

BUDGET 2013



ESTIMATES OF NATIONAL EXPENDITURE VOTE 12: Public Service and Administration



national treasury

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REPUBLIC OF SOUTH AFRICA

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2013

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Republic of South Africa

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The Estimates of National Expenditure 2013 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The 2013 Budget is set within the context of a prolonged and slow economic recovery globally and domestically; arising as an overhang from the global financial crisis of 2008, domestic structural constraints and recent supply side disruptions emanating from the mining sector. The fiscal stance underpinning this year's Budget balances support for the economy in the short term with the objective of rebuilding fiscal space in the medium to long term. This approach is informed by a growing belief that some of the slowdown in growth and revenue is in fact structural. Accordingly, strong measures have been instituted to contain government's consumption expenditure.

The 2012 medium term budget policy statement (MTBPS) presented an expenditure framework that kept the budget baselines for the first two years of the 2013 medium term expenditure framework (MTEF) unchanged since their publication in February 2012. Spending agencies had been advised to reprioritise spending within their baseline allocations to accommodate new priorities or the expansion of existing programmes. However, in response to the cumulative effects of the slowdown in growth and revenue, government has appropriately decided to reduce aggregate spending by R10.4 billion relative to the 2013 MTEF announced in the 2012 MTBPS. In addition, R52.1 billion has been shifted from within institutional baselines for reprioritisation to key government priority programmes. All of this has been done in a manner that does not compromise the attainment of the priorities set out in the MTBPS.

In guiding departments on how to approach the 2013 Budget, the Ministers' Committee on the Budget stated: 'In response to difficult global economic circumstances, we have expanded government's contribution to the economy. ... Financing this expansion at the same time as declining government income has meant a significant increase in borrowing. Since 2008/09, our stock of debt has more than doubled, and with it, the cost of servicing our debt has also accelerated. Higher borrowing and interest costs have meant that fiscal space is being eroded and our economy will have to finance a relatively larger government interest bill for many years. This means less money will be available for other purposes.' (2012 Medium Term Expenditure Framework Guidelines)

Indeed, departments and spending agencies do have to learn to do more with less. In the period ahead, improvements in outcomes have to come from qualitative improvements in the use of available budgets and other inputs. All institutions need to increase their efficiency and effectiveness in terms of service delivery, particularly in relation to infrastructure development. The National Development Plan 2030 sets out the planning framework for improving delivery in the public sector. The National Development Plan is the first long term plan for South Africa. Future budgets will therefore facilitate stronger alignment of institutional planning with the National Development Plan.

With our well established budgeting processes and practices, we have a good basis for the changes we need to make into the future in order to continue to ensure fiscal sustainability, while simultaneously increasing government performance in line with the expectations of South Africans. In the 2012 Open Budget Index Survey, conducted independently by the International Budget Partnership, South Africa was rated second out of the 100 countries participating in this assessment of budget transparency. South Africans can be proud of the comprehensiveness of the budget information that is available and should strive to make good use of the information in discussions with government regarding its policies and practices.

The expenditure estimates on the votes are the product of extensive consultative processes of policy review at the technical and executive level, designed to ensure the efficient allocation of public funds. These took place under difficult economic circumstances. I am grateful to our colleagues in national departments and agencies for their partnership, contributions and advice, during both the budget process and the finalisation of this publication. Special appreciation goes out to the team at National Treasury, who worked tirelessly to produce a document, the substance and quality of which are a source of great pride.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. In pursuit of an ever-improving representation of information, many changes have been introduced in the 2013 ENE publications. In terms of the non-financial information, it is noted in these publications how vote activities are envisaged to align with the National Development Plan 2030 over the long term, and how they are contributing to government's 12 outcomes and other key service delivery goals. Performance information has been further emphasised and in the 2013 ENE publications forms an integral part of the discussion of the financial information in the expenditure trends section of every programme within each of the votes. The personnel information has also been disaggregated and moved to the programme level. This allows for a more holistic discussion of budget plans at the programme level and gives greater effect to South Africa's Programme Budgeting by function approach.

Essentially, performance, personnel and finances are discussed together in respect of the impact they have on the programme plans. The analyses of the average growth of different categories of personnel and expenditure over time, as well as the magnitude this represents relative to the total, are now shown in the publication tables. This makes the narrative in the text less cluttered and more specifically focused on performance and related discussions. Expenditure information is in addition now shown for selected subprogrammes by economic classification, together with tables showing personnel numbers according to salary level for these subprogrammes. Progress made on the implementation of key existing and new infrastructure projects is discussed with all infrastructure projects shown in an additional table.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on www.treasury.gov.za.

Public Service and Administration

**National Treasury
Republic of South Africa**



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Vote 12

Public Service and Administration

Budget summary

R million	2013/14				2014/15	2015/16
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	198.5	196.8	0.1	1.7	206.2	224.9
Human Resource Management and Development	40.4	40.3	–	0.2	42.3	43.6
Labour Relations and Remuneration Management	29.7	29.6	–	0.1	31.0	27.6
Public Sector Information and Communication Technology Management	39.4	39.3	0.0	0.1	43.9	43.5
Service Delivery and Organisational Transformation	236.1	80.3	155.3	0.5	247.7	256.1
Governance and International Relations	272.3	69.8	202.0	0.6	288.4	284.0
Total expenditure estimates	816.4	456.0	357.3	3.0	859.5	879.7

Executive authority Minister of Public Service and Administration
Accounting officer Director General of Public Service and Administration
Website address www.dpsa.gov.za

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, public entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, expenditure on skills training, a revised spending estimate for the current financial year, and expenditure information at the level of service delivery, where appropriate.

Aim

Lead the modernisation of the public service, through a generally applicable framework of norms and standards, to improve service delivery.

Mandate

The Department of Public Service and Administration draws its mandate from section 195(1) of the Constitution, which sets out basic values and principles that the public service should adhere to, and the Public Service Act (1994). The department's mandate is to:

- transform and modernise the public service
- oversee changes to the structure of the public service
- improve the effectiveness and efficiency of the public service and its service delivery to the public
- establish norms and standards for human resources management and development, conditions of service, labour relations, IT and service delivery
- issue directives and regulations for the public service
- formulate the national anti-corruption strategy
- exercise oversight over the State Information Technology Agency.

Strategic goals

The department's strategic goals over the medium term are to:

- ensure that compliance with all the public administration and public service policies and regulations improves
- continue to provide support and targeted interventions to support departments in achieving the required levels of compliance

- improve citizens' satisfaction levels as measured against specific service delivery criteria
- strengthen departments' organisational structures and business processes to enable more effective service delivery
- enhance the use and efficiency of ICT as a resource that enables government to better communicate with and deliver integrated services to the citizens of South Africa
- improve the efficiency of human resource management and development practices, norms and standards
- improve citizen engagement and public participation in policy development and feedback provision on the delivery of government services
- intensify the fight against corruption through the implementation of anti-corruption policies and interventions
- contribute towards improved public service and administration in Africa and the international arena through sharing lessons and best practices.

Programme purposes

Programme 1: Administration

Purpose: Provide policy, strategic leadership and overall management of the department.

Programme 2: Human Resource Management and Development

Purpose: Develop, implement and monitor human resource management policies.

Programme 3: Labour Relations and Remuneration Management

Purpose: Develop, implement and maintain labour relations and compensation policies. Ensure coordinated engagement with organised labour.

Programme 4: Public Sector Information and Communication Technology Management

Purpose: Develop, implement and monitor information communication technology policies and norms and standards that enable citizen centred services.

Programme 5: Service Delivery and Organisational Transformation

Purpose: Promote a service delivery and organisational transformation framework. Engage in interventions and partnerships to promote efficient and effective service delivery.

Programme 6: Governance and International Relations

Purpose: Improve participatory governance, strengthen the fight against corruption and engage with international partners in the field of public administration.

Selected performance indicators

Table 12.1 Public Service and Administration

Indicator	Programme	Outcome to which it contributes	Past ¹			Current	Projections		
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of departments submitting annual human resource development implementation plans per year	Human Resource Management and Development	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	72	100	45	122	137	153	153
Number of departments equipped with tools and skills in employee health and wellness policies per year	Human Resource Management and Development		-1	46	45	135	115	138	150
Number of provincial and national departments supported in the implementation of human resource management and development policies, directives and guidelines per year	Human Resource Management and Development		-1	-1	45	135	50	50	60
Number of expenditure review and research reports produced per year	Labour Relations and Remuneration Management		-1	-1	-1	2	3	4	4
Total number of Thusong service centres providing citizen focused services	Public Sector Information and Communication Technology Management		-1	-1	70	80	90	100	100
Number of departments in which quality methodologies on business process management have been rolled out per year	Service Delivery and Organisational Transformation		-1	-1	45	2 ²	10	14	14
Number of national and provincial departments in which training in Batho Pele is conducted per year	Service Delivery and Organisational Transformation		-1	-1	14	20	20	20	20
Number of departments assisted with organisational development interventions per year	Service Delivery and Organisational Transformation		6	20	88	20 ³	15	15	15
Number of departments supported with capacity building and assistance with the development of delegations per year	Service Delivery and Organisational Transformation		-1	-1	169	10 ²	10	10	10
Number of national and provincial departments supported with the development of service delivery improvement plans per year	Service Delivery and Organisational Transformation		-1	-1	-1	54	59	30	30
Number of departments in which employee satisfaction surveys are conducted per year	Governance and International Relations		2	4	1	4	5	10	10
Number of international governance and public administration projects implemented through departments and international agencies per year	Governance and International Relations		2	2	6	4	4	4	4
Number of international bilateral and multilateral engagements facilitated and coordinated per year	Governance and International Relations		4	2	4	4	4	4	4

1. The department introduced some new indicators in phases between 2009/10 and 2011/12.

2. The initiative targeted all departments in 2011/12 when it began. Thereafter the training is provided as requested, hence the decrease in the indicator from 2011/12 to 2012/13 and onwards.

3. The department anticipates a lower number of departments requiring assistance for organisational development because a large number were assisted in 2011/12.

The national development plan

One of the main goals of the national development plan is to build a capable and developmental state that is capable of driving the country's development in order to effectively address the twin challenges of poverty and inequality. This requires well run and effectively coordinated government institutions with skilled public servants who are committed to the public good and capable of delivering consistently high quality services while prioritising the nation's developmental objectives.

The Department of Public Service and Administration, along with the other departments and entities within this vote, play a key role in building the capacity of the state to drive development and transformation and deliver high quality services. By focusing on strengthening organisational structures and developing norms and standards, these departments and entities enable the state to be supported by an efficient and effective public service and improve service delivery and access. The departments also improve capability through sound human resource management and development, and by implementing business processes, systems and accountability management.

As building technical skills and effective leadership in the public sector is critical for developing a developmental state, the Public Administration Leadership and Management Academy (PALAMA) supports this goal by determining the skills gap in the public service and providing training to ensure the development of the right skills, and ensuring that cadre development takes place in the public service.

The Public Service Sector Education Training Authority also ensures that the training provided by the public sector addresses the real skills needs of public servants by accrediting courses and programmes offered by public training institutions.

As high levels of corruption hinder service delivery in the public service, which in turn hinders development and economic prosperity, the Public Service Commission plays a significant role in tackling corruption.

Expenditure estimates

Table 12.2 Public Service and Administration

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12					2012/13	2013/14	2014/15		
R million												
Administration	125.4	137.2	150.3	187.2	178.7	12.5%	22.4%	198.5	206.2	224.9	8.0%	24.9%
Human Resource Management and Development	36.8	39.5	32.1	38.7	32.8	-3.8%	5.4%	40.4	42.3	43.6	10.0%	4.9%
Labour Relations and Remuneration Management	88.0	19.3	24.6	28.1	28.1	-31.6%	6.1%	29.7	31.0	27.6	-0.7%	3.6%
Public Sector Information and Communication Technology Management	34.8	32.4	34.7	29.4	20.2	-16.6%	4.6%	39.4	43.9	43.5	29.1%	4.5%
Service Delivery and Organisational Transformation	204.6	208.0	210.7	216.8	212.7	1.3%	31.7%	236.1	247.7	256.1	6.4%	29.3%
Governance and International Relations	181.1	191.7	193.0	226.6	220.9	6.8%	29.8%	272.3	288.4	284.0	8.7%	32.8%
Total	670.8	628.2	645.5	726.9	693.5	1.1%	100.0%	816.4	859.5	879.7	8.3%	100.0%
Change to 2012 Budget estimate				(4.6)	(38.0)			35.6	31.5	13.6		
Economic classification												
Current payments	407.0	364.9	341.5	410.6	379.6	-2.3%	56.6%	456.0	479.8	501.6	9.7%	55.9%
Compensation of employees	156.8	175.4	181.9	226.7	206.4	9.6%	27.3%	259.3	275.8	296.4	12.8%	31.9%
Goods and services	250.0	189.2	159.3	183.6	172.8	-11.6%	29.2%	196.3	203.7	204.8	5.8%	23.9%
<i>of which:</i>												
Administration fees	3.1	3.1	2.3	1.2	1.2	-27.6%	0.4%	2.3	2.3	2.1	19.9%	0.2%
Advertising	9.6	7.0	6.0	10.4	10.4	2.7%	1.3%	6.8	8.0	6.3	-15.5%	1.0%
Assets less than the capitalisation threshold	1.1	1.0	0.7	2.9	2.9	37.6%	0.2%	0.6	1.8	0.6	-40.6%	0.2%
Audit cost: External	3.7	5.3	4.9	4.7	4.7	7.6%	0.7%	4.2	4.3	4.3	-2.3%	0.5%
Bursaries: Employees	0.6	0.6	0.5	0.5	0.5	-5.9%	0.1%	0.7	0.7	0.7	7.4%	0.1%
Catering: Departmental activities	1.1	3.2	2.9	2.6	2.6	33.2%	0.4%	2.0	2.0	2.4	-3.1%	0.3%

Table 12.2 Public Service and Administration (continued)

R million	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12					2012/13	2013/14	2014/15		
Communication	3.8	4.5	4.2	5.3	5.3	11.3%	0.7%	4.6	4.7	4.8	-3.3%	0.6%
Computer services	24.3	33.5	31.8	24.9	20.1	-6.2%	4.2%	32.9	37.1	38.5	24.2%	4.0%
Consultants and professional services: Business and advisory services	26.6	24.6	16.4	20.2	19.5	-9.9%	3.3%	18.3	18.3	10.4	-18.9%	2.0%
Consultants and professional services: Legal costs	0.4	0.2	0.6	1.8	0.8	19.5%	0.1%	0.3	0.3	0.3	-30.2%	0.0%
Contractors	74.1	3.0	3.3	3.4	3.4	-64.0%	3.2%	5.4	4.2	4.0	4.6%	0.5%
Agency and support / outsourced services	0.3	2.6	1.6	2.6	2.6	109.7%	0.3%	0.5	0.6	0.7	-35.5%	0.1%
Entertainment	0.3	0.2	0.0	0.3	0.3	0.4%	0.0%	0.1	0.1	0.1	-20.2%	0.0%
Fleet services (including government motor transport)	-	0.4	1.0	1.0	1.0		0.1%	0.3	0.3	0.3	-36.2%	0.1%
Housing	-	-	-	-	-			0.0	0.1	0.0		0.0%
Inventory: Food and food supplies	-	0.0	0.2	0.2	0.2		0.0%	0.3	0.2	0.3	14.0%	0.0%
Inventory: Learner and teacher support material	0.1	0.0	0.0	0.3	0.3	82.6%	0.0%	0.5	0.5	0.5	10.5%	0.1%
Inventory: Materials and supplies	0.5	0.1	0.4	0.1	0.1	-44.0%	0.0%	0.1	0.1	0.1	2.7%	0.0%
Inventory: Medical supplies	0.0	0.0	-	0.0	0.0	-5.7%	0.0%	0.0	0.1	0.0	-57.5%	0.0%
Inventory: Other consumables	0.3	0.7	0.8	0.4	0.4	3.6%	0.1%	1.6	0.9	1.5	57.0%	0.1%
Inventory: Stationery and printing	4.5	3.9	2.7	5.9	5.9	9.0%	0.6%	4.3	4.4	4.6	-8.1%	0.6%
Operating leases	29.2	27.1	20.0	29.5	29.5	0.4%	4.0%	38.7	42.1	55.1	23.1%	5.1%
Property payments	7.1	11.7	6.8	4.5	4.5	-14.3%	1.1%	5.2	5.6	6.0	10.1%	0.7%
Transport provided: Departmental activity	4.0	5.1	-	0.0	0.0	-86.4%	0.3%	0.3	0.4	0.5	278.2%	0.0%
Travel and subsistence	29.1	29.1	35.0	37.2	35.7	7.1%	4.9%	46.2	44.6	42.2	5.7%	5.2%
Training and development	4.0	2.9	3.7	4.9	4.9	6.7%	0.6%	4.0	4.4	4.1	-5.4%	0.5%
Operating payments	10.9	10.6	5.4	5.3	5.3	-21.0%	1.2%	6.6	6.0	5.3	-0.1%	0.7%
Venues and facilities	11.0	8.7	7.9	13.3	10.7	-0.9%	1.5%	9.7	9.8	9.3	-4.4%	1.2%
Rental and hiring	-	-	0.2	-	-		0.0%	0.0	0.0	0.0		0.0%
Interest and rent on land	0.2	0.4	0.3	0.3	0.3	17.2%	0.0%	0.4	0.4	0.4	2.6%	0.0%
Transfers and subsidies	254.3	256.2	295.8	309.5	309.5	6.8%	42.3%	357.4	376.7	375.4	6.6%	43.7%
Provinces and municipalities	0.0	0.0	0.0	-	-	-100.0%	0.0%	-	-	-		
Departmental agencies and accounts	252.9	253.0	293.1	308.2	308.2	6.8%	42.0%	356.5	375.8	374.5	6.7%	43.6%
Foreign governments and international organisations	0.6	0.5	0.7	0.6	0.6	2.5%	0.1%	0.9	0.9	0.9	14.8%	0.1%
Households	0.9	2.7	2.1	0.7	0.7	-8.0%	0.2%	-	-	-	-100.0%	0.0%
Payments for capital assets	9.4	6.9	8.1	6.7	4.4	-22.7%	1.1%	3.0	3.0	2.6	-15.9%	0.4%
Buildings and other fixed structures	-	-	-	-	-			0.4	0.1	0.1		0.0%
Machinery and equipment	9.3	6.9	8.1	6.5	4.2	-23.0%	1.1%	2.6	2.9	2.5	-15.8%	0.4%
Software and other intangible assets	0.2	-	0.1	0.2	0.1	-11.2%	0.0%	-	-	-	-100.0%	0.0%
Payments for financial assets	0.0	0.1	0.0	-	-	-100.0%	0.0%	-	-	-		
Total	670.8	628.2	645.5	726.9	693.5	1.1%	100.0%	816.4	859.5	879.7	8.3%	100.0%

Personnel information

Table 12.3 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2011/12			2012/13			2013/14			2014/15			2015/16					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16		
Public Service and Administration																			
Salary level	481	26	499	181.9	0.4	420	222.0	0.5	507	259.3	0.5	507	275.8	0.5	507	296.4	0.6	6.5%	100.0%
1 – 6	132	13	145	18.0	0.1	133	26.3	0.2	145	27.9	0.2	145	29.2	0.2	145	30.5	0.2	2.9%	29.3%
7 – 10	122	9	131	32.6	0.2	114	42.1	0.4	131	44.5	0.3	131	46.8	0.4	131	49.2	0.4	4.7%	26.1%
11 – 12	109	3	112	46.2	0.4	93	48.1	0.5	112	61.5	0.5	112	65.1	0.6	112	69.1	0.6	6.4%	22.1%
13 – 16	118	1	111	85.1	0.8	80	105.6	1.3	119	125.5	1.1	119	134.7	1.1	119	147.6	1.2	14.2%	22.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on strengthening the alignment of the department's activities with the ministerial delivery agreement to realise an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship (outcome 8). This will be done particularly through: strengthening back office systems in order to improve service delivery; managing human resources and ensuring the internal efficiency of the public service through the implementation of the State Information Technology Agency turnaround strategy; accelerating the training and development of a new public service cadre by repositioning the Public Administration Leadership and Management Academy as a school of governance; and tackling corruption effectively.

Spending in the *Administration* programme increased significantly by 24.5 per cent in 2012/13 due to the appointment of a deputy minister and the devolution of accommodation funds from the Department of Public Works. This contributed to the increased spending on compensation of employees and operating leases in that year. The decrease in expenditure on goods and services between 2009/10 and 2012/13 was due to the provision for incapacity leave and ill health retirement being decentralised in 2010/11 from this department to specific departments where the staff is employed, and completion of the HR Connect project in 2011/12.

Spending in the *Public Sector Information and Communication Technology Management* programme is projected to grow significantly over the medium term due to the higher number of Thusong service centres and the costs related to their ICT connectivity, and an increase in the payments to the State Information Technology Agency for the gateway call centre.

Cabinet approved budget reductions of R4.4 million in 2013/14, R12.8 million in 2014/15 and R21.2 million in 2015/16 were effected in spending across all programmes, the details of which are included in the discussions of each programme.

The department had 86 vacancies as at 30 September 2012, mainly due to high staff turnover at the executive and senior management levels. The ratio of support staff to line function staff is 1:2.

Consultants used by the department generally provide technical skills in projects, such as the personnel expenditure review, change management, performance auditing and the development of a revised housing scheme policy for the public service. Consultants were used between 2009/10 and 2012/13 to develop and implement the HR Connect system.

Departmental receipts

Table 12.4 Receipts

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt/ total: Average (%)
	2009/10	2010/11	2011/12					2012/13	2013/14	2014/15		
R thousand												
Departmental receipts	2 242	2 098	535	766	766	-30.1%	100.0%	801	831	867	4.2%	100.0%
Sales of goods and services produced by department	223	247	245	286	286	8.6%	17.7%	301	316	332	5.1%	37.8%
Sales by market establishments	178	194	187	230	230	8.9%	14.0%	240	250	260	4.2%	30.0%
<i>of which:</i>												
Rental of open and covered parking	178	194	187	230	230	8.9%	14.0%	240	250	260	4.2%	30.0%
Administration fees	45	53	58	56	56	7.6%	3.8%	61	66	72	8.7%	7.8%
<i>of which:</i>												
Commission insurance	45	53	58	55	55	6.9%	3.7%	60	65	70	8.4%	7.7%
Replacement of security cards	-	-	-	1	1	-	-	1	1	2	26.0%	0.2%
Transfers received	-	-	84	-	-	-	1.5%	-	-	-	-	-
Interest, dividends and rent on land	8	21	6	35	35	63.6%	1.2%	40	40	35	-	4.6%
Interest	8	21	6	35	35	63.6%	1.2%	40	40	35	-	4.6%
Sales of capital assets	1 064	-	-	-	-	-100.0%	18.9%	-	-	-	-	-
Transactions in financial assets and liabilities	947	1 830	200	445	445	-22.3%	60.7%	460	475	500	4.0%	57.6%
Total	2 242	2 098	535	766	766	-30.1%	100.0%	801	831	867	4.2%	100.0%

Programme 1: Administration

Expenditure estimates

Table 12.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2013/14	2014/15		
R thousand											
Ministry	28 823	32 143	35 397	47 659	18.3%	24.0%	37 974	39 716	41 759	-4.3%	20.5%
Departmental Management	7 451	4 672	8 503	8 753	5.5%	4.9%	8 799	8 938	9 256	1.9%	4.4%
Corporate Services	47 269	56 143	60 782	80 818	19.6%	40.8%	86 471	88 180	92 263	4.5%	42.6%
Finance Administration	14 269	16 468	17 798	21 839	15.2%	11.7%	23 788	26 107	26 374	6.5%	12.0%
Internal Audit	4 809	4 612	5 278	4 084	-5.3%	3.1%	5 732	6 007	5 751	12.1%	2.6%
Office Accommodation	22 807	23 203	22 571	24 076	1.8%	15.4%	35 738	37 263	49 465	27.1%	17.9%
Total	125 428	137 241	150 329	187 229	14.3%	100.0%	198 502	206 211	224 868	6.3%	100.0%
Change to 2012 Budget estimate				6 153			3 502	621	-		

Economic classification

	120 833	133 656	143 662	182 819	14.8%	96.8%	196 780	203 980	223 018	6.8%	98.7%
Current payments											
Compensation of employees	57 903	65 660	76 015	96 654	18.6%	49.4%	102 880	109 488	118 024	6.9%	52.3%
Goods and services	62 747	67 754	67 443	86 022	11.1%	47.3%	93 718	94 309	104 810	6.8%	46.4%
<i>of which:</i>											
Administration fees	890	940	802	589	-12.9%	0.5%	944	953	942	16.9%	0.4%
Advertising	1 280	1 522	2 519	8 549	88.3%	2.3%	3 870	3 148	3 155	-28.3%	2.3%
Assets less than the capitalisation threshold	274	228	445	2 679	113.8%	0.6%	355	1 601	325	-50.5%	0.6%
Audit cost: External	1 609	3 268	3 299	4 191	37.6%	2.1%	4 169	4 253	4 338	1.2%	2.1%
Bursaries: Employees	630	562	512	525	-5.9%	0.4%	700	650	650	7.4%	0.3%
Catering: Departmental activities	574	664	834	1 191	27.5%	0.5%	958	966	1 017	-5.1%	0.5%
Communication	1 563	1 906	2 230	1 990	8.4%	1.3%	1 783	1 832	1 883	-1.8%	0.9%
Computer services	5 615	10 727	6 979	10 731	24.1%	5.7%	11 267	11 669	11 768	3.1%	5.6%
Consultants and professional services: Business and advisory services	2 505	495	886	965	-27.2%	0.8%	2 431	2 582	1 627	19.0%	0.9%
Consultants and professional services: Legal costs	71	165	175	245	51.1%	0.1%	250	255	260	2.0%	0.1%
Contractors	1 703	1 494	2 013	1 821	2.3%	1.2%	2 907	1 703	1 743	-1.4%	1.0%
Agency and support / outsourced services	-	1 141	1 346	100	-	0.4%	-	-	-	-100.0%	-
Entertainment	102	124	42	162	16.7%	0.1%	88	90	90	-17.8%	0.1%

Table 12.5 Administration (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
<i>Fleet services (including government motor transport)</i>	–	345	985	441	–	0.3%	144	145	146	-30.8%	0.1%
<i>Housing</i>	–	–	–	–	–	–	2	–	8	–	–
<i>Inventory: Food and food supplies</i>	–	3	63	65	–	–	98	100	92	12.3%	–
<i>Inventory: Fuel, oil and gas</i>	–	1	–	–	–	–	10	10	10	–	–
<i>Inventory: Learner and teacher support material</i>	49	45	25	341	90.9%	0.1%	450	450	460	10.5%	0.2%
<i>Inventory: Materials and supplies</i>	93	109	182	96	1.1%	0.1%	103	103	103	2.4%	–
<i>Inventory: Medical supplies</i>	31	–	–	26	-5.7%	–	1	101	1	-66.2%	–
<i>Inventory: Other consumables</i>	294	603	685	364	7.4%	0.3%	1 550	848	1 469	59.2%	0.5%
<i>Inventory: Stationery and printing</i>	1 623	1 796	1 350	2 007	7.3%	1.1%	2 500	2 515	2 551	8.3%	1.2%
<i>Operating leases</i>	22 084	20 360	18 198	22 144	0.1%	13.8%	33 238	34 519	46 574	28.1%	16.7%
<i>Property payments</i>	3 524	4 504	5 664	3 454	-0.7%	2.9%	3 007	3 251	3 398	-0.5%	1.6%
<i>Transport provided: Departmental activity</i>	998	1 042	–	–	-100.0%	0.3%	41	41	41	–	–
<i>Travel and subsistence</i>	11 736	10 105	13 670	16 321	11.6%	8.6%	16 691	16 551	16 023	-0.6%	8.0%
<i>Training and development</i>	976	668	1 016	1 364	11.8%	0.7%	1 934	1 969	2 004	13.7%	0.9%
<i>Operating payments</i>	2 613	3 647	2 100	3 212	7.1%	1.9%	2 467	2 321	2 350	-9.9%	1.3%
<i>Venues and facilities</i>	1 910	1 290	1 422	2 449	8.6%	1.2%	1 755	1 677	1 774	-10.2%	0.9%
<i>Rental and hiring</i>	–	–	1	–	–	–	5	6	8	–	–
<i>Interest and rent on land</i>	183	242	204	143	-7.9%	0.1%	182	183	184	8.8%	0.1%
Transfers and subsidies	240	85	1 654	688	42.1%	0.4%	72	72	72	-52.9%	0.1%
Provinces and municipalities	1	1	2	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	72	72	72	–	–
Foreign governments and international organisations	6	–	–	–	-100.0%	–	–	–	–	–	–
Households	233	84	1 652	688	43.5%	0.4%	–	–	–	-100.0%	0.1%
Payments for capital assets	4 350	3 491	5 007	3 722	-5.1%	2.8%	1 650	2 159	1 778	-21.8%	1.1%
Machinery and equipment	4 350	3 491	4 928	3 622	-5.9%	2.7%	1 650	2 159	1 778	-21.1%	1.1%
Software and other intangible assets	–	–	79	100	–	–	–	–	–	-100.0%	–
Payments for financial assets	5	9	6	–	-100.0%	–	–	–	–	–	–
Total	125 428	137 241	150 329	187 229	14.3%	100.0%	198 502	206 211	224 868	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	18.7%	21.8%	23.3%	25.8%			24.3%	24.0%	25.6%		

Details of transfers and subsidies

Households											
Other transfers to households											
Current	233	84	1 652	688	43.5%	0.4%	–	–	–	-100.0%	0.1%
Employee social benefits	233	82	1 652	688	43.5%	0.4%	–	–	–	-100.0%	0.1%
Gifts and donations	–	2	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations											
Current	6	–	–	–	-100.0%	–	–	–	–	–	–
Gifts and donations	6	–	–	–	-100.0%	–	–	–	–	–	–
Current	1	1	2	–	-100.0%	–	–	–	–	–	–
Vehicle licenses	1	1	2	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	–	–	–	–	72	72	72	–	–
Communication	–	–	–	–	–	–	72	72	72	–	–

Personnel information

Table 12.6 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2011/12			2012/13			2013/14		2014/15		2015/16				2012/13 - 2015/16			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost
Administration	232	10	242	70.0	0.3	196	86.3	0.4	242	100.0	0.4	242	108.0	0.4	242	113.6	0.5	7.3%	100.0%
Salary level																			
1 – 6	96	7	103	12.3	0.1	95	18.5	0.2	103	19.3	0.2	103	20.2	0.2	103	21.1	0.2	2.7%	43.8%
7 – 10	63	1	64	15.1	0.2	58	20.2	0.3	64	21.2	0.3	64	22.3	0.3	64	23.5	0.4	3.3%	27.1%
11 – 12	37	2	39	16.5	0.4	31	16.2	0.5	39	21.0	0.5	39	22.3	0.6	39	23.6	0.6	8.0%	16.1%
13 – 16	36	–	36	26.1	0.7	12	31.5	2.6	36	38.5	1.1	36	43.3	1.2	36	45.4	1.3	44.2%	13.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on providing policy, strategic leadership and overall management of the department and entities reporting to the minister.

Spending increased significantly in 2012/13 in the *Ministry* subprogramme due to the appointment of a deputy minister in 2010/11, the creation of capacity to provide ministerial support services and the filling of vacant posts, mostly at the senior management level. Spending also increased significantly in the *Corporate Services* and *Finance Administration* subprogrammes in the same year due to the development of a departmental communication strategy and an increase in the cost of external audit services provided by the Auditor-General of South Africa. Spending on operating leases also increased significantly by 21.7 per cent in 2012/13 due to the devolution of accommodation funds from the Department of Public Works from that year onwards. As a result, spending in the *Office Accommodation* subprogramme is expected to increase significantly over the medium term and contribute to the overall increase in spending in the programme.

Expenditure in the *Finance Administration* and *Corporate Services* subprogrammes is also expected to increase significantly over the medium term to provide for the expected increase in external audit costs and the planned acquisition of a new server. Savings were identified in spending on travel and subsistence, catering, and venues and facilities over the medium term. The savings were reprioritised to provide for the increases in expenditure elsewhere within the programme.

The programme had a funded establishment of 232 posts and 10 posts were additional to the establishment. As at 30 September 2012, the programme had 46 vacancies due to the department postponing recruitment as it had office space constraints. The vacancies are to be filled in 2013/14. Spending on consultants is projected to increase from R1.2 million in 2012/13 to R2.8 million in 2014/15 following the signing of a co-sourcing contract in 2012/13 for the provision of internal audit services for the next two years.

Programme 2: Human Resource Management and Development

Objectives

- Contribute to efficient human resource management in government by hosting advocacy workshops with national and provincial departments on implementing the policy directive on compulsory capacity development and mandatory training days for senior management services by 2014.
- Improve the health and wellness of public servants by:
 - identifying risks and hazards and implementing controls as recommended by the health risk assessment to promote a healthy and safe working environment within the Departments of Health and Education by March 2015
 - increasing the percentage of government departments with operational plans for mainstreaming gender based HIV and AIDS, sexually transmitted illness and tuberculosis prevention programmes from 38 per cent to 75 per cent through workshops and the use of mainstreaming guidelines by 2014/15

- increasing the percentage of departments implementing policies from the employee health and wellness strategic framework from 50 per cent to 75 per cent through the development and systematic review of sexually transmitted illness tools by 2013/14.
- Ensure that training and development interventions in the public service are responsive to government priority skills areas by providing a framework or model that will identify priority areas to inform departmental training budgets by March 2015.
- Improve skill levels in the public service by developing a methodology to measure the extent of skill levels in the public service by March 2015.

Subprogrammes

- *Management: Human Resource Management* provides administrative support to and management of the programme. In 2012/13, strategic support was provided on the implementation of the human resources development strategy framework to improve the rate of compliance and the quality of human resources development plans. This subprogramme had a staff complement of 3 in 2012/13.
- *Senior Management Services* ensures that there is a professional management service in the public service. It does this by establishing and implementing competency based management through developing transversal employment policies, prescripts and guidelines, and other career practices for senior management service members. In 2012/13, support to departments was provided for the implementation of the directive on competency based assessments, and consultations were held with all national and provincial departments on the draft directive on compulsory capacity development and mandatory training days for senior management service members. For 2013/14, advocacy workshops with national and provincial departments are planned in preparation for the implementation of the abovementioned directive on compulsory capacity development and mandatory training days. This subprogramme had a staff complement of 7 in 2012/13.
- *Human Resource Planning, Performance and Practice* develops policies, prescripts, processes and systems; and provides advice and support to departments in implementing improvements to human resources planning, employment practices and employee performance management. In 2012/13, a draft performance management and development system for heads of departments was developed and consultations and workshops were held, and workshops on implementing the strategy to improve recruitment and reduce the vacancy rate were conducted. In 2013/14, the focus will be placed on monitoring, analysing and reporting on recruitment and vacancy trends in the public service, for which R90 000 has been allocated. This subprogramme had a staff complement of 15 in 2012/13.
- *Diversity Management* develops policies and guidelines on employment equity that are designed to remove barriers of access into and within the public service for designated groups, and prevent direct and indirect discrimination against the designated groups; and monitors and reports on the achievement of Cabinet approved employment equity targets for the public service on race, gender and people with disabilities. In 2012/13, consultations on the prevention of sexual harassment policy in the public service were undertaken in all national departments and provinces, and work was initiated to develop a funding model for the policy on reasonable accommodation and assistive devices for people with disabilities. In 2013/14, advocacy workshops will be held to introduce, promote and implement the policy on prevention of sexual harassment, for which R232 000 has been allocated. This subprogramme had a staff complement of 8 in 2012/13.
- *Employee Health and Wellness* promotes and manages health and wellness in the public service; improves the occupational health and quality of work life through a holistic and integrated employee health and wellness strategic framework, related policies, guidelines, and monitoring and evaluation plans; and coordinates government's mainstreamed response to HIV and AIDS, which is a focal point for the Southern African Development Community (SADC). In 2012/13, support to departments was provided to facilitate the implementation of employee health and wellness policies, which included developing HIV and AIDS prevention programmes, as well as performance indicators for monitoring and evaluating employee health and wellness. In 2013/14, healthy working environments will continue to be promoted along with the implementation of all employment health and safety policies. This subprogramme had a staff complement of 6 in 2012/13.

- *Human Resource Development* aims to improve the competency levels of public servants through targeted capacity development activities, such as internships, learnerships, compulsory courses and skills programmes designed to ensure a constant pool of productive and engaged employees through appropriate policies, prescripts, advice and support. In 2012/13, the focus was on facilitating the recruitment of youth into internship, learnership and artisan programmes. As such, support was provided to provinces on the implementation of the rural youth development project and the coordination of a career guidance exhibition held in Free State. In 2013/14, the focus will be on monitoring and reporting on the implementation of internships, learnerships and artisan programmes at a cost of R348 000. This subprogramme had a staff complement of 8 in 2012/13.
- *Integrated Financial Management Systems* develops, supports the implementation of, and manages the human resource management module of the integrated financial management system. In 2012/13, the implementation of the human resources solution for the integrated financial management system in the national department and the Free State education department continued; and work on developing an interface to PERSAL to eliminate double capturing also started. The system will be rolled out to other selected departments in 2013/14. This subprogramme had a staff complement of 4 in 2012/13.

Expenditure estimates

Table 12.7 Human Resource Management and Development

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12		2009/10 - 2012/13	2012/13 - 2013/14	2013/14	2014/15	2015/16	2012/13 - 2013/14	2013/14 - 2015/16
R thousand											
Management: Human Resource Management	3 779	2 690	3 086	2 992	-7.5%	8.5%	3 267	3 394	3 492	5.3%	8.0%
Senior Management Services	2 485	3 490	4 177	5 388	29.4%	10.6%	5 407	6 154	5 818	2.6%	13.8%
Human Resource Planning, Performances and Practice	16 117	18 288	7 334	10 580	-13.1%	35.6%	10 667	11 089	11 647	3.3%	26.6%
Diversity Management	4 596	4 759	4 682	5 061	3.3%	13.0%	5 873	6 213	6 263	7.4%	14.2%
Employee Health and Wellness	5 050	4 039	4 178	5 754	4.4%	12.9%	4 893	5 098	5 549	-1.2%	12.9%
Human Resource Development	3 339	4 317	5 866	5 634	19.1%	13.0%	6 850	6 659	7 005	7.5%	15.8%
Integrated Financial Management Systems	1 467	1 907	2 797	3 318	31.3%	6.4%	3 482	3 654	3 852	5.1%	8.7%
Total	36 833	39 490	32 120	38 727	1.7%	100.0%	40 439	42 261	43 626	4.1%	100.0%
Change to 2012 Budget estimate				1 562			186	(239)	-		

Economic classification

	2009/10	2010/11	2011/12	2012/13	2009/10 - 2012/13	2012/13 - 2013/14	2013/14	2014/15	2015/16	2012/13 - 2013/14	2013/14 - 2015/16
Current payments	36 744	39 294	31 866	38 726	1.8%	99.6%	40 286	42 107	43 471	3.9%	99.7%
Compensation of employees	18 125	22 146	23 476	28 354	16.1%	62.6%	30 634	32 564	34 929	7.2%	76.6%
Goods and services	18 615	17 124	8 367	10 343	-17.8%	37.0%	9 613	9 504	8 503	-6.3%	23.0%
of which:											
Administration fees	234	243	316	101	-24.4%	0.6%	202	196	195	24.5%	0.4%
Advertising	99	18	16	77	-8.0%	0.1%	65	18	18	-38.4%	0.1%
Assets less than the capitalisation threshold	3	22	21	1	-30.7%	-	172	192	217	500.9%	0.4%
Audit cost: External	378	-	-	-	-100.0%	0.3%	-	-	-	-	-
Catering: Departmental activities	64	335	485	462	93.3%	0.9%	109	109	161	-29.6%	0.5%
Communication	355	361	330	527	14.1%	1.1%	569	584	598	4.3%	1.4%
Computer services	1 125	146	93	162	-47.6%	1.0%	96	96	96	-16.0%	0.3%
Consultants and professional services: Business and advisory services	10 309	11 699	658	208	-72.8%	15.5%	71	520	8	-66.2%	0.5%
Contractors	21	24	250	5	-38.0%	0.2%	120	100	105	175.9%	0.2%
Entertainment	42	15	-	3	-58.5%	-	10	11	13	63.0%	-
Fleet services (including government motor transport)	-	4	2	91	-	0.1%	26	26	26	-34.1%	0.1%
Housing	-	-	-	-	-	-	14	26	-	-	-
Inventory: Food and food supplies	-	1	18	14	-	-	31	19	45	47.6%	0.1%
Inventory: Learner and teacher support material	1	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	17	-	2	-	-100.0%	-	1	1	1	-	-
Inventory: Medical supplies	-	-	-	-	-	-	1	1	1	-	-
Inventory: Other consumables	2	2	2	-	-100.0%	-	-	-	-	-	-
Inventory: Stationery and printing	331	103	125	370	3.8%	0.6%	339	368	387	1.5%	0.9%
Operating leases	140	-	-	143	0.7%	0.2%	-	-	(1)	-119.1%	0.1%
Transport provided: Departmental activity	52	100	-	-	-100.0%	0.1%	-	-	-	-	-
Travel and subsistence	2 649	2 612	3 562	3 959	14.3%	8.7%	5 058	4 815	4 591	5.1%	11.2%
Training and development	1 235	368	336	300	-37.6%	1.5%	371	378	385	8.7%	0.9%

Table 12.7 Human Resource Management and Development (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
Operating payments	512	129	405	250	-21.3%	0.9%	1 045	589	483	24.5%	1.4%
Venues and facilities	1 046	942	1 502	3 670	52.0%	4.9%	1 310	1 452	1 171	-31.7%	4.6%
Rental and hiring	-	-	244	-	-	0.2%	3	3	3	-	-
Interest and rent on land	4	24	23	29	93.5%	0.1%	39	39	39	10.4%	0.1%
Transfers and subsidies	2	64	101	1	-20.6%	0.1%	-	-	-	-100.0%	-
Foreign governments and international organisations	-	-	1	-	-	-	-	-	-	-	-
Households	2	64	100	1	-20.6%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	87	126	153	-	-100.0%	0.2%	153	154	155	-	0.3%
Buildings and other fixed structures	-	-	-	-	-	-	24	-	-	-	-
Machinery and equipment	87	126	153	-	-100.0%	0.2%	129	154	155	-	0.3%
Payments for financial assets	-	6	-	-	-	-	-	-	-	-	-
Total	36 833	39 490	32 120	38 727	1.7%	100.0%	40 439	42 261	43 626	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	5.5%	6.3%	5.0%	5.3%			5.0%	4.9%	5.0%		

Details of transfers and subsidies

Households											
Other transfers to households											
Current											
	2	64	100	1	-20.6%	0.1%	-	-	-	-100.0%	-
Employee social benefits	2	-	100	1	-20.6%	0.1%	-	-	-	-100.0%	-
Claim against the state	-	64	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations											
Current											
	-	-	1	-	-	-	-	-	-	-	-
Gift to foreign dignitary	-	-	1	-	-	-	-	-	-	-	-

Personnel information

Table 12.8 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012	Number and cost ² of personnel posts filled / planned for on funded establishment															Number			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2011/12		2012/13		2013/14		2014/15		2015/16								
	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16			
Human Resource Management and Development	51	-	51	21.8	0.4	51	26.8	0.5	51	31.7	0.6	51	33.2	0.7	51	36.5	0.7	-	100.0%
Salary level	51	-	51	21.8	0.4	51	26.8	0.5	51	31.7	0.6	51	33.2	0.7	51	36.5	0.7	-	100.0%
1 - 6	5	-	5	0.8	0.2	5	1.1	0.2	5	1.1	0.2	5	1.2	0.2	5	1.2	0.2	-	9.8%
7 - 10	12	-	12	2.8	0.2	12	3.5	0.3	12	3.8	0.3	12	4.0	0.3	12	4.2	0.3	-	23.5%
11 - 12	20	-	20	8.0	0.4	20	9.1	0.5	20	11.2	0.6	20	11.8	0.6	20	12.5	0.6	-	39.2%
13 - 16	14	-	14	10.3	0.7	14	13.1	0.9	14	15.7	1.1	14	16.3	1.2	14	18.6	1.3	-	27.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on projects related to the use of the training and skills audit in the public service, the advocacy of diversity management and health and wellness of public servants, and the improvement of recruitment in the public service. These activities are carried out through the *Diversity Management*, *Human Resource Development* and the *Human Resource Planning, Performance and Practices* subprogrammes, which account for their using most of the programme's allocation over the medium term. The allocations over the medium term will be used to increase the percentage of government departments with operational plans for mainstreaming gender based HIV and AIDS, sexually transmitted illness and tuberculosis prevention programmes from 38 per cent to 75 per cent by 2014/15 through workshops and the use of mainstreaming guidelines.

Spending increased significantly between 2009/10 and 2012/13 in the *Senior Management Services* subprogramme due to the review of the senior management service handbook and senior management service competency assessment, which started in 2010/11. Spending over the same period in the *Human Resource*

Development subprogramme also increased significantly due to the work the department did to promote the implementation of internship, learnership, artisan and technician programmes in the public service. Spending in the *Integrated Financial Management Systems* subprogramme also increased between 2009/10 and 2011/12 due to the development and implementation of the human resources management module of the integrated financial management system. Spending over the same period in the *Human Resource Planning* subprogramme decreased due to the completion of the HR Connect project in 2011/12, which also accounts for the 72.8 per cent decrease in expenditure on consultants in that year.

As part of the Cabinet approved budget reductions over the medium term, the department implemented cost saving measures in this programme to reduce spending on non-core travel and subsistence.

There were no vacancies in the programme as at 30 September 2012. R599 000 is allocated over the medium term for spending on consultants. These consultants are to assist with the senior management service competency assessments, the implementation of the integrated financial management system HR solutions in departments, and the development of policy on sexual harassment in the public service, and HIV and AIDS prevention programmes.

Programme 3: Labour Relations and Remuneration Management

Objectives

- Develop a remuneration policy for the public service by November 2013 that ensures a sustainable growth in the government wage bill by:
 - analysing government spending on personnel
 - performing benchmarking exercises on salaries and conditions of service
 - consulting with stakeholders.
- Promote home ownership in the public service by developing a government employees housing scheme and institutional framework by March 2015.
- Improve disciplinary processes in the public service by monitoring the implementation of the disciplinary code and procedures as well as providing implementation support on an ongoing basis.
- Enhance the effectiveness of labour relations and negotiations in the public sector by coordinating, overseeing and monitoring the implementation of Public Service Coordinating Bargaining Council resolution 1 of 2012 by March 2015.

Subprogrammes

- *Management: Labour Relations and Remuneration* provides administrative support to and management of the programme. In 2012/13, strategic guidance and administrative support was provided to enable the programme to achieve its objectives, such as the development of goals, the prioritisation of projects and outputs, and the determination and consolidation of resource requirements. This subprogramme had a staff complement of 3 in 2012/13.
- *Remuneration and Market Analysis* develops, implements and maintains policies, practices and systems on remuneration. In 2012/13, a study was undertaken to verify and analyse PERSAL data to develop options for and changes to the pay progression policy. Work on the personnel expenditure review is still in progress and a first draft of a preliminary report on the data analysis to establish sick leave targets for the public service has been completed. In 2013/14, a revised remuneration policy for the public service will be developed. This subprogramme had a staff complement of 10 in 2012/13.
- *Conditions of Service* focuses on the development, implementation and maintenance of policies and practices on general and macro benefits. In 2012/13, the development of actuarial models for the revised housing policy commenced and market surveys were completed. In 2013/14, a funding model and institutional framework will be developed to enhance home ownership among public servants. This subprogramme had a staff complement of 11 in 2012/13.
- *Labour Relations and Negotiations* is responsible for the development, implementation and maintenance of policies and systems on labour relations issues for the public service; and ensures coordinated collective

bargaining in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council. In 2012/13, a three-year wage agreement for the public service was successfully signed. In 2013/14, the focus will be on improving discipline management in the public service by monitoring the implementation of the disciplinary code at a cost of R3.6 million. This subprogramme had a staff complement of 10 in 2012/13.

Expenditure estimates

Table 12.9 Labour Relations and Remuneration Management

Subprogramme	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
R thousand											
Management: Labour Relations and Remuneration	3 050	1 349	2 400	2 545	-5.9%	5.8%	2 868	2 994	3 128	7.1%	9.9%
Remuneration and Market Analysis	4 712	4 205	8 911	8 414	21.3%	16.4%	7 126	7 479	7 877	-2.2%	26.5%
Conditions of Service	75 160	5 928	8 791	11 297	-46.8%	63.2%	9 411	13 498	9 074	-7.0%	37.2%
Labour Relations and Negotiations	5 074	7 849	4 476	5 883	5.1%	14.5%	10 269	7 076	7 496	8.4%	26.4%
Total	87 996	19 331	24 578	28 139	-31.6%	100.0%	29 674	31 047	27 575	-0.7%	100.0%
Change to 2012 Budget estimate				5 611			3 841	3 933	-		
Economic classification											
Current payments	87 982	17 513	24 460	28 139	-31.6%	98.8%	29 569	30 939	27 454	-0.8%	99.7%
Compensation of employees	13 176	11 566	13 720	17 195	9.3%	34.8%	19 625	20 870	22 401	9.2%	68.8%
Goods and services	74 803	5 931	10 726	10 922	-47.3%	64.0%	9 918	10 043	5 037	-22.7%	30.8%
of which:											
Administration fees	362	128	83	72	-41.6%	0.4%	121	97	101	11.9%	0.3%
Advertising	67	2 864	54	33	-21.0%	1.9%	48	50	60	22.1%	0.2%
Assets less than the capitalisation threshold	3	12	28	-	-100.0%	-	-	-	-	-	-
Audit cost: External	305	-	1 569	324	2.0%	1.4%	-	-	-	-100.0%	0.3%
Catering: Departmental activities	25	60	160	44	20.7%	0.2%	74	72	76	20.0%	0.2%
Communication	232	200	184	322	11.5%	0.6%	388	314	323	0.1%	1.2%
Computer services	822	62	44	54	-59.7%	0.6%	85	63	63	5.3%	0.2%
Consultants and professional services: Business and advisory services	158	989	6 460	7 343	259.5%	9.3%	5 252	6 207	1 087	-47.1%	17.1%
Consultants and professional services: Legal costs	377	-	413	-	-100.0%	0.5%	-	-	-	-	-
Contractors	70 224	15	-	-	-100.0%	43.9%	-	-	-	-	-
Entertainment	15	16	-	8	-18.9%	-	-	-	-	-100.0%	-
Fleet services (including government motor transport)	-	4	5	68	-	-	18	22	18	-35.8%	0.1%
Housing	-	-	-	-	-	-	9	12	18	-	-
Inventory: Food and food supplies	-	2	23	18	-	-	27	24	18	-	0.1%
Inventory: Learner and teacher support material	6	1	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	1	-	5	-	-100.0%	-	-	-	-	-	-
Inventory: Other consumables	6	-	1	-	-100.0%	-	-	-	-	-	-
Inventory: Stationery and printing	153	196	175	230	14.6%	0.5%	152	152	152	-12.9%	0.6%
Operating leases	77	-	-	105	10.9%	0.1%	-	-	-	-100.0%	0.1%
Property payments	-	-	44	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	82	-	-	-	0.1%	-	-	-	-	-
Travel and subsistence	1 342	939	969	1 869	11.7%	3.2%	3 030	2 364	2 384	8.5%	8.3%
Training and development	172	138	176	291	19.2%	0.5%	245	249	253	-4.6%	0.9%
Operating payments	130	75	68	52	-26.3%	0.2%	269	269	269	72.9%	0.7%
Venues and facilities	326	148	265	89	-35.1%	0.5%	200	148	215	34.2%	0.6%
Interest and rent on land	3	16	14	22	94.3%	-	26	26	16	-10.1%	0.1%
Transfers and subsidies	-	1 671	12	-	-	1.1%	-	-	-	-	-
Households	-	1 671	12	-	-	1.1%	-	-	-	-	-
Payments for capital assets	14	122	103	-	-100.0%	0.1%	105	108	121	-	0.3%
Machinery and equipment	14	122	103	-	-100.0%	0.1%	105	108	121	-	0.3%
Payments for financial assets	-	25	3	-	-	-	-	-	-	-	-
Total	87 996	19 331	24 578	28 139	-31.6%	100.0%	29 674	31 047	27 575	-0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	13.1%	3.1%	3.8%	3.9%			3.6%	3.6%	3.1%		

Table 12.9 Labour Relations and Remuneration Management (continued)

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	-	1 671	12	-	-	1.1%	-	-	-	-	-
Employee social benefits	-	1 667	12	-	-	1.0%	-	-	-	-	-
Gifts and donations	-	4	-	-	-	-	-	-	-	-	-

Personnel information

Table 12.10 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2011/12		Unit Cost	2012/13		Unit Cost	2013/14		Unit Cost	2014/15		Unit Cost			2015/16		Unit Cost	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16		
Labour Relations and Remuneration Management																			
Salary level	33	1	34	14.5	0.4	30	17.1	0.6	34	19.7	0.6	34	21.1	0.6	34	22.8	0.7	4.3%	100.0%
1-6	4	-	4	0.6	0.2	3	0.8	0.3	4	0.9	0.2	4	0.9	0.2	4	0.9	0.2	10.1%	11.4%
7-10	12	1	13	3.8	0.3	13	4.5	0.3	13	4.8	0.4	13	5.0	0.4	13	5.3	0.4	-	39.4%
11-12	8	-	8	3.7	0.5	7	3.8	0.5	8	4.8	0.6	8	5.1	0.6	8	5.4	0.7	4.6%	23.5%
13-16	9	-	9	6.4	0.7	7	8.0	1.1	9	9.2	1.0	9	10.0	1.1	9	11.1	1.2	8.7%	25.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on managing discipline in the public service, revising and implementing the remuneration policy, and developing and implementing a new housing scheme as part of the improvement in conditions of service.

Expenditure decreased significantly in 2010/11 in the *Conditions of Service* subprogramme due to the department decentralising the provisions for incapacity leave and ill health retirement. The provisions from that year have been accounted for within the individual national departments. Spending in the *Remuneration and Market Analysis* subprogramme increased significantly between 2011/12 and 2012/13 as the department conducted personnel expenditure reviews to develop a new remuneration policy for government. The 54.7 per cent increase in spending in the *Labour Relations and Negotiations* subprogramme in 2010/11 was the result of communication costs related to the strike in the public service in that year, which also caused advertising expenditure to increase.

The projected decrease in expenditure on consultants over the medium term is due to the completion in 2014/15 of the project to develop a case management system that would generate reports on suspensions in order to ensure that remuneration policies on suspensions are effectively implemented.

As part of the Cabinet approved budget reductions over the medium term, the department implemented cost saving measures in this programme to reduce spending on non-core travel and subsistence.

The programme had 4 vacant posts as at the end of September 2012 due to resignations. R12.5 million over the medium term is allocated for spending on consultants, mostly in the *Conditions of Service* subprogramme. The consultants are to assist with the development of policies on improving conditions of service, the management of the panel of accredited health risk managers and the government employees housing scheme. A panel of experts will be also appointed to deal with the management of disciplinary cases in the public service.

Programme 4: Public Sector Information and Communication Technology Management

Objectives

- Contribute to the improvement of service delivery by ensuring that 100 Thusong service centres are connected and operating effectively by March 2015.
- Improve e-governance by implementing the revised e-government policy and strategic framework by March 2015.
- Enhance IT governance by implementing the ICT governance framework by March 2015.
- Improve IT security in the public service by implementing the minimum information security standards framework by March 2015.

Subprogrammes

- *Management: Public Sector Information and Communication Technology* provides administrative support to and management of the programme. In 2012/13, strategic guidance and administrative support was given to enable the programme to achieve its objectives, such as the development of objectives, the prioritisation of projects and outputs, and the determination and consolidation of resource requirements. This subprogramme had a staff complement of 3 in 2012/13.
- *E-Government* provides support and leadership to national and provincial departments and the State Information Technology Agency to develop a government wide architecture and system integration plan. In 2012/13, a draft minimum information security standards framework was developed. R334 000 has been allocated in 2013/14 for implementing the information security policy, R257 000 for implementing e-government initiatives and R284 000 for developing the ICT strategy for the public service. This subprogramme had a staff complement of 5 in 2012/13.
- *Information and Communication Technology Policy and Planning* develops policies, strategies and regulations on ICT across the public service; oversees the State Information Technology Agency; provides secretarial services to the Government Information Technology Officers' Council; and oversees all ICT initiatives in the public service. In 2012/13, members of the Government Information Technology Officers' Council were trained on implementing the green IT policy, and draft guidelines on e-waste management were developed. The council and the online information portal have been allocated R2.5 million over the medium term. This subprogramme had a staff complement of 6 in 2012/13.
- *Information and Communication Technology Infrastructure and Operations* supports all national and provincial departments on significant transversal projects and ICT infrastructure related projects. In 2012/13, an ICT standards framework was developed. R5.5 million has been provided for a call centre to replace the current gateway call centre in 2013/14, and the running costs for ICT connectivity at Thusong service centres are expected to be R6.3 million. This subprogramme had a staff complement of 9 in 2012/13.

Expenditure estimates

Table 12.11 Public Sector Information and Communication Technology Management

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
R thousand											
Management: Public Sector Information and Communication Technology	4 024	2 759	1 527	4 978	7.3%	10.1%	2 820	2 903	3 046	-15.1%	8.8%
E-Government	5 133	4 017	3 876	3 476	-12.2%	12.6%	5 652	5 887	5 862	19.0%	13.4%
Information and Communication Technology Policy and Planning	6 055	3 652	4 549	5 604	-2.5%	15.1%	8 731	9 069	6 235	3.6%	19.0%
Information and Communication Technology Infrastructure and Operations	19 627	21 975	24 752	15 329	-7.9%	62.2%	22 157	26 017	28 349	22.7%	58.8%
Total	34 839	32 403	34 704	29 387	-5.5%	100.0%	39 360	43 876	43 492	14.0%	100.0%
Change to 2012 Budget estimate				(14 529)			(7 122)	(6 575)	-		

Table 12.11 Public Sector Information and Communication Technology Management (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16		
R thousand											
Current payments	32 830	32 147	34 398	26 469	-6.9%	95.8%	39 284	43 800	43 416	17.9%	98.0%
Compensation of employees	9 468	9 553	8 186	9 504	0.1%	28.0%	15 440	16 409	17 580	22.8%	37.7%
Goods and services	23 360	22 582	26 202	16 949	-10.1%	67.8%	23 827	27 374	25 819	15.1%	60.2%
of which:											
Administration fees	109	99	103	80	-9.8%	0.3%	94	102	88	3.2%	0.2%
Advertising	35	-	22	13	-28.1%	0.1%	385	341	261	171.8%	0.6%
Assets less than the capitalisation threshold	359	18	34	89	-37.2%	0.4%	15	20	25	-34.5%	0.1%
Audit cost: External	156	562	-	-	-100.0%	0.5%	-	-	-	-	-
Catering: Departmental activities	58	186	244	218	55.5%	0.5%	300	302	336	15.5%	0.7%
Communication	215	239	150	227	1.8%	0.6%	259	264	269	5.8%	0.7%
Computer services	13 743	16 784	20 513	9 189	-12.6%	45.9%	15 151	18 511	19 152	27.7%	39.7%
Consultants and professional services:	5 946	2 315	2 676	2 520	-24.9%	10.2%	2 348	2 687	1 474	-16.4%	5.8%
Business and advisory services											
Contractors	4	14	-	30	95.7%	-	971	694	707	186.7%	1.5%
Agency and support / outsourced services	-	-	-	158	-	0.1%	-	-	-	-100.0%	0.1%
Entertainment	19	13	-	17	-3.6%	-	-	-	-	-100.0%	-
Fleet services (including government motor transport)	-	2	4	49	-	-	11	11	11	-39.2%	0.1%
Housing	-	-	-	-	-	-	12	9	-	-	-
Inventory: Food and food supplies	-	2	15	18	-	-	18	21	30	18.6%	0.1%
Inventory: Learner and teacher support material	-	1	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1	1	7	-	-100.0%	-	-	-	-	-	-
Inventory: Other consumables	-	5	2	5	-	-	-	-	-	-100.0%	-
Inventory: Stationery and printing	143	126	195	540	55.7%	0.8%	102	102	101	-42.8%	0.5%
Operating leases	41	-	-	74	21.8%	0.1%	-	-	-	-100.0%	-
Transport provided: Departmental activity	-	125	-	-	-	0.1%	-	-	-	-	-
Travel and subsistence	1 437	948	762	2 849	25.6%	4.6%	2 329	2 480	2 059	-10.3%	6.2%
Training and development	740	471	698	220	-33.3%	1.6%	327	590	273	7.5%	0.9%
Operating payments	61	549	141	168	40.2%	0.7%	586	267	273	17.6%	0.8%
Venues and facilities	293	122	636	485	18.3%	1.2%	919	973	760	16.2%	2.0%
Interest and rent on land	2	12	10	16	100.0%	-	17	17	17	2.0%	-
Transfers and subsidies	2	6	80	-	-100.0%	0.1%	8	8	8	-	-
Departmental agencies and accounts	-	-	-	-	-	-	8	8	8	-	-
Households	2	6	80	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	2 007	241	226	2 918	13.3%	4.1%	68	68	68	-71.4%	2.0%
Machinery and equipment	2 007	241	226	2 773	11.4%	4.0%	68	68	68	-70.9%	1.9%
Software and other intangible assets	-	-	-	145	-	0.1%	-	-	-	-100.0%	0.1%
Payments for financial assets	-	9	-	-	-	-	-	-	-	-	-
Total	34 839	32 403	34 704	29 387	-5.5%	100.0%	39 360	43 876	43 492	14.0%	100.0%
Proportion of total programme expenditure to vote expenditure	5.2%	5.2%	5.4%	4.0%			4.8%	5.1%	4.9%		
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	2	6	80	-	-100.0%	0.1%	-	-	-	-	-
Employee social benefits	2	6	80	-	-100.0%	0.1%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	-	-	-	-	8	8	8	-	-
Communication	-	-	-	-	-	-	8	8	8	-	-

Personnel information

Table 12.12 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2011/12			2012/13			2013/14			2014/15			2015/16					
Public Sector Information and Communication Technology Management		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16		
Salary level	22	1	15	11.2	0.7	15	13.7	0.9	23	16.3	0.7	23	17.1	0.7	23	18.8	0.8	15.3%	100.0%
1 – 6	3	1	4	0.6	0.1	4	0.8	0.2	4	0.9	0.2	4	0.9	0.2	4	0.9	0.2	–	19.0%
7 – 10	4	–	4	0.9	0.2	3	1.1	0.4	4	1.3	0.3	4	1.3	0.3	4	1.4	0.3	10.1%	17.9%
11 – 12	3	–	3	1.1	0.4	3	1.3	0.4	3	1.6	0.5	3	1.7	0.6	3	1.8	0.6	–	14.3%
13 – 16	12	–	4	8.5	2.1	5	10.5	2.1	12	12.6	1.0	12	13.2	1.1	12	14.7	1.2	33.9%	48.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will continue to be on implementing information management and e-government policies in the public service, ensuring the effective operation of the Thusong service centres, and coordinating and managing the Government Information Technology Officers' Council and portal. The projected increase in allocations to this programme over the medium term is to provide for the increase in the number of connected Thusong service centres from 70 in 2011/12 to 100 in 2015/16.

The decrease in spending between 2009/10 and 2012/13 was mainly due to a delay in bringing the gateway call centre into operation by 2012/13. This also explains the 55.2 per cent decrease in spending on computer services in 2012/13. Expenditure on consultants decreased by 61.1 per cent in 2010/11 due to the completion of the development of the ICT vulnerability assessment methodology and the public service expenditure review in 2009/10.

Spending in the *E-Government* and the *Information and Communication Technology Infrastructure and Operations* subprogrammes over the medium term is expected to grow significantly. The increases are attributable to the implementation of the public service ICT strategy, the implementation of transversal tenders and the development of a broadband policy. In order to conduct these activities, the department expects to fill the 8 posts over the medium term that were vacant as at 30 September 2010, and this explains the significant increase in expenditure on compensation of employees over the medium term. The posts were vacant due to resignations and delays in finalising the recruitment process.

The department reprioritised spending on computer services for payments for the gateway call centre at the State Information Technology Agency to provide funding for other priority ICT projects. The department also implemented cost saving measures in spending on non-core travel and subsistence as part of the Cabinet approved budget reductions.

Spending on consultants decreases over the seven-year period as the department increases internal capacity within the programme. Consultants are used to provide technical expertise related to ICT projects.

Programme 5: Service Delivery and Organisational Transformation

Objectives

- Improve service delivery in the public service by providing advice and support to departments with regard to service standards, charters and delivery models; business process mapping and unit costing; geographic mapping and access to service delivery points; and service delivery improvement plans on an ongoing basis until March 2015.
- Contribute to the organisational development and transformation of departments by revising existing legal instruments, frameworks, methodologies and directives on managing organisational design and change within the public service by March 2014.

- Contribute to improving the professionalism of public servants through advocacy programmes to institutionalise the Batho Pele principles on an ongoing basis.
- Contribute to improved organisational development in government by:
 - assisting sector departments as and when requested to develop sector specific organisational structures, conducting reviews on the efficiency of organisational structures and assessing functionality capacity.
 - monitoring organisational structuring of departments and providing norms within a uniform job grading system on an ongoing basis until March 2015.
- Improve the capability of the public service by developing a strategy for the incremental modernisation of service delivery processes and systems by March 2015.
- Enhance engagement between departments and communities and institutionalise quality service delivery in all departments by implementing the public service knowledge management framework and establishing national and 9 provincial service delivery forums as part of the citizen participation strategy by March 2015.
- Promote innovative service delivery in the public sector by investigating, testing and piloting at least two sustainable innovative service delivery models and solutions per year for replication and mainstreaming.

Subprogrammes

- *Management: Service Delivery and Organisational Transformation* provides administrative support to and management of the programme. In 2012/13, strategic guidance and administrative support to enable the programme to achieve its objectives, such as the development of objectives, the prioritisation of projects and outputs, and the determination and consolidation of resource requirements. This subprogramme had a staff complement of 3 in 2012/13.
- *Service Delivery Planning* coordinates and facilitates service delivery improvement initiatives, such as developing and implementing a service delivery planning framework in all national and provincial departments. In 2012/13, a draft framework on the determination of unit costing methodology for the departments of health and basic education was developed and discussed at the governance and administration cluster working session. The document will continue to be developed in 2013/14. This subprogramme had a staff complement of 4 in 2012/13.
- *Service Delivery Improvement Mechanisms* supports interventions and partnerships that improve efficiency and effectiveness. In 2012/13, national and provincial departments were consulted on the knowledge management framework, and a report on departmental service delivery improvement plans was drafted and is currently awaiting approval from the Minister of Public Service and Administration. In 2013/14, R639 000 will be spent on conducting a Batho Pele impact assessment, and R1.4 million will be spent on Africa Public Service Day celebrations. This subprogramme had a staff complement of 14 in 2012/13.
- *Organisational Development of the Public Sector* focuses on the organisational development of the public sector. In 2012/13, provincial departments of social development were assisted to align their organisational structures with the approved generic structure for the social development sector, and work on the structures of the offices of premiers and the provincial departments of education was also in progress. In 2013/14, monitoring and reporting on the implementation of the standardised delegation templates across the public service will be conducted, and sector departments will be assisted in developing sector specific structures. This subprogramme had a staff complement of 18 in 2012/13.
- *Community Development and Participation* ensures the smooth coordination and implementation of the community development workers programme in the public service and the promotion of citizen participation. In 2012/13, both the citizen engagement framework as well as the Know Your Service Rights project were discussed in a series of workshops and promoted in Free State and Mpumalanga. In 2013/14, R494 000 will be spent on performing ward profiling in at least 3 provinces, R405 000 will be spent on popularising the citizen engagement strategy and R266 000 will be spent on popularising the Know Your Service Rights project in 3 provinces. This subprogramme had a staff complement of 7 in 2012/13.
- *Change Management Process and System* promotes cultural change in the public service and coordinates the dissemination of lessons for improving service delivery. In 2012/13, capacity was built in provincial departments for the Batho Pele change management engagement programme. In 2013/14, the focus will be on developing a framework to improve the morale of public servants, a project on modernising government

at a cost of R433 000, and developing a change management framework at a cost of R427 000. This subprogramme had a staff complement of 6 in 2012/13.

- *Integrated Access Mechanisms* facilitates community development through access to government services. In 2012/13, geographic accessibility studies in the Johannesburg and eThekweni metropolitan municipalities were nearing completion. A report to be tabled at the governance and administration cluster is currently being prepared. Over the medium term, this subprogramme's operational budget will mainly be used to fund a study on the geographic accessibility of Thusong service centres and services in metropolitan areas. This subprogramme had a staff complement of 3 in 2012/13.
- *Public Administration Leadership and Management Academy* aims to enhance the quality, extent and impact of public sector management and leadership development through collaborating with other training service providers, enforcing compulsory training programmes and facilitating training for all spheres of government. This subprogramme's total budget is transferred to the Public Administration Leadership and Management Academy on a monthly basis.
- *Centre for Public Service Innovation* unlocks innovation in the public sector and creates an enabling environment for improved and innovative service delivery through capacity development activities. In 2012/13, the annual Centre for Public Service Innovation Awards ceremony was held, the annual innovation conference was hosted, and the centre co-hosted the biennial United Nations (UN) Public Administration Network workshop, which was held in Africa for the first time. In 2013/14, the awards will be held at a cost of R1.4 million; the innovation conference will be held at a cost of R1 million; inputs to the UN Public Administration Network will be provided at a cost of R575 000; and two innovation projects, the maritime safety project and the Honeydew policing project, will be funded at a cost of R627 000. This subprogramme had a staff complement of 24 in 2012/13.
- *Public Service Education and Training Authority* develops a coordinated framework for providing public service education and training. This subprogramme's total budget is transferred on a quarterly basis to the Public Service Education and Training Authority.
- *Batho Pele* manages and promotes Batho Pele programmes in the public service. In 2012/13, 106 senior staff members were trained on the theoretical aspect of project Khaedu, an action learning programme to empower managers through various processes of learning reinforcement and practice; 57 staff members were deployed to service sites; a Batho Pele impact assessment for the Department of Social Development was conducted; and an assessment tool for the Department of Human Settlements was in the process of being developed. In 2013/14, a toolkit and methodology will be developed for conducting a productivity study in the public service at a cost of R260 000. This subprogramme had a staff complement of 6 in 2012/13.

Expenditure estimates

Table 12.13 Service Delivery and Organisational Transformation

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate		Medium-term expenditure estimate			Average growth rate	
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	Average	2013/14	2014/15	2015/16	2012/13 - 2015/16
R thousand											
Management: Service Delivery and Organisational Transformation	2 181	2 754	3 204	2 986	11.0%	1.3%	3 874	3 990	3 848	8.8%	1.5%
Service Delivery Planning	2 228	2 431	1 603	2 706	6.7%	1.1%	3 863	4 006	4 132	15.2%	1.5%
Service Delivery Improvement Mechanisms	10 641	10 163	13 054	11 300	2.0%	5.4%	13 643	14 201	14 199	7.9%	5.6%
Organisational Development of the Public Sector	10 244	11 438	11 722	14 453	12.2%	5.7%	14 869	15 562	16 354	4.2%	6.4%
Community Development and Participation	5 906	4 428	5 062	5 717	-1.1%	2.5%	5 354	5 501	5 122	-3.6%	2.3%
Change Management Process and System	13 129	5 090	13 142	5 639	-24.6%	4.4%	4 850	5 025	5 491	-0.9%	2.2%
Integrated Access Mechanisms	2 081	2 717	3 715	5 458	37.9%	1.7%	5 959	7 054	6 843	7.8%	2.6%
Public Administration Leadership and Management Academy	121 113	118 414	118 321	124 384	0.9%	57.4%	131 922	138 508	143 654	4.9%	56.3%
Centre for Public Service Innovation	16 079	17 852	17 200	17 098	2.1%	8.1%	22 866	23 518	24 663	13.0%	9.2%
Public Service Education and Training Authority	21 000	27 466	23 708	22 295	2.0%	11.2%	23 308	24 706	25 843	5.0%	10.1%
Batho Pele	-	5 219	-	4 744	-	1.2%	5 558	5 630	5 983	8.0%	2.3%
Total	204 602	207 972	210 731	216 780	1.9%	100.0%	236 066	247 701	256 132	5.7%	100.0%
Change to 2012 Budget estimate				2 413			8 376	5 809	-		

Table 12.13 Service Delivery and Organisational Transformation (continued)

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12	2012/13		2009/10 - 2012/13	Expenditure/total: Average (%)	2013/14	2014/15	2015/16	2012/13 - 2015/16	Expenditure/total: Average (%)
R thousand												
Current payments	80 699	88 230	68 420	70 013	-4.6%	36.6%	80 262	84 188	86 389	7.3%	33.5%	
Compensation of employees	39 490	44 792	36 408	43 180	3.0%	19.5%	49 364	52 489	56 326	9.3%	21.0%	
Goods and services	41 202	43 407	31 984	26 752	-13.4%	17.1%	30 852	31 653	30 017	3.9%	12.5%	
of which:												
Administration fees	931	747	664	124	-48.9%	0.3%	442	419	384	45.8%	0.1%	
Advertising	5 410	2 020	3 304	507	-54.6%	1.3%	2 027	2 478	2 396	67.8%	0.8%	
Assets less than the capitalisation threshold	279	88	29	7	-70.7%	-	21	19	18	37.0%	-	
Audit cost: External	1 020	1 443	-	138	-48.7%	0.3%	-	-	-	-100.0%	-	
Bursaries: Employees	-	2	-	-	-	-	-	-	-	-	-	
Catering: Departmental activities	206	1 388	906	84	-25.8%	0.3%	448	455	593	91.8%	0.2%	
Communication	997	1 155	645	1 372	11.2%	0.5%	833	851	869	-14.1%	0.4%	
Computer services	1 514	3 834	2 069	2 854	23.5%	1.2%	3 186	3 090	3 152	3.4%	1.3%	
Consultants and professional services:	5 199	5 171	5 466	5 352	1.0%	2.5%	2 476	3 457	2 794	-19.5%	1.5%	
Business and advisory services												
Contractors	414	923	660	1 539	54.9%	0.4%	1 198	1 457	1 212	-7.7%	0.6%	
Agency and support / outsourced services	96	1 435	-	-	-100.0%	0.2%	-	-	-	-	-	
Entertainment	65	40	1	22	-30.3%	-	2	2	2	-55.0%	-	
Fleet services (including government motor transport)	-	16	8	245	-	-	32	32	25	-53.3%	-	
Housing	-	-	-	-	-	-	2	18	13	-	-	
Inventory: Food and food supplies	-	2	16	26	-	-	30	22	34	9.4%	-	
Inventory: Fuel, oil and gas	-	6	-	-	-	-	8	-	-	-	-	
Inventory: Learner and teacher support material	-	1	2	-	-	-	-	-	-	-	-	
Inventory: Materials and supplies	52	4	9	-	-100.0%	-	-	-	-	-	-	
Inventory: Medical supplies	-	1	-	-	-	-	-	-	-	-	-	
Inventory: Other consumables	46	93	22	13	-34.4%	-	31	31	32	35.0%	-	
Inventory: Stationery and printing	1 462	1 287	572	1 909	9.3%	0.6%	504	508	510	-35.6%	0.4%	
Operating leases	3 103	2 982	1 778	1 788	-16.8%	1.1%	2 073	2 260	2 463	11.3%	0.9%	
Property payments	1 163	3 319	282	40	-67.5%	0.6%	154	159	164	60.1%	0.1%	
Transport provided: Departmental activity	1 838	999	-	-	-100.0%	0.3%	-	-	-	-	-	
Travel and subsistence	7 462	7 610	9 497	4 751	-14.0%	3.5%	11 237	10 312	9 437	25.7%	3.7%	
Training and development	485	700	703	1 863	56.6%	0.4%	628	642	658	-29.3%	0.4%	
Operating payments	4 382	4 196	1 913	1 297	-33.4%	1.4%	1 387	1 255	1 182	-3.0%	0.5%	
Venues and facilities	5 078	3 945	3 434	2 821	-17.8%	1.8%	4 133	4 186	4 079	13.1%	1.6%	
Rental and hiring	-	-	4	-	-	-	-	-	-	-	-	
Interest and rent on land	7	31	28	81	126.2%	-	46	46	46	-17.2%	-	
Transfers and subsidies	121 751	119 302	142 071	146 718	6.4%	63.1%	155 296	163 283	169 526	4.9%	66.4%	
Provinces and municipalities	-	1	-	-	-	-	-	-	-	-	-	
Departmental agencies and accounts	121 113	118 414	142 029	146 679	6.6%	62.9%	155 254	163 238	169 521	4.9%	66.3%	
Foreign governments and international organisations	-	-	2	39	-	-	42	45	5	-49.6%	-	
Non-profit institutions	-	1	-	-	-	-	-	-	-	-	-	
Households	638	886	40	-	-100.0%	0.2%	-	-	-	-	-	
Payments for capital assets	2 152	398	223	49	-71.7%	0.3%	508	230	217	64.2%	0.1%	
Buildings and other fixed structures	-	-	-	-	-	-	12	9	9	-	-	
Machinery and equipment	2 031	398	223	49	-71.1%	0.3%	496	221	208	61.9%	0.1%	
Software and other intangible assets	121	-	-	-	-100.0%	-	-	-	-	-	-	
Payments for financial assets	-	42	17	-	-	-	-	-	-	-	-	
Total	204 602	207 972	210 731	216 780	1.9%	100.0%	236 066	247 701	256 132	5.7%	100.0%	
Proportion of total programme expenditure to vote expenditure	30.5%	33.1%	32.6%	29.8%			28.9%	28.8%	29.1%			

Table 12.13 Service Delivery and Organisational Transformation (continued)

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2012/13	2009/10 - 2012/13	2013/14		
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	638	886	40	-	-100.0%	0.2%	-	-	-	-	-
Employee social benefits	624	886	40	-	-100.0%	0.2%	-	-	-	-	-
Gifts and donations	14	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	-	-	2	39	-	-	42	45	5	-49.6%	-
Gifts and donations	-	-	2	-	-	-	-	-	5	-	-
Commonwealth Association for Public Administration and Management	-	-	-	39	-	-	42	45	-	-100.0%	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	-	1	-	-	-	-	-	-	-	-	-
Vehicle licences	-	1	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	121 113	118 414	142 029	146 679	6.6%	62.9%	155 254	163 238	169 521	4.9%	66.3%
Communication	-	-	-	-	-	-	24	24	24	-	-
Public Administration Leadership and Management Academy	121 113	118 414	118 321	124 384	0.9%	57.4%	131 922	138 508	143 654	4.9%	56.3%
Public Sector Education Training Authority	-	-	23 708	22 295	-	5.5%	23 308	24 706	25 843	5.0%	10.1%
Non-profit institutions											
Current	-	1	-	-	-	-	-	-	-	-	-
Gifts and donations	-	1	-	-	-	-	-	-	-	-	-

Personnel information

Table 12.14 Details of approved establishment and personnel numbers according to salary level¹

Service Delivery and Organisational Transformation	Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2011/12		2012/13		2013/14		2014/15		2015/16		2012/13 - 2015/16						
Salary level	79	6	85	34.7	0.4	72	42.6	0.6	85	49.2	0.6	85	51.7	0.6	85	56.3	0.7	5.7%	100.0%
1 - 6	12	5	17	2.1	0.1	16	3.1	0.2	17	3.3	0.2	17	3.4	0.2	17	3.6	0.2	2.0%	20.5%
7 - 10	16	1	17	4.6	0.3	11	5.7	0.5	17	6.1	0.4	17	6.4	0.4	17	6.7	0.4	15.6%	19.0%
11 - 12	25	-	25	9.9	0.4	21	10.3	0.5	25	13.5	0.5	25	14.3	0.6	25	15.1	0.6	6.0%	29.4%
13 - 16	26	-	26	18.0	0.7	24	23.4	1.0	26	26.3	1.0	26	27.6	1.1	26	30.9	1.2	2.7%	31.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will continue to be on transforming, reforming and using innovation to improve the effectiveness, efficiency and level of service delivery of the public service. This will allow the department to increase the total number of Thusong Service Centres providing Citizen focused services conducted from 80 in 2012/13 to 100 in 2015/16.

The significant increase in expenditure in the *Management: Service Delivery and Organisational Transformation* subprogramme in 2011/12 was due to increased travelling to workshops and advocacy programmes in the different provinces. The increase in expenditure in the *Organisational Development of the Public Sector* subprogramme in 2012/13 was due to the macro organisation of the state project, while the increase in expenditure by the *Integrated Access Mechanisms* subprogramme in the same year was due to the geographic information system project. Expenditure on goods and services decreased by 19.7 per cent in

2012/13 due to the completion of the change management strategy for the single public service. This also explains the decrease in expenditure on travel and subsistence, as the projects required travelling to consult with various stakeholders.

Expenditure in the *Service Delivery Planning* subprogramme is expected to increase significantly over the medium term to provide for the determination of unit costing within government departments. Expenditure in the *Centre for Public Service Innovation* subprogramme is also expected to increase significantly to provide for improved operational capacity.

As part of the Cabinet approved budget reductions of R10.4 million over the medium term, the department implemented cost saving measures in this programme in spending on non-core travelling and subsistence.

The programme has an approved establishment of 85 posts, 13 of which were vacant at the end of September 2012 due to resignations. R8.8 million is allocated for the use of consultants between 2013/14 and 2015/16. These consultants will provide advisory services relating to the geographic information systems project and change management interventions.

Programme 6: Governance and International Relations

Objectives

- Monitor and evaluate public service regulations and policies to ensure accountability and transparency by implementing a monitoring and evaluation framework in national and provincial departments by March 2015.
- Ensure integration of public administration and service delivery across the three spheres of government by developing enabling policy and legislative frameworks by March 2015.
- Contribute to the transformation agenda of the global public service by:
 - advancing bilateral, south-south and north-south cooperation on public administration
 - participating in global multilateral and institutional governance forums by March 2015.
- Tackle corruption in the public service by:
 - implementing the public sector integrity management framework, by March 2015
 - investigating corruption related misconduct cases and ensuring disciplinary processes are instituted on an ongoing basis.
- Ensure that South Africa complies with the African Peer Review Mechanism by managing and implementing the mechanism's national programme of action, submitting progress implementation reports and coordinating the country's second generation country review process by March 2015.

Subprogrammes

- *Management: Governance and International Relations* provides administrative support to and management of the programme. In 2012/13, strategic guidance and administrative support was provided to enable the programme to achieve its objectives, such as the development of objectives, the prioritisation of projects and outputs, and the determination and consolidation of resource requirements. This subprogramme had a staff complement of 3 in 2012/13.
- *Integrity and Ethics Management* is responsible for establishing and implementing strategies for fighting corruption and improving ethical conduct in the public service. This subprogramme includes the public service anti-corruption unit, which is responsible for providing technical assistance and advisory support services on corruption related misconduct matters in the public service to ensure the uniform application of norms and standards relating to labour relations and anti-corruption. In 2012/13, assessments of anti-corruption measures in 9 national departments were conducted and a set of guidelines on the deployment of ethics officers across the public service was developed. In 2013/14, the implementation of an electronic disclosure system across government will start at an estimated cost of R1.5 million, and monitoring and reporting on the implementation of the public sector integrity management framework and the implementation of the anti-corruption communication awareness campaign will be conducted. This subprogramme had a staff complement of 24 in 2012/13.

- *International Cooperation* establishes and maintains bilateral and multilateral relations on governance and public administration by coordinating and facilitating South Africa's engagement and contribution to continental and international discourse on governance and public administration for improved service delivery. In 2012/13, several international engagements were facilitated, which included an ICT conference in Ethiopia. In 2013/14, estimated spending on multilateral cooperation and bilateral cooperation is R286 000 and R460 000. This subprogramme had a staff complement of 16 in 2012/13.
- *Monitoring and Evaluation* manages a system for monitoring and evaluating public service regulations and related policies that enable transformation in the public sector. In 2012/13, assistance with PERSAL data clean-up was provided to Gauteng provincial departments, and a rollout plan for monitoring and evaluation was developed and consultations on this are being held. In 2013/14, a citizen report card survey in sampled communities will be conducted at an estimated cost of R2.2 million, an employee satisfaction survey will be conducted in the public service at a cost of R188 000, and work on improving the quality of data on PERSAL will continue. This subprogramme had a staff complement of 14 in 2012/13.
- *African Peer Review Mechanism* ensures the domestication and mainstreaming of policies, standards, and practices of the African Peer Review Mechanism programme, thus contributing towards political stability, high economic growth, and sustainable development and accelerated sub-regional and continental economic integration. In 2012/13, the draft African Peer Review Mechanism institutional framework was developed for discussion at the programme's national governing council. In 2013/14, the subprogramme's operational budget of R3.5 million will mainly be used on African Peer Review Mechanism consultations in preparation for the tabling of the third national report on the implementation of the programme of action of the African Peer Review Mechanism. This subprogramme had a staff complement of 5 in 2012/13.
- *Integrated Public Administration Reforms* supports the minister, deputy minister and director general in working towards greater public administration and service delivery integration through facilitating the introduction of enabling legislative and policy frameworks, stakeholder liaison, and programme coordination. In 2012/13, research on developing a concept document for one stop service centres in trains started, and work on the Public Administration Management Bill was also under way. In 2013/14, R1.9 million will be used to further develop a concept document for train service centres. This subprogramme had a staff complement of 10 in 2012/13.
- *Public Service Commission* transfers funds to the Public Service Commission, which oversees and evaluates the functioning of the public service with a view to establishing good governance and best practice principles. This subprogramme's total budget is transferred to the commission on a monthly basis. This subprogramme had no staff complement in 2012/13.

Expenditure estimates

Table 12.15 Governance and International Relations

Subprogramme	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
R thousand											
Management: Governance and International Relations	3 052	2 476	3 379	4 325	12.3%	1.7%	5 022	5 100	5 087	5.6%	1.8%
Integrity and Ethics Management	5 698	5 883	8 082	14 651	37.0%	4.3%	18 427	19 203	21 026	12.8%	6.8%
International Cooperation	10 697	10 236	9 201	10 911	0.7%	5.2%	11 726	12 425	13 119	6.3%	4.5%
Monitoring and Evaluation	5 316	7 782	8 097	10 002	23.5%	3.9%	11 917	12 512	13 065	9.3%	4.4%
African Peer Review Mechanism	6 710	12 377	4 496	9 044	10.5%	4.1%	7 540	8 928	8 874	-0.6%	3.2%
Integrated Public Administration Reforms	17 822	18 379	8 701	16 120	-3.3%	7.7%	16 558	17 779	17 859	3.5%	6.4%
Public Service Commission	131 789	134 595	151 051	161 537	7.0%	73.1%	201 140	212 431	204 931	8.3%	72.8%
Total	181 084	191 728	193 007	226 590	7.8%	100.0%	272 330	288 378	283 961	7.8%	100.0%
Change to 2012 Budget estimate				(5 845)			26 822	27 943	5 284		

Table 12.15 Governance and International Relations (continued)

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12	2012/13		2009/10 - 2012/13	Expenditure/total: Average (%)	2013/14	2014/15	2015/16	2012/13 - 2015/16	Expenditure/total: Average (%)
R thousand	47 908	54 044	38 677	64 481	10.4%	25.9%	69 770	74 798	77 879	6.5%	26.8%	
Current payments												
Compensation of employees	18 618	21 653	24 092	31 809	19.5%	12.1%	41 324	43 942	47 165	14.0%	15.3%	
Goods and services	29 284	32 364	14 559	32 633	3.7%	13.7%	28 392	30 802	30 660	-2.1%	11.4%	
of which:												
Administration fees	621	970	346	227	-28.5%	0.3%	478	536	348	15.3%	0.1%	
Advertising	2 754	591	118	1 261	-22.9%	0.6%	400	1 925	415	-31.0%	0.4%	
Assets less than the capitalisation threshold	182	624	172	88	-21.5%	0.1%	15	16	15	-44.6%	-	
Audit cost: External	269	-	-	-	-100.0%	-	-	-	-	-	-	
Bursaries: Employees	-	-	13	-	-	-	-	-	-	-	-	
Catering: Departmental activities	184	611	274	627	50.5%	0.2%	125	125	205	-31.1%	0.1%	
Communication	480	620	707	863	21.6%	0.3%	805	828	852	-0.4%	0.3%	
Computer services	1 505	1 962	2 092	1 890	7.9%	0.9%	3 094	3 700	4 231	30.8%	1.2%	
Consultants and professional services:	2 513	3 902	232	3 813	14.9%	1.3%	5 677	2 810	3 431	-3.5%	1.5%	
Business and advisory services	-	-	-	1 520	-	0.2%	-	-	-	-100.0%	0.1%	
Consultants and professional services: Legal costs	-	-	-	-	-	-	-	-	-	-	-	
Contractors	1 760	521	367	53	-68.9%	0.3%	190	201	183	51.1%	0.1%	
Agency and support / outsourced services	187	67	205	2 353	132.6%	0.4%	500	600	700	-33.2%	0.4%	
Entertainment	30	28	2	64	28.7%	-	29	32	35	-18.2%	-	
Fleet services (including government motor transport)	-	11	4	116	-	-	36	36	36	-32.3%	-	
Housing	-	-	-	-	-	-	-	4	10	-	-	
Inventory: Food and food supplies	-	3	22	34	-	-	50	46	40	5.6%	-	
Inventory: Fuel, oil and gas	-	2	-	-	-	-	-	-	-	-	-	
Inventory: Materials and supplies	384	4	164	-	-100.0%	0.1%	-	-	-	-	-	
Inventory: Medical supplies	-	1	-	-	-	-	-	-	-	-	-	
Inventory: Other consumables	1	4	51	6	81.7%	-	-	-	-	-100.0%	-	
Inventory: Stationery and printing	835	350	307	853	0.7%	0.3%	722	802	868	0.6%	0.3%	
Operating leases	3 746	3 744	25	5 282	12.1%	1.6%	3 367	5 340	6 033	4.5%	1.9%	
Property payments	2 437	3 855	828	990	-25.9%	1.0%	1 996	2 195	2 415	34.6%	0.7%	
Transport provided: Departmental activity	1 080	2 755	-	10	-79.0%	0.5%	300	400	500	268.4%	0.1%	
Travel and subsistence	4 437	6 890	6 530	7 494	19.1%	3.2%	7 862	8 078	7 680	0.8%	2.9%	
Training and development	384	575	737	898	32.7%	0.3%	524	534	544	-15.4%	0.2%	
Operating payments	3 154	1 988	765	365	-51.3%	0.8%	874	1 267	769	28.2%	0.3%	
Venues and facilities	2 341	2 286	598	3 826	17.8%	1.1%	1 348	1 327	1 350	-29.3%	0.7%	
Interest and rent on land	6	27	26	39	86.6%	-	54	54	54	11.5%	-	
Transfers and subsidies	132 348	135 082	151 892	162 096	7.0%	73.4%	202 007	213 306	205 832	8.3%	73.1%	
Departmental agencies and accounts	131 789	134 595	151 051	161 537	7.0%	73.1%	201 141	212 432	204 932	8.3%	72.8%	
Foreign governments and international organisations	549	477	670	559	0.6%	0.3%	866	874	900	17.2%	0.3%	
Households	10	10	171	-	-100.0%	-	-	-	-	-	-	
Payments for capital assets	827	2 555	2 418	13	-74.9%	0.7%	553	274	250	167.9%	0.1%	
Buildings and other fixed structures	-	-	-	-	-	-	361	77	48	-	-	
Machinery and equipment	784	2 555	2 418	13	-74.5%	0.7%	192	197	202	149.5%	0.1%	
Software and other intangible assets	43	-	-	-	-100.0%	-	-	-	-	-	-	
Payments for financial assets	1	47	20	-	-100.0%	-	-	-	-	-	-	
Total	181 084	191 728	193 007	226 590	7.8%	100.0%	272 330	288 378	283 961	7.8%	100.0%	
Proportion of total programme expenditure to vote expenditure	27.0%	30.5%	29.9%	31.2%			33.4%	33.6%	32.3%			

Selected performance

Table 12.15 Governance and International Relations (continued)

R thousand	Audited outcome			Adjusted appropriation 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	10	10	171	-	-100.0%	-	-	-	-	-	-
Employee social benefits	9	10	171	-	-100.0%	-	-	-	-	-	-
Gifts and donations	1	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	549	477	670	559	0.6%	0.3%	866	874	900	17.2%	0.3%
Gifts and donations	8	-	-	-	-100.0%	-	-	-	-	-	-
Commonwealth Association for Public Administration and Management	-	-	-	42	-	-	-	-	-	-100.0%	-
Organisation for Economic Cooperation and Development	161	141	151	300	23.1%	0.1%	300	300	300	-	0.1%
African Association for Public Administration and Management	64	-	163	63	-0.5%	-	165	167	170	39.2%	0.1%
Centre for Training and Research in Administration for Development	316	313	-	116	-28.4%	0.1%	335	337	400	51.1%	0.1%
International Institute of Administration Services	-	23	24	38	-	-	66	70	30	-7.6%	-
African Training and Research Centre in Administration for Development	-	-	332	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	131 789	134 595	151 051	161 537	7.0%	73.1%	201 141	212 432	204 932	8.3%	72.8%
Communication	-	-	-	-	-	-	1	1	1	-	-
Public Service Commission	131 789	134 595	151 051	161 537	7.0%	73.1%	201 140	212 431	204 931	8.3%	72.8%

Personnel information

Table 12.16 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012	Number of funded posts		Number and cost ² of personnel posts filled / planned for on funded establishment													Number			
			Actual			Revised estimate ³			Medium-term expenditure estimate							Average growth rate (%) 2012/13 - 2015/16	Salary level/total: Average (%)		
	Number of posts additional to the establishment		2011/12		2012/13		2013/14		2014/15		2015/16								
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Governance and International Relations																			
Salary level	64	8	72	29.8	0.4	56	35.5	0.6	72	42.3	0.6	72	44.6	0.6	72	48.3	0.7	8.7%	100.0%
1 - 6	12	-	12	1.6	0.1	10	2.1	0.2	12	2.5	0.2	12	2.6	0.2	12	2.7	0.2	6.3%	16.9%
7 - 10	15	6	21	5.4	0.3	17	7.0	0.4	21	7.4	0.4	21	7.8	0.4	21	8.2	0.4	7.3%	29.4%
11 - 12	16	1	17	7.0	0.4	11	7.4	0.7	17	9.3	0.5	17	9.9	0.6	17	10.5	0.6	15.6%	22.8%
13 - 16	21	1	22	15.7	0.7	18	19.1	1.1	22	23.1	1.1	22	24.4	1.1	22	26.9	1.2	6.9%	30.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on strengthening the Public Service Commission's mandate to fight corruption in the public service and funding its capacity building initiatives, as well as providing for the establishment and implementation of strategies to fight corruption and improve ethical conduct in the public service.

The significant decrease in expenditure in the *Integrated Public Administration Reforms* subprogramme in 2011/12 is due to the delayed launch of the Urban Mall necessitated by the need to consult with the new political leadership of the department on certain aspects of the project. Similarly, spending on the development of the legislative framework for a single public service moved slowly to enable the new leadership to acquaint itself with and refine the strategic direction for the project. Expenditure in the *African Peer Review Mechanism* subprogramme increased by 84.5 per cent in 2010/11 due to the additional funding provided to conclude the

African Peer Review Mechanism country assessment report. In 2012/13, expenditure in this subprogramme increased by 67.8 per cent as a result of the planned compilation of the third national report on the implementation of the programme of action of the African Peer Review Mechanism. These activities also contribute to the increase in spending on compensation of employees between 2009/10 and 2012/13.

Expenditure on the *Integrity and Ethics Management* subprogramme is expected to increase significantly over the medium term, as a special anti-corruption unit is established. Spending in the *Monitoring and Evaluation* subprogramme is also expected to increase over this period to allow the department to conduct customer satisfaction surveys. In addition, the department implemented cost savings measures to reduce expenditure in non-core travel subsistence as part of the Cabinet approved budget reductions.

The programme had an approved establishment of 72 posts, 16 of which were vacant at the end of September 2012. The vacancies were mainly due to the longer than anticipated time taken to bring the anti-corruption unit into operation. R11.9 million is allocated over the medium term for spending on consultants. These consultants are to provide advisory services for the citizen report card and an electronic disclosure system.

Other departments within the vote

Public Service Commission

Aim

Promote constitutional values and principles of public administration in the public service.

Mandate

The Public Service Commission derives its mandate from section 196 of the Constitution and is tasked and empowered to, of its own accord or if it receives any complaint, investigate, monitor and evaluate the organisation and administration of the public service. The mandate also entails the evaluation of the performance of government programmes. The commission is also required to promote measures throughout the public service and to Parliament and the provincial legislatures that ensure effective and efficient performance within the public service, and to promote the values and principles of public administration as set out in the Constitution.

Strategic goals

The commission's strategic goals over the medium term are to:

- enhance accountability and ethics in public administration
- improve service delivery by government and ensure that the desired standards of equity, effectiveness, efficiency and economy are met
- champion excellence in developmental public administration.

Selected performance indicators

Table 12.17 Public Service Commission

Indicator	Programme	Outcome to which it contributes	Past			Current	Projections		
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Percentage of grievances received, investigated and concluded per year	Leadership and Management Practices	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	(614) ¹	(572) ¹	(673) ¹	100% (730)	100% (730)	100% (730)	100% (730)
Number of reports on the management of grievances in the public service per year	Leadership and Management Practices		2	3	1	1	1	1	1
Percentage of heads of departments whose performance documents is evaluated per year	Leadership and Management Practices		52% (76)	20% (29)	97% (142)	100% (146)	100% (146)	100% (10)	100% (10)
Percentage of heads of department whose performance agreements have been quality assured and filed per year	Leadership and Management Practices		59% (86)	70% (102)	89% (130)	100% (146)	100% (146)	100% (10) ²	100% (10) ²
Number of reports on strategic human resource matters per year	Leadership and Management Practices		1	2	2	2	2	2	2
Number of monitoring and evaluation reports per year	Monitoring and Evaluation		32	26	22	20	5	5	5
Number of reports on service delivery per year	Monitoring and Evaluation		4	12	10	6	5	5	5
Number of public administration investigations successfully concluded per year ³	Integrity and Anti-corruption								
- Full scale:			7	4	6	7	20	20	20
- Desktop finalised:			20	61	28	20	25	25	25
Number of national anti-corruption hotline reported cases per year	Integrity and Anti-corruption		1 430	1 117	582	1 400	1 600	1 800	2 600
Percentage of financial disclosure forms received and scrutinised	Integrity and Anti-Corruption		78% (7 099)	88% (7 587)	62% (5 786)	100% (10 200)	100% (10 200)	100% (10 200)	100% (10 200)
Number of ethics and anti-corruption research reports per year	Integrity and Anti-Corruption	1	1	8	4	4	4	4	

1. The percentages for historical years are not shown as there is insufficient data.

2. From 2014/15, the commission will only be responsible for the performance evaluations of the director general in the Presidency and provincial directors general.

3. The number of public administration investigations have this year been split to show full scale and desktop investigations conducted. Full scale investigations involve field research on information collected when departments are visited, whereas desktop investigations are based on information provided by the department.

Objectives

- Enhance the ability of departments to investigate grievances of employees in the public service through the monitoring of the resolution of grievances in all departments, by investigating and finalising 100 per cent of all grievances lodged with the Public Service Commission each year.
- Implement the head of department's evaluation guidelines to contribute towards improved service delivery in the public service by evaluating 100 per cent of qualifying heads of department in 2013/14.
- Monitor and evaluate compliance with the principles governing public administration by evaluating the management practices and service delivery performance of at least 15 departments by March 2014 and undertaking at least 1 programme evaluation per year.
- Investigate and improve public administration practices by conducting 20 audits and investigations into public administration practices per year by 2015/16, and making recommendations to departments on how to promote good governance.
- Monitor and raise awareness of potential conflicts of interest among managers by managing the financial disclosure framework through official correspondence and annual reporting on non-complying managers to increase compliance to 100 per cent by 2015/16.
- Contribute to the fight against corruption by ongoing management of the national anti-corruption hotline for the public service.

Programmes

- *Administration* manages the office of the commission and provides centralised support services. In 2012/13, the IT server room was upgraded with an uninterrupted power system, a cooling system, and an access control and monitoring system; data lines in all regional offices were upgraded and 3 servers were procured for 3 regional offices. Over the medium term, R83 million is earmarked for centralised services. This programme had a staff complement of 100 in 2012/13.
- *Leadership and Management Practices* promotes sound public service leadership, human resources management, labour relations and labour practices. The programme comprises two subprogrammes: *Labour*

Relations Improvements and Leadership and Human Resource Reviews. In 2012/13, the commission concluded 104 cases and closed 138 of the 619 grievances lodged. Over the medium term, budget allocations will assist the commission in ensuring timeous investigation of 100 per cent of properly referred grievances, as well as with producing 4 research reports with findings and recommendations on human resources best practices. This programme had a staff complement of 42 in 2012/13.

- *Monitoring and Evaluation* enables the commission to establish a high standard of service delivery, monitoring and good governance in the public service. The programme comprises two subprogrammes: *Governance Monitoring*, which promotes good governance and improves governance practices in the public service, and *Service Delivery and Compliance Evaluations*, which strives to promote improved service delivery through public participation and monitoring of quality audits. In 2012/13, the budget allocation was used to produce research reports on topical issues within the public administration field. Most of these reports are in their final stages of completion and some are awaiting approval. Over the medium term, a budget of R99.9 million will be used for citizen forums, which encourage citizen interaction at service delivery sites. This programme had a staff complement of 39 in 2012/13.
- *Integrity and Anti-Corruption* undertakes public administration investigations, analyses and refers cases of alleged corruption to the respective departments for investigation, and scrutinises 100 per cent of the financial disclosure forms of senior managers to ensure integrity driven public service and administration. The programme comprises two subprogrammes: *Public Administration Investigations* and *Professional Ethics* and a budget of R29.3 million in 2012/13. In 2012/13, 151 complaints were captured on the commission's database, 31 of which were concluded. With regard to the management of the financial disclosure framework, in 2012/13 the commission assessed 4 708 (88 per cent) national departments, 3 111 (76 per cent) provincial government departments and 6 578 (71 per cent) local government departments. With regard to managing the national anti-corruption hotline, in 2012/13 the commission lodged 11 390 cases, provided feedback on 6 012 and closed 4 417. This programme had a staff complement of 49 in 2012/13.

Expenditure estimates

Table 12.18 Public Service Commission

Programme	Audited outcome			Adjusted appropriation 2012/13	Revised estimate 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2012/13	Medium-term expenditure estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12					2013/14	2014/15	2015/16		
R thousand												
Administration	72 433	70 885	76 095	83 613	83 613	4.9%	53.0%	92 090	97 359	92 405	3.4%	46.9%
Leadership and Management Practices	16 352	20 166	22 970	25 793	25 793	16.4%	14.9%	32 692	34 434	33 590	9.2%	16.2%
Monitoring and Evaluation	19 684	20 608	20 776	24 547	24 547	7.6%	15.0%	32 400	34 140	33 338	10.7%	16.0%
Integrity and Anti-Corruption	23 320	22 365	24 578	27 584	27 584	5.8%	17.1%	43 958	46 498	45 598	18.2%	21.0%
Total	131 789	134 024	144 419	161 537	161 537	7.0%	100.0%	201 140	212 431	204 931	8.3%	100.0%
Change to 2012 Budget estimate				3 071	3 071			34 177	35 465	19 825		
Economic classification												
Current payments	120 623	130 511	139 529	160 463	160 463	10.0%	96.4%	200 219	211 473	204 043	8.3%	99.5%
Compensation of employees	87 565	92 310	97 286	119 455	119 455	10.9%	69.4%	155 510	164 684	163 139	10.9%	77.3%
Goods and services	33 047	38 196	42 220	41 008	41 008	7.5%	27.0%	44 709	46 789	40 904	-0.1%	22.2%
of which:												
Administration fees	125	32	68	77	77	-14.9%	0.1%	62	78	64	-6.0%	0.0%
Advertising	383	511	656	251	251	-13.1%	0.3%	162	165	139	-17.9%	0.1%
Assets less than the capitalisation threshold	174	372	534	689	689	58.2%	0.3%	1 879	1 646	1 415	27.1%	0.7%
Audit cost: External	1 959	3 529	1 984	1 860	1 860	-1.7%	1.6%	1 295	1 308	1 125	-15.4%	0.7%
Bursaries: Employees	173	275	352	651	651	55.5%	0.3%	562	567	488	-9.2%	0.3%
Catering: Departmental activities	248	245	370	317	317	8.5%	0.2%	301	307	265	-5.8%	0.2%
Communication	2 226	1 997	1 966	2 198	2 198	-0.4%	1.5%	2 487	2 516	2 173	-0.4%	1.2%
Computer services	3 312	4 069	3 488	4 206	4 206	8.3%	2.6%	3 927	3 967	3 411	-6.7%	2.0%
Consultants and professional services: Business and advisory services	3 992	4 152	4 308	5 668	5 668	12.4%	3.2%	4 835	5 266	4 529	-7.2%	2.6%

Table 12.18 Public Service Commission (continued)

Economic classification	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
	2009/10	2010/11	2011/12					2012/13	2013/14	2014/15			2015/16
	2009/10 - 2012/13	2013/14	2014/15					2015/16	2012/13 - 2015/16				
R thousand													
Consultants and professional services: Legal costs	150	436	-	28	28	-42.8%	0.1%	28	28	24	-5.0%	0.0%	
Contractors	261	661	593	190	190	-10.0%	0.3%	202	205	176	-2.5%	0.1%	
Agency and support / outsourced services	11	101	28	20	20	22.1%	0.0%	20	7	5	-37.0%	0.0%	
Entertainment	-	-	-	35	35	-	0.0%	24	24	21	-15.7%	0.0%	
Fleet services (including government motor transport)	3	-	-	-	-	-100.0%	0.0%	-	-	-	-	-	
Inventory: Learner and teacher support material	11	16	19	4	4	-28.6%	0.0%	9	4	4	-	0.0%	
Inventory: Materials and supplies	-	1	-	5	5	-	0.0%	2	7	8	17.0%	0.0%	
Inventory: Other consumables	51	16	54	88	88	19.9%	0.0%	77	77	67	-8.7%	0.0%	
Inventory: Stationery and printing	3 592	2 836	3 138	3 739	3 739	1.3%	2.3%	3 836	3 876	3 333	-3.8%	1.9%	
Operating leases	14 570	18 494	21 927	21 906	21 906	14.6%	13.4%	21 866	25 064	21 713	-0.3%	11.6%	
Property payments	3 689	4 250	4 308	905	905	-37.4%	2.3%	3 913	3 953	3 398	55.4%	1.6%	
Transport provided: Departmental activity	-	774	-	-	-	-	0.1%	-	-	-	-	-	
Travel and subsistence	4 992	4 723	7 246	6 520	6 520	9.3%	4.1%	9 068	9 080	8 181	7.9%	4.2%	
Training and development	494	3	1 236	1 248	1 248	36.2%	0.5%	1 525	1 615	1 600	8.6%	0.8%	
Operating payments	881	555	846	485	485	-18.0%	0.5%	482	486	418	-4.8%	0.2%	
Venues and facilities	467	1 147	1 835	594	594	8.3%	0.7%	686	694	596	0.1%	0.3%	
Interest and rent on land	11	5	23	-	-	-100.0%	0.0%	-	-	-	-	-	
Transfers and subsidies	10 142	679	345	48	48	-83.2%	2.0%	50	50	43	-3.6%	0.0%	
Foreign governments and international organisations	33	41	45	48	48	13.3%	0.0%	50	50	43	-3.6%	0.0%	
Households	10 109	638	300	-	-	-100.0%	1.9%	-	-	-	-	-	
Payments for capital assets	968	2 757	4 454	1 026	1 026	2.0%	1.6%	871	908	845	-6.3%	0.5%	
Machinery and equipment	968	2 422	3 324	1 026	1 026	2.0%	1.4%	871	908	845	-6.3%	0.5%	
Software and other intangible assets	-	335	1 130	-	-	-	0.3%	-	-	-	-	-	
Payments for financial assets	56	77	91	-	-	-100.0%	0.0%	-	-	-	-	-	
Total	131 789	134 024	144 419	161 537	161 537	7.0%	100.0%	201 140	212 431	204 931	8.3%	100.0%	

Personnel information

Table 12.19 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment											Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2011/12		2012/13		2013/14		2014/15		2015/16		2012/13 - 2015/16							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Public Service Commission																			
Salary level	280	-	236	106.7	0.5	230	53.5	0.2	328	155.3	0.5	329	164.5	0.5	329	172.1	0.5	12.7%	100.0%
1 - 6	91	-	77	12.4	0.2	59	5.7	0.1	89	14.2	0.2	90	15.1	0.2	90	15.8	0.2	15.1%	27.0%
7 - 10	80	-	61	20.2	0.3	76	10.7	0.1	95	32.7	0.3	95	34.6	0.4	95	36.2	0.4	7.7%	29.7%
11 - 12	49	-	45	25.6	0.6	44	13.3	0.3	83	47.3	0.6	83	50.1	0.6	83	52.4	0.6	23.6%	24.1%
13 - 16	60	-	53	48.5	0.9	51	23.8	0.5	61	61.1	1.0	61	64.7	1.1	61	67.7	1.1	6.1%	19.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on providing for the commission to fully execute its mandate, by extending its work to the local government sphere; intensifying anti-corruption efforts; and managing grievances. As such, a significant portion of the commission's allocation over the medium term is spent on compensation of employees. Spending on this item also increases significantly over the medium term to create the capacity required to support the commission in fully executing its mandate. This accounts for the increase of 49 posts projected over the medium term in the personnel establishment.

Between 2009/10 and 2012/13, spending in the *Leadership and Management Practices* programme increased significantly to allow the commission to begin building additional capacity to fully execute its mandate. This also explains for the 22.8 per cent increase in spending on compensation of employees over this period. Expenditure on operating leases increased significantly in 2011/12 due to an increase in the office building lease payments.

As at 30 September 2012, there were 50 vacancies within the commission. Most of the vacancies were at levels 1-6. The ratio of support to line function staff is 1:1.

The commission generates savings by using officials to conduct data collection instead of contracting consultants, limiting and prioritising local and foreign trips to save on travel and accommodation costs, and prioritising and reducing printing costs and expenditure on entertainment. R14.7 million has been allocated over the medium term for consultants to provide internal auditing services, the employee wellness programme and the management of the national anti-corruption hotline.

Public Administration Leadership and Management Academy

Aim

Provide or coordinate the provision of training and management development interventions that lead to improved performance and service delivery in the public sector.

Mandate

The Public Administration Leadership and Management Academy derives its mandate from the Public Service Amendment Act (2007). In terms of the act, the academy is required to ensure that public servants are capacitated in the leadership, management and administrative competencies that are central to creating a developmental state. The operational activities of the academy are located within the training trading account, a separate public entity.

Strategic goals

The academy's strategic goals over the medium term are to:

- rapidly respond to changes in the public sector capacity development arena through proactive monitoring and research
- progressively increase and expand the academy's client base by ten per cent annually within the three spheres of government and other organs of state
- determine appropriate funding mechanisms to support the academy's training and operations and to ensure the correct level of funding and utilisation of the funds in line with delivery targets
- enhance the marketing and visibility of the academy's products and services within the three spheres of government and other organs of state
- deliver training to officials within the three spheres of government and other organs of State through structured collaborative partnerships and within a coherent cooperative governance framework
- develop common norms and standards for public sector training and development within the confines of a coherent policy framework
- develop the academy into a high performance organisation by improving organisational and administrative efficiencies.

Selected performance indicators

PALAMA's selected performance indicators are discussed under the training trading account for the Public Administration Leadership and Management Academy in the section on public entities.

Objectives

- Improve the capacity of the state to deliver services by raising the skills levels of civil servants through the competency based training of 38 000 civil servants per year over the medium term.
- Improve the quality of training by accrediting 6 courses per year on a rolling schedule between 2014/15 and 2015/16.

Programmes

- *Administration* facilitates the overall management of the academy and provides support services for its organisational functions. In 2012/13, administrative support was provided to enable the department to achieve objectives such as providing sound financial management, human resources management and communication services. Over the medium term, focus will continue to be on these outputs. This programme had a staff complement of 59 in 2012/13.
- *Public Sector Organisational and Staff Development* facilitates transfer payments to the training trading account for management development and training public sector employees. This programme's total budget is transferred in full to the training trading account. This programme had no staff complement in 2012/13.

Expenditure estimates

Table 12.20 Public Administration Leadership And Management Academy

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12			2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16		
R thousand												
Administration	63 568	54 339	62 517	71 015	71 015	3.8%	53.3%	77 251	82 456	86 249	6.7%	59.0%
Public Sector Organisational and Staff Development	57 545	61 149	49 049	52 477	52 477	-3.0%	46.7%	54 671	56 052	57 404	3.0%	41.0%
Total	121 113	115 488	111 566	123 492	123 492	0.7%	100.0%	131 922	138 508	143 654	5.2%	100.0%
Change to 2012 Budget estimate				-	-			-	-	-		
Economic classification												
Current payments	57 387	52 202	61 241	68 880	68 880	6.3%	50.8%	75 003	80 098	83 783	6.7%	57.3%
Compensation of employees	18 257	21 123	28 924	38 075	38 075	27.8%	22.6%	41 110	43 536	45 539	6.1%	31.3%
Goods and services	39 071	31 047	32 294	30 805	30 805	-7.6%	28.2%	33 893	36 562	38 244	7.5%	26.0%
of which:												
Administration fees	819	32	262	48	48	-61.2%	0.2%	50	53	55	4.8%	0.0%
Advertising	775	947	517	577	577	-9.4%	0.6%	607	637	666	4.9%	0.5%
Assets less than the capitalisation threshold	928	130	22	384	384	-25.5%	0.3%	404	424	443	4.9%	0.3%
Audit cost: External	1 338	1 217	2 623	3 275	3 275	34.8%	1.8%	3 449	3 618	3 784	4.9%	2.6%
Bursaries: Employees	84	2	320	400	400	68.2%	0.2%	421	442	462	4.9%	0.3%
Catering: Departmental activities	408	385	413	214	214	-19.4%	0.3%	225	236	247	4.9%	0.2%
Communication	1 025	1 069	855	1 298	1 298	8.2%	0.9%	1 367	1 433	1 499	4.9%	1.0%
Computer services	5 234	1 722	3 329	2 140	2 140	-25.8%	2.6%	2 253	2 364	2 473	4.9%	1.7%
Consultants and professional services: Business and advisory services	6 887	1 175	268	979	979	-47.8%	2.0%	1 031	1 081	1 131	4.9%	0.8%
Consultants and professional services: Legal costs	1 186	-	78	500	500	-25.0%	0.4%	527	552	578	4.9%	0.4%
Contractors	155	255	128	632	632	59.8%	0.2%	665	698	730	4.9%	0.5%
Agency and support / outsourced services	8 191	13 415	12 901	7 495	7 495	-2.9%	8.9%	9 346	10 857	11 356	14.9%	7.3%
Entertainment	98	9	-	97	97	-0.3%	0.0%	102	107	112	5.0%	0.1%
Fleet services (including government motor transport)	-	-	-	454	454		0.1%	478	501	525	4.9%	0.4%
Inventory: Food and food supplies	-	28	17	25	25		0.0%	26	27	29	5.0%	0.0%
Inventory: Learner and teacher support material	10	1	-	299	299	210.4%	0.1%	315	330	345	4.9%	0.2%
Inventory: Materials and supplies	250	20	1	21	21	-56.2%	0.1%	22	23	24	4.9%	0.0%
Inventory: Medical supplies	-	1	-	8	8		0.0%	8	9	9	4.9%	0.0%
Inventory: Other consumables	405	283	30	73	73	-43.5%	0.2%	77	81	85	5.1%	0.1%
Inventory: Stationery and printing	1 899	1 071	1 495	1 522	1 522	-7.1%	1.3%	1 603	1 681	1 759	4.9%	1.2%
Operating leases	5 005	662	3 210	4 431	4 431	-4.0%	2.8%	4 667	4 896	5 122	4.9%	3.6%
Property payments	448	5 354	1 700	539	539	6.4%	1.7%	569	567	593	3.2%	0.4%
Travel and subsistence	2 279	2 387	2 828	2 592	2 592	4.4%	2.1%	2 730	2 859	2 990	4.9%	2.1%
Training and development	494	308	611	1 038	1 038	28.1%	0.5%	1 093	1 147	1 199	4.9%	0.8%
Operating payments	352	108	264	397	397	4.1%	0.2%	418	439	459	5.0%	0.3%
Venues and facilities	801	466	422	1 367	1 367	19.5%	0.6%	1 439	1 499	1 569	4.7%	1.1%
Interest and rent on land	59	32	23	-	-	-100.0%	0.0%	-	-	-		
Transfers and subsidies	57 554	61 161	49 049	52 477	52 477	-3.0%	46.7%	54 671	56 052	57 404	3.0%	41.0%
Departmental agencies and accounts	57 545	61 149	49 049	52 477	52 477	-3.0%	46.7%	54 671	56 052	57 404	3.0%	41.0%
Households	9	12	-	-	-	-100.0%	0.0%	-	-	-		
Payments for capital assets	5 938	2 086	1 259	2 135	2 135	-28.9%	2.4%	2 248	2 358	2 466	4.9%	1.7%
Machinery and equipment	5 194	1 869	1 259	2 066	2 066	-26.5%	2.2%	2 248	2 358	2 466	6.1%	1.7%
Software and other intangible assets	744	217	-	69	69	-54.7%	0.2%	-	-	-	-100.0%	0.0%
Payments for financial assets	234	39	17	-	-	-100.0%	0.1%	-	-	-		
Total	121 113	115 488	111 566	123 492	123 492	0.7%	100.0%	131 922	138 508	143 654	5.2%	100.0%

Personnel information

Table 12.21 Details of approved establishment and personnel numbers according to salary level¹

Post status as at 30 September 2012		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate ³			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2011/12			2012/13			2013/14		2014/15		2015/16							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost	
Public Administration Leadership And Management Academy		86	35.6	0.4	86	35.6	0.4	86	41.1	0.5	86	43.5	0.5	86	45.5	0.5	-	100.0%	
Salary level	86	86	86	35.6	0.4	86	35.6	0.4	86	41.1	0.5	86	43.5	0.5	86	45.5	0.5	-	100.0%
1 – 6	25	25	25	4.1	0.2	25	4.1	0.2	25	4.8	0.2	25	5.1	0.2	25	5.3	0.2	-	29.1%
7 – 10	28	28	28	8.2	0.3	28	8.2	0.3	28	9.4	0.3	28	10.0	0.4	28	10.5	0.4	-	32.6%
11 – 12	13	13	13	6.3	0.5	13	6.3	0.5	13	7.3	0.6	13	7.8	0.6	13	8.1	0.6	-	15.1%
13 – 16	20	20	20	16.9	0.8	20	16.9	0.8	20	19.5	1.0	20	20.7	1.0	20	21.7	1.1	-	23.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

3. As at 30 September 2012.

Expenditure trends

The spending focus over the medium term will be on the further transformation of the academy in preparation for establishing a fully functional school of governance. The creation of a school of governance will provide training more effectively, reach a larger target audience and contribute to the national development plan's goal of creating a developmental state.

Spending increased significantly in the *Administration* programme in 2011/12 and 2012/13 due to the academy filling 7 vacant positions. Over the medium term, the increase in expenditure on agency and support services relates to the outsourcing of IT and facilities management services.

The commission effected spending reductions of R1.7 million in 2014/15 and R3 million in 2015/16 as part of the Cabinet approved budget reductions. The reductions were implemented mainly in spending on non-core goods and services items, such as communication, computer services, agency and support services, stationary, operating leases, travel and subsistence, and venues and facilities.

The department had a funded establishment of 86 posts, 9 of which were vacant at the end of September 2012 due to resignations. The posts are expected to be filled by the end of 2012/13. The ratio of support to line function staff is 1:2. The department has allocated R3.2 million for consultants to support the department in designing and developing course material.

Public entities and other agencies

State Information Technology Agency

Mandate and goals

The State Information Technology Agency is governed by the State Information Technology Agency Act (1998). The act mandates the agency to consolidate and coordinate the South African government's IT resources to achieve cost savings through economies of scale, increased delivery capabilities and enhanced interoperability of systems. The agency is committed to leveraging IT as a strategic resource for government, managing the IT procurement and delivery process to ensure that government receives value for money, and using IT support delivery of e-government services to all citizens.

The agency's strategic goals over the medium term are to:

- improve service delivery to its clients
- prioritise citizen focused projects
- attain best practice in people management and leadership
- overhaul internal and external communications to improve transparency, visibility and image
- build an appropriate organisational structure and team to achieve its strategic objectives
- maintain financial sustainability.

Selected performance indicators

Table 12.22 State Information Technology Agency

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Revenue growth	Chief operations	0.2%	8.8%	10%	9%	15%	15%	10%
Net surplus percentage	Chief operations	1%	4%	8%	0.8%	2.6%	2.5%	2.5%
Liquidity ratio	Finance	2:1	1.5:1	2.52:1	1.05:1	0.87:1	1.37:1	1.78:1
Value of debtors balances per year	Finance	R768m	R770m	R1258m	R671m	R618m	R710m	R781m
Solvency ratio	Finance	2:1	2.40:1 ¹	2.66:1	3.21:1	3.6:1	2.97:1	2.95:1

1. Corrected figure.

Programmes/activities/objectives

Table 12.23 State Information Technology Agency

R thousand	Audited outcome			Revised estimate 2012/13	Average growth rate (%)		Medium-term estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2009/10	2012/13	2013/14	2014/15	2015/16		
Chief operations	1 432 199	1 512 702	3 776 151	4 275 709	44.0%	60.3%	4 790 800	5 507 249	6 057 973	12.3%	86.1%
Corporate services	2 092 940	2 341 096	270 254	306 007	-47.3%	29.6%	342 872	394 147	433 562	12.3%	6.2%
Office of the chief executive officer	192 100	192 025	135 899	153 877	-7.1%	3.8%	172 414	198 198	218 018	12.3%	3.1%
Finance	297 776	173 886	143 418	177 853	-15.8%	4.5%	238 145	272 085	297 980	18.8%	4.1%
Board of directors	52 919	56 389	178 139	24 900	-22.2%	1.8%	27 900	32 073	35 280	12.3%	0.5%
Total expense	4 067 934	4 276 097	4 503 861	4 938 346	6.7%	100.0%	5 572 131	6 403 752	7 042 813	12.6%	100.0%

Expenditure estimates

Table 12.24 State Information Technology Agency

Statement of financial performance	Audited outcome			Revised estimate 2012/13	Average growth rate (%)		Medium-term estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12		2009/10	2012/13	2013/14	2014/15	2015/16		
Revenue											
Non-tax revenue	4 099 673	4 461 775	4 892 262	4 978 104	6.7%	100.0%	5 716 619	6 565 541	7 217 405	13.2%	100.0%
Sale of goods and services other than capital assets	3 941 773	4 302 403	4 729 096	4 900 000	7.5%	96.9%	5 635 000	6 480 250	7 128 275	13.3%	98.6%
of which:											
Sales by market establishment	3 941 773	4 302 403	4 729 096	4 900 000	7.5%	96.9%	5 635 000	6 480 250	7 128 275	13.3%	98.6%
Other non-tax revenue	157 900	159 372	163 166	78 104	-20.9%	3.1%	81 619	85 291	89 130	4.5%	1.4%
Total revenue	4 099 673	4 461 775	4 892 262	4 978 104	6.7%	100.0%	5 716 619	6 565 541	7 217 405	13.2%	100.0%
Expenses											
Current expenses	4 050 111	4 198 282	4 347 713	4 922 885	6.7%	98.5%	5 515 941	6 340 833	6 974 916	12.3%	99.2%
Compensation of employees	1 709 646	1 695 475	1 474 385	1 491 000	-4.5%	36.2%	1 670 620	1 920 456	2 112 502	12.3%	30.0%
Goods and services	2 105 216	2 328 771	2 775 756	3 315 418	16.3%	58.7%	3 714 823	4 269 494	4 696 443	12.3%	66.8%
Depreciation	177 512	135 499	63 343	116 467	-13.1%	2.8%	130 498	150 883	165 971	12.5%	2.4%
Interest, dividends and rent on land	57 737	38 537	34 229	-	-100.0%	0.8%	-	-	-	-	-
Total expenses	4 067 934	4 276 097	4 503 861	4 938 346	6.7%	100.0%	5 572 131	6 403 752	7 042 813	12.6%	100.0%
Surplus/(Deficit)	31 739	185 678	388 401	39 758	7.8%		144 488	161 789	174 592	63.8%	

Table 12.24 State Information Technology Agency (continued)

R thousand	Audited outcome			Revised estimate 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
Statement of financial position											
Carrying value of assets of which:	517 223	408 590	391 430	2 230 423	62.8%	28.3%	2 559 026	2 167 630	1 806 119	-6.8%	61.1%
Acquisition of assets	86 048	28 221	46 760	695 717	100.7%	6.8%	837 157	600 000	600 000	-4.8%	19.1%
Inventory	67 634	58 404	14 805	60 000	-3.9%	1.7%	60 000	60 000	60 000	-	1.7%
Receivables and prepayments	918 335	890 175	1 273 147	721 233	-7.7%	30.8%	667 534	760 164	831 181	4.8%	20.5%
Cash and cash equivalents	1 114 415	1 561 674	1 549 020	140 979	-49.8%	35.7%	153 491	752 782	1 315 410	110.5%	15.3%
Taxation	144 622	99 444	112 592	63 544	-24.0%	3.5%	50 000	50 000	50 000	-7.7%	1.5%
Total assets	2 762 228	3 018 286	3 340 996	3 216 179	5.2%	100.0%	3 490 051	3 790 576	4 062 710	8.1%	100.0%
Accumulated surplus/(deficit)	882 875	1 068 553	1 456 955	1 578 865	21.4%	40.0%	1 723 353	1 885 143	2 059 736	9.3%	49.7%
Capital and reserves	627 335	627 335	627 335	627 334	-0.0%	20.4%	627 334	627 334	627 334	-	17.4%
Borrowings	10 400	5 200	-	-	-100.0%	0.1%	-	-	-	-	-
Trade and other payables	1 130 784	1 175 095	996 246	867 877	-8.4%	34.2%	948 760	1 061 074	1 147 181	9.7%	27.6%
Taxation	-	-	58 116	-	-	0.4%	42 646	62 919	67 897	-	1.1%
Provisions	110 835	142 103	202 345	142 103	8.6%	4.8%	147 958	154 106	160 562	4.2%	4.2%
Total equity and liabilities	2 762 228	3 018 286	3 340 996	3 216 179	5.2%	100.0%	3 490 051	3 790 576	4 062 710	8.1%	100.0%

Personnel information

Table 12.25 State Information Technology Agency

Salary level	Number of funded posts	Post status estimated for 31 March 2013 Number of vacant posts	Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
			Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)
			2011/12		Unit Cost	2012/13		Unit Cost	2013/14			2014/15			2015/16				
			Number	Cost		Number	Cost		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2012/13 - 2015/16	
	3 355	375	2 803	1 474.4	0.5	2 980	1 491.0	0.5	2 980	1 670.6	0.6	2 980	1 920.5	0.6	2 980	2 112.5	0.7	-	100.0%
1 - 6	299	-	298	29.5	0.1	299	29.8	0.1	299	33.4	0.1	299	38.4	0.1	299	42.2	0.1	12.3%	10.0%
7 - 10	1 923	300	1 537	757.9	0.5	1 623	766.4	0.5	1 623	858.7	0.5	1 623	987.1	0.6	1 623	1 085.9	0.7	12.3%	54.5%
11 - 12	873	75	708	457.0	0.6	798	462.1	0.6	798	517.8	0.6	798	595.2	0.7	798	654.8	0.8	12.3%	26.8%
13 - 16	256	-	256	222.8	0.9	256	225.3	0.9	256	252.4	1.0	256	290.2	1.1	256	319.2	1.2	12.3%	8.6%
17 - 22	4	-	4	7.3	1.8	4	7.4	1.8	4	8.3	2.1	4	9.5	2.4	4	10.5	2.6	12.3%	0.1%

1. Rand million.

Expenditure trends

Revenue for the State Information Technology Agency is expected to increase significantly over the medium term due to the anticipated increase in the number of products offered by the agency and the expansion of services to local government in response to the single public service policy.

The spending focus over the medium term will be on investing in ICT infrastructure and implementing the agency's turnaround strategy. Significant spending is evident between 2009/10 and 2012/13 under the chief operations programme due to the growth of the organisation. Over the medium term, spending on both compensation of employees and capital expenditure is expected to grow significantly because of the plan to upgrade its ICT infrastructure and build capacity for providing services to local government.

The entity had 375 vacant posts due to the restructuring process that is currently under way. The ratio of support staff to line function staff is 1:7. Contractors and consultants are used due to staff shortage and ad hoc business requirements where the service required is not recurring. Expenditure on consultants is expected to decrease after the restructuring is completed in March 2014.

Training trading account for the Public Administration Leadership and Management Academy

Mandate and goals

The training trading account functions as a mechanism within the Public Administration Leadership and Management Academy and as a vehicle for the partial recovery of the costs of training programmes. The branches that are accounted for under the training account directly facilitate and monitor, in collaboration with provincial academies and local government training entities, the provision of leadership development and management training at all three levels of government. The strategic goals over the medium term are the same as the ones for the Public Administration Leadership and Management Academy.

Selected performance indicators

Table 12.26 Public Administration Leadership and Management Academy training trading account: Selected performance and operations indicators

Indicator	Activity/Objective/Programme/Project	Past ¹			Current	Projected		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of public sector officials trained in leadership development programmes in accordance with approved training programmes per year	Public sector organisational and staff development	2 246	3 287	2 000	6 000	7 000	8 000	9 000
Number of public sector officials trained in management programmes in accordance with approved training programmes per year	Public sector organisational and staff development	12 047	7 920	4 000	4 000	5 000	6 000	6 000
Number of public sector officials trained in administration programmes in accordance with approved training programmes per year	Public sector organisational and staff development	- ¹	- ¹	1 000	700	100	1 100	1 200
Number of PALAMA research projects undertaken in order to inform public sector capacity building needs and interventions per year	Public sector organisational and staff development	- ¹	- ¹	2	2	3	4	5
Number of front line public sector officials trained per year	Public sector organisational and staff development	1 116	1 500	1 700	1 500	1 600	1 700	1 800
Number of e-learning training interventions developed and implemented per year	Public sector organisational and staff development	8	10	10	10	10	15	20
Number of senior management service members participating in the Khaedu programme and placed to service delivery points in South Africa per year	Public sector organisational and staff development	324	300	300	300	300	350	400
Number of approved PALAMA courses customised for implementation by partner countries, in accordance with approved agreements per year	Public sector organisational and staff development	- ¹	2	2	2	2	2	2
Number of training needs analyses undertaken across the two spheres of government, in order to inform the capacity building needs and interventions per year	Public sector organisational and staff development	- ¹	8	3	2	2	2	2

1. Some new indicators were only introduced in 2010/11 and 2011/12

Programmes/activities/objectives

Table 12.27 Public Administration Leadership and Management Academy training trading account

R thousand	Audited outcome			Revised estimate 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%) 2009/10 - 2012/13	Medium-term estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%) 2012/13 - 2015/16
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
Public sector organisational and staff development	170 577	154 988	137 139	144 705	-5.3%	100.0%	177 059	186 419	194 995	10.5%	100.0%
Total expense	170 577	154 988	137 139	144 705	-5.3%	100.0%	177 059	186 419	194 995	10.5%	100.0%

Expenditure estimates

Table 12.28 Public Administration Leadership and Management Academy training trading account

Statement of financial performance		Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
		2009/10	2010/11	2011/12				2012/13	2013/14	2014/15		
R thousand												
Revenue												
Non-tax revenue												
Sale of goods and services other than capital assets												
of which:												
Sales by market establishment												
Other non-tax revenue												
Transfers received												
Total revenue												
Expenses												
Current expenses												
Compensation of employees												
Goods and services												
Depreciation												
Total expenses												
Surplus/(Deficit)												
Statement of financial position												
Carrying value of assets												
of which:												
Acquisition of assets												
Receivables and prepayments												
Cash and cash equivalents												
Total assets												
Accumulated surplus/(deficit)												
Deferred income												
Trade and other payables												
Provisions												
Total equity and liabilities												

Personnel information

Table 12.29 Public Administration Leadership and Management Academy training trading account

Post status estimated for 31 March 2013		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
Number of funded posts	Number of vacant posts	2011/12		2012/13			2013/14		2014/15		2015/16		2012/13 - 2015/16						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost				
Salary level	137	1	150	53.8	0.4	136	64.4	0.5	137	68.5	0.5	137	72.5	0.5	137	75.9	0.6	0.2%	100.0%
1 – 6	36	1	15	5.0	0.3	29	7.2	0.2	36	7.6	0.2	36	8.1	0.2	36	8.4	0.2	7.5%	25.0%
7 – 10	37	–	52	15.7	0.3	41	11.6	0.3	37	12.3	0.3	37	13.1	0.4	37	13.7	0.4	-3.4%	27.8%
11 – 12	33	–	42	8.9	0.2	35	17.2	0.5	33	18.3	0.6	33	19.3	0.6	33	20.2	0.6	-1.9%	24.5%
13 – 16	31	–	41	24.2	0.6	31	28.5	0.9	31	30.3	1.0	31	32.1	1.0	31	33.5	1.1	–	22.7%

1. Rand million.

Expenditure trends

Revenue for the training trading account of the Public Administration Leadership and Management Academy is expected to increase over the medium term as the number of public sector officials to be trained is expected to rise as more courses are being offered. The academy has also developed a model that enables it to recover training costs from the fees it charges.

The spending focus over the medium term continues to be on training related activities.

Expenditure on goods and services decreased significantly between 2009/10 and 2012/13 due to a decrease in the number of people trained. However, expenditure on this item over the medium term is projected to grow significantly to provide for the increase in the number of officials to be trained from 12 200 to 18 400 over the medium term.

Efficiency savings will be realised through the reduction of funding required for training activities. The funds can be directed to priorities such as monitoring and evaluation, as well as the development of course material, instead of funding training expenses.

As part of the Cabinet approved budget reductions, R4.7 million over the medium term is reduced in spending on non-core goods and services items, such as travelling and subsistence, entertainment and catering, through cost saving measures.

The trading account had an establishment of 137 posts and 1 post was vacant as at 30 September 2012 due to resignations. The trading account has allocated R1.5 million over the medium term for spending on consultants to provide support for designing and developing course material.

Public Service Sector Education and Training Authority

Mandate and goals

The authority oversees the provision of quality education and training in the public service sector to meet the current and future needs of stakeholders. These include government departments, Parliament, provincial legislatures, organised labour, participating parastatals and public entities.

The agency's objectives are aligned with the Skills Development Act (1998) and the performance indicators of the national skills development strategy. The authority is primarily mandated to identify skills shortages, facilitate education and training and encourage investment in skills development to increase competence and capacity in the public service sector to improve service delivery.

The authority's strategic goals over the medium term are to:

- develop a skilled and competent workforce in the public service sector that will take pride in delivering service value and promote government as an employer of choice to new market entrants
- improve employment for the previously disadvantaged and assisting work-seekers and retrenched workers to enter the labour market
- facilitate demand led skills development
- empower marginalised groups as directed by the national skills development strategy
- support further education and training colleges to increase their contributions to skills development and upgrade the existing skills of employees in the public service sector.

Selected performance indicators

Table 12.30 Public Service Sector Education and Training Authority

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of workers assisted to enter scarce and critical skills programmes through learnerships, apprenticeships, bursaries and skills programmes per year	Discretionary grants	700	1 300	2 000	2 500	2 500	2 500	2 500
Number of public service employees receiving qualifications per year	Transfers and subsidies	-1	-1	-1	1 000	1 000	1 000	1 000
Number of workplace based skills development mentors per year	Transfers and subsidies	-1	-1	-1	200	200	200	200
Number of artisan training programmes per year	Transfers and subsidies	-1	-1	-1	100	500	500	500
Number of cooperatives established in rural areas per year	Transfers and subsidies	-1	-1	-1	24	24	7	7

Table 12.30 Public Service Sector Education and Training Authority (continue)

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of public further education and training colleges capacitated through accreditation per year	Transfers and subsidies	-1	-1	-1	20	20	20	20
Number of learnerships facilitated per year	Transfers and subsidies	-1	-1	-1	200	200	200	200
Number of education and training development practitioners, skills development facilitators, mentors and evidence collectors facilitators trained per year	Transfers and subsidies	-1	-1	-1	100	200	200	200
Number of public further education and training colleges equipped and empowered for greater contribution and access to skills per year	Transfers and subsidies	-1	-1	-1	5	5	5	5
Number of qualifications developed to support occupation-specific career path in public service per year	Transfers and subsidies	-1	-1	-1	6	4	1	1
Number of private training providers accredited and supported per year	Transfers and subsidies	-1	-1	-1	4	3	4	4
Number of register assessors and moderators per year	Transfers and subsidies	-1	-1	-1	150	300	340	360
Number of qualifications registered with the Quality Council for Trades and Occupations per year	Transfers and subsidies	-1	-1	-1	-1	6	8	9

1. The training authority developed new indicators in line with its new strategic plan as it commences to operate for the first time as an independent entity.

Programmes/activities/objectives

Table 12.31 Public Service Sector Education and Training Authority

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16	2012/13 - 2015/16
R thousand											
Administration	3 594	157	23 661	22 589	84.5%	75.2%	18 086	25 098	26 253	5.1%	90.0%
Mandatory grants	56	911	1 765	896	152.0%	24.4%	673	704	736	-6.3%	3.0%
Discretionary grants	-	-	-	403	-	0.4%	5 900	317	331	-6.4%	7.0%
Total expense	3 650	1 068	25 426	23 888	87.1%	100.0%	24 659	26 119	27 320	4.6%	100.0%

Expenditure estimates

Table 12.32 Public Service Sector Education and Training Authority

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
	2009/10	2010/11	2011/12		2012/13	2009/10 - 2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16	2012/13 - 2015/16
R thousand											
Revenue											
Non-tax revenue	41	12	199	11	-35.7%	1.4%	6	6	6	-18.3%	0.0%
Other non-tax revenue	41	12	199	11	-35.7%	1.4%	6	6	6	-18.3%	0.0%
Transfers received	956	2 134	26 401	23 877	192.3%	98.6%	24 653	26 113	27 314	4.6%	100.0%
Total revenue	998	2 146	26 600	23 888	188.2%	100.0%	24 659	26 119	27 320	4.6%	100.0%
Current expenses	3 594	157	23 661	23 888	88.0%	76.6%	24 659	26 119	27 320	4.6%	100.0%
Compensation of employees	312	-	13 994	15 760	269.7%	32.4%	17 598	18 566	19 461	7.3%	69.9%
Goods and services	3 282	157	9 610	7 996	34.6%	44.0%	6 903	7 388	7 672	-1.4%	29.5%
Depreciation	-	-	57	132	-	0.2%	159	166	186	12.1%	0.6%
Transfers and subsidies	56	911	1 765	-	-100.0%	23.4%	-	-	-	-	-
Total expenses	3 650	1 068	25 426	23 888	87.1%	100.0%	24 659	26 119	27 320	4.6%	100.0%
Surplus/(Deficit)	(2 652)	1 078	1 174	-	-100.0%		-	-	-	-	-

Table 12.32 Public Service Sector Education and Training Authority (continued)

R thousand	Audited outcome			Revised estimate 2012/13	Average growth rate (%) 2009/10 - 2012/13	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%) 2012/13 - 2015/16	Expenditure/total: Average (%)
	2009/10	2010/11	2011/12				2013/14	2014/15	2015/16		
Statement of financial position											
Carrying value of assets of which:	-	-	153	161	-	0.5%	169	177	186	4.9%	1.0%
Acquisition of assets	-	-	220	230	-	0.7%	160	220	330	12.8%	1.4%
Accrued investment interest	-	-	-	1	-	0.0%	1	1	1	-	0.0%
Receivables and prepayments	129	1	615	644	70.9%	2.3%	680	712	745	5.0%	4.0%
Cash and cash equivalents	10 120	12 248	14 473	15 197	14.5%	97.2%	16 002	16 786	17 558	4.9%	95.0%
Total assets	10 249	12 249	15 241	16 003	16.0%	100.0%	16 852	17 676	18 490	4.9%	100.0%
Capital and reserves	(20 976)	2 196	3 370	3 539	- 155.3%	- 35.6%	3 728	3 907	4 090	4.9%	22.1%
Deferred income	-	8 618	10 536	11 063	-	52.2%	11 649	12 220	12 782	4.9%	69.1%
Trade and other payables	31 175	1 382	904	118	- 84.4%	80.5%	124	130	136	4.8%	0.7%
Provisions	50	53	431	452	108.3%	1.6%	476	500	522	4.9%	2.8%
Managed funds (e.g. poverty alleviation fund)	-	-	-	322	-	0.5%	339	356	372	4.9%	2.0%
Derivatives financial instruments	-	-	-	509	-	0.8%	536	563	588	4.9%	3.2%
Total equity and liabilities	10 249	12 249	15 241	16 003	16.0%	100.0%	16 852	17 676	18 490	4.9%	100.0%

Personnel information

Table 12.34 Public Service Sector Education and Training Authority

Post status estimated for 31 March 2013	Number of funded posts	Number of vacant posts	Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2011/12		Unit Cost	2012/13		Unit Cost	2013/14		Unit Cost	2014/15		Unit Cost			2015/16		2012/13 - 2015/16
			Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number	Cost	
Salary level	42	-	44	14.0	0.3	44	15.8	0.4	44	17.6	0.4	44	18.8	0.4	44	20.2	0.5	-	100.0%
1 - 6	5	-	5	0.6	0.1	5	0.7	0.1	5	0.8	0.2	5	0.8	0.2	5	0.9	0.2	-	11.4%
7 - 10	28	-	30	7.5	0.2	30	8.3	0.3	30	9.6	0.3	30	10.3	0.3	30	11.1	0.4	-	68.2%
11 - 12	5	-	5	2.6	0.5	5	3.2	0.6	5	3.4	0.7	5	3.6	0.7	5	3.9	0.8	-	11.4%
13 - 16	4	-	4	3.4	0.8	4	3.5	0.9	4	3.8	0.9	4	4.0	1.0	4	4.3	1.1	-	9.1%

1. Rand million.

Expenditure trends

The spending focus of the Public Service Sector Education and Training Authority over the medium term will continue to be on projects that are aligned with the national skills development strategy and that support the new economic growth path, the industrial policy action plan and rural development.

The significant increase in expenditure in the administration programme between 2009/10 and 2012/13 was to provide for an improvement in the authority's operational capacity after it became a stand-alone entity. It had previously been housed within the Department of Public Service and Administration. This also explains the significant increase in expenditure on compensation of employees over the same period.

Over the medium term, the bulk of the entity's spending will be on compensation of employees, which accounts for on average 70 per cent of the budget allocation to provide for the expected organisational growth. The authority's budget allocations over this period will be used to increase the number of workers it assists to enter scarce and critical skills programmes through learnerships, apprenticeships, bursaries and skills programmes from 2 000 in 2011/12 to 2 500 per year over the medium term.

As part of the Cabinet approved budget reductions of R2.1 million over the medium term, the entity implemented cost saving measures in expenditure on communications, catering, travel and subsistence, and printing and stationery. The measures included implementing more efficient communication systems and stricter monitoring of compliance with procurement policies, particularly on travel and subsistence.

The authority had an establishment of 44 posts with no vacant posts at the end of September 2012. The ratio of support to line function staff is 1:6.

Additional tables

Table 12.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2011/12		2011/12	2012/13			2012/13
Administration	165 259	169 663	150 329	181 076	6 153	187 229	178 658
Human Resource Management and Development	33 966	36 252	32 120	37 165	1 562	38 727	32 816
Labour Relations and Remuneration Management	23 273	25 969	24 578	22 528	5 611	28 139	28 139
Public Sector Information and Communication	40 862	39 157	34 704	43 916	(14 529)	29 387	20 207
Technology Management							
Service Delivery and Organisational Transformation	204 843	203 230	210 731	214 367	2 413	216 780	212 746
Governance and International Relations	221 866	215 882	193 007	232 435	(5 845)	226 590	220 890
Total	690 069	690 153	645 469	731 487	(4 635)	726 852	693 456
Economic classification							
Current payments	396 516	395 059	341 483	420 143	(9 496)	410 647	379 602
Compensation of employees	208 792	200 252	181 897	234 056	(7 360)	226 696	206 435
Goods and services	187 724	194 659	159 281	185 757	(2 136)	183 621	172 837
Interest and rent on land	–	148	305	330	–	330	330
Transfers and subsidies	290 891	291 067	295 810	304 642	4 861	309 503	309 503
Provinces and municipalities	–	2	2	–	–	–	–
Departmental agencies and accounts	290 416	290 416	293 080	304 044	4 172	308 216	308 216
Foreign governments and international organisations	475	478	673	598	–	598	598
Households	–	171	2 055	–	689	689	689
Payments for capital assets	2 662	4 027	8 130	6 702	–	6 702	4 351
Machinery and equipment	2 528	3 893	8 051	6 457	–	6 457	4 236
Software and other intangible assets	134	134	79	245	–	245	115
Payments for financial assets	–	–	46	–	–	–	–
Total	690 069	690 153	645 469	731 487	(4 635)	726 852	693 456

Table 12.B Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Compensation of employees (R thousand)	156 780	175 370	181 897	226 696	259 267	275 762	296 425
Training expenditure (R thousand)	2 634	3 422	3 666	4 936	4 029	4 362	4 117
Training spend as percentage of compensation	1.7%	2.0%	2.0%	2.2%	1.6%	1.6%	1.4%
Total number trained (headcount)	211	217	237	189			
<i>of which:</i>							
<i>Employees receiving bursaries (headcount)</i>	42	37	19	26			
<i>Leaverships (headcount)</i>	5	–	–	–			
<i>Internships (headcount)</i>	25	–	28	17			
Households receiving bursaries (R thousand)	–	–	525	525	–	–	–
Households receiving bursaries (headcount)	–	–	19	26			

Table 12.C Summary of departmental public private partnership projects

Project description: National Fleet Contract (RTG718PPP) R thousand	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2012/13	2013/14	2014/15	2015/16
Projects signed in terms of Treasury Regulation 16	1 013	1 694	1 717	1 739	–
Public private partnership unitary charge ¹	1 013	1 694	1 717	1 739	–
Total	1 013	1 694	1 717	1 739	–

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter.

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	National fleet contract
Brief description	Provision of fleet vehicles to the state (full maintenance lease contract)
Date public private partnership agreement was signed	2006/09/11
Duration of public private partnership agreement	Five years (ending November 2011). Contract was subsequently extended for a period of two years
Escalation index for unitary fee	Consumer price index excluding interest rates on mortgage bonds (annually) factored in at 3.2 per cent for 2011/2012 and 4 per cent per year on the variable factors for the remaining period.
Net present value of all payment obligations discounted at appropriate duration government bond yield	N/a
Variations and amendments to public private partnership agreement	Increase at consumer price index excluding interest rates on mortgage bonds effective annually in December
Cost implications of variations and amendments	R121 000 from 2012 to 2015
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	N/a

Table 12.D Summary of donor funding

Donor	Project	Departmental programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
R thousand													
Foreign													
In cash													
Canadian International Development Agency	Anti-corruption capacity building programme	Governance and International Relations	2006-2007	21 287	Goods and services	Strengthened competencies in the public service to prevent, detect, investigate and monitor corruption and, where necessary, have law enforcement officials prosecute. Increased the public service's understanding of corruption. Developed training material and trained officials	706	3 827	2 507	3 427	-	-	-
Royal Danish Embassy	Business anti-corruption training programme	Governance and International Relations	2006-2007	15 560	Goods and services	Increased capacity to fight corruption in the public sector. Report on the business survey against corruption	6 163	-	6 000	3 397	-	-	-
Deutsche Gesellschaft für Internationale Zusammenarbeit	Senior management service competency assessment	Human Resource Management and Development	2007-2008	1 080	Goods and services	Finalised compulsory competency assessment instruments for senior management service members	747	-	-	-	-	-	-
Deutsche Gesellschaft für Internationale Zusammenarbeit	HR Connect	Human Resource Management and Development	2008-2010	2 049	Goods and services	Implemented phases 2 and 3 of HR Connect. Changed organisational structure, updated new job titles and defined department unique job profiles on Persal. Distributed and captured survey forms	1 522	-	-	-	-	-	-
United Nations Development Programme	Ministers' programme	Governance and International Relations	2008/2009	1 161	Goods and services	Successfully convened the sixth Pan African conference of ministers for public service	1 161	-	-	-	-	-	-
Deutsche Gesellschaft für Internationale Zusammenarbeit	Awards sponsor	Service Delivery and Organisational Transformation	2008	593	Goods and services	Hosted the annual innovation conference and innovation awards	328	255	-	-	-	-	-

Table 12.D Summary of donor funding (continued)

Donor	Project	Departmental programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
R thousand													
Foreign													
In cash													
Deutsche Gesellschaft für Internationale Zusammenarbeit	Association for Public Policy Analysis and Management conference	Governance and International Relations	2009-2010	770	Goods and services	Contribution to the hosting of the Association for Public Policy Analysis and Management conference	-	-	-	770	-	-	-
European Union	Unlocking innovation in the public service	Service Delivery and Organisational Transformation	2013-2014	10 700	Goods and services	Facilitate the piloting and practical implementation of selective innovative solutions that will improve service delivery	-	-	-	-	6 000	4 700	-
In kind													
World Health Organisation	Training	Human Resource Management and Development	2009-2010	300	Goods and services	Trained government officials on occupational health and safety	300	-	-	-	-	-	-
John Hopkins Programme for International Education in Gynecology and Obstetrics	Increased capacity	Human Resource Management and Development	2009-2010	469	Goods and services	Increased the capacity for the health and wellness policy with regard to the implementation and access to confidentiality counselling and testing of HIV and Aids in the public sector	469	-	-	-	-	-	-
Local													
In cash													
African Renaissance Fund	Democratic Republic of the Congo census project	Governance and International Relations	2009-2010	30 404	Goods and services	Provided regional support to the Democratic Republic of the Congo in the stabilisation of the country, and built confidence in the state and developed new governance framework through a census project. Completed the public service census in Kinshasa and Bas Con	7 499	6 176	-	-	-	-	-
In kind													
National Credit Regulator	Training	Human Resource Management and Development	2009-2010	86	Goods and services	Training of government officials on financial wellness capacity development programs	86	-	-	-	-	-	-
Government Employment Medical Scheme	Operational costs for the African Association for Public Administration and Management project	Governance and International Relations	2010-2011	100	Goods and services	Supported the African Association for Public Administration and Management conference	-	100	-	-	-	-	-
Total				84 559			18 981	10 358	8 507	7 594	6 000	4 700	-

BUDGET 2013
ESTIMATES OF NATIONAL EXPENDITURE

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