

Public Service and Administration

Aim

The aim of the Department of Public Service and Administration (DPSA) is to advise the Minister on government policies in respect of the public service.

Policy developments

On 1 July 1999, the new Public Service regulations came into effect. These significantly change the structure, management and accountability of the public service and executing authorities such as Ministers and MECs. The public service is becoming increasingly decentralised, with more authority vested in executing authorities. A major function of the Department is to assist departments and provinces in implementing these new regulations.

The Department aims to strengthen service delivery to the public by improving the efficiency and effectiveness of the civil service. To this end, it conducted a Personnel Expenditure Review last year, detailing financial, managerial and administrative steps to provide better services while improving the value for money of the public service wage bill. It is also investigating alternative service delivery mechanisms, with more emphasis on outsourcing and competitive tendering in the delivery of certain services.

The most significant change in the budget of the Department is the inclusion of capital transfer payments to the newly created State Information Technology Agency (Sita). Sita will recover its operational expenditure by charging for its services, while still receiving a grant for capital development. In 1999/00, Sita received transfers amounting to R110,5 million from the Police, National Defence Force and the Department of State Expenditure; these are now listed on the accounts of the Department of Public Service and Administration. Sita will receive R31,0 million in 2000/01 and R26,6 million in 2001/02.

Expenditure estimates

Table 8.1 Expenditure by programme

R million	Expenditure outcome			Revised estimate	Medium-term expenditure estimate		
	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Administration	14,2	16,6	20,5	18,4	24,1	25,3	26,5
Functional assistance to the Minister	30,3	36,1	35,5	28,8	30,1	31,0	32,4
Auxiliary and associated services	–	0,1	–	110,5	31,0	26,6	–
Total	44,5	52,8	56,0	157,6	85,2	82,9	58,8
Change to 1999 Budget estimate	–	–	–	104,8	31,2	27,0	–

- *Administration* is concerned with the overall management of the Department.
- *Functional assistance to the Minister* is concerned with professional support to the Minister in leading the transformation process. It develops appropriate policy and facilitates its implementation through strategic interventions and partnerships, and maintains a functioning public service.
- *Auxiliary and associated services* renders auxiliary services and services related to the Department's aims. It also provides resources to Sita for information technology functions.

Table 8.2 Economic classification of expenditure

R million	Expenditure outcome			Revised estimate 1999/00	Medium-term expenditure estimate		
	1996/97	1997/98	1998/99		2000/01	2001/02	2002/03
Current							
Personnel	32,6	35,9	34,5	35,4	42,2	44,2	46,5
Transfer payments	–	–	–	11,3	0,1	0,1	0,1
Other	10,1	15,0	16,6	10,8	11,2	11,3	11,5
Capital							
Transfer payments	0,8	–	–	99,2	31,0	26,6	–
Acquisition of capital assets	1,0	1,9	4,9	1,0	0,7	0,7	0,8
Total	44,5	52,8	56,0	157,6	85,2	82,9	58,8

As with many policy departments, the Department of Public Service and Administration spends most of its budget on personnel and recurrent expenditure such as research, travel, administration, computer services and printing. Sita receives a capital transfer of R31,0 million in 2000/01, while the small amounts for the acquisition of capital assets are mainly related to office equipment.

Programme 1: Administration

Table 8.3 Programme expenditure

R million	Budget estimate	Adjusted appropriation 1999/00	Revised estimate	Medium-term expenditure estimate		
				2000/01	2001/02	2002/03
1999 Budget	20,0	19,9	18,4	20,0	20,7	–
2000 Budget	–	–	–	24,1	25,3	26,5
Change to 1999 Budget estimate	–	(0,1)	(1,6)	4,1	4,6	–

Policy formulated by the Minister, Director-General and other members of the Department's management is dealt with under the *Administration* programme. It involves organising the Department, rendering centralised administrative and office support services, managing personnel and financial administration, determining working methods and procedures, and exercising managerial control.

The medium-term expenditure estimates for *Administration* increase to R24,1 million in 2000/01 and R26,5 million in 2002/03, reflecting a larger role for the Ministry and Office of the Director-General in both the policy and management fields.

Programme 2: Functional assistance to the Minister

Table 8.4 Programme expenditure

R million	Budget estimate	Adjusted appropriation 1999/00	Revised estimate	Medium-term expenditure estimate		
				2000/01	2001/02	2002/03
1999 Budget	32,8	32,7	28,8	34,0	35,2	–
2000 Budget	–	–	–	30,1	31,0	32,4
Change to 1999 Budget estimate	–	(0,1)	(4,0)	(3,9)	(4,2)	–

Functional assistance to the Minister provides professional support to the Minister in leading the transformation process, developing appropriate policy and facilitating its implementation through strategic interventions and partnerships, and maintaining a functioning public service. This programme includes:

- Human resource management and development
- Remuneration, conditions of service and labour relations
- Organisational arrangements and information technology advice
- Public service reform and transverse support services
- Communication services.

While the medium-term estimates are revised downwards, expenditure on this programme will increase steadily over the MTEF period from R30,1 million in 2000/01 to R32,4 million in 2002/03. This reflects an inflation-related increase towards more research and the implementation of public service reforms.

Outputs and service delivery trends

Table 8.5 Functional assistance to the Minister: Key activities and outputs

Key activities	Outputs
Human resource development Developing policy, rendering advice and support on human resource management and development	Public Service Regulations Job evaluation and job descriptions Codes of Remuneration (Core) Establishment of Public Service Education and Training Authority Performance management system for the public service Implementation of employment contracts for senior managers
Remuneration, conditions of service and labour relations Developing policy and rendering advice and support on remuneration matters, conditions of service and labour relations	Concluding wage negotiations Dispute resolution Development of remuneration policy Disciplinary code of the public service
Organisational arrangements and information technology Developing policy and rendering advice and support on organisational arrangements and information technology	Establishment of the State Information Technology Agency Skills and service delivery audits
Reform and transverse support Rendering public service reforms and transverse support services	Public Service Regulations
Communication Coordinating and providing internal/external communication services	

In the past, a Performance Appraisal System was used to determine the appropriate qualifications for and job function of each level in the civil service. In 1999, an agreement was signed with trade unions to abolish this system in favour of a new system called Codes of Remuneration (Core). Core provides a more flexible definition of job functions for each level, giving line managers more autonomy regarding recruitment, appointment and remuneration of personnel.

Policy developments

The Department also monitors the process of building a more representative civil service. The Employment Equity Act of 1998 compels all large employers to report on progress in providing more employment opportunities for people from previously disadvantaged groups, including blacks, women and the disabled.

The Department is now consolidating the transformation process by emphasising capacity building and best practice. It supports the provinces, departments and agencies in implementing the legislation, regulations and policies developed over the past five years.

Programme 3: Auxiliary and associated services

Table 8.6 Programme expenditure

R million	Budget estimate	Adjusted appropriation 1999/00	Revised estimate	Medium-term expenditure estimate		
				2000/01	2001/02	2002/03
1999 Budget	0,0	110,5	110,5	0,0	0,0	–
2000 Budget	–	–	–	31,0	26,6	–
Change to 1999 Budget estimate	–	110,5	110,5	31,0	26,6	–

This programme consists entirely of transfers to the State Information Technology Agency for capital expenditure in setting up the information infrastructure required to create a state-of-the-art information technology agency capable of meeting Government's aims.

Public entities reporting to the Minister responsible for Public Service and Administration

State Information and Technology Agency (Sita)

In 1998, Government established Sita by merging the information technology functions of the Police Service and the Departments of Defence and State Expenditure. It is a government-owned information technology company that aims to pool resources across departments to provide Government with state-of-the-art information technology. Various departments will use the services of Sita, which will charge fees to cover its recurrent costs. Capital requirements will initially be provided by a budgetary allocation on the vote of the Department of Public Service and Administration.