5 000	
Provinces and municipalities	(3)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	(10)	-	Savings were made on gifts and donations.
Public corporations and private enterprises	-	5 000	These funds were reclassified from goods and services for GEMS.
Payments for capital assets	(58)	37	
Machinery and equipment	-	37	Funds shifted from software and other intangible assets (in this programme) will be used to buy additional computer equipment.
Software and other intangible assets	(58)	-	Savings were made on buying software.
4. Information and Technology Management	(694)	-	
Current payments	(427)	-	
Compensation of employees	(427)	-	Savings are due to vacant posts. Critical posts are being filled in a phased manner over three years.
Transfers and subsidies	(12)	-	
Provinces and municipalities	(4)	-	Savings arose because RSC levies were phased out after June 2006.
Departmental agencies and accounts	(2)	-	No further transfers to SITA are anticipated.
Foreign governments and international organisations	(6)	-	Savings were made on gifts and donations.
Payments for capital assets	(255)	-	
Machinery and equipment	(255)	-	Buying new office furniture has been centralised in programme 1.

Table 10.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
5. Service Delivery Improvement	(2 175)	1 077	
Current payments	(2 156)	416	
Compensation of employees	-	416	Funds shifted from compensation of employees (in programme 6) will be used for vacancies that have been filled.
Goods and services	(2 156)	-	Tenders that were finalised late gave rise to these savings.
Transfers and subsidies	(19)	30	
Provinces and municipalities	(4)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	(15)	-	Savings were made on gifts.
Public corporations and private enterprises	-	30	Funds shifted from transfers to foreign governments and international organisations and goods and services (in this programme) will be used for the innovation awards presented by the Centre for Public Service Innovation.
Payments for capital assets	-	631	
Machinery and equipment	-	626	Funds shifted from goods and services (in this programme) will be used for buying additional computers due to increased appointments.
Software and other intangible assets	-	5	Funds shifted from goods and services (in this programme) will be used for buying additional computers due to increased appointments.
6. Public Sector Anti-Corruption	(961)	17	
Current payments	(960)	-	
Compensation of employees	(943)	-	Savings are due to vacant posts. Critical posts are being filled in a phased manner over three years.
Goods and services	(17)	-	Incorrectly classified funds were shifted to machinery and equipment.
Transfers and subsidies	(1)	-	
Foreign governments and international organisations	(1)	-	Funds for gifts and donations were reallocated to priority areas in programme 1.
Payments for capital assets	-	17	
Machinery and equipment	-	17	Funds were reclassified from goods and services.
7. International and African Affairs	(319)	2 084	
Current payments	(318)	1 765	
Compensation of employees	-	1 765	Funds shifted from compensation of employees in programmes 2, 3, 4, 6 and 8 will be used for vacancies that have been filled.
Goods and services	(318)	-	R285 000 was incorrectly classified and has been shifted to transfers to foreign governments and international organisations. R33 000 was incorrectly classified and has been shifted to machinery and equipment.
Transfers and subsidies	(1)	286	
Provinces and municipalities	(1)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	-	285	Incorrectly classified funds have been shifted from goods and services and will be used for increased annual subscription fees.
Households	-	1	Funds shifted from transfers to provinces and municipalities will be used for an ex-gratia payment on a medical consultation.
Payments for capital assets	-	33	
Machinery and equipment	-	33	Incorrectly classified funds have been shifted from goods and services and will be used to buy additional computers due to increased appointments.
8. Planning, Monitoring and Evaluation	(1 823)	31	27% of this programme's current expenditure were shifted which resulted from savings in the Single Public Service project
Current payments	(1 666)	-	
Compensation of employees	(635)	-	Savings are due to vacant posts. Critical posts are being filled in a phased manner over three years.
Goods and services	(1 031)	-	Since the monitoring and evaluation part of the Single Public Service project will not take place this year, there are savings of R1 million. R31 000, incorrectly classified here, was shifted to machinery and equipment.
Transfers and subsidies	(7)	-	
Provinces and municipalities	(5)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	(2)	-	Savings were made on gifts and donations.
Payments for capital assets	(150)	31	
Machinery and equipment	-	31	Funds shifted from goods and services (in this programme) were used to buy additional computer equipment.
Land and subsoil assets	(150)	-	Funds incorrectly classified here have been shifted to machinery and equipment in programme 1.
Total for vote	(16 661)	16 661	

Other adjustments – R85,417 million

Expenditure already announced in the budget speech of the Minister of Finance but not allocated at that stage

Programme 3: Management of Compensation

R70 million was approved for the Government Employees Medical Scheme (GEMS) to carry the cash flow strain due to the unanticipated enrolment of an additional 30 000 employees.

Shifting of funds between votes

Programme 3: Management of Compensation

R14,017 million will be transferred from The Presidency to complete the commissioning and rollout of the CabEnet project.

Self-financing expenditure

Programme 5: Service Delivery Improvement

R1,4 million from the Department of Foreign Affairs' African Renaissance Fund has been deposited into the National Revenue Fund and will be used for the census project in the Democratic Republic of Congo.

Expenditure 2005/06 and preliminary expenditure 2006/07

Table 10.3: Public Service and Administration

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
R thousand							
1. Administration	48 562	21 257	52 681	108,5	60 458	33 772	58,9
2. Integrated Human Resource Management and Development	26 956	9 455	25 349	94,0	34 462	12 731	34,6
3. Management of Compensation	26 999	6 116	26 558	98,4	169 226	94 252	1 441,1
4. Information and Technology Management	18 713	3 853	18 649	99,7	38 037	8 121	110,8
5. Service Delivery Improvement	46 128	18 218	44 425	96,3	66 039	25 285	38,8
6. Public Sector Anti-Corruption	5 897	977	5 348	90,7	36 180	6 035	517,7
7. International and African Affairs	12 617	1 580	12 461	98,8	32 847	20 437	1 193,5
8. Planning, Monitoring and Evaluation	2 561	353	2 293	89,5	5 177	1 000	183,3
Total	188 433	61 809	187 764	99,6	442 426	201 633	226,2
Current payments	183 786	60 842	179 455	97,6	362 710	123 539	103,0
Compensation of employees	73 824	34 386	72 088	97,6	93 463	41 752	21,4
Goods and services	109 962	26 456	107 350	97,6	269 247	81 787	209,1
Transfers and subsidies	419	158	367	87,6	75 670	75 701	47 812,0
Provinces and municipalities	214	106	222	103,7	89	63	(40,6)
Foreign governments and international organisations	185	34	126	68,1	485	406	1 094,1
Public corporations and private enterprises	18	18	18	100,0	75 030	75 167	417 494,4
Households	-	-	1	-	66	65	(100,0)

Table 10.3: Public Service and Administration (continued)

R thousand	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
Payments for capital assets	4 228	809	7 942	187,8	4 046	2 393	195,8
Machinery and equipment	4 014	748	7 929	197,5	3 945	2 361	215,6
Software and other intangible assets	214	61	13	6,1	101	32	(47,5)
Total	188 433	61 809	187 764	99,6	442 426	201 633	226,2

Selected expenditure trends for the first half of the 2006/07 financial year

Expenditure in the *Administration* programme, in the first six months of 2006/07, has increased by 58,9 per cent compared to the same period in the previous financial year. The main increases relate to additional capacity and relocating the department to new premises. The large increase in the *Management of Compensation* programme relates to the R70 million paid to the Government Employees Medical Scheme (GEMS), resulting from a special adjustment approval granted by National Treasury, to enable GEMS to meet their financial obligations.

The year-on-year increase in total expenditure in the *Public Sector Anti-Corruption* programme relates to higher budgeted allocations for the Global Forum V on Fighting Corruption and Safeguarding Integrity and the national anti-corruption programme. The sharp increase in expenditure in the *International and African Affairs* programme is due to expenditure on the African Peer Review Mechanism.

Summary of changes to transfers and subsidies, and conditional grants

Table 10.4: Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2006/07 Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	109	-	-	23	-	23	132
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	60	-	-	(28)	-	(28)	32
Regional Services Council levies	60	-	-	(28)	-	(28)	32
Foreign governments and international organisations							
Current	49	-	-	(5)	-	(5)	44
Commonwealth Association for Public Administration and Management	5	-	-	(5)	-	(5)	-
Households							
Other transfers							
Current	-	-	-	56	-	56	56
Gifts and donations	-	-	-	56	-	56	56

Table 10.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2006/07					Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		Total additional appropriation
2. Integrated Human Resource Management and Development	51	-	-	(25)	-	(25)	26
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	30	-	-	(13)	-	(13)	17
Regional Services Council levies	30	-	-	(13)	-	(13)	17
Foreign governments and international organisations							
Current	21	-	-	(21)	-	(21)	-
Gifts and Donations	21	-	-	(21)	-	(21)	-
Households							
Other transfers							
Current	-	-	-	9	-	9	9
Gifts and donations	-	-	-	9	-	9	9
3. Management of Compensation	25	-	-	4 987	70 000	74 987	75 012
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	15	-	-	(3)	-	(3)	12
Regional Services Council levies	15	-	-	(3)	-	(3)	12
Foreign governments and international organisations							
Current	10	-	-	(10)	-	(10)	-
Gifts and donations	10	-	-	(10)	-	(10)	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	5 000	70 000	75 000	75 000
Government Employees Medical Scheme	-	-	-	5 000	70 000	75 000	75 000
4. Information and Technology	17	-	-	(12)	-	(12)	5
Management							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	9	-	-	(4)	-	(4)	5
Regional Services Council levies	9	-	-	(4)	-	(4)	5
Departmental agencies and accounts							
Entities							
Current	1	-	-	(1)	-	(1)	-
State Information Technology Agency	1	-	-	(1)	-	(1)	-
Capital	1	-	-	(1)	-	(1)	-
State Information Technology Agency	1	-	-	(1)	-	(1)	-
Foreign governments and international organisations							
Current	6	-	-	(6)	-	(6)	-
Gifts and donations	6	-	-	(6)	-	(6)	-
5. Service Delivery Improvement	39	-	-	11	-	11	50
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	20	-	-	(4)	-	(4)	16
Regional Services Council levies	20	-	-	(4)	-	(4)	16
Foreign governments and international organisations							
Current	19	-	-	(15)	-	(15)	4
Gifts and donations	14	-	-	(15)	-	(15)	(1)

Table 10.4: Summary of changes to transfers and subsidies per programme (continued)

R thousand	2006/07					Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		Total additional appropriation
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	30	-	30	30
Gifts and donations	-	-	-	30	-	30	30
6. Public Sector Anti-Corruption	4	-	-	(1)	-	(1)	3
Foreign governments and international organisations							
Current	1	-	-	(1)	-	(1)	-
Gifts and donations	1	-	-	(1)	-	(1)	-
7. International and African Affairs	156	-	-	285	-	285	441
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	4	-	-	(1)	-	(1)	3
Regional Services Council levies	4	-	-	(1)	-	(1)	3
Foreign governments and international organisations							
Current	152	-	-	285	-	285	437
African Association for Public Administration and Management	14	-	-	34	-	34	48
Centre for Training and Research in Administration for Development	88	-	-	201	-	201	289
Gifts and donations	2	-	-	50	-	50	52
Households							
Other transfers							
Current	-	-	-	1	-	1	1
Ex-gratia payments for medical consultation	-	-	-	1	-	1	1
8. Planning, Monitoring and Evaluation	8	-	-	(7)	-	(7)	1
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	6	-	-	(5)	-	(5)	1
Regional Services Council levies	6	-	-	(5)	-	(5)	1
Foreign governments and international organisations							
Current	2	-	-	(2)	-	(2)	-
Gifts and donations	2	-	-	(2)	-	(2)	-