

Vote 9

Public Service and Administration

| 2007/08 | | | | |
|----------------------------------|---|------------------------|----------|----------|
| R thousand | Main appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated | 357 283 | 384 063 | – | 26 780 |
| <i>of which:</i> | | | | |
| Current payments | 335 291 | 380 479 | – | 45 188 |
| Transfers and subsidies | 18 868 | 408 | (18 460) | – |
| Payments for capital assets | 3 124 | 3 176 | – | 52 |
| Executive authority | Minister for Public Service and Administration | | | |
| Accounting officer | Director-General of Public Service and Administration | | | |

Aim

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

Adjusted Estimates of National Expenditure 2007

Table 9.1: Adjusted Estimates

| Programme | | 2007/08 | | | | | |
|---|--------------------|--------------------------|----------------------------|-----------------|-------------------|--------------------------------|------------------------|
| R thousand | Main appropriation | Additional appropriation | | | | | Adjusted appropriation |
| | | Roll-overs | Unforeseeable /unavoidable | Virement | Other adjustments | Total additional appropriation | |
| 1. Administration | 79 251 | – | – | 13 363 | – | 13 363 | 92 614 |
| 2. Human Resource Management and Development | 48 901 | – | – | (8 011) | – | (8 011) | 40 890 |
| 3. Management of Compensation | 79 910 | – | 13 898 | 1 038 | – | 14 936 | 94 846 |
| 4. Information and Technology Management | 40 286 | 4 500 | – | (2 656) | – | 1 844 | 42 130 |
| 5. Service Delivery Improvement | 78 881 | – | – | (454) | – | (454) | 78 427 |
| 6. Governance | 30 054 | 8 085 | – | (3 280) | 297 | 5 102 | 35 156 |
| Total | 357 283 | 12 585 | 13 898 | – | 297 | 26 780 | 384 063 |
| Economic classification | | | | | | | |
| Current payments | 335 291 | 12 585 | 13 898 | 18 408 | 297 | 45 188 | 380 479 |
| Compensation of employees | 99 044 | – | – | 18 613 | – | 18 613 | 117 657 |
| Goods and services | 236 247 | 12 585 | 13 898 | (205) | 297 | 26 575 | 262 822 |
| Transfers and subsidies | 18 868 | – | – | (18 460) | – | (18 460) | 408 |
| Departmental agencies and accounts | 18 421 | – | – | (18 421) | – | (18 421) | – |
| Foreign governments and international organisations | 447 | – | – | (39) | – | (39) | 408 |
| Payments for capital assets | 3 124 | – | – | 52 | – | 52 | 3 176 |
| Machinery and equipment | 2 873 | – | – | 52 | – | 52 | 2 925 |
| Software and other intangible assets | 251 | – | – | – | – | – | 251 |
| Total | 357 283 | 12 585 | 13 898 | – | 297 | 26 780 | 384 063 |

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R12.585 million

Programme 4: Information and Technology Management

R4.5 million has been rolled over to maintain and deploy the CabEnet system.

Programme 6: Governance

R1.149 million has been rolled over for the Global Forum V on Fighting Corruption and Safeguarding Integrity which was held in April 2007.

R2.045 million has been rolled over for the second phase of the All Africa Public Sector Innovation Awards.

R826 000 has been rolled over for the SADC governance workshop and the African Public Service Charter workshop.

R410 000 has been rolled over for hosting the African Association for Public Administration and Management national chapter workshop.

R3.655 million has been rolled over for completing the impact appraisal of the national anti-corruption framework project.

Unforeseeable and unavoidable expenditure – R13.898 million

Programme 3: Management of compensation

R10.398 million has been allocated for media that kept the public informed on the strike and the progress of the salary negotiations. R3.5 million has been allocated for a post strike survey.

Virements

Table 9.2: Details on virements per programme and economic classification

| Programme / Economic classification | R thousand | | Motivation |
|--|------------|---------------|--|
| | From | To | |
| 1. Administration | – | 13 363 | |
| Current payments | – | 11 569 | |
| Compensation of employees | – | 8 202 | Funds shifted from compensation of employees in programme 4 and 6, and from goods and services in all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards. |
| Goods and services | – | 3 367 | Funds shifted from goods and services in all other programmes will be used to centralise buying computer equipment and furniture in this programme. |
| Payments for capital assets | – | 1 794 | |
| Machinery and equipment | – | 1 607 | Funds shifted from machinery and equipment in all other programmes will be used to centralise buying computer equipment and furniture in this programme. |
| Software and other intangible assets | – | 187 | Funds shifted from software and intangible assets in all other programmes will be used to centralise buying capital computer software in this programme. |

Table 9.2: Details on virements per programme and economic classification (continued)

| Programme / Economic classification | R thousand | | Motivation |
|---|-----------------|---------------|--|
| | From | To | |
| 2. Human Resource Management and Development | (18 863) | 10 852 | |
| Current payments | – | 10 852 | |
| Compensation of employees | – | 3 077 | Funds shifted from compensation of employees in programme 4 and 6, and goods and services from all the programmes, will be used for filling critical posts, and for pay progression and performance awards. Funds shifted from departmental agencies and accounts in this programme will be used for costs relating to the PSETA subprogramme's compensation of employees. |
| Goods and services | – | 7 775 | Due to operational difficulties no direct transfer will be made to PSETA. The savings have been shifted to compensation of employees and goods and services in this programme, and to compensation of employees and goods and services in programme 1. |
| Transfers and Subsidies | (18 421) | – | |
| Departmental agencies and accounts | (18 421) | – | Due to operational difficulties will no direct transfer be made to PSETA. Expenditure relating to this sub-programme will be accounted for under compensation of employees and goods and services. |
| Payments for capital assets | (442) | – | |
| Machinery and equipment | (432) | – | Buying capital computer equipment was centralised in programme 1. |
| Software and other intangible assets | (10) | – | Buying capital computer software was centralised in programme 1. |
| 3. Management of Compensation | (2 790) | 3 828 | |
| Current payments | (2 728) | 3 828 | |
| Compensation of employees | – | 3 828 | R2.728 million shifted from goods and services will be used to pay consultants. Funds shifted from compensation of employees in programmes 4 and 6, and goods and services from all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards. |
| Goods and services | (2 728) | – | Savings due to incorrectly classified funds for consultants' fees have been shifted to compensation of employees. |
| Payments for capital assets | (62) | – | |
| Software and other intangible assets | (62) | – | Buying capital computer software was centralised in programme 1. |
| 4. Information and Technology Management | (2 656) | – | |
| Current payments | (2 556) | – | |
| Compensation of employees | (7) | – | Savings due to lower remuneration for an acting staff member have been shifted to compensation of employees in programme 1. |
| Goods and services | (2 549) | – | Savings due to lower consultancy fees have been shifted to compensation of employees in programme 1. |
| Payments for capital assets | (100) | – | |
| Machinery and equipment | (100) | – | Buying capital computer equipment and furniture was centralised in programme 1. |
| 5. Service Delivery Improvement | (4 840) | 4 386 | |
| Current payments | (4 236) | 4 386 | |
| Compensation of employees | – | 4 386 | Funds shifted from compensation of employees in programmes 4 and 6, and goods and services in all the programmes, will be used for critical posts that will be filled, and for pay progression and performance awards. |
| Goods and services | (4 236) | – | Savings due to reprioritization have been shifted to compensation of employees. |
| Transfers and Subsidies | (39) | – | |
| Foreign governments and international organisations | (39) | – | Savings on gifts and donations have been shifted to goods and services in programme 2. |
| Payments for capital assets | (565) | – | |
| Machinery and equipment | (460) | – | Buying capital computer equipment and furniture was centralised in programme 1. |
| Software and other intangible assets | (105) | – | Buying capital computer software was centralised in programme 1. |
| 6. Governance | (3 280) | – | |
| Current payments | (2 707) | – | |
| Compensation of employees | (873) | – | Savings due to 2 unfilled vacant posts were shifted to compensation of employees in programme 1. |
| Goods and services | (1 834) | – | R1.013 million was shifted to goods and services in programme 1 to centralize buying capital computer equipment. R821 000 was reprioritized for filling critical posts and shifted to compensation of employees in programme 1. |
| Payments for capital assets | (573) | – | |
| Machinery and equipment | (563) | – | Buying capital computer equipment and furniture was centralised in programme 1. |
| Software and other intangible assets | (10) | – | Buying capital computer software was centralised in programme 1. |
| Total for Vote | (32 429) | 32 429 | |

Other adjustments – R297 000

Self-financing expenditure

Programme 6: International and African Affairs

R297 000 has been received from the Commonwealth for the 4th African meeting of heads of public service (Pan African Ministers of Public Services). The money has been surrendered into the National Revenue Fund.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 9.3: Expenditure trends

| Programme | 2006/07 | | | | 2007/08 | | |
|---|------------------------|---------------------|---------------------|--|-------------------------|---------------------|--|
| | Expenditure outcome | | | | Preliminary expenditure | | |
| | Adjusted appropriation | Apr 2006 - Sep 2006 | Apr 2006 - Mar 2007 | Apr 06 - Mar 07 % of adjusted appropriation | Adjusted appropriation | Apr 2007 - Sep 2007 | % change 06/07 - 07/08 Apr - Sep |
| R thousand | | | | | | | |
| 1. Administration | 60 458 | 33 772 | 62 677 | 103.7 | 92 614 | 40 618 | 20.3 |
| 2. Human Resource Management and Development | 34 462 | 12 731 | 33 864 | 98.3 | 40 890 | 15 137 | 18.9 |
| 3. Management of Compensation | 169 226 | 94 252 | 167 814 | 99.2 | 94 846 | 58 684 | (37.7) |
| 4. Information and Technology Management | 38 037 | 8 121 | 33 075 | 87.0 | 42 130 | 7 093 | (12.7) |
| 5. Service Delivery Improvement | 66 039 | 25 285 | 65 344 | 98.9 | 78 427 | 26 170 | 3.5 |
| 6. Governance | 74 204 | 27 472 | 66 580 | 89.7 | 35 156 | 13 446 | (51.1) |
| Total | 442 426 | 201 633 | 429 354 | 97.0 | 384 063 | 161 148 | (20.1) |
| Current payments | 362 710 | 123 539 | 345 742 | 95.3 | 380 479 | 156 544 | 26.7 |
| Compensation of employees | 93 463 | 41 752 | 92 528 | 99.0 | 117 657 | 54 031 | 29.4 |
| Goods and services | 269 247 | 81 787 | 253 187 | 94.0 | 262 822 | 102 512 | 25.3 |
| Financial transactions in assets and liabilities | – | – | 27 | – | – | 1 | (100.0) |
| Transfers and subsidies | 75 670 | 75 701 | 76 197 | 100.7 | 408 | 2 906 | (96.2) |
| Provinces and municipalities | 89 | 63 | 63 | 70.8 | – | – | (100.0) |
| Departmental agencies and accounts | 75 030 | 75 167 | 75 154 | 100.2 | – | 2 691 | (96.4) |
| Public corporations and private enterprises | 66 | 65 | – | – | – | 82 | 26.2 |
| Foreign governments and international organisations | 485 | 406 | 399 | 82.3 | 408 | 100 | (75.4) |
| Households | – | – | 581 | – | – | 33 | (100.0) |
| Payments for capital assets | 4 046 | 2 393 | 7 415 | 183.3 | 3 176 | 1 698 | (29.0) |
| Machinery and equipment | 3 945 | 2 361 | 7 329 | 185.8 | 2 925 | 1 698 | (28.1) |
| Software and other intangible assets | 101 | 32 | 86 | 85.1 | 251 | – | (100.0) |
| Total | 442 426 | 201 633 | 429 354 | 97.0 | 384 063 | 161 148 | (20.1) |

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R161.148 million or 42 per cent of the adjusted appropriation of R384.063 million for the year as a whole. Expenditure in the first six months of 2007/08 decreased by 20.1 per cent compared to the first six months of 2006/07.

The main decreases compared to 2006/07 are related to once-off payments for Government Employee Medical Scheme (GEMS) and relocation costs, and lower spending on CabEnet and vacancies.

Expenditure in 2006/07 was 97 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 9.4: Summary of changes to transfers and subsidies per programme

| 2007/08 | | | | | | | |
|---|--------------------|--------------------------|----------------------------|----------|-------------------|--------------------------------|------------------------|
| R thousand | Main appropriation | Additional appropriation | | | | Total additional appropriation | Adjusted appropriation |
| | | Roll-overs | Unforeseeable /unavoidable | Virement | Other adjustments | | |
| 2. Human Resource Management and Development | 18 477 | – | – | (18 421) | – | (18 421) | 56 |
| Departmental agencies and accounts | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | |
| Current | 18 421 | – | – | (18 421) | – | (18 421) | – |
| Public Service Education and Training Authority | 18 421 | – | – | (18 421) | – | (18 421) | – |
| 5. Service Delivery Improvement | 45 | – | – | (39) | – | (39) | 6 |
| Foreign governments and international organisations | | | | | | | |
| Current | 45 | – | – | (39) | – | (39) | 6 |
| Gifts and donations | 39 | – | – | (39) | – | (39) | – |

