Vote 10

Public Service and Administration

	2003/04 To be appropriated	2004/05	2005/06
MTEF allocations	R157 665 000	R126 370 000	R143 456 000
Statutory amounts	–	–	–
Responsible Minister	Minister for the Public Service and Administration		
Administering Department	Department of Public Service and Administration		
Accounting Officer	Director-General of Public Service and Administration		

Aim

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

Programme purpose and measurable objectives

Programme 1: Administration

Purpose: Provide policy and strategic leadership to the public service to enhance the public service's ability to deliver on Government's priorities and objectives.

Programme 2: Integrated Human Resources

Purpose: Develop and establish human resource management, and facilitate capacity building in the public service through negotiations and related interventions.

Measurable objective: To maintain and improve human resource management, and to build capacity to ensure effective and appropriate utilisation of human resources in the public service through targeted interventions.

Programme 3: Information and Technology Management

Purpose: Ensure the effective utilisation of information and information technology (IT) in Government, and facilitate the use of IT for the modernisation of Government and the establishment of e-government practices, within an acceptable information security environment.

Measurable objective: To provide a single IT window to access government services in a smoother and more efficient manner on a 24-hour basis.

Programme 4: Service Delivery Improvement

Purpose: Ensure service delivery improvement in Government through interventions, frameworks and learning products.

Measurable objective: To provide support frameworks and innovations to selected departments in order to improve the efficiency and effectiveness of service delivery systems.

Programme 5: Anti-Corruption

Purpose: Establish partnerships and devise strategies to fight corruption, and enhance ethical conduct and practices in the public service.

Measurable objective: To establish and implement strategies and partnerships to prevent and reduce levels of corruption in the public service.

Programme 6: Auxiliary and Associated Services

Purpose: Facilitate transfers to the State Information Technology Agency (Sita), a public entity charged with establishing, maintaining and enhancing Government's IT infrastructure.

Measurable objective: To deliver a virtual private network (VPN) that will enhance the security and reliability of communications within the public service.

Strategic overview and policy developments: 1999/00 – 2005/06

The main focus of the Department of Public Service and Administration (DPSA) is to improve service delivery (through its flagship Batho Pele programme), and to promote good governance throughout the public service through general reform and targeted support.

In July 1999, the Public Service Amendment Act (29 of 1999) came into force, and new Public Service Regulations were promulgated. The implementation of the new Public Service Management Framework (the amended Act, the Regulations and the collective agreements of the Public Service Co-ordinating Bargaining Council (PSCBC)) was a major focus in 1999/00.

Reforming conditions of service

The Department was also tasked with improving and streamlining conditions of service in the public service, and developing and implementing a wage policy aimed at stabilising personnel costs. During 2000/01, a wage agreement was signed which allowed the restructuring of macro-benefits (pension, housing, and medical aid) to be reviewed. Work on the restructuring is largely complete, and it will be implemented over the medium term, following negotiations with both national and provincial departments. An additional three-year wage agreement was also concluded in this period. In June 2002, following the finalisation of the Public Service Job Summit Framework Agreement in June 2001, the Agreement on the Transformation and Restructuring of the Public Service was reached, and implementation will be rolled out over the next 18 months.

Further reforms included the development and implementation of the Senior Management System (SMS), which includes a flexible remuneration package, a competency framework and a performance management system. Work on the Senior Management System will continue over the medium term, but a platform has been established and the reforms will be extended to all levels below senior management. The restructuring of salary levels 11 and 12 is well under way, and is likely to reach completion and be implemented over the medium term.

HIV/Aids

Another focus area is the possible impact of the HIV/Aids pandemic. A strategy on HIV/Aids for the public service as employer has been developed, and is in the process of being implemented. An intensive communications strategy will be rolled out in 2003/04. It is likely that the implementation of the HIV/Aids strategy will remain a focus area for the Department throughout the medium term.

Human resource development

During 2002/03 the Department launched a strategy on human resource development, an integral part of reform and good governance. The Public Services Sector Education and Training Authority (PSETA), housed within the Department, will play an important role in capacitating the public service over the medium to longer term. In line with the aims of Batho Pele, a programme has been established to engage with other public service institutions to help them to improve the services offered to the public, and how services are offered.

Support to provinces

Re-engineering support was provided to national departments through focused projects, and to provincial departments through the Integrated Provincial Support Programme (IPSP). The IPSP is funded by multiple donors, and is aimed at providing support to provinces with backlogs from the previous dispensation. Originally the Eastern Cape, Limpopo, and KwaZulu-Natal were targeted, and in 2002 the programme was extended to Mpumalanga, the Northern Cape and the Free State. The Department intends to extend and strengthen its support to provinces over the medium term, especially to service delivery institutions.

Communication

Part of the strategy for improving service delivery includes sharing knowledge and promoting learning. Two learning networks were established, 27 interdepartmental and intradepartmental learning events on various service delivery themes were organised, and 'Service Delivery Review', a learning journal for public service managers, was launched.

The Department of Public Service and Administration is responsible for establishing approaches to IT management, and acquiring and using IT to enhance e-government efforts. It also acts as secretariat to the Government Information Technology Officers' (GITO) Council and co-ordinates its work. The Department's mandate is to advise Government on IT issues and market e-government approaches to service delivery. The e-Government Policy Framework was published in April 2001, and e-Government Regulations were developed and approved by the GITO Council.

A major project, called Gateway, aimed at providing a single IT window for public access to Government services, will be launched in June 2003. The first phase – procurement and tender specification – has been completed. The second phase – implementation – will be rolled out over the medium term. All e-government projects will be brought in line with the objectives of Gateway. This project is run in partnership with the State Information Technology Agency, for which the Department also has oversight responsibilities.

The communication of Batho Pele is crucial to its success. Communication initiatives include the institution of the annual Africa Public Service Day and Public Service Week. A major communication campaign linking Batho Pele and Gateway will be rolled out during 2003/04.

Anti-corruption

Following a Cabinet decision, a unit for anti-corruption and high profile cases was established in April 2001. Its first activities were doing research and developing anti-corruption strategies, focusing with some urgency on building capacity in national and provincial departments to handle high profile cases. Seventy-five senior managers were trained. They have formed a panel outside of the Department, and the unit was scaled down during 2002/03. The focus for the unit for the medium term will be the ongoing implementation of the Public Service Anti-Corruption Strategy, which was approved by Cabinet in January 2002.

Expenditure estimates

Table 10.1: Public Service and Administration

Programme	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
R thousand	1999/00	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
1 Administration	19 585	24 995	30 193	28 036	28 815	29 673	31 878	33 813
2 Integrated Human Resources	16 790	17 552	23 752	37 597	32 724	30 626	36 987	44 077
3 Information and Technology Management	4 083	1 736	9 020	20 339	18 071	22 114	22 758	24 084
4 Service Delivery Improvement	5 484	9 424	9 555	15 985	16 471	23 074	32 671	39 235
5 Anti-Corruption	–	–	–	1 741	1 617	2 176	2 074	2 245
6 Auxiliary and Associated Services	110 506	31 040	26 593	45 002	45 002	50 002	2	2
Total	156 448	84 747	99 113	148 700	142 700	157 665	126 370	143 456
Change to 2002 Budget Estimate				11 415	5 415	3 864	13 729	

Economic classification								
Current	49 490	51 736	63 980	100 437	94 030	103 113	120 479	137 238
Personnel	33 011	36 710	41 900	52 802	49 071	59 128	60 504	63 831
Transfer payments	5 203	55	1	1	1	1	1	1
Other current	11 276	14 971	22 079	47 634	44 958	43 984	59 974	73 406
Capital	106 958	33 011	35 133	48 263	48 670	54 552	5 891	6 218
Transfer payments	105 303	31 039	26 592	45 001	45 001	50 001	1	1
Acquisition of capital assets	1 655	1 972	8 541	3 262	3 669	4 551	5 890	6 217
Total	156 448	84 747	99 113	148 700	142 700	157 665	126 370	143 456

Standard items of expenditure								
Personnel	33 011	36 710	41 900	52 802	49 071	59 128	60 504	63 831
Administrative	6 129	7 545	10 268	16 961	16 049	13 873	18 020	19 175
Inventories	834	2 453	3 337	4 853	5 975	7 467	7 070	8 685
Equipment	2 100	2 498	9 182	3 855	5 376	5 488	6 881	7 300
Land and buildings	–	–	–	–	–	–	–	–
Professional and special services	3 244	4 134	7 460	25 227	21 227	21 707	33 893	44 463
Transfer payments	110 506	31 094	26 593	45 002	45 002	50 002	2	2
Miscellaneous	624	313	373	–	–	–	–	–
Total	156 448	84 747	99 113	148 700	142 700	157 665	126 370	143 456

Expenditure trends

The programme structure of the Department of Public Service and Administration was amended in 2002/03. Four previous subprogrammes became main programmes, bringing the total number of programmes to six: *Administration; Integrated Human Resources; Information and Technology Management; Service Delivery Improvement; Anti-Corruption;* and *Auxiliary and Associated Services.* The managers of the previous subprogrammes are heading up what have now become programmes. The budgets for the managers previously fell under *Administration.* The past information and baseline numbers were converted to allow comparisons between the different years.

The total budget for 2003/04 increased compared to the 2002 Budget Estimates, to accommodate the simultaneous decrease of donor funding and expansion of the Department's work. The additional funds will be used, primarily, to combat the HIV/Aids epidemic facing the public service, to facilitate the use of technology for the modernisation of Government (through the Gateway project) and to continue to enhance support to provincial and national departments to accelerate service delivery.

An additional amount of R9 million for *Integrated Human Resources* was allocated to the Department in 2002/03, relating to funds situated in the operational bank account of the Public Services Sector Education and Training Authority and funds emanating from an agreement with the Public Service Central Bargaining Council. The Department's restructuring planning and projected expenditure was revised, and it became clear that the full R9 million would not be used in 2002/03. The balance will be used in 2003/04.

Excluding the transfer payments to the State Information Technology Agency, the Department's core expenditure increased by an average annual rate of 31,2 per cent between 1999/00 and 2002/03. Appropriated funds were augmented by a substantial amount of donor funding, mainly to facilitate innovation and improvement in service delivery in provincial and national departments.

Departmental receipts

Total departmental receipts for 2003/04 are projected to be R136 000, which is comparable to past levels. This income flows from parking fees, bursary debts, interest on bursary debts, stale cheques and commissions.

Table 10.2: Departmental receipts

	Revenue outcome				Medium-term revenue estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation			
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Tax revenue	–	–	–	–	–	–	–
Non-tax revenue	30	30	31	36	39	42	45
Interest	–	–	–	–	–	–	–
Dividends	–	–	–	–	–	–	–
Rent	–	–	–	–	–	–	–
Sales of goods and services	30	30	31	36	39	42	45
Fines, penalties and forfeits	–	–	–	–	–	–	–
Miscellaneous	–	–	–	–	–	–	–
Sales of capital assets (capital revenue)	–	–	–	–	–	–	–
Financial transactions (recovery of loans and advances)	89	172	93	83	97	108	110
Total departmental receipts	119	202	124	119	136	150	155

Programme 1: Administration

Administration is responsible for providing policy and strategy leadership, management and administrative guidance. It includes the Ministry and Communications, the Office of the Director-General, and the Internal Audit, Legal Services and Corporate Management sections.

Expenditure estimates

Table 10.3: Administration

Subprogramme	Expenditure outcome				Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation			
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Minister [1]	475	544	652	691	746	791	835
Management	2 410	4 460	7 010	6 905	6 319	6 633	6 996
Corporate Services	16 700	19 991	22 531	20 440	22 608	24 454	25 982
Total	19 585	24 995	30 193	28 036	29 673	31 878	33 813
Change to 2002 Budget Estimate				(2 206)	(2 668)	(2 801)	

[1] Payable as from 1 April 2002. Salary: R552 984. Car allowance: R138 246.

Economic classification

Current	18 721	23 823	26 338	27 751	29 291	31 486	33 412
Personnel	10 956	12 883	15 021	18 011	18 828	19 267	20 446
Transfer payments	–	–	–	–	–	–	–
Other current	7 765	10 940	11 317	9 740	10 463	12 219	12 966
Capital	864	1 172	3 855	285	382	392	401
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	864	1 172	3 855	285	382	392	401
Total	19 585	24 995	30 193	28 036	29 673	31 878	33 813

Standard items of expenditure

Personnel	10 956	12 883	15 021	18 011	18 828	19 267	20 446
Administrative	3 753	5 156	5 702	5 262	5 379	5 805	6 225
Inventories	622	1 515	1 588	923	906	1 061	1 082
Equipment	1 306	1 692	4 315	638	763	784	808
Land and buildings	–	–	–	–	–	–	–
Professional and special services	2 655	3 594	3 543	3 202	3 797	4 961	5 252
Transfer payments	–	–	–	–	–	–	–
Miscellaneous	293	155	24	–	–	–	–
Total	19 585	24 995	30 193	28 036	29 673	31 878	33 813

Expenditure trends

Administration showed an average annual growth rate of 12,7 per cent between 1999/00 and 2002/03. Two additional posts on the Executive Manager level were created, resulting in an increase in personnel and operational expenditure. The average annual growth rate will stabilise at 6,4 per cent over the medium term. Main cost drivers in this programme include subsistence and transport, mainly related to the Ministry and the Office of the Director-General, and other centralised items such as external audit costs, the services of the State Information Technology Agency, and communications and advertisement costs.

Programme 2: Integrated Human Resources

The aim of this programme is to establish and enhance, through negotiations and related interventions, human resource management and development practices in the public service, to ensure the effective and appropriate utilisation of human capacity for service delivery.

Expenditure estimates

Table 10.4: Integrated Human Resources

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Management	1 023	1 006	1 145	1 086	1 322	1 379	1 450
Remuneration and Conditions of Service	3 334	6 951	7 569	6 581	6 129	6 534	6 656
Negotiations and Labour Relations	5 120	1 674	3 377	10 561	3 823	3 987	4 206
Employment Practice and Career Management	4 586	4 024	4 749	9 593	10 649	15 902	21 907
Human Resource Development Strategy	2 727	3 843	1 872	1 413	1 703	2 185	2 762
Public Service Education and Training Authority	–	54	5 040	8 363	7 000	7 000	7 096
Total	16 790	17 552	23 752	37 597	30 626	36 987	44 077
Change to 2002 Budget Estimate				(24 444)	(40 832)	(40 973)	

Economic classification							
Current	16 190	17 179	22 859	37 188	30 405	36 738	43 825
Personnel	14 181	14 470	15 682	17 771	20 398	21 112	22 199
Transfer payments	–	54	–	–	–	–	–
Other current	2 009	2 655	7 177	19 417	10 007	15 626	21 626
Capital	600	373	893	409	221	249	252
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	600	373	893	409	221	249	252
Total	16 790	17 552	23 752	37 597	30 626	36 987	44 077

Standard items of expenditure							
Personnel	14 181	14 469	15 682	17 771	20 398	21 112	22 199
Administrative	1 291	1 486	3 169	9 570	4 679	5 574	6 892
Inventories	111	629	1 151	1 278	1 213	2 108	3 055
Equipment	603	374	1 003	590	547	608	677
Land and buildings	–	–	–	–	–	–	–
Professional and special services	393	451	2 747	8 388	3 789	7 585	11 254
Transfer payments	–	54	–	–	–	–	–
Miscellaneous	211	89	–	–	–	–	–
Total	16 790	17 552	23 752	37 597	30 626	36 987	44 077

Transfer payments per subprogramme							
Public Service Sector Education and Training Authority	–	54	–	–	–	–	–
Total	–	54	–	–	–	–	–

Expenditure trends

Integrated Human Resources accommodates the largest number of employees in the Department. Personnel expenditure constitutes 66,6 per cent of the programme's total budget for 2003/04. Additional funding to enable the public service as an employer to deal with HIV/Aids has been allocated to the Department for 2002/03 to 2005/06. This results in an average annual growth rate of 5,4 per cent from 2002/03 to 2005/06.

Service delivery objectives and indicators

Recent outputs

During 2002/03, *Integrated Human Resources* tabled, among others, the following issues at the Public Service Co-ordinating Bargaining Council: a framework policy for further developing a closed medical scheme; a restructuring agreement (implementation of which is under way); and an agreement on the implementation of the restructured Foreign Service Dispensation (FSD).

Work on the following has started, and will be implemented and finalised in the medium term: the Health Risk Management Policy (which, pending the outcome of the pilot process, will be rolled out to the rest of the public service in 2004); an incentive policy framework incorporating pay progression, grade progression, and incentive bonuses for levels 1–12; and a new, all-inclusive remuneration package scheme for levels 11 and 12.

The programme also committed itself to run a project to benchmark the 'Equate' job evaluation system with other job evaluation systems. The recommended changes are under consideration. Furthermore a new Performance Management and Development System (PMDS) was implemented and support was provided to departments. The Human Resource Development (HRD) Strategy, including the Scarce Skill Strategy and Internship Framework, was launched and implementation will extend from 2002 to 2006.

The Public Services Sector Education and Training Authority was accredited by the South African Qualifications Authority (SAQA) to serve as an Education and Training Quality Assurance (ETQA) body, and the Sector Skills Plan submitted to the Department of Labour was approved.

Milestones in the area of HIV/Aids include the approval of the Implementation Strategy on HIV/Aids, the implementation of the minimum standards and the completion of a guide, the awarding of a communications tender and the finalisation of the communication strategy.

Medium-term output targets

Integrated Human Resources

Measurable objectives: To maintain and improve human resource management, and to build capacity to ensure effective and appropriate utilisation of human resources in the public service through targeted intervention.			
Subprogramme	Output	Measure/Indicator	Target
Remuneration and Conditions of Service	Restructured medical assistance, pensions, and housing benefits	Implementation of medical assistance dispensation; Resolution 12 of 2002; and cost-effective housing benefits for all public servants	November 2003
	Review of remuneration dispensations for public servants on salary level 11 and 12	Negotiation on the revised scheme followed by implementation	November 2003
	Development and implementation of a new pay incentive system linked to Performance Management and Development System	Cost-effective and sustainable policy on incentive pay	July 2003
Negotiations and Labour Relations	Review and maintenance of labour relations policy	Communication of amended policy	All departments

Subprogramme	Output	Measure/Indicator	Target
Employment Practice and Career Management	Review of Senior Management System (SMS) systems	Consultation with departments to report on the impact on recruitment and retention of SMS managers	All departments
	Enhanced capacity of public service to mitigate the impact of HIV/Aids	Establishment of a technical assistance facility, and promotion of a strategy to utilise people living with HIV/Aids	November 2003
	Improved recruitment and selection practices	Consultation to increase levels of employment of women, middle managers, and people with disabilities	All departments consulted by September 2003
Human Resource Development Strategy	Continuing implementation of the Human Resource Development Strategy	Hosting of workshops and distribution of material to communicate contents of the policy	All departments
Public Service Education and Training Authority	Development of skills development levy guideline	Skills development levy guidelines implemented by all government departments	June 2003

Programme 3: Information and Technology Management

The aim of this programme is to ensure that information and IT are appropriately and effectively used in Government, and to facilitate the use of IT for modernising Government and establishing e-government practices.

Expenditure estimates

Table 10.5: Information and Technology Management

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Management	–	425	122	672	1 152	1 207	1 275
Information and Technology Management	4 083	1 311	8 898	19 667	20 962	21 551	22 809
Total	4 083	1 736	9 020	20 339	22 114	22 758	24 084
Change to 2002 Budget Estimate				(24 663)	(27 888)	22 756	

Economic classification							
Current	3 943	1 730	5 712	17 779	18 366	17 723	18 747
Personnel	3 674	1 393	3 602	5 345	5 693	5 676	5 977
Transfer payments	–	–	–	–	–	–	–
Other current	269	337	2 110	12 434	12 673	12 047	12 770
Capital	140	6	3 308	2 560	3 748	5 035	5 337
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	140	6	3 308	2 560	3 748	5 035	5 337
Total	4 083	1 736	9 020	20 339	22 114	22 758	24 084

Standard items of expenditure							
Personnel	3 674	1 393	3 602	5 345	5 693	5 676	5 977
Administrative	131	252	452	936	2 182	2 999	3 305
Inventories	14	70	229	2 476	4 301	1 868	1 853
Equipment	140	6	3 332	2 575	3 836	5 124	5 427
Land and buildings	–	–	–	–	–	–	–
Professional and special services	59	–	1 057	9 007	6 102	7 091	7 522
Transfer payments	–	–	–	–	–	–	–
Miscellaneous	65	15	348	–	–	–	–
Total	4 083	1 736	9 020	20 339	22 114	22 758	24 084

Expenditure trends

The *Information and Technology Management* programme was restructured and expanded to allow for the new focus on IT in the public service. This included an increase in personnel expenditure. As from 2002/03, the budget for this programme increases to start the process of implementing e-government initiatives to improve service delivery. *Information and Technology Management* thus showed a significant average annual growth rate of 70,8 per cent between 1999/00 and 2002/03.

Service delivery objectives and indicators

Recent outputs

During 2002/03 the Government Information Technology Officers' Council approved both the framework for information and operational plans, and the policy on IT acquisition (ITAC).

In May 2002 the Minister for the Public Service and Administration approved the framework on inter-operability, while the framework on information security was submitted to the National Intelligence Agency (NIA) for consideration.

With the revisiting of the Gateway project in relation to the e-government policy framework, both the electronic portal for exchange and collaboration between government departments and the revamping of the window to government services for the public now form part of the Gateway project.

The Department, in conjunction with the State Information Technology Agency, is currently still working on establishing an electronic portal for intergovernmental access to records and project information. The technical development of project KITE (enabling Cabinet to collaborate securely electronically) is complete, and the next phase of downloading information is in progress.

Medium-term output targets

Information and Technology Management

Measurable objective: To provide a single IT window to access government services in a smoother and more efficient manner on a 24-hour basis.			
Subprogramme	Output	Measure/Indicator	Target
Information and Technology Management	Achievement of economies of scale and avoidance of duplication in procurement	IT acquisition committee operating according to the prescribed policy and procedures	30 September 2003
	Development of electronic transaction capability	Gateway Phase II delivered	30 September 2003

Programme 4: Service Delivery Improvement

Service Delivery Improvement engages in supportive interventions and partnerships which enhance not only the efficiency and effectiveness of service delivery but also innovative learning and knowledge-based modes and practices.

Expenditure estimates

Table 10.6: Service Delivery Improvement

Subprogramme	Expenditure outcome				Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation			
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Management	133	94	279	1 550	2 588	2 643	2 786
Service Delivery Improvement	5 351	9 330	9 276	14 435	20 486	30 028	36 449
Total	5 484	9 424	9 555	15 985	23 074	32 671	39 235
Change to 2002 Budget Estimate				15 985	23 074	32 671	
Economic classification							
Current	5 433	9 003	9 070	15 977	22 874	32 457	39 008
Personnel	4 200	7 964	7 595	10 415	12 719	12 899	13 577
Transfer payments	–	–	–	–	–	–	–
Other current	1 233	1 039	1 475	5 562	10 155	19 558	25 431
Capital	51	421	485	8	200	214	227
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	51	421	485	8	200	214	227
Total	5 484	9 424	9 555	15 985	23 074	32 671	39 235
Standard items of expenditure							
Personnel	4 200	7 965	7 595	10 415	12 719	12 899	13 577
Administrative	954	651	945	839	1 275	3 382	2 464
Inventories	87	239	369	107	958	2 024	2 595
Equipment	51	426	532	52	320	343	364
Land and buildings	–	–	–	–	–	–	–
Professional and special services	137	89	113	4 572	7 802	14 023	20 235
Transfer payments	–	–	–	–	–	–	–
Miscellaneous	55	54	1	–	–	–	–
Total	5 484	9 424	9 555	15 985	23 074	32 671	39 235

Expenditure trends

Previously, *Service Delivery Improvement* was mainly funded by international donors and sponsors. From 2000/01, additional funding was appropriated to accommodate the decrease in donor funding and the simultaneous expansion and strengthening of the Department's support to departments and provinces. The average annual growth rate is thus 34,9 per cent from 2002/03 to 2005/06.

Service delivery objectives and indicators

Recent outputs

Following the Department's work on improving service delivery, the Department developed and published the following during 2002/03: two editions of 'Service Delivery Review'; guidelines on standardised fee rates for consultants; a guide on the creation of public entities; a guide on learning and knowledge management; a manual on establishing learning networks, and a report on under-spending in Government, which was presented to Cabinet.

Medium-term output targets

Service Delivery Improvement

Measurable objective: To provide support frameworks and innovations to selected departments in order to improve the efficiency and effectiveness of service delivery systems.

Subprogramme	Output	Measure/Indicator	Target
Service Delivery Improvement (SDI)	Batho Pele initiatives revitalised	Extensive communications campaign on Batho Pele in place	August 2003
	Sharing of knowledge and promotion of learning	Production of 'Service Delivery Review', Learning Academy conference, and Public Management Conversation meeting	December 2003
	Guidance of prioritisation of SDI efforts, and enhancement of interface between the Department and its partners in SDI	Development of strategies and early warning system	November 2003
	Research on black economic empowerment	Research report with recommendations on strategy	August 2003

Programme 5: Anti-Corruption

The aim of this programme is to facilitate the establishment of strategies to fight corruption and to enhance ethical conduct in the public service.

Expenditure estimates

Table 10.7: Anti-Corruption

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Anti-Corruption	–	–	–	1 741	2 176	2 074	2 245
Total	–	–	–	1 741	2 176	2 074	2 245
Change to 2002 Budget Estimate				1 741	2 176	2 074	
Economic classification							
Current	–	–	–	1 741	2 176	2 074	2 245
Personnel	–	–	–	1 260	1 490	1 550	1 632
Transfer payments	–	–	–	–	–	–	–
Other current	–	–	–	481	686	524	613
Capital	–	–	–	–	–	–	–
Transfer payments	–	–	–	–	–	–	–
Acquisition of capital assets	–	–	–	–	–	–	–
Total	–	–	–	1 741	2 176	2 074	2 245

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Standard items of expenditure							
Personnel	–	–	–	1 260	1 490	1 550	1 632
Administrative	–	–	–	354	358	260	289
Inventories	–	–	–	69	89	9	100
Equipment	–	–	–	–	22	22	24
Land and buildings	–	–	–	–	–	–	–
Professional and special services	–	–	–	58	217	233	200
Transfer payments	–	–	–	–	–	–	–
Miscellaneous	–	–	–	–	–	–	–
Total	–	–	–	1 741	2 176	2 074	2 245

Expenditure trends

Anti-Corruption is a new programme. The first appropriation of funds was for the 2002/03 financial year, and the average annual growth from 2002/03 to 2005/06 will be 8,8 per cent.

Service delivery objectives and indicators

Recent outputs

Significant progress in the implementation of the Public Service Anti-Corruption Strategy was made during 2002/03. The Anti-Corruption Unit has been involved in the international process around promoting international co-operation on corruption.

Medium-term output targets

Anti-Corruption

Measurable objective: To establish and implement strategies and partnerships to prevent and reduce levels of corruption in the public service.

Subprogramme	Output	Measure/ Indicator	Target
Anti-Corruption	Increased institutional capacity to prevent and address corruption	Implementation of the Public Service Anti-Corruption Strategy	April 2005
	Active participation in regional and international opportunities	Establishment of regional and international anti-corruption co-operation	December 2005
	Establishment of Corruption Management Information System	Country corruption assessment results accepted by National Anti-Corruption Forum	April 2006

Programme 6: Auxiliary and Associated Services

The aim of the programme is to facilitate transfers to the State Information Technology Agency, a public entity charged with establishing, maintaining and enhancing Government's IT infrastructure.

Expenditure estimates

Table 10.8: Auxiliary and Associated Services

Subprogramme	Expenditure outcome				Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation			
R thousand	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
State Information Technology Agency	110 506	31 040	26 593	45 002	50 002	2	2
Total	110 506	31 040	26 593	45 002	50 002	2	2
Change to 2002 Budget Estimate				45 002	50 002	2	
Economic classification							
Current	5 203	1	1	1	1	1	1
Personnel	–	–	–	–	–	–	–
Transfer payments	5 203	1	1	1	1	1	1
Other current	–	–	–	–	–	–	–
Capital	105 303	31 039	26 592	45 001	50 001	1	1
Transfer payments	105 303	31 039	26 592	45 001	50 001	1	1
Acquisition of capital assets	–	–	–	–	–	–	–
Total	110 506	31 040	26 593	45 002	50 002	2	2
Standard items of expenditure							
Personnel	–	–	–	–	–	–	–
Administrative	–	–	–	–	–	–	–
Inventories	–	–	–	–	–	–	–
Equipment	–	–	–	–	–	–	–
Land and buildings	–	–	–	–	–	–	–
Professional and special services	–	–	–	–	–	–	–
Transfer payments	110 506	31 040	26 593	45 002	50 002	2	2
Miscellaneous	–	–	–	–	–	–	–
Total	110 506	31 040	26 593	45 002	50 002	2	2
Transfer payments per subprogramme							
State Information Technology Agency	110 506	31 040	26 593	45 002	50 002	2	2
Total	110 506	31 040	26 593	45 002	50 002	2	2

Expenditure trends

The transfer payments between 1999/00 and 2001/02 were considered a form of bridging finance of a capital nature from the former Central Computer Services, Infoplan (Department of Defence), and the South African Police Service (SAPS). The transfers for 2002/03 and 2003/ allow the State Information Technology Agency to create a virtual private network for Government. No further transfers to Sita are foreseen for the rest of the medium term.

Service delivery objectives and indicators

Medium-term output targets

Auxiliary and Associated Services

Measurable objective: To deliver a virtual private network (VPN) that will enhance the security and reliability of communications within the public service.

Subprogramme	Output	Measure/Indicator	Target
State Information Technology Agency	Enhanced security and reliability of communications	Virtual private network established	March 2004

Public entities reporting to the Minister

State Information Technology Agency

The Department has oversight responsibility for the State Information Technology Agency (Sita), which was established to provide IT, information systemsand related services to, or on behalf of, participating government organs, and to act as a government agent in the development and maintenance of government IT systems.

Sita has concluded the restructuring that was approved by Cabinet in April 2001. The Sita Act (88 of 1998) has been amended (38 of 2002) to allow Sita to render services according to the IT House of Values set of criteria. The Information Technology Acquisition Centre has been established, as agreed with National Treasury and prescribed in the amended Act. Sita will do all procurement on behalf of national departments and provincial governments.

Sita is currently focusing on transversal contracts that will improve service delivery and lower costs to departments. Contracts have been awarded to Microsoft and Novell for establishing the Government Common Core Network (GCCN). The GCCN will be instrumental in providing virtual private networks to departments.

Partnerships with industry remain at the core of Sita's effort to render cost-effective services to departments. The integration of national departments and provincial governments is continuing, in line with the provisions of the amended Act and the Sita integration strategy. Although Sita posted a loss for the 2001/02 financial year, there is no doubt that Sita has become financially self-sufficient. Sita is normally funded from fees for its services, in terms of service level agreements. To improve self-sufficiency, and in line with local and international practice, Sita has increased its rates for 2003/04.

Annexure

Vote 10: Public Service and Administration

Table 10.9: Summary of expenditure trends and estimates per programme

Table 10.10: Summary of expenditure trends and estimates per economic classification

Table 10.11: Summary of expenditure trends and estimates per standard item

Table 10.12: Summary of personnel numbers and costs

Table 10.13: Summary of expenditure on training

Table 10.14: Summary of information and communications technology expenditure

Table 10.15: Summary of donor support

Table 10.9: Summary of expenditure trends and estimates per programme

| R thousand | Expenditure outcome | | | 2002/03 | | | | Medium-term expenditure estimate | | | | |
| | Audited | Audited | Preliminary outcome | Main appropriation | Additional appropriation | Adjusted appropriation | Revised estimate | Current | Capital | Total | | |
	1999/00	2000/01	2001/02					2003/04			2004/05	2005/06
1 Administration	19 585	24 995	30 193	30 242	(2 206)	28 036	28 815	29 291	382	29 673	31 878	33 813
2 Integrated Human Resources	16 790	17 552	23 752	26 956	10 641	37 597	32 724	30 405	221	30 626	36 987	44 077
3 Information and Technology Management	4 083	1 736	9 020	20 402	(63)	20 339	18 071	18 366	3 748	22 114	22 758	24 084
4 Service Delivery Improvement	5 484	9 424	9 555	12 883	3 102	15 985	16 471	22 874	200	23 074	32 671	39 235
5 Anti-Corruption	–	–	–	1 800	(59)	1 741	1 617	2 176	–	2 176	2 074	2 245
6 Auxiliary and Associated Services	110 506	31 040	26 593	45 002	–	45 002	45 002	1	50 001	50 002	2	2
Total	156 448	84 747	99 113	137 285	11 415	148 700	142 700	103 113	54 552	157 665	126 370	143 456
Change to 2002 Budget Estimate					11 415		5 415			3 864	13 729	

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Table 10.10: Summary of expenditure trends and estimates per economic classification

R thousand	Expenditure outcome			2002/03				Medium-term expenditure estimate				
	Audited	Audited	Preliminary outcome	Main appropriation	Additional appropriation	Adjusted appropriation	Revised estimate	2003/04			2004/05	2005/06
								Current	Capital	Total		
	1999/00	2000/01	2001/02									
Current	49 490	51 736	63 980	89 107	11 330	100 437	94 030	103 113	–	103 113	120 479	137 238
Personnel	33 011	36 710	41 900	53 973	(1 171)	52 802	49 071	59 128	–	59 128	60 504	63 831
Salaries and wages	23 750	27 393	30 120	39 803	(432)	39 371	36 573	43 148	–	43 148	44 093	46 407
Other	9 261	9 317	11 780	14 170	(739)	13 431	12 498	15 980	–	15 980	16 411	17 424
Transfer payments	5 203	55	1	1	–	1	1	1	–	1	1	1
Subsidies to business enterprises	5 203	55	1	1	–	1	1	1	–	1	1	1
Other levels of government												
social security funds	–	–	–	–	–	–	–	–	–	–	–	–
universities and technikons	–	–	–	–	–	–	–	–	–	–	–	–
extra-budgetary institutions	–	–	–	–	–	–	–	–	–	–	–	–
provincial government	–	–	–	–	–	–	–	–	–	–	–	–
local government	–	–	–	–	–	–	–	–	–	–	–	–
Households and non-profit institutions	–	–	–	–	–	–	–	–	–	–	–	–
Foreign countries and international credit institutions	–	–	–	–	–	–	–	–	–	–	–	–
Other	11 276	14 971	22 079	35 133	12 501	47 634	44 958	43 984	–	43 984	59 974	73 406
Capital	106 958	33 011	35 133	48 178	85	48 263	48 670	–	54 552	54 552	5 891	6 218
Transfer payments	105 303	31 039	26 592	45 001	–	45 001	45 001	–	50 001	50 001	1	1
Other levels of government	–	–	–	–	–	–	–	–	–	–	–	–
Other capital transfers	105 303	31 039	26 592	45 001	–	45 001	45 001	–	50 001	50 001	1	1
Movable capital	1 655	1 972	8 541	3 177	85	3 262	3 669	–	4 551	4 551	5 890	6 217
Motor vehicles (transport)	–	268	339	–	–	–	–	–	–	–	–	–
Equipment - Computers	1 532	1 040	2 484	3 023	–	3 023	3 023	–	4 178	4 178	5 457	5 775
Equipment - Other office equipment	80	484	875	71	–	71	71	–	94	94	126	131
Other	43	180	4 843	83	85	168	575	–	279	279	307	311
Fixed capital	–	–	–	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–	–	–	–
Infrastructure	–	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–	–
Total	156 448	84 747	99 113	137 285	11 415	148 700	142 700	103 113	54 552	157 665	126 370	143 456

Table 10.11: Summary of expenditure trends and estimates per standard item

R thousand	Expenditure outcome			Main appropriation	Additional appropriation	Adjusted appropriation	Revised estimate	Medium-term expenditure estimate				
	Audited	Audited	Preliminary outcome					Current	Capital	Total		
	1999/00	2000/01	2001/02	2002/03	2002/03	2002/03	estimate	2003/04	2003/04	2003/04	2004/05	2005/06
Personnel	33 011	36 710	41 900	53 973	(1 171)	52 802	49 071	59 128	–	59 128	60 504	63 831
Administrative	6 129	7 545	10 268	10 133	6 828	16 961	16 049	13 873	–	13 873	18 020	19 175
Inventories	834	2 453	3 337	4 309	544	4 853	5 975	7 467	–	7 467	7 070	8 685
Equipment	2 100	2 498	9 182	3 770	85	3 855	5 376	937	4 551	5 488	6 881	7 300
Land and buildings	–	–	–	–	–	–	–	–	–	–	–	–
Professional and special services	3 244	4 134	7 460	20 098	5 129	25 227	21 227	21 707	–	21 707	33 893	44 463
Transfer payments	110 506	31 094	26 593	45 002	–	45 002	45 002	1	50 001	50 002	2	2
Miscellaneous	624	313	373	–	–	–	–	–	–	–	–	–
Total	156 448	84 747	99 113	137 285	11 415	148 700	142 700	103 113	54 552	157 665	126 370	143 456

Table 10.12: Summary of personnel numbers and costs[1]

Personnel numbers	1999/00	2000/01	2001/02	2002/03	2003/04
1 Administration	126	120	109	110	110
2 Integrated Human Resources	95	93	85	87	87
3 Information and Technology Management	25	9	20	44	44
4 Service Delivery Improvement	28	50	41	21	21
5 Anti-Corruption	–	–	–	6	6
Total	274	272	255	268	268
Total personnel cost (R thousand)	33 011	36 710	41 900	52 802	59 128
Unit cost (R thousand)	120.5	135.0	164.3	197.0	220.6

[1] Full-time equivalent

Table 10.13: Summary of expenditure on training

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
1 Administration	330	506	1 013	476	605	650	686
2 Integrated Human Resources	93	300	426	362	368	450	546
3 Information and Technology Management	3	4	39	28	15	16	17
4 Service Delivery Improvement	54	99	11	–	138	153	214
5 Anti-Corruption	–	–	–	–	14	15	15
Total	480	909	1 489	866	1 140	1 284	1 478

Table 10.14: Summary of information and communications technology expenditure

R thousand	Expenditure outcome	Adjusted appropriation	Medium-term expenditure estimate		
	2001/02	2002/03	2003/04	2004/05	2005/06
1 Administration	1 175	171	78	81	64
Technology	1 175	171	78	81	64
IT services	–	–	–	–	–
2 Integrated Human Resources	827	402	268	327	427
Technology	827	352	236	246	329
IT services	–	50	32	81	98
3 Information and Technology Management	422	–	73	81	84
Technology	422	–	73	81	84
IT services	–	–	–	–	–
4 Service Delivery Improvement	439	–	221	237	252
Technology	439	–	221	237	252
IT services	–	–	–	–	–
Total	2 863	573	640	726	827

Table 10.15: Summary of donor support

ODA Programme/Project Name	Donor	Cash or Kind	Outcome				Medium-term expenditure estimate		
R thousand			1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Public Service Transformation Support Programme	DFID	Cash	-	-	10	10	10	-	-
	DFID, European Union	Cash	-	343	905	701	280	-	-
	DFID, USAID, PQ AFRICA	Kind	217	160	-	-	-	-	-
	CIDA	Cash	-	92	713	-	-	-	-
Public Service Transformation Support Programme	DFID	Cash	-	-	413	368	47	-	-
	Siemens	Kind	62	439	439	390	-	-	-
	DFID, NBC, PSCBA, CIDA	Cash	1 378	1 757	2 396	2 091	-	-	-
Public Service Transformation Support Programme	DFID	Cash	-	-	6 976	3 626	2 626	200	-
Public Sector Reform Programme	GTA	Kind	-	5 000	5 000	5 000	10 000	-	-
Integrated Provincial Support Programme	DFID	Cash	10 000	10 000	10 000	50 000	50 000	50 000	50 000
Public Service Transformation Support Programme	DFID	Cash	-	-	400	-	-	-	-
Centre for Crime prevention	United Nations	Kind	-	-	770	1 997	-	-	-
		Kind	-	-	8	-	-	-	-
	Netherlands, DFID	Cash	387	171	6 354	250	-	-	-
			12 044	17 962	34 384	64 433	62 963	50 200	50 000